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JANUARY 7, 1922.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCIV.

SATURDAY, JANUARY 7, 1922.

No. 4,089.

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1 Jan., 1920... Kr. 69,000,000

CREDITO ITALIANO.

Capital Fully Paid	...	...	...	...	Lire 300,000,000
Reserve	...	...	...	...	Lire 80,000,000
Deposits and Current Accounts at 30th June, 1921	...	...	...	...	Lire 4,683,270,156

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TABLE OF CONTENTS.

The Money Market	1	Stock Exchange News—	
Leading Articles—		The Stock Markets	20
Election Issues.....	3	New Issues.....	21
Our Index Number—A		Active Securities	21
Year's Prices.....	4	Company Meetings	23
The Aircraft Manufacturing		Government Returns—	
Company	5	Treasury Bills by Public	
Latin-American Notes	6	Tender.....	25
Two Years' Rand Mining		Currency Notes Account...	25
Dividends	6	Bankers' Gazette—	
Land and Property in 1921	7	Bank of England	25
Business Notes—		Clearing Returns	26
Bankers' Clearings	8	Overseas Bank Returns	26
Stock Exchange Values	9	Loan and Discount Rates..	28
The First Bank Dividends..	9	Overseas Bank Rates	28
National Savings Certificates	9	Rates of Exchange	28
The New Chilean Loan	9	Bullion	29
The Salvador Railway.....	9	Imports and Exports of Gold	29
Dutch Loan in New York ..	10	Gold and Silver Prices	29
The Chartered Report.....	10	Company News—	
British American Tobacco..	10	Mining Output Statistics ..	22
London Electricity Supply..	10	Oil Outputs	22
Japanese Trade & Finance..	12	Dividend Announcements ..	22
Indian Cattle Exports.....	12	Analysis of Balance-Sheets..	29
The Revenue	11	Reports and Notices.....	29
Overseas Correspondence—		Railway & Tramway Traffic	30
United States	12	Profit and Loss Accounts....	32
France.....	13	Commercial Reports—	
Germany	14	Corn Trade	32
Canada	16	Iron and Coal Trade.....	33
Greece.....	16	Cotton Trade	34
Argentina	17	Wool Trade	34
Letters to the Editor—		Hide and Leather Trades....	35
Anglo-Irish Finance	18	Portland Cement	35
Books and Publications—		Overseas Produce Markets..	35
Reviews	19	Price Current	36
Books Received.....	20		

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THE MONEY MARKET.

AFTER the four days' scarcity which preceded the end of 1921, money became even more abundant than had been expected. The banks released large sums, the Bank had lent a very large sum to the market and to the Government, the whole of which was not due for repayment this week, and the demands of trade do not increase. Thus the "tap" rate of Treasury bills, which remained at 3½ until Thursday as a result of the high tender rate of the preceding week, proved attractive, and sales were large. Efforts to maintain the three months' bill rate above this level were

not very successful, and after the result of Friday's tender was known the rate became weaker still.

	Jan. 6, 1922.	Dec. 30, 1921.	Dec. 22, 1921.	Dec. 16, 1921.	Previous Rate and Date Changed.
Bank Rate	5%	5%	5%	5%	5% (Nov. 3, '21)
Banks Deposit Rate	3	3	3	3	3% (Nov. 3, '21)
Discount, Call	3	3	3	3	3% (Nov. 3, '21)
Houses Notice	3½	3½	3½	3½	3½ (Nov. 3, '21)
Treasury Bills, 3 months ..	2½	3½	3½	3½	..
Market rate (3 months' bills)	3½	3½	3½	3½	..

* Additional to those offered by tender the preceding week.

Heavy borrowing at the Bank is reflected in Thursday's Bank Return, which shows an increase of £68½ millions in securities—£31½ millions for Government, and £36½ millions for Other. The gold stock rose by £5,600, and the circulation fell by £825,800, so that the Reserve was £831,400 higher. As deposits increased by £69½ millions, of which £68½ millions went on to Other, the Proportion dropped from 16½% to 11 per cent. There was a reduction of £5,720,900 to £319,863,500 in the circulation of currency notes in the week ended January 4, 1922. These figures include notes called in, but not yet cancelled. The fiduciary issue is £270,183,800, or £39,804,600 below the new maximum, which is based on the highest of 1921, and becomes £309,988,400.

THE STOCK MARKETS.

The opening of the New Year has proved rather disappointing in the Stock Exchange, where gilt-edged stocks have fallen back a little. This movement is attributed to heavy new issues, fears of the Cannes Conference, and the uncertainty created by General Election talk. Home Railway prior-charge stocks have, however, shown renewed strength. A feature of the week is the disappearance from the list of Lancashire and Yorkshire Railway stocks on absorption by the North-Western. Details of the week's movements are given in a later column.

COMMODITY MARKETS.

Although no decided increase has taken place in the cotton markets, inquiries have been well maintained, and some fair contracts arranged. It is believed in Manchester that the Indian boycott is gradually breaking down. Wool markets have opened the New Year confidently, and a strong advance in the price of the raw material is predicted in Bradford. In the iron and steel trades there is little new to report. Most steelworks are idle, owing to the New Year holidays, which in some districts are being extended beyond the usual length. Collieries are well supplied with orders for best house coal; but, owing to the industrial holidays, the demand for steam coal has not been maintained. The wheat market is firm, owing to recovery in the United States and Canada. Business in the markets for vegetable oils and oilseeds is generally quiet, and the demand for linseed oil exceptionally poor. Quotations for hides have eased off, but there is a fair inquiry for sole leather, and the shoe trade is more optimistic. Details of news and movements in the principal markets from special correspondents will be found on later pages of this issue.

FOREIGN EXCHANGES.

Uncertainty as to the deliberations of the Cannes Conference and a tendency to be pessimistic as to its results have been the chief features of the foreign exchange market during the past week. The German mark, after being comparatively steady for some little time past, has

started to move up again, and from 775 on the 30th had by Thursday reached 832. Yesterday there was a recovery to 795, but the position is still quite obscure, and the reported attitude of France and Belgium towards reparation is making the bearish view predominate. The rate for future marks is three to four marks per month below spot. In Paris, too, the prevailing uncertainty has tended to send the franc higher, and on Thursday a quotation of 52.58½ was reached, as compared with 52.32½ on the 30th. Yesterday morning, however, there was a fall here also to 52.50. The Brussels rate has risen from 54.44 to 55, thus again widening the spread between the two currencies. The future quotation in Paris is one point per month either side of spot, in Brussels it remains unchanged at 8 to 12 centimes per month below spot. The dollar also has been affected by the prevailing depression, and has fallen from 4.21 on the 30th to 4.19½ yesterday, after being just below 4.19 on Thursday. Future rates are slightly wider again at ½ cent per month over spot. The lira, which has been shaken by the troubles of the Banca di Sconto, was up to 98.24½ on Tuesday, but has now recovered again to 97½, as compared with 96½ on the 30th. Among the "Neutral" exchanges Amsterdam has gone well in our favour; Madrid, after moving up, is about the same as a week ago, while Switzerland has gone slightly against us. Among the Northern currencies, Stockholm has depreciated, and is now again about 17, while Christiania and Copenhagen have both slightly appreciated, probably in connection with loan operations in America. In Central Europe, Austria has again gone higher, and reports would suggest that the prospects of assistance are still very obscure. The Inlandskrone rate on Wednesday stood at 28,190, as compared with the Auslands rate of 11,250 on the same date—an absurd discrepancy, with which for some reason the Austrian authorities still neglect to deal. Warsaw, on the other hand, shows an improving tendency, and the Prague rate, mainly on rumours of successful loan negotiations, still unconfirmed, is again higher. Belgrade continues unable to get control of its financial difficulties, and the recent large increase in circulation is reflected in another rise in the dinar quotation. Bucharest, although the various restrictions do not yet appear to have been satisfactorily modified, is again quoted, after a long interval, at 550-600. Athens, on loan reports, shows a distinct improvement to 96½ from 100. In the East, rupees, at 1s 4d, are very slightly cheaper, while the yen is slightly dearer. Silver has been very quiet, with a tendency towards lower rates. Both Hong Kong and Shanghai are slightly cheaper. In Buenos Ayres, the quotation at 43½d is slightly cheaper, while Montevideo has depreciated rather more sharply to just under 41d. Valparaiso, also at 40.20s is rather cheaper.

THE NATIONAL ACCOUNTS.

The revenue statement for the nine months ended December 31st, which is reproduced in full on a later page, shows total receipts from revenue amounting to £676,831,300, as compared with £888,803,700 for the corresponding period of the previous financial year, a decrease of £211,972,400. The estimates for the full current financial year, it may be mentioned, are £1,216,650,000. The most prominent decreases, as compared with the receipts of the nine months of 1920-21, are excess profits duty (—£126,640,000), and miscellaneous special receipts (—£104,519,000). Excess profits duty has yielded to date only £29,714,000, against an estimate for the year of £120 millions, while the corporation profits tax has brought in £10,290,000 out of an estimated £30 millions for the year. Income-tax receipts amount to £174,660,000, against an estimate of £410,500,000 for the 12 months. In the nine months a net reduction of £15,490,000 has been effected in the floating debt, the total of which now stands at £1,259,840,000, and compares with £1,408,081,000 at December 31, 1920. There has been a welcome decline, as compared with the end of 1920, in Ways and Means Advances from the Bank of England, namely, from £87,250,000 to £20,000,000, while advances by Public Departments have dropped from £218,722,000 to £180,034,000.

FINANCIAL YEAR, 1921-22 (TO DATE) APRIL 1 TO DECEMBER 31, 1921.

Total spent	£ 739,990,604	Raised by revenue ..	£ 676,831,318
Inc. in balances	580,945	Net borrowings	63,740,231
Total	740,571,549	Total	740,571,549

ESTIMATES for YEAR 1921-22.

Ordinary Receipts ..	£ 1,058,150,000	Ordinary Expenditure	£ 874,023,000
Special Receipts ..	188,540,000	Special Expenditure	65,705,000
Total	1,246,690,000	Total	1,039,728,000

Surplus* 176,962,000

* Owing to liabilities which could not be precisely calculated, it was estimated that the final balance would not exceed about £80,000,000.

NATIONAL DEBT. (Million £.)

	4th Apr. 1918	Mar. 31, 1918	Mar. 31, 1919	Mar. 31, 1920	Dec. 31, 1920	Dec. 31, 1921	Mar. 31, 1922
Funded Debt	588	584	518	518	515	515	515
War Annuities	37	37	22	22	19	19	19
4½% War Stock	249	249	63	63	63	63	63
4½% War Stock	..	..	16	16	13	13	13
4½% War Stock	..	..	2,091	2,091	2,049	2,008	1,999
National War Bonds	..	..	649	1,436	1,478	1,441	1,413
4½% Funding Bonds	..	..	..	..	409	407	405
4½% Victory Bonds	..	..	..	..	362	359	346
4½% Corporation L.P.	..	..	..	..	..	..	..
4½% War Loan Bonds	..	..	..	..	..	18	23
5½% Treasury Bonds	..	..	..	..	..	..	275
Treasury Bills	16	77	961	1,107	1,107	1,121	1,060
Exchequer Bonds	30	87	282	328	328	328	328
Nat'l Savings Certs.	..	..	138	297	278	278	285
War Expend. Certs.	..	..	33	..	..	..	294
Other Debt	..	..	944	1,341	1,306	1,164	1,134
American Loans	..	..	..	..	..	..	1,087
Temporary Advances	..	..	204	468	343	306	154
Other Capital Liabilities	654	1,105	5,873	7,435	8,033	7,829	7,754
Total Liabilities	57	57	49	46	46	47	49
Total Liabilities	711	1,162	5,921	7,481	8,079	7,876	7,823

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.

Way and Means Advances	Dec. 31, '20.	Mar. 31, '21.	Dec. 31, '21.	Dec. 31, '21.	Movement week ended Dec. 31, '21.
Outstanding—					
Advances by Bank of England ..	87,250,000	..	20,000,000	..	+20,000,000
Advances by Public Departments ..	218,722,000	154,489,000	180,034,000	..	+64,900,000
Treasury Bills outstanding	1,102,109,000	1,120,841,000	1,059,806,000	..	—28,450,000
Total Floating Debt	1,408,081,000	1,275,330,000	1,259,840,000	..	—14,870,000

ELECTION ISSUES.

In the absence of definite news from either of the conferences, or of an authoritative pronouncement from the head of the Government as to his political intentions, Rumour has had a particularly busy week. In particular, the Press and other agents of the lying jade have left us in complete uncertainty as to whether there will or will not be an election next month. From the business point of view, a General Election would be an unwelcome interruption to the slow recovery of trade, which, though past the crisis, is still in need of careful nursing. The commercial world would be better pleased if the appeal to the country were postponed until the autumn; but if, as has been suggested, the alternative is a May election, we believe that most business men would prefer to cut short the period of waiting, and get it over now. In passing, it may be noted that no intermediate date is possible, since, if the present Parliament meets again at all, the estimates must be dealt with, the Budget introduced, and the Irish Act passed—a task which, if it is to be done properly, should occupy a considerable amount of Parliamentary time.

Few will regret the early demise of the present House of Commons, which has enhanced scarcely any personal reputations, contributed very little of permanent value to the legislative record of the country, and has not added to the prestige of Parliamentary Government in the minds of the people. But a new House of Commons would be an improvement only in so far as it enabled greater definiteness to be given to the policy of all parties. As a writer in the current *Nineteenth Century and After* has said, "Coalition Governments from their very nature

are almost bound to be opportunist in their action, inasmuch as the divergent opinions of their followers preclude the possibility of their adopting a policy on a common principle. Their motto must be 'sufficient unto the day,' and in this respect the present Government is no exception." Coalition Government for the purpose of making peace was perhaps a necessity, and certainly it is extremely doubtful whether the Irish settlement could have been carried through the British Parliament in the face of Conservative opposition. But after three years of confusion, the development of political thought would be greatly stimulated, and trade and industry be given a fairer field, if the election, when it comes, could be made the occasion of placing before the country a few clear issues of principle.

A century ago, when peace, with its troublesome problems and difficult readjustments, "broke out" in Europe after a quarter of a century of war, British political life passed through a phase not unlike our present situation. It is true that there was no actual Coalition, but party divisions and policies were sadly confused, and both parties in the State found themselves endeavouring to reconcile the most contrary opinions. The historian records that the years 1815-22 were singularly barren in legislative and administrative achievement, and that the Opposition, distracted by internal weakness and division, was unable to exercise effective pressure on the Government. "In finance, at a moment which demanded the most drastic remedial measures, the only real reform proceeded from a Committee whose chairman was a private member." It was, indeed, 20 years before the political ideas of the period began to affect legislation and policy, while the great principle of Free-trade did not emerge triumphant for three decades. But there is no reason why we should repeat the mistakes of history and allow hand-to-mouth tactics to dominate our politics for an indefinite period. An intelligent public opinion can be formed far more rapidly to-day than in the early nineteenth century, and we may reasonably ask our political leaders, and the Prime Minister in particular, to state the principles upon which they propose to act. We urge this demand not as a matter of theory, but because the absence of a definite objective, and the consequent frequent changes in policy, have produced distrust of the Government both at home and abroad, and are largely responsible for the present unsatisfactory state of our international relations, and for the internal condition of India and Egypt. No one can compare British policy in regard to reparations at the Paris Peace Conference and at Cannes, or study our attitude towards France on other political questions, without understanding something, at all events, of the distrust which our Government inspires across the Channel. It is easy to criticise French policy or opinion and to point out the serious difficulties which are being created by her Government. But if we can cast from our own eye the beam of inconsistency, we shall be better able to appreciate the defects in our neighbour's vision. Similarly, in other fields the essential weaknesses of coalition lay the Government open to very damaging destructive criticism.

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CHAIRMAN.

The Right Hon. R. McKENNA

JOINT MANAGING DIRECTORS:

S. B. MURRAY F. HYDE E. W. WOOLLEY

Subscribed Capital ..	£38,116,815
Paid-up Capital ..	10,860,565
Reserve Fund ..	10,860,565
Deposits (June 30th, 1921) ..	371,322,381

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In Ireland, for example, the present policy of reconciliation follows upon two years of the most outrageous form of warfare, thereby lending colour to the dangerous idea that violence is a more powerful and effective argument than reason; while in home affairs the whole programme of economic reform developed under the auspices of the National Industrial Conference of 1919 has been jettisoned, and the Government policy in regard to agriculture and the nationalisation of railways and mines reversed. It cannot even be claimed that the Government has carried out the primary purpose for which it was elected, for peace is not yet made in that most difficult of all diplomatic fields—Turkey and the Near East.

But in no respect has coalition proved more unsatisfactory than in regard to Free-trade. Nothing has done so much to make Great Britain unpopular as our coal export restrictions of 1919 and 1920, which deprived France and Belgium of the means of restarting their industries at a time when Continental production of coal was entirely inadequate. This has been followed by the futile and irritating provisions of the Safeguarding of Industries Act—a legislative achievement which is only to be explained as an example of filial piety. It is notorious that employers in practically all the great industries of the country who were attracted by Protection before the war recognise in present circumstances, at all events, the necessity for Great Britain of a Free-trade policy. The Safeguarding of Industries Act has not, in fact, substantially altered our commercial policy. The Board of Trade has neither the personnel nor the power to convert it by administrative action into the foundation of a general protectionist system; nor does the Act itself, which imposes the same rates against goods from Germany and from France, establish a system which could by any stretch of imagination be called "scientific." But if the Act has had little practical effect at home, it has done great damage to British influence abroad. With the exception of our coal regulations, the restrictive measures imposed by Great Britain have been far less severe than foreign tariffs; but no one who is in touch with Continental opinion can fail to realise that the compromise with principle in the home of Free-trade has had, and is having, a profound psychological effect abroad. The most urgent necessity of the moment is freer interchange between the nations of Europe themselves and between Europe and the outside world, and this doctrine is the one which Great Britain alone can urge as a keynote of international economic relations. Yet this is the moment that we have chosen for abandoning so vital a principle in exchange for Mr Stanley Baldwin's masterpiece. A British Prime Minister who would put forward the maintenance of Free-trade and whole-hearted support of the League of Nations—so far, at all events, as the problems of the Old World are concerned—as the guiding principles of British International policy would at once introduce an element of stability into European politics, and make much easier the difficult task of reaching a real understanding with France, which is the key to the situation.

OUR INDEX NUMBER—A YEAR'S PRICES.

A FURTHER decline in wholesale prices during December brings our Index Number down to 4357, a decrease of 101 points in the month. A year ago the total stood at 5924, so that in the 12 months there has been a drop of 1567 points, or just over 26 per cent. As will be seen from the table below, the downward movement was only interrupted in the late summer, thanks principally to the vagaries of the cotton market:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Tin, Ber, Oils, &c.).	Total.	Percentage Change.
Base (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
Jan. 1, 1914....	563	355	642	491	572	2623	119.2
April 1 "....	560	350	626	493	567	2597	118.0
July 1 "....	565	345	616	471	551	2549	116.3
End July "....	579	352	616	484	558	2688	118.6
Dec. "....	714	414	509	476	686	2800	127.3
Dec., 1915....	897	446	731	711	848	3634	165.1

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Tin, Ber, Oils, &c.).	Total.	Percentage Change.
End Dec., 1916....	1294	553	1124	824	1112	4908	223.0
Dec., 1917....	1286	686	1684	839	1348	5845	268.9
Oct., 1918....	1271	780	1889	878	1391	6210	288.6
Nov. "....	1289	782	1848	903	1389	6211	288.6
Dec., 1919....	1303	782	1805	866	1337	6094	277.0
Mar., 1920....	1441	881	2442	1145	1453	7364	334.7
June "....	1508	914	2974	1248	1709	8352	379.6
Dec. "....	1511	929	2562	1289	1555	7847	356.7
Jan., 1921....	1344	805	1284	1216	1275	5924	269.8
Feb. "....	1295	797	1187	1128	1209	5617	255.8
Mar. "....	1176	771	1038	1053	1137	5176	235.8
April "....	1212	727	1030	1003	1125	5097	231.7
May "....	1196	723	1031	936	1043	4923	224.0
June "....	1195	691	996	963	1065	4910	223.8
July "....	1174	665	973	973	1023	4810	218.6
Aug. "....	1165	707	958	937	1030	4798	218.0
Sept. "....	1184	716	998	920	1000	4819	219.0
Oct. "....	1119	688	1258	871	987	4924	223.8
Nov. "....	956	685	1171	816	960	4588	208.6
Dec. "....	951	672	1117	774	943	4458	202.6
Dec., 1921....	921	636	1106	762	931	4357	198.0

So far as December is concerned, the principal declines have occurred in foodstuffs. The fall in cereals, including a sharp drop in rice, has only been partially offset by an advance in meat, while the reduction of 36 points in the group of subsidiary foodstuffs is entirely due to a heavy decline in the quotations for butter.

In the textile group changes were small in December, cotton and cotton yarn and cloth being a little lower, while hemp and jute were a trifle higher. In the minerals group pig-iron and steel rails were again lower, but tin continued its upward movement. In the miscellaneous section the only movements of any consequence were small declines in leather and tallow.

The following table, in which the July, 1914, indices are taken as 100, shows how each of the groups stands at the present time in relation to the pre-war level:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914....	100	100	100	100	100	100
Dec., 1918....	226	222	293	186	241	236
Dec., 1919....	249	250	396	247	263	287
March, 1920....	261	260	484	269	309	325
June, 1920....	261	263	415	278	281	305
Dec., 1920....	233	229	209	261	230	231
March, 1921....	209	206	167	216	203	198
June, 1921....	203	188	158	210	185	188
July, 1921....	202	200	156	201	186	186
Aug., 1921....	205	203	162	198	180	188
Sept., 1921....	193	195	204	189	178	192
Oct., 1921....	166	194	190	176	173	178
Nov., 1921....	165	190	181	167	170	174
Dec., 1921....	159	180	180	164	168	170

Thus while the general level is now only 70 per cent. above pre-war prices, primary foodstuffs and minerals are still nearer to the normal, but subsidiary food products, which include sugar, and textiles still lag behind on the downward path. A year ago, when the general level was 131 per cent. above the July, 1914, figure, textiles were the lowest group, while minerals were still near the maximum. These changes are accounted for to a considerable extent by the heavy decreases in iron and steel prices, and the upward movement on balance of cotton quotations. The table below shows the movements in these and in other principal commodities:—

	End of 1913.	End of 1918.	End of 1919.	End of 1920.	End of 1921.	Rise or Fall 1921.	% Change in 1921.
Cotton—Middling	7.14d	22.20d	30.75d	10.27d	11.81d	+ 1.54d	+ 15.0
Do 32's twist	10.3d	41.4d	55.9d	24.4d	18.4d	- 6.0d	- 24.6
Hemp—Manilla	22.9d	41.0d	48.0d	43.8d	43.8d	- 0.2d	- 0.5
Silk—Canton	12.6s	25.7s	48.6s	24.7s	33.8s	+ 9.1s	+ 39.5
Flax	4.32s	4.17s	4.23s	4.15s	4.11s	- 0.04s	- 1.0
Cleveland pig-iron, No. 3	50/6	95/	160/	225/	100/	- 125/	- 65.5
Steel rails	130/	217/6	350/	510/	190/	- 320/	- 79.9
Copper—Standard	84s	411s	411s	471s	466s	- 5s	- 1.0
Tin—Standard	4167s	4236s	4347s	4202s	4170s	- 37s	- 0.9
Lead—English	118s	457s	464s	425s	428s	+ 3s	+ 0.7
Tallow	34/	88/6	108/	58/	42/	- 16/	- 27.5
Petroleum	38s	164d	21d	27.4d	28.4d	+ 1d	+ 4.0
Wheat	31/	72/3	72/6	86/9	45/2	- 41/7	- 48.0
Barley	25/10	62/3	105/10	79/7	44/5	- 35/2	- 39.7
Oats	18/4	50/6	57/2	42/9	28/4	- 14/5	- 26.2
Sugar—West India	11/6	55/6	63/6	42/	35/6	- 7/	- 16.4
Tea (common)	5d	13d	13d	14d	14d	0d	0.0
Rice	26/3	26/3	26/3	26/3	26/3	0d	0.0

* Granulated. † Foreign lead. ‡ Broken and Fannings. (†) Pekoe.

Cotton prices did not show much fluctuation in the early part of the year. Middling American, which touched the lowest point of the year in February at 7.13d, soared to 15.71d, however, at the end of September, owing to unfavourable crop reports, but closes the year at 11.81d. The downward movement in pig-iron quotations was steepest in the first three months, after which there was a temporary check. In cereals, on the other hand, the decline has been almost unbroken. Sugar has fallen by 20 per cent., but is still nearly three times the pre-war quotation.

To show more clearly how present-day quotations of the individual commodities used in the calculations of the Index Number compare with those of the end of July, 1914, we append a list of the changes. With the exception of two, jute and rubber, all commodities show increases ranging from 14 per cent. in the case of tallow to 250 per cent. in the case of indigo:—

	%		%		%
Indigo.....	+ 250	Cotton yarn ..	+ 91	Lead	+ 37
Flax	+ 235	Barley	+ 84	Oilseeds	+ 34
Sugar	+ 234	Potatoes	+ 81	Coffee	+ 33
Crystals	+ 216	Tobacco	+ 79	Mutton	+ 33
Cotton (Egyptian)	+ 155	Timber	+ 78	British wheat ..	+ 31
Silk	+ 141	Cotton (Amer.) ..	+ 72	Tin	+ 30
Cotton cloth ..	+ 136	Tea	+ 70	Foreign wheat ..	+ 25
Petroleum	+ 126	Beef	+ 64	Wool	+ 20
Pork	+ 121	Hemp	+ 50	Butter	+ 18
Iron bars	+ 104	Leather	+ 50	Copper	+ 16
Pig-iron	+ 95	Flour	+ 48	Tallow	+ 14
Rice	+ 93	Steel rails	+ 46	Jute	+ 10
Coal	+ 93	Oats	+ 42	Rubber	- 59
		Oil	+ 38		

In examining this table considerations must be given to the fact that the comparison is made not with average pre-war quotations, but with the prices of a particular date. For instance, iron bars were at a particularly low figure in July, 1914, while wool was at a rather high level.

The increase of 70 per cent. in British prices over the pre-war level may be usefully compared with the foreign index numbers included in the latest issue of the League of Nations monthly bulletin. The figures indicate that prices have risen in the following ratios compared with the level in 1914:—

	Fold.		Fold.
Poland (Oct.)	115	Switzerland (Nov.)	1.77
Germany (Oct.)	125	Sweden (Oct.)	1.75
Italy (Oct.)	26	Canada (Sept.)	1.72
France (Sept.)	3.4	United Kingdom	1.7
Norway (Oct.)	2.9	Australia (Sept.)	1.6
Japan (Oct.)	2.2	U.S.A. (Oct.)	1.5
Denmark (Oct.)	1.9	S. Africa (Oct.)	1.4

The bulletin also shows that prices are rising in India and Japan, and are stationary or hardening in Switzerland and France. Elsewhere the movements are still in a downward direction.

THE AIRCRAFT MANUFACTURING COMPANY.

SIR W. B. PEAT, as liquidator, has recently issued an interim report on this business, which flourished so richly during the war, and collapsed with such disastrous results for the public within two years of the war's end. The unfortunate persons who bought and hold the company's securities will read the report with interest and anxiety. Some of them—the holders of the first and second preference shares—may at once dismiss all hope of getting back the money that they ventured, but from the provisional statement it is not clear whether the holders of the 7 per cent. notes can expect any refund or not. Before dealing with the details of the liquidator's statement, let us briefly reconstruct the history of this extraordinary bubble.

Founded in a small way by Mr Holt Thomas in the early days of aviation, the company grew rapidly, and on the outbreak of the war achieved a very remarkable prosperity. Enormous works were erected at Hendon; great activity prevailed; stocks were very large, and the total property of the concern—apart from its subsidiaries—cannot in the middle and later stages of the war have been of less value than £1,000,000. While development continued at this rapid pace at the centre, the company's tentacles were reaching out to embrace other smaller concerns elsewhere, Mr Holt Thomas, who was something of a Napoleon in business, conceiving and carrying out great financial schemes to complete a chain that would circle the whole industry of aviation. The preponderant

interest in the company was his, but he was good enough to allow the public a share in his prosperity by issuing two lots of preference shares and one lot of 7 per cent. notes, which were readily taken up. At some time after the Armistice it became apparent to the directors of the company that the prosperity was not likely to last. Aircraft were not wanted in peace time, and the subsidiary companies which Mr Thomas's genius had linked up to the central organisation were draining instead of supplying nourishment. And here came the real stroke of genius. Look, stock, and barrel, the ordinary and deferred shareholders, who controlled the company and understood better than anyone its true value, sold out to the Birmingham Small Arms Company for what is believed to have been a handsome figure, left the centre of the stage, and retired into the wings, never to re-emerge. The public who, largely on the reputation of the directors, had invested in the 7 per cent. notes and the preference shares were left to hold one end of the baby, while the B.S.A., who might have had a better judgment, retained a firm grasp of the other. From that day to this, so far as we know, Mr Thomas has never made a public statement of his position, or given any explanation to his old note and share holders. It is not surprising to learn now that the liquidator contemplates proceedings, which may result in establishing claims against past directors.

Dealing with the present state of the company's assets, Sir W. B. Peat makes it clear that little can be expected from its numerous subsidiaries, several of which have already followed in their parent's footsteps to an inglorious liquidation. The chief of them was Peter Hooker, Limited, which is believed to have been the bait that caught the fancy of the B.S.A. It is in liquidation, with a receiver in possession on behalf of the debenture-holders, and owing the Aircraft Company, apart from the loss incurred through the holding of its shares, a disputed sum of £47,000. One subsidiary, which manufactured seaplanes, has been sold for a fair sum already, but how the price realised compared with the original cost we do not know. Others are limping along with broken wings, and may ultimately come to market; but it is unlikely that the combined contribution of the subsidiaries still unsold will contribute materially to the relief of the Aircraft Manufacturing shareholders.

The main assets of the company lie in the plant and buildings at Hendon, which under present conditions are naturally very difficult to realise, and are not being pressed for sale. What they will fetch must for long remain in doubt, but they cannot possibly produce a figure which will cover the claims of all the interested parties. These parties, with the amounts for which they stood in November last, may be set out as follows:—

	£
Debenture-holders	537,725
Note-holders	270,416
Trade creditors	130,000
Preference shareholders	350,000
Other shareholders	52,500

This represents the position after payment of £200,000 to debenture-holders on account of principal, and the chief point of uncertainty is how far the assets at present unrealised will go towards repaying the note-holders or trade creditors if and when the debentures are completely met. Apparently a considerable sum may be expected from the refund of E.P.D., the total paid by the company during its existence amounting approximately to £200,000. Under present conditions the liquidator cannot estimate the surplus available after paying off the debentures, but we may surmise that unless there is a complete change in the engineering industry no one will be willing to pay a considerable figure for the plant and factories into which most of the capital was put. In any case, the liquidation must be a long process, and all the time interest is accumulating and increasing the debt.

On one point the liquidator's statement is extremely interesting, and full of possibilities. He has:—

"Investigated the past administration of the company, particularly in regard to the circumstances in which the 'A' preference, the 'B' preference shares, and the 'Short Term notes' were issued to the public, and the statements contained in the circulars offering these shares and notes for sale. Particular attention has been given to the omission in these circulars to refer to the debentures in issue at the dates when these shares and notes were offered for sale, and to the amounts of the bank overdrafts at such times, to the fact that debentures for £400,000 were issued the day

after the offer for sale of the Short Term notes, and to the heavy increase during the last eight months prior to the liquidation in the amount of the advances secured by the debentures."

This comment suggests that the finance of the company was, in the liquidator's opinion, open to criticism, and it will be interesting to see what are the final views of himself and his committee on the relation between the directors and the investing public which supplied them with capital.

One curious by-product arises in connection with an insurance company which had relations with the Aircraft Manufacturing, and shared directors with it. This company is the United General Commercial, which appealed to the public with a prospectus dated December, 1919. On the board of this company were Major-General Branker, vice-chairman of the Aircraft Manufacturing, and Mr A. E. Turner, described in the prospectus as "financial director of Aircraft Manufacturing Company, financial director of Peter Hboker, Limited, and director of May, Harden and May." The prospectus declared in big black letters that the company possessed a valuable asset in the personal and business connections of the directors, and a substantial and profitable income should accrue to it from these connections. The shares were issued to the public at 10s, and the last price we have been able to trace is 3s 6d paid in June last.

It would be interesting to learn what Major-General Branker and Mr A. E. Turner knew about the real financial position of the Aircraft Manufacturing Company and its subsidiaries, when they allowed their business connections to be put before the public as an inducement to subscribe for the shares of this insurance company, which had so serious a fall from the price of issue.

LATIN-AMERICAN NOTES.

(BY A CORRESPONDENT.)

ARGENTINA.—The intimation conveyed to all foreign legations in Argentina of the Government's special offer of facilities to purchase wheat, among other Argentine products, shows that the authorities do not mean to repeat their error of the autumn of 1920, when, through a miscalculation of the quantities available, the National Government were obliged to buy back large consignments of wheat awaiting shipment on account of some of the European Governments. For one thing, Argentina is handicapped by the fluctuating export duties in competition with the United States, Canada, and Australia, while another obstacle has been the persistent manner in which many shippers have held back for higher prices, considerably above the offers of other countries. No reliable statistics of the wheat situation have been obtainable until recently, when the first official estimates were published showing that, including the supplementary figures from the important wheat-growing district of Santa Fé, the amount of exportable balance of cereals is as follows:—Wheat, 1,261,000 tons; linseed, 151,000 tons; and maize, 2,028,000 tons. The action taken by the Federal Government has been prompted by the falling-off in the demand for Argentine wheat, and the exceptionally bright prospects of the new harvest. There is also the old-crop wheat, which exceeds by an immense amount the quantity on hand in any other exporting country. Local shippers have adversely criticised the action of their Government's interference with the freedom of the exports of the country, thus causing them to "miss their market." To prevent a glut in the stocks and the stranding of Argentina with unsold and unsaleable stocks of wheat is now the Government's chief concern.

MEXICO.—Among those having commercial and financial relations with Mexico, the opinion seems unanimous that no pronounced or abiding improvement in the economic affairs of that country is possible until diplomatic recognition of its present Government has been accorded. Nor does there appear to exist any sufficient reason why this should be longer withheld, since all accounts to hand show that a decided improvement has taken place in administration, that the Government is fulfilling, to the best of its ability, its financial obligations, and that so soon as economic affairs show further advancement a real settlement of the Republic's foreign indebtedness may be looked for. It is a matter of regret with some that the

Foreign Office should, in this matter, wait upon the action of Washington. The interests of the two are not identical. Ours are merely economic, while those of the United States are both economic and political. The reasons that debar Mexico's recognition in the adjoining State—if comprehensible—in no way apply to the United Kingdom; and it seems a pity to refuse diplomatic courtesy to a friendly country from a mere desire to be polite to America. A different policy was pursued in 1913, when, notwithstanding the disfavour shown at Washington, the British Minister, the late Sir Lionel E. G. Carden, was instructed to present his credentials to General Huerta, even after that ruler had abolished all pretence of constitutional government. On the other hand, the United States conferred recognition upon the Carranza administration when the United Kingdom refused it, and the consequences to the trade and commerce of this country were and are serious. In a matter of this kind the aim of the Government should be primarily to secure the large commercial interests of Great Britain in Mexico, and that is all that is asked. Certainly of late years the Mexican Administration has done nothing to forfeit the right to be placed upon the rôle of civilised States. This has been pointed out frequently of late at a number of meetings of companies interested in Mexico's transport, mining, and industrial development. It may be permissible in this connection to recall the words of Mr Asquith, in a speech delivered at the Mansion House banquet in November, 1913, when he declared that: "We are bound to deal with Mexico, as with any other Central or South American State, with whatever government is, at the time, the *de facto* government." It is understood that an early opportunity will be taken soon after the reassembling of Parliament again to raise the question of recognition for Mexico.

BOLIVIA.—Bolivia has been negotiating with American bankers for a \$25,000,000 loan, which, if granted, will be employed for the stabilisation of the Bolivian exchange, and the refunding of external and internal indebtedness. The finances of this Republic have not of late offered much evidence of improvement, and the Government has had to consider the advisability of proclaiming a moratorium, thus bringing itself into line with Cuba and Paraguay. Till now the financial record of the country has been without reproach. Economic progress has developed slowly but consistently, all foreign obligations having been regularly observed. In view of the undoubted richness of the country, and the fact that its many natural resources have been hardly touched, a favourable field for foreign investment would appear to exist. Hitherto France has been the banker of Bolivia, loans having been made in 1910 and 1913 upon moderate terms, secured upon export duties on minerals and rubber, railways, and—in the event of deficit—upon general revenues. In 1919 the external debt was £3,114,682, the internal debt £1,500,000, and the floating debt £750,000; or a total of £5,364,682. The French loans were liquidated by means of an internal loan for 11,000,000 bolivianos, placed through three principal banks of the country—the Banco de la Nación, the Banco Nacional, and the Banco Mercantil. At the date fixed for liquidation the total of the debt amounted to 43,500,000f, the original having been 56,119,392f; but at the time of the liquidation the Bolivian Government still held a credit in France with the Crédit Mobilier of 12,382,241f, which, with accrued interest, was placed to the country's credit, thereby leaving a balance of some 43,500,000f. At the time that the loans were called the exchange situation was favourable. This has altered, commercial difficulties have accumulated, and the Government is seeking in the United States the financial assistance which France is now no longer enabled to offer.

TWO YEARS' RAND MINING DIVIDENDS.

(BY OUR MINING CORRESPONDENT.)

EARLY in the second half of 1921 there appeared every indication that the gold mining companies of the Transvaal would enjoy an even more prosperous six months than they had done in the corresponding period of 1920. Under the arrangement arrived at between the Chamber of Mines and the Miners' Unions, the first instalment of a reduction in the wages of white employees had become effective; the benefit of the decline in charges for stores, &c., was beginning to be felt; the gold premium had

recovered to something approaching the level of the preceding year; and an amendment of the mining regulations was under consideration which would enable a greatly increased degree of efficiency to be obtained from the native workers. Unfortunately for those interested, the bright promise of the morning, so to speak, has not been fulfilled. The amendment just referred to was passed, while schedules recently published show an appreciable decline in the charges for stores and materials. Sufficient time has, however, scarcely elapsed for savings under the head of native labour to make themselves apparent, while the economies in other directions have not gone far towards compensating for the depreciation in the currency price of gold, which just before the end of 1921 touched a low level for the year. The tendency in this respect is illustrated by the appended contrast of the gross valuation adopted by the Rand companies for their produce in respect of the past six months as compared with the corresponding periods of 1920:—

	1920.		1921.	
	s	d	s	d
July.....	105	0	112	6
August.....	112	6	111	6
September.....	115	0	110	0
October.....	117	6	103	0
November.....	117	6	102	0
December.....	119	0	95	6

The quotation for the precious metal being recently under 98s per fine oz, it was a foregone conclusion that the basis for December would be several shillings below that of November. A very drastic reduction in working costs is required to counterbalance a drop of 20s in the price of gold. So serious has the position of the industry become that, as recently mentioned in these columns, fresh proposals have been brought forward. At the moment the diamond industry of South Africa is practically eclipsed, and gold mining under a cloud. The dispute at the Witbank Colliery has every appearance of developing into a general mining strike. The extent to which the Union depends upon the gold mines is, however, now being emphasised, and it is not too much to expect that some method will be devised for placing the industry upon an economic footing. In the meantime, the discomforts of the situation are necessarily reflected in the earnings of the various undertakings, as will be seen from the appended schedule of the dividends for the first and second periods of 1921, and for the whole of the year in contrast with those in respect of 1920:—

Company.	June, 1921.	Dec., 1921.	Total, 1920.	Total, 1921.
	%	%	%	%
Brakpan.....	15	15	45	30
City Deep.....	20	17½	32½	37½
Consolidated Langlaagte.....	5	7½	12½	12½
Consolidated Main Reef.....	3½	5	15	8½
Crown Mines.....	10	22½	77½	32½
Geduld Proprietary.....	7½	10	17½	17½
Goldenhuis Deep.....	25	30	50	55
Government Gold Mining Areas	..	..	7½	12½
Knight Central.....	5	7½	10	12½
Langlaagte Estate.....	50	50	120	100
Meyer and Charlton.....	40	55	82½	95
Modderfontein "B".....	65	85	145	150
Modderfontein Deep.....	..	5	5	5
New Kleinfontein.....	42½	50	102½	92½
New Modderfontein.....	5	7½	5	12½
New Primrose.....	5	5	15	10
New United.....	2½	3½	12½	6½
Nourse Mines.....	..	..	2½	..
Robinson Deep "A".....	1	1	3	2
Robinson Gold.....	7½	7½	27½	15
Rose Deep.....	..	2½	2½	2½
Simmer and Jack.....	7½	7½	20	15
Springs Mines.....	3½	..	12½	3½
Sub Nigel.....	7½	5	15	12½
Van Ryn Gold.....	30	30	65	60
Van Ryn Deep.....	3½	6½	10	10
Village Deep.....	10	15	20	25
Witwatersrand Gold.....	..	..	..	..
Anglo-American Corporation....	5	..	10	5
Central Mining.....	3½	3½	8½	7½
Johannesburg Consolidated Invest.	10	..	12½	10
New Era Consolidated.....	..	10	20	10
Rand Mines.....	35	35	145	70
Rand Selection Corporation.....	15	12½	27½	27½

* Tax free.

Above table does not include declarations made at dates other than June and December.

In several cases—notably the Government Areas and the Witwatersrand Gold—the distributions for the concluding portion of the current year are the same as those of 12 months ago, but only one company now announces a higher rate—the Modder "B," 55 per cent., as against 50 per cent., making the total for the year 95 per cent. instead of 82½ per cent. As the result of making an interim declaration at an increased rate the Modder Deep also pays somewhat more; likewise the two concerns named at the commencement of this paragraph, and the City Deep. Little importance attaches to the jump shown by the rate of the New Primrose, which is in its "declining days." The principal examples of decrease are supplied by the Brakpan, Crown Mines, Meyer and Charlton, New Modder, and Rose Deep undertakings.

The absence of any return for the past half-year on the part of the Anglo-American arises from that corporation's large participation in the Consolidated Diamond Mines of South-West Africa. The reduction in the rate of the Rand Mines fully reflects the shrinkages in the rates declared by its subsidiaries; indeed, the opinion is held in some quarters that the directors of this group have been ultra-conservative, whereas those of the Johannesburg Consolidated group adopted a somewhat liberal policy. Heavy special appropriations are largely responsible for the cuts in the dividends of Brakpan and Springs companies (C.M.S. group)—£228,500 out of a profit of £676,000 in the one instance, and £131,501 out of £407,000 in the other. The distributions of the Transvaal mining companies for 1921 represent £7,164,000, a decrease of £1,000,000 compared with the aggregate in respect of the preceding year, which scored a recovery of £2,100,000 upon the result of 1919.

LAND AND PROPERTY IN 1921.

THE adverse conditions which affected the country generally during 1921 were in evidence in nearly every section of the property market. In the early part of the year property continued to be offered in considerable volume, but owing to the unwillingness of owners to recognise changing circumstances, and accept prices more in accordance with the general fall in values, sales were difficult to effect, and it soon became obvious that the year would be one in which dealings would be limited to those who were compelled to test prices in the open market.

There is one section, however, of the estate market, Messrs Hampton and Sons point out in their annual review, in which business is good, and the writers add that "it may be that cottages and the smaller class of villas in and around industrial districts will more or less maintain their prices, as the demand for these little places for occupation is still in excess of the supply; but for every other class of property—whether residential or commercial—there is more on offer than can be readily absorbed, with the natural result that only those properties which are placed in the market at reasonably competitive figures change hands."

According to the official figures compiled by the *Estate Exchange*, recorded sales of property have fallen from £18½ millions for 1920 to well under £11 millions for 1921. These figures are grouped each year under three headings—(1) Sales of property during the year at the headquarters of the property market; (2) auction sales in other places, which are registered with the Estate Exchange; and (3) sales by private treaty of which the parties interested consent to publish details. As has been pointed out before these figures give but a limited view of the statistical picture, for while some auctioneers are inclined to preserve a discreet silence as to their sales, others, on the other hand, may possibly include in sales properties which were merely submitted to the public, but bought in. In private sales the position is even more uncertain, there being so many interests at work which often prevent the sale price from leaking out. In the first table we

show a comparative summary of sales from 1912, as follows:—

COMPARATIVE SUMMARY OF SALES.
(000's omitted.)

	1912.	1913.	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.
Mart	2,554	2,346	1,866	804	929	1,546	2,299	6,251	5,855	3,030
Other sales	4,698	4,039	3,462	1,824	2,917	5,546	7,149	9,234	7,581	3,378
Private	1,837	2,189	1,357	1,942	1,232	1,435	1,935	6,057	5,04	4,451
	9,089	8,574	6,685	3,570	5,108	8,527	11,382	21,542	18,276	10,859

It will be noticed how the figures reflect the wild career of the trade boom, while it is perhaps a matter for surprise that the past year's figures are so close to those for 1912. Sales began to decline, it will be noticed, in 1913. This was the year when a pronounced fall in property values was noticed, which continued until the end of 1915. Agricultural land, however, came into request fairly early in 1916, and the land boom continued until 1920. Figures for 1917 included sales of enemy bank and other property, while house property came into demand early in 1919.

The monthly and quarterly figures for the past year are as follows:—

1921.	The Mart and Winchester House.	London and Country.	Private Contract.	Monthly Total.	Quarterly Total.
January	140,463	63,098	109,950	313,511	
February	189,738	80,681	101,350	371,769	
March	225,905	214,478	143,265	583,648	
First quarter	556,106	358,257	354,565	1,268,928	
April	166,035	166,720	195,750	528,505	
May	420,155	646,179	921,150	1,987,484	
June	512,588	355,367	863,370	1,731,325	
Second quarter	1,098,778	1,168,261	1,980,270	4,247,314	
July	299,607	507,038	655,250	1,461,895	
August	2,925	251,289	204,540	458,754	
September	140,788	350,844	273,200	764,832	
Third quarter	443,320	1,109,171	1,132,990	2,685,481	
October	439,863	433,396	321,800	1,195,059	
November	309,812	162,765	299,920	772,497	
December	181,921	146,459	361,287	689,667	
Fourth quarter	931,596	742,620	983,007	2,657,223	
Grand total					10,858,946

Among the largest estates sold were 210 acres in Hackney, which realised £400,000, and land and property in and around Reigate Town, which brought in £203,000. City properties included Standard Life Assurance offices in King William street, with an area of 3,200 feet, for about £300,000, while in connection with City land values, it is worthy of record that the site of 38 Cornhill, with an area of 460 feet, was let at a sum equal to £5 8s per foot per annum.

The demand for agricultural land continues, though buyers are exercising more discretion in purchasing, and indifferent farm land is showing signs of falling in value, although small farms, no doubt sought for more on account of residential convenience than commercial propositions, command good prices.

In town property, the outstanding feature has been the demand for flats and maisonettes. This is a significant sign of the domestic service problem, as, in striking contrast, buyers of large town houses are difficult to find, although medium-sized two-story residences are in good demand. Messrs Hampton have some pertinent remarks to make on the type of house once familiarly known as "the town mansion." In pointing out the difficulty of finding purchasers, they state that "many situate in, or East of, Park lane and Grosvenor place, where the restrictive covenants permit, have been secured for club and business premises. There is no doubt that as business premises tend to push Westward, so clubs tend toward the same direction. If a licence could be obtained, many a large, unwieldy house would be converted, and so become income-producing, instead of standing empty and becoming more and more dilapidated."

Industrial and financial events of the past year have made their imprint upon the almost absurd competition

for business premises which took place during the years of the trade boom period, and though it may be still difficult to obtain premises in important thoroughfares, prices of office accommodation are inclined to lower levels in many districts.

Messrs Hampton are especially interesting in their observations on factory and warehouse properties, although these, it should be remembered, apply mostly to factory premises in the South of England only. They say: "It is common knowledge that during the two years immediately following the cessation of hostilities fabulous sums were paid for both factory and warehouse properties. Many of these premises have been placed upon the market and prices accepted which are about half what the owners gave for them but a few months before." And it is not improbable that, judging from the values placed upon factories in the North of England by company promoters, these remarks may to some extent be true of other districts. Building sites have been in slightly greater demand, but the high cost of building still militates against any approach to a revival of 1911-12 figures.

Property for investment purposes remains in a state of depression, although demands are occasionally made for large City and West-End freeholds. But occupied property of the cottage and villa type is practically impossible to sell, except on terms which bear no relation to post-war factors. This, of course, is mainly on account of the Government's restrictions on rents. Ground rents with a not too far distant reversion to the property are saleable on a basis approximating to a 6 per cent. yield.

Business Notes.

Bankers' Clearings.—The long record of annual increases in the totals of the London Bankers' Clearing House has ended, and the figures for 1921, published with commendable promptitude on Monday last, show a drop not only in the total, but in each of the three branches. The figures read as follows:—

	1920.	1921.	Decrease.
Grand total	£39,018,903,000	£34,930,559,000	4,088,344,000
Town clearing	£32,852,933,000	£30,268,214,000	2,584,719,000
Metropolitan clearing	£2,093,750,000	£1,660,166,000	433,584,000
Country Cheque clearing	£4,072,220,000	£3,002,179,000	1,070,041,000

The decline in the figures is to be attributed in the first place to worldwide trade depression, while other causes have been the fall in prices, the greatly reduced number and amount of new issues, and the stagnation of Stock Exchange business. On the other hand, there has been considerable business passing in foreign exchange, and the repeated maturing and renewal of Treasury bills has also called for a large turnover of money, while the issue of Treasury bonds, especially during the closing months of the year, has also made itself felt. Of the total decline, 65.2 per cent. occurred in the first six months, but it must be borne in mind that the large increase of 1920 over 1919 was mainly in the first half of the year. In studying the figures it is well to remember that evidence of the trade of the country is, in the Town Clearing, obscured by the large financial transactions of the Money Market passing through that clearing, and that much more reliable data as to the course of trade are furnished by the other two clearings, the Metropolitan being indicative of the retail business of the Metropolis, and the Country Cheque Clearing of the general trade of the country. Decreases in the Metropolitan Clearing amounted to 18.8 per cent. in the first quarter, 22.8 per cent. in the second, 21.9 per cent. in the third, and 19.2 per cent. in the fourth. In the Country Cheque Clearing the declines were 20.5, 27.7, 31.7, and 25.3 per cent. respectively. Eight of the provincial clearings showed declines ranging from 34.9 per cent. in the case of Leeds to 48.8 per cent. in the case of Manchester, while Bristol showed a decrease of only 16.2 per cent. Hull, which opened on February 1, 1921, had a total of £50,691,976 for the 11 months. The turnover of the New York Clearing House for the 12 months ended

November 30, 1921, taking the dollar at 4s, was approximately £39,941,628,000, showing a decrease of £8,953,438,000, as compared with the previous year.

Stock Exchange Values.—The December market valuation of Stock Exchange securities compiled by the *Bankers' Magazine* shows that the recovery which took place last month was sufficient to cause the total to show a slight gain as compared with that of December, 1920. It is pointed out that, so far as the 12 months is concerned, the appreciation, although slight, is noteworthy, because it has occurred in spite of the fact that American railroad securities show a decline for the year of nearly £60 millions. The following table shows the monthly movements of the year:—

MARKET VALUES OF 387 REPRESENTATIVE SECURITIES.
(Million £.)

End of December, 1920....	2,320	End of June, 1921....	2,291
" January, 1921....	2,336	" July, "....	2,345
" February, "....	2,294	" September, "....	2,356
" March, "....	2,289	" October, "....	2,288
" April, "....	2,285	" November, "....	2,299
" May, "....	2,308	" December, "....	2,332

The April total was the lowest touched since 1907, when the present valuation was started. On the whole, the variations are astonishingly small for a year of such big economic changes. The steadiness of the average is, however, the net result of big movements in opposite directions. As compared with December, 1920, British Government securities have increased in value by 12.9 per cent., Home Railway debentures by 7.3 per cent., Home Corporation stocks by 11.2 per cent., British bank shares by 3.6 per cent., colonial bank shares by 9.6 per cent., and brewery stocks by 14.1 per cent. On the other hand, there are declines in iron, coal, and steel shares of 25.5 per cent., American railway shares of 17.4 per cent., foreign railways of 13.3 per cent., South African mines of 13.4 per cent., and miscellaneous mining shares of 25.6 per cent. We are glad to see that a revision of the list of selected stocks, usually made every ten years, but postponed owing to the war, is now to be made, and that next month a new set of values will be presented which will include war stocks and some of the speculative descriptions which have come into favour since the last valuation was made.

The First Bank Dividends.—For the reasons given in our article on Money in 1921, in last week's issue, it was not anticipated that the dividends of the joint stock banks for 1921 would show any appreciable change in comparison with those for 1920, and these expectations prove to have been correct, so far as the banks are concerned, as may be seen from the table below:—

Name of Bank.	Amount of Share.	Rate % per Annum.	Whole Year.		Price, Jan. 6, 1921.	Price, Jan. 5, 1922.	Present Yield.
			1920.	1921.			
Barclays "A"	4	10	10	14	6 1/2	6 1/2	5 16 0
Do "B"	1	14	14	14	2 1/2	2 1/2	6 1 3
Lancashire and Yorkshire	20	10	18	18	18	18	5 18 0
London Joint City & Midland	12	24	18	18	18	18	6 4 0
Do	24	24	18	18	18	18	5 14 0
Manchester and Liverpool	15	3	18 1/2	18 1/2	8	8	6 18 0
Distric	15	1	12 1/2	12 1/2	12 1/2	12 1/2	6 13 3
Williams Deacons	5	1	12 1/2	12 1/2	12 1/2	12 1/2	6 4 0
Do	1	1	12 1/2	12 1/2	12 1/2	12 1/2	6 5 0
Discount Houses	10	5	19 1/2	19 1/2	17 1/2	17 1/2	7 14 6
Alexanders Discount	10	5	16	20	14	16	8 16 9
National Discount	25	5	18 1/2	22 1/2	16 1/2	18 1/2	9 12 7
Union Discount	10	5	18 1/2	22 1/2	16 1/2	18 1/2	9 12 7

* Includes bonus of 2%, free of tax. (a) Includes bonus of 3%, free of tax.

Each of the three discount companies raises its distribution, Alexanders and the Union paying the bonus, as usual, free of tax. Alexanders, after placing £50,000 to reserve, propose to capitalise £50,000 of undivided profits, and distribute 10,000 ordinary shares £5 paid to the ordinary shareholders. The Lancashire and Yorkshire reserve fund is credited with £106,560, as against £25,000 a year ago, which raises it to £1,006,560, the same as the paid-up capital. The London Joint City and Midland places £750,000 to reserve for future contingencies, and in £300,000 to bank premises redemption fund, and increases the carry forward by £36,000. A year ago £1,200,000 was required for investment depreciation, and £250,000 went to premises fund. The Manchester and

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Liverpool profits have fallen from £561,800 to £539,300, but thanks to the much larger amount brought forward, £684,000 is available for distribution, as against £611,800. The reserve fund is credited with £100,000, as against nothing a year ago, and £28,000 less is carried forward. The profits of Williams Deacon's amounted to £365,200, as against £463,700 for the previous year. Reserve appropriations a year ago totalled £225,000. This year the amount is £125,000, nothing being put to investment depreciation, but it is stated that investments stand below the market price at December 31st.

National Savings Certificates.—An official announcement has been made that from April 1st next the purchase price of National Savings Certificates will be raised from 15s 6d to 16s each for certificates encashable for £1 in five years, and £1 6s in ten years. The change in price will not affect the privilege of holders of certificates purchased at 15s 6d on or before March 31st to extend the currency of their holdings to the ten-year limit. The sale of these certificates, under the original name of War Savings Certificates, began early in 1916. The announcement of a lifting of the purchase price should serve to emphasise the favourable nature of the terms now in force, and give a decided fillip to sales in the course of the next three months.

The New Chilean Loan.—The success of the Chilean loan for £1,657,500 issued through Messrs Rothschild on Thursday was a foregone conclusion, and it is not surprising that it was largely over-subscribed. The terms were very attractive—interest at 7 1/2 per cent., an issue price of 95, and redemption at par by half-yearly drawings from 1923 to 1956. The money, we believe, will remain in England to obviate the necessity of remittances from Chile at the present time. Alone among the Spanish-American States, Chile has never defaulted on her External Debt, not even during the disastrous Civil War of 1891. Presidential and Ministerial responsibility is specially secured by the Constitution, and there is a stringent system of financial control. The External Debt now amounts to some £30,000,000, and consists of 17 separate loans issued from 1885 onwards. For a population of about four millions this, according to present-day standards, is by no means excessive, especially as taxation is not heavy, and the value of the State property in lands, forests, and railways is many times more than the whole capital of the Debt.

The Salvador Railway.—This line, which for the eight years preceding the war was very prosperous, recovered some of its prosperity in 1919-20; during the last 18 months it has been unfortunate, but there are signs that an improvement is not far off. During the year ending July 31, 1921, the receipts fell to £199,501, against £236,453 for 1919-20; the expenses rose to £174,936, against £143,199. Passenger traffic increased during the last half of 1920, but then declined owing to the general economic depression; goods tonnage declined during the year over 70 per cent., especially in sugar and rice; more coffee was shipped at Acajutla, but part was from the previous crop. The coffee crop was poor, and the depression caused resort to other forms of carriage, notably by motor lorries to the port of La Libertad, which the Government is making great efforts to develop. Import traffic, of course, fell off also, and the total receipts

or the 26 weeks of the current year are only £56,039, about two-thirds of those for the corresponding period of 1920. On the other hand, this year's coffee crop is promising; recovery in those countries, as the Report notes, is usually rapid, and if the crop proves good, passenger traffic and upward as well as downward freight traffic should soon revive. Moreover, the arrears of the State subsidy, amounting to £44,000, will be met by the issue of Government bonds secured on the Customs revenue under the settlement just effected through an American financial syndicate, and accepted by the external bondholders just before Christmas. The deferred interest certificates issued in part payment of the mortgage debenture interest since 1915 are being converted under the scheme of last summer into one denomination maturing in 1931, and bearing interest at 7 per cent. (instead of 5 per cent.) from February 15th next. Even the diminished revenue of last year is nearly double the amount needed for the service of these and of the prior lien bonds.

Dutch Loan in New York.—The London office of the Guaranty Trust Company of New York states that a syndicate, headed by the company, offered in New York, on Wednesday, a 6 per cent. loan for \$40 millions for the Government of the Dutch East Indies. The bonds, which are direct obligations of the Government of the Dutch East Indies, are redeemable in the years 1932-1947 by means of a sinking fund, beginning in 1932. It is stated that this is the first dollar loan ever made by the Dutch Government or any of its dependencies.

The Chartered Report.—All who are interested in the fortunes of the British South Africa Company should study carefully the report for the year ended March 31, 1920, which has just been issued. They will find it no mean task, for the report embraces 100 pages, and it is doubtful if they will derive from its perusal any cheerfulness as to financial prospects. Stock market opinion apparently failed to do so, for since the publication of the report Chartered shares have weakened a trifle. The document contains a series of appendices, among which are the full text of the report of the Judicial Committee of the Privy Council on the ownership of unalienated lands in Southern Rhodesia, and the report of the Cave Commission, which are thus rendered available in convenient form for the study of shareholders. These documents were discussed in the *Economist* at the times when they were published, and on the whole the directors do not add much to public knowledge. They find the Cave award of £4,893,467 against a claim of £7,638,227 "not wholly unsatisfactory," but regard the disallowance of annual interest on various items "profoundly disappointing." The delay in issuing the present report and the postponement of the annual meeting are due to the necessity for readjusting the balance-sheet in the light of the Cave award, and the rapid political developments in Rhodesia, especially with regard to the claim for the establishment of Responsible Government in Southern Rhodesia, on which a Government Committee has issued a first report, and which forms "the subject of constant confidential communication with the Secretary of State." With regard to that report, the directors say: "The board can say no more..... than that in their view the institution of a system of local Responsible Government in Southern Rhodesia framed generally on the lines of the report, and unaccompanied by a prompt and full re-imbursement to the company by the Crown of the whole amount of the Cave award, would be altogether inconsistent not only with that generous treatment which the company is entitled to expect, having regard to its public services, to which no one has borne more eloquent testimony than Lord Buxton and Mr. Churchill, but even with the company's bare legal rights." A Southern Rhodesia deputation is now in this country, and shareholders must restrain their thirst for news while the political future is being worked out. The political sections of the report overshadow the financial and commercial interest. But it will be noticed that the balance-sheet has been readjusted in view of the Cave award. Explanations of the readjustments occupy nearly three pages. But it may be noticed that interest accrued on the Cave award from March 31, 1918,

to March 31, 1920, has, with obvious wisdom, been placed to a suspense account. The year under review saw a deficit of £90,481 on administrative account in Northern Rhodesia, as compared with a deficit of £47,071 for the previous year, and the administrative accounts for Southern Rhodesia a deficit of £32,223, as compared with a surplus of £100,000 in the previous year. This deficit, it is stated, "has been added to the company's claim against the Crown, and the company will be entitled to repayment thereof in the manner determined by the Judicial Committee of the Privy Council." The commercial accounts for the year show an excess of revenue over expenditure of £166,898, as compared with £229,490 in the previous year. The decline is partly due to the fact that quit, lease, and other rents in Southern Rhodesia, previously included as revenue, were applied to reduction of past administrative deficits. Also no dividend was received on holdings in the Rhodesia Railways Trust, Limited, as compared with £51,607 in the previous year.

British American Tobacco.—The meteoric progress of the British-American Tobacco Company, Limited, since 1915 has, according to the accounts just published for the year ended September 30, 1921, received a check, and profits are recorded at £4,323,481, as compared with £4,879,177 for 1920. In the tabular statement of past profits which we give below it will be observed that £3,842,493 of profits were absorbed in paying an ordinary dividend of 24 per cent., while last year it needed but £3,745,492 to pay a dividend of 30 per cent., although the ordinary share capital was recorded at £16,002,523 at September 30, 1920, as compared with the slightly increased amount of £16,015,645 at September 30, 1921. But it should be remembered that in 1919 ordinary share capital stood at £8,501,911, and it is probable that the process of capital ranking for dividend was gradual.

September 30.	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.
Profits, &c. ..	2,177,022	1,850,059	2,733,361	3,105,002	3,140,174	3,776,508	4,879,177	4,323,481
Pref. dividend ..	188,297	225,000	225,000	225,000	225,000	225,000	225,000	225,000
Ord. dividend ..	1,532,308	1,407,222	1,913,361	1,876,296	1,876,296	1,556,774	3,745,492	3,842,493
To reserve ..	1,500,000	nil	nil	257,228	nil	nil	nil	nil
Balance ..	Dr 10,435,883	217,837	595,007	746,478	1,038,878	1,394,734	908,685	255,788
Brought for'd ..	1,973,902	930,319	1,148,157	1,780,222	1,966,700	3,005,578	727,778	1,634,200
Carried for'd ..	930,319	1,148,156	1,743,164	2,526,700	3,005,578	4,400,312	1,636,463	1,890,188

For 1916 and 1917 profits were shown subject to excess profits duty, and for the past four years after providing for payments of this duty, as well as income-tax and corporation profits tax. In the accounts in front of us total assets have increased by over half a million to £33,622,495. Advances to associated companies have been reduced from over 7 millions to just over 5½ millions, but investments in associated companies have been increased by £398,000 to roughly 15½ millions. The balance-sheet will be found fully analysed in another column.

London Electricity Supply.—A report has just been issued by the Electricity Commissioners on the results of the inquiry held last summer concerning the unification of Greater London's electricity supply. The main proposal is to set up a joint authority for London and the adjoining counties—Essex, Herts, Kent, Surrey, and Bucks. The report accepts the technical scheme agreed upon previously by the London County Council, the borough councils, and representatives of most of the supply companies. This scheme provides for an immediate linking up of certain existing generating stations, whereby it is hoped greater economy, combined with greater efficiency, will be assured. Nine existing stations, called "group" stations, would be retained, and would be extended as required—some new generating plant has been already authorised by the Commissioners—whilst other stations would be gradually closed down. It is estimated that the total demand for the district covered by the Joint Authority would be 465,000 kw in 1925-26, and 660,200 kw in 1930-31. These figures do not include railway electrification. Two former schemes, one proposed by the London County Council, and involving an expenditure of £9,750,000, and another involving an expenditure of £23,855,000, are rejected by the Com-

THE REVENUE.

I.—An Account of the TOTAL REVENUE of the UNITED KINGDOM in the undermentioned periods of the Year ending March 31, 1922, as compared with the corresponding periods of the preceding Year.

	Quarter from October 1 to December 31, 1921, compared with the corresponding Quarter of the preceding Year.				Period from April 1 to December 31, 1921, compared with the corresponding period of the preceding Year.			
	Quarter ending Dec. 31, 1921.	Quarter ending Dec. 31, 1920.	Increase.	Decrease.	Period ending Dec. 31, 1921.	Period ending Dec. 31, 1920.	Increase.	Decrease.
Customs	£ 35,167,000	£ 33,499,000	1,668,000		£ 98,485,000	£ 101,333,000		£ 2,848,000
Excise	56,465,000	60,644,000		4,179,000	149,890,000	149,490,000	400,000	
Motor Vehicle Duties	794,000	794,000			3,282,000			
Stamps, &c., Duties	14,358,000	11,929,000	2,429,000		36,748,000	36,166,000	582,000	
Land Tax and House Duty	4,503,000	6,583,000		2,080,000	11,889,000	19,309,000		7,420,000
Property & Income Tax (including Super-Tax & Min. Rights Duty)	34,603,000	30,487,000	4,116,000		174,660,000	156,842,000	17,818,000	
Excess Profits Duties, &c.	2,650,000	46,954,000		44,304,000	29,714,000	156,354,000		126,640,000
Corporation Profits Tax	4,700,000		4,700,000		10,290,000			
Postal Service	10,500,000	8,800,000	1,700,000		28,250,000	24,900,000	3,350,000	
Telephone Service	1,450,000	1,350,000	100,000		3,950,000	4,050,000		100,000
Crown Lands	3,800,000	2,500,000	1,300,000		6,800,000	6,800,000		
Interest on Sundry Loans	280,000	50,000			570,000	510,000	60,000	
Miscellaneous	2,135,467	8,809,467		6,674,000	8,824,127	14,909,982		6,085,855
Ordinary Receipts	5,940,968	6,583,565		642,597	17,580,373	17,781,973		201,600
Special Receipts	43,171,723	50,975,198		7,803,475	95,388,818	199,507,773		104,118,955
	220,668,158	269,504,230	16,787,000	65,623,072	676,831,318	888,803,728	35,842,000	247,814,410
			Net Decrease, £48,836,072				Net Decrease, £211,972,410	

II.—An Account showing the RECEIPTS into and ISSUES out of the EXCHEQUER in the Period ending December 31, 1921, as compared with the corresponding period of the preceding Year.

RECEIPTS.	Period ending Dec. 31, 1921.	Period ending Dec. 31, 1920.	ISSUES.	Period ending Dec. 31, 1921.	Period ending Dec. 31, 1920.
Salances in Exchequer on April 1—			Expenditure—		
Bank of England	2,591,051	7,159,773	Permanent Charge of Debt	£ 12,003,224	£ 12,300,239
Bank of Ireland	483,455	2,209,324	Interest, &c., on War Debt	262,772,387	270,153,182
	3,074,506	9,369,097	Road Fund	2,381,000	2,956,689
Revenue, as shown in Account I.	676,831,318	888,803,728	Payments to Local Taxation Accounts, &c.	6,902,486	6,528,168
Temporary Advances Repaid—			Land Settlement	100,000	
Bullion	7,180,000	3,530,000	Other Consolidated Fund Services	2,329,906	5,170,203
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	169,818	Supply Services	1,430,370	1,385,826
Under the Unemployment Insurance Acts, 1921	520,000		Total Expenditure chargeable against Revenue	451,471,431	544,185,422
Money Raised by Creation of Debt—				739,990,604	842,689,719
(a) For Capital Expenditure Issues—			Temporary Advances—		
Under the Telegraph (Money) Acts, 1913 to 1921	5,561,474	4,000,000	Bullion		
Under the Post Office (London) Railway Act, 1913	27,500	115,000	Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	7,200,000	3,500,000
Under the Housing Act, 1914	50,000	30,000	Under the Unemployment Insurance Acts, 1921	169,818	169,818
(b) Under the Unemployment Insurance Acts, 1921	7,600,000			8,120,000	
(c) For other Issues—			Issues to meet Capital Expenditure—		
By Treasury Bills for Supply	3,004,864,000	3,016,309,000	Under the Telegraph (Money) Acts, 1913 to 1921	5,561,474	4,000,000
By 4 per Cent. Funding Loan, 1960-90		270,552	Under the Post Office (London) Railway Act, 1913	27,500	115,000
By 4 per Cent. Victory Bonds		769,061	Under the Housing Act, 1914	50,000	30,000
By 5½ per Cent. Exchequer Bonds, 1925		258,784	Redemption of Unfunded Debt—		
By National Savings Certificates—			Treasury Bills for Supply	3,064,521,000	3,021,634,000
Under War Loan Act, 1914 to 1919	30,780,000	8,820,000	War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917	27,153,066	48,452,973
Under Finance Act, 1920	5		Principal of National Savings Certificates—		
By National War Bonds			(a) Repaid by issues under Sec. 59 (6) of the Finance Act, 1920	14,950,000	
By Treasury Bonds—			(b) Repaid otherwise	9,700,000	24,100,000
5-15 Year, 1925-35	1,082,317	18,259,924	Principal of Exchequer Bonds paid off	18,964,820	26,146,808
5½ per Cent.	175,365,199		6½, 1920	2,968,808	
By Other Debt created under the War Loan Acts, 1914 to 1919	10,961,454	38,480,813	5½, 1921	23,160,000	
(d) Ways and Means Advances	1,075,946,000	1,126,212,000	Other Debt under the War Loan Acts, 1914 to 1919	18,962,820	
Anglo-Persian Oil Company—			Principal of American Loan under the American Loan Act, 1915	51,494,036	54,822,930
Dividends on Shares Acquired	5,010	3,504			59,229,221
Repayments—			Ways and Means Advances Repaid	1,030,401,000	1,025,127,000
In respect of Cunard Loan	130,000	130,000	Depreciation Fund, under the Finance Act, 1917	22,280,179	21,780,178
Do issues under Civil Contingencies Fund Act, 1919	7,250,000		Issues to National Debt Commissioners to Reduce Debt—		
Do issues under Land Settlement (Facilities) Act, 1919	43,938	9,423	Cunard Loan Repayments	130,000	130,000
Do issues under Section 59 (4) of the Finance Act, 1920	12,225,325		Proceeds of National Savings Certificates—		
Interest—			Issued under Section 59 (4) of the Finance Act, 1920	15,390,000	1,225,000
Received under Section 59 (5) of the Finance Act, 1920	321,533		Old Sinking Fund, 1910-11—		
			Issued under Section 16 (1) (b) of the Finance Act, 1911	212,450	197,766
				5,016,313,946	5,133,350,413
	5,019,969,397	5,136,361,498	Salances in Exchequer—		
			Bank of England	£ 2,108,067	£ 1,952,734
			Bank of Ireland	1,547,384	1,058,351
				3,655,451	3,011,085
				5,019,969,397	5,136,361,498

Max.—Floating Debt outstanding March 31, 1921

	£	Dec. 31, 1921.	Dec. 31, 1920.
Ways and Means Advances outstanding—			
Advances by Bank of England	20,000,000		87,250,000
Advances by Public Departments	180,034,000		218,722,000
Treasury Bills outstanding	1,059,806,000		1,102,109,000
Total Floating Debt outstanding	1,259,840,000		1,408,081,000
Net Decrease	15,490,000		

* Includes £41,000, the proceeds of which were not carried to the Exchequer within the period of the account.

Treasury, December 31, 1921.

missioners; and in place of these it is proposed that the additional 200,000 kw required, over and above that provided by the existing stations when extended, should be supplied by a new "capital" station or stations. It is estimated that this will mean an annual saving of £1,000,000 per annum in the cost of electricity delivered. In regard to the financial aspects of the scheme, the group stations would probably be vested in the Joint Authority, and the present distributors would remain distributors; but an objectionable factor in the proposal is that the supply companies may be bought out in 1931, and since these companies are by no means sure that the purchase price would be an equitable one, their commitments under capital expenditure for developments must be necessarily limited. The right of purchase which originally belonged to the local authority is now vested in the London County Council, and it is agreed that this right should be transferred to the Joint Authority. Since the Electricity Act of 1919 contains no provision for the financing of joint authorities, the proposed authority, as matters stand at present, has no direct borrowing powers. It is stated in the report, however, that the associated companies, who are vesting their stations in the Joint Authority under a deferred payment arrangement, will advance the sum of £1,200,000, whilst the London County Council and the local authorities concerned will assist with their municipal credit. The arrangement is not altogether clear, especially in view of a letter to *The Times* from the chairman of the Joint Committee of Companies, in which it is pointed out that the financial proposals of the companies were contingent on the financial control of the Joint Authority's work remaining in the hands of members representing the body which provided the funds. There are naturally many details to settle, and in due course the Commissioners will draft an order embodying their decisions, and a further inquiry will be held under the terms of the Electricity Act of 1919.

Japanese Trade and Finance.—Cabled advices from Tokyo state that general business conditions obtaining there towards the end of the year were rather dull. The cotton yarn market displayed a slightly better tone, while the Stock Exchange and the rice market both remained quiet, but all three markets closed the year with expectations of better things in the New Year. Fresh buying orders improved the tone of the silk market. After the middle of December large Exchequer payments served to produce monetary market ease, and towards the end of the year large remittances to the country, and a strong demand for money for end-of-the-year settlements, caused stringency. The market had to borrow heavily from the Bank of Japan, and the rate for short loans rose to 12 per cent. per annum. When the turn of the year was reached monetary conditions became quieter. At December 30th the note issue of the Bank of Japan was 1,559 million yen, against 1,458 million yen a year earlier, and discounts and advances 393 million yen against 265 millions. Imports in 1921, up to December 25th, were 1,570 million yen, and exports 1,220 millions, as compared with 2,172 millions and 2,098 millions respectively in 1920.

Indian Cattle Exports.—In a letter from our Bombay correspondent in the *Economist* of October 1st last (p. 511) it was stated that the existing scarcity and high prices of meat were in the main attributable to the huge exports of cattle to Africa and S. America during the war for breeding purposes. The Department of Revenue and Agriculture at Delhi points out to us that this is a misstatement, and supplies us with the following figures:—

	Exports of Living Animals.	
	Cattle.	Sheep and Goats.
1912-13	30,188	189,290
1913-14	29,900	201,002
1914-15	17,708	123,419
1915-16	14,241	129,806
1916-17	14,681	149,387
1917-18	9,977	119,813
1918-19	9,951	95,053
1919-20	16,685	90,099

By far the greater proportion of these exports went to Ceylon.

THE Right Hon. H. H. Asquith will address a meeting of business men in the Great Hall of the Cannon Street Hotel, on Thursday, January 19th, at 2.30 p.m. The meeting will be held under the auspices of the National Association of Merchants and Manufacturers, and Sir Hugh Bell will preside.

At a meeting of the Royal Colonial Institute at the Edward VII. Rooms, Hotel Victoria, Northumberland avenue, on Tuesday, January 10th, at 8.30 p.m., a paper on "The Birth of the Overseas Empire and its Development" (with lantern illustrations) will be read by the Right Hon. Lord Morris, K.C.M.G., LL.D. The Hon. Sir Edgar Bowring (High Commissioner for Newfoundland) will preside.

Oversea Correspondence.

UNITED STATES.—HEAVY NEW ISSUES—NEW LOANS BY DENMARK AND THE C.P.R.—FOREIGN LOAN MATURITIES.

(FROM OUR CORRESPONDENT.)

NEW YORK, December 23.

New financing for both domestic and foreign account is being undertaken here on an extensive scale. There has been a veritable flood of offerings of new securities in this market during the past week, four different issues alone aggregating about \$100,000,000, and many more are likely to be brought out in the near future, provided money and investment conditions remain favourable. It was expected that a great deal of financing would be done, but Wall Street did not look for such heavy offerings before the turn of the year. One explanation is that many corporations have been borrowers from the banks, and the latter, desiring to make a good exhibit at the end of this year, have urged new financing at this time. Another theory advanced is that the usual January reinvestment demand is being anticipated by many interests, who decided to enter the market now for new capital in order to avoid the rush next month. Although investment demand is still vigorous, and the new securities are being readily absorbed, it is conceivable that the market may soon be over-supplied if the present pace is continued. The new offerings have already begun to divert interest from existing bonds; substantial declines have occurred this week in many of the latter, including both Government war obligations and corporate issues, owing to sales by holders who wish to reinvest in the new offerings.

One of the largest of recent offerings, and one that attracted unusual interest, was the \$25,000,000 Canadian Pacific Railway Company 4 per cent. consolidated debenture stock, which a banking syndicate, headed by the National City Company and the Guaranty Company, offered to investors at 78 and interest to yield 5.13 per cent. The offering, which met with a very favourable reception, was the first block of that stock to be floated in the United States. The issue is perpetual, with interest payable in New York City in gold. The bankers point out that the stock is a first charge upon the entire undertaking, railways, works, rolling stock, and property of the company, excepting lands received by way of subsidy, subject only to operating expenses and charges on securities issued prior to 1889, and totalling \$38,651,724.

Another big issue was the \$30,000,000 Kingdom of Denmark 20-year 6 per cent. external gold bonds offered for public subscription at 94½ and interest. The bonds are callable only as a whole at 105, on any interest date prior to maturity, on 60 days' notice; they are the direct obligations of the Kingdom of Denmark, which agrees that, in the event of future issues being made, the service of this loan shall be secured equally with such subsequent loans. A particularly interesting and significant feature is that these bonds are being offered at a price to yield only about 6½ per cent. to maturity. That is the lowest return offered to investors here on any new foreign Government issue for some time past. Heretofore it has been necessary to offer such new securities at prices yielding nearer 8 per cent., in order to attract investment capital. The

comparatively low rate on the Danish issue has been made possible by the decidedly easier money situation now prevailing in this country.

Foreign Government loans, payable in the United States during 1922, are comparatively small in volume, the total of such issues placed exclusively in this country amounting, according to the *Wall Street Journal*, to \$128,500,000. In addition, Canada has a five-year 5½ per cent. loan of \$194,870,000, due December 21, 1922. That was the Canadian Victory Loan, which was floated partly in Canada and partly in the United States. As it was exchangeable for previous war loans, it is uncertain just what portion is still outstanding in this country. The due date of foreign loans payable in the United States, and maturing next year, their amounts and rate of interest, are given below:—

Due.		Rate.	Amount
Jan. 1	Province of Ontario	5 ..	3,000,000
April 1	Province of Manitoba	5 ..	2,250,000
April 15	Province of Ontario	5½ ..	3,000,000
May 1	Province of Ontario	6 ..	1,000,000
May 15	City of Rio de Janeiro	5½ ..	1,000,000
May 28	Province of New Brunswick	5 ..	4,000,000
Aug. 1	Province of Ontario	4 ..	10,000,000
Aug. 1	Philippine one-year certificates ..	5 ..	1,500,000
Aug. 1	Province of Alberta	5 ..	101,620,000
Nov. 1	United Kingdom three-yr. notes ..	5½ ..	194,870,000
Dec. 1	Canadian Victory Loan five-year ..	5 ..	1,000,000
Dec. 1	Province of Alberta	5 ..	130,000
Dec. 1	Republic of Panama gold	5 ..	130,000

Total foreign maturities in 1922 323,370,000

Other important offerings of new securities within the past few days include \$12,753,000 Louisville and Nashville Railroad Company first and refunding mortgage 5½ per cent. gold bonds, series A, dated August 1, 1921, and due April 1, 2003. These bonds, which are redeemable as a whole, but not in part, at the option of the company, on October 1, 1936, or on any interest date thereafter, at 102 per cent., and accrued interest, were offered at 101 and interest, to yield about 5.45 per cent. In the industrial group the largest new offering was \$30,000,000 American Sugar Refining Company 15-year 6 per cent. gold bonds, which were priced to investors at 98½, to yield 6.15 per cent.—a new low return for that class of industrial bonds. The total of all offerings this week approximated \$148,000,000.

FRANCE.—BUDGET PASSED—CAPITAL ISSUES—THE RENTE MARKET—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, January 3.

By the ingenious device of stopping the clocks in the Chamber and the Senate at 11.45 p.m. on the last day of the year, the Budget for 1922 was finally passed through both Houses before the New Year dawned. As a matter of fact, however, it was not until between 10 and 11 o'clock on Sunday morning that the last formalities were accomplished, and the Senators and Deputies, after sitting consecutively for two days and two nights, were able to complete their work. The concrete result of this feat of endurance is that the Budget Act for 1922 came into operation, for the first time in the case of a Budget for many years, with the beginning of the normal financial year on January 1st. More important still, perhaps, is the cogent fact that the method adopted this year will save an enormous amount of both expense and parliamentary time, as it will now be unnecessary to ask Parliament for any *douzièmes provisoires*, or monthly Votes on Account. Last year the Budget Act did not come into operation until August 1st, thereby involving Votes on Account for seven months.

The amendments made by the Senate concerned chiefly the credits for Syria, which the Senate proposed to reduce by 50,000,000, and the reduction of the national civil service by 50,000 officials during 1922. As to the first matter, M. Briand insisted that unless the credit for 50,000,000, which was required to pay the cost of the civil administration of Syria, were granted, General Gouraud, the French High Commissioner there (who is now in this country), would be unable to return to his post, in view of what would amount to an attack on his authority. In spite of a bitter Socialist attack on General

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Gouraud, the Chamber insisted on the credit being maintained. To the Chamber's proposal that the number of civil servants should be reduced by a round 50,000, the Senate proposed that the reduction should take the form of a "cut" of 10 per cent. in the number of employees of each department of the public service. This the Chamber also refused to accept, and ultimately the Senate gave way and approved the Budget Bill as it stood.

Figures are now available showing that during the three years January 1, 1919, to December 31, 1921, the French money market has absorbed about 97,000,000,000 in new issues, of which more than 75 per cent. consist either of loans to the State or issues guaranteed by it. During the war, from August 1, 1914, to the end of 1918, the French Government took up internal loans of various forms amounting to about 107,000,000,000. In 1919 new scrip, valued at 27,000,000,000, was issued or offered on the French market, 16,000,000,000 of this being in National Defence Bonds.

In 1920 two great national loans were issued—that of February being at the rate of 5 per cent., redeemable at 150, and that of the following October being in the form of Perpetual 6 per Cent. Rentes. These two loans produced a gross yield of 42,640,000,000 and a net yield of 16,180,000,000, as subscribers took advantage of the offer to pay half their subscriptions for the new stock to the extent of 13,400,000,000 of National Defence Bonds and 13,060,000,000 in old Rentes of various categories. The net result of the two issues was to provide the State with 16,180,000,000 of fresh money, and to reduce the amount of National Defence Bonds in circulation by 13,400,000,000. During the year, however, the public also absorbed against cash 4,000,000,000 of new National Defence Bonds, 8,038,000,000 of various kinds of mortgage and debenture bonds, and 5,171,000,000 of shares, making a total of about 33,000,000,000. During the first nine months of 1921 the State disposed of 20,026,000,000 in National Defence Bonds (including 5,000,000,000 in two-year bonds at 6 per cent.), the railway companies of 2,343,000,000, the Crédit Foncier, Ville de Paris, Houillères de France, and other organisations, whose issues have been noted in this column from time to time, of 8,523,000,000, making a total of 30,902,000,000, to which must be added for the last quarter of the year an issue by the Crédit National amounting to 3,000,000,000, one of 500,000,000 by the metallurgical industry, and at least 2,000,000,000 of other issues.

The first of the pending new issues for 1922 to be announced is that of 150,000,000 by the Department of the Nord. This will yield interest at the rate of 6 per cent., free of all taxation, both present and future, and will be redeemable in 30 years. The 500 bonds are issued at 475f, and are guaranteed not only by the Department of the Nord itself, but are also secured on 30 annual payments that will be due from the State to the Department in respect of war damage.

In an article in the *Figaro* M. Edmond Théry, the well-known economist, argues that circumstances were never more favourable than at present for the market in French Rentes to be again thrown open. The fact that prices are still officially maintained at an artificial figure is now a dead weight on the market, he insists, and one of the

causes of the depreciation of the Rente, which has become unsaleable, except as the result of clandestine transactions outside the Bourse, at five or six points, and sometimes more, below the official quotation. He shows by the following table the influence that the enormous issues of the past three years have had since the beginning of the war on the note issue of the Bank of France, and on the volume of the current accounts open both at the Bank of France and the four other great French banks—the Crédit Lyonnais, the Comptoir d'Escompte, the Société Générale, and the Crédit Industriel:—

(Million Francs.)

	Current Accounts of four other Banks.	Banque de France. Note Issue.	Private Accounts.
1914 (end of June).....	5,455	5,852	1,210
1918 (end of December).....	6,705	29,271	2,452
1919 do.....	11,949	37,618	3,182
1920 do.....	13,286	37,902	3,715
1921 (end of June).....	12,628	37,422	2,770
1921 (end of December).....	(1) 13,000	36,487	2,717

(1) Estimated.

Figures show, M. Théry claims, that the war has had no detrimental effect either on the credit or on the power of attracting the investing public which is enjoyed by the great French banks, whose deposits on December 31, 1918, had already exceeded those of June 30, 1914. The 97 milliards invested by the public during the past three years, he adds, have had scarcely any influence either on the note issue or on the deposits of the great banks, which he considers undeniable proof that the situation of the French financial market on the eve of 1922 is absolutely healthy, and that there need be no hesitation in restoring full liberty to the market for French Rentes.

The various efforts that have been made by international financiers to improve the financial situation of Europe have reacted to some extent favourably on the Bourse, as members always hope that results of real economic value will accrue from such discussions. French 3 per cents. have dropped a trifle, falling from 54.75 to 54.60. Banks are rather more in demand, Union Parisienne rising from 710 to 727, Banque de Paris from 1,215 to 1,245, and Crédit Lyonnais from 1,410 to 1,425. Banque Ottomane, as a result of certain purchases, has risen from 660 to 685. During the year 1921 the Banque de France has paid to the State a total of 101,169,000f, and in addition to this, a sum of 1½ milliard francs has been paid over to the State by the bank on account of war profits. Transports have fluctuated, with, on the whole, an upward tendency. P.L.M. has gained 13 points at 819, Nord 6 points at 916, and Orléans 22 points at 886. Shipping is slightly improved, Chargeurs Réunis being 20 points better at 495, Transatlantique 5 points better at 235, and Chargeurs Réunis 3 points better at 208. Suez, however, has dropped from 6,020 to 5,955.

The returns of the Bank of France for the last week, the previous week, and the corresponding week of 1913 are as follows:—

	Dec. 29, 1921.	Dec. 22, 1921.	Jan. 2, 1913.
DEBTOR.			
Capital of the Bank.....	182,500,000	182,500,000	182,500,000
Profits in addition to capital	38,105,294	30,297,689	8,008,145
Reserve.....	22,105,750	22,105,750	22,105,750
Reserve of landed property	4,000,000	4,000,000	4,000,000
Special Reserve.....	8,407,444	8,407,444	8,407,444
Sinking Fund account (Law, December 20, 1918).....	556,327,701	556,913,950	..
Surplus earmarked for Sinking Fund for advance to State	1,263,869,414	1,257,227,348	..
Supplementary Sinking Fund for Interest (Law, Dec. 20, 1918).....	8,224,696	7,595,711	..
Notes in circulation	36,497,456,505	36,246,215,535	5,933,432,680
Interest on securities	54,956,021	75,457,364	18,154,981
Bank notes to order	896,219	904,832	4,303,029
Treasury account	26,013,952	13,181,325	188,187,765
Current accounts, Paris	1,655,739,595	1,641,677,619	824,744,189
Do branch banks	1,061,423,764	939,473,816	127,434,316
Dividends payable	18,048,077	3,895,432	12,156,815
Discounts and sundries	3,453,839	102,416,385	4,448,635
Re-discounts	13,081,897	15,389,701	15,389,701
Sundries	1,158,372,339	1,096,380,143	361,986,261
Total.....	42,561,543,400	42,197,010,046	7,504,813,365
CREDITOR.			
Cash in hand	5,803,993,100	5,803,746,852	3,865,392,634
Balance abroad	623,732,983	606,937,961	..
Commercial bills overdue.....	1,148,793	996,180	13,617,938
Discounts in Paris	321,083,993	1,264,198,850	839,969,108
Foreign bills	6,848,322	6,363,272	22,602,256
Treasury bills	886,412	321,104	..
Discounts in branches	1,177,615,567	985,277,854	1,276,897,034
Adjusted payments, Paris and branches	52,240,332	57,826,581	..

	France.	France.	France.
Advances on bullion	12,974,000	12,974,000	3,662,000
Do on public securities	408,168,522	417,943,437	214,586,117
Do by branch banks	1,815,875,173	1,859,114,113	518,497,662
Advances to State (ordinary)	200,000,000	200,000,000	200,000,000
Do (for war)	24,500,000,000	24,500,000,000	24,500,000,000
Treasury bonds in respect of Advances to Foreign Govern- ments	4,142,000,000	4,141,000,000	..
Government stock reserve	12,980,750	12,980,750	12,980,750
Do disposable	101,858,558	101,858,558	99,626,796
Rentes indisponible	100,000,000	100,000,000	100,000,000
Primes and furniture	54,459,975	54,172,327	40,388,483
Expenses and management	653,003	41,843,943	60,571
Special reserve	8,407,438	8,407,438	8,407,444
Sundries	2,108,312,437	2,032,748,332	977,765,073
Total.....	42,561,543,400	42,197,010,046	7,504,813,365

* Temporary advances floods.

BANK OF FRANCE RATES.

Discount	5 1/2
Advances on bullion	5 1/2
Advances on public securities	5 1/2

GERMANY.—NEW YEAR PROSPECTS—INCOME-TAX—INFLATION—EXCHANGE AND BOURSE—FOREIGN TRADE—PRICES—EMPLOYMENT.

(FROM OUR CORRESPONDENT.)

BERLIN, January 3.

THE prospects of Germany in the New Year appear to depend altogether upon developments in the Reparations question. The immediate influence governing economic life—State finances, currency, prices, industry, and trade—in the past year was the movement of the mark exchange; but observation has shown that the exchanges are mainly dominated by international views of Germany's relations with the Allies, in which relations Reparations are likely again this year to play a leading rôle. Not very optimistic views are taken of the prospects of any drastic settlement of Reparations in Germany's favour. Since early December the foreign exchanges and with them stock movements have indicated a waiting attitude; after the first optimism induced by the London negotiations caused a collapse of the exchanges, nothing happened to strengthen or weaken the effect. The good effect upon the mark's foreign value has, as always in the past, been accompanied by a distinct slackening of industrial and commercial activity; the great buying boom which reached its height in early November has ceased; and manufacturers are saved from serious depression only by the fact that for a long time ahead they booked large orders, given under the wrong impression that the public's buying fever would last. Large classes are therefore interested in a resumption of the currency depreciation as measured by the foreign exchanges (the inflation which is going on worse than ever here plays no rôle); but neither the Federal Government nor other public bodies, all of which suffer from the price-rises, belong to this class.

The Reichstag has been obliged to reduce the nominal income-tax rates, for the same reason as has compelled Dr Wirth to throw over Herr Erzberger's Emergency Levy and to substitute a property tax with recurring reassessments of capital values. While the rise in nominal values caused by the currency depreciation enables property to escape the intended burden of a tax assessed unchangeably upon the values of a past date, it at the same time increases the burden of a progressive income-tax. Since early 1920 the income-tax has therefore been three times nominally reduced; against an original minimum rate of 10 per cent. (1,500 marks being exempted) on incomes up to 10,000 marks is now a 10 per cent. tax on incomes up to 50,000 marks. The Austrian Government has so much felt the inconvenience of similar frequent changes that it last month submitted a Bill substituting "taxation units" (*Steuereinheiten*) for crowns as basis of the progressive rates; the rates are fixed unchangeably upon the number of taxation units in an income, while the number of crowns constituting a taxation unit will be periodically fixed according to the currency's buying power. A similar expedient will be necessary here unless

greater price-stability is attained. The new income-tax, as compared with that last fixed, is:—

	Income in Marks.	March, 1921. Marks.	March, 1922. Marks.
50,000	10,100	5,000	..
100,000	32,500	15,500	..
200,000	81,600	45,500	..
300,000	136,600	80,000	..
500,000	251,600	160,500	..
1,000,000	551,600	385,500	..
2,000,000	1,151,600	910,500	..
3,000,000	1,751,600	1,510,500	..

After beginning extremely well as regards inflation, 1921 ended badly. The first three months saw practically no increase in Reichsbank note circulation, and an actual small decrease in note and "Kassenschein" circulation together; the second quarter showed a small increase; the third a large, and the fourth a very large increase, "Kassenschein" circulation continuing to fall off. The total absolute increase is somewhat greater than in 1920, the percentage increase is, however, much smaller. The movement of Reichsbank note circulation was as follows:—

	1,000 Marks.
June 30, 1914	2,909,490
December 31, 1919	35,698,369
December 31, 1920	68,805,008
March 31, 1921	69,417,288
June 30, 1921	75,321,095
September 30, 1921	86,384,286
October 31, 1921	91,527,679
November 30, 1921	100,943,632
December 23, 1921	108,995,550

Plentiful money, which facilitated the placing of Treasury bills, and a relatively small current deficit, are the causes of the low inflation in the first part of the year, but of late the current deficit has largely increased, and growing money tightness prevails. The outlook for the next few months is not good. The Reichsbank's price for gold (quotations for fine gold per kilo having been suspended) is 720 marks per 20 marks piece, the maximum price having been 850 marks, fixed in the second half of November, and the minimum 260 in January. The total of capital raised by private companies in December was 2,941,470,000 marks, as against 4,876,930,000 marks in November; in the whole year the total was 21,745,240,000 marks, which is 50 per cent. more than the combined capital in all German companies in 1914. The decline in December, after rapid increases in preceding months, is probably due to the brake put upon industrial activity by a mark exchange recovery. Of the year's total 16,228,030,000 marks was subscribed as ordinary stock, and 2,459,440,000 marks as preference stock, and 3,057,770,000 marks as bonds. In the first eleven months were founded 726 companies, as against 306 in all 1920. The number of bankruptcies of late shows the decline which is usual during mark-exchange fall and "catastrophe boom" periods—in November 195, October 263, September 256, August 290. The small number of bankruptcies as compared with the 12,000-13,000 a year usual before the war, is due, however, largely to the law of December 14, 1916, which enacted that concerns made insolvent by war conditions should merely be put under control if their insolvency was likely to disappear when normal conditions returned. This law, under a judicial ruling, is still being liberally applied.

The Berlin Bourse to-day began the New Year firm; under influence of a slight rise in the exchanges War Loan was quoted 77.50, Federal 4 per cent. 87.75, 3½ per cent. 73, 3 per cent. 102.50, Colonial 4 per cent. 110, Savings and premium 82, and Prussian 4 per cent. Consols 69. The *Frankfurter Zeitung's* index for 35 securities on December 30th (last Bourse day) shows 32,699, against 29,841 a week earlier, 42,358 on November 10th (highest point at any week-end), 17,174 on January 8, 1921, 9,141 on January 2, 1920, and 6,387 on September 1, 1919. The list includes 10 bonds; the rise for stocks only since September, 1919, is from 5,424 to 30,071. In 1920-1921 the rise in security quotations closely corresponded, as in theory it should, to the general price-rise; on the basis of 100 for both in January, 1920, prices at the close of 1921 were 320, and securities 358. Quotations of bonds and stocks on the last Bourse days of 1921 and 1920 were:—

	1920.	1921.
War Loan 5 %	77.50	77.50
Federal 4 %	66.10	87.75
Federal 3½ %	59.80	72.75
Federal 3 %	65.80	103.25
Prussian Consols, 4 %	62.75	63.10
Darmstadter Bank	180	303
Deutsche Bank	326.50	507
Disconto Bank	247	420
Dresdner Bank	219.75	398
Hamburg-America	195.50	437.50
Norddeutsche Lloyd	194.50	455
Schultheiss Patzenh. (Brewery)	338	1,588
Allgemeine Elektrizität	319	733.55
Augsburg-Nürnberg Machines	450	1,340
Badische Anilin	474.75	649
Concordia Chemicals	742	1,050
Deutsch-Luxemburg	407	840
Daimler Motors	229	549.75
Deutsche Erdöl	269	2,001
Nobel Dynamite	376	720
Gelsenkirchen	400	850
Hohenlohe	330	750
Phoenix	665	1,020
Rhenish Steel	540.75	1,110
Schuckert	284.50	915
Siemens and Halske	685	800
Verenigte-Glanzstoffe	778	3,550

Foreign trade in November showed a sudden disappearance of the heavy, and in former months rapidly increasing, import surpluses. Imports were 12,272,600,000 paper marks, against 13,814,400,000 marks in October, exports 11,869,700,000 marks, against 9,681,500,000 marks, and the import surplus 402,900,000 marks, against 4,132,900,000 marks. The import decrease is probably due to the heavy mark exchange fall in the preceding months; the increase in exports, details of their kind being lacking, cannot be explained; but the present stagnation in home selling may easily lead to increased exporting. The *Frankfurter Zeitung's* commodities index shows for January 1, 1922, 320 against 303 on December 1st, 249 on November 1st, 184 on October 1st, 128 (lowest of year) on June 1st, 143 on January 1, 1921, and 100 on January 1, 1920. The smallness of the increase in December shows how rapidly a mark exchange recovery reacts on prices. In December the food index figure, which had risen from 127 on June 1st to 378 on December 1st, fell to 375; textiles and leather, which rose 68 points in the preceding month, remained without change; and minerals rose by only 4 points. Taking 100 as price of all commodities in 1914, the present figure is 3,596. The following shows paper-mark prices of important commodities at the beginning and end of the year:—

	January.	December.
Wheat, 100 kilos	155.50	750
Rye " "	141.50	559
Oats	136.50	558
Potatoes, 1,000 kilos	805	1,664 (Nov.)
Sugar, 100 kilos	565.2	700 (Nov.)
Coffee, Santos, 1 kilo	16.80	51.50
Rice, Burma 2, 1 kilo	4.45	11
Ox hides, 1 metric lb.	9.16	22.02
Sole leather, 1 kilo	72	136
Wool, Cape snow white, 1 kilo ..	70	165
Raw silk, Organdy, 1 kilo	1,000	5,625
Electrolyt. copper, 100 kilos	1,932	6,307
Smelters' tin, 100 kilos	585	2,062
Lead, 100 kilos	517	2,062
Nickel, 98-99%, 100 kilos	4,275	11,500
Silver, bars, 1 kilo	1,060	3,162
Foundry pig-iron, 100 kilos	1,725	3,326
Petroleum, 200 kilos	779	880 (Nov.)

The Federal Statistical Bureau reports cost of food for a family of four in November as 473.89 marks, against 418.42 marks in October, 381.70 marks in January, and 25.57 marks in January, 1914. Employment records continue to follow closely the exchanges. At the end of November, after a slight mark exchange recovery, the proportion of unemployed among 5,912,750 members of trades unions was 1.4 per cent., as against 1.2 a month before. The number of publicly supported unemployed on November 1st was 151,871, as against 426,600 on March 1st (high point of the year). The high point of 1920 was 454,775 in January. The fuel production in 1921 was:—Black coal, 124,287,000 tons, against 119,421,000 tons in 1920; brown coal, 111,967,000 tons, against 101,524,000 tons; coke, 25,501,000 tons, against 22,822,000 tons; black coal briquets, 5,265,000 tons, against 4,489,000 tons, and brown coal briquets 25,958,000 tons, against 22,194,000 tons. An agitation is proceeding for restoration of free pricing for coal. Herr Stinnes has

[January 7, 1922.]

complained to the Federal Coal Council that through maximum pricing at home, and through the obligation to deliver to the Allies at home prices Germany is losing 200 to 240 million gold marks a year.

CANADA.—ELECTIONS—THE MERCHANTS BANK: MERGER WITH BANK OF MONTREAL—BUSINESS CONDITIONS—EFFECTS OF THE AMERICAN TARIFF.

(FROM OUR CORRESPONDENT.)

OTTAWA, December 20, 1921.

THE result of the Canadian General Election, which was held on December 6th, has not falsified general predictions. But the devastating character of the Government's defeat was completely unexpected. Eleven Ministers, including the Premier, have been beaten. In no less than five out of the nine provinces not a single Government supporter has been returned, and half the 50 seats which have been salvaged from the wreck have been retained by minority votes. The causes of this unprecedented débâcle are various, the chief being the grave industrial depression which has hung over the industrial life of Canada for the past year, and shows scant signs of lifting. It was impossible for Mr. Meighen to win applause for the merits of Protectionism, as he heroically tried, from the 200,000 unemployed industrialists of Eastern Canada. Agriculture is in an equally distressed condition, and Western farmers, who are being forced to sell their wheat at less than a dollar a bushel, are prone to take a black view of a Government's performances. Any Government which appealed to the country under such circumstances was doomed to defeat.

The financial world in Canada has just passed through a very severe crisis. For some time past considerable uneasiness had prevailed in the inner circles of finance concerning the stability of the Merchants Bank of Canada, which is the fourth largest of the Canadian banks, and the shares of the bank reflected the conjectures on the stock market. Friday, December 16th, was a day of wild rumours and deep anxiety in Montreal financial circles, and there was general relief when an announcement came that the directors of the Merchants Bank were recommending its shareholders to accept an offer made by the Bank of Montreal to take over the institution. The announcement was followed by a statement issued from the Bank of Montreal appointing Mr. H. B. McKenzie, one of their most experienced officers, to audit the Merchants Bank's finances, because "the directors had reason to fear that the bank's affairs were not in the condition as disclosed to them." The outgoing Finance Minister has given Parliamentary consent to the merger, but it will have to be confirmed by his successor and ratified by the shareholders of both banks. The terms of the merger will not be known until the notices for the shareholders' meetings are sent out, but it is believed that the offer to be made by the Bank of Montreal will be \$1,000,000 cash and one share of Bank of Montreal stock for every two shares of Merchants. At yesterday's prices of Bank of Montreal stock this means that the Merchants stock will be taken over at \$116 a share, or \$41 less than was being offered when the stock was summarily removed from the exchange list yesterday. The capital of the bank is \$10,000,000, and it is calculated that the shareholders will have to suffer a loss of close upon \$5,000,000. The depositors have been reassured by an official statement from the manager of the Bank of Montreal that the deposits of the Merchants Bank are safe beyond doubt. Sir Montague Allan, the president of the Merchants Bank, intimated in a statement that the reserve fund of the bank had been impaired to such an extent that absorption by the Bank of Montreal was the only means of escape from a serious financial disaster. The general impression is that the position of the bank was precipitated by a number of contributory causes, chief of which were unfortunate commercial and industrial loans, and the shrinkage of collateral issued against them.

The Merchants Bank was established in 1861, chiefly through the efforts of Sir Hugh Allan, one of the founders of the Allan Line. In the early 80's it was the second largest bank in Canada, and there had until recently been

no setback to its steady prosperity. It has been very strong in Western Canada, where it possessed a large number of branches scattered through the better-class farming districts. At the end of October it had total deposits of \$131,874,326, while its notes in circulation totalled \$13,994,475. Its total liabilities were placed at \$165,185,703, against assets of \$185,405,494. The rest, or reserve fund, was reported as \$9,450,000.

Wholesale business throughout Canada shows a distinct falling off except in a few lines, due to the fact that retailers have laid in their Christmas stocks and are busy selling them. Montreal and Quebec report that wholesale dry goods, hardware, and even grocery houses find a marked curtailment of the orders. Boot and shoe factories are still reasonably busy, but the iron and steel trades are deplorably dull. The retail trade shows the improvement usual at this season, but the volume of Christmas shopping is much smaller than in former years. Toronto and Ontario advices are almost similar in tone. In Western Canada business is feeling the effects of the agricultural depression, and the continuous decrease in the prices of grain and livestock.

The operation of the United States emergency tariff was extended to February 1st, and in view of the strength of the agricultural bloc at Washington, hope is now dim in Canada that the duties imposed by it will not be perpetuated in the permanent tariff measure now being framed by Congress. The emergency tariff has now been in operation six months, and statistics are available to show its disastrous effects upon Canadian export trade to the United States in certain lines. In November, 1921, the value of Canadian exports to the United States on goods affected by this tariff was \$8,528,963, as compared with \$31,288,398 for the corresponding month of 1920; for the six months' period of June to November \$35,922,059, as compared with \$93,454,422. In this six months' period the exports of butter and substitutes therefor declined from \$4,776,888 to \$2,254,914 in value; of potatoes, from 1,472,390 bushels to 464,424 bushels; of wheat, from 18,588,728 bushels to 7,558,325 bushels. But the most startling decreases were in fresh and frozen beef and meats of all kinds, which fell from 25,753,300 lbs to 17,556 lbs, and preserved milk, which fell from 8,879,175 lbs to 1,196,258 lbs. There can be no real compensation to the Canadian farmer for his comparative exclusion from the great market lying to the south of him, and sooner or later some effort must be made to secure more favourable trade arrangements. The Liberal party, which has now come to power, will be exceedingly wary in view of its previous experiences with a reciprocity treaty, but the forces which drove Laurier to make approaches in 1911 are stronger than ever, and the need for such a trade arrangement is clearly recognised in circles which were formerly hostile.

GREECE.—MERCANTILE MARINE—CROPS—FOREIGN TRADE—NEW BANKS—EXCHANGES AND STOCKS.

(FROM OUR CORRESPONDENT.)

ATHENS, December 26.

DURING the world-war almost the whole of the Greek commercial fleet was in the service of the allied Governments. It suffered heavy losses, and the end of the war found it greatly decreased both in number of ships and in tonnage. Part of the decrease, however, was caused by sales at high prices to foreigners, before the Government enacted measures prohibiting such sales. Since the armistice new steamers have been bought or built out of money representing either the proceeds of sales, or the insurance payments for losses from ordinary or war risks. To promote shipbuilding after the war the Government inserted in the law for taxing the excess profits realised during the war, a provision to the effect that the tax levied on excess profits arising out of the sale of ships or from insurance payments would be returned to the taxpayer, after a trifling deduction for benevolent purposes, in cases where the taxed shipowner would purchase foreign ships, or build new ones of a value double the amount of the tax within a fixed period from the date of the signing

[January 7, 1922.]

of peace. The following table shows the pre-war strength of the Greek mercantile marine, and its condition at the end of the war:—

	August, 1914.		November, 1918.	
	Number of Ships.	Gross Tonnage.	Number of Ships.	Gross Tonnage.
Steamers	474	830,000	200	180,000
Sailing vessels	884	135,000	640	115,000
Totals	1,358	965,000	840	295,000

The losses incurred from war perils and by sales to foreigners amounted to 71 per cent. of the total tonnage, and are divided as follows:—Losses from enemy action, 386 ships of 427,000 gross tons, and sales to foreigners, 114 ships of 260,000 tons. In consequence of important additions made since the Armistice, the strength of the commercial fleet at the beginning of November was 1,512 vessels of 850,000 tons.

The increase since the Armistice is nearly threefold, and is due almost entirely to private initiative, save for 12 ex-German steamers allotted to Greece by the Allies, as a partial reparation for her shipping losses. The amount collected by shipowners from the sale of ships and from insurance payments is officially estimated at £23,450,000. To this amount should be added a sum of at least £17,500,000, roughly representing, according to the same estimates, the freights collected during the war, bringing the total receipts to £40,950,000. Deducting from this total a sum of approximately £10,400,000 spent on the purchase of new tonnage, there remains a balance of cash in the hands of shipowners of £30,550,000.

Agriculture shows poorer returns for this year, as compared with those of last year. The figures for the principal products are given below:—

	1920.	1921.
	Tons.	Tons.
Wheat	306,000	298,000
Currants	116,000	69,000*
Tobacco	32,000	25,000
Oil	132,000	45,000†

* Not including the returns of one province, whose yield in 1918 was 48,000, in 1919 40,000, and in 1920 41,000 tons.

† Estimated yield.

Provisional returns of imports and exports for the first ten months of the year show a decrease in imports and an increase in exports in comparison with the same period of last year, as the following table shows:—

(In Millions of Drachmæ.)			
	Imports.	Exports.	Excess of Imports.
January-October, 1920	1,328	542	1,284
January-October, 1921	1,306	607	699
Difference	22	+ 65	— 585

Two new banks have recently been established. One, the Bank of Thessaly, with a capital of 6 million drachmæ, having its head office at Volo, is a commercial bank, and is intended to serve the interests of Thessalian commerce and industry. The other, founded at Athens under the style of "The Hellenic Banking and Securities Company, Limited," with a capital of 3 million drachmæ, will deal mainly in stocks and investments. The prospects of both of them are good.

Foreign exchanges have been rather steady for some time past. The Bankers' Consortium selling rates, which serve as a basis for dealings in foreign currencies, have been fixed for some weeks at 100 dr for the pound, the other currencies varying according to their fluctuations on the London market. Smyrna quotations are, however, higher. Political developments have been for more than a year the principal factor in foreign exchange movements. The market is now waiting further developments in international politics, particularly in regard to the Near East problems, which directly and vitally affect this country. The same tone prevails in the Stock Exchange, the market for stocks having been rather dull recently, though Government bonds and industrial shares have enjoyed a fair demand in recent months.

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ARGENTINA.—RAILWAYS AND TARIFFS—BORROWING IN NEW YORK—TAXATION PROBLEMS—MONEY AND EXCHANGE.

(FROM OUR CORRESPONDENT.)

BUENOS AYRES, December 9.

THERE is good reason to believe that the Argentine Government will go into the question of the railway tariffs fully and finally early in the New Year. Political reasons alone explain the Governmental volte face of three months ago, with its consequent unfavourable impression upon all who are interested in strengthening the financial and commercial ties between Argentina and Great Britain. It is, however, very questionable whether anything but harm can come of the recent interviews with British members of Parliament, in which Foreign Office intervention is mentioned, and Argentina described as being liable to become subject to an Anglo-American agreement similar to that which ruled at one time in respect of loans to China. Such an interview, recently cabled to Buenos Ayres, and reproduced in extenso by *La Prensa*, is as mischievous as it is untimely. To try and make use of the recent loans obtained by Argentina in New York as a lever is both bad diplomacy and a proof of a misconception—to put it as politely as possible—regarding the Argentine position. That the railways are in justice entitled to certain tariff increases is generally admitted in Argentina; that their present unprofitable position is wholly due to the fact that such increases as have been sought were not permitted is very debatable. In common with other trade interests, the railways have suffered from the post-war reaction, and even admitting that the results of 1919-20 were good, none knew better than the responsible heads of the various systems how casual, and to a great extent unexpected, was the yield for that period. Owing largely to scanty population and antiquated land laws, which practically bar the path of the small settler desirous of owning cultivable soil, railway traffic per ton-mile is not increasing. The following table, made up on the figures of the Southern, Western, Central Argentine, and Pacific systems, was recently published in an Argentine financial journal of repute, and shows this very clearly:—

Year.	Kilometers		Tons Carried.	Tons per Kilometer.		Passengers per Kilometer.
	Line.	Area.		Kilometer.	Kilometer.	
1912-13	18,963	..	26,725,000	..	1,409	.. 3,809
1913-14	19,506	..	21,198,000	..	1,085	.. 3,783
1917-18	20,135	..	17,319,000	..	860	.. 2,445
1918-19	20,135	..	21,295,000	..	1,057	.. 2,893
1919-20	20,135	..	26,148,000	..	1,298	.. 3,490

It is honestly believed by many Argentines that higher rates will not yield the increased revenues that the railways confidently expect; certainly not until such time as the producer is better circumstanced to meet additional charges than he is to-day. The railways, on their side, argue that, inasmuch as practically all exportable produce is valueless until it is hauled to the ship's side, they must benefit, and are entitled to benefit by higher rates under the Mitre Law; that is up to the 6.80 per cent. per annum limit, taken over a triennial average of net profit.

Allusion to the opening of the New York market to Argentine loans recalls the frequent references, apparently inspired, which have figured in American Press cables to Buenos Ayres during the latter half of November. As yet the only completed operation has been the \$50,000,000 issue of two-year Argentine Treasury bonds at 97, carrying 7 per cent., but it is now generally admitted in official

circles here that an attempt will be made to induce American capital to facilitate the consolidation of part of Argentina's floating debt. This is now estimated at something near \$650,000,000 Argentine paper, or, say, £53,000,000 sterling, at current exchange. If it were possible to negotiate a long-dated loan in New York for, say, 200,000,000 United States dollars, the advantages are many and obvious. New York-Buenos Ayres exchange, now at \$136 Argentine gold per \$100 United States, would be brought to par, thus favouring renewed shipment of United States goods hither, and the general reaction on Argentine commerce would be almost immediate, since it is now certain that the Fordney Emergency Tariff will either be abrogated, in favour of South American shippers of such produce as is required by North American manufacturers and merchants, or dropped altogether. Argentine official finance, suffering from the difficulties of the last seven years, which are common knowledge, and handicapped by an old-fashioned fiscal system already overdue for revision, at once gains a breathing space which will enable much in the way of reform to be put into practice, while the benefits accruing therefrom will radiate through all branches of trade and industry. The continuance of export taxes is manifestly impossible; indeed, December has already seen a sharp reduction. For instance, the wheat tax has dropped from \$3.13 gold per metric ton to \$0.96, and taxes on other cereals in a similar proportion—and 1922 will probably see the last of this uneconomic impost. Moreover, taxation of imports, though providing the bulk of Argentina's revenues, is limited by the steady expansion of Free-trade principles among the mercantile classes, who, with the object lesson of Brazil before them, show no desire to see tariffs raised, but, on the contrary, favour their reduction whenever possible. How the incidence of taxation will be redistributed is too big a question to enter upon here, but that it is likely to come to the fore in 1922 is reasonably certain. Unfortunately, there is small hope of much practical legislation being even discussed until the Presidential elections are over in April. That they will result in the re-election of the Radicals is fairly certain, and one may also predict that they will be carried through with little or no popular excitement.

In commercial and financial circles the stagnation characteristic of the past two months continues. Export trade is slow, and the import trade still awaits the liquidation of high-priced stocks, and is suffering from heavy failures among retailers, who report an utter want of interest on the part of consumers. Money is not in great demand. Bank interest on loans has been reduced to 6½ per cent., and looks like going lower, and the deposit rate of the leading banking institutions may be put at 3 to 3½ per cent. for three to six months' deposits. Exchange at the moment is a shade firmer, and any substantial movement in wheat would react on sterling and reduce the premium on the pound, now quoted at 43½d. Crops promise well, and an exportable surplus of 5,500,000 tons of wheat may be reasonably expected. Linseed is lighter, and in all there is not likely to be more than 800,000 tons exportable, including the balance of last season's seed. Cattle prices are weak, freezers buying at 22 cents per lb, dressed weight, and merely nominal figures are being paid for store cattle, canners, and *criollo* stock. Wool is better, and stocks are slowly moving off, while it is reported that Boston buyers are again in the market, though apparently for fine staple only.

Letters to the Editor.

ANGLO-IRISH FINANCE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Hitherto little has been said on this side of St George's Channel as to the financial results of the agreement with the Sinn Féin delegates which is now awaiting ratification by Dail Éireann. The essence of the agreement is that the Irish Free State, which may now be considered to mean Southern Ireland, is to occupy relatively to the United Kingdom the position of a Dominion such as Canada or Australia. In that position Southern Ireland

will have no responsibility for any of the Imperial expenditure of the United Kingdom, except so far as an agreed figure may be reached with regard to national debt and war pensions. In particular Southern Ireland will pay nothing at all towards the expenditure which Great Britain will continue to incur, at any rate, for several years, for the coastal defence of Ireland. The agreement provides that "until an agreement has been made between the British and Irish Governments, whereby the Irish Free State undertakes her own coastal defence, the defence by sea of Great Britain and Ireland, shall be undertaken by His Majesty's Imperial forces." This provision is to be reviewed at the "expiration of a period of five years from the date hereof, with a view to the undertaking by Ireland of a share in her coastal defence." That is to say, England, Scotland, and Ulster remain, at any rate, for five years, responsible for the whole coastal defence of Ireland, and even after five years for part of that defence. Yet Southern Ireland is to contribute not a penny to the cost incurred.

It may be argued that England in defending the coast of Ireland is defending herself; but she is also defending Ireland, and as the Irish get part of the benefit they ought to pay part of the cost. This consideration applies not only to coastal defence; it applies to the whole work of the British Navy, which will defend Irish trade as well as English and Scottish trade throughout the whole world. Yet Southern Ireland is to pay nothing. The unfairness of this kind of arrangement was fully recognised even by Irishmen themselves before the Act of Union. Speaking in the Irish Parliament in 1783, Grattan said: "The Navy of England protects our trade, and we as an equivalent pay £70,000 a year to maintain the troops destined to serve in the plantations. This is not a dear purchase for partaking that which has cost England so many millions." Grattan implied that the £70,000 then paid by Ireland was not enough. The distinction to-day is that though the service costs England immensely more, the Irish Free State is to pay nothing at all.

This is the primary defect from the financial point of view of the agreement made with the Sinn Féin delegates. It may be argued that a similar defect exists in the financial relations between the greater Dominions and the United Kingdom. That is true, but, on the other hand, these Dominions have spontaneously recognised their responsibility to contribute to the defence of the Empire, and apart from peace expenditure on defence forces, have in time of war shown their willingness to face unlimited liabilities to meet the common needs of the Empire. There has so far been no indication that Southern Ireland recognises any responsibility whatever to defend any portion of the empire, though she is willing to accept as a free gift the defence provided for her by Great Britain. Under the agreement, Southern Ireland will remain in enjoyment of all the military, naval, and commercial benefits of membership of the empire, but will be freed from the obligation of paying a single penny for the services she thus receives.

The only financial obligation placed upon the Irish Free State is to make a contribution towards the cost of the National Debt and of war pensions. Under this head she is to pay "in such proportion as may be fair and equitable, having regard to any just claims on the part of Ireland by way of set-off or counter-claim." This proviso refers, of course, to the old legend of the over-taxation of Ireland. That legend ought to have been disposed of for all time by the Royal Commission on the Financial Relations between Great Britain and Ireland, which reported in 1896. For the evidence laid before that Commission, and summarised in a series of reports, showed clearly that at no period in modern history, except for a few brief years between 1850 and 1860, had Ireland on balance paid more than a fair contribution to the common expenditure of the kingdom. During that particular period she did pay, as far as can be gathered, more than was justified by her relative wealth, the reason being that in that period the whisky duty, which previously had been much lower, both in Ireland and in Scotland than in England, was raised throughout the kingdom to the English level. Irishmen being large drinkers of whisky, this levelling up resulted in a greatly increased contribution from Ireland to the common Exchequer. That fact might plausibly be treated as an injustice to Ireland, though it was an injustice that

Irishmen could themselves have avoided by drinking less whisky. As a matter of fact, however, it was a greater injustice to Scotland, though Scotland has never complained. After 1860, this injustice to Ireland—if it really was an injustice—ceased, for two reasons; first, because it became the policy of Parliament to look for increased revenue to direct rather than to indirect taxation, and, secondly, because it also became the policy of Parliament to subsidise purely Irish services out of the Imperial Exchequer. The result of this double process was that the net contribution from Ireland to the common Exchequer rapidly declined. By 1894, when the Royal Commission began its sittings, that contribution was just under £2,000,000 a year, whereas on the basis of relative taxable capacity which the Commission accepted—namely, one-twentieth—it ought to have been £3,000,000. Ireland's net contribution continued after 1894 steadily to decline, and for several years before the Great War Ireland was contributing nothing at all to the common Exchequer. Not only was the whole cost of her national defence paid for by England and Scotland, but, in addition, many of the purely local services in Ireland were partially paid for by the money of English and Scottish taxpayers.

During the war the situation altered to an appreciable extent as the result of the imposition of war taxation. The war taxes hit Ireland as well as the rest of the kingdom, with the result that Ireland again began to make a real contribution towards Imperial expenditure. The figures for the last financial year have not yet been published, but it will suffice to take those of 1919-20. In that year the Irish contribution to Imperial expenditure was £21,000,000, as compared with £84,000,000 from Scotland and £670,000,000 from England. It will be seen that the Irish contribution was 2½ per cent. of the total. Yet in 1896 the Royal Commission reported that the Irish relative taxable capacity was 5 per cent. of that of Great Britain. It is hard to say whether in the interval Ireland's relative capacity has increased or decreased. It is certain that from the 'nineties onwards the wealth of Ireland has increased very greatly. Eloquent testimony to this fact was given by no less an authority than the Irish Parliamentary party in the House of Commons in the pronouncement which they made on May 10, 1916. This pronouncement declared that: "The Irish labourers have been transformed from the worst housed, worst clothed, and worst fed class in Europe into the best housed, the most comfortable, and the most independent body of labourers in the world. . . . Tenants in the towns have achieved a charter far in excess of anything ever extended to any city or town in England." During the war it is notorious that Ireland did extremely well for herself. Doubtless, also, many people in England and Scotland did well, though others lost heavily. On balance, it is reasonable to assume that Ireland's taxable capacity is not less to-day than it was in the 'nineties. On that assumption the contribution which Ireland has been paying of late years to Imperial expenditure is not much more than half of what she ought to pay. Looking back upon the whole period since the Act of Union, it may confidently be asserted that Ireland owes a heavy debt to Great Britain for services which she has received, and for which she has never paid her fair share of the cost. The concession which is now being made to the political demands of the Sinn Féiners ought, in fairness to English and Scottish and Ulster taxpayers, to have been accompanied by a fair financial settlement. Instead, the Irish Free State is to receive future financial favours at the expense of her neighbours.—Yours, &c.,

ENGLISHMAN.

London, December 30th, 1921.

Books and Publications.

REVIEWS.

"An Administrator in the Making." James Saumarez Mann. 1893-1920. Edited by his Father. (London) Longmans, Green, and Co. 15s net.

This book is the life-story of a young public school and university man, who left Oxford to fight in the great war, and having survived arduous service in France, went to Mesopotamia after the Armistice, was placed in charge of

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an administrative district, and was killed by a sniper at the siege of Kufa. The story is mainly self-told in a series of letters, in which are frequently visible signs of an alert and capable brain, and a breadth of vision. These qualities, coupled with courage and a gift for languages, were given their scope in difficult administrative work in Mesopotamia, and the appreciations of those who watched this work at close quarters show that the title of this volume is no idle claim. If the earlier part of the book can be matched from the all too numerous memoirs of fallen officers, the later chapters, dealing with post-Armistice experiences in Mesopotamia, possess a special interest for the general reader. They are a reminder of the dangerous and ill-recognised public services performed year in and year out by devoted young Englishmen in many an outpost of Empire, and recall the pathetically heavy toll which such work exacts upon young lives of high promise. The book, which is well illustrated, has been put together and edited with efficiency and perfect good taste by Saumarez Mann's father, Mr J. S. Mann, formerly editor of the *Annual Register*, and for many years a frequent contributor to the columns of the *Economist*.

"The Consumers' Co-operative Movement." By Sidney and Beatrice Webb. Longmans, Green, and Co. 1921. 18s.

THE latest volume of these indefatigable authors will take rank with their "Industrial Democracy" and "History of Trade Unionism" as a most scholarly and informative study of the working-class movement which it describes. Its 487 pages are packed with information about the Co-operative movement, its growth in membership, its extension into new branches of production, its relations with its employees and with the Government (especially in regard to the vexed question of the taxation of the "profits" of co-operative enterprise), and its experiments in the democratic management of vast industrial undertakings. There are words of caution and criticism, dealing in particular with the complacent backwardness of certain co-operative societies, the existence of "co-operative deserts" in the shape of classes and districts into which co-operation has never penetrated, and the overlapping and confusion of function which beset the Federal institutions of the movement, especially the Co-operative Union. Looking forward, Mr and Mrs Webb believe that there are few limits to the possible extension of co-operative enterprise. They would especially like to see newspapers controlled by associations of consumers dividing the profits amongst themselves. And they believe that it is sounder policy to vest the ultimate control of industry in the consumers of industry's products than in the workers by whom those products are made.

"Post-Office London Directory with Country Suburbs, 1922." London: Kelly's Directories, Limited. 55s.

THE 123rd annual edition of Kelly's London Post Office Directory is well up to its usual standard of excellence. The latest issue has been published in one volume, this having been achieved by the use of thinner but, we understand, equally strong paper. Thus the necessity is obviated for the three somewhat unwieldy separate volumes which have been published during recent years. The area covered has been extended, and now includes the borough of West Ham, which comprises the important industrial districts of Stratford, Plaistow, Canning Town, and Silvertown. An important feature of this directory is that it contains telegraphic addresses and telephone numbers. These have now been added to so that they

include the telephone numbers of private residents as well as of business houses.

It would be difficult to imagine the London business community without its Kelly's Directory, and its familiar appearance in practically every important office is sufficient evidence of its success.

BOOKS RECEIVED.

Money. By D. H. Robertson.

Supply and Demand. By H. D. Henderson.

The two above-mentioned books are Volumes 1 and 2 of a new series to be known as "The Cambridge Economic Handbooks." They are published by Messrs Nisbet and Co., Limited, of London, at 5s each. Professor J. M. Keynes is the general editor.

Commercial Banking Practice Under the Federal Reserve Act. (New York) National Bank of Commerce in New York.

The Swedish Year Book, 1921. This is the first year of issue of this work, which is printed in English. It is obtainable in London from Messrs Williams and Norgate. 7s 6d net.

Tableau Annuel du Commerce de la Belgique avec le Pays Evangers. Année 1920. (Brussels) Ministère des Finances.

Annual Report of the President of the Bank of Java. (Batavia) Offices of the Bank.

Cámaras de Compensación Bancaria (The Bankers' Clearing House). Par Mariano Cagigal. (Madrid) Gráficas Reunidas, S.A.

Industrial Welfare. January, 1922. (London) 51 Palace street, Westminster, S.W. 1.

This is the first number of a new series of this journal, and is some indication of the earnest desire of a powerful body of men of every political creed to ameliorate working conditions and to secure industrial peace.

The Free Trader. December, 1921. (London) The Free Trade Union, 69 Victoria street, S.W. 1. 3d.

Bank Holidays Fixed. By W. Arnold. (London) E. J. Larby, Limited, 30 Paternoster row, E.C. 4. 6d.

Advice to Washington Conference. By the Association for Pacific Problems. (Tokyo) The Oriental Economist, 6 Tenjin-cho, Ushigome.

Willings' 1922 Press Guide. Forty-ninth Annual Issue. (London) James Willing, Limited. 2s 6d.

Smith's County Court Diary, 1922. (London) Hazell, Watson, and Viney, Limited. 7s 6d net.

Statistics of the Zanzibar Protectorate, 1893-1920. (London) The Eastern Press, Limited, 3 Chancery lane, W.C. 2.

Diary for 1922. (London) White, Tomkins, and Courage, Limited.

BANK CIRCULARS.

Monthly Market Review. November, 1921. (Constantinople) The National Bank of Turkey.

Foreign News. November - December, 1921. (Berlin) Bank für Handel und Industrie.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. ACCOUNT.
January 11. January 12.

In some respects the New Year has opened in disappointing fashion for Stock Exchange markets, and for the holders of securities in the gilt-edged sections. It had perhaps been too generally assumed that there would be resumption of the previous strength, as soon as the holidays were over and capitalists had time to study their pass-books. However, various factors contributed to a dull tendency taking the place of the brightness which prevailed about Christmas time. There were a few fairly large selling orders; one, for instance, embracing half-a-million pounds of War Loan. The stream of new issues checked inflow of money to existing stocks. The talk of an early General Election had the invariable effect of causing uncertainty. Less optimism is felt in regard to the upshot of the Cannes Conference. Profit-takers came to market when they found the public were not responding to the expectation that there would be a large amount of fresh money available for Stock Exchange investment this week. Business accordingly is quiet, and the disposition in most of the markets is to adopt a waiting attitude.

The prompt success achieved by the Buenos Ayres Western debenture, Chile and South Australia Governments, and the Bristol Corporation with their new issues failed to counteract entirely the unfavourable factors just set out. The War Loan is lower on the week, and in its decline it has carried the prices of Consols, Funding, Victory, India sterling stocks, and a few of the newly issued loans. Nevertheless, Home Railway debenture, preference, and guaranteed descriptions continue to go ahead steadily, many fresh rises being recorded during the past few days. The market turned better again on Thursday afternoon.

Gossip busied itself with talk of small points of friction between this country and France, and these are claimed to have a depressing influence over the prices of foreign bonds. At the same time, it is worth noticing that French issues keep firm; Argentine and Brazilian loans have again improved. Scandinavians have further strengthened. Russians are not quite so good after their recent outburst of buoyancy, and German bonds went back upon a cessation of the speculative dealing which previously advanced prices, talk of a further improvement in the mark having no influence. Uruguay bonds are better, and the Far-Eastern groups show no special tendency one way or the other.

The feature in the Home Railway market is the starting of dealings in the new stock of the London and North-Western. Lancashire and Yorkshire stocks no longer exist. The North-Western stock now marketable is that of the new company, and the price carries no dividend until next July. This leads to a confusion which need not arise if it be remembered that the books of the North-Western and the Lancashire and Yorkshire closed on December 31st, and that all bargains subsequent to that date are in new stock. Great Westerns spurred, and the substantial advances in Welsh railway stocks have been maintained. Other Home Railways show improvements. Grand Trunk stocks are quiet, Mexican Rails a little lower, Argentines somewhat erratic, but Brazilians better, on the anticipation of traffic receipts increasing from now onwards.

The rubber market is stagnant, with the produce back to about 11d per lb. Oil shares came under the influence of the general dullness in other markets, though Phoenix and English Oilfields both improved as a result of statements made at the recent meetings. Roumanians and Uroz have risen. The banking market is better. Discount shares advanced appreciably, owing to the fulfilment of the expectation that their dividends would be increased. The insurance market is also firmer, but the shipping group is neglected, though the debentures and preferences in this section keep remarkably hard. The textile market waits for a definite lead. Shares in the stores and catering companies remain hard. Various of the newly-issued industrial debentures and notes are better. Joshua Hoyle debenture and Reading Electric debentures are particularly wanted, while Niger Notes have risen to 99. Forestals further recovered, while in other land shares there has been little doing. The British American Tobacco dividend, making 24 per cent. free of tax for the year, against 30 per cent. a year ago, satisfied the market, and tobacco shares as a whole are better as a consequence. Iron and steel shares have started to harden, though armaments are stagnant and the brewery market has fallen upon extremely quiet days. Egyptian issues came into demand at rising prices.

The Kafir Circus is under the influence of labour trouble at the Cape. An important ballot of workers is to be taken to-morrow (Sunday); meanwhile, the price of gold is depressed. Randfonteins, however, are substantially higher. The after-effect of the Chartered report was to bring about a trifling decline in the price of the shares. De Beers and other diamonds have been moving somewhat aimlessly. Russo-Asiatics, which rose to 11s 6d, fell back on profit-taking, but the price has again rallied. Colombian Mining attracted speculative attention, owing to the close approach of the date when the mine will get to work with its new treatment plant. Broken Hill and other Australian shares have not recovered from the proprietary company's statement of the necessity for reduction of work on the mines, owing to labour conditions. In none of the tin shares has there been anything of interest passing this week.

The trustees and managers of the Stock Exchange have convened a meeting of their fellow-shareholders for Monday, to re-discuss a scheme for the unification of control in order to do away with the historical method whereby the House is governed by managers in the interests of shareholders, and by a committee as representing the interests of members.

The peerage bestowed upon Sir Robert Nivison, Bart., in the New Year honours, has greatly pleased the Stock Exchange, of which he is a popular member.

To complete our record of new issues and summary of profit and loss accounts, company secretaries are requested to furnish us with copies of new prospectuses and report and accounts. Our readers can also assist by forwarding copies of prospectuses and summary reports and accounts which may fall into their hands.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—				
TREASURY BONDS.				
Total receipts, 5-15 Year, 1925-35				1,062,317
5½% 1925 receipts to December 24, 1921				168,470,199
Week to December 31, 1921 (new series)				6,895,000
Receipts to date				175,365,199

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED DECEMBER 31, 1921.

April 1 to December 31, £6,130,000	250,000	250,000
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To the Public—				
Government of South Australia, £3,000,000 6% Registered Stock (rep. at par 1930-40), issued at 96% (Jan. 3)	3,000,000	2,880,000	150,000	2,730,000
Chilean Government, £1,667,500 7½% Loan (rep. at par by 60 half-yearly drawings commencing June, 1923), issued at 95% (Jan. 5)	1,667,500	1,574,625	82,875	1,491,750
Buenos Ayres Western Railway, £2,000,000 4% Deb. Stock at 60% (Jan. 3)	2,000,000	1,200,000	100,000	1,100,000
Bristol Corporation, £1,061,800 5½% Red. Stock (rep. at par, 1932-42), issued at 96% (Jan. 4)	1,061,800	1,019,328	53,090	966,238
Great Yarmouth Waterworks Co., £40,000 7% Deb. Stock at par, rep. at par Jan. 1, 1932 (Jan. 3)	40,000	40,000	4,000	36,000
Total offered to public	6,713,953	389,955	6,323,998	

To Shareholders only—				
Henrietta Rubber Estate, £30,000 Conv. First Mort. Deb. Stock (rep. Dec. 31, 1926)	30,000	30,000	3,000	27,000
South African Carbide and By-Products, £75,000 8% First Mort. Deb. Stock (rep. at 110% 1924-35), issued at par	75,000	75,000	7,500	67,500
Total offered to shareholders	105,000	10,500	94,500	

Total offered for subscription to date				
1921	£13,963,953	1921	£389,978,203	
1922	7,938,718	1920	1,036,059,951	
1920	9,150,410	1919	1,393,381,441	
1919	26,985,112	1918	1,318,596,010	
1918	38,044,384	1917	585,436,850	
1917	12,217,806	1916	585,236,322	
1916	30,814,250	1915	512,522,633	
1915	558,000	1914		

5½ per Cent. Treasury Bonds.—Issued at £99 per cent. and repayable at par on May 15, 1930. Interest payable half-yearly on May 15th and November 15th. Full particulars of this issue will be found in the *Economist* for December 3rd (see page 986).

Government of South Australia 6 per cent. Registered Stock, 1930-1940.—Issue of £3,000,000 at 96 per cent. The principal is repayable in London at par on September 1, 1940, the Government of South Australia having the option of redemption on or after September 1, 1930, on giving three months' notice. The loan is issued to provide funds for public works, for the settlement of discharged soldiers on the land, and for other purposes. Debentures and stock of the Government of the State of South Australia issued and payable in London, the property of persons not domiciled in South Australia, are not subject to any taxes of South Australia. It is pointed out that the revenues of the State of South Australia alone are liable in respect of this stock, and the Consolidated Fund of the United Kingdom and the Commissioners of his Majesty's Treasury are not directly or indirectly liable or responsible. An excellent trustee investment, subject to individual holdings and geographical distribution of capital. The issue has been oversubscribed.

Chilean Government.—This is an offer by Messrs N. M. Rothschild and Sons, at £95 per cent., of a nominal amount of £1,657,500 7½ per cent. bearer bonds of the Chilean Republic. The loan will be redeemed at par by an accumulative sinking fund of ½ per cent. per annum, to be applied by 66 half-yearly drawings in June and December of each year, the first drawing to take place in June, 1923. Drawn bonds will be paid off on July 1st or January 1st immediately following the date of the drawing. An excellent offer, and it was stated that lists were closed at half-past eleven in the morning on which they opened. We refer to the loan in a "Business Note."

The Buenos Ayres Western Railway, Limited.—Nominal stock and share capital £26,000,000, of which £20,200,000 has been issued. The company's borrowing power is limited to two-thirds of the nominal share capital. Including the present offer, £11,859,953 of loan capital has been issued. This is an issue of £2,000,000 4 per cent. debenture stock at 60 per cent., "ranking in all respect with previous issues." Presumably they share with the existing 4 per cent. debentures the right to redemption at par in the

event of winding up or of the Argentine Government exercising its right of expropriation in 1930. The proceeds of the issue will be used to meet expenditure in connection with the work of electrifying suburban lines. An excellent table of past profits is given from 1912, but unfortunately adverse factors in 1920-21 severely affected the company's earnings. But even profits for this year at £738,173 would cover the sum needed for debenture service, which amounts to £494,276 per annum. The issue was underwritten at 1½ per cent. Special consideration was given to application from present investors in the company, and it was not a matter for surprise to hear that the list was quickly closed.

Bristol Corporation 5½ per cent. Redeemable Stock, 1932-1942.—This is an issue of £1,061,800 5½ per cent. stock at 96 per cent. The issue takes the form either of inscribed stock or of stock certificates to bearer, at the option of subscribers. The stock will be redeemed at par on February 1, 1942, unless previously cancelled either by purchase in the open market or by agreement with stockholders, but the corporation have the option of redeeming at par on or after February 1, 1932, on giving three months' notice. The net proceeds of the present issue of stock are required to meet the following expenditure for sanitary work, electric supply, and other purposes. It will rank equally with all stock previously issued by the corporation. The total outstanding debt of the corporation for all except dock purposes is £3,926,817, whilst the dock debt is £5,758,642. The liquidation of debts of the corporation is being provided for by redemption or sinking funds, and provision for the repayment of the present issue of stock will be made by the creation of a redemption fund, as required by the Ministry of Health. The redeemable value of the city is £1,997,056, and is steadily increasing, and the population according to the last census is 377,000. This is a trustee investment, which met with a quick success.

The Great Yarmouth Waterworks Company.—Authorised stock capital £440,000, of which £299,500 has been issued. There is also an authorised loan capital of £220,000, of which, excluding the present offer, £67,700 has been issued. This is an issue at par of £40,000 7 per cent. redeemable debenture stock, to be redeemed at par on January 1, 1932. The net revenue of the company for the year ended March 25th last was £24,251, and as the interest on existing stock and that now being issued will need but £5,508 per annum, the interest service may be considered well secured. Capital invested may be regarded as something in the nature of a lock-up, although we notice that application is to be made for a Stock Exchange quotation. Subject to this reservation, the issue is worthy of consideration.

ACTIVE SECURITIES

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.

	Price Last Week.	Price Last Week.	Price Last Week.	Price Last Week.
War 5½% 1925-28 .. 91½ .. 90½ .. 91½ .. 90½ ..				
4½% 1925-45 .. 83½ .. 83 .. 83½ .. 83 ..				
Loans 5% 1923-47 .. 92½ .. 92 .. 92½ .. 92 ..				
4% 1923-42 .. 96½ .. 96 .. 96½ .. 96 ..				
Funding Loan 4% .. 81½ .. 81 .. 81½ .. 81 ..				
Victory Bonds 4% .. 66½ .. 66 .. 66½ .. 66 ..				
Conversion Loan 3½% .. 50½ .. 50 .. 50½ .. 50 ..				
Consols 2½% .. 51½ .. 51 .. 51½ .. 51 ..				
Irish Land Stock 2½% .. 51½ .. 51 .. 51½ .. 51 ..				
Local Loans 3% .. 56½ .. 56 .. 56½ .. 56 ..				
Aust. 5½% deb. 1922-7 .. 95 .. 95 .. 95 .. 95 ..				
Canada 4½% 1920-25 .. 97 .. 97 .. 97 .. 97 ..				
India 3½% Stock .. 58 .. 58 .. 58 .. 58 ..				
Do 7% Stock .. 104½ .. 104 .. 104½ .. 104 ..				
N.S.W. 5% 1922-27 .. 96 .. 97 .. 96 .. 97 ..				
U.S.A. 4½% 1920-25 .. 94 .. 95 .. 94 .. 95 ..				
Victoria 5½% 1924-34 .. 94 .. 95 .. 94 .. 95 ..				

Banks.

Barclays B. (£1, f.p.d.) 2½ .. 2½ .. 2½ .. 2½ ..				
City of London (£1 p.d.) 2½ .. 2½ .. 2½ .. 2½ ..				
London Joint City & Midland (£12 with £2 paid) 7½ .. 7½ .. 7½ .. 7½ ..				
London County West- minster and Parr's (£20 with £5 paid) 15 .. 15½ .. 15 .. 15½ ..				
Nat. Bank of Egypt (£10) .. 11½ .. 11 .. 11½ .. 11 ..				
Nat. Bank of S. Africa (£10) .. 11 .. 11 .. 11 .. 11 ..				
Nat. Prov. & Union of England (£20 with £4 paid) .. 9½ .. 9½ .. 9½ .. 9½ ..				
Standard of S. Africa (£20 with £5 paid) .. 11 .. 11 .. 11 .. 11 ..				

Colonial and Foreign Railways.

Antofagasta Cons. 42 .. 42 .. 42 .. 42 ..				
B. A. & Pacific .. 36 .. 36 .. 36 .. 36 ..				
B. A. & Southern .. 57 .. 57 .. 57 .. 57 ..				
Buenos Ayres West. .. 55 .. 54 .. 55 .. 54 ..				
Canadian Pacific .. 143 .. 143 .. 143 .. 143 ..				
Central Argentine .. 52½ .. 52 .. 52½ .. 52 ..				
Grand Trunk Ord. .. 14 .. 14 .. 14 .. 14 ..				
Grand Trunk 3rd Pref. 4 .. 3½ .. 4 .. 3½ ..				
Leopoldina .. 24½ .. 24 .. 24½ .. 24 ..				
Mexican Railway .. 13 .. 13 .. 13 .. 13 ..				
Do 1st Pref. 33½ .. 33 .. 33½ .. 33 ..				
Do 2nd Pref. 24 .. 24 .. 24 .. 24 ..				
San Paulo .. 111 .. 111 .. 111 .. 111 ..				
United Havana .. 44½ .. 44 .. 44½ .. 44 ..				

Foreign Government Securities.

Argentine 5%, 1886-7 .. 98 .. 97 .. 98 .. 97 ..				
Belgian 3% .. 63 .. 63 .. 63 .. 63 ..				
Brazil 5% Fund 1914 .. 65 .. 66 .. 65 .. 66 ..				
Chilean 5% 1895 .. 67 .. 67 .. 67 .. 67 ..				
Chinese 5% 1912 .. 67 .. 67 .. 67 .. 67 ..				
Egyptian 4% .. 61½ .. 62 .. 61½ .. 62 ..				
French 5% .. 42 .. 42 .. 42 .. 42 ..				
Do 4% .. 33½ .. 32 .. 33½ .. 32 ..				
Italian 5½% Rentes .. 32 .. 31 .. 32 .. 31 ..				
Greek Monop. 14% .. 27 .. 27 .. 27 .. 27 ..				
Japanese 4½% .. 105 .. 105 .. 105 .. 105 ..				
Do 4% 1910 .. 64 .. 64 .. 64 .. 64 ..				
Mexican Cons. 1899 .. 60 .. 62 .. 60 .. 62 ..				
Peruvian Corp. Pref. .. 15½ .. 15 .. 15½ .. 15 ..				
Russian 5% 1906 .. 11½ .. 11 .. 11½ .. 11 ..				
Spanish 4% .. 72½ .. 72 .. 72½ .. 72 ..				

Telegraphs.

Anglo-American "A" 18½ .. 19 .. 18½ .. 19 ..				
Eastern Telegraph .. 167½ .. 168½ .. 167½ .. 168½ ..				
Marconi Wireless .. 18½ .. 18 .. 18½ .. 18 ..				
Marconi Canada .. 1½ .. 1½ .. 1½ .. 1½ ..				
Marconi Marine .. 1½ .. 1½ .. 1½ .. 1½ ..				

British Railways.

Great Central Pref. .. 81 .. 81 .. 81 .. 81 ..				
Great Eastern .. 27 .. 28 .. 27 .. 28 ..				
Great Northern Def. .. 23½ .. 24 .. 23½ .. 24 ..				
Great Western .. 73 .. 75 .. 73 .. 75 ..				
London, Brighton, "A" .. 38½ .. 39 .. 38½ .. 39 ..				
London, Chatham .. 52 .. 52 .. 52 .. 52 ..				
Do Arb. Pref. 38 .. 39 .. 38 .. 39 ..				
L. and N. W. 70½ .. 69½ .. 70½ .. 69½ ..				
L. & S. Western, Def. 18½ .. 18½ .. 18½ .. 18½ ..				
Metropolitan .. 27 .. 27 .. 27 .. 27 ..				
Metropolitan District .. 22 .. 22 .. 22 .. 22 ..				
Midland Deferred .. 44 .. 46 .. 44 .. 46 ..				
North British Def. 92 .. 92 .. 92 .. 92 ..				
North-Eastern .. 72 .. 73 .. 72 .. 73 ..				
South-Eastern "A" .. 25 .. 25 .. 25 .. 25 ..				

American Railroads.

	Price Last Week.	Price This Week.	Price Last Week.	Price This Week.
Chesapeake & Ohio ..	65	65	22	22
Erie ..	12	12	53	56
Do 4% 1st Pref.	18	17	..	..
Southern ..	22	22	..	..
Do Non-um Pref.	53	56	..	..

Miscellaneous.

Aerated Bread (21) ..	1 1/2	1 1/2	..	..
Armstrong (Sir W. G.) ..	15/3	15/3	..	..
Ass. Pind. Cement (21) ..	13/9	14	..	..
B'ham Small Arms (21) ..	7/9	7/5	..	..
British Traction (2100) ..	31 1/2	30 1/2	..	..
British American ..	..	..	..	..
Tobacco (21) ..	3 1/2	3 1/2	..	..
Brit. & Arg. Meat (21) ..	6 1/2	6 1/2	..	..
Burmah Oil (21) ..	2 1/2	2 1/2	..	..
Coats (J. and P.) (21) ..	2 1/2	2 1/2	..	..
Courtauld (21) ..	1 1/2	1 1/2	..	..
Onard (21) ..	1 1/2	1 1/2	..	..
Dorman, Long (21) ..	1 1/2	1 1/2	..	..
Dunlop Rubber (21) ..	1 1/2	1 1/2	..	..
Fine Cotton Spinners ..	1 1/2	1 1/2	..	..
Forestal Land (21) ..	1 1/2	1 1/2	..	..
Furness, Withy (21) ..	1 1/2	1 1/2	..	..
Highlands and Low ..	1 1/2	1 1/2	..	..
lands Rubber (21) ..	1 1/2	1 1/2	..	..
Hudson's Bay (21) ..	1 1/2	1 1/2	..	..
Imperial Tobacco (21) ..	1 1/2	1 1/2	..	..
International Paint (21) ..	1 1/2	1 1/2	..	..
Lurgi Plants (21) ..	1 1/2	1 1/2	..	..
Lipton (21) ..	1 1/2	1 1/2	..	..

Mines.

Brakpan (21) ..	2 1/2	2 1/2	..	..
Broken Hill Prop. (21) ..	1 1/2	1 1/2	..	..
Chartered (21) ..	1 1/2	1 1/2	..	..
Cong. Gold Fields (21) ..	1 1/2	1 1/2	..	..
Crown Mines (21) ..	1 1/2	1 1/2	..	..
De Beers Del. (21) ..	1 1/2	1 1/2	..	..
East Rand Prop. (21) ..	1 1/2	1 1/2	..	..
Geduld (21) ..	1 1/2	1 1/2	..	..
Gov. Gold Areas (21) ..	1 1/2	1 1/2	..	..

MINING OUTPUT STATISTICS FOR DECEMBER, 1921.

	Tons Crushed.	Gold Recovered.	Value.	Profit.
	Mill.	Mill.	Mill.	Mill.
Gold.				
Ashanti ..	7,534	..	8,358	(a) 35,507
Associated ..	4,733	..	2,666	(a) 7,067
Belaghat ..	3,200	6,200	1,884	782
Champion Reef ..	11,697	15,811	4,091	816
Myosore ..	17,599	48,047	6,334	10,514
North Anantapur ..	550	700	530	112
Nundydoo ..	9,048	12,232	4,813	5,357
Ooregum ..	12,900	13,500	7,433	1,059
Oriental Consolidated (Oct.) ..	21,424	..	..	892,994
Resende ..	6,200	623	..	12,376
St John del Rey ..	4,000	..	2,853	45,000

(a) Fair value.

	Output.	Other Notes in Return.
	Tons.	
Tin.		
Bischof ..	50	..
Deebok Dredging ..	159	..
Gold Coast Cons. ..	24	..
Gopeng ..	718	Est. value, £7,000; est. costs, £2,370.
Idia Hydraulic ..	22	Est. value, £2,100; est. costs, £1,447.
Ipo ..	203	..
Kem Cons. ..	25	..
Kinta ..	413	Value, £4,142; gross profit, £2,695.
Lahat ..	534	Value, £5,335; cost, £4,873; tribute profit, £149.
Malayan ..	76	Value, £7,765; cost, £5,355.
Pahang Cons. ..	240	Black tin, alluvial 11-9 tons.
Pusing ..	90	Gross mining profit, £210.
Rambutan ..	125	Est. value, £1,925; est. costs, £820.
Siam ..	143	..
Sungei Besi ..	54	Est. value, £5,348; est. costs, £3,785.
Tekka ..	36	Est. value, £3,500; est. costs, £1,310.
Tekka-Taip ..	24	Est. value, £2,320; est. costs, £1,870.
Yarde Kerri ..	6	..
Coal.		
Chinese Engineering ..	89,933	Week ended Dec. 24th.
Dundee ..	33,564	..
South African ..	63,120	..
Wankie ..	26,641	Coke sales, 8,953 tons.
Miscellaneous.		
Keeley Silver ..	..	37,000 ozs silver.
New Vaal River ..	..	Diamonds registered 520 carats; value, £3,023.
Rhodesia Broken Hill ..	1,630	Lead.

OIL OUTPUTS.

GENERAL PETROLEUM COMPANY OF TRINIDAD, LIMITED.—Oropuche Field: Production for week ended December 24, 1921, restricted to 1,200 barrels, owing to continued lack of piping facilities.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined

production for the week ending Wednesday, December 28, 1921, amounted to 757 tons.

UNITED OIL AND REFINERY COMPANY, LIMITED.—Throughout of refinery for November, 23,615 barrels.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Div.	Final Div.	Method of Payment.	Dividend for Whole Year.	Latst Pre-Year.
Banks.						
Alexanders Discount Co.	15 1/2	..	..	Less tax	(b) 17	16 1/2
Do Bonus ..	2 1/2	p.a.	..	Tax free	..	..
Banco de Chile ..	16	..	..	..	10	10
Barclays Bank, "A" ..	10 1/2	Feb. 1	..	Less tax	14	14
Do "B" and "C" ..	14 1/2	Feb. 1	..	Less tax	16	16
Equitable ..	1 1/2	p.a.	..	Subject to tax	20	19
Lancashire and Yorkshire ..	2 1/2	p.a.	..	..	18	18
London Joint City and Midland ..	18 1/2	Feb. 1	..	Less tax	18	18
Manchester and Liverpool Dis- ..	5 1/2	p.a.	..	Less tax	18 1/2	18 1/2
trict Banking ..	8 1/2	p.a.	..	(£bonus 2 1/2 p.a. Less tax	16	14
National Discount Co.	12 1/2	Jan. 31	..	..	..	..
Royal Bank of Canada ..	15 1/2	Jan. 31	..	Tax free	..	..
Union Bank of Australia ..	15 1/2	..	..	..	..	..
Union Discount ..	15 1/2	..	..	Less tax	18	16
Do bonus ..	3 1/2	p.a.	..	Tax free	12 1/2	12 1/2
Williams, Deacons ..	12 1/2	..	..	Less tax	..	..
Insurance.						
General Life ..	10	Jan. 2	..	..	..	..
Tea and Rubber.						
Lumut Rubber ..	..	..	..	..	7 1/2	12 1/2
Other Companies.						
Abraham Brierley and Sons ..	3 p.a.	..	..	..	..	..
Albert Spinning ..	4 1/2	p.a.	..	..	..	..
Belgrave Dairy Co.	4 1/2	Jan. 28	..	Less tax	..	..
Bell Telephone of Canada ..	2 1/2	Jan. 14	..	..	..	..
Blumel Brothers ..	6 p.a.	..	..	..	15	15
Borough Spinning ..	6 p.a.	..	..	..	..	..
Bretts Patent Lifter ..	8 1/2	Jan. 18	..	Less tax	20	..
British American Tobacco ..	4 1/2	Jan. 18	..	Tax free	30	24
Do ..	4 1/2	..	..	Tax free	..	..
Canadian Northern Prairie ..	5	Jan. 15	..	..	..	..
Central Bahia Railway Trust ..	4	Feb. 1	..	Less tax	..	..
Do "A" Certs.	1 1/2	Feb. 1	..	Less tax	..	..
Do "B" Certs.	2 1/2	..	..	..	..	..
Central Spinning ..	2 1/2	Jan. 2	..	Less tax	..	..
Dominion of Canada Investment ..	2 1/2	Jan. 2	..	Less tax	..	..
Endor Spinning ..	16 p.a.	..	..	Tax free	..	..
Farmers and Cleveland Dairies ..	10 1/2	Jan. 2	..	Less tax	..	..
Front Brothers, Pref.	3 1/2	..	..	Tax free	5	5
Do Pre-Pref.	2 1/2	..	..	Tax free	..	..
Geo. G. Bussey and Co., Pref.	2 1/2	Jan. 2	..	Less tax (arrears)	..	..
Granville Spinning ..	20 p.a.	..	..	..	..	..
Guest, Keen, and Nettlefolds ..	1 p.a.	Feb. 10	..	Tax free	..	..
Haugh Ring Spinning ..	16 p.a.	..	..	..	..	..
Hope Spinning ..	13 p.a.	..	..	..	10	..
Rumpleys (Knightsbridge) ..	1 p.a.	..	..	Tax free	..	..
Hunters the Teamen ..	1 p.a.	..	..	Tax free	..	..
J. Brookhouse and Co.	5 1/2	Jan. 2	..	Tax free	..	..
J. P. Restaurants, Pref.	6	..	..	..	..	..
Junetion Spinning ..	1 p.a.	..	..	..	..	..
Kaministiquia Power ..	8	Feb. 15	..	..	..	..
Lees Brothers Spinning ..	4 1/2	Jan. 12	..	..	..	..
Lipton, Limit ed.	8	..	..	..	..	..
Lovell and Christmas ..	6	..	..	..	..	..
Lowfield Spinning ..	2 1/2	p.a.	..	..	..	..
Maldstone Pavilion, Pref.	10	..	..	..	..	..
Moray Spinning ..	1 1/2	p.a.	..	..	..	..
Netherlands Trading Society ..	16 p.a.	..	..	..	12	..
New Hey Ring Spinning ..	16 p.a.	..	..	..	..	..
New Ladyhouse Ring Spinning ..	16 p.a.	..	..	..	..	..
New Transvaal Chemical, Cum ..	3 1/2	..	..	Less tax	..	..
First Pref.	4 1/2	..	..	Less tax	..	..
Do Cum. "A" Pref.	4 1/2	..	..	..	..	..
Nippon Yusen Kaisha ..	16 p.a.	..	..	..	20	..
Pine Spinning ..	16 p.a.	..	..	..	..	..
P. Lyall and Sons Construction ..	1 1/2	Jan. 10	..	..	..	..
Oregon Mortgage ..	8	Jan. 10	..	Less tax	..	..
Rio de Janeiro Flour Mills ..	1 1/2	p.a.	..	(£bonus 1 p.a.) Tax free	..	..
Rochdale Co-operative Spinning ..	16 p.a.	..	..	..	..	..
and Manufacturing ..	16 p.a.	..	..	..	..	..
Rose Spinning "A," "B," & "C" ..	20	..	..	..	..	..
Royton Spinning ..	5 1/2	..	..	..	..	..
S. Hofnung and Co., Pref.	7 1/2	Feb. 1	..	..	..	..
Southern California Gas ..	85.50	Jan. 14	..	..	12 1/2	12 1/2
Stroud Brewery ..	5 1/2	..	..	(£bonus 2 1/2 p.a.)	..	..
Trustees Corporation ..	5	Jan. 20	..	Less tax	..	..
U. S. Mortgage of Scotland, Delf. ..	5	..	..	..	..	..
W. Abbott and Sons ..	4 1/2	p.a.	..	..	(a) 12 1/2	12 1/2
William Stones, Limited.	1 1/2	p.a.	..	Tax free	..	..

(a) Increased capital.

(b) Also a capitalised bonus of one share for every nine shares held.

CHARLES SEMON and Co. announce that owing to the continued depression in the textile trade, much accentuated in concerns trading with the various European countries whose rates of exchange make profitable transactions impossible, the directors have been informed that it would not be advisable to meet the dividend which was due to be paid on December 31st.

B. and T. PINK and PLAISTOWS (PROPRIETARY) feel justified in making a payment on account of the arrears, and have decided to pay one-half of the dividend due to June 30, 1921. They have met fully the substantial payment required under the trust deed for the redemption of debentures, and now await payment of considerable sums due from the Government. They anticipate, however, that it will be possible to issue dividend warrants for the partial payment referred to above before the end of January.

FOODS, LIMITED.—The directors are unable to recommend interim dividend for current year. Company has suffered in common with all industrial concerns from prevailing depression in trade, and directors consider it wise to conserve company's resources.

LYNDAL MOTORS, LIMITED, state that it is impossible to consider the payment of dividends on the 6 and 7 1/2 per cent. preference shares at present.

PROBST, HANBURY, and Co. announce that it has been decided to pay no dividend on preference shares due December 31st.

THE ASSOCIATED PAPER MILLS, LIMITED, have decided to postpone the payment of the half-yearly dividend, payable on January 1st, on the preference shares of the company. The directors express the hope that the payment of the dividend, in any event, will not be postponed longer than June 30th next.

COMPANY MEETINGS, &c.

ULSTER BANK, LIMITED.

The eighty-fourth ordinary general meeting of the Bank was held on December 30, 1921, at Belfast, when the following accounts were presented:—

Capital Authorised and Subscribed	£3,000,000
Capital Paid Up	£500,000
Reserve Fund	£700,000

BALANCE-SHEET, November 30, 1921.

	£	s	d
To capital paid up	500,000	0	0
To reserve fund	700,000	0	0
To deposits and credit accounts	24,287,432	15	0
To acceptances current	nil		
To bills for collection	99,735	0	11
To notes in circulation	2,075,417	17	6
To undivided profits	93,012	15	10

NOTE.—The bank's investments are taken at market value except in the case of 3 1/2 per cent. War Stock and National War Bonds maturing not later than September 1, 1928, which are included at cost.

	£	s	d
By Government stocks—War Loan and other securities of, or guaranteed by, the British Government	8,246,283	0	0
By Government Treasury Bills	1,600,000	0	0

By Colonial Government, Indian guaranteed, and English railway debenture and preference stocks and other securities	1,490,481	15	2
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By cash on hand and balances with London bankers	3,660,175	6	7
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By bills discounted, advances to customers, short loans on securities, &c.	12,558,967	5	10
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By acceptances per contra	199,691	1	8
By new bank premises	27,755,598	9	3

UROZ OILFIELDS, LIMITED.

SATISFACTORY RESULTS OF PROVING OPERATIONS.

The ordinary general meeting of Uroz Oilfields, Limited, was held, on the 30th ultimo, at the Institute of Chartered Accountants, Moorgate place, London, Capt. Albert H. Farley presiding.

The Chairman, in moving the adoption of the report and accounts, said: We are again pleased to report to you that since we last met the work of development on the company's properties has been of a nature which gives your directors cause for gratification. It has been a period during which steady and persistent headway has been made, and it has brought us much nearer that interesting period of our career when we begin to reap the fruits of past endeavours.

ANTHRACITE PROPERTIES.

The general manager, Mr Renwick Cowan, has prepared full and very interesting reports upon all our operations in France, and, with your permission, I will ask our secretary to read these and, at the conclusion of my remarks, and it is, therefore, only necessary that I should refer to the subject in a somewhat general manner. Well, with regard to our anthracite concessions, the proving operations, which have continued during the year, have confirmed the high opinions your directors have all along entertained as to the value of this portion of your properties, and to-day Mr Cowan estimates that at least 1,000,000 tons of anthracite are available for immediate exploitation. No less than four workable seams of anthracite have been established beyond all possible doubt to exist on these properties, and two main hauling inclines, each capable of producing 250 tons per day, have been sunk to these deposits, the various seams being then entered by short crosscuts.

PROFIT AND LOSS.

	£	s	d	£	s	d
To dividend at June, 1921, for half year at the rate of 2½ per cent. per annum	53,125	0	0			
Less income-tax	15,937	10	0			
				37,187	10	0
To dividend at December, 1921, for half year at the rate of 2½ per cent. per annum	53,125	0	0			
Less income-tax	15,937	10	0			
				37,187	10	0
To superannuation fund				10,000	0	0
To new bank premises				25,000	0	0
To contingent fund				100,000	0	0
To undivided profits carried forward				93,012	15	0
				<u>302,387</u>	15	0
				£	s	d
By undivided profits from November 30, 1920...				106,806	9	0
By net profits for year ending November 30, 1921—after deducting rebate on bills current, interest due on deposits, income-tax, and all other expenses—all ascertained bad and doubtful debts having been written off or fully provided for				195,581	6	0
				<u>302,387</u>	15	0

and making ample allowances for any irregularities in the first seam, he estimates that this area of our properties contains some 3,000,000 tons of lignite.

The first unit of our briquetting plant commenced operations in August last, and the guarantee that the plant would produce 200 tons of briquettes per day has been clearly demonstrated. The briquettes are spoken of by consumers as being of excellent quality.

It will be easily possible to increase our briquetting production as circumstances warrant. Another incline has been commenced to the mine working, which could increase the output to 500 tons per day, while additional units can be added to the present briquetting plant if and when deemed necessary.

Before leaving the subject of our lignite reserves, I should like to take this opportunity of imparting to the shareholders a most important item of information which has only recently come to our knowledge. During the past few weeks quantities of our lignite have been received in England for the purpose of experimental tests as to their by-products. The important work was entrusted to highly competent people, under the direction of the well-known firm of Close Brothers and Co., Limited, and we have received notification from them that the tests carried out have proved that our lignite contains over 50 gallons per ton of light oils. These light oils are of such a character that over 25 per cent. of them are in the form of motor spirit. We are assured that the figures given as to the oil content of the lignite will be considerably increased.

This interesting discovery should naturally have a highly important bearing upon the ultimate results achieved from the commercial development of your lignite properties, especially when it is stated that very high protective duties are placed upon the importation of motor spirit into France.

In conclusion, let me say that, speaking of our properties both in France and Trinidad, your directors are convinced that this company possesses assets the great value of which will be appreciated as time goes on.

Mr W. R. Lester seconded the motion, while, after some discussion, the resolution was put and carried unanimously.

STEAUA ROMANA (BRITISH), LIMITED. AFFECTS OF ROUMANIAN RATE OF EXCHANGE. RESULTS AND PROSPECTS.

The first annual meeting of the Steaua Romana (British), Limited, was held on Thursday last, the 5th instant, at Winchester House, Old Broad street, London, E.C., Sir Charles Greenway, Bart. (chairman of the company), presided.

The Chairman pointed out that the company, together with a group of the six most prominent bankers in Roumania and a French group, held control of the Steaua Romana (Bucharest), who had, during the period under consideration, made an increase in their capital in which the three groups had participated. The Roumanian company had declared a dividend of 20 per cent., or Lei 100 per share, for 1919, and 35 per cent., or Lei 175 per share, for 1920.

The value of the British company's holding of shares in the Roumanian company had, of course, declined owing to the heavy fall in Lei, with a similar fall in the value of the dividends thereon, but the intrinsic value of the latter's present and potential assets was probably much in excess of the present value of the shares.

EARNINGS NOT TO BE CONVERTED INTO STERLING.

With regard to the various economic and industrial features of the country, owing to the great value of her natural resources, Roumania, which was before the war a large exporter of cereals, oil and timber, had greater possibilities of recovery than any other country in Europe. In the meantime, however, Lei earnings would be kept in Roumania, and not converted into sterling.

The British and French groups each had made, in addition, an advance to the Roumanian banking group to enable them to participate, and, as security for that, they each had a charge upon one-half of the holding of that group in the Roumanian company. That amount was repayable in sterling during the last six months of 1924. The Roumanian banks had requested that the settlement of the interest thereon in sterling should be foregone for a period of four years, ending 1924, and be met by the deposit of Lei, in cash or securities, with a margin of 25 per cent., to the equivalent at the current rate of exchange of the sterling due. That matter was at present under negotiation.

OBJECTS OF THE COMPANY.

With reference to the objects of the company, the purchase was made to secure for Allied interests, that was Roumanian, French and British, the position formerly held by the Germans in the Steaua Romana Company, and in its sub-companies, agencies and properties, and to secure control of the surface production of oil available for export.

Under the Roumanian, French, and British management, drilling had been increased, 5,000 metres being drilled during the first six months of 1921, and over 10,000 during the year, while it was hoped to drill 20,000 during the present year. Refineries and storage had been repaired, and the company's tin-making plants were working at Constantza, Smyrna, Salonica, and in Bulgaria.

POWER STATION AND FLORESTI.

Jointly with the local power company, the erection of a new electrical power station at Floresti, on the output of which the company would have first call, had been started, and should be completed by the end of the current year. The company's distributing companies and agencies in Bulgaria, Turkey, Greece, Asia Minor, and Italy had been reorganised, and valuable sequestered assets had been, or were in process of being, restored to the company. One of those, which would bring into the company a very large sum of money in sterling, had been admitted, and was expected to be shortly realised.

One tanker of 4,000 tons had been returned, and a satisfactory arrangement reached with the Reparation Commission over another of 7,000 tons, while the return of others was under negotiation.

On the trading side, the British company had during the past year dealt with approximately 35,000 tons of petroleum products under the rights which it held in that connection. A commercial agreement had recently been concluded with the Roumanian company, and it was hoped that increased activity in Roumania would cause greater quantities of oil products, in excess of internal requirements, to be available for export.

He concluded by moving: "That the report and accounts for the year ended June 30, 1921, be received and adopted."

The resolution was seconded by Sir Albert G. Stern, K.B.E., and carried unanimously.

COLOMBIAN CORPORATION, LIMITED. FAVOURABLE STATEMENT FROM THE MANAGER.

The first ordinary general meeting of the Colombian Corporation, Limited, was held, on the 3rd instant, at River Plate House, Finsbury circus, London, Mr F. W. Baker presiding.

The Chairman, in moving the adoption of the report and accounts, said: There is no change to report in the authorised capital. The issued capital stands at £510,000, consisting of 255,000 preference shares, entitled to 50 per cent. of the annual profits available for dividends until the full amount paid up on them has been returned to the subscribers free of income-tax, and thereafter in each subsequent financial year to a fixed non-cumulative preferential dividend of 12½ per cent., subject to deduction of income-tax, and 255,000 ordinary shares of £1 each, issued as fully paid, which are held by the Oroville Company. They had

received from the application and allotment on the preference shares a sum of £63,748, leaving a liability in respect of uncalled capital of £191,250.

Against this uncalled capital they had borrowed at the date of the balance-sheet £100,211 14s 8d. He had no comment to make on the credit side of the balance-sheet. With regard to the Constantia Mine, the main factor was the statement of the manager, Mr Prichard, that the ore reserves above the third level, including old workings, amounted to probably 300,000 tons, of an average value of \$6 to \$8. The probable ore between the third and fourth levels he (Mr Prichard) estimated at 70,000 tons, averaging \$8 to \$10. The working costs, including development, were estimated at \$3 per ton, and the extraction was taken at 85 per cent. On the completion of the new 300 tons per day mill it was estimated that an annual profit should be earned of over £50,000. One favourable feature in Mr Prichard's report was the fact that the ore disclosed in the developments on the lowest level in the mine gave an average in excess of the average of the upper levels.

The directors had come to the conclusion that, in view of transport costs, the wisest policy was to secure a road concession from the local authorities, and build their own road from Dos Bocas on the Nechi River direct to the mine. Mr Prichard estimated the cost of the road at approximately £20,000. There was in sight in the mine a tonnage of ore which should keep the mill going without further additions for practically four years, and Mr Prichard believed that he could treat the ore at an operating cost of \$3 per ton. It was satisfactory also to realise that the tonnage in sight was sufficient to yield, on Mr Prichard's estimate of annual profit, a sum more than sufficient to cover all the original outlay of capital which he (the speaker) claimed was a good conservative basis on which to start mining operations, and should go a long way to provide the revenue to redeem the preference capital.

The report was unanimously adopted.

Orders for the publication in these columns of the reports at Company Meetings should be addressed to the Reporting Manager of the ECONOMIST, 3 Arundel street, Strand, London, W.C. 2.

GOVERNMENT RETURNS.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £60,000,000 in three months' Treasury Bills, dated from Monday to Saturday, Jan. 9th-Jan. 14th, were opened on Jan. 6, 1922, and the total amount applied for was £84,175,000. Tenders for Monday and Saturday bills at £99 3s 8d, and above in full; Tuesday to Friday bills at £99 3s 5d, about 13 per cent., and above in full. The average rate of discount was £3 4s 11.73d per cent.

The following table shows Treasury Bills by tender outstanding:—

Date of Bills.	Amount Offered.	Amount Applied for.	Average Rate of Discount.	Rate for Additional Bills.
1921.				
December 9	45,000,000	82,850,000	3 8 1.71	3 8 1.71
December 16	45,000,000	66,940,000	3 5 3.41	3 5 3.41
December 23	60,000,000	67,975,000	3 7 11.09	3 7 11.09
December 30	60,000,000	117,040,000	3 13 6.52	3 13 6.52
1922.				
January 6	60,000,000	84,175,000	3 4 11.73	2 4 11.73

The amount to be offered next week will be £60,000,000.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to		Redemption Account.						
			Bankers.	Savings Banks.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Govt. ment Securities.	Balance.	Bank of England.	Bank of England.
1914.	£ 21,535	..	6,302	5,810	18,500	..	48.1	9.924	11,423	9,288	11,423
Aug. 26	38,478	..	169	600	..	..	..	..	..	..	..
Dec. 30	103,125	729	159	949	28,500	..	27.6	54,621	80,536	..	..
1915.	..	..	..	..	..	..	..	..	..	..	..
Dec. 29	150,144	2,432	64	40	28,500	..	19.0	118,102	6,868	..	..
1916.	..	..	..	..	..	..	..	..	..	..	..
Dec. 27	212,782	8,554	39	675	28,500	..	13.4	186,637	5,488	..	..
1917.	..	..	..	..	..	..	..	..	..	..	..
Dec. 26	383,241	15,829	..	570	28,500	..	8.9	306,133	4,668	..	..
1918.	..	..	..	..	..	..	..	..	..	..	..
Dec. 31	356,152	17,182	260	945	28,500	4,000	9.1	337,537	2,802	..	..
1919.	..	..	..	..	..	..	..	..	..	..	..
Dec. 31	357,356	16,700	..	190	28,500	13,400	11.7	331,660	305	..	..
June 30	367,825	16,862	..	..	28,500	19,450	13.0	336,504	134	..	..
1920.	..	..	..	..	..	..	..	..	..	..	..
Mar. 30	343,826	15,599	..	..	28,500	19,450	13.9	311,334	141	..	..
Dec. 29	323,884	14,965	..	3,000	28,500	19,450	15.7	278,119	143	..	..
Sept. 28	314,382	14,830	..	3,000	28,500	19,450	14.8	288,590	139	..	..
Dec. 21	324,429	15,250	..	3,000	28,500	19,450	14.7	283,131	161	..	..
28	325,584	14,658	..	..	..	..	..	..	..	..	..
1922.	..	..	..	..	..	..	..	..	..	..	..
Jan. 4	319,853	14,720	..	3,000	28,500	19,450	14.9	283,484	149	..	..

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,565,200, and for 1922 at £309,988,400.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

ASSETS EXCEED - - - - - £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.

Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

Clerical, Medical & General

LIFE ASSURANCE SOCIETY.

2½% Valuation
and
BONUS as BEFORE

Chief Office: 15, St. James's Square, S.W.1, London

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS - - - - - £7,472,880
CLAIMS PAID - - - - - £225,000,000

Accidents and Illness.
Employers' Liability. Fidelity Guarantees.
Fire and Burglary. Motor Cars. Public Liability.
Insurance of Boilers, Engines,
Electrical Plant and Lifts.
Executorships and Trusteeships.

Head Office: MOORGATE STREET, LONDON, E.C.2.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, January 4, 1922.

ISSUE DEPARTMENT.

	£		£
Notes issued	145,065,125	Government debt	11,015,100
		Other securities	7,434,900
		Gold coin & bullion ..	126,615,125
	145,065,125		145,065,125

BANKING DEPARTMENT.

	£		£
Proprietors' capital ..	14,553,000	Government securities	68,751,987
Reserve	3,374,709	Other securities	120,020,236
Public deposits	17,118,299	Notes	19,370,875
Other deposits	174,903,528	Gold and silver coin ..	1,824,815
Seven-day & other bills	18,177		
	209,967,713		209,967,713

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Accounts.

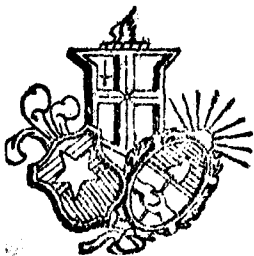
COMPARISON with PREVIOUS WEEK and a Year Ago.

	Amount, Jan. 4, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,374,709	+ 40,386	- 11,370
Public deposits	174,903,528	+ 1,060,984	+ 39,024
Other deposits	68,751,987	+ 68,771,528	+ 19,816,020
Government securities ..	31,790,000	- 21,008,594	- 21,008,594
Other securities	36,855,327	+ 35,291,114	+ 35,291,114
Reserve	21,195,490	+ 831,376	+ 6,029,690
Note circulation	125,691,450	- 825,795	- 5,874,810
Coin and bullion	128,439,940	+ 5,581	+ 154,880
% of reserve to liabilities	11%	- 54%	+ 24%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.
1921.							
Oct. 12	128,421,587	124,613,620	149,805,296	145,222,743	22,257,967	14.5%	14.5%
19	128,417,061	123,684,130	171,602,766	166,131,591	23,182,931	13.4%	13.4%
26	128,413,527	123,915,830	175,038,529	169,779,091	27,947,697	13.1%	13.1%
Nov. 2	128,418,244	125,141,350	141,902,138	137,856,328	21,726,894	15.1%	15.1%
9	128,420,853	124,403,190	122,905,925	118,135,305	22,467,663	18.1%	18.1%
16	128,433,196	123,587,030	126,104,851	120,548,806	23,296,166	18.1%	18.1%
23	128,438,365	123,505,915	139,684,210	133,885,916	23,582,450	16.7%	16.7%
30	128,423,340	125,12,963	144,160,001	140,172,509	21,779,380	15.4%	15.4%
Dec. 7	128,433,576	124,961,865	154,738,656	150,700,714	21,921,711	14.1%	14.1%
14	128,437,271	124,734,450	154,727,609	150,482,425	22,152,821	14.1%	14.1%
21	128,431,144	126,671,025	128,322,943	136,024,708	20,210,119	14.1%	14.1%
28	128,434,359	126,520,245	128,589,335	120,126,896	20,364,114	16.8%	16.8%
1922.							
Jan. 4	128,439,940	125,694,450	192,021,827	188,772,223	21,195,490	11.1%	11.1%

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

62, OLD BROAD STREET, LONDON, E.C.2.

AFFILIATIONS:

THE BRITISH BANK OF SOUTH AMERICA, LTD., and THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

TEN YEARS' RECORD.

At corresponding date with the present week.	Jan. 3, 1912.	May 27, 1914.	Jan. 2, 1920.	Jan. 5, 1921.	Jan. 4, 1922.
Circulation (excluding Bank post bills)	29,189,550	28,933,380	80,347,630	131,569,260	125,694,450
Public deposits	16,676,790	19,014,808	21,463,041	16,719,245	17,112,259
Other deposits	49,352,258	41,948,994	137,256,051	154,987,508	174,903,528
Government securities	15,370,184	11,046,570	60,941,000	89,760,831	68,751,987
Other securities	44,912,160	41,461,280	96,282,226	84,729,122	120,020,236
Reserve of notes and coin	23,681,778	25,463,980	19,382,891	15,165,800	21,195,490
Coin and bullion	34,421,328	35,947,360	91,280,521	128,285,060	128,439,940
Proportion of reserve to liabilities	351%	421%	121%	81%	11%
Bank rate of discount	4%	5%	6%	7%	5%
Market rate, 3 months' bill	3 1/2	4 1/2	5 1/2	6 1/2	5 1/2
Price of Consols	77 1/2	74 1/2	51 1/2	46 1/2	50 1/2
Price of silver per oz.	25 1/2	26 1/2	76 1/2	42 1/2	34 1/2
Average price of wheat	33s 0d	33s 0d	71s 7d	84s 11d	44s 7d
Exchanges	25-20-25	25-17-20	41-00-55	80-90-61-30	52-00-50
on New York	84-83 1/2	84-79	83-77-79 1/2	83-56-60	84-20-21 1/2
on Amsterdam	11-18	10-6 1/2	10-06 1/2	11-30-36	11-38-43 1/2
on London	20-47	20-43 1/2	186-188	266-472	775-805
Clearing house return	377,671,000	199,913,000	785,810,000	877,193,000	732,292,000

BANKERS' CLEARING RETURNS.

Week Ending	Town Clearing.	Country Clearing.	Total.
1922.			
January 1-January 4	309,448,000	18,381,000	327,829,000
Total to date 1922	309,448,000	18,381,000	327,829,000
Do 1921	470,596,000	44,330,000	514,926,000
Increase or decrease in 1922	161,147,000	25,949,000	187,096,000
	34.2%	58.6%	36.3%
Total for 1921	31,928,380,000	3,002,179,000	34,930,559,000
Do 1920	34,946,683,000	4,072,220,000	39,018,903,000
Increase or decrease in 1921	3,018,303,000	1,070,041,000	4,088,344,000
	9.6%	26.2%	10.4%

PROVINCIAL CLEARING RETURNS.

	1920.	1921.	Inc. or Dec.
Aggregate Totals to December 31.			
BIRMINGHAM	188,467,100	121,747,000	-66,720,100
BRISTOL	91,091,000	76,305,000	-14,786,000
DUBLIN	464,080,700	368,947,000	-95,133,700
HULL (Feb. 1 to Dec. 31)	60,691,900	60,691,900	-
LIVERPOOL	67,301,300	67,301,300	-
MANCHESTER	61,011,200	39,549,900	-21,461,300
LIVERPOOL	811,267,700	445,670,000	-365,597,700
NEWCASTLE	1,461,199,000	74,939,000	-1,386,260,000
NOTTINGHAM	1,557,197,900	72,032,900	-1,485,165,000
STAFFORD	56,512,000	35,987,000	-20,525,000
STREETFORD	86,020,100	55,794,800	-30,225,300

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

	Dec. 30, 1921.	Dec. 23, 1921.	Week's Movement.	Dec. 27, 1920.
Total gold reserve	2,869,600	2,870,990	+ 1,390	2,055,800
Legal tender notes and silver reserve	122,600	122,070	- 530	180,950
Bills discounted for member banks	1,179,830	1,224,700	+ 44,870	2,731,990
Bills bought in open market	114,240	126,530	+ 12,290	327,110
Government obligations owned	241,440	211,710	- 29,730	328,780
All other resources	53,460	62,680	+ 9,220	39,240
Government deposits	71,630	54,880	- 16,750	26,050
Other deposits	1,692,890	1,729,880	+ 36,990	1,523,500
Federal Reserve Notes in actual circulation	2,443,500	2,447,560	+ 4,060	3,404,930
Federal Reserve Bank Notes in actual circulation	84,550	82,750	- 1,800	218,830
All other liabilities	25,330	25,950	+ 620	119,790
Capital and surplus	317,010	316,990	- 20	264,200
Ratio of total reserves to gross deposits and other liabilities	71.1%	70.7%	- .4%	45.1%
Federal Reserve note liabilities combined				

STATEMENT OF CANADIAN BANKS.

	Oct. 31, 1921.	Sept. 30, 1921.	Oct. 31, 1920.
Assets.			
Cash and bank balances	509,889,101	480,457,342	594,793,585
Bank balances abroad	62,886,192	74,325,535	82,446,915
Call and short loans	277,375,321	290,020,028	301,593,361
Securities	345,581,298	350,623,142	367,481,462
Loans in Canada	1,940,531,564	1,943,445,512	1,497,774,391
Loans abroad	156,518,933	151,489,861	193,749,657
Other assets	102,305,236	101,970,661	117,862,033
LIABILITIES.			
Note circulation	193,546,363	186,797,922	249,165,707
Deposits			
Government	136,968,833	136,180,510	185,072,150
Public in Canada	1,816,974,475	1,798,071,304	1,958,927,532
Foreign	284,254,860	295,574,501	339,955,233
Bank balances			
Canadian	11,561,996	12,577,629	15,377,031
Foreign	39,048,300	47,444,013	59,278,460
Bills payable and acceptances	33,530,439	33,073,315	57,183,317
Other liabilities	3,211,425	3,865,834	3,556,099
Capital and rest	264,338,629	264,334,153	267,582,757

BANK OF FRANCE.

	Jan. 5, 1922.	Dec. 29, 1921.	Jan. 6, 1921.	Week's Movement.	Position May 28, 1914.
Assets.					
Gold coin and bullion	5,594,116	5,624,228	5,600,647	+ 88	3,730,625
Of which held abroad	1,946,367	1,948,367	1,948,367	-	633,650
Silver coin and bullion	279,897	279,765	266,240	+ 132	633,650
Discount and advances	5,108,438	4,791,111	5,956,043	+ 389,327	2,377,775
LIABILITIES.					
Notes	37,421,830	36,487,456	38,589,594	+ 934,374	5,811,875
Government deposits	18,788	26,014	7,398	+ 18,788	183,700
Private deposits	2,880,352	2,717,192	3,577,976	+ 163,160	946,950

BANK OF SPAIN.

	Dec. 31, 1921.	Dec. 31, 1920.	Dec. 31, 1919.	Week's Movement.	Position May 30, 1914.
Assets.					
Gold	2,612,869	2,611,563	2,610,805	+ 1,306	521,776
Silver	625,041	626,946	626,881	+ 1,906	728,600
Loans and discounts	2,975,744	2,975,009	2,998,173	+ 735	800,725
Spanish 4% stock	344,475	344,475	344,475	-	344,475
Treasury bills	150,000	150,000	150,000	-	150,000
LIABILITIES.					
Circulation	4,244,081	4,216,311	4,208,707	+ 27,770	1,901,550
Deposits	1,041,817	1,004,198	1,003,988	+ 37,619	477,500

NATIONAL BANK OF GREECE.

	Nov. 28, 1921.	Nov. 15, 1921.	Nov. 27, 1920.	Previous Return.	Last Year.
Assets.					
Gold and balances	1,345,932,858	1,366,947,734	1,370,374,666	-20,314,876	-24,341,808
Government loans	2,170,859,235	2,171,924,954	1,065,494,473	-1,065,719	+110,364,762
Discounts and loans	679,346,673	646,769,224	683,876,985	+32,576,448	-4,331,313
LIABILITIES.					
Notes in circulation	2,130,134,200	2,110,084,905	1,475,740,366	+20,049,286	+656,393,834
Government deposits	142,340,757	142,595,630	127,669,913	-154,873	+14,470,844
Private deposits	834,984,339	810,467,411	760,152,537	+24,496,928	+74,831,802
Fixed deposits	834,266,087	925,466,926	576,900,376	+8,799,161	+357,365,712

BANK OF JAPAN.

	Nov. 26, 1921.	Nov. 19, 1921.	Nov. 12, 1921.	Nov. 27, 1920.	Move-ment.	Position June 30, 1914.
Assets.						
Gold and silver	1,261,175	1,261,717	1,262,719	1,147,373	- 542	221,330
Discounts	128,119	62,079	65,484	76,376	+ 66,040	41,740
Advances	88,531	74,188	75,597	184,506	+ 14,333	70,540
LIABILITIES.						
Notes	1,187,907	1,120,757	1,104,489	1,118,351	+ 67,150	363,370
Govt. deposits	1,365,590	1,381,021	1,392,280	1,344,934	- 15,431	87,340
Private deposits	49,209	39,002	72,789	98,870	+ 10,207	11,440

IMPERIAL BANK OF GERMANY.

	Dec. 23, 1921.	Dec. 15, 1921.	Dec. 23, 1920.	Week's Movement.	Position May 30, 1914.
Assets.					
Gold	993,695	993,696	1,091,557	- 1	1,315,940
Silver	10,447	11,475	5,766	- 1,033	331,990
Treasury notes	6,208,644	4,023,261	21,469,533	+ 2,186,382	943,460
LIABILITIES.					
Notes in circulation	118,446,363	117,976,003	53,743,766	+ 4,497,699	60,780
Deposits	108,995,550	104,587,851	14,164,231	- 2,809,486	842,540

BANK OF ITALY.

	Nov. 30, 1921.	Nov. 30, 1920.	Nov. 30, 1919.	Move-ment.	Position May 21, 1914.
Assets.					
Total cash	1,403,684	1,386,734	1,289,176	+ 16,950	1,321,875
Inland bills	3,423,952	3,339,309	3,012,976	+ 96,043	418,400
Foreign bills	19,489	19,489	32,180	- 7	81,300
Advances to the Treasury	6,800,070	6,826,103	8,284,109	- 46,033	all
Other advances	2,693,661	2,513,480	1,820,621	+ 180,181	79,175
Securities	419,925	418,086	219,007	+ 1,839	206,700
LIABILITIES.					
Note circulation	13,892,237	13,903,231	15,419,721	- 10,994	1,556,925
Deposits and drafts	1,758,290	1,534,875	1,988,636	+ 218,025	192,975

NETHERLANDS BANK.

	Jan. 2, 1922.	Dec. 27, 1921.	Dec. 19, 1921.	Jan. 2, 1920.	Week's Movement.	Position May 30, 1914.
Assets.						
Gold	605,969	605,969	605,969	636,141	- 1,172	163,092
Foreign	7,898	8,241	8,366	21,457	- 345	8,436
LIABILITIES.						
Notes in circulation	1,057,251	1,012,878	1,014,343	1,116,021	+ 44,373	516,638
Deposits	36,451	36,673	39,337	91,886	+ 6,878	5,016

NATIONAL BANK OF ROMANIA.

	Dec. 10, 1921.	Dec. 3, 1921.	Dec. 11, 1920.	Week's Movement.	Position May 1914.
Assets.					
Gold	4,696,722	4,556,722	3,150,222	+ 40,000	119
Silver	315	434	54,309	-	35
LIABILITIES.					
Government loan	12,374,039	12,374,034	7,836,434	-	117,580
Other advances	854,076	536,496	2,349,333	-	117,580
LIABILITIES.					
Notes in circulation	13,723,365	13,614,538	9,287,789	+ 109,327	63,722
Deposits	5,622,197	5,675,919	4,785,969	-	63,722

SWISS NATIONAL BANK.

	Dec. 31, 1921.	Dec. 15, 1921.	Dec. 31, 1920.	Week's Movement.	Position May 31, 1914.
Assets.					
Gold	549,521	549,137	545,305	+ 1,384	171,175
Silver	108,240	115,006	121,570	- 6,765	18,490
Darlehens-Kassen	18,317	18,107	17,920	+ 181	210
Assets & advances	393,423	335,426	304,842	+ 477,987	108,000
LIABILITIES.					
Notes in circulation	1,009,264	969,616	917,077	+ 102,312	275,280
Deposits	128,768	104,638	163,156	+ 24,128	23,280

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskassen) shows that up to November 30, 1921, total issues were Fr. 29,876,000, of which Fr. 17,533,000 was held by the Swiss National Bank.

BANK OF SWEDEN.

	Dec. 27, 1921.	Dec. 17, 1921.	Dec. 24, 1920.	Week's Movement.	Year's Movement.	May 24, 1914.
Assets.	Kronor.	Kronor.	Kronor.			Kronor.
Gold	874,769	274,839	282,015	—	70	108,971
Foreign bills, and Swedish and Gov. securities.	123,247	111,587	118,558	+ 11,660	+	4,688
Discount and loans	19,032	19,016	34,260	+ 26	15,818	25,440
Bankers' reserves.	568,535	547,948	569,385	+ 8,688	—	113,660
Notes in circulation	591,078	582,978	781,163	+ 8,100	—	222,500
Deposits at notice	368,932	308,317	138,422	—	140,104	222,500

LONDON RATES.

	Dec. 30, 1921.	Dec. 31, 1921.	Jan. 2, 1922.	Jan. 3, 1922.	Jan. 4, 1922.	Jan. 5, 1922.	Jan. 6, 1922.
Bank rate (reduced from 5½% Nov. 3, 1921)	5%	5%	5%	5%	5%	5%	5%
Market rates of discount—							
3 months' bankers' drafts	5½%	5½%	5½%	5½%	5½%	5½%	5½%
3 months' do.	5½%	5½%	5½%	5½%	5½%	5½%	5½%
4 months' do.	5½%	5½%	5½%	5½%	5½%	5½%	5½%
6 months' do.	5½%	5½%	5½%	5½%	5½%	5½%	5½%
Discount (Treasury Bills)—							
3 months'	5½%	5½%	5½%	5½%	5½%	5½%	5½%
Loans—Day to day	5½%	5½%	5½%	5½%	5½%	5½%	5½%
Short	5½%	5½%	5½%	5½%	5½%	5½%	5½%
Deposit allowances: Banks	5½%	5½%	5½%	5½%	5½%	5½%	5½%
Discount houses at call	5½%	5½%	5½%	5½%	5½%	5½%	5½%
At notice	5½%	5½%	5½%	5½%	5½%	5½%	5½%

Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

Date		Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
Oct. 1921.	%	%	%	%	%	%	%
Oct. 21.....	3 3/4	3 3/4	3 3/4	3 3/4	5	5 1/2	5 1/2
28.....	4	4	4	4	5	5 1/2	5 1/2
Nov. 4.....	4	4	4	4	4 1/2	5	5 1/2
11.....	4	4	4	4	4 1/2	5	5 1/2
18.....	4	4	4	4	4 1/2	5	5 1/2
25.....	4	4	4	4	4 1/2	5	5 1/2
Dec. 2.....	4	4	4	4	4 1/2	5	5 1/2
9.....	4	4	4	4	4 1/2	5	5 1/2
16.....	4	4	4	4	4 1/2	5	5 1/2
22.....	4	4	4	4	4 1/2	5	5 1/2
30.....	4	4	4	4	4 1/2	5	5 1/2
1922.							
Jan. 6.....	5 1/2	5 1/2	5 1/2	5 1/2	14 1/2	15	15

† Jan. 5th.

IRISH BANKS' RATE.

	Present Rate.	Date.	Changed.	Previous Rate.	Date.	Changed.
Discount	6%	July 21, 1921	..	5½%	June 23, 1921	..
Deposits	2½%	Nov. 4, 1921	..	3%	June 23, 1921	..

OVERSEAS BANK RATES.

	Bank Rate Changed.	Bank Rate Changed.
Amsterdam	July 1, 1921 .. 4½%	Nov. 4, 1921 .. 5½%
Algeria	May 15, 1921 .. 4½%	Nov. 28, 1921 .. 5½%
Berlin	Dec. 23, 1921 .. 4½%	Nov. 28, 1921 .. 5½%
Bombay	May 15, 1921 .. 4½%	Nov. 28, 1921 .. 5½%
Brussels	Sept. 4, 1920 .. 6%	Nov. 28, 1921 .. 5½%
Buenos Aires	Dec. 30, 1921 .. 7%	Nov. 28, 1921 .. 5½%
Calcutta	July 5, 1921 .. 6½%	Nov. 28, 1921 .. 5½%
Christiansburg	Nov. 5, 1921 .. 5½%	Nov. 28, 1921 .. 5½%
Copenhagen	Nov. 8, 1921 .. 5½%	Nov. 28, 1921 .. 5½%
Hankow	Nov. 8, 1921 .. 5½%	Nov. 28, 1921 .. 5½%
Hong Kong	Sept. 3, 1920 .. 7%	Nov. 28, 1921 .. 5½%
London	Nov. 2, 1921 .. 4½%	Nov. 28, 1921 .. 5½%
New York	Nov. 2, 1921 .. 4½%	Nov. 28, 1921 .. 5½%
San Francisco	Nov. 2, 1921 .. 4½%	Nov. 28, 1921 .. 5½%
Shanghai	Nov. 2, 1921 .. 4½%	Nov. 28, 1921 .. 5½%
Singapore	Nov. 2, 1921 .. 4½%	Nov. 28, 1921 .. 5½%
Yokohama	Nov. 2, 1921 .. 4½%	Nov. 28, 1921 .. 5½%

RATES OF EXCHANGE.

	London on	Usance	Par.	Rate, Jan. 7, 1921.	Rate, Dec. 30, 1921.	Rate, Jan. 6, 1922.
Paris	francs to £1	T.T.	25-22½	61 04-09	52-35-40	52-30-35
Berlin	marks to £1	T.T.	20-43	261-263	776-781	790-793
Vienna	krone to £1	T.T.	24-02	1500 (e)	10500-11500	12500-13500
Frankfurt	marks to £1	T.T.	24-02	321-325	285-295	295-305
Warsaw	zlotys to £1	T.T.	20-43	2400 (e)	11000-12500	11500-12500
Bombay	rupees to £1	T.T.	25-22½	274-279	1525-1575	1525-1575
Batavia	rupes to £1	T.T.	24-02	110	2400-2700	2400-2500
Constantinople	piastres to £1	T.T.	25-22½	260-290	590 (e)	600-625
Sofia	levas to £1	T.T.	25-22½	130-135	270-275	270-300
Belgrade	dinas to £1	T.T.	12-107	11-35-38	11-39-43	11-44-45
Brussels	francs to £1	T.T.	25-22½	27-44-49	28-10-15	28-17-22
Christiansburg	krone to £1	T.T.	18-153	22-40-45	26-20-25	26-27-30
Copenhagen	krone to £1	T.T.	18-153	17-54-58	16-67-70	16-65-70
Hankow	krone to £1	T.T.	18-153	22-15-20	20-92-97	21-10-15
Helsingfors	F. marks to £1	T.T.	25-22½	117-122	219-223	215-228
London	drachmas to £1	T.T.	25-22½	49-49½	98-100	95½-96
Italy	lire to £1	T.T.	25-22½	104½-105½	97-97½	97-97½
Switzerland	francs to £1	T.T.	25-22½	23-53-57	21-47-52	21-68-73
Madrid	pesetas to £1	T.T.	25-22½	27-44-49	28-10-15	28-17-22
London	piastres to £1	T.T.	25-22½	44-44½	44-44½	44-44½
London	dollars to £1	Cable	4-85	3-63-64½	4-20-24	4-19-20½
London	dollars to £1	Cable	4-85	4-24-25	4-44-45	4-43-44½
Buenos Aires	pesos to £1	T.T.	47-58½	51-51½	43-43½	43-43½
Rio de Janeiro	pesos to £1	T.T.	51	50½-51½	41-42	40-41½
Montevideo	pesos to £1	T.T.	13-13	9½ (a)	39-40	40-41½
Valparaiso	pesos to £1	T.T.	14½	14½	16½	17½
Lima	soles to £1	T.T.	10 to	1-54-54½	1-54-54½	1-54-54½
Calcutta	rupees to £1	T.T.	10 to	1-54-54½	1-54-54½	1-54-54½
Bombay	rupees to £1	T.T.	10 to	1-54-54½	1-54-54½	1-54-54½
Madras	rupees to £1	T.T.	10 to	1-54-54½	1-54-54½	1-54-54½
Hong Kong	dollars to £1	T.T.	10 to	1-54-54½	1-54-54½	1-54-54½
Shanghai	dollars to £1	T.T.	10 to	1-54-54½	1-54-54½	1-54-54½
Singapore	dollars to £1	T.T.	10 to	1-54-54½	1-54-54½	1-54-54½
Yokohama	dollars to £1	T.T.	10 to	1-54-54½	1-54-54½	1-54-54½
Manila	dollars to £1	T.T.	10 to	1-54-54½	1-54-54½	1-54-54½
Mexico	pesos to £1	T.T.	10 to	1-54-54½	1-54-54½	1-54-54½

† Rate for previous day. (a) Pence to peso. (e) Sellers. † For approved commercial transactions.

CURRENT RATES IN NEW YORK.

The Irving National Bank of New York cable the following money and exchange rates in New York:—

	Jan. 6, 1922.	Dec. 31, 1921.	Dec. 15, 1921.	Dec. 21, 1921.	Dec. 29, 1921.	Jan. 5, 1922.
Call money	5%	5%	5%	5%	5%	5%
Time money (30 days)	5½%	5½%	5½%	5½%	5½%	5½%
Bank discounts	5½%	5½%	5½%	5½%	5½%	5½%
London	4½%	4½%	4½%	4½%	4½%	4½%
Paris	4½%	4½%	4½%	4½%	4½%	4½%
Berlin	4½%	4½%	4½%	4½%	4½%	4½%
Brussels	4½%	4½%	4½%	4½%	4½%	4½%
Amsterdam	4½%	4½%	4½%	4½%	4½%	4½%
Stockholm	4½%	4½%	4½%	4½%	4½%	4½%
Copenhagen	4½%	4½%	4½%	4½%	4½%	4½%
Helsingfors	4½%	4½%	4½%	4½%	4½%	4½%
London	4½%	4½%	4½%	4½%	4½%	4½%
Paris	4½%	4½%	4½%	4½%	4½%	4½%
Berlin	4½%	4½%	4½%	4½%	4½%	4½%
Brussels	4½%	4½%	4½%	4½%	4½%	4½%
Amsterdam	4½%	4½%	4½%	4½%	4½%	4½%
Stockholm	4½%	4½%	4½%	4½%	4½%	4½%
Copenhagen	4½%	4½%	4½%	4½%	4½%	4½%
Helsingfors	4½%	4½%	4½%	4½%	4½%	4½%

RATES OF EXCHANGE.

	Par Level.	Rate, Jan. 6, 1921.	Rate, Dec. 21, 1921.	Rate, Dec. 29, 1921.	Rate, Jan. 5, 1922.
London—					
60 days	Dollars for £1	4-85½	4-16	4-15½	4-16½
Cable		3-6125	4-20875	4-1918	4-1925
Cheques		3-6150	4-2050	4-1975	4-1985
Paris	Cents for 1 franc	19-30	5-93	8-00	7-95
Brussels	Cents for 1 franc	19-30	6-22	7-68	7-60
Switzerland	Cents for 1 franc	19-30	15-40	19-55	19-32
Italy	Cents for 1 lire	19-30	3-46	4-53	4-21
Berlin	Cents for 1 mark	23-63	1-39	0-5825	0-54
Vienna	Cents for 1 krona	20-26	0-23	0-425	0-375
Madrid	Cents for 1 peseta	19-30	13-30	14-95	14-88
Amsterdam	Cents for 1 guilder	40-195	32-00	36-875	36-80
Copenhagen	Cents for 1 kroner	26-80	16-17	20-35	19-93
Christiansburg	Cents for 1 krona	26-80	16-17	20-35	19-93
Stockholm	Cents for 1 krona	26-80	16-17	20-35	19-93
Athens	Cents for 1 drachma	19-30	7-55	4-25	4-25
Montreal	Cents for 1 Can. \$1	100	85-50	93-50	94-75
Yokohama	Cents for 1 yen	49-85	48-25	47-95	47-95
Hong Kong	Cents for 1 Hong \$	100	57-50	55-25	55-45
Shanghai	Cents for 1 Shing. tael	100	77-50	76-75	74-30
Calcutta	Cents for 1 rupee	100	27-50	27-90	27-85
Buenos Aires	Gold pesos for \$100	103-65	129-00	131-00	132-40
Rio de Janeiro	Cents for 1 milreis	32-42	14-75	12-75	12-55
Valparaiso	Cents for 1 peso	20-60	14-15	11-25	11-20

Note.—The rates for acceptances quoted above are selling rates.

RATES OF EXCHANGE ON GERMANY.

	Par Level.	Rate, Jan. 6, 1921.	Rate, Dec. 21, 1921.	Rate, Dec. 29, 1921.	Rate, Jan. 5, 1922.
Amsterdam	Florins to 100 marks	59-26	4-30	1-63	1-49
Switzerland	Francs to 100 marks	123-45	8-60	3-05	2-77½
Copenhagen	Kroner to 100 marks	88-88	8-65	2-83	2-72
Stockholm	Kroner to 100 marks	88-88	8-65	2-83	2-72
Christiansburg	Kroner to 100 marks	88-88	8-65	2-83	2-72

(a) Approximate rates.

CENTRAL AMERICAN EXCHANGE RATES.

The Commercial Bank of Spanish America, Limited, quote the following rates of exchange:—

	Country.	Par Value.	Usance.	Year, 1921.	Rate.
Buenos Aires	Sucres to £1	1000	Sight London	Dec. 31	17-40
Venezuela	Bolivares to £1	25-25	"	Dec. 31	22-95
Colombia (Bogota)	Dollars to £1	100	"	Dec. 31	21-95
Nicaragua	Colonias to £1	4-9685	"	Dec. 31	21-95
San Salvador	Colonias to £1	9-73	"	Dec. 31	21-95
Costa Rica	Pesos to £1	90-23	"	Dec. 31	21-95
Guatemala	Colonias to £1	10-45	"	Dec. 31	21-95
Bolivia	Pence to Boliviano	19-20	"	Dec. 2	13½

ESTHONIAN EXCHANGE RATES.

The Bank of Esthonia quote Reval exchange rates as below:—

	Reval on	Rates, Dec. 10, 1921.	Rates, Dec. 17, 1921.
London (cheque)	£1	Buying. 1,520 Selling. 1,530	Buying. 1,535 Selling. 1,545
New York	100 Fr	2,800 2,875	2,850 2,900
Stockholm	100 Kr	380 385	370 375
Copenhagen	100 Kr	9,000 9,100	9,050 9,100
Berlin	100 Rmk	205 210	7,150 7,200
Helsingfors	100 Fmk	680 695	700 710
Riga	100 Lrbl	130 135	145 150
Amsterdam	100 Hfl	13,600 13,650	13,450 13,500

LATVIAN EXCHANGE RATES.

	Riga on—	Mar. 24, 1921.	Nov. 30, 1921.	Dec. 20, 1921.
London	Latvian roubles for £1	1,875	1,900	1,000
New York	"	460	470	250
Paris	"	3,950	4,050	1,725
Stockholm	"	11,000	11,200	5,900
Copenhagen	"	8,400	8,600	4,675
Christiansburg	"	7,350	7,550	3,650
Amsterdam	"	16,500	17,000	9,075
Berlin	"	820	830	84
Helsingfors	"	975	1,007	428
Roval	"	125	130	65
Warsaw	"	51	53	9

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From December 9, 1921.	From December 26, 1921.
	London on South Africa.	South Africa on London.
	Buying.	Selling.
T.T.	11½% prem.	11½% dis.
Demand	11½% prem.	11½% dis.
30 days	11½% prem.	11½% dis.
60 days	11½% prem.	11½% dis.
90 days	11½% prem.	11½% dis.
120 days	11½% prem.	11½% dis.

* Plus ad valorem stamp duty. (a) No discount allowed on sales of T.T. at demand drafts under £100.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.	Australia and New Zealand on London.
	Buying.	Selling.
	Aus. tralia.	New Zealand.
T.T.	100	100
Sight	99½	99½
On demand	99½	99½
30 days	99½	99½
60 days	99½	99½
90 days	99½	99½
120 days	99½	99½

No traffic returns of British Railways have been issued since the Government took control of the Railways at the outbreak of the War. The Government took over control of the Irish Railways as from January 1st, 1917.

			Week's Rec'pts, 1921.		Aggre- gate Rec'pts, 1921.	
			£		£	
Metropolitan Districts						
London Electric						
City and South London	52 weeks	Dec. 31	192,964	..	12,233,349	..
Central London						
L.G.O.						
Metropolitan Electric Trams						
London United Trams.....						
South Metropolitan Trams.....	52 weeks	Dec. 31	45,548	..	2,286,535	..
Tramways (M.E.T.)						
Gearless Motor						

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1920-21.	+ or -	1920-21.	+ or -
INDIAN.							
Adam Bengal	35 weeks	Dec. 31	993	217,334	..	Rs. 313,398	-18,149.23
Bangi L. Ry.	10 mths	Nov. 30	1,018	29,200	8,000	8,455.90	-1,442.20
Bengal & Western	9 weeks	Nov. 30	9,087	19,020	21,415	47,300.10	..
Bengal Nagpur	36 weeks	10	4,697	13,200	7,000	4,374.04	588.29
Bombay, Bar. & C.I..	12 weeks	24	4,871	20,81,000	2,24,000	4,29,10,000	+ 8,000.00
Burma	35 weeks	31	1,342	54,113	829	19,12,924	+ 10,39,900
Delhi, Umballa & Kalka	13 weeks	31	239	76,000	29,882	12,49,142	-2,05,950
East Indian	13 weeks	31	2,772	20,05,000	797,000	5,68,67,000	+ 3,11,000
G. Indian Peninsula	39 weeks	24	5,121	31,62,200	56,300	9,83,54,000	-1,05,650
Madras & S. Mah..	36 weeks	10	5,028	12,52,000	36,188	49,69,036	+ 12,87,178
Mohit & Kumaon	8 weeks	3	259	45,653	518	3,96,466	-54,533
De Lucknow & Bareilly	3 weeks	3	302	57,811	7,972	74,752	+ 35,111
South Indian	35 weeks	31	5,852	7,96,997	2,16,051	2,94,48,358	+ 12,62,048
Stn. Punjab (month)	6 mths	Sept. 30	717	6,84,146	2,84,599	47,56,562	-5,90,480
Argentine (a).							
Argentine N.E..	26 weeks	Dec. 31	752	10,200	200	299,300	-13,600
Argentine Trans.	26 weeks	31	111	2,180	796	48,185	-15,493
R. A. & Pacific	26 weeks	31	3,428	136,000	19,000	3,189,000	-15,000
R. A. Gt. Southern ..	26 weeks	31	3,891	180,000	15,000	3,888,000	-16,000
				Net	66,000	582,000	+ 151,000
R. A. Western	26 weeks	31	1,882	71,000	2,000	1,972,000	+ 45,000
				Net	8,000	237,000	+ 88,000
Buenos Ayres Cent.	4 mths	Oct. 31	190	47,614	3,405	102,776	-11,556
Central Argentine ..	26 weeks	Dec. 31	3,305	175,000	5,000	4,483,000	-759,000
Cordoba Central	26 weeks	31	1,205	45,000	3,800	1,374,500	-123,900
Entre Rios	26 weeks	31	811	18,600	3,800	499,000	-78,000
Brazil (a).							
Brazil Gt. Southern	12 mths	Nov. 30	..	M\$ 44,000	2,700	528,150	+ 33,150
Gt. West. of Brazil..	52 weeks	Dec. 31	1,005	16,700	2,400	726,200	-376,700
Leopoldina	52 weeks	31	1,831	29,494	3,631	1,719,938	-90,225
Sao Paulo	1 week	Jan. 1	1,533	23,577	9,278	..	..
State of Bahia, S.W.	11 mths	Nov. 30	52	M\$ 59,000	-101,000	776,000	-437,000
Chile and Peru.							
Antofagasta	52 weeks	Dec. 31	836	..	..	1,037,930	-1,332,140
Arauco	1 month	Apr. 30	644	12,000	500	..	..
Nitrato (2 weeks) ..	52 weeks	Dec. 31	366	17,847	26,453	..	-513,621
Peruvian Corp.	5 mths	Nov. 30	1,059	\$1,377,630	+ 442,580	6,174,010	+ 540,350
Talca	5 mths	30	180	(b) 9,608	18,180	48,444	-96,339
Cuban.							
Havana Central	26 weeks	Dec. 31	..	10,168	4,340	273,065	-84,260
United of Havana ..	26 weeks	31	1,210	51,406	44,514	1,056,168	-1,150,511
Uruguayan.							
Central Uruguay ..	26 weeks	31	273	27,721	120	633,248	+ 96,320
C. Urug. (East Ext.)	26 weeks	31	311	6,927	1,193	121,442	-19,140

CANADIAN RAILWAYS MONTHLY STATEMENTS.

Name.	Period.	Ending.	Receipts for Month.	Inc. or Dec.	Aggregate Receipts.	Inc. or Dec.
Algonquin Cent. & N. W. Ry.	4 mths.	Oct. 31	Gross \$90,850	- 132,338	456,945	- 338,665
Canadian N.W.	10 mths.	31	Gross \$7,368,030	+ 368,030	55,674,630	+ 5,201,505
Canadian Pac.	11 mths.	Nov. 30	Gross \$18,788,000	- 5,011,000	177,295,000	- 28,771,000
			Net \$13,677,000	- 40,101	32,294,000	- 1,353,000
Grand Trunk	3 mths.	Mar. 31	Gross \$1,378,700	+ 85,500	3,774,200	+ 268,500
Trunk Ry.	1 mth.	Nov. 30	Gross \$4,318,000	+ 8,600	91,400	+ 25,500

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1920-21.	+ or -	1920-21.	+ or -
Betra and Mashona-land	1 mth	Sept. 30	810	117,766	+ 4,465	..	..
Mid. of W. Aust.	4 mths	Oct. 31	277	11,339	- 1,587	36,948	- 4,687
New Cape Central ..	4 weeks	Dec. 10	205	2,929	- 62	126,370	- 13,330
Rhodesia Railways ..	1 mth	Sept. 30	1,397	157,115	+ 19,646	..	..
Rhodesia Katanga ..	1 mth	July 31	..	11,589	..	..	..
Shire Highlands	..	..	..	..	..	..	..
Nyassaland	11 mths	Nov. 30	..	4,800	+ 1,200	..	+ 10,850

Name.	Period.	End- ing.	Receipts for Month.		Total Receipts.	
			1921.	+ or -	1921.	+ or -
Achison Topeka.....	10 mths	Oct. 31	18,691,589	1,920,497	158,448,159	18,105,141
Baltimore and Ohio.....	10 mths	31	19,045,952	5,989,443	167,216,726	30,372,541
Chicago and Milwaukee	10 mths	31	14,989,444	2,409,121	133,609,686	15,782,487
New York Central.....	10 mths	31	28,437,560	10,096,043	268,461,145	37,814,497
Pennsylvania.....	10 mths	31	44,220,069	3,635,688	418,648,758	35,748,008
Southern Pacific.....	10 mths	31	26,532,230	10,855,667	227,333,994	2,276,169

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.		
				1920-21.	+ or -	1920-21.	+ or -	
Anglo-Argentine	53 weeks	Dec. 31	299	\$97,287	+	1,130	4,203,369	+ 188,604
Burnley Corporation ..	1 week	31	12	\$3,627	-	210	..	..
Calcutta Tramways ..	53 weeks	31	356	\$85,538	-	6,973	..	818,256
Chesham & District ..	50 weeks	31	15	638	..	..	83,011	3,463
Egyptian Markets ..	51 weeks	23	..	\$2,425	+	313	105,587	+ 14,511
Glasgow Corporation Tramways	31 weeks	31	99	\$45,347	-	1,684	1,399,896	+ 27,329
Iale of Thanet	13 weeks	28	..	\$857	+	3	8,625	+ 1,356
Lancashire United ..	52 weeks	27	39	\$3,434	+	142	178,003	6,795
Liverpool Corpora- tion Tramways ..	53 weeks	31	124	\$28,763	+	2,308	1,522,028	+ 101,952
L.C.C. Tramways	40 weeks	Jan. 4	155	\$38,450	-	15,944	3,962,287	+ 289,570
Madras Elect. (4 wks)	52 weeks	Dec. 31	..	Rs50,623	8,357	..	1,012,350	- 185,050
Pernambuco Trams ..	52 weeks	31	..	..	..	..	195,174	+ 143,256
Singapore Electric ..	41 weeks	Oct. 22	..	\$14,533	-	1,868	556,906	333,004

Name.	Period.	Ending.	Present Mileage	Receipts for Month.		Total Receipts.	
				1920-21.	+ or -	1920-21.	+ or -
Alabama Power..	1 mth	June 30	Gross Net	\$259,059 \$130,812	+ 88,481 22,750		
Barcelona Traction Co., Ltd., Spain.	11 mths	Nov. 30	Gross Net	3,661,205 2,495,564	+ 498,100 373,788	33,880,037 21,483,625	+ 4,999,600 + 2,715,727
Brazilian Traction Co., Ltd., Brazil.	11 mths	30	Gross Net	14,555,000 8,820,000	+ 2,356,000 2,996,000	156,429,000 85,751,000	+ 3,515,000 + 214,400,000
Brisbane Electric Tramway Co., Ltd.	11 mths	30	Gross Net	247,325 \$845,973	+ 1,210 10,919	519,245 3,375,467	+ 13,800 + 134,600
Buenos Ayres La Corona Electric Tramway Co., Ltd.	4 mths	Oct. 31	Gross Net	\$212,560 ..	+ 1,958 ..	844,401 ..	+ 6,755 ..
Burmah Electric Tramway Co., Ltd.	11 mths	May 31	51 1/2	\$58,492	+ 3,929	629,444	+ 67,765
Cape Electric Tramway Co., Ltd.	4 mths	Nov. 30	Gross Net	\$58,271 \$33,832	+ 4,575 ..	..	+ 28,934
Canadian Western Electric Co., Ltd.	1 mth	30	Gross Net	\$33,832 \$8,269	..	..	..
Cartagena and Herrerias Traction Co., Ltd., Spain.	1 mth	Oct. 31	Gross	\$67,790	+ 3,638	..	+ 19,305
Catalinas Warehouse Co., Ltd., Spain.	1 mth	Dec. 31	12	\$13,227	+ 2,323	31,052	..
Cities Service Co., Ltd., U.S.A.	1 mth	Nov. 30	Gross Net	\$2,176,893 \$1,143,449	+ 765,337 735,337	14,094,814 13,548,574	+ 105,345 + 103,971
Cordoba Light & Electric Co., Ltd., Spain.	8 mths	30	Gross Net	\$22,698 \$4,682	+ 3,568 940	186,351 32,388	+ 26,819 + 1,195
Havana Electric Co., Ltd., Cuba.	28 weeks	Oct. 9	Gross Net	\$1,088,689 \$581,145	+ 71,658 141,768	10,522,763 4,803,382	+ 1,064,192 + 330,497
International Light & Power Co., Ltd., U.S.A.	10 mths	31	Gross Net	\$1,088,689 \$581,145	+ 71,658 141,768	10,522,763 4,803,382	+ 1,064,192 + 330,497
Kalocrie Electric Tramway Co., Ltd., Greece.	5 mths	Nov. 30	Gross Net	\$21,057 \$6,138	+ 86 771	107,937 30,119	+ 1,906 + 4,725
Keystone Tele. Co., Ltd., U.S.A.	9 mths	Sept. 30	Gross Net	\$21,057 \$6,138	+ 86 771	107,937 30,119	+ 1,906 + 4,725
La Guadalupe Harb. Tramway Co., Ltd., Spain.	11 mths	Nov. 30	Gross Net	\$136,955 \$58,049	+ 7,449 15,715	1,574,765 558,272	+ 13,834 + 28,979
La Plata Electric Tramway Co., Ltd., Argentina.	1 mth	30	Gross Net	\$5,662 \$6,757	+ 2,624 389	64,858 559,661	+ 3,363 + 40,658
Manila Electric Tramway Co., Ltd., Philippines.	12 mths	Dec. 31	Gross Net	\$57,560 \$14,116	+ 962 6,155	559,661 1,077,088	+ 40,658 + 43,977
Para Electric Co., Ltd., Brazil.	9 mths	Sept. 30	Gross Net	\$306,850 \$114,397	+ 13,495 16,876	3,324,516 1,201,816	+ 280,756 + 280,756
Rangoon Electric Tramway Co., Ltd., Burma.	12 mths	Nov. 30	Gross Net	\$233,147 \$9,898	+ 1,126 183	287,814 114,351	+ 9,098 + 6,969
Shanghai Electric Tramway Co., Ltd., China.	10 mths	Oct. 31	Gross Net	\$433,375 \$187,875	+ 65,850 94,850	99,633,726 39,290,000	+ 4,094,811 + 3,711,788
Toronto Ry. & Electric Co., Ltd., Canada.	12 mths	Dec. 31	Gross Net	\$1,229,483 \$326,857	+ 30,168 120,502	8,048,565 2,738,476	+ 223,793 + 194,596
United Electric T. Co., Ltd., U.S.A.	2 mths	Dec. 31	Gross Net	\$62,130 \$205,885	+ 3,195 ..	99,556 ..	+ 6,775 ..
Victoria Falls & Transvaal Electric Tramway Co., Ltd., South Africa.	Quarter	Sept. 30	Gross Net	\$441,315 \$148,012	+ 3,584 32,592	4,433,091 143,998	+ 156,54 + 858
Winnipeg Electric Tramway Co., Ltd., Canada.	10 mths	Oct. 31	Gross Net	\$441,315 \$148,012	+ 3,584 32,592	4,433,091 143,998	+ 156,54 + 858

§ Approximate receipts

	Monopolies, Tobacco, Stamps, Stamped Paper, Naxos Emery.	Piræus Customs.
Gross receipts, October, 1921.....	Drachmæ. 8,674,662.96	Drachmæ. 5,829,214.00
Do do 1920	6,083,664.79	5,000,378.00
Estimated receipts for ten months (Law of Control)	24,083,333.33	8,916,666.67
Actual receipts for 1921, ten months.....	61,232,886.99	57,114,468.65
Actual receipts for 1920, ten months.....	54,822,277.06	48,153,427.05

are included in the ABOVE Schedule of Assets and Liabilities.

REPUBLIC OF SALVADOR.—Government Six per cent. Sterling Loan of 1908, and Seven per cent. Funding Loan of 1916.—All holders of the bonds of either loan are urgently requested to forthwith deposit all their bonds with the London and South American Investment Trust, Limited, for the purpose of carrying into effect the proposals for the exchange of the bonds for series "B" bonds of the Salvador Government, pursuant to the resolutions duly passed at the meetings of the bondholders held on the 28th ult., and which resolutions are binding on all the bondholders. Forms of deposit, setting out the deposit conditions, can be obtained on application in person, or by letter, to the London and South American Investment Trust, Limited, at 62 Old Broad street, E.C. 2. Bonds may be deposited between the hours of 11 a.m. and 2 p.m. on any day except Saturdays and Sundays. No bonds will be accepted through the post. All coupons up to and including No. 28 on the six per cent. bonds of 1908, and all coupons up to and including No. 13 on the seven per cent. funding bonds of 1916, should be detached before the bonds are lodged.

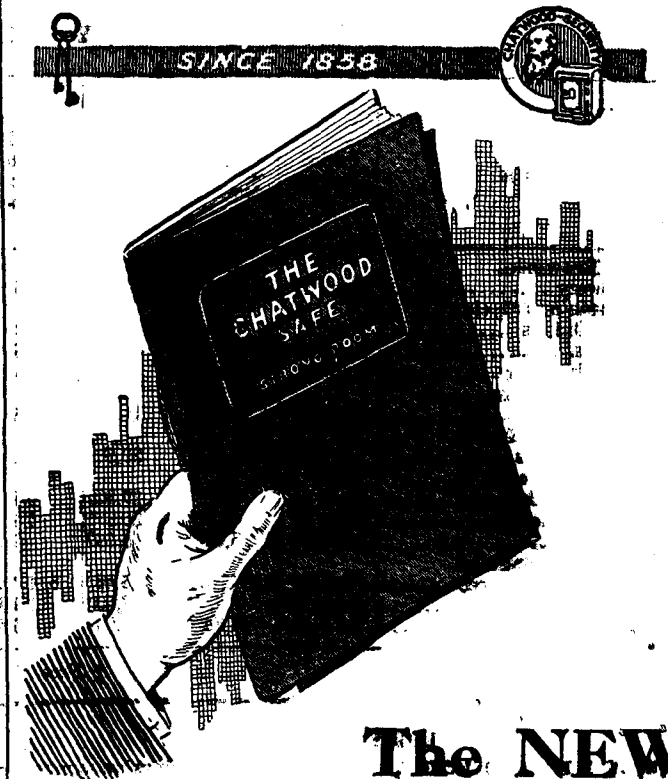
STATE OF BAHIA (5 PER CENT FUNDING LOAN, 1915-6 PER CENT FUNDING BILLS, 1918).—The Commercial Bank of Spanish America, Limited, announce receipt of advice by cablegram by the Government of the State of Bahia to the effect that the remittance of the funds necessary to meet the interest due on January 1, 1922 has been delayed owing to suspension of business during the holidays and that they undertake to make remittance of the funds by telegraphic transfer in the course of January.

STATE OF PARA.—The Governor of the State of Para announces that, owing to the low price of rubber and depreciated exchange brought about in Para by the general economic crisis, the revenue declined very considerably during 1921. As a consequence of this the stipulated percentage of the export duties, which the Government has punctually paid over, has proved insufficient for the State's fiscal requirements; but an arrangement concerning the Bragança Railroad is now being made with the Federal Government of the United States of Brazil, and upon the formalities in connection therewith being completed the proceeds will improve the financial position of the State and will enable it to treat with its foreign creditors.

GUARANTY TRUST COMPANY OF NEW YORK.—The December 31st balance-sheet, a cabled summary of which has just been received in London, shows total assets \$578,309,758.37; deposits \$470,916,979.07 surplus fund \$15,000,000; undivided profits \$2,255,398.56. The new statement reports no borrowing from the Federal Reserve Bank.

ROYAL BANK OF CANADA.—The annual statement for the year ending November 30, 1921, shows that the profits for the year amounted to \$4,037,836.49, which compares with \$4,253,549.24 in 1920. Deposits have decreased from \$455,017,387 to \$375,616,343, and current advances have decreased from \$286,421,619 to \$252,150,279. For the year the bank has paid the same dividend that has been paid in recent years, viz., 12 per cent. and a bonus of 2 per cent., and has carried forward to profit and loss account \$905,044. The paid-up capital of the bank is \$20,400,000, and the reserve fund and balance at credit of profit and loss account \$21,305,044.

GREAT WESTERN OF BRAZIL, LIMITED.—With regard to the circular issued to the shareholders on November 4th last, the directors of the Great Western of Brazil Railway Company, Limited, are now able to announce that a telegram has been received from their representative at Rio, advising that the Brazilian Congress had passed a law authorising the Government to make half-yearly payments to the company to cover any deficit there may be in the funds derived from working the railway necessary to meet interest at the rate of 5 per cent. on the company's capital as recognised by the Government, and the amortisation of the same during the period of the lease. The company will also share in any surplus revenue that may be earned in excess of the above. To become effective the new Act requires a Decree bearing the signature of the President of the Republic. When the Decree is issued, and full particulars are received from Brazil, the shareholders will be advised.



B **BRITISH** firms are often criticised abroad that the catalogues issued by them leave much to be desired, since they in no way convey to prospective customers the dignity and standing of the firm and the high standard of their work.

The guiding factor in the preparation of this new Catalogue has been a desire to convey something of the quality of work and high ideals of the firm, in the hope that their worth may be gauged in some measure by their aims as well as their achievements.

We shall be pleased to send a complimentary copy to all those having in their keeping gold, silver, precious stones, securities or records of vital kind—possessions which the lust of thieves, appetite of fire, or destruction by violence may cause to be lost.

THE *SINCE 1858.*
CHATWOOD
SAFE—————

SINCE 1858.

***"Achievement is but another milestone
along the highway of progress—the end
of the journey lies ever beyond."***
THE CHATWOOD TRADITION.

N.S.B. 1.

THE CHATWOOD SAFE CO. LIMITED.

BANKERS' ENGINEERS
Head Offices and Works BOLTON.

Branches: ENGLAND
LONDON MANCHESTER GLASGOW
 56 Gracechurch St., E.C. Royal Exchange 12 Greenlodge Terr., Greenhead

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward	Net Profit.	Dividend.
					Prefere.	Ordinary.				
					Amount.	Amount.	Rate			%
Breweries.		£	£	£	£	£	%	£	£	%
Stroud Brewery	Nov. 17	8,794	28,100	36,894	4,020	14,070	12½	10,000	8,804	27,690
Motor and Cycle.										
Alldays and Onions	July 31	5,248	Dr 108,304	Dr 103,056	..	..	..	Dr 103,056	6,919	27,212
Blumel Bros.	Sept. 30	6,562	18,557	25,119	4,200	9,000	15	5,000	6,919	27,212
Cubitts' Engineering	July 31	Dr 2,409	Dr 63,609	Dr 66,018	..	..	..	Dr 66,018	Dr 2,409	..
Rubber, &c.										
Lumut	Sept. 30	48,710	14,496	63,206	..	11,103	7½	10,000	42,103	63,736
Shops and Stores.										
W. Abbott and Sons	Aug. 31	11,318	20,575	31,893	4,200	10,575	12½	..	17,118	26,876
Tramways.										
East Kent Road Car	Sept. 30	7,021	27,322	34,343	..	16,204	10	2,900	15,239	14,440
Isle of Thanet Electric	Sept. 30	4,285	20,379	24,664	3,750	..	..	16,942	3,972	20,843
Provincial	Sept. 30	3,008	5,667	8,675	6,000	..	..	..	2,675	13,395
Other Companies.										
British-American Tobacco	Sept. 30	1,634,200	4,323,481	5,957,681	225,000	3,842,493	24½	..	1,890,188	4,879,177
Champion and Slee	Sept. 30	3,989	7,003	10,992	4,200	5,250	7½	..	1,542	20,870
Roneo	June 30	11,769	34,543	46,312	5,421	29,709	10	..	11,182	97,387

† Free of tax.

INSURANCE.

LONDON LIFE ASSOCIATION, LIMITED.—The directors announce that the total new business (net) effected in 1921 amounted to £1,550,056 of life assurance, and £439,064 of endowments certain, with a total renewal premium income of £86,556. In addition, £122,592 was received as consideration for immediate annuities, and deferred annuities were effected with a renewal premium income of £24,646. Approximately one-fourth of the above life assurance and immediate annuities was reassured with the Clergy Mutual under the agreement with that society. No commission is paid by the association in any form for the introduction of new assurances or annuities.

MISCELLANEOUS.

BRAZILIAN GOVERNMENT STEAMSHIP LINES.—The Brazilian Warrant Company, Limited (20 King William street, E.C. 4), have been appointed general agents in the United Kingdom of the Companhia de Navegação Lloyd Brasileiro, Rio de Janeiro. We understand that the Lloyd Brasileiro Company propose to institute shortly, in addition to their existing services of cargo steamers, a regular service of fast up-to-date passenger steamers between Brazilian ports and Southampton and other European ports. A future announcement will be made regarding dates of sailings and passenger rates.

CHARLES SEMON AND CO.—The following circular is issued by the company:—"Owing to the continued depression in the textile trade, much accentuated in concerns trading with the various European countries whose rates of exchange make profitable transactions impossible, the results of the trading of this company for the year to the 31st ult. will show further considerable loss. With one exception, the half-yearly dividends on the preference share capital have hitherto been met by Textile Corporation, Limited, in terms of its guarantee; but in view of the liabilities of the corporation by way of guarantee to the bankers of this company, the directors have been informed that it would not be advisable to meet the dividend due to be paid on 31st ult. The board has for some time past been engaged in preparing a scheme for capital reconstruction, and it is hoped to have this completed in time for issue with the annual report and accounts in March next."

E. AND T. PINK AND PLAISTOWE (PROPRIETARY), LIMITED.—The directors state that they have had under consideration the question of the payment of a dividend on the preference shares. It will be recalled that the accounts to June 30th last showed a balance at credit of profit and loss account sufficient to cover the dividend to that date, but in view of the industrial depression payment of the dividend was deferred. The directors now, however, feel justified in making a payment on account of the arrears, and have decided to pay one-half of the dividend due to June 30th last. They have met fully the substantial payment required under the trust deed for the redemption of debentures, and now await payment of considerable sums due from the Government. They anticipate, however, that it will be possible to issue dividend warrants for the partial payment referred to above within one month from this date.

HUDSON'S BAY COMPANY'S LAND SALES.

	Quarter Ended December 31,		Nine Months Ended Dec. 31,	
	1920.	1921.	1920.	1921.
Farm lands	51,657	10,184	166,903	29,460
Sold for	£ 182,600	£ 35,600	£ 585,500	£ 99,570
Town lots, sold for	3,300	1,750	13,700	15,980
Total receipts—				
On account of capital	170,300	87,310	349,300	254,870
On account of interest	66,230	51,110	123,880	130,100

RHODESIAN GOLD OUTPUT.

Month.	1918.	1919.	1920.	1921.
January	253,807	211,317	211,851	253,794
February	232,023	220,885	250,020	258,225
March	239,023	225,008	192,881	134,932
April	239,916	213,169	208,934	282,396
May	239,208	218,067	403,255	235,841
June	235,447	214,215	194,194	238,199
July	261,740	214,918	313,128	279,268
August	257,036	207,339	241,270	266,151
September	247,885	224,719	231,228	271,452
October	136,780	204,184	248,088	353,374
November	145,458	186,462	282,237	306,636
December	192,870	158,835	274,470	..
Total Gold	2,652,250	2,499,492	3,056,549	2,949,268

NOTE.—The value of the gold output fluctuates each month in accordance with the amount of premium which may be declared to the Mines Department of Southern Rhodesia in that month.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Climatic conditions have been more seasonable during the past week, and the spell of cold weather will tend to harden the young wheat plant, reports of which continue satisfactory. General course of business proved quiet, as usually the case following the holidays, but rates were firmly maintained especially for feeding stuffs. Offerings of native wheat were rather lighter, and a steady tone ensued, good milling grades ruling at 48s to 50s per 504 lbs free on rail. Imported descriptions in moderate request, and prices firm. No. 1 Northern Manitoba quoted 56s to 56s 6d ex

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IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated January 5th, is as follows:—Pig-iron: No further change has been made in the prices of pig-iron this week, and the market was purely nominal. No further blast furnaces have been started. Manufactured iron and steel: All our steel works have been idle, and prices have been without any change. Prices are as follows:—Steel ship plates (home), £10 10s; steel ship angles, £10; iron bars, £12 10s; steel rails, £9 10s net. Iron ore: Best Bilbao Rubio could be bought at about 26s 6d for prompt delivery, but few orders are being placed. A few transactions have taken place in other imported hematite ores at shaded prices.

Our Sheffield correspondent writes:—With the exception of a few departments, the steel works of the district have been closed all the week for holidays and stocktaking, and there will be a resumption next week. Firms have little with which to start the New Year with, and a good deal of plant will have to continue standing until new work arrives. There are no very distinct signs of a revival in buying of the special steels for which Sheffield is famous. An upward movement here must await the general recovery of the heavy iron and steel trades of the engineering industry. A number of inquiries for mild steel have come into the city during the holidays, and as there is no price inducement to buy pig-iron or steel billets on the Continent, it is expected that henceforward users of such material will place their orders with British makers. German competition is beginning to wane. Owing to the increasing inability of German makers to deliver, buyers in urgent need of iron and steel are drawing their supplies from British sources. Great congestion at the German works is reported. Moreover, costs of production are rising rapidly, owing to the exhaustion of stocks of raw materials of various kinds and the necessity of buying them from countries where the exchanges are heavily against the purchaser. Trade in steel-making alloys is stagnant. Prices have been dropping continuously for about 15 months, and most of the quotations are below those prevailing before the war. Scrap steel is also cheaper than in 1913. The English and Welsh railways announce small but acceptable reductions on the rates for conveying fuel, lime, pig-iron, scrap, and crude iron and steel. There are, however, no concessions on the finished and expensive iron and steel covered by the "C" railway classification. The changes will lessen the cost of production to some extent. The Scotch railways still refuse to make any changes in their rates. Collieries are well placed with orders for house coal of best qualities, and deliveries of such fuel are now getting into arrears. The cheaper kinds of coal do not, however, sell freely, owing to the large number of unemployed householders who can only afford to buy from hand to mouth. The demand for steam coal is scarcely being maintained, but this is due to many of the works not having resumed after the holidays. There is some improvement in the export trade for South Yorkshire coal. The market for small fuels is steadier than before the holidays. Blast furnace coke is not going quite so strongly as lately, which is due to some falling off in exports.

Our Glasgow correspondent (writing on Thursday) says:—The New Year holidays are in full swing north of the Border this week. Machinery will not be running even on the restricted scale common to recent months for at least a week to come; in some connections a start will not be made for a fortnight. Most large establishments—in shipbuilding, engineering, steel, and iron making, &c.—have light order books, and few inquiries of real value to proceed with. At the same time producers in almost all departments are concerned to keep their decks cleared, so that they can seize upon any opportunity that may arise, and are no doubt encouraged thereto by the crop of glowing rumours in circulation as to the brighter prospects of shipbuilding and of relative branches. Quite a number of employers are going almost out of their way to talk up the outlook for trade, and it can only be hoped that they are right in their conclusions. As to the man in the street, there is no evidence that trade conditions are on the mend. All that can be absolutely affirmed is that in the last eight days or so Clyde and other district shipbuilders and engineers have been invited to quote their lowest prices for several "tramps" and "liners" (which shipowners may place), and the replies, according to reliable information, have proved discouraging. Before anything of consequence can be done, quotations for material must be sensibly reduced. Shipowners declare that on the basis of quoted values no money can be made from the running of new boats and shipbuilders affirm that they

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ship per 480 lbs. No. 2 hard winter 54s 6d, and Australian 53s 6d to 54s 6d, both landed per 496 lbs. Forward market rather easier on lower Argentine and American cable advices, though more interest was evinced. Cargoes of Australian loading sold at 48s to India, and Plate early January to U.K. at 49s 6d per 480 lbs. The international position continues favourable, and revised estimates of United States 1921 crop show a substantial increase, while harvest returns in the Southern Hemisphere are satisfactory, both as regards quality and yield. The flour trade remained dull, and home-milled descriptions again easier. London standard straight run reduced to 46s, patents 49s, All English straight run 42s per sack delivered. All English country straights 37s to 39s free on rail London stations. Imported steady spot supplies being none too plentiful, especially Australian. Canadian export patents 46s, straights 42s, Kansas top patents 43s, and Australian 43s 6d to 44s, all per 280 lbs ex store. On c.i.f. terms business is more or less at a standstill. Canadian patents January seaboard 42s, straights 40s, Kansas top patents 42s, and Australian 38s per 280 lbs. Barley steady, but quiet. Native malting ranges from 43s to 65s, grinding 38s to 42s per 448 lbs. Of imported, No. 3 Canadian Western ex ship 34s, No. 4 ditto 32s, Canadian feed 29s, American feed 28s, and La Plata 30s, all landed per 400 lbs. No business was reported forward. Maize firmer, and holders reserved. Plate 37s 6d, yellow round African 36s, white flat ditto 34s 6d, and American mixed 34s 6d to 34s 9d, all landed, per 480 lbs. White African maize meal £7 17s 6d per ton, landed terms. C.i.f. market firmer, with few offers. A cargo of white flat Rhodesian, arrived, sold, 30s per 480 lbs, and a cargo of white African maize meal, December 1st bill of lading, at £7 per ton. Oats firmer, with a better demand. English ranges from 28s 6d to 34s per 336 lbs., free on rail. Of imported, Plate f.a.q. 27s 3d, clipped 27s 9d, No. 2 Canadian Western 31s 6d, No. 3 ditto 30s, and Chilean tawny 29s, all landed, 320 lbs. Millers' offers easier. Broad bran quoted £9 to £9 10s, middlings £8 15s to £9 ex mill, fancy Plate middlings £9 15s, and Plate pollard £8 per ton, landed. Oatmeal easier. English all cuts £18 10s to £19 10s, rolled oats £20 10s to £21 10s, flaked oats £22 10s to £23 10s, all per ton. Beans quiet. English new 50s to 52s, old 53s to 56s per 524 lbs. Madagascan butter beans firm at 15s to 22s, and Rangoon hand picked 8s 6d to 9s 6d per cwt. Peas quiet. English blues 75s to 85s, Maples 75s to 80s, Duns 54s to 56s per 504 lbs. New Zealand blue 20s to 22s, and Dutch f.a.q. 22s to 24s per cwt ex wharf. Lentils quiet. No. 1 split 36s, and Egyptian 28s per 100 lbs. Homeward freight market showed fair activity from the River Plate for heavy grain, and the shipment of surplus old wheat crop is being expedited. Up river to U.K./Continent January 15th done at 35s, and ditto February 15th 32s 6d. North America steady, and 5s per qr paid Northern States to West Italy, with 24c per 100 lbs one port Greece, and 25c two ports discharge. Eastern markets quiet, but rates fully steady. Bombay on dead-weight quoted 21s 6d, Saigon rice indicates 30s to 32s 6d, Dalny beans paid 37s 6d, and Philippines on dead-weight at similar figures to U.K./Continent. Australia easier for wheat, and 47s 6d paid January loading at South Australia/Victoria to U.K./Continent. South African maize steady at 30s to 31s 3d to U.K./Continent. Time charter steady, and modern steamers of 5,600 tons quoted 45s 9d to 5s per ton per month for a period of six to twelve months general trading.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919.
Estimated sales of home-grown wheat—				
1 week to December 31	Cwts. 159,413	Cwts. 79,596	Cwts. 181,211	Cwts. 72,589
17 weeks to December 31	7,255,948	6,266,337	4,609,308	5,865,213
Average price of English wheat per	s d	s d	s d	s d
quarter	4 7	84 11	72 7	72 2
per cwt	10 4	19 10	16 11	16 10

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1917 to 1920:—

	QUANTITIES SOLD.			AVERAGE PRICES.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1921.	qrs bsh	qrs bsh	qrs bsh	s d	s d	s d
Dec. 21	89,739 2	58,446 4	21,164 7	45 2	44 5	28 1
31	37,196 2	19,458 6	10,621 7	44 7	45 7	28 1
1917	33,953 2	36,381 0	7,686 1	71 2	58 0	45 5
1918	18,930 3	28,824 1	6,036 3	72 2	62 3	48 8
1919	28,222 5	26,326 3	5,977 0	72 7	107 1	57 8
1920	18,556 1	45,781 6	6,065 7	84 11	73 5	41 5

Comparative statement, for the years 1913 to 1921, of the Quantities Sold and the Average Prices per quarter (Imperial Measure) of British Corn as returned under the Corn Returns Act, 1882.

Year.	Quantity Sold.			Average Price.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1913	Qrs. 2,511,297	Qrs. 2,948,930	Qrs. 639,298	s d 31 8	s d 27 3	s d 19 1
1914	3,027,976	3,403,072	1,164,361	34 11	27 2	20 11
1915	3,500,321	2,552,128	1,181,480	52 10	37 4	30 2
1916	3,225,198	2,182,218	1,129,096	58 5	53 6	33 5
1917	3,500,321	2,416,966	823,072	75 9	64 9	49 10
1918	2,484,210	1,870,761	448,313	72 10	59 0	49 4
1919	3,045,129	3,112,858	675,998	72 11	75 9	52 5
1920	2,732,486	2,804,202	766,387	80 10	89 5	56 10
1921	3,201,176	3,906,917	828,227	71 6	52 2	34 2

are losing on every ton constructed on existing terms. It is not surprising in the circumstances that experts are inclined to be doleful as to prospects. Official figures as to the course of shipbuilding in 1921 show that the Clyde again tops the list for the United Kingdom with 249 vessels of 511,185 tons, or nearly 33 per cent. of the aggregate totals (in vessels and tonnage).

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—December 29, 1921.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period, 1921.	Same Period, 1920.
American.	d	d	d	d	d	d	d	d
Sea Island	nm	nm	nm	nm	nm	nm	nm	nm
Florida-Gila	nm	nm	nm	nm	nm	nm	nm	nm
Amegian.	Ord	G.O.L.M.	M.H.	G.M.	M.F.	G.O.L.M.	G.O.L.M.	G.O.L.M.
Braslian.	Mid	M.F.	Fr.	G.F.	Gd.	Fne	M.F.	Fr.
Bernambuco, do.	nm	nm	nm	nm	nm	nm	nm	nm
Parapa	nm	nm	nm	nm	nm	nm	nm	nm
Nesoco	nm	nm	nm	nm	nm	nm	nm	nm
Coara	nm	nm	nm	nm	nm	nm	nm	nm
Maranhao	nm	nm	nm	nm	nm	nm	nm	nm
Egyptian.	nm	nm	nm	nm	nm	nm	nm	nm
Brown	nm	nm	nm	nm	nm	nm	nm	nm
Upper	nm	nm	nm	nm	nm	nm	nm	nm
West Indian—Sea Island	nm	nm	nm	nm	nm	nm	nm	nm
Rawson	nm	nm	nm	nm	nm	nm	nm	nm
Ditto Mod. Rough	nm	nm	nm	nm	nm	nm	nm	nm
Ditto Smooth	nm	nm	nm	nm	nm	nm	nm	nm
Ditto Sea Island	nm	nm	nm	nm	nm	nm	nm	nm
African, East, do.	nm	nm	nm	nm	nm	nm	nm	nm
East Indian.	G.F.	Fr.	Gd.	F.F.	Fne	Fr.	Gd.	Fne
Surat—Mac. Ginned Sursee	nm	nm	nm	nm	nm	nm	nm	nm
" " Broach	nm	nm	nm	nm	nm	nm	nm	nm
M. Ginned Bhownagar	nm	nm	nm	nm	nm	nm	nm	nm
M. Ginned Comra, No. 1	nm	nm	nm	nm	nm	nm	nm	nm
M. Ginned Khandish	nm	nm	nm	nm	nm	nm	nm	nm
M. Ginned Comptah	nm	nm	nm	nm	nm	nm	nm	nm
M. Ginned Bengal	nm	nm	nm	nm	nm	nm	nm	nm
M. Ginned Solnde	nm	nm	nm	nm	nm	nm	nm	nm
Timurly	nm	nm	nm	nm	nm	nm	nm	nm
Madras, Western	nm	nm	nm	nm	nm	nm	nm	nm
Coconuts, Red.	nm	nm	nm	nm	nm	nm	nm	nm
M. Ginned Coconuts, Red.	nm	nm	nm	nm	nm	nm	nm	nm

MANCHESTER, January 5.

Although there has not been any decided increase in the amount of business passing in the market, the larger inquiry has been well maintained, and here and there fair contracts have been arranged. Both spinners and manufacturers complain loudly of the prices which have to be taken, but remunerative rates cannot be expected until producers have strengthened their position somewhat. Some encouraging sales have been put through in piece goods for China, and more favourable advices are to hand from Shanghai. Scattered transactions have occurred in grey shirtings and lighter fabrics for the several outlets of India, and it is now believed that the boycott of imported goods is gradually breaking down. Only odd lots have been sold for the Near East, but a little more demand has been about for South America, and printing cloths have attracted increased attention. In American and Egyptian yarns for home use prices remain steadier, but there has not been any active buying. Export bundles have moved off fairly freely for China and India.

(1.) Comparative Statement of the Cotton Trade.

Description.	Price, Jan. 5, 1922.	Previous Weeks in 1921.				
		Price, Dec. 29.	Price, Dec. 21.	Price, Dec. 15.	Price, Dec. 8.	Price, Dec. 1.
Raw Cotton—Fully Mid. American . . . per lb.	11.64	11.81	11.30	11.04	11.13	11.39
Sakellaridis Fully Good Fair	21.75	21.50	20.75	20.75	19.75	20.50
Egyptian	18 1/2	18 1/2	18 1/2	18	18 1/2	18 1/2
Yarn—30's twist . . . per lb.	18 1/2	18 1/2	17 1/2	17 1/2	17 1/2	18
— 40's twist . . . per lb.	32	32	32	32	32	33
— 60's twist (Egyptian) . . . per lb.	31	31	31	31	31	31
32-in. Printers, 118 yds. 16 by 16, 32's and 50's	31	31	31	31	31	31
32-in. Shirts, 75 yds. 16 by 16, 32's and 40's	31	31	31	31	31	31
32-in. ditto, 50 yds. 16 by 16, 10 lbs.	18	18	18	18	18	18
32-in. ditto, 50 yds. 16 by 16, 10 lbs.	18	18	18	18	18	18

(II.) Compared with Previous Years.

Description.	Price, Jan. 5, 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American . . . per lb.	11.64	11.15	29.99	20.62	24.01	11.21
Sakellaridis Fully Good Fair	21.75	21.00	57.50	27.30	30.80	20.70
Egyptian	18 1/2	25	57	39	39 1/2	17 1/2
Yarn—30's twist . . . per lb.	18 1/2	24	51 1/2	39	39 1/2	17 1/2
— 40's twist . . . per lb.	32	33	101	67	47 1/2	36
— 60's twist (Egyptian) . . . per lb.	31	31	61	65	65	31
32-in. Printers, 118 yds. 16 by 16, 32's and 50's	31	31	61	65	65	31
32-in. Shirts, 75 yds. 16 by 16, 32's and 40's	31	31	61	65	65	31
32-in. ditto, 50 yds. 16 by 16, 10 lbs.	18	18	47	37	37	18
32-in. ditto, 50 yds. 16 by 16, 10 lbs.	18	18	41	31	31	18

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Although there is a tendency to wait for the London sales next week to reveal the true position of the raw material, a fair amount of business is being done in anticipation of a further rise in values. The cables from the world's wool markets report a strong demand, and, what is very significant, an improving tendency in crossbreds, and the general opinion in this centre appears to be that prices will advance about 10 per cent. in Coleman street compared with the rates ruling at the close of the last series in December. The scarcity of fine tops is still a strong "bull" feature in this market, and unless something can be done to increase output it is to be feared some firms short of supplies will be placed in an awkward position. The production of fine tops is barely sufficient for present requirements, and any increase in demand would inevitably result in a partial famine. In the circumstances, topmakers are in a strong position when discussing prices, and as many are very well booked up for the next three months they are inclined to quote protective prices for delivery in April and onwards. There is also an improving demand for medium and low crossbreds, and some firms are beginning to speculate a little on the assumption that while there is plenty of room for an improvement, values cannot possibly fall below the present uneconomic level. Spinners report a fair demand for yarns, both on home and export account, and prices remain very firm. There is some improvement in the piece goods trade, but this section is irregular, and financial stringency in the merchandising end is greatly retarding developments. The outlook, however, is considered to be brighter than at any time during the past 12 months, and it is possible that business will expand during the spring.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

New Year wool markets have opened in an encouraging way, and everything indicates a stronger position. The fact that sales have begun in New Zealand with wools of all descriptions dearer is taken as epitomising the state of European markets, and everything indicates a strong opening at the Colonial sales in London next Tuesday. The sales are due to last practically a month, and 100,000 bales are to be catalogued. This looks a big weight of wool, but the trade should find itself in a position to lift the lot, and a good, sound, active series is expected. It is known that some topmakers must buy fair weights of wool in order to cover their recent sales, and French buyers are expected to purchase liberally. What I think the trade should guard against most is the adoption of "rushing" tactics. I am just afraid of the merino position being a little overdone, and prices again suffering a setback. In consuming centres the verdict is that 6 1/2's tops ought never to have advanced beyond 3s 9d at the outside, and the fact remains that among woollen and worsted manufacturers there is not by any means the activity that one finds among combers and spinners. It is none too pleasing a feature that the bulk of the yarns being spun are going out of the country, and I am certain that a good deal of the recent business placed has been largely on speculation, many spinners buying tops through fear of having to pay more later on. A little healthy anticipation of the future is certainly a good thing, but see-saw movements bring no final benefit to anyone. Business, no doubt, is better all round, and nothing can stimulate the market more than sound, healthy sales, with steady persistent buying at firm prices.

Turning to crossbreds, everything indicates a better state of affairs. The fact of values at Timaru advancing 15 to 20 per cent. is significant, and surprises everyone. The position of medium and coarse crossbreds is certainly out of all proportion to that of merinos, and there is still much leeway to make up in 50's and below before these wools approach the level at which they deserve to stand. Sooner or later a good proportion of the trade in textiles must get on to these wools as in pre-war times, and unless I am greatly mistaken that time is not far distant. If this comes about, it should help to take some of the weight of demand off merinos, but that is not likely to take place just yet. All the same, there certainly is an improving situation in crossbreds, and I am looking next week for practically an all-round advance of 10 per cent. on last London sales rates.

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VEGETABLE OILS AND OILSEEDS.

(FROM OUR HULL CORRESPONDENT.)

Markets are recovering activity after the holiday only very slowly, and there seems little disposition to trade. Practically all vegetable oils are in ample supply, but demand is on very quiet lines. Raw linseed oil, which has stood at £27 10s. per ton naked, ex Hull mill for some days, is rather firmer, in sympathy with seed, but home consumptive requirements are small, and easily satisfied, while the condition of European exchanges continues to have a serious effect in holding up trade with Continental buyers. The outlook for forward delivery is a little better, and quotations for May-August are at a slight premium over January-April. The scarcity of cotton oils has been relieved, but demand is restricted, and prices for both crude and refined have an easier tendency. Palm kernel oil is quiet, and is offered at £39 ex Hull mill. Other crude oils are nominally unchanged. In the oilseed section, Plate linseed continues quiet, but the market is steady, with seed on passage at a premium of 10s per ton over January-February shipment. Cotton seed is quiet, but spot and near values are maintained. For January loading, £12 to £12 2s 6d represents value of Egyptian black.

Cakes are a poor trade, and this and the disappointing demand for linseed oil has caused several of the Hull mills to close down for periods varying from two to four weeks.

HIDE, LEATHER, AND ALLIED TRADES.

(FROM OUR CORRESPONDENT.)

Hides dropped in value at the Bermondsey sales on Thursday, heavy best at 8 1/2d showing a drop of 1/2d, and lights at 6 1/2d to 7 1/2d, a drop of 1/2d to 1d. Cows sold at 6d, and declined 1/2d to 1d on last sales. Heavy calf made from 9 1/2d to 11 1/2d, and light 12 1/2d to 14 1/2d, showing average falls of 1/2d to 1d. Business in foreign hides is quiet, as tanners are taking stock. The only sale of importance in Liverpool is one of fregorios of October kill, at 11d, c.i.f., and in saladeros at 10 1/2d. Montevideo meatworks hides, ex store, have been quoted at 8 1/2d. Latest news from the River Plate is that hides have accumulated, and that the position is easier. The American market is steady, and best heavy packers remain at 16 1/2 cents. Much interest is being taken in a sale which will take place in London on the 25th inst., when several thousand Russian cattle hides, horse hides, calf skins, sheep skins, and goat skins will be offered by brokers. These are the property of the All-Russian Co-operative Society, Limited (Arcos).

A fair inquiry for sole leather has been the experience of Bermondsey merchants since the holidays, and as stocks are low, shoe manufacturers seem anxious for supplies. The most popular line is in 12 1/4 lbs bends in English and wet salted, lighter selections being rather out of favour. American and French sole leather is also selling, the latter being slightly cheaper in some grades than the home production.

Upper leathers are quiet, but prices are well maintained. Advices from the United States are to the effect that stocks are much reduced, and prices firm for glacé and box calf, much of which was sold last year below cost of production.

Rough leather is a quiet seller, and I hear the Government have reduced the price of their holding of E.I. kips in the hope of clearing these goods from the market.

The shoe trade is in a hopeful vein, as a few orders have already come along. The probable settlement of the wages question has also given a feeling of security to the trade, as the cost of production has been too high for some time.

PORTLAND CEMENT

The following quotations for Portland cement are supplied by the Cement Marketing Company, Limited.—Best English, complying with British standard specification, delivered in London area—in full van or motor loads to site, 77s 6d to 83s per ton; area—in River Thames up to Vauxhall Bridge in full barge loads (80 tons minimum), 70s 6d per ton. Extra on above prices for the following special brands:—"Blue Tiers," a fine-ground slow-setting cement, and "Red Tiers," a fine-ground quick-setting cement, 3s per ton. "Ferrocrete," a cement prepared to meet the requirements of specialists in ferro-concrete constructions (in 20 sacks to the ton), 10s per ton.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, January 6.

The markets for the main part ruled quiet during the week, holiday influence being still felt, though in one or two directions business proceeded with fair animation.

SUGAR.—At a further general reduction of 6d per cwt a fair volume of trade resulted in refined goods. Messrs. Tate and Lyle's cubes of trade resulted in refined goods. 46s to 46s 6d; caster, 48s to 48s 6d; yellow crystals, 40s 6d; crushed, 48s. No. 2, also London 48s 6d; granulated, second half January, sold, 45s; February-March, 44s 6d; April-June, 45s. Crystallised West India, spot, sold, 38s to 39s 6d; American granulated, spot, 45s 9d; January-March, 17s 6d, c.f. and l. White Java, spot, 43s; white Natal, 42s 6d to 43s 6d, and l. Belgian crystals, prompt shipment, 17s 3d, f.o.b. Antwerp. Dutch ordinary granulated and crystals, prompt, 17s 6d; cubes, 21s, f.o.b. Hamburg. Cuban basis, 96 per cent., January shipment, sold, 10s 6d, c.f. and l. terms U.K. Cuban stocks stand at 889,780 tons,

against 191,317 same time last year. American syrup, on spot, sellers, 28s to 28s 6d. Liquid glucose, January delivery, sellers, 24s 6d, duty paid.

COFFEE.—There was a moderate demand for all the better qualities on spot, and recent prices were maintained. Future delivery market quiet and easier. March sold, 51s 9d to 50s 6d; May, 52s 6d to 52s.

COCOA.—Market ruled steady, and a fair inquiry prevailed. Sales include Trinidad at 57s to 58s. Accra forward received steady support, and F/F quality, January-March, sold, 41s, ex quay terms, Liverpool. Butter quiet at 1s 7d per lb.

TEA.—During the week 19,720 packages Ceylon were brought to auction, and, with active and well distributed competition, full to dealer rates were secured, medium Pekoe in particular showing marked strength. Good common leaf teas, sold, 1s 2d to 1s 3d. Indian sales totalled 23,200 packages, and also received active support at full to dealer rates. Clean common to low medium qualities were distinctly dearer.

RICE.—Market still very quiet, and general position nominal. New crop positions at the moment are scarcely mentioned. Two stars Rangoon, spot, quoted 15s. Broken neglected and nominal. Bran slow, and Burma for shipment quoted £5 per ton, ex ship terms, London/Liverpool. Beans dull. Rangoon, hand-picked, spot, 7s 3d; affloat, sold 6s 9d. Peas slow, unaltered.

SPICE.—Pepper market quite steady, and a fair inquiry prevailed spot and forward. Fair black Singapore, spot, sold, 3 1/2d to 4d; January-March steamer, 3 1/2d to 4d; Aleppy, spot, quoted 4 1/2d; Tellicherry, 4 1/2d; white Singapore, spot, 7 1/2d; Muntok, ditto, 7 1/2d; ditto, January-March steamer, 7 1/2d. Zanzibar cloves, spot on spot, sold, 1s 6 1/2d; January-March steamer, 1s 5 1/2d. Pimento, spot, 2 1/2d. Flake tapioca, fair, sold, 1 1/2d per lb. Fair Penang, seed pearl, spot, sold, 16s 3d; small sago, spot, quoted, 26s for fair quality. Sago flour, December, 14s 6d; January-March, 13s 9d. Desiccated coconut, fine cut, spot, 41s; medium, 41s 6d. Ginger dull. Fair Japanese, limes, spot, 45s; fair washed, rough Cochín, 50s for wormy.

FRUIT.—Market for currants fully steady, but quiet. Pyrgos, quoted 56s; Amalia, 57s to 59s; Vostizza, 75s to 86s. Valencia raisins slow of sale. Half-boxes quoted 128s to 132s. Sultanias in demand, and market firm. Medium to good, 120s to 128s; choice, 140s. Dates quietly steady.

JUTE.—This market steadily improved under fair buying orders in circulation and reserved offers from Calcutta. New crop, first grade, January-February, usual continental ports, sold, £27 5s; ditto, February-March, at £26 10s to £28; lightning grade, January-February, £21 10s to £22 10s; ditto, February-March, £21 15s to £23; heart grade quoted £18 10s.

HEMP.—Manila firm, but general trade quiet. D grade, January-March, quoted £51; F, £45; H, £39 10s; J, £38 10s; streaky, ones, £44; two, £42 10s; three, £41 10s. New Zealand, steady, quiet. Fair, October-December, quoted £35 10s.

SHELLAC.—Market quiet, and fair quality T.N., spot, quoted, 32s 5s; March delivery, sold, 280s to 290s; May, 270s.

COPRA continued slow of sale, and trend of values unsettled. F.M.S. Straits, November-January, Rotterdam, quoted £25 7s 6d; January-March, £25 10s; February-April, £25 12s 6d; Ceylon, December-February, London, £27; South Sea Islands, ditto, £24 10s; Cebu, January-March, Hamburg, £25. Palm kernels quiet. January-March, Liverpool, quoted, £18 5s.

RUBBER.—A dull and easier tone governed this market. Standard crepe and sheet, spot, sold, 11 1/2d to 10 1/2d; January, 11 1/2d to 10 1/2d; February-March, 11 1/2d to 11d; April-June, 1s to 11 1/2d. Fine hard Para, spot, 18 1/2d; soft fine, 1s 1/2d; ball, 8 1/2d.

MENTHOL.—Spot, 22s 6d; Japanese peppermint oil, spot, 4s 7d; aniseed, 2s 2d; Japanese refined slab camphor, 4s 3d; crude, 3s 10d per lb. Japanese wax, spot, 100s.

EGG PRODUCTS.—Market slow, but steady. Prime liquid yolk, spot, 110s; April-June, steamer, 80s per cwt. Albumen, spot, 2s 11 1/2d per lb.

OILS.—Linseed firmer. Spot, net, naked, 30s; January-April, 29s; May-August, 29s 4 1/2d. Rape dull. Crude, spot, 45s; refined, 50s. Cotton quiet. Crude Egyptian, 37s; Bombay, nominal; common edible, 45s. Chinawood: Hankow, spot (barrels), 65s; and shipment, 63s. Coconut quiet. Ceylon, spot, 46s; January-February, 42s 6d; Cochín, ditto, 46s. Soya quiet. Oriental, barrels, ditto, 34s. Japan fish quiet. January-February, cases, 21s. Cod quiet. English, spot, 29s to 30s. Groundnut quiet. English crushed, naked, spot, 45s; deodorised, barrels, 59s. Turpentine steadier. American, spot, 71s 6d; February-April, 71s 6d. Rosin firmer. American, grade B, 15s; F, 15s 6d; G, 15s 6d; K, 17s 6d;

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THOUGH sales of Treasury bonds and "tap" bills had been large up to January 7th, the market began this week with money easy. The banks were still getting $3\frac{1}{2}$ per cent. on their old fixed money, but even from within that charmed circle fresh loans were offered for a week at $3\frac{1}{2}$ per cent. Up to Wednesday there were surplus balances to be used at nominal rates. On Thursday the

accumulation of repayments to the Bank caused a better demand, but at $3\frac{1}{2}$ per cent. most wants could be satisfied, and there was no evidence of any real change from the present easy conditions. Bills were no more numerous, and though the rate was strengthened by Thursday's demand for money, it still shows no profit compared with the average cost of money. Whether this fact is due to the slackness of trade or to the hope of a reduction in Bank rate will be seen in the course of a few weeks.

	Jan. 13, 1922.	Jan. 6, 1922.	Dec. 30, 1921.	Dec. 22, 1921.	Previous Rate and Date Changed.
Bank Rate	5	5	5	5	(Nov. 3, '21)
Banks Deposit Rate	3	3	3	3	(Nov. 3, '21)
Discount, Call	3	3	3	3	(Nov. 3, '21)
Houses (Notice)	3	3	3	3	(Nov. 3, '21)
Treasury Bills, 3 months ..	$3\frac{3}{8}$	$2\frac{1}{2}$	$3\frac{3}{8}$	$3\frac{3}{8}$	..
Market rate (3 months' bills)	$3\frac{3}{8}$	$3\frac{3}{8}$	$3\frac{3}{8}$	$3\frac{3}{8}$	..

* Additional to those offered by tender the preceding week.

Thursday's Bank return showed an improvement. The stock of gold rose by £12,800, and the circulation fell by £2,067,500, so that the Reserve was £2,080,300 higher. Government securities were reduced by £13,748,300, and Other securities by £34,857,700. Deposits were thus £46,533,100 lower, of which £45,017,000 came off Other. The circulation of currency notes was reduced by £6,407,600 to £313,455,900, which includes £1,718,900 for notes called in, but not yet cancelled. The fiduciary issue is £263,787,000, or £46,201,400 below the maximum.

THE STOCK MARKETS.

Once more the strength of gilt-edged securities has been the feature of the Stock Exchange week. The advance in high-class investment stocks continued in spite of unfavourable omens at Cannes; and only a very slight reaction took place yesterday on the news of M. Briand's resignation. Gilt-edged strength is caused by an excess of willingness to purchase over the supply of stock, and not to any great increase in the volume of business. Home railway stocks have recorded substantial gains. Russian stocks are better. The Kaffir market is under the shadow of the Rand strike. The rush for soundly secured new issues continues. Details of the week's movements are given on a later page.

COMMODITY MARKETS.

Though business has not increased this week in the cotton trade, and developments were checked by the easier tendency of the raw material, demand is reported to be on a larger scale than a month ago, with China's demand for piece goods an encouraging feature. The London wool auctions revealed strong demand, both by home and Continental buyers. Bradford topmakers have sold their output for several months ahead; the renewed interest in crossbreds is a favourable sign, and there is improvement in some branches of the piece goods trade. Cleveland ironmasters have made further cuts, varying from 7s 6d to 10s per ton, in pig-iron prices, and a revival of inquiry is hoped for. In the steel trades generally present indications of revival are slight, but confidence as to the approach of better business appears to be spreading. The steam coal market has not yet recovered from holiday influences, but best qualities of household fuel remain in good demand. The wheat market is firm, but demand not conspicuous. The feature of the vegetable oil and oilseeds markets was a revival of business in raw linseed oil, big orders being placed on American account. The hide market is easier, and the trade somewhat disturbed by the failure of a prominent firm in the market. Details of market news and movements during the week from special correspondents will be found on later pages.

FOREIGN EXCHANGES.

Up to late on Thursday, although on the whole the foreign exchange market was quiet and hesitating, there was a growing tendency towards optimism as the result of the Cannes deliberations. Marks, which on the 6th ended at 794 $\frac{1}{2}$, dropped rapidly on Monday to about 700, on the expectation of relatively favourable terms for Germany. On the same day, however, a reaction from this figure began again, and by Thursday the rate was 763 $\frac{1}{2}$, to jump once more hurriedly to 815 yesterday morning after the news of the adjournment of negotiations. Up to the 10th Paris showed a steady appreciation down to 50.87 $\frac{1}{2}$. Wednesday was more uncertain, and on Thursday evening the rate jumped on the announcement of M. Briand's resignation. Yesterday morning it was quoted at about 52.46, but was falling away again to under 52. New York, after a slight reaction on Saturday, moved more or less steadily in our favour, from 4.20 $\frac{1}{2}$ to 4.23 $\frac{1}{2}$ on the 12th, to be followed by a natural reaction yesterday morning to 4.22 $\frac{1}{2}$. Italy has been irregular, but after rising has, on more satisfactory news relating to the Banca di Sconto, and on a belief that the present banking trouble can be kept isolated, recovered again. Amsterdam, though it lost a little of its rise on Thursday, showed a decided movement in our favour to 11.48, while Madrid is also a little higher. Among the Northern countries, Christiania, Stockholm, and Copenhagen all show slight movements against this country, but Helsingfors is again depreciating, in spite of a real improvement in general conditions. In Central Europe, Vienna shows a slight recovery. Warsaw remains satisfactorily steady at 11,500, but Prague has been tending during the last few days to lose some of its recent recovery which took place on heavy buying from certain centres. Belgrade remains well above 300, and Budapest continues to depreciate. In the East, India is a little cheaper at 1s 3 $\frac{1}{2}$ d, and there is still much uncertainty as to the trade outlook there. The yen has also fallen further to 2s 3d, after being slightly lower still. Hongkong at 2s 7d and Shanghai at 3s 5 $\frac{1}{2}$ d are both distinctly cheaper than a week ago. In South America, Rio is unchanged, and little business is being done. Buenos Ayres at 43 $\frac{1}{2}$ is slightly dearer, as also is Montevideo at 41 $\frac{1}{2}$. Valparaiso, on the other hand, has moved somewhat in our favour.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended January 7, 1922:—

Receipts.	Min. £	Expenditure.	Min. £
From Revenue	19,448	Supply Services	18,789
Amount borrowed	3,800	Interest on Debt	4,496
Taken from Exchequer balance ..	503	Sundries	466
	23,751		23,751

These operations increased the National Debt by the sum of £3,799,757, and caused the following changes:—

	Min. £		Min. £
Treasury Bonds	+ 16,511	Surrenders of Bonds, &c.	- 560
National Savings Certificates ..	+ 400	Bank of England Advances ..	- 15,500
Treasury Bills	+ 8,483	Public Department Advances ..	- 5,530
Housing	+ 1,266	Unemployment Insurance	- 400
Sundries	+ 130	Depreciation Fund	- 1,000
	+ 26,790		- 22,990

The yield from Property and Income-tax amounted to £8,136,000, from Customs and Excise to £4,285,000, from interest on sundry loans to £1,876,341, and from special receipts under miscellaneous to £1,127,935. Sales of 5 $\frac{1}{2}$ per cent. Treasury bonds totalled £16,511,064, making total sales to date £191,876,263. The floating debt was reduced by £12,440,000 during the week, making the amount outstanding £1,247,400,000.

FINANCIAL YEAR, 1921-22 (TO DATE) APRIL 1 to JANUARY 7, 1922.

Total spent	£ 763,742,053	Raised by revenue ..	£ 696,279,336
Inc. in balances	77,270	Net borrowings	67,539,988
Total	763,819,323	Total	763,819,323

ESTIMATES FOR YEAR 1921-22.

Ordinary Receipts..	£ 1,058,150,000	Ordinary Expenditure	£ 974,023,000
Special Receipts ..	158,500,000	Special Expenditure	65,705,000
Total	1,216,650,000		1,039,728,000

Surplus*

* Owing to liabilities which could not be precisely calculated, it was estimated that the final balance would not exceed about £80,000,000.

NATIONAL DEBT.

	Jan. 1, 1914.	Mar. 31, 1914.	Mar. 31, 1915.	Mar. 31, 1916.	Dec. 31, 1916.	Dec. 31, 1917.	Dec. 31, 1918.	Dec. 31, 1919.	Dec. 31, 1920.	Jan. 7, 1922.
unded Debt	588	584	518	518	515	515	515	515	515	515
Term Annuities	30	28	28	28	28	28	28	28	28	28
4 $\frac{1}{2}$ War Stock	248	248	16	14	13	13	13	13	13	13
4 $\frac{1}{2}$ War Stock	..	..	2,051	2,068	2,047	2,040	2,008	1,995	1,954	1,954
National War Bonds	..	..	649	1,636	1,509	1,476	1,441	1,413	1,201	1,201
4 $\frac{1}{2}$ Funding Loan	..	..	..	..	409	409	407	405	405	405
4 $\frac{1}{2}$ Victory Bonds	..	..	..	..	360	367	358	348	346	346
3 $\frac{1}{2}$ Conversion Ln.*	..	..	..	..	..	..	18	23	24	24
5-15 year Treas. Bonds	..	..	..	..	1,107	1,107	1,102	1,121	1,068	1,068
5 $\frac{1}{2}$ Treasury Bonds	..	..	..	..	323	319	292	289	218	218
Treasury Bills	15	77	961	967	1,338	1,338	1,338	1,338	1,338	1,338
Exchequer Bonds	80	67	392	394	323	319	292	289	218	218
Natal Savings Certs.	..	..	138	227	267	274	275	285	295	295
War Expdnt. Certs.	..	..	25	25	..	..	..	..	..	..
Other Debt	..	..	1,341	1,306	1,181	1,164	1,132	1,091	..	..
American Loan	..	..	51	51	51	51	51	51	51	51
Temporary Advances	1	..	304	455	243	205	306	154	179	179
Other Capital Liabilities	654	57	1,105	5,872	7,435	8,033	7,889	7,785	7,574	7,574
Total Liabilities	711	1,162	5,921	7,481	8,079	7,876	7,832	7,623	7,801	7,801

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.

Way and Means Advances	Jan. 8, '21.	Mar. 31, '21.	Jan. 7, '22.
Outstanding—			
Advances by Bank of England ..	45,750,000..	45,000,000..	45,000,000..
Advances by Public Department ..	215,722,000..	154,489,000..	174,504,000..
Treasury Bills outstanding	1,147,359,000..	1,120,841,000..	1,068,396,000..
Total Floating Debt	1,408,831,000..	1,275,330,000..	1,247,400,000..

SEEKING PEACE.

PROGRESS along the road leading to peace and sanity in international relations is threatened with a setback by the resignation of M. Briand and the breakdown of the Conference at Cannes. The effect of this event upon our relations with France and upon efforts to hasten the restoration of more normal conditions in Europe cannot be estimated pending further developments in the French capital. We do not, however, take a pessimistic view of the situation; for we are convinced that, whether M. Poincaré forms a Cabinet of the Right or M. Briand is recalled and appeals to the country, the fear of isolation, coupled with the unmistakable desire of this country not only to pursue peace, but also to meet the natural demand of France for security, will sooner or later bring us back to the point at which negotiations have been interrupted. This view is supported by the tone of the comments attributed to M. Poincaré as well as by the concurrence of the French representatives in the decision to grant a temporary moratorium to Germany.

But whatever the issue in Paris, the Cannes Conference remains an important landmark, because of the definite offer by Great Britain of an undertaking to support France with naval, military, and aerial forces in the event of aggression by Germany. This proposal should put an end to Anglo-French bickerings over matters of comparative detail, and bring us back to fundamentals. An understanding between the Allies and Germany on economic and political matters is urgent, but for Great Britain the only road to Berlin lies through Paris. We are, however, doubtful of an arrangement between England and France with a limited objective. The "Entente Cordiale" of 1904 was based upon agreement on the outstanding questions in Asia, Africa, and America, in which there was possible divergence of interest between Great Britain and France. A similar understanding covering not only European matters, but also the Turkish and other problems of the Near East, is in 1922 a necessity, without which the military pact would be a hollow pretence and a source of weakness to both parties.

But if the news from across the Channel is of uncertain import, we are reminded by two other events of the week of the real progress which is being made towards a world at peace. On Tuesday last the League of Nations celebrated its second birthday. Fortunately, its doings have throughout been free from the spectacular elements which have characterised the meetings of the Supreme Council; but this should not mislead us into underrating the significance of the institution which has been created and nursed through the trials of infancy during the last two years. The League was not set up to reduce to order the chaos created by the great war. That was the task of the Allies assembled at the Peace Conference. The function

of the League was to give stability to the new conditions created by the Peace Treaties, and to set up the machinery by which permanent international co-operation can be effected. The network of the treaties has not, however, yet been completed, and the League has therefore been functioning up to the present with an incomplete charter. Nevertheless, the achievements of two years have already proved its value, and have sufficed to incorporate it as a permanent part of the machinery of international politics. The functions of the League lead it into many domains, but its permanent importance is shown by the single illustration of its duties with regard to minorities. The task of securing the rights of the subject races amid the confusion of nationalities of Central and Eastern Europe and in Asia Minor has baffled the statesmen of the world for generations, and if left unsolved would constitute in the future, as in the past, a most serious menace to peace. The Paris Conference dealt with the matter not by laying down rules or giving expression to vague principles, but by appointing the League the permanent guardian of racial and religious minorities. The possibility that we may thus set bounds to this source of unrest would alone justify the strongest possible support for the organisation set up at Geneva. The League, however, has to its credit the more specific achievements of having averted the outbreak of war which might easily have resulted from the Aland Islands dispute, the Vilna episode, the partition of Silesia, and quite recently the Albanian frontier question. The last incident is of special interest as the first illustration of the use of the League's special weapon—the economic blockade. The mere threat of the Council at Paris to apply the terms of Article 16 was sufficient to induce Yugoslavia to withdraw her troops within the boundaries laid down by the Powers, and the incident proves perhaps more clearly than any other the effectiveness of the machinery of the League when backed wholeheartedly by the Governments which compose it. We have only one comment to add to the forceful and balanced appreciation of the League contained in Viscount Grey's speech at Bristol on January 10th. Experience has proved that the framers of the Covenant were mistaken in endeavouring to formulate one common rule equally binding upon all countries of the world, and at the second assembly in September last it was recognised that the League must make provision for the special interests which countries, in particular continents, have in their local problems. It is not practicable for the representatives of America to take the same interest in or share an equal responsibility for events in the Balkans, as it is for the countries of Europe. It is clear that, in addition to common membership of the League, there will in the future be many regional understandings, of which the Four Power Pact in regard to the Pacific is a most notable example. It is of the utmost importance that the League should be so modified as to permit such agreements, for if they are not brought within the purview of the Assembly of the League they will assuredly be made independently, and the old evil system of alliances and secret treaties be restored. These considerations have an important bearing on the present crisis. Distrust of the Supreme Council and its methods appears to be largely responsible for the new political crisis in

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CHAIRMAN—
The Right Hon. R. McKENNA

JOINT MANAGING DIRECTORS,
S. B. MURRAY F. HYDE E. W. WOOLLEY

Subscribed Capital ..	£38,116,815
Paid-up Capital ..	10,860,565
Reserve Fund ..	10,860,565
Deposits (June 30th, 1921) ..	371,322,381

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France. On the other hand, French opinion has on several occasions shown more readiness to fall in with world opinion when expressed through the Council of the League. We would, therefore, urge the Government to consider whether the time has not arrived for the abandonment of spectacular conferences, such as those of Lympe and Cannes, and for a wholehearted attempt to pursue international peace through the medium and machinery of the League.

The second event is the conclusion of discussion (except on minor technical detail) of the Naval Agreement at Washington. America, herself unfortunately outside the League, has made a bold initiative in the direction of international security, and in co-operation with nations who are members of the League has achieved concrete results both in the Pacific Pact and the Naval Agreement. No student of British foreign and naval policy will deny that this country, too, has contributed in no small measure to these achievements. The Naval Agreement of Washington has nowhere been more aptly summed up than in the cartoon in which Mr Punch depicts Britannia laying up the sword of naval supremacy on the altar of disarmament. Neither Parliament nor any important section of public opinion has challenged the action of our delegates in voluntarily surrendering the principle which has been the key of British foreign policy since the days of the Armada. So great a break with tradition could not have been achieved unless the people of Great Britain had definitely and finally put from their minds the possibility of war between the two branches of the Anglo-Saxon races. The numerous and well-founded arguments which our Press would have freely used before the war to resist what would then have been represented as a direct challenge to our Imperial responsibilities have been left unsaid, and the feelings of this country towards America have been expressed frankly and with dignity by Mr Balfour, who has performed no finer service during his long public career than his leadership of the British delegates at the assembly of the League and at the Washington Conference. We venture to doubt, however, whether the great prestige of the Washington Conference will be enhanced by a paper agreement to abolish poison gas and to forbid the sinking of merchantmen by submarine. Indeed, a solemn declaration by America, Great Britain, and France of these principles without the assent of Germany invites the derision of the scoffer, who recollects the pious resolutions laid down before the war by the Hague Conferences. The friends of peace will be more profitably employed in endeavouring to remove the causes of war than in attempting to render it a humane and gentlemanly pursuit.

THE SLUMP IN PROFITS.

THE depression in trade lends peculiar significance to our quarterly summary of the company reports issued in the quarter ending December, 1921, the statistics for the past quarter showing an even more severe decline than did those for the quarter ended October 31st. In studying the figures it should be borne in mind that the profits relating to the last quarter are not those earned in the past three months, but are the profits disclosed in company reports published during that period. Some company directors are prompt in presenting their accounts, but others, either of necessity or intention, allow considerable periods to elapse before divulging to the proprietors and to the public the financial results of the companies' operations. Consequently the profits disclosed in any one quarter do not represent the earnings of one particular period. As a general rule, it may be assumed that the reports published in any quarter relate on the average to the financial year which ended six months before the end of the quarter; for example, it may be taken that the majority of the reports published in the three months ended December 31st relate to the financial year ended June 30, 1921. Moreover, in the present instance, the depression started in various trades at different dates, a fact which accounts for great divergences in the decline in profits in the period under review.

In the past quarter the reports of 311 companies have been analysed, and these show aggregate net profits, after payment of debenture interest, &c., amounting to £14,268,278, which compares with £30,272,382 earned by the same companies in their

previous financial year. This means a decline of no less than £16,004,104, or 52.9 per cent. Debenture interest amounts to about 2½ millions, so that the total surplus available for distribution to capital (after certain allowances for depreciation) has fallen from 32½ millions to 16½ millions. As will be seen from the first table below, there has been a progressive decline in each of the past three quarters:—

NET PROFITS (after PAYMENT of DEBENTURE INTEREST, &c.).

	No. of Companies	Reports Published in		Increase.		Decrease.	
		1920.	1921.	£	%	£	%
First quarter	412	41,915,998	43,387,538	1,471,540	3.5	3,705,798	8.4
Second quarter	355	44,173,294	40,467,496	..	..	10,945,001	24.4
Third quarter	232	24,157,770	13,912,771	..	..	16,004,104	52.9
Fourth quarter	311	30,272,382	14,268,278	..	..	28,483,363	20.1
	1310	140,519,446	112,036,083	..	..	..	..

On the assumption that the figures relate to the financial years which ended six months previously, the decline in trade began to make itself felt on company profits in the year ended December 31, 1920. The progress of the boom and depression may plainly be seen from the next table, which shows the increases or decreases in profits recorded in our quarterly statistics since the beginning of 1918:—

	1918.		1919.		1920.		1921.	
	%	£	%	£	%	£	%	£
First quarter	1.0	..	10.4	..	26.9	..	3.5	..
Second quarter	5.8	..	5.1	..	37.8	..	8.4	..
Third quarter	12.3	..	3.4	..	41.9	..	42.4	..
Fourth quarter	4.7	..	10.5	..	27.1	..	52.9	..

Thus, while the decline shown in the third quarter of last year approximately cancelled the increase recorded in the corresponding quarter of 1920, the decrease recorded in the quarter just ended not only wipes out the increase in the same quarter of 1920, but also more than cancels those of the last quarters of the two preceding years.

From the next table, which sub-divides the figures for the past three months into 14 different groups, it will be seen that decreases are general, the only exception being the tea company group:—

NET PROFITS (after PAYMENT of DEBENTURE INTEREST, &c.).

	No. of Companies	Reports Published in Quarter Ended Dec. 31.		Increase.		Decrease.	
		1920.	1921.	£	%	£	%
Breweries	49	2,156,414	1,947,348	..	..	209,066	9.7
Hotels, restaurants, &c.	9	44,637	378,209	..	..	70,418	15.7
Iron, coal, and steel	22	3,892,239	1,869,717	..	..	2,022,522	52.0
Land mortgage, &c.	26	1,767,747	815,068	..	..	952,679	53.9
Motor and cycle	5	673,593	Dr 44,722	..	..	1,164,315	175.0
Nitrate	5	282,311	195,431	..	..	8,875	4.4
Rubber, &c.	75	1,813,711	Dr 264,224	..	..	2,077,937	114.6
Shipping	7	1,744,131	760,142	..	..	983,989	56.1
Shops and stores	6	1,347,794	292,196	..	..	1,055,598	77.9
Tea	6	Dr 929	32,245	..	..	33,174	..
Telegraph, &c.	5	3,445,631	2,340,824	..	..	1,104,807	32.1
Textiles	9	4,559,597	2,038,531	..	..	2,521,066	55.4
Trust companies	15	1,270,133	39,282	..	..	830,851	65.1
Miscellaneous	65	6,951,394	3,916,227	..	..	3,035,167	43.6
	311	30,272,382	14,268,278	..	..	16,004,104	52.9

The Nitrate and Tea groups, which show respectively only a small decrease and an increase, encountered the trade depression before it became so general. Breweries also show a comparatively small decline, while the nine hotels and restaurants record a decrease which is well below the average. With these exceptions, every group shows a very heavy percentage reduction. Even the Telegraph group, which includes some of the important cable companies, shows a very heavy decrease. Motor and Cycle companies and the Rubber group each show heavy net losses in the aggregate, while the decline in the profits of the half-dozen retail shops and stores is well above the average. It has, moreover, to be remembered that in certain groups, such as the Iron, Steel, and Coal companies, the reports do not cover the last six months, when production was carried on at less than cost.

In the next table we show how profits were appropriated in each of the past four quarters:—

DISTRIBUTION OF PROFITS.

	Net Profits.	Ordinary Dividend.	Preference Dividend.	Reserve, &c.
1921.	£	£	£	£
First quarter	43,387,538	24,377,364	6,357,521	12,652,645
Second quarter	40,467,496	23,732,561	8,028,669	8,706,273
Third quarter	13,912,771	10,646,366	2,814,956	431,549
Fourth quarter	14,268,278	11,464,889	3,386,145	Dr 682,756
	112,036,083	70,221,080	20,607,292	21,207,711

The last column of the table includes, in addition to sums specifically set aside to reserve, the amounts by which the balances carried forward exceed the amounts brought into the accounts. In the last quarter this item proves to be a minus quantity by reason of the fact that the great majority of companies have drawn upon their balance in hand in order to pay dividends, while some have withdrawn considerable amounts from existing reserve funds. Thus while in the first quarter ordinary shareholders received 56 per cent. of profits and preference shareholders 14.7 per cent., reserves being credited with 29.3 per cent., in the past quarter no less than 80.4 per cent. has gone to ordinary shareholders and 23.6 per cent. to preference shareholders, a sum equal to 4 per cent. of net profits having had to be taken from balances in hand or from reserves for the purpose.

We next show how profits for each of the groups were appropriated in the December quarter:—

DISTRIBUTION OF PROFITS.

	Net Profits.	Ordinary Dividend.	Preference Dividend.	To Reserve, &c.
	£	£	£	£
Breweries	1,947,348	989,419	50.8	397,259
Hotels, restaurants, &c.	378,209	195,912	51.8	94,025
Iron, coal, and steel	1,869,717	1,022,792	54.8	568,551
Land, mortgage, &c.	815,068	417,589	100.5	218,474
Motor and cycle	Dr 44,722	259,606	..	82,753
Nitrate	195,431	93,918	48.5	3,780
Rubber, &c.	Dr 264,224	162,013	..	294,603
Shipping	760,142	804,585	105.9	294,603
Shops and stores	292,196	80,832	28.3	137,068
Tea	32,245	23,339	72.5	4,210
Telegraph, &c.	2,340,824	1,035,716	44.2	2,000,000
Textiles	2,038,531	2,692,763	132.5	391,227
Trust companies	439,282	291,901	66.8	226,458
Miscellaneous	3,916,227	2,992,534	76.5	964,737
	14,268,278	11,464,889	80.4	3,386,145
			23.6	Dr 682,756

The Telegraph and Nitrate groups are striking exceptions in the matter of reserve allocations, each setting aside more than 50 per cent. of profits. At the other end of the scale we have the Motor and Cycle and Rubber groups, both of which show a substantial net loss and a still bigger reduction in reserves. It should be added, however, that in neither of these groups have companies which individually show a loss paid any dividends to ordinary shareholders. Again, in the Textile group reserves have been reduced to pay out more than was earned to ordinary shareholders. For this the figures of J. and P. Coats are chiefly responsible, this company having earned net profits of £2,072,400 and paid out £2,581,300 on ordinary capital, reserves being reduced by £250,000 and the balance forward by nearly £600,000. Even in the case of investment trust companies, past earnings were drawn upon to pay dividends.

The next table shows the ratio to total ordinary and preference capital of net profits and of the amounts added to or deducted from reserves:—

	Total Ord. and Pref. Capital.	Net Profits.	Carried to Reserve, &c.
	£	£	£
1921.	£	£	£
First quarter	365,534,600	43,387,538	12,652,645
Second quarter	336,719,100	40,467,496	8,706,273
Third quarter	166,443,500	13,912,771	431,549
Fourth quarter	218,246,700	14,268,278	Dr 682,756
	1,086,943,900	112,036,083	21,207,711

The ratio of profits to capital has been steadily declining, until for the past quarter it is only 6.5 per cent., while reserves have only been expanded by a sum equal to 1.9 per cent. of total capital. The average rates of interest and dividend paid on debenture, ordinary and preference capital in each of the past four quarters are set out below:—

	Debenture.	Preference.	Ordinary.
	%	%	%
First quarter	4.43	5.0	10.3
Second quarter	4.61	5.6	12.6
Third quarter	4.45	5.0	9.7
Fourth quarter	4.52	5.1	7.6

There has been a heavy decline in the average rates of dividend received by ordinary shareholders, and, as will be seen from the final table, only two of the groups have paid, on average, more than 10 per cent. on ordinary capital:—

	Debenture Capital.	Rate of Interest.	Preference Capital.	Rate of Dividend.	Ordinary Capital.	Rate of Dividend.	Rate of Dividend.
	£	%	£	%	£	%	%
Breweries	13,525,985	4.5	7,312,774	5.4	9,223,463	10.7	9.1
Hotels, restaurants, &c.	2,372,636	4.4	1,480,000	6.4	2,081,700	9.5	10.6
Iron, coal, and steel	4,843,743	5.4	8,914,636	6.3	26,76,660	9.9	12.0
Land, mortgage, &c.	10,135,032	4.2	5,187,521	4.0	12,972,530	6.3	9.5
Motor and cycle	392,286	6.6	1,811,945	4.6	4,325,311	6.0	11.7
Nitrate	402,650	5.3	1,062,069	5.3	1,062,069	8.8	14.8
Rubber, &c.	149,700	6.2	405,250	0.9	12,064,310	1.3	9.6
Shipping	3,511,910	4.1	4,583,380	4.9	9,652,565	8.3	11.4
Shops and stores	2,486,800	5.5	3,577,849	3.8	6,185,078	1.3	11.4
Tea	42,660	5.0	111,000	3.8	256,831	9.1	6.6
Telegraph, &c.	3,771,275	4.1	2,000,000	3.5	12,555,310	2.2	8.3
Textile	218,400	4.1	6,846,478	5.8	16,090,000	16.7	17.8
Trust companies	3,608,037	4.1	5,422,071	4.2	9,026,940	3.2	9.2
Miscellaneous	6,636,775	4.8	18,490,177	5.2	29,981,079	10.0	12.4
	54,253,939	4.5	66,483,217	5.1	151,763,436	7.6	11.6

The ordinary rate for the Textile group remains exceptionally high, but again the figures of J. and P. Coats are responsible. Breweries and Tea companies are the only groups to pay a higher average dividend than a year ago, but the latter earned larger profits. Heavy reductions are shown by the Iron and Steel and Rubber groups, by Shops and Stores and by Investment Trust companies. The moral of these returns is plain. Dividends at a reduced rate have been paid at the expense of reserves. These tactics cannot often be repeated, and the investor must be prepared for still lower dividends in the current year. When industrial companies are paying but 7½ per cent. on their paid-up ordinary capital, it is easy to understand the preference of the investor at the moment for debentures or gilt-edged securities.

THE POSITION OF SPAIN.

MANY people take a pessimistic view as to Spain's future. Not unnaturally, the recent disaster in North Africa has given a great shock to the friends of Spain. Spanish Morocco has yielded nothing but loss and disappointment to the Motherland, and its reconquest is bound to be extremely costly. It may totally upset the equilibrium of the Spanish finances, and it is generally expected that North Africa will never yield much benefit to Spain's trade and industries. The tariff rupture with France and this week's political crisis resulting from King Alfonso's refusal to support the Cabinet in imposing civilian control upon the army, are further reminders of the difficulties which the country is at present facing.

In the past Spain was one of the richest and one of the most powerful countries in the world. Its decline must be ascribed mainly to natural causes. The country consists almost exclusively of mountains and high plateaux. Little Portugal has a larger extent of low-lying plain than has Spain. The natural harbours of the country are few in number, and are mostly too small for modern ships. The trade of the Spanish ports declined for the same reason for which the trade of Amalfi, Pisa, Venice, and Bruges went down. Spain's turbulent rivers are unsuitable for navigation, owing to their wildness and owing to the irregularity of their flow, and the building of roads and of railroads is made exceedingly difficult and costly through the absence of level ground.

While rivers unite nations, mountain chains separate them. Since the earliest ages the Spaniards have been divided among themselves. Their lack of unity and consequent civil wars have been disastrous to them. Even now several nations dwell in Spain. The Catalonians have not become reconciled to the supremacy of the Spaniards. The capital of the former is Barcelona, the greatest Spanish business centre. The two Spanish capitals have each about 600,000 inhabitants. The differences between the two races and the two capitals are apt to become acute. Many Catalonians incline towards revolt, and the danger of their separation from Spain is not inconsiderable. Unending foreign and civil wars have also kept back Spain. But there has been a great deal of progress in the country, especially during the last two or three decades. Agriculture throughout Spain has been vastly improved by irrigation works, the application of science, and the construction of roads and railroads. Production per acre has greatly increased, but it remains very low if compared with the yield in countries which possess a happier climate and more level ground. During the war vast numbers of animals were

sold by the Spaniards to the belligerents, and especially to France. Nevertheless, the livestock of the country increased from 27,767,465 head in 1913 to 33,821,530 head in 1919, animals of all kinds sharing in that increase. New crops and processes have been introduced. The production of sugar rose from 86,146,827 kilograms in 1909-10 to 153,518,110 kilograms in 1918-19. Co-operative societies, rural banks, and other institutions have aided greatly in the improvement of Spain's agriculture, which remains by far the most important resource of the people.

Not so very many years ago transport in the interior was carried on chiefly by means of pack-mules and pack-horses. Spain is converting its ancient mule tracks as rapidly as possible into roads. The length of these has increased from 43,438 kilometres in 1906 to 74,149 kilometres in 1917. Railway construction is very costly, because the railroads have to be taken over countless viaducts and through countless tunnels. Nevertheless, the railway net is being gradually extended. During the last 15 years more than 1,000 miles were added to it.

Spain endeavours to develop her industries *pari passu* with her agriculture. Coal production is still low. Still, it has considerably expanded, the output increasing from 888,677 tons in 1880 to 7,164,463 tons in 1918. That is the maximum reached. Since then a reaction has taken place, owing to strikes, over-high prices, and a falling off of the demand. Water power resources have been developed with the greatest energy. Between 1914 and 1920 the horse-powers derived from waterfalls increased from 281,000 to 618,000, and a further great increase is projected. Lately the Spanish manufacturing industries have expanded considerably. Spain produces practically all her own requirements in textiles, especially cotton goods, and hopes to become self-supporting in iron and steel, and in goods made from iron and steel under the shelter of increased protection. Spain manufactures on a competitive scale numerous articles which came formerly exclusively from abroad, among them accumulators, ships, and machines of every kind. She has important furniture factories, boot and shoe factories, &c., and has begun exporting manufactured goods on a considerable scale. Her shipping is still very small, but is gradually increasing, her tonnage having risen from 233,695 tons in 1881 to 740,343 tons in 1920. It is frequently stated that Spain's internal troubles are due to the poverty of the people, who, we are told, are becoming steadily poorer. The statistics published by the banks and savings banks and by the co-operative societies show that masses of the people live better now than they did in the past. The consumption of sugar per head per year has gradually increased from 4.71 kilograms in 1902 to 7.51 kilograms in 1919. The improvement in social conditions is most clearly reflected by the prison population, which has shrunk from 23,005 in 1907 to 16,076 in 1918, and by the criminal statistics, which tell a similar tale.

Spain is progressing, though slowly. The land is rich in minerals and in water power. It has been kept back by lack of capital and lack of enterprise, and it offers considerable possibilities to English business men. The Spaniards are anxious to work in co-operation with foreign experts. The Germans have recognised the opportunity offered by Spain, and they have succeeded in obtaining a considerable hold upon the country. If English business men wish to take an important part in modernising Spain and in developing the Spanish market, they must bestir themselves. That they should do so is important, for British manufacturers are deeply interested in certain raw materials, particularly iron ore, copper and pyrites, in the provision of which Spain plays a predominant part.

But in Spain, as elsewhere, economic progress suffered a set-back in 1921. Months and months have been wasted in political and party discussion in the Cortes, with no benefit whatever to the material interests of the nation. The disastrous war in Morocco greatly contributed toward the already large deficit on the Budget. The year also ended with a commercial rupture with France. The new Customs tariff has not yet been drawn up by the Commission, and when it is complete, is expected to give even less satisfaction if possible than the present ultra protectionist schedule. The settlement of the railway question is

still under discussion, and during the past year the State has continued to advance money to the companies, and the traffic has continued to be unsatisfactory, while there is a scarcity of rolling stock and coal. The industrial year could not have been worse. Though prices of merchandise fell considerably in the wholesale markets, the benefit did not reach the consumers, who naturally restricted their purchases, and large amounts of goods remained unsold. Wages continued high, and industries closed down, being unable to secure raw materials at reasonable cost. In Catalonia the suspensions of payment and failures were alarming in 1921. Money was dear, and new concerns were not able to find credit as in the prosperous years of the European war. Speculation in foreign currencies continued as much as ever, and after the closing down of the Bank of Barcelona the Government had to call to order several other banks, which continued to encourage speculation in German marks. The Government began the year 1921 with an issue of 5 per cent. Treasury bonds for the amount of 750 millions of six months' currency. In July these were renewed, and new bonds issued for 600 millions more. In November there was a third issue of 1,356.60 millions three months bonds. These issues, at 5 per cent., were mostly taken up by the large banks, and the fall in all other Spanish stocks was considerable. The Custom House statistics, which only cover the ten months to the end of October, show that the foreign trade of Spain fell from 2,009 million pesetas to 1,736 millions, and that the unfavourable commercial balance rose from 307 to 460 million pesetas.

SOME CABLE COMPANIES' RESULTS.

THE accounts of some prominent cable companies which we examine in this article cover the calendar year 1920, with the one exception that the accounts of the Western Telegraph Company closed at June 30, 1921. Most of the reports, therefore, cover a part of the boom period, and that of the Western alone covers a period in which the trade depression was for a large part of the time in full force. After allowance has been made for this fact, the results may still be regarded as satisfactory. Certainly the fortunes of cable companies in this difficult period have been favourably regarded in the stock markets, where, as will be seen from the following table, quotations of the shares have improved during 1921:—

Name.	Prices of 1920.	Prices of 1921.	Price July 27, 1921.	Price End of 1921.	Yield.
Anglo-American ord. stock.	Hght. 55	Lwst. 41	Hght. 49½	Lwst. 42½	4½
Do 6% non-cum. pref. ord. stock.	92½	75	87½	73½	10½
Do deferred stock.	22½	15½	18½	14½	21½
Cuba Submarine (£10)	10½	6½	7½	6½	110
Direct Spanish (£5)	8	7	8	7½	110
Eastern Extension (£10)	21½	14½	16½	15½	15
Do 4% pref. deb. stock.	71	52½	66½	61½	10½
Eastern Telegraph ord. stk.	210	143½	169	152½	130½
Do 3% pref. deb.	57½	49½	56½	51½	7½
Do 4% pref. deb.	67	49½	56½	51½	7½
Gt. North. Telegraph (£10)	28½	19½	26½	20½	14½
Western Telegraph (£10)	21½	14½	16½	15½	15
Do 4% deb. stock.	71	60½	66½	60½	10½

† Free of income-tax.

In a year of heavy depreciation in industrial shares of most classes almost every share quoted in the above list has improved substantially in value.

The latest reports of six companies show an aggregate rise in gross receipts, which is turned by higher working expenses into a decline in net receipts. However, the 1920 aggregate of net receipts is well ahead of that recorded in 1918, namely, £3,188,833 against £2,746,696. The following table compares the receipts and expenses shown in the two latest reports of each company:—

	Gross Receipts.		Working Expenses.		Net Receipts.	
	1919.	1920.	1919.	1920.	1919.	1920.
Cuba Submarine ..	78,852	99,154	50,489	41,347	28,363	57,807
Direct Spanish ..	111,745	133,757	124,710	107,446	7,035	26,311
Eastern ..	4,089,063	4,381,856	2,637,505	3,312,799	1,451,558	1,069,057
Eastern Extension ..	2,446,856	2,514,825	1,375,646	1,869,379	1,071,210	645,446
Great Northern ..	1,584,032	2,051,346	1,015,946	1,410,871	568,086	640,475
Western ..	2,683,076	2,073,498	1,627,926	1,330,961	1,055,150	742,537
	10,963,634	11,254,436	7,118,222	8,065,603	3,845,412	3,188,833

For the six companies working expenses rose by little short of £1,000,000. But it will be seen that this increase comes mainly from two companies, the Eastern and the Eastern Extension. Heavy message traffic during the time when business was still active entailed heavy working expenses; the maintenance of cables claimed more money, and in the case of two of the companies taxation absorbed larger sums. This last point is brought out in the following table:—

	Working Expenses Proper.		Excess Profits Duty and Income-Tax.	
	1919.	1920.	1919.	1920.
Cuba Submarine ..	£ 29,188	£ 34,284	£ 21,301	£ 7,063
Direct Spanish ..	103,629	91,956	21,081	15,490
Eastern ..	2,207,179	2,988,783	430,326	324,016
Eastern Extension ..	961,781	1,196,241	413,865	666,138
Great Northern ..	996,390	994,004	*305,556	416,667
Western ..	939,933	1,024,425	687,993	306,536

* Reserved for extraordinary taxes.

The Eastern shows the largest rise in working expenses proper. Salaries and wages at stations cost this company £990,866, against £653,691; maintenance of cable £519,122, against £438,073; general expenses in London £134,999, against £92,943. English taxes cost the Eastern Extension over £250,000 more in 1920 than in 1919, and this company also suffered an increase of expenses under each of the main items mentioned above in the case of the Eastern. The Great Northern Company still suffered from the disuse of its trans-Siberia line, but in 1920 compensation came from heavier volume of traffic elsewhere, which helped the company to record a large rise in gross receipts. Income was also largely assisted by an increase of £325,863 in the item "gain on exchange," and working expenditure did not rise so much as in the case of each of the other companies. Since the Western report carries us up to a more recent date than the others, its figures are of especial interest. It will be seen from the tables given above that while gross receipts fell sharply, a substantial decline in working expenses is also shown. But it should be noticed that practically the whole of this decline in expenses is due to a fall in tax payments.

The way in which these companies dealt with their profits is shown below:—

Company.	Prior Charges, Pref. Div., &c.	Ordinary Dividend.		Rate Paid for 1919.	Placed to Reserve, &c. *	Inc. or Dec. in Carry Forward.
	£	%	£	%	£	£
Cuba Submarine ..	6,000	7½	11,200	7½	35,111	+ 5,496
Direct Spanish	3,000	10½	6,466	10½	12,000	+ 4,845
Eastern ..	150,000	10½	418,662	10½	600,000	+ 99,604
Eastern Extension ..	30,096	10½	318,550	10½	450,000	+ 151,660
Great Northern ..	24	24	360,000	22	133,333	+ 117,286
Western ..	32,747	10½	270,125	10½	450,000	+ 20,671

† Free of income-tax.

The Great Northern alone increases its rate of distribution to ordinary shareholders. The last four companies in the list all had new capital ranking for dividend in 1920. The Western places £245,000 less to reserve than in the previous year, the Eastern and Eastern Extension each £100,000 less, and the Great Northern £25,000 less. The last named, however, has added largely to the carry forward. Cable company directors have in the past years pursued a very conservative financial policy, and have employed the exceptional results of boom years to build up sound balance-sheets. This fact appears from the analysis of principal items in the latest statements, which comprises our final table:—

Company.	Total Capital.	Reserves.	Book Value of Cable, &c.	Cash and Investments.
	£	£	£	£
Cuba Submarine ..	220,000	145,695	230,677	190,032
Direct Spanish ..	94,655	151,285	90,925	143,712
Eastern ..	8,997,405	3,063,880	9,143,458	2,716,844
Eastern Extension ..	4,724,220	2,850,012	4,320,828	3,886,202
Great Northern ..	1,500,000	3,952,658	1,978,221	5,247,540
Western ..	3,937,625	2,950,831	3,793,633	2,664,589

The large reserves built up stand the companies in good stead in these days, when arrears of cable repairs and extensions have to be caught up, and with the stronger concerns investment income is an item which grows in importance in lean years. In 1921, presumably, cable companies' receipts will be found to have been restricted by trade stagnation. But to place against these declines there should be important decreases in working expenses. By reason of the reserves built up, these companies are able to face a few lean years with comparative equanimity, and investors may also derive confidence from the fact that cable companies' accounts will immediately benefit from any general revival in trade. At the Eastern Extension meeting the old question of cables *versus* wireless was discussed. Asked whether recent developments in wireless would adversely affect the cable companies, the chairman, Sir John Denison-Pender, said:—

The Germans were supposed to be well up in "wireless" before the war, and it was their only direct means of communication to the outer world during the war—a fact which ought to have tended very materially towards making it efficient, but at the present time they were entering into arrangements with the big Atlantic companies for direct cable communication with the United States. Then Italy, which was looked upon as the birthplace of "wireless," was at the present time endeavouring to get direct communication with North and South America by cable. This being so, it did not look as if the days of cables were over.

"If wireless," concluded Sir John, "were better than cables it would cut them out, but it had some work to do before it got into that position."

SHIPPING AND SHIPBUILDING IN 1921.

SHIPPING, the most vital transport agency of these islands, is always among those industries which feel acutely the effect of economic fluctuations. But it has rarely had to face a more difficult task than the dramatic descent from the peak attained in 1920. In doing so it has reduced its handmaid, the shipbuilding trade, to one among the three most depressed industries in the country. The causes of the depression are not far to seek; according to Lloyd's Register, the gross shipping tonnage of the world in the middle of 1921 was nearly 13 million tons, or 26 per cent. more than in 1914, the United States merchant marine being nearly 12 millions larger in the middle of 1921 than in 1914:—

GROSS TONNAGE OF VESSELS, of 100 TONS and UPWARDS, BELONGING to the SEVERAL COUNTRIES of the WORLD, as RECORDED in "LLOYD'S REGISTER," 1914, 1920, and 1921.

Flag.	1914.	1920.	1921.
	Gross Tons.	Gross Tons.	Gross Tons.
British { United Kingdom	19,256,766	18,330,424	19,571,554
{ Dominions	1,788,283	2,252,228	2,499,244
{ Total	21,045,049	20,582,652	22,070,798
German	5,459,296	672,671	717,450
American { Sea	2,970,284	13,789,874	14,697,088
{ Lakes	2,352,764	2,207,429	2,254,930
{ Philippines	45,146	51,986	73,984
{ Total	5,368,194	16,049,289	17,026,002
Norwegian	2,504,722	2,219,388	2,584,058
French	2,319,438	3,245,194	3,652,249
Other countries	12,392,853	14,544,871	15,924,096
Total	49,089,552	57,314,065	61,974,653

It is true that many of the ships are old, and ought to be "scrapped," and that others, which are not so old, will never be efficient freight earners; but they will not be scrapped while the cost of replacing them remains so high, to say nothing of the cost of breaking them up. Mr Archibald Hurd, on the authority of Messrs Turner, Davidson and Co., shipbrokers, recently put the cost of completing an ordinary tramp steamer at £12 per ton, whereas new tonnage has recently changed hands at £8 per ton.

But with the increase in tonnage available there has been a decrease in the quantity of goods exchanged between country and country. In the United Kingdom the total tonnage of vessels entered and cleared with cargoes in 1921 was no more than 62 per cent. of the total in

1913, while the tonnage of imports was 70 per cent., of exports 36 per cent., and of exports and imports combined 49 per cent. of the corresponding figure for 1913. The actual figures are as follows:—

	Total Tonnage Entered and Cleared with Cargoes.	Imports. Tons.	Exports. Tons.
1913	116,884,000	56,023,000	93,824,000
1920	73,108,000	45,542,000	41,175,000
1921	73,507,000	39,436,000	33,598,000

Freights have consequently declined enormously, until, according to a calculation of the Chamber of Shipping, freight rates at the end of October were no more than 30 per cent. of the geometrical average of 1920, and they have since fallen further. That freights are much less than 30 per cent. of the highest rate in 1920 will be seen in the following examples, which could be multiplied indefinitely:—

	Highest in 1920.	Lowest in 1921.
Coal—		
Cardiff to River Plate	75 0	13 6
Gibraltar	52 6	9 0
Havre	60 0	5 6
Ore—		
Bilbao to Middlesbrough	39 6	6 0
Tyne	38 0	7 9
Homeward Freights—		
Calcutta to U.K.	180 0	50 0
Bombay to U.K.	155 0	20 0
Time Charter—		
General trade (12 months)	27 6	5 0

But even these low freights have failed to stimulate trade, and a large volume of British shipping, which Lord Inchcape recently put at 650 vessels of 1,117,000 tons, is lying idle in British ports.

The effect of these conditions upon shipbuilding is clearly shown in the returns issued by Lloyd's Register this week in respect of the last quarter of 1921. The construction was commenced in the United Kingdom of only 19 vessels of a total tonnage of 55,290 tons, compared with 99 vessels of 392,877 tons in the first quarter of the year, and 148 vessels of 506,353 tons in the last quarter of 1920. The total tonnage on which work was commenced during the whole of 1921 amounted to only 568,438 tons. The figures of launchings for each quarter of the year compared with 1913 and with 1920 are as follows:—

TONNAGE OF VESSELS LAUNCHED in U.K.

	Tons.
1913	1,932,152
1920	2,055,624
1921	
1st quarter	433,607
2nd "	321,690
3rd "	307,850
4th "	467,246

Total (1921)

The tonnage completed during the year has thus been substantially larger than the tonnage commenced, even though work on a large number of vessels has been suspended; the tonnage under construction has therefore steadily declined throughout the year, until on December 31st it was only 2,640,319 tons, which is 1,068,000 tons less than at the same date in 1920. The tonnage under construction in the United Kingdom and in the world (excluding Germany) at the end of each quarter for the last two years was as follows:—

TONNAGE UNDER CONSTRUCTION.

	United Kingdom.			World.
	Total.	Tonnage on Which Work Had Been Suspended.	Completion Postponed.	
1920—March 31	3,394,425	..	..	7,727,257
June 30	3,578,153	..	..	7,584,812
September 30	3,731,098	..	..	7,507,614
December 31	3,708,916	..	..	7,157,480
1921—March 31	3,798,593	497,000	350,000	7,086,766
June 30	3,530,047	735,000	444,000	6,199,468
September 30	3,782,972	731,000	457,000	5,542,978
December 31	2,640,319	722,000	?	4,457,093

Includes 375,000 tons on which work has been suspended (mainly in U.S.A. and Italy). † Includes 400,000 tons on which work has been suspended (mainly in Italy).

The tonnage nominally under construction is now less than it has been since June 30, 1919, and even so, the figures are over-stated, since they include 722,000 tons on which work has been suspended, and a further tonnage, not stated, the completion of which has been postponed. Since this latter item amounted at the end of September to 457,000 tons, we are safe in assuming that work was actually proceeding on not much more than 1½ million tons of shipping. It is therefore not surprising that the percentage of unemployed in the shipbuilding industry, according to the December *Labour Gazette*, amounts to 34.5 per cent.—indeed, the surprise is that the percentage is no higher.

It goes without saying that a necessary preliminary to the revival of the shipping and shipbuilding industries is an increase in production the world over and an increasing interchange of this production. But more than this is required to make either shipowning or shipbuilding remunerative—there must be a reduction in costs. In the case of shipbuilding the price of ship plates has been reduced from £24 10s per ton, at which they stood throughout the second half of last year, to £10 10s per ton—only 33 per cent. above the pre-war figure. Ships angles have fallen from £25 per ton to £9 10s, and are now only 27 per cent. over pre-war, and the shipbuilder expects still further reductions; the cost of rivets, castings, &c., has also fallen, but the big item in the cost of shipbuilding which has not yet fallen appreciably is labour. Government figures show that whereas the miners have accepted wage reductions in the first eleven months of 1921, averaging 38s 1d per week, and iron and steel workers reductions averaging 36s 1d per week, the corresponding wage reduction in the shipbuilding and engineering group amounts to no more than 9s 7d per week. An instructive table in the *Shipbuilding and Shipping Record* for January 4th gives the hourly rate of skilled, semi-skilled, and unskilled shipyard workers at various dates, from which we extract the following:—

	Skilled.		Semi-skilled.		Unskilled.	
	Hourly Wages.	Per Cent. Inc. Over Pre-War.	Hourly Wages.	Per Cent. Inc. Over Pre-War.	Hourly Wages.	Per Cent. Inc. Over Pre-War.
July 31, 1914	d 9.3	..	d 6.2	..	d 5.3	..
June 1, 1920, to April 30, 1921	23.3	151	19.2	210	18.1	242
January 1, 1922	19.1	105	15.6	153	14.6	176

The percentage increase over the pre-war level on December 1, 1921, was 114 in the case of the skilled, 162 in the case of the semi-skilled, and 187 for the unskilled, compared with the *Labour Gazette's* retail index number of 99 per cent. increase and the *Economist's* wholesale percentage of 74. The cost of living should fall still further in 1922, and make it possible for the trades unions to accept proposals for wage reductions in a more accommodating spirit than hitherto. Given co-operation between capital and labour, we have no reason to fear foreign competition; no other country has as much as one-sixth of the amount of shipping under construction that there is in this country, and of the 1,800,000 tons building outside the United Kingdom work on 400,000 tons is suspended. In the U.S.A. the tonnage now under construction is less than 5.2 per cent. of the total building in March, 1919.

A revival in the shipbuilding industry would do much to revive the iron and steel industries, for on the average one ton of iron and steel is required for every 2.1 tons of shipping tonnage built; a revival of shipbuilding would therefore mitigate the unemployment, not only in its own industry, but also in the iron and steel, coal mining, iron ore mining, limestone quarrying, and transport industries.

In the meantime, we have shipbuilding firms turning over to constructional work, and we learn this week of the Furness Shipbuilding Company, which in 1921 had the third largest output of shipping tonnage (72,660 tons) in the country, obtaining orders for grain silos for South Africa and oil storage tanks for Scotland.

Notes of the Week.

Ireland and the Treaty.—A crowded week of Irish history has passed off as satisfactorily as we in this country had any right or reason to expect. On Saturday last week the protracted discussions in the Dail Eireann ended in approval by 64 votes to 57 of the Treaty providing for the setting up of an Irish Free State. The majority was certainly narrow, but the essential fact remains that the most desperate and bitter attempts of the irreconcilables failed to secure the rejection of the pact. These efforts were renewed on Monday in the insidious form of a motion for the re-election of Mr de Valera to the Presidency, which he had resigned on the previous Friday. This motion, too, was rejected, but by a narrower majority still—namely, by 60 votes to 58. On the following day Mr de Valera and all his supporters left the Chamber, and Mr Arthur Griffith, who headed the delegation that signed the Treaty, was unanimously elected President of Dail Eireann, and charged with the duty of forming a provisional Government. This he succeeded in doing the same day, and announced a Ministry chosen from supporters of the Treaty. Losing no time, Mr Griffith has summoned a meeting for to-day at the Dublin Mansion House of the members entitled to sit in the Parliament of Southern Ireland. Mr de Valera's supporters are not expected to attend. It is unfortunate that attention in this country has been largely concentrated on the bitter wrangling in the Dail and on methods of procedure that seem farcical to a nation trained by long experience in the traditions of Parliamentary conduct. It is even fashionable to argue that a people whose leaders manage Parliamentary affairs in such a manner are unlikely to make a success of governing their own country. So hasty a conclusion is, in our view, both unjustified and unworthy. Patience is an essential virtue of an Imperial race. It has been shown before in the case of South Africa. It should be shown now in this latest experiment of self-government within the British Commonwealth of nations. Patience may yet be sorely tried, for it should not be forgotten that Mr Griffith is faced with difficulties far greater even than those over which General Botha triumphed. There will doubtless be mistakes, disappointments, and crises in Ireland. But the responsibility for them will rest with the Irish themselves. That at least is a great thing gained for an Empire which professes the doctrine of free partnership and government according to the wishes of the governed. Having accorded Dominion status to Ireland, the duty of this country lies, not in criticism, carping and fretting, but in refraining from word or action that may add to the immense difficulties of those who are doing their best amid a sea of troubles to make proper and effective use of Ireland's opportunity. Public opinion in Great Britain welcomed the birth of self-government in Sinn Fein Ireland. It would be unworthy of this country if it refused to the new-born babe a generous degree of sympathy and tolerance during the pains, disorders, and anxieties of teething. Fortunately, King George's grant of amnesty to political prisoners has given the nation a clear lead in this matter at the psychological moment.

Overseas Trade.—The Board of Trade Returns of overseas trade in December and the full year 1921 are to hand just as we go to press, and will be discussed in our next issue. On Tuesday, however, an official summary of value figures was issued, from which may be drawn the following comparison between December, 1920, and December, 1921:—

(In Thousands of £'s.)

MONTH OF DECEMBER.

	1920.	1921.	Inc. or Dec. in December, 1921.	
	£	£	£	%
Imports	142,785	85,312	— 57,473	40.1
British exports	96,631	59,375	— 37,256	38.6
Re-exports	12,699	9,204	— 3,495	27.4
Total exports	109,330	68,579	— 40,751	37.2
Excess of imports over total exports	33,455	16,733	— 16,722	50.0

For the full year the excess of imports on the published merchandise figures is nearly £278 millions, as compared with £358 millions in 1920. For the twelve months imports fell from £1,932,649,000 to £1,086,687,000, British exports from £1,334,469,000 to £703,196,000, and re-exports from £222,753,000 to £107,052,000. Value summaries alone being given in the preliminary statement, no indications are available, until the full returns are studied, of the parts played in the value figure decline by falling prices and lower quantities respectively. A statement issued by the Ministry of Transport, however, states that imports in November, 1921, were 270,000 tons less than in November, 1920.

Banking Profits.—The preliminary statements of net profits of the joint-stock banks, issued with the dividend announcements, show almost without exception a material decline in profits for the past year. But there have been no reductions in dividends, since there has been no drain on profits to meet investment depreciation. From the table below, which gives net profits and dividends for the past three years, it will be seen that with one exception the profits of the banks are lower, while those of the discount companies have been further increased:—

	1919.		1920.		1921.	
	Profits.	Div.	Profits.	Div.	Profits.	Div.
Bank of Liverpool and Martin's	£ 325,320†	% 16†	£ 745,949	% 16	£ 548,528	% 16
Barclays	2,122,192	A 10 B 20	2,927,523	A 10 B 14	2,301,652	A 10 B 14
Lancashire and Yorkshire	216,410	19	231,426	19	243,327	20
Lloyds	2,276,302	20	3,237,742	18	2,523,134	18
L. J. City and Midland	2,604,257	18	2,831,861	18	2,454,083	18
L. C. West. and Parr's ..	2,455,007	20	2,915,708	20	2,167,845	20
Manch. and County	240,372	15	296,077	16	260,953	16
Ma. ch. and L'pool	510,878	18	561,783	18	539,275	18
Natl. Prov. and Union	2,265,483	16	2,762,513	16	..	..
Union of Manch'	232,248	20	341,027	20	..	..
Williams, Deacon's	399,481	12	463,353	12	365,231	12
Alexanders Discount	75,860	13	115,941	13	141,015	17
National Discount	135,050	12	123,005	14	165,305	16
Union Discount	155,579	15	197,019	16	..	..

† Half-year.

The Lancashire and Yorkshire, which pays a higher dividend (not the same rate, as stated in a Business Note last week), shows higher profits, but this may be because last year's figure was struck after making provision for investment depreciation. The other banks show substantial decreases, to a figure in some cases below the 1919 level. The discount companies, on the other hand, have had a still more profitable year, and each company has increased its dividend. Alexanders, moreover, makes in addition a distribution of £50,000 in bonus shares. How 1921 profits have been appropriated may be seen from the next table:—

	Profits.	Investment Depreciation.	Reserve.	Premises.	Staff Funds.	Carried Forward.
	£	£	£	£	£	£
Barclays	2,201,652	..	600,000	100,000	100,000	— 30,350
Lloyds	2,529,124	..	200,000	450,000	200,000	+ 2,280
London Joint City & Midland	2,167,815	..	500,000	450,000	..	+ 58,794
National Provincial and Union	2,454,083	..	750,000	300,000	..	+ 35,834
Bank of Liverpool & Martin's	548,528	..	400,000	100,000	..	+ 22,705
Lancashire and Yorks	243,327	..	150,000	..	..	— 19,546
Manchester and County	260,953	..	61,560	..	..	— 16,504
Manchester and Liverpool	539,275	..	100,000	..	..	— 27,746
Union of Manchester	..	..	..	..	..	..
Williams, Deacon's	365,231	..	100,000	25,000	..	+ 5,856
Alexanders Discount	141,015	..	50,000	..	5,000	+ 3,516
National Discount	165,305	..	..	..	10,000	+ 60,478
Union Discount	..	..	100,000	5,000	10,000	..

None of the banks or discount companies have this year made any allocation to meet investment depreciation, whereas twelve months ago the banks in the above table set aside £4,930,000, and the Union Discount Company £50,000 for this purpose. The reserve funds of the banks a year ago were credited with over £1,700,000, while £925,000 went to premises accounts and £500,000 to staff funds, and balances forward were increased by £538,000. This year total allocations to reserve, premises, and staff funds amount to £4,587,000, while there is a net addition to amounts carried forward of less than £100,000. It is abundantly clear, therefore, that shareholders have to thank the appreciation in the market value of gilt-edged securities for the maintenance of dividends at last year's rates. The Manchester and

County retransfers £125,000 from investment depreciation to the reserve fund. A table showing last year's highest and lowest prices of bank shares, together with the yield on the basis of the latest dividends is appended:—

Name of Bank.	Am't. of Share.	Paid Up.	Price of 1921	Price of 1920	Price Jan. 10, 1922.	Present Yield.
Bank of Liverpool and Martin's	20	2½	6½	5½	6½	8 0
Barclays "A"	4	4	6½	5½	6½	8 0
Do "B"	1	1	2½	2	2½	6 1
Lloyds	5	1	2½	2	2½	6 1
London Joint City and Midland	12	2½	7½	5½	7½	6 4
Do	2½	2½	7½	5½	7½	6 4
London County Westminster, &c.	20	5	15½	12½	15½	6 11
Do Maximum dividend 12½ %	1	1	2½	2	2½	6 1
National Prov. and Union	25	1	8½	7½	8½	6 17
Do	20	4	9½	8	9½	6 14
Lancashire and Yorkshire	20	10	31½	27½	31½	6 4
Manchester and County	20	4	10	8½	10½	6 13
Manchester & Liverpool District	15	3	8	7	8	6 17
Williams, Deacon's	5	1	1½	1½	1½	6 13
Do	1	1	2½	2½	2½	6 5
DISCOUNT COMPANIES.						
Alexanders	10	5	10½	8½	11	7 14
National	25	5	8½	6½	9	8 17
Union	10	5	11½	9½	12	7 10

The bank shares have recovered strongly from the lowest point touched last year, and in some cases are now higher than at any time in 1921. Present quotations for each of the three discount companies are above the highest of 1921, but yields are still considerably higher than those of the banks.

The International Corporation.—An official memorandum has been issued at Cannes on the organisation of European reconstruction by means of a proposed international corporation, to be established in London under British Company Law, so far as suitable, with the title of the Central International Corporation. In the first instance the funds shall be not less than £20 millions, subscribed by national corporations, formed in each country which is a party to the arrangement in proportion to their capital. It is provided that "The principal functions of the corporation shall be to examine the opportunities for undertakings, in connection with European reconstruction, to assist in financing such undertakings, to obtain adequate security for payment in respect of work carried out, to arrange for contracts, and to promote or assist in promoting the subsidiary companies or corporations in various countries for special purposes." The information so far available does not show whether the corporation is to be a private body or a semi-public organisation, or how the national representatives are to be selected. Until further information is available it would be premature to form an opinion as to its possibilities. But as the Export Credits Scheme, which does not apply to Russia, had at the end of October expended only £3.3 millions out of a total fund of £25 millions, the natural conclusion is that the latest scheme has been formulated for the rehabilitation of trade with Russia. But until the Soviet has given unequivocal guarantees to respect the rights of property trade with Russia is not a "fair business risk," either for public or private, international or national, enterprise.

The Year's Coal and Iron and Steel Output.—The production of coal in the mines of Great Britain in the week ended December 31st amounted to 3,049,000 tons, making the total output for the year 164,354,200 tons. This compares with 229,295,000 tons for the year 1920 and 287,430,000 tons in 1913. The output in each of the four quarters of 1921 was as follows:—First quarter, 54,296,300 tons; second, 179,100 tons; third, 52,438,600 tons; fourth, 57,440,200 tons; the second quarter covering the entire period of the stoppage. The output of pig-iron, according to the National Federation of Iron and Steel Manufacturers, amounted in December to 275,000 tons, making a total of 2,611,400 tons for the year 1921, as against 8,007,900 tons in 1920. The steel production in December was 381,000 tons, making 3,624,800 tons for the year, as compared with 9,056,800 tons for the year 1920.

The Wages of Railway Servants.—A most important case is being heard this week before the National Wages Board for British railways. The Scottish railways have demanded abolition of the increases granted by the

National Wages Board in their award of June, 1920; the removal of the special payment for night duty; that junior employees should not be recognised as adults until they reached the age of 21 years; and that the hours of work constituting the standard day of the respective grades should be modified and varied. These claims, which have been rejected by the Central Wages Board and are being taken on appeal to the national tribunal, are a test case, for they challenge not only the principle of the wages agreement which the Government passed on to the companies when the railways were decontrolled, but also the rigid application of the eight hours' day in railway service. Of these the former is less likely than the latter to give rise to a deadlock, for the agreement between the National Union of Railwaymen and the Government was concluded at a time when neither party realised the nature of the depression that was coming. Railway men will not continue to secure support for an agreement which maintains wages at a level above the cost of living from other trade unions whose members are perforce accepting severe wage reductions now that the latter realise that the national demand for lower railway charges is blocked by swollen wages bills, which in the case of the Scottish companies amounted to £14,916,290 in 1921, against £4,291,424 in 1913. "They asked for decrease of wages," said Mr Mathieson, "and were given increase of rates and charges. Many of them knew to their cost that it was like asking for bread and being given something like a stone." We believe that the railway men will not refuse altogether to follow other trades in recognising the harmful results of such a policy. The hours question, however, raises a more difficult issue for them, since the eight-hour day is a principle common to the whole labour movement. Nevertheless, its rigid application has in all countries where there is light traffic in country districts involved a great increase in personnel, who are only partially occupied, and slackness or insufficiency of work are everywhere the arch-enemy of low labour cost.

Lancashire Cotton Trade Wages.—A correspondent writes:—The wages agreement between the employers and the operatives in the Lancashire cotton industry came to an end on December 24th. According to the settlement of the dispute last June, it was arranged that on the expiration of the agreement three months' notice would have to be given of any further change in list rates. Last week the position of affairs was considered by the two employers' associations in joint conference, and in course of discussion it was agreed that, owing to the trade depression they were justified in claiming a further wage reduction. The fact, however, that three months' notice to be given causes a rather awkward situation, as it is realised by the employers in both spinning and weaving departments that if a demand for a big fall in wages is put forward to take effect in three months' time, buyers of yarn and cloth will withhold orders in anticipation of being able to purchase cheaper later on. On Tuesday last, therefore, on behalf of the Federation of Master Cotton Spinners' Associations and the Cotton Spinners' and Manufacturers' Associations, a letter was sent to the secretaries of the trade unions affected, asking them to consent to a variation of the agreement with regard to the notice of any further change in wages. The proposal of the employers is that no action by either side shall be taken for two months, but that at the end of that period it will be open for either party to give one month's notice of an alteration in list wage rates. The suggestion put forward is now receiving the consideration of the trade union committees, and it is probable that a joint conference of masters and operatives will take place in Manchester early next week, to discuss the proposal of the employers.

Agricultural Conditions.—The monthly report of the Ministry of Agriculture and Fisheries states that, as there was little rain in most parts of the country in December until the last week, the weather was favourable for agriculture generally. Crops did well, and winter keep was saved as cattle could be kept at grass. Good progress cultivation is well advanced in all parts of the country. The rains which occurred after Christmas made the land

too wet to work in some western districts, but in the east many districts were still short of water at the end of the year. Almost without exception winter corn germinated well, and there is a good, thick plant. With the mild weather the crops have grown quickly, and are healthy and forward. In some cases they are considered too forward, and have been grazed by sheep. The area sown with wheat seems to be about the same as last year, smaller areas having been drilled in the west and slightly larger areas in the east. Winter oats and beans also occupy about the same area as last year. On the whole, potatoes do not seem to be keeping so badly as was anticipated, though generally the keeping qualities of the tubers are not so good as usual. A fairly large proportion were caught by the frosts before lifting, and these are often rotting in the clamps. There are also signs that sprouting will be early. Throughout the country ewes are healthy and in good condition. In Dorset lambing among Dorset Horn flocks is fairly well advanced, with satisfactory results. Sheep on turnips have generally done well. There is not the same anxiety as a month ago as regards the sufficiency of winter fodder, and in most parts of the country the supply is now considered to be large enough to last until spring. The supply of labour is more than sufficient for requirements in all parts of the country. With work well advanced and the falling prices farmers are sometimes reducing the number of regular workers employed, but unemployment is mainly among casual labourers, the more skilled men usually finding work.

The Rand Strike.—The remark in last week's article on "Two Years' Rand Mining Dividends," that "the dispute at the Witbank Colliery has every appearance of developing into a general mining strike," has been justified with almost dramatic suddenness, the men ceasing work on Monday evening, notwithstanding that the conference between representatives of the Chamber of Mines and of the unions, arranged for Tuesday, was pushed forward to Monday. It may be recalled that the trouble started with the refusal of the colliers to submit to the rather sharp reduction of 5s per shift as from January 1st. A ballot of the gold miners was then taken, to the accompaniment of totally unwarranted statements as to the intentions of the Chamber of Mines with reference to the "colour bar" and the reduction of the ratio of whites to natives; it resulted in an overwhelming majority in favour of the stoppage of work, although one-third refrained from voting. The men at pumping and power works have since been called out, and the latest news is that the executive of the Industrial Federation has requested all labour organisations throughout the country to prepare to strike on Monday. That the miners have some appreciation of the necessities of the situation is indicated by their action in asking General Smuts to call a joint meeting. The basis of discussion put forward is, however, so one-sided as to be of very little utility. The simple fact is that owing to the rapid decline in the gold premium, an exceedingly grave crisis has arisen in the Transvaal gold industry. With costs at their present level, fully two-thirds of the mines would be compelled to close down in the event of a relapse in gold to its normal figure of 85s per fine ounce; even with credit taken for a premium of 10s 6d per ounce many of the low-grade properties are in effect running at a loss. The latter point was well brought out by the Johannesburg correspondent of an enterprising daily contemporary, who mentioned that last month two of the largest properties—the Randfontein and the East Rand Proprietary—crushed a total of 250,000 tons of ore for a working profit of £450, spending £315,000 in the process! Reference to the 1920 reports of these two undertakings elicits that in 1920 they had to provide £390,000 net for debenture charges, taxes and depreciation. On this basis, last month's operations would have involved a total net loss of £32,000! The case is one in which loose talk of "attacks on the workers' standard of living" are worse than useless. Unless drastic measures are taken to meet the situation, a very large proportion of the workers in South Africa—those indirectly dependent upon, as well as those directly engaged in, the mining industry—will have no standard of living at all—unless they can find one elsewhere.

Premier (Transvaal) Diamond.—This company, writes our mining correspondent, has a status very different from that of other South African diamond producers, the Union Government taking no less than 60 per cent. of the profits. It is, however, a member of the big combine; and, like the others, suffers from the practical cessation of the demand for new stones. Indeed, last year's results from sales were much worse than might have been inferred in view of the due declaration of the dividends on the preference shares. The latter called for £92,500, whereas the accounts show that the shareholders' balance of realised profits amounted to only £36,100. Fortunately, the company received a windfall in the shape of a refund both of British income-tax and of some capital invested in an insurance company, which raised the free sundry revenue to the substantial total of £100,200. There being no dividend on the deferred capital, the balance carried forward—£77,900—is almost double that brought in. Under the prevailing conditions no fault can be found with the directors for pursuing a conservative policy. A point is the strength of the financial position. The "trading and emergency funds," £500,000, are represented by surplus cash assets, while the diamonds on hand are taken at 1s and stores at 2s! Operations having been severely restricted during the latest period, little purpose would be served by a detailed comparison of results. Still, it may be mentioned that while the ground washed last year was only about two-fifths the 1919-20 quantity, the number of carats recovered only fell off by rather less than one-half. This results from a clearing of various areas nearer the surface of the mine, which for various reasons were not completely worked out before. The value per carat averaged no more than 21s 4d as against the record of 51s 2d last time. At 39,000,000 loads the available ground represents between five and six years' work on the basis of the last normal period. Twelve months ago considerable importance attached to the installation of a new washing gear. The directors now intimate that the orders given have been as far as possible cancelled. Nevertheless, extended facilities for production could be made available at short notice if required. It would not be very surprising if payment of at any rate part of the preference interest due in respect of the current year had to be deferred, although the prospects of the diamond trade are now thought to have improved.

Transvaal Output for December.—The December statistics of gold output in the Transvaal show that the total production of fine gold during the month amounted to 681,847 ounces, as compared with 704,236 ounces in November, and 632,215 ounces for December, 1920. The following table shows the production for a number of years past:—

	1916.	1917.	1918.	1919.	1920.	1921.
January	787,467	782,634	714,182	676,059	670,503	651,593
February	763,524	781,321	658,759	636,728	625,330	558,137
March	736,689	787,094	696,281	712,379	707,036	671,123
April	754,672	742,778	717,000	694,944	686,979	681,382
May	777,681	779,385	741,317	724,995	699,041	687,776
June	761,764	759,724	727,696	702,379	715,957	678,490
July	761,087	757,839	736,199	735,199	736,099	689,555
August	781,150	756,558	740,210	706,669	705,083	711,526
September	771,587	739,231	708,206	698,558	682,173	691,026
October	792,339	751,290	679,764	723,722	662,472	707,825
November	783,066	722,839	658,701	677,970	633,737	704,236
December	774,462	722,419	641,245	650,191	632,215	681,847
Totals	9,396,618	9,018,084	8,418,292	8,330,091	8,153,625	8,114,516

NUMBER OF NATIVES EMPLOYED at the End of Last Eight Months by Members of the Witwatersrand Native Labour Association and Contractors.

	May, 1921.	June, 1921.	July, 1921.	Aug., 1921.	Sept., 1921.	Oct., 1921.	Nov., 1921.	Dec., 1921.
Gold mines	170,595	168,152	166,999	169,008	171,912	175,331	176,410	177,836
Coal mines	14,510	14,704	14,688	14,446	14,244	13,936	13,465	13,230
Diamond	1,302	1,517	1,246	1,207	1,219	1,223	1,217	1,224
Total	186,407	184,373	182,933	184,661	187,375	190,490	191,092	192,290

A CONCERT in aid of the Distress Fund for Cornish tin miners will be given at the Queen's Hall on January 28th, at 7.30 p.m.

At a meeting of the Royal Statistical Society on January 17th, at 5.15 p.m., Mr H. W. Macrosty, O.B.E., will read a paper on "Some Current Financial Problems."

The Efficiency Club announces that an address on "The Problem of the Exchanges" will be given by Prof. T. E. Gregory at Vernon House, Park place, St James's, on January 18th, at 8 p.m. The Hon. Lady Parsons will take the chair.

Oversea Correspondence.

UNITED STATES.—FINAL CROP REPORT— NOVEMBER FOREIGN TRADE. (FROM OUR CORRESPONDENT.)

NEW YORK, December 31, 1921.

THE final report published this week by the Department of Agriculture, giving crop areas, yields, and values for 1921, fully confirms the belief which had quite generally been held that some others of this country's crops besides cotton, were larger than the Department's earlier estimates had indicated. The wheat estimate has been raised 54,000,000 bushels, the increase being principally in winter wheat. Gains are also noted in the yields of potatoes, rice, tobacco, hay, and buckwheat, while decreases from the October 1st forecast are shown in corn, oats, barley, rye, apples, sweet potatoes, flaxseed, and beans. The total wheat yield is now placed at 795,000,000 bushels, as against 787,000,000 last year; corn, 3,081,000,000 bushels, compared with 3,232,000,000 in 1920; oats, 1,061,000,000 bushels, against 1,526,000,000; cotton, 8,300,000 bales, as compared with 13,400,000; and barley, 151,000,000 bushels, against 202,000,000 in the preceding year. Yields of other crops are shown in the accompanying table. The production of seven leading cereals amounted to 5,203,000,000 bushels, as compared with 5,883,000,000 last year, which was the largest yield ever recorded. In its final estimates the Department of Agriculture values the principal farm crops of the United States this year at \$5,675,877,000. That is nearly \$3,400,000,000 less than last year's crops were worth, and \$8,000,000,000 less than the crops of 1919, when farm products were commanding high prices. This year's value shows a decrease of 37 per cent. from that of 1920, and of 58 per cent. from 1919. The values are based on prices paid to farmers as at December 1st, while the crops included in the estimate comprise about 90 per cent. of the value of all farm crops. Some authorities figure, therefore, that this year's value of all crops will be about the same as that of 1914—namely, \$6,112,000,000. Only two crops this year—corn and hay—are valued at \$1,000,000,000, while last year there were four. Yields were lighter than in 1920 for almost every crop, notwithstanding the fact that the acreage of the principal crops was somewhat larger, with the exception of cotton. The following table gives the estimated yields in bushels, unless otherwise stated, as indicated by the Government's final figures, together with the final yields in 1920 and in the previous high-record years:—

	Production, in Millions of Bushels.			Year.
	1920.	1921.	Record Yields.	
Corn	3,232	3,081	3,232	1920
Winter wheat	578	587	729	1919
Spring wheat	209	208	356	1918
All wheat	787	795	1,026	1915
Oats	1,526	1,061	1,593	1917
Barley	202	151	256	1918
Rye	69.3	58	91	1918
Rice	53.7	40	53.7	1920
Buckwheat	13.8	14	22.8	1866
Seven cereals	5,883	5,203	5,883	1920
Hay, tame, tons	91.2	81.5	91.3	1919
Hay, wild, tons	17	15.2	21.3	1915
All hay, tons	108	96.7	110	1916
Potatoes, white	430	347	442	1917
Apples, total crop, barrels	240	96.9	253	1914
Peaches	43.7	32.7	64	1915
Sweet potatoes	112	98.7	112	1920
Flaxseed	11	8.1	29	1902
Tobacco, pounds	1,508	1,117.1	1,508	1920
Cotton, bales	13.4	8.3	16.1	1914
Peanuts	36	..	52.5	1917
Beans	9.1	9.1	17.4	1918
Cotton-seed, tons	5,970	3,704	7,186	1914

The returns of our foreign trade in November, classified by origin and destination, show that of the \$49,200,000 decrease in exports as compared with October, \$43,000,000 was due to a falling off in shipments to Europe, and \$36,000,000 to decreased exports to England, France, and Italy alone. The interesting fact is also disclosed that whereas in November of last year our exports to England and France were about \$146,000,000 greater than our imports from those countries, imports since then, especially in the past few months, have increased, while at the same time our shipments have decreased, with the result that our excess of exports has declined, until last month it amounted to only \$45,000,000 approximately. That development undoubtedly accounts to a considerable extent for the marked improvement in sterling and French exchange rates in the past month or two. Our exports to all countries in November, totalling \$294,437,000 were 56 per cent. less than in November, 1920, and 60 per cent. below the same month in 1919. Compared with November of last year, exports of manufactured goods showed the heaviest shrinkage, with a decline of 63 per cent.; foods were next, showing a drop of 56 per cent.; while exports of crude materials were 41 per cent. less. Imports last month, \$211,027,000, were 34 per cent. smaller than in November, 1920, the decrease being due principally to a decline of 53 per cent. in foods, 30 per cent. in manufactured products, and 15 per cent. in crude materials. Comparisons with a year ago are, of course, vitiated by the great decline in prices.

FRANCE.—THE BUDGET AND REPARATIONS—COST OF LIVING—CROPS—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, January 10.

THE report of the Finance Commission of the Chamber on the "Special Budget for 1922 of Recoverable Expenditure" has now been distributed, and provides much interesting information. M. de Lasteyrie, the Rapporteur-Général of the Commission, reminds us, in the preamble of his report, that this special budget comprises the expenditure on the devastated area, pensions, &c., that Germany is under obligation to repay, in accordance with the stipulations of the Peace Treaty. "Down to this day, however," the report asserts, "the Government of the Reich has repaid to the French Treasury only a portion of the cost of the army of occupation on the Rhine, and has not paid a single centime of the amount it owes for the reconstitution of the liberated regions and for the payment of military pensions." The burden of these payments has consequently fallen on the French Government, which down to January 1, 1922, according to this report, "had paid on account of Germany a total amounting approximately to 80,000,000,000, made up as follows:—

Paid on account of reparation of damage to property	45,000,000,000
Paid on account of damage to persons	29,000,000,000
Interest on sums borrowed for recoverable expenditure	6,000,000,000
Total	80,000,000,000

Referring to the negotiations that have been from time to time in progress in regard to France's share in the Reparation payments, M. de Lasteyrie points out that, under the London agreement of May 5, 1921, France suffered a reduction of 30 per cent. in the amount that was due to her. He criticises the financial agreement arranged in Paris in August last, congratulating the French Government on not having so far ratified it, and he fully approved and emphasised the importance of the Wiesbaden agreements. As a means of solving the Reparations problem, the Finance Commission urge that an Allied Debt Commission, similar to those that function in Greece, Turkey, and Egypt, should be installed in Berlin, in substitution for the Committee of Guarantees now operating there. This Commission, the Rapporteur urges, should have the double function of (1) bringing pressure on the German Government for the purpose of inducing it to restore order to its finances and controlling the note issue of the Reichsbank effectively, and (2) for assuring the service of the Reparation Debt, particularly in the direction of re-establishing control over foreign bills and other securities, and preventing capital from leaving the country.

The Special Budget of Recoverable Expenditure for 1922 provides for a total expenditure of 7,320,000,000 and for a revenue of 7,000,000,000, composed of 4,500,000,000 coming from payments due from Germany during the current year under the terms of the Peace Treaty and 2,500,000,000 to be derived from the negotiation of indemnity bonds due to this country from Germany during the same period. As there is no reason to suppose that any effective revenue will be derived from either of these two theoretical sources, however, "it is to be feared that this year, as in previous ones, the Special Budget will have to draw its resources almost entirely from loans." The Government propose to take up during the current year the sum of 8,000,000,000 in loans through the Crédit National and a further 4,000,000,000 in loans that are to be arranged through various industrial groups and secured on the annuities due to them from the Government in respect of war losses. Down to the end of December, the report shows, the Crédit National has expended a total of 9,397,000,000 in respect of reconstruction work, and now has an available balance of only 1,200,000,000. From this it appears that a fresh issue of Crédit National bonds may be expected in the comparatively near future.

Official figures are now issued showing the following diminution in the cost of certain of the principal necessities of life in France during 1921 (as compared with the year 1910, for which the figure 100 is taken as a basis):—

	April, 1920.	Jan., 1921.	Nov., 1921.
Vegetable foodstuffs	613	401	366
Animal foodstuffs	616	570	403
Sugar, coffee, cocoa	474	357	343
Manufacturing materials	763	478	393
Minerals and metals	608	409	332
Textiles	1,115	539	453

Some interesting figures have been issued by the Prefecture of Police in Paris, showing the fall in the cost of living in Paris during the past twelve months, as compared with that in London during the same period. The figures, which have been drawn up by the prefectorial Commission du Cout de la Vie, are based on the expenditure of an average Parisian or London family for food, clothing, fuel, lighting, and miscellaneous articles during 1921, as compared with the earlier part of 1914. From these figures it appears that articles of consumption that could have been bought with a unit of 100 francs or 100s in 1914 have necessitated an expenditure in 1921, in London or Paris respectively, of:—

	Paris.	London.
December, 1920	370	269
First quarter, 1921	338	252
Second " "	307	223
Third " "	295	220
Fourth " "	204	204

* Not yet available.

It should be mentioned that the figures for Paris do not include anything for rent, whereas those for London comprise this important item. Down to the beginning of 1921 house rents still remained at what were practically pre-war figures, owing to repeated efforts of the Legislature to protect tenants, and particularly tenants who had been mobilised. During the course of 1921 house rents in Paris rose, on an average, 21 per cent.

The Ministry of Agriculture has published this week figures showing the comparative yield in France for the various crops for 1913, 1920, and 1921, Alsace-Lorraine being included in each instance. The figures are as follows:—

	1913.	1920.	1921.
	Quintals.	Quintals.	Quintals.
Cheese	86,919,050	64,482,180	87,843,770
Rye	12,714,750	8,761,390	11,302,030
Barley	10,437,600	8,356,880	8,230,980
Buckwheat	5,664,350	3,695,210	2,606,830
Oats	51,826,010	42,297,820	35,591,900
Maize	5,430,750	3,878,140	3,099,600
Potatoes	125,859,662	116,377,650	82,247,650
Jerusalem artichokes	17,793,805	11,238,840	9,197,630
Mangel-wurzels	252,201,090	183,320,730	143,259,870
Swedes and turnips	34,561,430	23,903,970	17,269,060
Cabbages	82,749,700	62,761,140	26,929,620
Clover	48,725,189	41,415,300	..
Lucerne	58,174,985	43,582,510	83,227,120
Sainfoin	29,532,315	20,674,130	..
Meadow land casual	11,640,477	10,475,620	8,424,600
Annual green food	156,227,470	95,947,630	67,333,990
Natural pasture	186,974,009	160,488,390	132,681,520
Sugar beet	59,393,355	24,627,030	16,488,150
Distillery beet	20,505,450	4,683,900	3,137,040
Tobacco	260,024	208,793	176,498

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LONDON REPRESENTATIVE.
Gresham House, Old Broad Street,
London, E.C. 2



The political situation has this week reacted very seriously on the Bourse, and the political hesitancy at Cannes has been interpreted into financial hesitancy on the markets. Financiers here are far from optimistic, and it is felt generally that the crisis through which industrialists have passed cannot but have their sequel. In consequence the public is frankly shy from the standpoint of investment, and private purchasers have neglected such opportunities as were offered them. French 3 per cents. have dropped from 54.60 to 54.20, but foreign securities were rather more in demand. Banks have dropped, Banque Union Parisienne falling from 727 to 715, Banque de Paris from 1,258 to 1,245, and Credit Lyonnais from 1,435 to 1,425. Transports have resisted the general tendency. Thus P.L.M. is improved at 828 as against 819, Nord has lost a point at 915, and Orleans stands at 891 as against 886. Shipping has again been depressed. Chargeurs Réunis have fallen from 495 to 472, Trans-Atlantique from 235 to 211, and Messageries from 208 to 204.

The returns of the Bank of France for the last week, the previous week, and the corresponding week of 1913 are as follows:—

	Jan. 5, 1922.	Dec. 29, 1921.	Jan. 8, 1913.
	Francs.	Francs.	Francs.
Capital of the Bank	182,500,000	182,500,000	182,500,000
Profits in addition to capital	38,105,294	38,105,294	3,006,146
Reserve	22,105,750	22,105,750	22,105,750
Reserve of landed property	4,000,000	4,000,000	4,000,000
Special Reserve	8,407,444	8,407,444	8,407,444
Sinking Fund	556,688,724	556,327,701	..
Surplus earmarked for Sinking Fund for advance to State	28,296,415	1,263,869,414	..
Supplementary Sinking Fund for interest (Law, Dec. 20, 1918)	8,824,696	8,824,696	..
Notes in circulation	37,421,829,805	36,487,456,505	5,857,171,280
Interest on securities	86,227,620	54,956,021	51,210,154
Bank notes to order	1,471,157	826,919	3,721,950
Treasury account	18,786,449	26,013,951	175,125,651
Current accounts, Paris	1,682,192,121	1,655,739,595	640,780,222
Do branch banks	1,198,229,930	1,061,452,764	78,436,219
Dividends payable	18,324,532	16,048,777	7,872,585
Discounts and sundries	8,076,329	3,455,839	6,869,685
Re-discounts	13,081,887	13,081,887	5,435,355
Sundries	1,160,055,168	1,158,372,239	249,528,569
Total	42,456,134,385	42,561,543,400	7,301,173,209

CREDITOR.

	France.	France.	France.
Cash in hand	5,804,212,794	5,803,993,100	3,848,866,877
Balances abroad	623,595,260	623,732,963	..
Commercial bills overdue	3,755,198	1,148,790	238,706
Discounts in Paris	348,944,115	1,321,083,993	864,112,895
Foreign bills	6,059,138	6,242,392	25,972,295
Treasury bills	638,417	886,412	67,539
Discounts in branches	1,495,179,420	1,177,615,557	1,127,943,760
Adjourned payments, Paris and branches	56,576,355	52,240,332	..
Advances on bullion	12,874,000	12,874,000	5,841,000
Do on public securities	432,295,720	408,168,522	206,656,110
Do by branch banks	1,840,725,360	1,819,875,173	545,555,161
Advance to State (ordinary)	200,000,000	200,000,000	200,000,000
Do (for war)	24,150,000,000	24,600,000,000	6,438,500
Treasury bonds in respect of Advances to Foreign Govern-ments	4,150,000,000	4,142,000,000	12,990,750
Government stock reserve	12,980,750	12,980,750	99,625,796
Do disposable	101,858,558	101,858,558	100,000,000
Rentes indisponible	100,000,000	100,000,000	40,390,035
Premises and furniture	54,912,965	54,459,975	621,804
Expenses and management	1,762,303	665,003	8,407,438
Special reserve	8,407,438	8,407,438	207,394,517
Sundries	2,051,336,690	2,108,312,437	..
Total	42,456,134,385	42,561,543,400	7,301,173,209

BANK OF FRANCE RATES.

Discount	5 1/2
Advances on bullion	5 1/2
Advances on public securities	6 1/2

GERMANY.—REPARATIONS—FINANCES—REICHSBANK—EXCHANGE AND BOURSE—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, January 10.

ALTHOUGH the conditions and exact extent of the alleviation granted to Germany at Cannes were not yesterday known, the announcement that a decision in principle had been come to had the expected effect on business. The pound exchange fell from 780.80 (on the 7th) to 710.75, and the dollar from 185.94 to 168.67. This is another instance of the long-observed fact that the mark exchange depends primarily upon sentiment regarding Germany's relations with the Allies. The last preceding instance was the great mark rise of December 1st, which followed the beginning of the London discussions. If the Ally countries consider the present low mark exchange a threat either to their trade or (as it unquestionably is) to the payment of reparations, they have a power over this exchange's future which a speculator might envy. The substance of the coming report of the German delegates at Cannes is so far unknown. The reduced payments, independently of how they are distributed between gold and goods, will not be easy to make. The proposed International Syndicate has here awakened great interest, but not much hope. The main objective is Russia. The Russian Government, which only last week decided that foreign trade must remain a State monopoly, seems to be less than ever inclined to accept any aid which is combined with even a small measure of foreign control.

The Independent Socialists are holding their annual Congress at Leipzig. Last year at Halle the party split up on the question of accepting the Moscow International. This year all groups proclaim for united work with the moderate Majority Socialists; but all also proclaim against the collaboration with a "bourgeois" Government, which is the main plank in the Majority Socialists' platform. At Leipzig the extremer group of Crispian and Ledebour seems to outweigh the more moderate Hilferding-Breitfeld group. The resolution at present before the Congress demands class war and the Social Revolution, and Herr Ledebour again proclaims for the Dictatorship of the Proletariat.

The result of the Budget for 1922, now under preparation, is described by the "Dena" News Agency as follows:—The deficit, to be covered by credit operations, is 224,338 millions, composed of three separate deficits: 3,127 millions on general administration, 11,015 millions on railways, posts, &c., and 210,196 millions for execution of the Peace Treaty, including Reparations. This on a basis of one gold mark equals 60 paper marks. The deficit, 93 per cent. of which is due to Reparations, means a loan burden of 3,739 marks in one year on each of Germans 60 million citizens. The three milliards odd deficit on general administration all appears in the Extraordinary Budget. The Ordinary Budget shows a surplus of 18 milliards, but this must go towards Peace Treaty (mainly Reparations) execution, the total cost of which is 228,196 millions.

Ordinary revenue has developed satisfactorily. Income-tax will yield three milliards more than in 1921; the total yield of direct taxes and stamp duties will be 68,171 millions, or 30 milliards more than in 1921; and Customs and Excise will yield 25,457 millions, or 10,500 millions more than in 1921. About 8,630 millions are to be saved on food and fodder subsidies. The loss of 11,015 millions on railways and posts means a great improvement on last year. The real operating loss is only 2,189 millions, the remaining 8,826 millions being productive expenditure. This has been achieved by ruthless increases of rates. On January 1st postal rates were raised at one blow more than threefold, and are now 20 to 25 times higher than in 1914. Railway rates and fares were again raised on November 1st and December 1st, and heavy new increases (up to 75 per cent.) are announced for February 1st. The expected falling off in traffic has not so far taken place. Receipts from goods traffic in April, 1920, were 785 millions; October, 958 millions; April, 1921, 1,417 millions; October, 2,097 millions. In April, 1921, receipts were 80.4 per cent. over those of April, 1920; in October, 1921, receipts were 118.8 per cent. over those of October, 1920, in judging which the extraordinary business activity of last autumn must be taken into account. Passenger receipts have also risen considerably. That high material prices and not excessive wages are the causes of the railway deficits is shown by the fact that whereas in 1913 salaries and wages made up 60.9 per cent. of outlay, and material 39.1 per cent., in 1921 the respective figures were 52.7 and 47.3 per cent. On October 1, 1921, salaries and wages averaged 13.8 times the peace rates, whereas coal cost 48 times, rails 37 times, wooden sleepers 22 times, and bar-iron 64 times more than in 1913.

The Reichsbank statement for December 31st showed a new record increase in Treasury bill discounts of 15,293,638,000 marks, and the very large increase in circulation of 4,643,914,000 marks. The position of the bank at the close of 1921, 1920, and 1918 is here shown. A noteworthy feature is the great decrease in the last year of the asset "Kassenscheine," nearly all of which are "Darlehenskassenscheine" (loan notes), the small remainder being "Reichskassenscheine" (State notes). The former kind of "Kassenscheine" were in August, 1914, declared to be bookable as "cash" security for notes; but since the Reichsbank law of last spring no "cash" security for notes has been necessary, and to-day practically the whole security consists of discounted Treasury bills, which are not liquid assets. The bank's position is all the worse because in the hands of the public are about 114 milliards of Treasury bills, which may at any time be presented for rediscount. As the bank is obliged to rediscount, this would cause a vast further increase in circulation.

	1918.	1920.	1921.
Metal reserve	2,282	1,097	1,007
Thereof gold	2,262	1,091	995
Kassenscheine	5,267	23,416	6,963
Notes of other banks ..	3	1	2
Bills and cheques	27,416	60,634	1,061
Treasury bills	6	4	132,220
Advances	156	183	8
Investments	2,389	9,728	8,220
Other assets	22,188	68,805	113,639
Note circulation	13,280	22,327	7,591
State deposits	1,776	3,649	25,314
Private deposits	..	..	2,944
Other liabilities	..	..	..

Bank clearings in 1921 reflected the inflation, being 1,172,114 millions against 644,758 millions in 1920, 182,671 millions in 1919, and 73,634 millions in 1913. In 1914, 1915, and 1916 clearings were smaller than in 1913. Clearings in December, 1921, were 120,834 millions, against 72,873 millions in December, 1920, and 6,623 millions in December, 1913. Whereas in 1913 clearings varied little from month to month, and showed no general tendency to increase in the second half of the year, clearings in January, 1921, were 78,916 millions, in September 98,004 millions, and in November 140,490 millions, the highest point reached. The decline in December must be attributed to the lessening business activity brought with the mark exchange recovery. Savings bank reports indicate increasing tightness of money. The net increase in 282 savings banks in 11 months of 1921 was 950 millions,

against 5,640 millions in the same months of 1920 and 5,050 millions in 1919. In October savings declined by 1,800 millions, in November by 1,900 millions.

Stocks in the Bourse week ending January 5th moved up a little, but home loans were weaker. The *Frankfurter Zeitung's* securities index for stocks and loans shows for December 5th 34,646, against 33,545 on December 30th, stocks being 31,928 against 30,917, and home loans 902 against 920 (976 on November 10th). With the foreign exchanges falling, stocks were yesterday moderately weak, loans being: War 5 per cent., 77.50; Federal 4 per cent., 88; 3½ per cent., 73.90; 3 per cent., 102.75; Colonial 4 per cent., 110; Savings and Premium, 80.50; Prussian Consols 4 per cent., 70.60. The Reichswirtschaftsrat has proclaimed in favour of the restoration of daily Bourses.

The industrial "Catastrophe Boom" has come to an end, and cannot be revived by any means other than a new fall in the mark exchange. The Prussian Trade Ministry's report for the end of December agrees with private reports that in practically all branches the public, the retailers, and the wholesalers suspended buying after the big mark exchange recovery of December 1st, and that while most mills and workshops during the boom booked enough orders to keep them going for months, very few new orders are being booked, while conditionally given orders are being annulled. The same condition is reported from Austria, and in both cases the causes are the same, "Catastrophe Booms" being unhealthy conditions induced by distrust of the currency. The German "Catastrophe Boom" now ended differed from that of the winter of 1919-20 mainly by being based on a home, not upon a foreign demand. The last monthly report, for December 1st, shows a slight rise of unemployment from 1.2 to 1.4 per cent. of registered workers. As the mark's lowest point was reached in early November, this report also agrees with the theory and the past practice of "Catastrophe Booms." The lowest unemployment figure at the beginning of any month since the Armistice was reached on November 1st, with 151,871 publicly supported unemployed, the highest in 1921 being 426,600 on March 1st. The highest figure in 1920 was 454,775 on January 1st. A provisional estimate of Ruhr coal production in December is 8,000,000 metric tons in 25½ working days, against 7.77 million tons in 24½ working days in November. Total Ruhr production in 1921 (provisional estimate) is 94 million tons against 88.26 million tons in 1920. The increase is due to more labour, not to greater efficiency.

ITALY.—BANCA DI SCONTO'S MORATORIUM—FEATURES OF THE CRISIS.

(FROM OUR CORRESPONDENT.)

TURIN, January 7.

AFTER my last letter of December 24th, the story of the Banca Italiana di Sconto has filled the columns of all Italian newspapers, and may be chronicled thus:—On December 26, 1921, the Minister of Industry signed a decree limiting Stock Exchange transactions to cash dealings. While the general public were puzzled, those with inside knowledge said that Banca Italiana di Sconto's shares were pouring into the market, and a precipitate fall was threatening. The Government were clearly of opinion that speculative sales, with the consequent breakdown of prices, threatened a panic among the depositors, and accordingly stopped them. On December 27th, the newspapers reported meetings at Rome between representatives of the Government and the banks. It appeared that the figure of 600 million lire fixed as the capital of the banking consortium for the demobilisation of the Banca Italiana di Sconto was insufficient. Foreign depositors, and also some big Italian depositors, took alarm, and began hasty withdrawals. Several million lire were employed in supporting the market for the Banca's shares. On the same day an authoritative statement by Signor Parodi, counsel to the Banca Italiana di Sconto, explained that an agreement was finally reached that the sum necessary to put the Banca on its legs could only be furnished by the State or by the banks of issue acting on behalf of the Treasury. On December 28th, Cabinet Ministers discussed the position, and decided to come to the rescue; the

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Government could have authorised the Bank of Italy to give to the Banca Italiana di Sconto sufficient advances to face the inevitable run; but they came, as they were bound to come in the public interest, to the sound conclusion that direct assistance from the Bank of Italy would be unjustifiable. It would only mean that taxpayers would have to pay for private faults or misfortunes. On December 29th, the *Gazette* published a Royal decree authorising the concession of a special "moratorium" to all joint-stock companies and co-operative credit societies with a capital of not less than 5 million lire which could prove inability to pay creditors owing to extraordinary and unforeseen events, or in cases where a moratorium might be in the creditors' interest.

As soon as the Royal decree was published, Signor Pogliani, general-manager of the Banca Italiana di Sconto, tendered to the Civil Tribunal of Rome a request for the concession of the moratorium, urging that the bank had assets largely in excess of liabilities. The tribunal, in the night, after a long discussion, accepted the request, and granted a moratorium up to December 30, 1922. On December 30th, another decree of the Minister of Industry postponed to January 4, 1922, the monthly Stock Exchange settlement which should have taken place on December 31, 1921. It appeared that some 60,000 shares or more of the Banca Italiana di Sconto had been sold for December and January settlement; but it was feared that buyers would not pay for them when duly tendered by sellers. The principal buyer is, it is said, the Banca Italiana di Sconto; not, indeed, directly, as the Italian law forbids joint-stock companies to acquire their own shares, but indirectly, through the agency of the Banca Italo-Caucasica, whose capital was wholly subscribed by the former. On January 3rd the Tribunal of Rome expressly forbade the Banca di Sconto from paying the sum needed to settle the Stock Exchange purchases of its own shares either directly or indirectly. Up to the moment of writing, the settlement, already postponed to January 4th, is not completely effected. A great many brokers in all the Italian bourses have been parties to sales of Banca di Sconto's shares, and are unable, owing to the default of the buyer, to fulfil their obligations toward their seller. It is a matter of 30 millions, and it is hoped that a voluntary consortium may be formed to carry over this unfortunate deal. The Government has very wisely declined to accept liabilities in a matter which only interests a number of professional Exchange men. Another decree, of the same day, changed from the permissive to the compulsory the substitution of the former directors by Judicial Commissioners when a moratorium is requested. The directors of the Banca Italiana di Sconto are therefore obliged to abandon the bank, and their assets are, moreover, put under seizure. The Tribunal of Rome used strong expressions to describe the directors' conduct:—"Serious and systematic mistakes," "risky financing methods," "favouring industrial concerns not worth financing," "mistaken interest taken in enterprises apt to produce great losses," "disastrous situation of the bank." On January 5th, the Mediterranean Lloyd Navigation Company preferred a request for a moratorium to the Civil Tribunal of Rome. This company is a creature of the Banca Italiana di Sconto.

Perhaps the time is not yet ripe for a careful and reasoned judgment of the crisis. But three observations may be made. The first is, that in Italy economic education has advanced not a little, as will be realised by those who remember the great outburst of public opinion in the old days of Tiberina, Esquilino, Credito Mobiliare, in the early nineties. Then public opinion and Government were unanimously in favour of stopping the crisis with generous use of public money. The liberal advances to private concerns and banks were the first and

foremost cause of the subsequent crisis in the public banks of issue. Nothing of the sort has happened to-day. The Government encouraged in an early stage, when they hoped the crisis might be averted, the formation of the 600 million lire consortium, whose advances were, I am informed, covered by adequate assets. But when the position appeared untenable, further assistance, at the expense of the taxpayer, was refused; and Ministers will certainly stand by their decision. Secondly, it may be doubted whether the resurrection of the moratorium was a happy one. Professor Sraffa, in a letter to Professor Cabiati, says that at most the moratorium should have been confined to the Banca Italiana di Sconto, and not extended generally to all embarrassed companies. Thirdly, the public has accepted the disagreeable notice of doors closed by one of the four big banks with great calm. Throngs at other banks were not noticeable, and if a little stream of depositors was seen requesting reimbursement during the two or three days following the announcement of the moratorium, it had ceased wholly by January 3rd or 4th. In the great savings banks the paying in of deposits continued. As I explained in my last letter, out of a total of 26.6 billion lire of deposits at June 30, 1921, only 6.6 billions are entrusted to ordinary banks, and upwards of 20 billions to co-operative and public or quasi-public savings banks. Given our social and economic conditions, this distribution of deposits is perhaps the greatest asset of our credit fabric.

SWEDEN.—A. GLOOMY YEAR—WAGE CUTS—UNEMPLOYMENT—EXCHANGES.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, December 31, 1921.

WE are now at the end of a year of unparalleled depression and misery. Unfortunately, the outlook is just as gloomy as when the year began, and the only bright point is the rapid reduction in costs. Whether this will bring about a revival of trade in the new year is difficult to say. The abnormal conditions in Germany, Baltic Provinces, and Finland upset all calculations. Negotiations for the adjustment of wages have not made any progress since the labourers in nearly all industries refused to discuss the terms offered. The consequence is that employers are posting announcements to the effect that on and from January 1st next wages will be on the basis of their offer until a settlement has been arrived at. In this way the match factories are introducing a 40 per cent. reduction, the mines in Central Sweden a 50 per cent. reduction, and so on. There was a slight spurt on the Stock Exchange just before Christmas, which raised values by about 18 million kr, bringing them again up to the level of the beginning of November. During the autumn and winter months unemployment has increased in Sweden, so that at the end of November the number out of work was 34,800, that is those who were drawing unemployment pay, as against 23,000 in October and 15,000 in September. Of these, 21,050 men and 550 women belonged to towns. In Stockholm itself there is a marked increase in unemployment, the figures for October being 4,699, and for November 6,618. The whole number of unemployed all over the country, including those who received no monetary assistance, amounted at the end of November last to 117,000, 38,000 in towns and 79,000 in the country. To fight unemployment 35 million kr have during this year been granted by the Government to various works. The past year has shown a constant rise in Swedish exchange. An index prepared by the Svensk Handelstidning gives the average of all foreign exchanges on January, 1921, as 116.1 to 100 Swedish kr, whereas at the end of this year the figure has risen to 126.2. The decline in the value of sterling has especially puzzled people here. It was taken for granted that, as soon as timber shipments were over, the £ would advance, but the restricted coal shipments from United Kingdom have upset calculations.

INDIA.—TRADE BALANCE—IMPERIAL BANK FISCAL COMMISSION.

(FROM OUR CORRESPONDENT.)

BOMBAY, December 24, 1921.

IT must be admitted that Christmas finds the political position in India as turbulent as they have ever been since the inauguration of the Non-co-operation Programme. But in matters financial and commercial a more pleasant story has to be recorded. True, the November trade figures, just published, show an adverse balance against India of Rs.9.22 crores, but exports have risen by Rs.1.06 crores, or 5.6 per cent., and imports have fallen by Rs.5.23 crores, or 16.5 per cent., since the same month of 1920. The Imperial Bank of India rate rose to 6 per cent. on the 15th inst. after standing at 5 per cent. since June 2nd last, and although there is no immediate likelihood of a change in the rate, the money market remains firm. There are plenty of inland bills, and money is moving at a fair rate, chiefly in the cotton districts and to Rangoon for rice. The Imperial Bank of India figures for the 16th inst. show a decline all round, and the percentage of cash to liabilities has fallen to 17.77. Government and trade requirements have considerably decreased the bank's cash balance, and money for legitimate commercial purposes is in genuine demand. Despite the facilities given to Indian investors in the matter of the new £10,000,000 sterling loan floated in London, and despite the outcry that was raised when no such facilities were afforded when the last loan was put on the market, India has taken up very little of this new 5½ per cent. issue. Notes in circulation have decreased by Rs.1.34 crores to Rs.171.03 crores in the week ended the 15th inst., and silver coin in India has fallen by a like amount to Rs.71.76 crores.

The Fiscal Commission is proceeding with its tour throughout industrial and commercial India, and is gathering valuable evidence. So far general opinion seems to be in favour of a policy of Protection, but it is realised that it will be difficult to formulate hide-bound proposals for the many industries and branches of trade in India which are governed by very different conditions. The local governments are all advocating policies of economy in regard to legislative expenditure. The revised Budget estimates for the current year of the Madras Presidency point to a total deficiency of Rs.2.74 crores, a large amount; and Bengal, in view of an expected deficit, intends to introduce an Entertainments Tax as a means of gathering fresh revenue. Company registrations in India have fallen off considerably during the last year. Thirty-eight were registered in October last, with an aggregate authorised capital of Rs.6.20 crores as against 93 companies with an aggregate authorised capital of Rs.13.16 crores in the same month of the previous year.

NEW ZEALAND.—THE BURDEN OF TAXATION—NOTE ISSUES.

(FROM OUR CORRESPONDENT.)

AUCKLAND, December 5, 1921.

THE wave of anti-capitalistic legislation which has been so prominent of late seems to show some signs of subsiding. It is true, the moratorium on loans and mortgages has been further extended, the rate of interest on such renewals being 6½ per cent. Owing to this fact, the legal restriction of interest, and the heavy taxation on companies, many large insurance companies and other financial bodies have reduced their investments in loans or debentures—other than Government loans, which enjoy special privileges. With regard to the crushing taxation of 8s 9d in the £ on the profits earned by industrial companies, the Premier, in a recent speech, has foreshadowed a reduction of this burden, though he announced that such a concession could only be effected by increasing the income-tax levied on private individuals. Some companies have evaded this taxation by transferring their surplus earnings to a special reserve account and distributing the amount thus accumulated in the form of bonus shares

among the shareholders. So far, this action has not been challenged by the Finance Minister, who doubtless recognises the impracticability of permanently imposing such a burden on industry. At the same time, the announced intention of the Government to reduce the tax has produced a good effect on the Stock Exchange, a strong upward tendency being apparent in the quotations of company shares. Not less gratifying is the formal declaration of the Government that they will pursue a policy of severe retrenchment. The war has cost the Dominion some £80,000,000, involving also a heavy annual charge for interest, sinking fund, and pensions. It is claimed that a saving has already been effected in departmental expenditure of £907,041, besides £646,000 in subsidies; while other savings would bring the total up to £2,000,000, which would be later increased to about £3,250,000. It is recognised that the policy of meeting increased expenditure by new loans has been disastrous, while increased taxation has proved a great handicap to industry.

The Government continues to observe much secrecy with regard to its financial policy. The Premier has definitely stated that he did not intend to go to the London money market again during the current financial year, but with regard to future financial arrangements he could not yet take the public into his confidence. When asked how some funds obtained for educational purposes had been raised, he declined to give fuller information. His statement, however, that "there was not enough currency" in circulation would seem to portend, taken in connection with other facts, a further increase of the inconvertible paper issue. It is just a year since the last issue of new paper money was made, so far as ascertainable, for such issues are not discussed in Parliament, but made in a semi-clandestine manner, through an Order in Council, published in the *Gazette*, which is the first announcement to the public of any increase in the note issue. The financial difficulties of the Government are enhanced by the great fall in the value of all New Zealand produce, and the decreased returns from Customs and railways, while accounts have yet to be adjusted with the Mother Country; in a few years' time an obligation of at least £50,000,000 must be met. The proposed financial measures are calculated to maintain the credit of the Dominion, and there is a possibility that another loan may be attempted in London during the coming financial year. So far, the parity of exchange has been well maintained, the New Zealand banks charging a rate of 1½ to 2 per cent. for sight drafts on London. The industrial outlook is good, with the exception of a coal miners' strike, which will probably soon be settled.

Letters to the Editor.

INTER-ALLIED DEBTS AND IRELAND.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I have received to-day a reprint of Mr Sam Evans' letter as published in your issue of November 26, 1921.

Mr Evans appears to be anxious for better relations between this country and the U.S.A., but I do not see how his object is furthered by what he is doing. He is entitled to the free expression of his opinions in his own country, but many of us deeply resent being lectured like this by a stranger in our own Press.

I wonder what would happen if some unfortunate Englishman in America wrote a similar letter to the papers there about the Philippines! He would be told in no measured terms to mind his own business.

That we have got to pay our debts to America is quite clear, and I fancy the country, apart from purely Stock Exchange interests, would really resent being relieved of any such obligation. Certainly, if our domestic policy is to be interfered with, it would be dear at the price.—Yours faithfully,

W. R. NICHOLSON.

Pangbourne, Berks, January 11th, 1922.

BOOKS RECEIVED.

- A Revision of the Treaty, Being a Sequel to the Economic Consequences of the Peace.* By John Maynard Keynes, C.B. (London) Macmillan and Co., Limited. 7s 6d net.
- Les Crises Economiques par Mentor Bouniatian.* (Paris) Marcel Giard. 25 francs.
- American Corporations.* By John J. Sullivan. New Revised Edition. (New York) D. Appleton and Co. Obtainable from Messrs D. Appleton and Co., London. 15s net.
- Chart Showing the Annual Price of Wheat for 122 Calendar Years in United Kingdom and United States.* By George Broomhall. (London) Corn Trade News, St Mary's chambers, St Mary Axe, E.C. 3. 5s.
- A Primer of Taxation.* An Introduction to Public Finance. By E. A. Lever. (London) P. S. King and Son, Limited. 2s 6d net.
- Sound Money.* By William Smellie. (Liverpool) William Smellie, 501 Tower building.
- Oil: Its Influence on Politics.* By Francis Delaisi. Translated from the French by C. Leonard Leese. (London) The Labour Publishing Company, Limited. 2s 6d.
- The Port of Swansea: Tides, Rates, and Dock Facilities, 1922.* (Swansea) Swansea Harbour Trust.
- Calcutta Commercial Gazette and Investors' Guide.* December 22, 1921. (Calcutta) Calcutta Stock and Share Syndicate, Limited.
- The New Hazell Annual and Almanack, 1922.* (London) Henry Frowde, Hodder and Stoughton. 5s net.
- Hazell for 1922 is published at 5s net, representing a reduction of 2s 6d on the 1921 price. This has been effected by cutting out certain sections which seemed less essentially useful than others. It contains practically all the well-known features which have made it the standard work of reference for official information. The Civil Service personnel occupies no less than 31 pages, notwithstanding that the Ministries of Food and Munitions are no more. Tables are given of the post-war strengths of the navies of the United Kingdom, the United States, and Japan. Final statistics of war casualties are also given.
- Clubs, 1922.* Edited by E. C. Austen-Leigh. (London) Spottiswoode, Ballantyne, and Co., Limited. 7s 6d.
- A list of 3,936 British clubs situated in various countries.
- Mechanical Appliances for Handling Railway Traffic.* By George Bulkeley. (London) The Railway Gazette. 5s net.
- Mathieson's Handbook for Investors for 1922.* (London) F. C. Mathieson and Sons. 5s net.
- A record of Stock Exchange prices and dividends for the past 10 years.
- The Blackpool Times.* January 6th. (Blackpool) Blackpool Free Press, Limited.
- This issue is produced by the "photo litho offset" process, which avoids the necessity of making any half-tone blocks for illustrations, and the *Blackpool Times* is, it is claimed, the first newspaper to be printed by this method in this country.
- The Lloyd George Liberal Magazine.* January, 1922. (London) L. J. Gooding, 25 Old Queen street, S.W. 1.

STOCK EXCHANGE NEWS. SETTLING DAYS.

TICKET.	ACCOUNT.
January 25.	January 26.

It may appear to be almost monotonous to reiterate that the prevailing feature of the Stock Exchange markets is the strength of gilt-edged securities. In spite of the unexpected developments that have arisen between France and England in connection with the Cannes Conference, the investment stocks pure and simple not only hold their ground with tenacity, but continue to advance every day. New issues which offer sound security are promptly over-subscribed, and it is the exception for subscription lists to remain open for anything like their full term. As one stock ceases to advance, several others take its place in the rise. The War Loan has been up to 92½, and upon giving way from the best, the running was quickly picked up by the Funding Loan, Victory Bonds, and Consols. Several hundreds of rises have occurred this week in the lists for Colonial Government securities, corporation stocks, home and foreign railway debenture and preference issues, Indian rails, and similar stocks. Yet the Stock Exchange is not greatly benefited in the matter of business, because of the fact that the rises are brought about more by

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willingness to buy than sufficiency of stock to meet the demand. Various new issues are known to be pending. It is said in the Stock Exchange that January will see something like 50 millions of new securities created and offered to the investing public.

French and German bonds both improved because of the efforts being made at Cannes to promote international trade and to restore credit. The rises, however, were not held, owing to the recall to Paris of M. Briand. The dealings in the new Chilean loan began this week on the basis of $\frac{3}{4}$ premium, a price that was rapidly improved upon, and Argentine Government bonds of most kinds have been in the ascendant. Something of a feature is the way in which Scandinavian and Dutch bonds, Government and Municipal alike, have advanced. Russians are also substantially better. Italian and Portuguese hardened, and Foreign Government descriptions are becoming more popular. Chinese and Japanese rose with the rest.

Substantial rises have occurred in Home Railway stocks. Resumption of publication of weekly traffics set a match to the smouldering optimism engendered in the market by hope that, in the demand for investment stocks, buyers would come round to the Home Railway market in due course. Prices rose by a couple of points per diem, the Preferred stocks being especially prominent in the newly-awakened fervour. The companies have notified the dates on which their dividend declarations will be made. Whether or not the rise may have proceeded too rapidly is a matter for speculation. Canadian railway stocks have strengthened a little, but Mexicans continue apathetic, and Argentine Railway Ordinary stocks, with a somewhat dull tone, have been thrown into the shade by rapid rises amongst Brazilian railways, the latter group being the subject of rumour as vague as it is hopeful.

Rubber shares are dormant, and the Oil market attracts comparatively little attention. Physical conditions in the market are such that it is easy for a broker to walk unimpeded through the middle of a market which, a year ago, was a huge crowd of excited and closely-packed dealers. British Controlled shares gave way on the issue of a report regarded as disappointing. The banking market is little affected by the reduction in profits shown by the Big Five, and quotations have scarcely varied, though the discount companies' shares are better, and the Insurance list has further improved. The offer, promptly accepted, of Union Castle 6 per cent. debenture stock at 93 $\frac{1}{2}$ had no effect upon the Shipping market as a whole, where steadiness is the principal feature. Textile shares are better, with Coats and Courtaulds leading moderate advances. Vickers have given way, and the Iron and Steel market is a little hesitating, though prices keep firm. Amongst the new issues, Reading Electric, Llanelly Electric, Midland Counties Electric, De la Rue debenture, and several others of similar class have been readily taken at rising prices. Lyons led a quiet improvement in Catering and Stores shares, while in the Brewery market the quotations of something like 70 debenture stocks were advanced without dislodging stock which is in keen demand from prospective buyers.

The Kaffir market has lain under the shadow of the strike of miners on the Transvaal. Hopes are entertained that the influence of General Smuts will be able to promote a satisfactory settlement, and these anticipations served to rally the market from the lowest prices touched. Rhodesians are tinged with sympathetic dulness, and the Diamond shares are practically neglected. There has been a fair amount of speculation in Russo-Asiatics, Colombian Mining, and one or two other speciality shares. The markets concerned with tin are uninteresting. Indians show a slight tendency to droop, with the exception of Champion Reefs, in which the price rose in one day from 1s 3d to 2s 9d, being offered later at a florin.

On Monday, a meeting of the proprietors of the Stock Exchange will be held to discuss a scheme having for its object the abolition of Dual Control. Past experience of the apathy which the Stock Exchange displays in connection with most matters concerned with its internal government will prevent any feeling of surprise if the present proposal shares the same fate as that accorded to all of its predecessors which have been aimed at a similar end.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—				
Amount previously recorded	13,963,953			

TREASURY BONDS.

Total receipts, 5-15 Year, 1925-35	1,062,317
5 $\frac{1}{2}$ 1929 receipts to December 31, 1921	175,365,199
Week to January 7, 1922 (new series)	16,511,064
Receipts to date	191,876,263

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED JANUARY 7, 1922.

April 1 to January 7, £6,530,000	400,000	400,000
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To the Public—				
Lanarkshire County Council, £2,500,000, 5 $\frac{1}{2}$ % Red. Stock (red. at par, 1935-55), issued at 96 $\frac{1}{2}$ (Jan. 9)	2,500,000	2,400,000	125,000	2,275,000
Richard Thomas & Co., Limited, £1,000,000, 7 % First Mort. Deb. Stk. (red. at par, 1923-52), issued at 94 $\frac{1}{2}$ (Jan. 11)	1,000,000	945,000	100,000	845,000
Union-Castle Mail Steamship Co., £2,000,000, 6 % Deb. Stock (red. at par, 1927-34), issued at 93 $\frac{1}{2}$ (Jan. 12)	2,000,000	1,870,000	100,000	1,770,000

Total offered to public	5,215,000	325,000	4,890,000
To Shareholders only—			
East Surrey Water Co., £100,000 6 $\frac{1}{2}$ % Red. Deb. Stock (red. at par, 1931-41), issued at 98 $\frac{1}{2}$	100,000	98,000	15,000
Total offered to shareholders	98,000	15,000	83,000

Total offered to shareholders	98,000 ..	15,000 ..	83,000 ..
Total offered for subscription to date	Total	offered for	subscription to
in—	whole year—		
1922.....	236,188,017	1921.....	3388,978,203
1921.....	10,538,507	1920.....	367,649,666
1920.....	25,243,050	1919.....	1,036,059,961
1919.....	65,479,368	1918.....	1,383,381,441
1918.....	76,551,840	1917.....	1,318,596,010
1917.....	13,617,806	1916.....	585,436,580
1916.....	50,465,250	1915.....	585,436,580
1915.....	558,000	1914.....	512,522,633

5 $\frac{1}{2}$ per Cent. Treasury Bonds.—Issued at £59 per cent and repayable at par on May 15, 1930. Interest payable half-yearly on May 15th and November 15th. Full particulars of this issue will be found in the *Economist* for December 3rd (see page 986).

Lanarkshire County Council Redeemable Stock, 1935-1955.—This is an issue of £2,500,000 5 $\frac{1}{2}$ per cent. stock at 96 per cent, to be redeemed at par on January 15, 1955, unless previously cancelled by purchase in the open market or by agreement with the stockholders. The Council, however, has the option of redeeming at par on and after January 15, 1935, on giving three months' notice. The present issue of stock is intended to replace in part existing loans, and to provide for authorised capital expenditure on housing (State assisted) schemes and on gas undertakings. It will rank *pari passu* with all other loans of the Council. The valuation of the county for 1921-22 is £2,748,831, while the gross revenue of the Council for the year ended May 15, 1921, was £901,447. Total net debt of the County Council at May 15, 1921, after deducting sums at the credit of the several sinking funds and excluding debt for housing (State assisted) schemes, amounted to £1,770,895. Debt in respect of housing (State assisted) schemes amounted at May 15, 1921, to £681,370. This housing debt is secured by statutory obligation of the Government to contribute a subsidy towards expenditure in excess of the produce of a rate of four-fifths of a penny per £. On the completion of the housing schemes authorised by the Scottish Board of Health, at an estimated cost of about £5,000,000, the Exchequer subsidy will approximate to £250,000 per annum. Payment of interest on debt of the gas undertakings is secured in case of default by a gas contingent guarantee rate of unlimited amount. In addition to these securities, the County Council have power, under the Local Authorities Loans (Scotland) Act, 1891, to levy a guarantee rate, unlimited in amount, for the purposes of this issue upon all lands and heritages within the county. An excellent issue, which met with the success it deserved.

Richard Thomas and Co., Limited.—Authorised capital £9,000,000, of which £4,875,851 has been issued. This is an offer for sale of £1,000,000 7 per cent. first mortgage debenture stock at 94 $\frac{1}{2}$ per cent., and is the first issue of a total authorised amount of £1,500,000 debentures. The stock is to be redeemed by an annual cumulative sinking fund of 1 per cent., beginning in 1923, and operating by purchase or annual drawings. This sinking fund will redeem over 87 per cent. of the stock now offered by January 1, 1952, and any balance then outstanding will be paid off at par. The company reserves the right to redeem the stock by drawings, at 103 per cent., on any interest date after January 1, 1937, on not less than two months' notice. The company also reserves

the right on the issue of the remaining £500,000 of debenture stock to fix the rate (not exceeding 7 per cent.) at which interest will be paid. The undertaking was formed in 1884, and it is claimed that it is the largest manufacturer of tinplates in Europe. The debenture stock will be secured by a trust deed as a first specific mortgage on the freehold and leasehold property, and a first floating charge upon the remaining assets. Property and plant are valued at £1,881,859, while net tangible assets of the company, before adding proceeds of this issue, are £5,794,700. Profits are given from 1916, and these show that debenture interest payments can be easily found, while it is worthy of note that the company has earned and paid dividends on its ordinary share capital every year since its incorporation in 1884. In this offer for sale we cannot find any reference that the trust deed makes allowance for pledging assets to bankers against borrowings in the ordinary course of business, yet it is to be observed that "bank advances" figure under liabilities. The present vendors of the stock paid 89 $\frac{1}{2}$ per cent. for it, but they are paying 2 per cent. for underwriting and a $\frac{1}{2}$ per cent. overriding commission. Subject to industrial considerations, the issue possesses merit.

Union-Castle Mail Steamship Company, Limited.—Authorised capital £8,240,000, of which £3,980,000 has been issued, and is fully paid up. There is also outstanding £909,757 of 4 per cent. debenture stock falling due for repayment on January 1, 1923. This is an offer at 93 $\frac{1}{2}$ per cent. of £2,000,000 6 per cent. debenture stock, being part of an authorised issue of £3,000,000, the balance of which is reserved to provide for the redemption of the existing 4 per cent. debenture stock. This 6 per cent. stock is secured by a trust deed constituting a floating charge upon assets, and subject to existing debentures. It would have been better, perhaps, from the investors' standpoint if a specific charge on the company's boats could have been offered. The stock will be redeemed at par in 1934, but the company reserves the right at any time after February 1, 1927, on giving three months' notice, to pay off stock at 100 per cent. The company was formed in 1881, as the Castle Mail Packet Company Limited and changed its name to the Union-Castle Mail Steamship Company, Limited in 1900, on amalgamation with the Union Steam Ship Company Limited. Its financial success as a progressive shipping undertaking is amply reflected in the record of dividends shown in the prospectus. Assets of the company are now valued at £8,000,000. Following previous practice, the directors are content to rely upon the established reputation of the company for attracting subscribers, and information is lacking which in smaller and lesser known undertakings would be looked upon as serious omissions. But the issue has been fully subscribed, and will take rank among the best investments in the shipping industry.

ACTIVE SECURITIES

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.

	Price Last Week.	Price Latest.	Rise or Fall.
War 4 $\frac{1}{2}$ 1925-28	91 $\frac{1}{2}$	92 $\frac{1}{2}$	+ 1
Loans 5 $\frac{1}{2}$ 1929-42	92	92 $\frac{1}{2}$	+ $\frac{1}{2}$
4 $\frac{1}{2}$ 1923-42	96	96 $\frac{1}{2}$	+ $\frac{1}{2}$
Funding Loan 4 $\frac{1}{2}$	77 $\frac{1}{2}$	77 $\frac{1}{2}$	0
Victory Bonds 4 $\frac{1}{2}$	81 $\frac{1}{2}$	82 $\frac{1}{2}$	+ 1
Conversion Loan 3 $\frac{1}{2}$	67 $\frac{1}{2}$	67 $\frac{1}{2}$	0
Consols 2 $\frac{1}{2}$	50 $\frac{1}{2}$	51 $\frac{1}{2}$	+ 1
Irish Land Stock 2 $\frac{1}{2}$	51 $\frac{1}{2}$	52 $\frac{1}{2}$	+ 1

	Price Last Week.	Price Latest.	Rise or Fall.
Barclays B (£1, f.p.d.)	2 $\frac{1}{2}$	2 $\frac{1}{2}$	0
Lloyds (£5 with £1 pd.)	2 $\frac{1}{2}$	2 $\frac{1}{2}$	0
London Joint City & Midland (£12 with £2 pd.)	7 $\frac{1}{2}$	7 $\frac{1}{2}$	0
London County West- minster and Parr's (£20 with £5 paid)	15 $\frac{1}{2}$	14 $\frac{1}{2}$	- 1

	Price Last Week.	Price Latest.	Rise or Fall.
Antofagasta Cons.	42	43	+ 1
B. A. & Pacific	35	35 $\frac{1}{2}$	+ $\frac{1}{2}$
B. A. Gt. Southern	57	57 $\frac{1}{2}$	+ $\frac{1}{2}$
Buenos Ayres West.	54	54 $\frac{1}{2}$	+ $\frac{1}{2}$
Canadian Pacific	142	143	+ 1
Central Argentine	52	51 $\frac{1}{2}$	- $\frac{1}{2}$
Grand Trunk Ord.	1 $\frac{1}{2}$	1 $\frac{1}{2}$	0

	Price Last Week.	Price Latest.	Rise or Fall.
Argentine 5 $\frac{1}{2}$, 1886-7	97	97	0
Belgian 3 $\frac{1}{2}$	63	63	0
Brazil 5 $\frac{1}{2}$, Fund, 1914	66	66	0
Chilian 4 $\frac{1}{2}$, 1885	67	67	0
Chinese 5 $\frac{1}{2}$, 1912	67	68	+ 1
Egyptian 4 $\frac{1}{2}$	62	62 $\frac{1}{2}$	+ $\frac{1}{2}$
French 5 $\frac{1}{2}$	49	49	0
Do 4 $\frac{1}{2}$	32 $\frac{1}{2}$	32 $\frac{1}{2}$	0

	Price Last Week.	Price Latest.	Rise or Fall.
Great Central Pref.	92	10	+ 2
Great Eastern	28	29	+ 1
Great Northern Def.	23 $\frac{1}{2}$	26 $\frac{1}{2}$	+ 3
Great Western	75	78	+ 3
London, Brighton, & A.	39	41	+ 2
London, Chatham & Dover	6	6	0
Do Arb. Pref.	39	43	+ 4
L. and N.W. (New)	69 $\frac{1}{2}$	73	+ 3 $\frac{1}{2}$

	Price Last Week.	Price Latest.	Rise or Fall.
Local Loans 3 $\frac{1}{2}$	55 $\frac{1}{2}$	56	+ $\frac{1}{2}$
Aust. 5 $\frac{1}{2}$ deb. 1922-7	97	99	+ 2
Canada 5 $\frac{1}{2}$, 1920-25	97	97	0
India 3 $\frac{1}{2}$ Stock	57 $\frac{1}{2}$	58 $\frac{1}{2}$	+ 1
Do 7 $\frac{1}{2}$ Stock	104 $\frac{1}{2}$	104 $\frac{1}{2}$	0
N.S.W. 5 $\frac{1}{2}$, 1922-27	97	97	0
Uo.S.A. 4 $\frac{1}{2}$, 1920-25	96	96	0
Victoria 5 $\frac{1}{2}$, 1924-34	94	94	0

	Price Last Week.	Price Latest.	Rise or Fall.
Nat. Bank of Egypt (£10)	19	19	0
Nat. Bank of S. Africa (£10)	11	11	0
Nat. Prov. & Union of England & £20 with £4 paid)	9 $\frac{1}{2}$	9 $\frac{1}{2}$	0
Standard of S. Africa (£20 with £5 paid)	11	10 $\frac{1}{2}$	- $\frac{1}{2}$

Colonial and Foreign Railways.

	Price Last Week.	Price Latest.	Rise or Fall.
Grand Trunk 3rd Pref.	3 $\frac{1}{2}$	3 $\frac{1}{2}$	0
Leopoldina	25	26 $\frac{1}{2}$	+ 1 $\frac{1}{2}$
Mexican Railway	13	13	0
Do 1st Pref.	33	33	0
Do 2nd Pref.	23	23	0
San Paulo	118 $\frac{1}{2}$	121 $\frac{1}{2}$	+ 3
United Havana	44 $\frac{1}{2}$	44 $\frac{1}{2}$	0

Foreign Government Securities.

	Price Last Week.	Price Latest.	Rise or Fall.
Italian 3 $\frac{1}{2}$ Renten	21 $\frac{1}{2}$	21	- $\frac{1}{2}$
Greek Monopoly 4 $\frac{1}{2}$	34 $\frac{1}{2}$	32 $\frac{1}{2}$	- 2
Japanese 4 $\frac{1}{2}$	105	105	0
Do 4 $\frac{1}{2}$, 1910	64	62	- 2
Mexican Cons. 1882	62 $\frac{1}{2}$	60 $\frac{1}{2}$	- 2
Peruvian Corp. Pref.	15 $\frac{1}{2}$	14 $\frac{1}{2}$	- 1
Russian 5 $\frac{1}{2}$, 1908	14 $\frac{1}{2}$	16 $\frac{1}{2}$	+ 2
Spanish 4 $\frac{1}{2}$	72 $\frac{1}{2}$	70 $\frac{1}{2}$	- 2

British Railways.

	Price Last Week.	Price Latest.	Rise or Fall.
L. & S. Western, Def.	18 $\frac{1}{2}$	20	+ 1 $\frac{1}{2}$
Metropolitan	27	27 $\frac{1}{2}$	+ $\frac{1}{2}$
Metropolitan District	24 $\frac{1}{2}$	23	- 1 $\frac{1}{2}$
Midland Deferred	46	48 $\frac{1}{2}$	+ 2 $\frac{1}{2}$
North British Def.	10	11	+ 1
North-Eastern	75	75	0
South-Eastern "A"	22 $\frac{1}{2}$	25	+ 2 $\frac{1}{2}$

Telegraphs.

	Price Last Week.	Price Latest.	Rise or Fall.
Anglo-American "A" 19	19 $\frac{1}{2}$	19 $\frac{1}{2}$	0
Marconi Wireless	18 $\frac{1}{2}$	18 $\frac{1}{2}$	0
Marconi Canada	18 $\frac{1}{2}$	18 $\frac{1}{2}$	0
Marconi Marine	18 $\frac{1}{2}$	18 $\frac{1}{2}$	0

American Railroads.

	Price Last Week.	Price Latest.	Rise or Fall.
Chesapeake & Ohio	65	65	0
Erie	12	10	- 2
Do 4 $\frac{1}{2}$ 1st Pref.	17	16	- 1
Marconi Canada	22	21	- 1
Do Non-cum Pref.	56	56	0

Miscellaneous.

Aerated Bread (£1)	1 $\frac{1}{2}$	1 $\frac{1}{2}$	+ 0
Armstrongs (Sir W. G.) and Co. (£1)	15/3	14/9	- 4
Ass. Pind. Cement (£1) 14/	14/9	14/9	- 0
B'ham Small Arms (£1) 7/6	7/3	7/3	- 3
Brazil Traction (£100) 30 $\frac{1}{2}$	31 $\frac{1}{2}$	31	- 1
British-American Tobacco (£1)	3 $\frac{1}{2}$	3 $\frac{1}{2}$	+ 0
Brit. & Arg. Meat (£1)	3 $\frac{1}{2}$	3 $\frac{1}{2}$	+ 0
Burmah Oil (£1)	5 $\frac{1}{2}$	6 $\frac{1}{2}$	+ 1
Coats (J. and P.) (£1)	2 $\frac{1}{2}$	2 $\frac{1}{2}$	+ 0
Courtaulds (£1)	1 $\frac{1}{2}$	1 $\frac{1}{2}$	+ 0
Cunard (£1)	1 $\frac{1}{2}$	1 $\frac{1}{2}$	+ 0
Dorman, Long (£1)	1 $\frac{1}{2}$	1 $\frac{1}{2}$	+ 0
Dunlop Rubber (£1)	1 $\frac{1}{2}$	1 $\frac{1}{2}$	+ 0
Fine Cotton Spinners (£1)	1 $\frac{1}{2}$	1 $\frac{1}{2}$	+ 0
Forestral Land (£1)	1 $\frac{1}{2}$	1 $\frac{1}{2}$	+ 0
Furness, Withy (£1)	1 $\frac{1}{2}$	1 $\frac{1}{2}$	+ 0
Highlands and Low- lands Rubber (£1)	1 $\frac{1}{2}$	1 $\frac{1}{2}$	+ 0
Hudson's Bay (£1)	5 $\frac{1}{2}$	5 $\frac{1}{2}$	+ 0
Imperial Tobacco (£1) 2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	+ 0
Int'l. Nat'l. Paint (£1)	1 $\frac{1}{2}$	1 $\frac{1}{2}$	+ 0
Linggi Plants. (£1)	1 $\frac{1}{2}$	1 $\frac{1}{2}$	+ 0
Lipton (£1)	1 $\frac{1}{2}$	1 $\frac{1}{2}$	+ 0
Lever Bros 7 $\frac{1}{2}$ Cmp (£1) 16/3	16/3	16/3	+ 0
Do 8 $\frac{1}{2}$ Cmp	16/3	16/3	+ 0
Do 20% Cmp Pford (5/)	9/3	9/3	- 1/4
Lister (£1)	4 $\frac{1}{2}$	4 $\frac{1}{2}$	+ 0
Libtobos Oilfields (£1)	4 $\frac{1}{2}$	4 $\frac{1}{2}$	+ 0
Lyons (J.) & Co. (£1)	2 $\frac{1}{2}$	3/0	+ 3
Magnal Soda (£1)	4 $\frac{1}{2}$	4 $\frac{1}{2}$	+ 0
Morgan & Co. (£1)	3 $\frac{1}{2}$	3 $\frac{1}{2}$	+ 0
North Caucasion (10/)	10/0	10/0	+ 0
Pekin (2/)	3 $\frac{1}{2}$	3 $\frac{1}{2}$	+ 0
Rubber Plantations Investment (£1)	2	2	- 0
Shell Transport (£1)	4 $\frac{1}{2}$	4 $\frac{1}{2}$	+ 0
Smith & Argentine Meat (£1)	4 $\frac{1}{2}$	4 $\frac{1}{2}$	+ 0
Underground Electric (£10)	2	2	+ 0
Do "A" (1/)	2	2	+ 0
Do Inc. Bds. (£100)	76	76	+ 0
United Serdang (2/)	6 $\frac{1}{2}$	5 $\frac{1}{2}$	- 1
United Saccos (£1)	6 $\frac{1}{2}$	5 $\frac{1}{2}$	- 1
Vallambrosa (2/)	6 $\frac{1}{2}$	5 $\frac{1}{2}$	- 1
Vickers (£1)	1 $\frac{1}{2}$	1 $\frac{1}{2}$	+ 0
Watney Def. Stk.	144	144	+ 0

COMPANY MEETINGS, &c.

BANK OF MONTREAL.

BANK'S STRONG FINANCIAL POSITION.

FINANCIAL AND TRADE CONDITION IN CANADA.

The one hundred and fourth annual general meeting of the shareholders of the Bank of Montreal was held on December 5th in the board room at the bank's headquarters, Montreal.

On the motion of Mr R. B. Angus, Sir Vincent Meredith, Bart., was requested to take the chair.

Mr George Caverhill moved, seconded by Mr E. W. Beatty, K.C., that Messrs Hartland B. MacDougall and G. L. Ogilvie be appointed to act as scrutineers, and that Mr C. H. Cronyn be the secretary of this meeting.

The Chairman then called upon the general manager, Sir Frederick Williams-Taylor, to read the annual report of the directors to the shareholders.

THE PRESIDENT'S ADDRESS.

Sir Vincent Meredith, in moving the adoption of the report, said: Our banking year just closed has witnessed a further readjustment of prices and slackening trade. It has been a year of unrelenting anxiety, entailing constant vigilance in order to avoid serious losses.

I need not remind you that the proverbial policy of your bank has been, and it still is, to maintain a strong position by means of abundant liquid resources, so that in times of stress we may be in a position to meet the legitimate demands of our customers, as well as such exceptional calls in the general interest as may be made upon us.

While our profits have naturally fallen off in comparison with the previous year, they have been sufficiently large to warrant your directors in paying a bonus of 2 per cent. in addition to the quarterly dividend of 3 per cent. A substantial sum has as well been carried forward to credit of profit and loss.

The foreign trade of Canada has suffered serious diminution this year in terms of value, and there is no doubt that in quantity also there has been a shrinkage. In this respect we do not differ from other nations, and, indeed, make favourable comparison with many of them.

The year's harvest, taken in the aggregate, was fairly abundant, but in parts of the Western Provinces, and particularly in Central and Eastern Canada, prolonged summer drought stunted growth and impaired the yield. The outturn of wheat is probably 50,000,000 bushels larger than last year, and coarse grains generally have yielded well. The stimulating effect of a good harvest would have been experienced but for the serious decline in prices, which has cut into farmers' profits, and in a number of instances has actually involved loss on the season's operations. Another year, however, may retrieve this situation by reduction in price of articles consumed by agriculturists, including that of labour.

BURDEN OF TAXATION.

Taxation has everywhere become a serious burden. In our own country it is heavy even to the point of impeding industry and trade, and I know of no other means of redress than economy in public and private expenditure.

The past year in Great Britain has been marked by gradually falling money rates. Inactive trade and renewed inflation through Government borrowings are the chief cause of this monetary ease. Trade has sunk to a very low ebb there, as elsewhere, the improvement noticed in the spring having been checked by the coal strike. Wholesale prices have had a substantial fall, which has not been followed to the same extent by retail prices.

In the United States deflation has proceeded more rapidly than it has with us, and I am inclined to think that country is at the turning towards improving conditions. These, however, I fear, will be spasmodic and slow. It is noteworthy that a tendency to a broader view of international affairs, both monetary and political, is in evidence, and this tendency will, I hope, grow as time goes on, and the one country in the world which is in a position to do so will extend the relief so urgently required by an economically and commercially distressed Europe.

The state of the international exchanges continues to be a disturbing element in business.

Conferences have been called for the purpose of devising some feasible plan for establishing and restoring rates, and the subject has been widely discussed by economists and bankers, but so far no practical proposals have been made to yield the result desired.

EXPORT CREDITS.

It is only recently that the importance of foreign trade and foreign credits in the restoration of exchange and in bringing about a more prompt return to prosperity has been generally recognised. Although difficulties of financing have not by any means been cleared up, it is being realised that domestic trade is largely dependent on export business, even though its volume be small.

The British Government, as you are aware, has given the lead in inaugurating a scheme for facilitating exports to impoverished countries through the Export Credit Department of the Board of Trade, which is empowered to advance a large sum of money for this purpose. The United States Government has legislated in the same direction by authorising banking and credit corporations to engage in foreign trade, and it may be that Canada will find a way to participate in similar schemes.

It has been my consistent practice to avoid anything savouring of politics, and if I allude to the railway question it is only because it relates intimately to public finances, to taxation, and so to the daily business of the country, already bearing heavy imposts to sustain the public credit.

In Great Britain and in the United States, as is well known, the railways were returned to private ownership because the operation by the Government was resulting in financial chaos.

With our own national system of railways it is well to face the facts. There has to be met an annual fixed charge of about \$66,000,000, plus loss in operation, which last year amounted to \$32,000,000, and will this year be not greatly less. In addition, a sum estimated at \$150,000,000 has to be provided in the next few years for replacements and betterments. I see no reason to change the views I have expressed to you on former occasions, nor do I look for any marked improvement in these conditions so long as the roads continue under public—that is, political—ownership and operation, which all experience condemns.

IMMIGRATION.

Only second in importance to our railway problem is that of immigration. As is well known, following upon the cataclysm of a great war, there has come in the past a desire for change and an exodus of people from many countries has resulted. No such movement has yet occurred following the recent upheaval in Europe, but I think Canada has an exceptional opportunity of filling up her waste spaces if a vigorous, sustained immigration policy is set in motion. We need people upon the land—the cities will take care of themselves. Now that the United States has awakened to the advantage of directing her emigrants to outer parts of the Empire, the time seems opportune for Canadian agencies of all kinds to exhaust every effort to turn the stream to our shores, so that our vast uncultivated arable territory may be populated and made productive.

In the most propitious circumstances of trade, prophecy is rash, and in the complicated conditions that now beset us I will refrain from the risk of forecast. What we do know is that Canada has withstood the shock of deflation and readjustment in a manner which has afforded gratification to our own people, and has caused much favourable comment abroad, but a return to pre-war standards cannot be expected at once, and probably not for a considerable time to come.

The position is still full of difficulties, and the way to sustained improvement is not year clear. While there has been a revival in some lines of business, in others deflation has not yet run its course, and stocks are being carried which possibly may have to be written down to lower replacement values.

The revival, now being experienced, possibly based upon a demand in consequence of depleted stocks, has given a temporary spurt to buying. I look for a period of rises and falls as demand exceeds supply or otherwise.

A return to normality will be hastened if and when labour realises that war inflation wages cannot be continued, and that the changed economic conditions necessitate more efficiency and greater production if we are to compete successfully in the world's markets. Increased production will, without doubt, be followed by a lowering of prices, larger consumption, and fuller employment.

No survey of the business world, however brief, can omit that matter of supreme importance, the Washington Conference on the limitation of armaments.

Though the utmost hopes may not be fulfilled, great gain will come from reduction of expenditure on armaments and the lessened taxation thereby made possible. In no small measure the restoration of normal world trade depends upon the outcome of the Conference. A happy issue will give that confidence which creates credit, and will go far towards bridging the period of liquidation and reconstruction.

THE GENERAL MANAGER'S ADDRESS.

Sir Frederick Williams-Taylor, the general manager of the bank, then made his annual address, and said: In presenting the 104th annual balance-sheet of the bank I will explain the chief changes which it discloses, and will refer briefly to the most important events bearing upon our affairs during the past year.

Inevitably, losses brought about through the unprecedented drop in the price of commodities and the heavy decline in the market value of securities have in many instances fallen indirectly upon the banks.

More money has been lost by foreign banking institutions operating in certain directions abroad than ever before in a similar period in any country.

I think it may be asserted that in Canada banks generally have been fortunate when compared with those of other countries, and while doubtless all Canadian banks have lost money in loan accounts that have "gone bad" during the past year, no disaster has developed.

We do not blind our eyes to the fact that 1921 has been an exceptionally hard year for many of our customers, and, therefore, we have considered it prudent to take an even more conservative view than usual of our loan accounts in estimating what might be classed as doubtful.

STRONG POSITION.

It is a satisfaction to be able to assure you that our own actual losses have been moderate, and, though profits have shrunk, we have come through safely, and can report our business as a whole as being in a secure condition, while our position is stronger than ever, with amply liquid assets to meet any contingency.

The premium on New York funds is still with us, with little prospect of departure in the near future. The rate is 8½ per cent. to-day as compared with 15 per cent. on December 5, 1920. The fact that Canadians have become accustomed to the penalty of doing business abroad with an inferior domestic dollar does not alter the fact that Canada is at a very serious disadvantage indeed in its monetary dealings with the United States of America.

I shall not go into the matter, as it has been dealt with in my previous reports, except to say that the premium on New York funds will not disappear until we buy many millions less of goods and materials abroad or increase our exports.

The premium would have been higher had it not been that Canada has borrowed in the United States this year \$144,000,000, which sum, so far as exchange is concerned, must be added to our exports or deducted from our imports.

Every Canadian should understand, however, that this is merely alleviation, not cure. Economically, it would be far better that we should borrow within our own borders. By borrowing abroad we add steadily to the already great sum of interest on our foreign obligations annually sent out of the country, the capital amount aggregating nearly \$3,500,000,000.

Canada still maintains its excellent credit position in the New York market, and no difficulty has been experienced in floating such loans as have been offered.

OUTLOOK IN CANADA.

As regards the outlook in Canada and the prospect as affecting Canadian business generally, I have no desire to join the list of oracles who predict the date when normal conditions will be restored. For one thing, values are out of joint. Our main dependence is on our natural resources, and at present the purchasing power of the products thereof is at the lowest level reached for several years past. On the other hand, we still have with us high prices in other directions, while retail prices generally are conspicuously out of line.

The cause of this anomaly is still mainly the cost of labour. Unemployment is a natural corrective, though painful and regretted by everyone.

Apart from this, I cannot see how we can count upon improved conditions concurrently with trade revival in the United States. Conditions are similar in many respects, as everyone knows, but our liabilities and our mistakes are our very own. Aside from the cost of the war, we must pay the penalty of having mortgaged our future in the building of superfluous railways and in other extravagances.

DOLLAR AT SERIOUS DISCOUNT.

It is all very well to talk about our vast resources, but we as a people have pledged these resources and wasted our sub-

stance to an extent only now being realised. Evidence of this is, first, in the great sum of nearly \$200,000,000 annually sent abroad to meet the interest on our debts; and, second, that our dollar is at a serious discount in the United States, with which country we trade so heavily.

The Canadian resources that remain intact are the manhood of the Dominion and the industry and the ambition of our citizens. In these respects Canada is still rich, and, having learned our lesson from that inexorable teacher, stern experience, we shall emerge from our difficulties in time a wiser nation and then proceed to the full development of a great inheritance on a sound and sure basis, turning the experience of the past to the advantage of the future.

The General Manager then gave in detail the reports on the conditions of trade, &c., in the various Provinces, as supplied by the superintendents.

The report having been adopted, votes of thanks to the president, vice-president, directors, and staff were passed.

The votes of thanks having been responded to by the president and general manager, the ballot for the appointment of auditors and the election of directors was duly proceeded with, and the meeting terminated.

BANK OF NEW SOUTH WALES.

RESULTS SATISFACTORY—CURRENT YEAR'S PROSPECTS.

At the half-yearly general meeting of the Bank of New South Wales, held at the Chief Banking House, Sydney, on Tuesday, November 29, 1921, the chairman, the Hon. Sir Charles K. MacKellar, K.C.M.G., M.L.C., president of the bank, in moving the adoption of the report, said:—

Gentlemen,—Before dealing with the figures of the last half-year, I desire to refer to the loss the bank has sustained during that period by the deaths of two of its most notable officers, viz., Sir John Russell French, K.B.E., and Mr Roderick Murchison. The former, who for 27 years was the general manager of this great institution, was a man much above the average in strength of character and ability, and the loss of his public spirited energy will long be felt throughout the State, both in connection with the bank and otherwise. I am pleased to say—and feel sure the shareholders will agree with our action—that your board has granted to the widow, Lady French, the sum of £10,000 over and above the amount she is entitled to from the officers' provident fund, which is £1,000 a year for five years from the date of Sir John's death.

Mr Roderick Murchison, so well known in Victoria, was for many years our Melbourne manager and chief officer of that State. He passed away within a couple of days after the death of the late general manager. Mr Murchison had retired some years from active service on the staff, but up to the time of his death acted as our advisory director to the Melbourne management.

BALANCE-SHEET ITEMS.

In moving the adoption of the report, I beg to call your attention to the figures which make up the balance-sheet.

Circulation in New Zealand has decreased £187,000 during the year, due largely to the slump in the meat and produce exports from New Zealand, and to the curtailment of importations there.

Deposits are £421,000 higher than this time last year and £1,203,000 less than on March 31st, when, as then pointed out, the increase at that time was of a temporary nature—and until the demand for our produce and metals is more active, deposits must have a downward tendency.

Bills payable remain stationary on the year, but are £2,101,000 less than last March. This is solely owing to the necessary restriction of imports affecting London commitments under credits.

Capital has been increased £69,000. All forfeited shares and shares derived from fractional parts in respect of the last issue of new capital have been disposed of and accounted for to various shareholders interested, the capital now standing at £5,000,000.

On the assets side the fluctuations are more marked, the first line figures being £1,050,000 more than last year, and £1,700,000 less than March last, this latter being mainly reflected by the decrease in deposits referred to above.

Advances against Commonwealth war gratuities are £315,000 higher—and wheat advances £1,334,000 higher. Both these Government advances are temporary, and will disappear in due course.

Advances show a reduction of £2,350,000 since last March, and a total reduction for the year of £2,100,000. Restricted purchases of British and foreign goods and consequent realisation of excessive stocks held here partly account for this reduction, and another factor is the receipt by the farmers of money for their wheat, which is reflected in their accounts with us.

Premises stand at £800,000, and are £20,000 less than last year. It is not our policy to unduly write down this asset, but it has been kept in the vicinity of £800,000 for a decade, notwithstanding purchases of properties and erection of buildings.

PROFITS.

Profits are lower than last half, but, after making full provision for contingencies, are slightly more than last year, and the carry forward has been increased by £25,000 after bringing up the reserve fund to £3,500,000. Last half-year's profits were exceptional as then pointed out.

The reports from our inspectors and representative officers throughout New South Wales and the other States in Australia are one and all satisfactory, in that they record grass in abundance, and stock, speaking generally, in excellent condition. The production of wool, sugar, and wheat is forecasted to exceed last year—the two first-mentioned products will be very considerably greater, and our information is that the wheat production will be a little better than hold its own in comparison with last year. The price these commodities will command is very much a matter of conjecture, but there has been an appreciable improvement of late in the demand for wool, and we have every justification in looking forward to a reasonable price for our wheat, although we cannot expect a repetition of last season's prices.

The frozen meat industry should under ordinary circumstances have renewed its activity this coming year, but unfortunately there is a glut in the market just at present, and our advice is that we cannot look for much improvement in prices for some months to come. The over-importing, which gave us some concern up to a few months ago both in New Zealand and Australia, has now been controlled, and although domestic commodities may not be falling in prices as rapidly as some buyers may desire, there can be no doubt about the trend being in the right direction, and we may look forward to something like normal prices ruling again in the not very distant future.

EXTRAVAGANCE AND ITS RESULTS.

Gentlemen, peace conditions are now upon us, and to many they are more difficult to control than war conditions. The population generally has become extravagant and disinclined for the more prosaic, though in every way healthier conditions which obtained before the war. These inclinations, which have been growing amongst us for the last six years, cannot be altered altogether at once, but they should not be encouraged to continue, as they have been in every way during the last few years. Institutions and individuals have been carried away by temporary and fictitious success; the craving of both public and private institutions to borrow more and more money and cast it about in unreasonable wages, and otherwise, seems insatiable. This kind of thing might

be very beautiful if it could go on, if it could continue indefinitely, but it cannot—it is false, therefore it cannot last, and the reaction is inevitable. The reaction, as a matter of fact, is setting in already, and is reflected in the unemployment. No country nowadays can live alone, we are all associated one with the other, and no article can be of any sustained value to us—whether manufactured or raw material—if it costs more to produce than the world values it at. Therefore I hope with all my heart that the authorities responsible for economic conditions will bear this in mind and avert the growth of unemployment, which would appear to be the natural consequence of the country's present policy. In the old and over-populated centres of the world a certain number of unemployed may be accepted as the natural order of things, but in this great, naturally resourceful and sparsely populated country it should not be accepted as a matter of course, because it is avoidable, and the fact that it exists and promises to increase, to the degradation and discomfort of the population, is a reflection on our Australian intelligence.

In this magnificent country there should not only be work for every man and woman desiring it, but there should be openings to attract an influx of population from the over-populated and temporarily disorganised centres of Europe, and that, gentlemen, is, I protest, what all of us desire who place the love and pride of country before everything else, and long to see this splendid continent develop until we become one of the great producing and influential powers of the earth, which, beyond all doubt, is within our possibilities if we all carry on and work with such ideals in view.

BRITISH-AMERICAN TOBACCO COMPANY, LIMITED. SATISFACTORY RESULTS DESPITE DIFFICULTIES OF THE PAST YEAR.

The nineteenth annual general meeting of the British-American Tobacco Company, Limited, was held, on the 11th instant, at the offices of the company, Westminster House, 7 Millbank, London, under the presidency of Sir Hugo Cunliffe-Owen, Bart., one of the deputy chairmen.

The secretary (Mr A. M. Rickards, F.C.I.S.) read the certificate of Sir William Plender, of Messrs Deloitte, Plender, Griffiths, and Co., chartered accountants, appended to the accounts.

The Chairman, in moving the adoption of the report and accounts, said: Since our last annual general meeting there have been two changes in the directorate. Sir Joseph Hood, M.P., one of the deputy chairmen, resigned his directorship, as he desired, having

regard to his Parliamentary duties, to have more leisure, and Mr Lawrence Hignett, also one of the deputy chairmen, resigned his position as a deputy chairman because he felt he could not continue to devote himself so closely to the business, and has become an ordinary director. I am glad to say that as a matter of fact he is still continuing to devote the whole of his time and attention to the business.

I may mention that Sir Joseph Hood was engaged in the formation of the company, and was appointed its solicitor, and within six months after the incorporation of the company was elected a director. His resignation was accepted with the utmost regret. I am glad, however, to be able to inform you that Sir Joseph Hood was good enough to offer to place his invaluable knowledge of the company's affairs and experience at the disposal of the board at any time when they desired to consult him, and we have on many occasions availed ourselves of his kind offer. No doubt you will all have seen from the last Honours List that his Majesty conferred the honour of a baronetcy on Sir Joseph Hood, and I am sure you will all join with me in congratulating him on that well-deserved honour. The vacancy caused by the resignation of Sir Joseph Hood has been filled by the election of Mr Charles Ernest Maconochie.

BALANCE-SHEET ITEMS.

Taking the assets side of the balance-sheet first, you will observe that the item of real estate and buildings at cost, less provision for amortisation of leaseholds, £550,950, shows a small increase of £8,964. We have made some further investments in land and buildings at Southampton and land at Bangkok, Mombasa, and Lagos, against which we have disposed of certain property at Rochester, New York, leaving the net increased figure just mentioned.

Plant, machinery, furniture, and fittings at cost or under, £475,931, shows an increase of £56,430. This increase is made up of a number of items of additional machinery at various places.

Goodwill, trade marks, and patents is reduced from £505,114 to £200,000. We have during the past year disposed of the goodwill of our business in Canada, and also the goodwill of certain parts of our business in Belgium and New Zealand, and have received in each case shares in payment therefore in subsidiary companies. Whilst we have only written off from the goodwill item the sum of £305,114 to bring it down to £200,000, yet the par value of the shares received represents a much larger sum.

Loans to and current accounts with associated companies, £5,547,886, show a very substantial decrease of £1,647,071. A number of our subsidiary companies have during the past year materially reduced their indebtedness to us, which accounts for the large decrease in this item.

Investments in associated companies show a very considerable increase, from £11,356,132 to £15,340,582. This again is the largest item on the assets side, and shows an increase this year of £3,984,450. We have made a number of investments during the past year by increasing our holdings in various subsidiary companies throughout the world, including the investment of nearly £1,000,000 in the 7½ per cent. bonds of the Imperial Tobacco Company of Canada, Limited. This item, of course, is also swelled by the shares we now hold in subsidiary companies represented by the decrease in the item of goodwill previously mentioned.

Other investments, which stood last year at £607,922, is now reduced to £4,958, due to the fact that we have disposed of our investments in War bonds and 4 per cent. funding loan.

Stocks of leaf, manufactured goods and materials at cost or under, now stands at £6,873,065, or a decrease of £148,120. As mentioned by the chairman last year, stocks of leaf, manufactured goods and materials have been in the past carried at cost or under, and this practice has been maintained, stocks being taken at market value, which is again lower than cost. While the stocks of leaf on hand are larger than last year, the decrease referred to is accounted for by smaller stocks of manufactured goods and materials on hand.

Sundry debtors, less provision for doubtful debts and debit balances now stand at £2,108,140, or a reduction of £423,035. Generally, less money is owing to us by our customers than was the case last year.

Cash at bankers and in transit, £2,520,980, shows a reduction of £335,139. This is necessarily a fluctuating item.

Turning to the liabilities side of the balance-sheet, the issued capital of 4,500,000 preference shares remains the same, but the issue of ordinary shares is increased from 16,002,523 to 16,015,645, or an addition of 13,122 shares. This is partly due to issues to shareholders in respect of belated acceptances of the various issues of shares, but 10,000 of it is due to the issue to two directors of shares in pursuance of a resolution passed by the shareholders on May 19, 1919.

Creditors and credit balances is increased to £6,239,843, representing £560,904 more than it stood at last year. This increase is mainly accounted for by increased provision for income-tax, and,

in addition we had loans from our banks—which, however, have since been paid off.

The item of reserves for buildings, machinery, and materials is reduced by £140,426 to £489,737, as it became unnecessary any longer to maintain certain reserves.

Premium on ordinary shares issued has increased by £10,000 to £401,039, due to the premiums received on the 10,000 shares issued to the directors previously mentioned.

Provision for redemption of coupons now stands at £50,545, or a reduction of £5,289.

Special reserve has increased from £1,198,727 to £1,254,230, a difference of £55,503. This is due to the realisation in respect of the liquidation of some shares in excess of the amount standing on our books, and the difference has been carried to the credit of this item.

General reserve to provide against possible losses arising from the war. This item still stands at £1,500,000. At our meeting last year the chairman then said we expected to receive shortly a sum of approximately £1,280,000 in respect of the amount due on loans and current accounts from Germany. We only received a small part of this amount, however, prior to September 30th, but I may mention that since then we have received a further sum on account, making a total of £1,246,565 3s 4d up to date, which will mean that this item will have to be dealt with in our balance-sheet a year hence, when we shall be in a position to say how much has been received and in what way we propose to deal with the balance of the £1,500,000.

PROFIT AND LOSS ACCOUNT.

That brings me to the last item—namely, profit and loss account. You will remember that last year we carried forward a balance of £3,076,868 12s 11d, out of which we paid a final dividend of 9 per cent., amounting to £1,440,405 14s 5d, which left us with a disposable balance of £1,636,462 18s 6d. During the year the necessary coupons have been deposited with us in respect of the shares issuable in pursuance of the extraordinary resolution of the shareholders of May 10, 1920, and we have allotted to shareholders 2,263 ordinary shares of £1 each, and a sum of £2,263 is deducted from the balance, leaving £1,634,199 18s 6d. To this sum the net profits for the year—after deducting all charges and expenses for management, &c., and providing for income-tax and corporation profits tax—amounting to £4,323,481 5s 10d, should be added, less the preference dividend of £225,000 and the four interim dividends, amounting to £2,561,227 0s 10d, which leaves a disposable balance of £3,171,454 2s 9d, out of which the directors recommend the distribution on January 18th instant of a final dividend (free of British income-tax) on the issued ordinary shares of 8 per cent., amounting to £1,281,266 6s 5d, leaving £1,890,187 16s 4d to be carried forward. This final dividend of 8 per cent. will make 24 per cent. for the year upon the ordinary shares, which were in existence a year ago, and upon the small number of shares issued since. The amount, of course, varies with the date of their actual issue.

The directors trust that the shareholders will consider the dividend satisfactory.

I may mention that the net profits for the past year show an increase of £1,229,000 over the average net profits for the preceding seven years, 1914 to 1920, even including the record year of 1919-1920.

During the past year we have passed through a period of great difficulty and depression, more particularly in January, February, and March. Since that time conditions in our business have gradually improved and are still improving, and during the first

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

HEAD OFFICE:
62, OLD BROAD STREET,
LONDON, E.C.2.

NORTHERN DISTRICT OFFICE: 69 Market St., Bradford

Manchester Agency—
WILLIAMS DEACON'S BANK, LTD.

Foreign Exchange Shipping and Agency Branch—York Street, Mosley Street (P.O. Box 356), where our Representatives are in daily attendance for the greater convenience of Manufacturers and Shippers.

GREAT BRITAIN

MANCHESTER LONDON

FRANCE

PARIS

SPAIN

VIGO BILBAO MADRID SEVILLE VALENCIA

● BRANCHES OF THE ANGLO-SOUTH AMERICAN BANK, LIMITED.
+ BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.
* BRANCHES OF THE COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: **HELSINKI (Helsingfors), FINLAND.**

Capital and Reserves -

Fmk. 240,000,000.00

Deposits and Cheque Accounts
(31/5/21)

Fmk. 1,200,000,000.00

123 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

three months of our current year this improvement has been maintained. I feel that we are in a very sound and promising financial position, as all our stocks of tobacco and materials have been written down to or below to-day's market value; our carry forward is larger than last year, and, as I have said before, we have received since September 30th a very large proportion of our German claims, against which we set up and still have on our books the general reserve of £1,500,000.

The resolution was carried unanimously, and a vote of thanks to the chairman, directors, and staff terminated the proceedings.

At an extraordinary meeting following, it was unanimously agreed to issue certain shares to the directors at 30s each, this being, by agreement, their recognised remuneration.

Orders for the publication in these columns of the reports at Company Meetings should be addressed to the Reporting Manager of the ECONOMIST, 3 Arundel street, Strand, London, W.C.2.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1921-22. (See Note.)	Total Receipts into the Exchequer from	Receipts.	Week Ending Jan. 7, 1922.	Jan. 1 to Jan. 8, 1922.
	£	£	£	£	£
Balances in Exchequer on 1st April:—					
Bank of England	2,591,051	7,159,773			
Bank of Ireland	483,455	2,209,324			
REVENUE.					
Customs	126,800,000	101,577,000	104,634,000	3,092,000	3,361,000
Excise	196,200,000	151,083,000	151,196,000	1,193,300	1,705,000
Motor Vehicle Duties	9,000,000	4,017,000	735,000		
Stamps, &c., Duties	48,600,000	37,437,000	37,131,000	689,000	965,000
Land Tax	21,000,000	12,093,000	20,013,000	204,000	704,000
House Duty	2,500,000	550,000	500,000	40,000	50,000
Property & Income Tax (including Super-Tax & Mineral Rights Duty)	410,500,000	182,796,000	166,585,000	8,136,000	9,743,000
Excess Profits Duties, &c.	120,000,000	29,714,000	161,248,000	4,894,000	
Corporation Profits Tax	30,000,000	10,879,000	589,000		
Post Office	60,000,000	40,250,000	36,800,000	1,250,000	850,000
Crown Lands	650,000	570,000	510,000		
Interest on Loans	12,000,000	10,700,468	17,075,294	1,876,341	2,165,943
Miscellaneous—					
Ordinary Receipts	21,500,000	18,096,114	18,433,865	515,741	651,892
Special Receipts	158,500,000	96,516,753	203,407,773	1,127,935	3,500,000
Revenue	1,216,650,000	696,279,335	917,393,562	19,448,017	28,589,834
Total, inc. Balance		699,353,941	926,762,659		

	Estimate for the Year 1921-22. (See Note.)	Total Receipts into the Exchequer from	Receipts.	Week Ending Jan. 7, 1922.	Jan. 1 to Jan. 8, 1922.
	£	£	£	£	£
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion	7,480,000	3,690,000	300,000	100,000	
Interest on Exchequer Bonds under the Capital Expenditure Money Act (1904)	169,818	169,818			
Under the Unemployment Insurance Acts, 1921	520,000				
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Acts, 1913 and 1921	5,561,474	4,000,000			
Under the Post Office (London) Railway Act, 1913	27,500	115,000			
Under the Housing Act, 1914	50,000	30,000			
(b) Under the Unemployment Insurance Acts, 1921	7,600,000				
(c) For other issues:—					
By Treasury Bills for Supply	3,102,837,000	3,166,948,000	97,973,000	150,639,000	
By 4% Funding Loan, 1900-90		270,552			
By 4% Victory Bonds		769,061			
By 6% Exchequer Bonds, 1926		258,784			
By National Savings Certificates					
Under the War Loan Act, 1914-1919		20,760,794			
Under the Finance Act, 1920	31,880,000	9,820,000	1,100,000	1,000,000	
By National War Bonds	5				
By Treasury Bonds—					
5-15 year, 1925-35	1,062,317	18,634,394			375,000
By Other Debt created under the War Loan Act, 1914 to 1919	10,961,454	38,480,813			
(d) Ways and Means Advances	1,080,446,000	1,134,212,000	4,500,000	8,000,000	
Anglo-Persian Oil Company—					
Dividends on Shares acquired	5,010	3,504			
Repayments—					
In respect of Cunard Loan	130,000	130,000			
Do East Africa Protectorate Loan	127,268	5,940	127,268	5,940	
Do Issues under Civil Contingencies Fund Act, 1919	7,250,000				
Do Issues under Land Settlement (Facilities) Act, 1919	46,434	10,697	2,496	1,274	
Do Issues under Section 59 (4) of the Finance Act, 1920	13,490,950		1,265,625		
Interest received under Section 59 (5) of the Finance Act, 1920	321,533				
Total	5,161,196,867	5,325,072,546	141,227,470	188,711,048	

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1921-22. (See Note.)	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ending Jan. 7, 1922.	Jan. 1 to Jan. 8, 1922.
	£	£	£	£	£
EXPENDITURE.					
Permanent Charge of Debt	24,500,000	14,330,156	14,625,364	2,326,932	2,325,135
Interest, &c., on War Debt	320,500,000	264,941,998	274,121,463	2,169,611	3,968,281
Road Fund	8,400,000	2,981,000	2,966,689		
Payments to Local Taxation Accounts, &c.	11,115,000	6,918,863	6,918,548	16,377	390,380
Payments to Northern Ireland Exchequer		550,000		450,000	
Land Settlement	5,000,000	2,329,906	5,280,134		109,931
Other Consolidated Fund Services	1,757,000	1,430,370	1,385,826		
Supply Services	774,851,000	470,259,760	564,466,406	18,788,529	20,280,984
Expenditure	1,146,123,000	763,742,053	809,764,430	23,751,449	27,074,711
OTHER ISSUES.					
Temporary Advances—					
Bullion	7,500,000	3,650,000	300,000	150,000	
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	169,818			
Under the Unemployment Insurance Acts, 1921	8,520,000		400,000		
Issues to Meet Capital Expenditure—					
Under the Telegraph (Money) Acts, 1913 and 1921	5,561,474	4,000,000			
Under the Post Office (London) Railway Act, 1913	27,500	115,000			
Under the Housing Act, 1914	50,000	30,000			
Redemption of Unfunded Debt—					
Treasury Bills for Supply	3,154,011,000	3,127,354,000	89,490,000	105,730,000	
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917	27,712,761	49,641,131	559,696	1,188,158	
Principal of National Savings Certificates—					
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920	14,950,000	24,700,000	700,000	600,000	
(b) Repaid otherwise	10,400,000				
Principal of Exchequer Bonds paid off—					
1921-22	12,962,820	26,396,808		250,000	
6%, 1920		2,986,808			
5%, 1920		23,410,000			
5%, 1921		18,962,820			
Other Debt under the War Loan Act, 1914 to 1919	51,494,036	54,828,930			
Principal of American Loan under the American Loan Act, 1915		59,229,221			
Ways and Means Advances Repaid	1,055,931,000	1,077,577,000	25,530,000	52,450,000	
Depreciation Fund, under the Finance Act, 1917	23,280,179	22,280,178	1,000,000	500,000	
Issues to National Debt Commissioners to Reduce Debt—Cunard Loan Repayments	130,000	130,000			
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	15,390,000	1,825,000		600,000	
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	212,450	197,766			
Balances in Exchequer—					
Jan. 7, '22	5,158,045,091	5,321,883,282	141,731,145	188,532,869	
Bank of England	2,289,614	1,998,840	181,547	46,106	
Bank of Ireland	862,162	1,190,424	685,222	132,073	
Total	3,151,776	3,189,263	503,675	178,179	

NOTE.—Budget Estimate as in House of Commons, Paper No. 89 of 1921. Treasury, January 9, 1922.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

	Notes and Certificates in Circulation.	Advances to Bankers.	Redemption Account.	Bank of England.
	£	£	£	£
1914.				
Aug. 26.	21,535	6,302	3,810	11,423
Dec. 30.	38,478	169	800	9,288
1915.				
Dec. 29.	103,125	159	849	20,538
1916.				
Dec. 27.	150,144	1,430	40	8,688
1917.				
Dec. 28.	212,782	8,554	29	5,488
1918.				
Dec. 31.	323,341	15,529	570	4,568
1919.				
Dec. 31.	356,152	17,182	250	2,202
1920.				
June 30.	357,356	16,700	190	306
Dec. 29.	367,626	16,962		134
1921.				
Mar. 30.	343,826	15,599	28,500	141
June 29.	323,884	14,965	28,500	160
Sept. 28.	314,382	14,830	28,500	143
Dec. 28.	325,584	14,658	28,500	161
1922.				
Jan. 4.	319,863	14,720	28,500	149
11.	313,456	14,274	28,500	156

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £290,000,000, for 1921 at £317,556,200, and for 1922 at £309,988,400.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £60,000,000 in three months' Treasury Bills, dated from Monday to Saturday, Jan. 16th-Jan. 21st, were opened on Jan. 13, 1922, and the total amount applied for was £78,545,000. Tenders for Monday bills at £99 is 9d and Tuesday bills at £99 is 4d, and

above in full; Wednesday to Saturday bills at £99 is 6d, about 54 per cent., and above in full. The average rate of discount was £3 13s to 73d per cent.

The following table shows Treasury Bills by tender outstanding:—

Date of Bills.	Amount Offered.	Amount Applied for.	Average Rate of Discount.	Rate for Additional Bills.
1921.				
December 16	45,000,000	66,840,000	3 5 341	3
December 23	60,000,000	67,975,000	3 7 11 09	3 1/2
December 30	60,000,000	117,040,000	3 13 652	3 1/2
1922.				
January 6	60,000,000	84,175,000	3 4 11 73	2 1/2
January 13	60,000,000	78,545,000	3 13 10 73	3 1/2

The amount to be offered next week will be £50,000,000.

DEPRECIATION IN INDUSTRIAL INVESTMENTS

can best be covered by a Limited Payment Policy in the

SCOTTISH PROVIDENT INSTITUTION

HEAD OFFICE:

6, St. Andrew-square, Edinburgh.

London: 3, Lombard-street, E.C.3.

West End: 17, Pall Mall, S.W.1.

ACCUMULATED FUNDS - £16,750,000

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, January 11, 1922.

ISSUE DEPARTMENT.

Notes issued	145,067,700	Government debt	11,015,100
		Other securities	7,434,900
		Gold coin & bullion	126,617,700
	145,067,700		145,067,700

BANKING DEPARTMENT.

Proprietors' capital	14,553,000	Government securities	55,003,686
Reserve	3,383,795	Other securities	85,162,490
Public deposits	15,602,120	Notes	21,440,710
Other deposits	129,886,571	Gold and silver coin	1,835,033
Seven-day & other bills	16,433		
	163,441,919		163,441,919

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Accounts.

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, Jan. 11, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Reserve	3,383,795	+ 9,086	+ 38,241
Public deposits	15,602,120	+ 1,516,179	+ 281,733
Other deposits	129,886,571	+ 45,016,957	+ 6,749,633
Government securities	55,003,686	+ 13,718,301	+ 4,236,820
Other securities	85,162,490	+ 34,857,746	+ 4,370,323
Reserve	23,275,743	+ 2,080,253	+ 6,379,789
Note circulation	126,617,700	+ 2,067,460	+ 6,207,275
Gold and bullion	126,617,700	+ 2,067,460	+ 172,514
% of reserve to liabilities	16%	+ 5%	+ 3%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve of Liabilities.	Bank Rate.
1921.	£	£	£	£		%	
Oct. 19.....	128,417,061	123,684,130	171,602,456	166,131,591	23,182,931	13 1/2	5 1/2
26.....	128,413,527	123,915,830	175,056,529	169,779,091	27,947,697	13 1/2	5 1/2
Nov. 2.....	128,118,244	125,141,350	141,902,138	137,856,398	21,726,894	15 1/2	5 1/2
9.....	128,200,853	125,403,190	122,925,825	118,135,305	22,467,663	18 1/2	5 1/2
16.....	128,433,196	125,597,030	126,104,851	120,549,806	23,296,168	18 1/2	5 1/2
23.....	128,338,965	125,306,915	139,684,300	135,885,916	23,582,450	16 1/2	5 1/2
30.....	128,429,340	125,118,960	140,160,001	140,174,509	21,779,380	15 1/2	5 1/2
Dec. 7.....	128,433,576	124,961,865	154,738,656	150,700,714	21,921,711	14 1/2	5 1/2
14.....	128,377,271	124,734,460	167,377,609	150,482,425	22,154,821	14 1/2	5 1/2
21.....	128,431,144	126,671,025	138,322,943	136,024,708	20,210,119	16 1/2	5 1/2
28.....	128,434,359	126,520,245	122,585,335	122,586,696	20,364,114	16 1/2	5 1/2
1922.							
Jan. 4.....	128,439,940	126,694,450	192,021,827	188,772,223	21,195,490	11	5 1/2
11.....	128,458,733	126,696,990	145,488,619	140,166,176	23,275,743	16 1/2	5 1/2

BANK OF SPAIN.

(000's omitted.)

Assets.	Jan. 7, 1921.	Dec. 31, 1921.	Dec. 31, 1920.	Jan. 7, 1921.	Week's Movement.	Position May 31, 1914.
Gold	2,513,953	2,512,869	2,511,563	2,457,955	+ 1,084	521,775
Silver	621,963	625,041	626,946	568,113	+ 3,078	728,600
Loans and discounts	2,975,368	2,975,744	2,975,009	2,195,316	+ 376	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	..	344,475
Treasury bills	150,000	150,000	150,000	150,000	..	150,000
LIABILITIES.						
Circulation	4,292,460	4,244,081	4,216,311	4,372,041	+ 48,379	1,901,550
Deposits	1,076,413	1,041,817	1,041,198	1,161,673	+ 34,596	477,000

NATIONAL BANK OF GREECE.

Assets.	Dec. 13, 1921.	Nov. 28, 1921.	Dec. 13, 1920.	Previous Return.	Last Year.
Gold and balances abroad	1,371,160,713	1,345,932,858	1,395,990,819	+25,227,855	-24,830,106
Government loans and securities	2,170,115,354	2,170,859,235	1,115,216,330	-743,881	+105,489,924
Discounts and loans	687,446,212	679,345,672	633,002,511	+8,100,540	+54,443,701
LIABILITIES.					
Notes in circulation	2,121,177,700	2,130,134,199	1,490,617,152	-8,956,499	+630,560,548
Government deposits	152,116,879	142,340,757	160,320,826	+9,776,122	-8,203,947
Private deposits	850,298,126	834,984,339	729,052,478	+15,313,787	+121,245,618
Private deposits at fixed dates	942,161,724	934,266,087	600,192,238	+7,895,637	+341,969,486

BANK OF JAPAN.

(000's omitted.)

Assets.	Nov. 26, 1921.	Nov. 19, 1921.	Nov. 12, 1921.	Nov. 27, 1920.	Move-ment.	Position June 30, 1914.
Gold and silver	1,261,175	1,261,717	1,262,719	1,147,373	-542	221,320
Discounts	128,119	62,079	65,484	76,376	+66,040	41,740
Advances	88,521	74,188	75,597	184,506	+14,333	70,540
LIABILITIES.						
Notes	1,187,907	1,120,757	1,104,489	1,118,351	+67,150	362,270
Govt. deposits	1,365,590	1,381,021	1,392,280	1,344,934	-15,431	87,340
Private deposits	49,209	39,002	72,789	98,870	+10,207	11,440

IMPERIAL BANK OF GERMANY.

(000's omitted.)

Assets.	Dec. 31, 1921.	Dec. 23, 1921.	Dec. 31, 1920.	Week's Movement.	Position May 31, 1914.
Gold	935,392	933,695	1,091,553	+1,697	1,313,240
Silver	11,612	10,447	5,856	+1,165	321,920
Treasury notes	6,963,607	6,208,644	23,416,674	+7,549,967	943,460
Bills discounted	133,392,660	118,445,263	60,634,023	+14,947,393	60,780
LIABILITIES.					
Notes in circulation	113,639,464	108,995,550	68,805,008	+4,643,914	2,013,860
Deposits	32,905,673	21,789,203	22,327,114	+11,116,470	842,340

BANK OF ITALY.

(000's omitted.)

Assets.	Dec. 31, 1921.	Nov. 30, 1921.	Dec. 31, 1920.	Move-ment.	Position May 31, 1914.
Total cash	1,349,831	1,403,684	1,338,677	-53,853	1,221,875
Inland bills	3,369,932	3,423,952	3,158,819	-54,020	418,400
Foreign bills	9,429	19,489	27,714	-10,660	81,500
Advances to the Treasury	6,593,630	6,580,070	8,636,723	+13,560	..
Other advances	2,530,318	2,681,661	163,343	-79,175	..
Securities	415,096	419,925	214,176	-4,830	205,700
LIABILITIES.					
Note circulation	13,743,686	13,892,237	15,436,922	-14,551	1,556,925
Deposits and drafts	1,497,217	1,752,900	1,942,209	-255,683	193,975

NETHERLANDS BANK

(000's omitted.)

Assets.	Jan. 2, 1922.	Dec. 27, 1921.	Dec. 19, 1921.	Jan. 3, 1922.	Week's Movement.	Position May 31, 1914.
Gold	605,969	605,969	605,969	636,141	-345	8,436
Silver	7,896	8,241	8,356	21,457	+51,933	153,504
Notes & advances	480,466	428,533	423,450	546,926	+51,933	153,504
LIABILITIES.						
Notes in circulation	1,057,251	1,012,878	1,014,343	1,116,021	+44,373	516,633
Deposits	36,451	36,573	29,937	91,886	+5,878	6,016

NATIONAL BANK OF ROMANIA.

(000's omitted.)

Assets.	Dec. 17, 1921.	Dec. 10, 1921.	Dec. 18, 1920.	Week's Movement.	Position May 31, 1914.
Gold	4,581,500	4,596,722	3,150,222	-15,132	..
Silver, &c.	13,374,682	12,374,039	7,989,279	+643	..
Government loan	703,767	654,076	2,070,711	+49,691	..
Other advances	..	..	..	..	..
LIABILITIES.					
Notes in circulation	13,709,378	13,723,365	9,330,646	-13,987	..
Deposits	5,659,691	5,622,197	4,727,336	+37,494	..

SWISS NATIONAL BANK.

(000's omitted.)

Assets.	Dec. 31, 1921.	Dec. 23, 1921.	Dec. 15, 1921.	Dec. 31, 1920.	Week's Movement.	Position May 31, 1914.
Gold	549,621	548,137	545,309	549,902	+1,384	171,175
Silver	108,240	115,005	115,005	121,570	+6,765	18,350
Loans & advances	18,317	18,107	17,920	13,261	+210	..
LIABILITIES.						
Notes in circulation	309,264	959,616	917,077	1,023,712	+49,648	275,925
Deposits	128,766	104,638	124,536	163,156	+24,128	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to December 31, 1921, total issues were Fr. 29,667,000, of which Fr. 18,317,000 was held by the Swiss National Bank.

BANK OF SWEDEN.

(000's omitted.)

Assets.	Jan. 7, 1922.	Dec. 31, 1921.	Dec. 15, 1921.	Dec. 31, 1920.	Week's Movement.	Year's Movement.	May 24, 1914.
Gold	274,626	274,743	281,719	..	-117	-7,093	104,918
Balance abt. and foreign bills	124,193	123,822	102,823	..	+371	+21,370	112,172
Swedish and for Gov. securities	15,498	15,498	12,696	..	..	+2,802	32,465
Discounts and loans	543,218	568,005	557,380	..	-24,387	-6,762	112,668
LIABILITIES.							
Notes in circulation	586,213	627,699	693,975	..	+41,886	+107,762	226,555
Deposits at notice	324,360	331,359	198,257	..	-7,009	+126,093	69,660

* Corrected figures.

NATIONAL BANK OF BELGIUM.

(000's omitted.)

Assets.	Jan. 5, 1922.	Dec. 29, 1921.	Dec. 22, 1921.	Jan. 6, 1922.	Move-ment.	Position May 28, 1914.
Coin (gold & silver and bullion)	327,334	327,758	326,383	316,859	-424	322,650
Securities	449,485	425,972	419,994	..	+23,513	697,600
LIABILITIES.						
Notes in circulation	6,335,012	6,289,576	6,222,287	6,227,406	+45,436	934,150
Current accounts	675,598	675,918	720,398	1,093,513	-320	112,125

AUSTRIAN BANK.

(000's omitted.)

Assets.	Dec. 23, 1921.	Dec. 15, 1921.	Dec. 7, 1921.	Week's Movement.	Position May 31, 1914.
Gold coin and bullion, bills	7,818	9,440	8,201	+1,622	..
Silver coin	5	5	5	..	..
Bills discounted, warrants and drafts	23,907,105	22,345,073	20,988,095	+1,562,032	..
Loans	676,872	643,308	645,673	+32,664	..
LIABILITIES.					
Notes in circulation	160,199,560	142,871,798	132,457,939	+17,327,762	..
Deposits	20,946,021	16,435,642	12,676,032	+4,510,379	..

HUNGARIAN BANK.

(000's omitted.)

Assets.	Dec. 31, 1921.	Dec. 23, 1921.	Dec. 15, 1921.	Week's Movement.	Position May 31, 1914.
Gold coin and bullion, bills	12,245	12,243	12,257	+2	..
Silver coin	596	598	598	..	..
Bills, warrants, drafts, &c.	23,859,239	23,815,199	24,360,254	+44,040	..
Loans	1,158,398	1,162,306	1,165,516	+3,908	..
Other assets	3,186,400	3,148,877	3,080,084	+27,523	..
LIABILITIES.					
Notes in circulation	25,174,941	24,343,787	24,299,856	+831,154	..
Deposits	2,239,914	3,024,371	3,620,976	-784,457	..
Other liabilities	1,702,058	1,671,378	1,598,945	+30,680	..

NATIONAL BANK OF DENMARK.

(000's omitted.)

Assets.	Nov. 30, 1921.	Oct. 31, 1921.	Nov. 30, 1920.	Month's Movement.	Position May 31, 1914.
Coin and bullion	228,335	228,336	227,586	-1	76,644
Bills, warrants, drafts, &c.	379,791	363,111	462,602	+16,680	88,470
Loans and discounts	13,226	18,909	15,623	-5,683	34,102
Securities	40,411	46,386	51,257	-5,975	11,988
LIABILITIES.					
Circulation	465,041	493,380	558,290	-28,339	157,268
Deposits	136,998	103,324	60,139	+33,674	6,696

BANK OF NORWAY.

(000's omitted.)

Assets.	Jan. 7, 1922.	Dec. 31, 1921.	Dec. 31, 1920.	Week's Movement.	Position May 31, 1914.
Coin and bullion—Gold	147,293	147,293	147,282	..	44,224
Balance abroad and foreign bills	36,257	39,064	54,592	-2,807	28,533
Government and Foreign Government securities	8,776	8,792	10,488	-16	8,816
Discounts and loans	445,879	476,236	476,712	-30,357	76,911
LIABILITIES.					
Notes in circulation	394,403	409,781	456,917	-15,378	113,484
Deposits at notice	124,816	140,838	126,114	-16,022	7,188

New rules for issuing bank notes have been given by Statute of November 9, 1920. We are authoritatively informed that the right of issue of the Bank of Norway is calculated at an amount of 250 million crowns above the stock of gold and at present extraordinary additional amount of 50 million crowns from July 25, 1921, until further order.

POLISH NATIONAL BANK.

(000's omitted.)

Assets.	Nov. 30, 1921.	Oct. 31, 1921.	Sept. 30, 1921.	Aug. 31, 1921.	Month's Movement.	Position May 31, 1914.
Gold	22,500	20,200	19,400	19,200	+2,300	..
Silver	42,200	41,600	41,200	40,800	+600	..
Foreign coin	75,700	65,300	37,200	43,600	+11,400	..
Foreign bills	7,446,100	7,747,200	1,623,400	772,300	+4,698,900	..
Advances to the Govt.	214,000,000	193,500,000	178,000,000	158,000,000	+15,500,000	..
Private loans and discounts	29,491,400	21,551,800	16,115,800	11,662,300	+7,339,500	..
Other assets	25,137,200	19,813,200	18,120,200	14,976,000	+5,394,000	..
LIABILITIES.						
Notes in circulation	207,029,100	182,777,300	152,800,000	133,734,200	+24,251,800	..
Government accounts	34,484,800	30,255,500	23,764,000	17,081,500	+4,229,300	..
Other accounts	19,034,800	14,792,700	16,330,000	17,567,100	-4,242,100	..
Reserve	68,900	68,900	68,900	68,900	..	..
Other liabilities	17,810,700	16,977,300	22,710,200	17,576,000	+233,400	..

IMPERIAL BANK OF INDIA.

(000's omitted.)

	Dec. 16, 1921.	Dec. 9, 1921.	Dec. 2, 1921.	Nov. 25, 1921.	Nov. 18, 1921.	Week Movem Rs.
ASSETS.	Rs.	Rs.	Rs.	Rs.	Rs.	
Govt. securities	11,28.99	11,40.57	10,88.36	10,98.00	11,09.50	- 11
Other securities	1,33.44	1,33.44	1,33.44	1,33.45	1,33.50	-
Loans	25,66.47	25,65.03	26,81.47	26,93.97	26,98.75	+ 21
Cash credits	23,32.76	23,21.35	23,15.65	22,59.79	22,14.42	+ 24
Inland bills	9,92.97	9,68.44	8,50.47	6,14.87	6,23.65	+ 1
Foreign bills	5.16	5.16	3.85	3.58	5.59	-
Bullion	19	29	31	35	22	-
Dead stock	2,30.33	2,28.81	2,17.23	2,16.68	2,17.23	+ 1
Sundries	57.13	56.44	55.43	45.61	44.91	+ 1
With other banks	13.87	13.78	12.66	14.61	10.54	-
Cash	14,07.08	16,68.19	19,95.64	26,48.44	33,99.74	2,61
LIABILITIES.						
Subscribed capital	11,23.96	11,23.88	11,23.84	11,23.84	11,23.84	-
Capital paid up	5,62.24	5,62.22	5,62.21	5,62.21	5,62.21	-
Reserve	3,91.79	3,91.73	3,91.79	3,91.79	3,91.79	-
Public deposits	9,71.90	9,05.71	10,08.25	8,86.18	6,34.64	2,80
Other deposits	67,80.24	70,61.07	72,33.22	75,20.14	77,35.79	-
Loans against secs.	40.06	40.38	35.39	73.90	71.91	-
Sundries	1,22.16	1,20.17	1,26.05	1,15.53	1,08.46	-
	Dec. 16, 1921.	Dec. 9, 1921.	Dec. 2, 1921.	Nov. 25, 1921.	Nov. 18, 1921.	Nov. 11, 1921.
The above includes—	£	£	£	£	£	£
Deposits in London	48,000	39,800	41,300	36,800	36,800	31,000
Advances in London	335,700	335,000	299,400	549,200	549,200	549,200
Cash, &c., at other banks in London	87,532	87,731	78,418	68,400	68,400	68,400

RATES OF EXCHANGE.

New York on—	Par Level.	Rate, Jan. 13, 1921.	Rate, Dec. 29, 1921.	Rate, Jan. 5, 1922.	Rate, Jan. 12, 1922.
London—					
80 days		3.675	4.1525	4.14625	4.1825
Cable		3.74	4.2018	4.1925	4.2275
Cheques		3.7325	4.1975	4.18875	4.2250
Paris		19.30	6.04	8.02	7.96
Brussels		19.30	6.42	7.67	7.60
Switzerland		19.30	15.60	19.52	19.32
Italy		19.30	3.47	4.21	4.28
Berlin		23.83	1.4550	0.54	0.5075
Vienna		20.26	0.22	0.24	0.2375
Madrid		19.30	13.30	14.93	14.98
Amsterdam		40.195	3.10	36.875	36.60
Copenhagen		26.80	17.20	19.93	19.88
Stockholm			15.93	15.50	15.70
Athens			21.45	25.05	24.72
Algeria			7.55	4.25	4.45
Montreal		100	87.125	94.50	94.75
Yokohama		49.85	47.60	47.90	47.55
Hong Kong			55.00	55.40	55.25
Shanghai			75.00	75.70	75.00
Calcutta			27.10	27.90	27.85
Buenos Aires		103.65	127.50	132.40	131.80
Rio de Janeiro		32.42	16.03	12.65	12.65
Valparaiso		20.60	13.98	11.25	11.20

Note—The rates for acceptances quoted above are selling rates.

RATES OF EXCHANGE ON GERMANY.

	Par Level.	Rate, Jan. 13, 1921.	Rate, Dec. 29, 1921.	Rate, Jan. 5, 1922.	Rate, Jan. 12, 1922.
Amsterdam		59.26	4.40	1.49	1.505
Switzerland		123.45	9.19	2.77	2.85
Copenhagen			8.50	2.72	2.50
Stockholm		88.88	6.80	2.16	2.05
Christiania			8.85	3.25	3.275

CENTRAL AMERICAN EXCHANGE RATES.

The Commercial Bank of Spanish America, Limited, quotes the following rates of exchange:—

Country.	Par Value.	Usance.	Year, 1921.	Rate.
Ecuador	Sucres to £1	10.00	Sight London	Dec. 31 17.40
Venezuela	Bolivares to £1	25.25	"	Dec. 28 22.95
Colombia (Bogota)	Dollars to £1	100	"	Jan. 3, 22 91
Nicaragua	Cordobas to £1	4.8665	"	Dec. 22 4
San Salvador	Colonos to £1	9.75	"	Jan. 7, 22 8.45
Costa Rica	Pesos to £1	92.15	"	Jan. 7, 22 234.26
Guatemala	Colonos to £1	10.45	"	Dec. 23 17.85
Bolivia	Pence to Boliviano	19.20	"	Dec. 2 13

ESTHONIAN EXCHANGE RATES.

The Bank of Esthonia quote Reval exchange rates as below:—

Reval on	Par Value.	Usance.	Year, 1921.	Rate.
London (cheque)	£1	1.530	Buying.	1.535
New York	\$1	36.1	Selling.	36.8
Berlin	100 Rmk	200	"	205
Helsingfors	100 Fmk	680	"	690
Copenhagen	100 Kr	3,100	"	3,150
Christiania	100 Kr	7,200	"	7,350
Paris	100 Fr	2,925	"	2,950
Amsterdam	100 Hfl.	13,425	"	13,500
Riga	100 Lrb	140	"	150
Tahecho-Slovakien	100 Crn	540	"	550

LATVIAN EXCHANGE RATES.

		Nov. 30, 1921.	Dec. 20, 1921.	Dec. 31, 1921.	
Riga on—		Buying.	Selling.	Buying.	Selling.
		Buying.	Selling.	Buying.	Selling.
London.....	Latvian roubles for £1.....	1,000	1,020	1,000	1,020
New York.....	" " " \$1.....	24.93	25.53	24.92	25.63
Paris.....	" " " 100 frs.....	1,925	1,975	1,925	1,975
Stockholm.....	" " " 100 kr.....	5.90	6,000	5,925	6,025
Copenhagen.....	" " " 100 kr.....	4,675	4,775	4,625	4,775
Christiania.....	" " " 100 kr.....	3,550	3,650	3,675	3,775
Amsterdam.....	" " " 100 hfl.....	8,925	9,075	8,875	9,000
Berlin.....	" " " 100 Rmk.....	84	94	123	122
Helsingfors.....	" " " 100 Fmk.....	428	438	464	464
Reval.....	" " " 100 emk.....	65	70	65	70
Warsaw.....	" " " 100 pmk.....	9	11	10	10

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From December 9, 1921.	From December 10, 1921.
	Buying.	Selling.
T.T.	1 1/2% prem.	1 1/2% dis.
Demand	1 1/2% prem.	1 1/2% dis.
30 days	1 1/2% prem.	1 1/2% dis.
60 days	1 1/2% prem.	1 1/2% dis.
90 days	1 1/2% prem.	1 1/2% dis.
120 days	1 1/2% prem.	1 1/2% dis.

* Plus ad valorem stamp duty. (a) No discount allowed on sales of T.T.s. or demand drafts under £100.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.	Australia and New Zealand on London.
	Buying.	Selling.
	Aus. Zeal'nd.	Aus. Zeal'nd.
T.T.	99 1/2	100 1/2
Sight	99 1/2	100 1/2
On demand	99 1/2	100 1/2
30 days	99 1/2	100 1/2
60 days	99 1/2	100 1/2
90 days	99 1/2	100 1/2
120 days	99 1/2	100 1/2

INDIAN TREASURY BILLS.

	March 31, 1921.	Jan. 7, 1922.
Outstanding with public	43,67,10,000	43,68,40,000
In paper currency reserve	61,26,00,000	62,26,00,000
Total	104,93,10,000	105,94,40,000

India Office, January 12, 1922.

BULLION.

The gold movements to or from the Bank of England are no longer announced. For the week ended January 11, 1922, the stock of coin and bullion show an increase of £12,793, compared with the previous return.

IMPORTS AND EXPORTS OF GOLD.

Gold Imported into the United Kingdom.	Gold Exported from the United Kingdom.
Countries from which Consigned.	Countries to which Exported.
Week Ended Jan. 11, 1922.	Week Ended Jan. 11, 1922.
Belgium	Switzerland
British South Africa	United States
British Guiana	Straits Settlements
Other Countries	Other Countries
Total value of imports of gold	Total declared value of exports

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on December 31, 1921:—

	£
In India	Nil
In England—	
Cash at the Bank of England	3,242
British Government securities—	
Value as on September 30, 1921	19,520,157
British Government securities since purchased (cost price)	20,770,183
Total	40,293,582

SIDNEY TURNER, Accountant-General.

India Office, January 11, 1922.

Messrs Samuel Montagu and Co. write on January 12th as follows:—

GOLD.

A large amount of gold came on offer, and was taken chiefly for the United States of America. On the 10th inst. the price of 97s 2d per fine ounce was quoted, which was the lowest price for gold, carrying an export licence, since September, 1919, when exports in gold were resumed. This figure represents a premium of 14.5 per cent. upon the Bank of England buying price of 77s 9d per standard ounce. The average price for exportable gold during 1921 was 107s 0.5d per fine ounce—involving a premium of 26.2 per cent. The highest price ever fixed for exportable gold—127s 4d on February 5, 1920—carried a premium of 50.1 per cent. Gold valued at \$4,995,000 has been received in New York—\$4,295,000 from London, \$400,000 from France, and \$300,000 from India. Toward the end of last year the Banque Nationale of Switzerland made use of a portion of its superabundant metallic reserves, and put into circulation a certain quantity of gold coin in different Swiss towns. The public did not take kindly to the fresh circulating medium, preferring the small bank notes to which it had become accustomed. The gold set free from the bank treasury was returned, therefore, to the custody of the bank. The occurrence is odd and remarkable.

SILVER.

Some activity has been shown in the market during the latter part of the week under review. The Indian bazaars somewhat suddenly began to send buying orders upon a rather dull market. Prices rose to 35½d for cash and 35½d for two months' delivery on the 9th inst., and remained at that figure the succeeding day. The demand was met at first by Continental sales. When, however, the possibility of a further advance seemed unlikely, America, influenced by the falling value of the dollar, began to offer silver, and, owing to a lessened Indian demand, had to accept lower prices. Yesterday a decline of ½d was recorded, and to-day there was a further drop of ½d. China has been rather inactive, being neither a buyer nor a seller to any great extent.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Dec. 15, 1921.	Dec. 22, 1921.	Dec. 31, 1921.
Notes in circulation	17,103	17,322	17,253
Silver coin and bullion in India ..	7,597	7,466	7,397
Silver coin and bullion out of India ..	2,432	2,432	2,432
Gold coin and bullion out of India ..	6,440	6,840	6,840
Securities (British Government) ..	634	584	584

No coinage was reported during the week ending the 31st ultimo. The stock in Shanghai on the 7th inst. consisted of about 32,200,000 ounces in sycee, 23,000,000 dollars, and 3,830 silver bars, as compared with about 30,100,000 ounces in sycee, 23,500,000 dollars, and 1,350 silver bars on the 31st ultimo.

GOLD AND SILVER PRICES

The price of gold and cash and forward prices of bar silver during this week and in previous years are as below:—

	Gold.	Silver.	Silver.
	Per Ounce.	Cash, Per Ounce.	Forward, Per Ounce.
1922.			
Jan. 7 ..	97 11	34 1/2	34 1/2
9 ..	97 6	35 1/2	35 1/2
10 ..	97 2	35 1/2	34 1/2
11 ..	97 5	35 1/2	35 1/2
12 ..	97 3	35 1/2	34 1/2
13 ..	97 4	35 1/2	35 1/2
Jan. 20, 1916 ..			26 1/2
19, 1917 ..			36 1/2
18, 1918 ..			44 1/2
18, 1919 ..			44 1/2
16, 1920 ..			77
14, 1921 ..			40

NOTICES.

The National Provincial and Union Bank of England, Limited announce that a branch of the bank is now open at 85 High Street, Staines. Resident officer, Mr E. C. Mogridge.

Mr P. N. Caridia has been appointed general manager of the Ionian Bank, Limited.

The National Bank of Australasia, Limited, have received a cable intimation from their Melbourne office to the effect that at an extraordinary meeting the shareholders unanimously approved of the Bank of Queensland proposals.

The London Joint City and Midland Bank, Limited, announce the opening of a new branch at 1 Market place, Hitchin, under the management of the Mr C. E. Taylor.

A branch of the London County Westminster and Parr's Bank, Limited, has been opened at High street, Marlow, under the management of Mr W. N. Folkard, with Mr G. W. Cousins as clerk-in-charge.

OIL OUTPUTS.

APEX (TRINIDAD) OILFIELDS.—During the month of December, production was resumed, 17,233 barrels (approximately 2,450 tons) being produced. Deliveries to Trinidad Leaseholds during December amounted to 28,720 barrels (approximately 4,000 tons), and new arrangements have been made for increasing deliveries to 10,000 tons per month from March 31st next.

BRITISH BURMA PETROLEUM COMPANY, LIMITED.—A cablegram has been received from Burma reporting that the production of crude oil by this company and the Rangoon Oil Company, Limited, for the month of December, 1921, amounted to 73,305 barrels.

KERN RIVER OILFIELDS.—Total production during December amounted to 119,796 barrels, or approximately 17,114 tons, including 69,057 barrels from the properties of the St Helens Petroleum Company, Limited.

TRINIDAD LEASEHOLDS, LIMITED.—Oil produced during December, 13,250 tons. Oil purchased during December from other companies, 5,000 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, January 4, 1922, amounted to 808 tons.

MINING OUTPUT STATISTICS FOR DECEMBER, 1921.

	Tons Crushed.	Gold Recovered.	Value.	Profit.
	Mill.	Mill.	Mill.	Mill.
Gold.				
Abbotston	7,150	...	...	...
Associated Northern	346	...	...	...
Iron Duke	1,824	...	...	...
Victorious	15,000	...	...	...
Cam and Motor	2,533	...	...	...
Consolidated of N.Z.	32,000	...	...	...
Blackwater	6,102	...	...	...
El Oro	7,248	...	...	...
Globe and Phoenix	11,385	...	...	...
Golden Horseshoe	4,995	...	...	...
Ivanhoe	5,100	...	...	...
Lake View and Star	1,700	...	...	...
Lonely Reef	...	...	...	...
New Chuquibambilla	...	...	...	...
Oriental Cons.	...	...	...	...
Onoville Dredging	...	...	...	...
Pato (24 days to Jan. 2nd) ..	...	...	...	...
Nechi (17 days to Jan. 1st) ..	...	...	...	...
Tomboy	18,000	...	...	...
Transvaal & Rhodesian	1,500	...	...	...
Fred	5,150	...	...	...
Waihi Grand Junction	1,529 (gold)	4,893 (silver)	...	...

(b) Loss. (c) Including premium. (d) Not including premium. (e) 84s per fine oz. (f) £2,000 premium not included. (g) £4 15s per fine oz net.

	Output.	Other Notes in Return.
	Tons.	
Copper.		
Pilbara	60	23 per cent. copper.
Tanganyika	2,980	Total for year, 30,468 tons.
Tin.		
Aramayo	308	105,750 ozs silver.
Berenzuela	42	Concentrates average 66 per cent. fine tin.
Chenderiang	74	Quarter ended Dec. 31st.
Elani	3	
Jos	9	
Kaduna Prosp.	16	
Kaduna Syndicate	171	Quarter ended Dec. 31st.
Kamunting	71	Mine profit, including tribute, £2,065.
Kramat Pulai	49	
Lower Bisichi	52	
Mongu	22	Shipped 23 1/2 tons.
Nagarua Est.	133	
Nigerian Cons.	52	
N. Nigeria (Bauchi)	63	Shipped, 50 tons.
Rayfield	87	
Tongkah Harbour	281	Value, £2,855; cost, £3,226; tribute profit, £1,073.
Tronoh	281	
Coal.		
Chinese Engineering	65,791	Week ended Dec. 31st.
Lydeedale	17,490	Coalbrook, 18,695 Blackhill.
East Kent	30,967	Week ended Jan. 7th.
Middleburg Steam	28,190	
Natal Navigation	13,145	
Northern Natal	50,807	Brick works, £4,123.
Vere-niging	3,471	
Miscellaneous.		
Akim Diamonds	3,471	309 carats.
Broken Hill South	...	Concentrates, assaying 61 % lead and 29 ozs silver per ton.
Burma Ruby	...	Rubies valued at Rs.105,000; royalties, Rs.11,000.
North Broken Hill	885	Lead concentrates, averaging 66% lead, 30 ozs silver, 7 % zinc.
Zinc Corporation	960	Zinc concentrates, averaging 48 % zinc, 5 % lead, 7 ozs silver.
	8,915	Zinc concentrates; 795 tons lead concentrates

BRITISH BROKEN HILL PROPRIETARY.—Cable dated January 9th.—No. 12 level, 280 ft, assays 94 ozs silver, 24 per cent. zinc. Have discontinued driving; are now stoping.

THE BROKEN HILL PROPRIETARY COMPANY.—Report for four weeks ending Jan. 4, 1922.—Low production of whole works is owing to lack of orders in consequence of large importation of low priced steel. Coke produced 15,155 tons. Nos. 3 and 5 blast furnaces sealed up on Dec. 20th. No. 1 blast furnace produced 1,109 tons; No. 2 blast furnace produced 5,407 tons; No. 3 blast furnace produced 11,034 tons, bloom-pig-iron respectively. Open hearth furnaces produced 2,921 tons, 18 in mill produced 4,877 tons. 12 in mill and 8 in mill remain closed. Rod in mill produced 1,480 tons. Iron Knob—34,937 tons iron ore shipped. Broken Hill—Hollida's interrupted work. Ore dressing mills produced 2,449 tons zinc concentrates, and 2,717 tons slimes. Zinc separation plant produced 2,449 tons zinc concentrates. Slimes flotation plant produced 951 tons lead concentrates, and 2,414 tons zinc concentrates.

ANALYSIS OF BALANCE-SHEETS.

MANCHESTER AND COUNTY BANK, LIMITED.

December 31, 1921.

LIABILITIES.		Compared with Dec. 31, 1920.	ASSETS.		Compared with Dec. 31, 1920.
	Amount.	£		Amount.	£
£20 shares, \$4 paid	1,092,040 ..	..	Cash. of	6,185,707 ..	+ 1,137,693
Reserve fund ..	725,000 ..	..	Bills of		
Re-serve for de-precia-tion of investments.	125,000 ..	..	change	2,069,532 ..	- 1,945,857
Unclaimed dividends ..	1,310 ..	+ 39	Investments ..	5,564,613 ..	+ 815,034
Unappropriat'd profits	285,288 ..	+ 3,496	Short loans on railway stock, &c.	217,819 ..	- 305,549
Current, de-posit, and other accts. ..	26,378,177 ..	- 1,995,336	Advances on current accts. ..	14,169,144 ..	- 1,093,122
Acceptances ..	323,119 ..	- 1,002,338	Liability on acceptances. ..	323,119 ..	- 1,002,238
			Bank property, &c.	400,000 ..	
Total ..	28,929,934 ..	- 2,294,039	Total ..	28,929,934 ..	- 2,294,039

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

	Week Ended, 1922.	Miles Open.	Pass- engers, Mails, &c.	Mer- chandise, and Live Stock.	Total for Week.
Brecon and Merthyr	Jan. 8	60	969	3,761	4,730
Great Central	7	838	43,500	97,900	141,800
Great Eastern	7	1,207	96,500	89,700	186,200
Great Northern	7	1,050	77,800	118,200	196,000
Great Western	8	2,964	233,000	251,000	484,000
Hull and Barnsley	8	92	571	14,672	15,243
Do Dook Receipts	8				6,553
London and North-Western	8	2,633	238,000	368,000	606,000
London and South-Western	8	968	102,700	42,600	145,300
Maryport and Carlisle	7	423	1,240	1,133	2,373
Metropolitan	7				42,130
Midland	7	1,585	147,000	277,000	424,000
North-Eastern	7	1,758	108,200	131,200	239,400
North London	8	16	5,550	8,527	14,077
Rhymney	8	51	2,355	8,131	11,134
Taff Vale	8	124	8,571	18,329	27,000
Do Docks, &c.	8				4,772
Underground Electric Railways	7				213,332
London and Suburban Traction Group	7				45,872
Caledonian	8	1,097	69,700	35,400	105,100
Glasgow and S. Western	7	476	29,300	19,700	49,000
Great North of Scotland	7	336	9,700	4,800	14,500
Highland	7	492	9,558	8,279	17,837
North British	7	1,378	66,000	60,400	126,400
Selfeast and S. Down	6	80	3,298	1,040	4,338
Dublin and South-Eastern	6	160	5,204	2,910	8,114
Great Southern & Western	6	1,151	27,223	32,459	59,682
Midland Great Western	6	538	8,625	9,348	17,973

† Includes £30,400 Great Central proportion of Joint Lines.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1920-21.	1921-22.
INDIAN.					
Assam Bengal	35 weeks	Dec. 3	993	2,17,334	19,295
Barri L.A. Ry.	37 weeks	17	118	56,504	15,800
Bombay & N. Western	10 weeks	10	2,697	14,23,000	1,79,000
Bombay, Bar. & C.I.	13 weeks	31	2,871	20,00,000	1,45,000
Burma	13 weeks	10	1,342	5,76,130	33,131
Delhi, Umballa & Kalke	13 weeks	10	239	76,000	29,882
East Indian	14 weeks	Jan. 7	7,772	19,68,000	7,85,000
G. Indian Peninsula	40 weeks	Dec. 31	3,121	33,52,400	5,49,000
Madras & S. Mah.	36 weeks	10	259	45,412	2,592
Robik & K. K. S.	10 weeks	10	369	60,478	12,027
Do Lucknow-Breilly	10 weeks	10	1,852	8,45,485	93,735
South Indian	36 weeks	10	1,852	8,45,485	93,735
Do Lucknow-Breilly	6 months	Sept. 30	717	6,84,146	2,84,599
Argentine (a).					
Argentine N.E.	27 weeks	Jan. 7	752	7,800	2,300
Argentine Trans.	27 weeks	7	1,111	2,170	806
B. A. & Pacific	27 weeks	7	3,498	134,000	22,000
B. A. & Southern	27 weeks	7	3,891	154,000	14,000
B. A. Western					
Buenos Ayres Cent.	5 mths	Nov. 30	190	2,000	2,000
Central Argentine	27 weeks	Jan. 7	3,305	129,000	22,000
Cordoba Central	27 weeks	7	1,205	41,000	7,000
Entre Rios	27 weeks	7	811	16,900	7,400
Brazilian (b).					
Brazil G. Southern	12 mths	Nov. 30	3	Me 44,000	2,700
Do West of Brazil	1 week	Jan. 7	1,005	11,200	3,900
Leopoldina	1 week	7	1,831	25,685	4,223
San Paulo	1 week	8	153	22,774	13,996
State of Bahia, S.W.	11 mths	Nov. 30	52	Me 52,000	101,000
Chile and Peru.					
Antofagasta	1 week	Jan. 7	838	14,675	20,055
Arancó	1 mth	Apr. 30	269	17,847	26,453
Nitrato (6 weeks)	52 weeks	Dec. 31	1,059	81,366,620	37,780
Peruvian Corp.	6 mths	31	172	(b) 9,135	21,413
Colombian.					
Havana Central	26 weeks	31	1,210	10,168	4,340
Unión de Havana	27 weeks	Jan. 7	1,210	56,545	54,426
Uruguayan.					
Central Uruguay	27 weeks	7	273	25,288	1,137
C. Uruguay (East)	27 weeks	7	311	5,081	39
C. Uruguay (North)	27 weeks	7	185	5,155	797
C. Uruguay (West)	27 weeks	7	211	2,846	633
Midland Uruguay	5 mths	Nov. 30	319	17,021	1,288
North-West Uruguay	4 mths	Nov. 30	113	9,574	3,154
Uruguay North	5 mths	30	3	3,085	1,068
Other Foreign.					
Alcoy and Gandia	1 week	Jan. 7	33	Ps 12,000	1,900
Bilbao	12 mths	Dec. 31	15	1,849	20,435
Bolivar	12 mths	31	136	7,700	460
Colombian Nat. Ry.	10 mths	Oct. 31	180	16,710	1,340
Costa Rica	11 mths	Nov. 30	70	17,250	1,000
Dorado Medio	37 weeks	Dec. 20	559	112,481	2,362
Egyptian Delta	52 weeks	31	104	Ps 57,409	23,770
St. Catharines of Spain	52 weeks	31	104	Ps 57,409	23,770
International of					
Central America	11 mths	Nov. 30	233	8,836	9,168
La Guaira & Caracas	12 mths	Dec. 31	233	(b) 9,360	2,760
Mexican Railway	1 week	Jan. 7	403	8,328,200	55,900
Do	5 mths	Nov. 30	403	8,328,200	55,900
Manjo Ocarsham	10 mths	Oct. 31	193	6,356	20
Osaka Railway	1 week	Dec. 31	274	3,340	20
Paraguay Central	9 mths	Feb. 28	100	2,311,374	414,841
Puerto Cabello, &c.	12 mths	Dec. 31	35	5,000	1,000
Salvador	27 weeks	Jan. 7	100	2,769	215
Santa Fe Province	1 mth	Nov. 30		131,824	5,834
Sarmiento & Santiago	12 mths	Dec. 31		5,460	2,451
Satra and Estela	11 mths	Nov. 30	112	(a) 13,690	1,202

† 10 days.

(b) Converted at the current rate of exchange.

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.

Name.	Period.	Ending.	Receipts for Week or Month.	Inc. or Dec.	Aggregate Receipts.	Inc. or Dec.
Algoma Cent. & Hudson Bay	5 mths	Nov. 30	Gross \$164,975	-187,432	904,594	-616,892
Canadian Ntr.	1 week	Jan. 7	Gross \$934,600	-124,900		
Canadian Pac.	11 mths	Nov. 30	Gross \$6,977,300	-625,400	63,619,930	+4,576,107
Canadian Pac.	1 week	Jan. 7	Gross \$2,426,000	-877,000		
Canadian Pac.	11 mths	Nov. 30	Gross \$18,785,000	-5,011,700	177,266,000	-18,771,000
Grand Trunk	1 week	Jan. 7	Net \$3,572,000	401,000	32,284,000	+1,353,000
Grand Trunk	3 mths	Mar. 31	Net \$2,278,700	95,900	3,772,200	+593,200
Temiscouata	1 mth	Nov. 30	Gross \$122,900	68,400	91,400	+306,500

* Net earnings before deducting taxes. † Railway and Steamship receipts.

OTHER BRITISH OVERSEAS RAILWAYS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1920-21.	1921-22.
Beira and Mashona-	1 mth	Sept. 30	810	117,768	+41,465
land	5 mths	Nov. 30	777	12,317	182
Mid. of W. Aust.	5 weeks	Dec. 17	205	4,372	197
New Cape Central	1 mth	Sept. 30	137	157,115	+19,846
Rhodesia Railways	1 mth	July 31	11,529		
Rhodesia Katanga	1 mth	July 31			

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
				1921-22.	1921-22.
Anglo-Argentine	1 week	Jan. 7	329	\$21,642	+4,225
Burnley Corporation	1 week	7	12	\$3,234	198
Calcutta Tramways	1 week	7	354	\$97,904	78
Chatham & District	52 weeks	Dec. 31	15	\$1,958	101
Egyptian Markets	51 weeks	23		\$2,425	313
Glasgow Corporation	32 weeks	Jan. 7	99	\$44,896	3,031
Isle of Thanet	14 weeks	4		\$551	19
Lancashire United	1 week	3	39	\$3,248	888
Liverpool Corporation	1 week	7	124	\$30,332	2,465
Tramways	41 weeks	11	155	\$87,768	1,817
L.O.C. Tramways	52 weeks	Dec. 31		\$850,623	8,337
Madras Elec. (4 wks)	1 week	Jan. 8		\$3,534	978
Pernambuco Trams	41 weeks	Oct. 23		\$14,533	978
Singapore Electric	41 weeks	Oct. 23			556,906

(b) Nine days.

TRAMWAY & OTHER MONTHLY GROSS & NET RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
				1920-21.	1921-22.
Alabama Power	1 mth	June 30		Gross \$259,059	+88,481
Barcelona Trac.	11 mths	Nov. 30		Net \$130,812	22,750
Brazilian Trac.	11 mths	30		Gross \$6,661,205	+498,100
Buenos Aires	12 mths	Dec. 31		Net \$2,495,564	+378,788
Buenos Aires	12 mths	Dec. 31		Gross \$14,555,000	+2,356,000
Buenos Aires	12 mths	Dec. 31		Net \$8,820,000	+2,936,000
Buenos Aires	5 mths	Nov. 30		Gross \$47,500	1,030
Buenos Aires	5 mths	Nov. 30		Net \$877,335	+18,493
Buenos Aires	5 mths	Nov. 30		Gross \$242,434	17
Buenos Aires	11 mths	May 31	51	\$58,492	+3,929
Buenos Aires	4 mths	Nov. 30		Gross \$58,271	+4,575
Buenos Aires	1 mth	30		Gross \$33,332	
Buenos Aires	1 mth	30		Net \$8,269	
Canadian Wstrn	2 mths	30		Gross \$991,266	+2,329
Cartagena and	12 mths	Dec. 31	12	\$13,237	3,233
Herreras Trms.	1 mth	Nov. 30	30	Gross \$20,100	3,052
Catalinas Wareh.	12 mths	Nov. 30	30	Gross \$1,176,893	+765,337
Cities Service Co.	12 mths	30		Net \$1,143,849	+736,943
Cordoba Light & Elec.	8 mths	30		Gross \$22,698	+3,566
Cordoba Light & Elec.	32 weeks	6		Net \$1,088,689	+71,658
Cordoba Light & Elec.	10 mths	Oct. 31		Gross \$581,145	+141,755
Cordoba Light & Elec.	5 mths	Nov. 30		Net \$21,057	86
Cordoba Light & Elec.	9 mths	Sept. 30		Gross \$1,138,935	+7,449
Cordoba Light & Elec.	9 mths	Sept. 30		Net \$56,049	+13,728
Keystone Tele.	11 mths	Nov. 30		Gross \$1,138,935	+7,449
La Guaira Harb.	1 mth	Dec. 31		Net \$6,757	389
La Guaira Harb.	12 mths	31		Gross \$57,560	+962
La Guaira Harb.	9 mths	Sept. 30		Net \$14,116	+6,155
Lima Light, Pwr and Tramways	12 mths	Dec. 31		Gross \$306,850	+13,495
Lima Light, Pwr and Tramways	12 mths	Dec. 31		Net \$114,357	+18,766
Lima Light, Pwr and Tramways	12 mths	Dec. 31		Gross \$23,147	+1,126
Lima Light, Pwr and Tramways	12 mths	Dec. 31		Net \$3,150	+183
Lima Light, Pwr and Tramways	12 mths	Dec. 31		Gross \$1,877,715	+34,390
Lima Light, Pwr and Tramways	12 mths	Dec. 31		Net \$326,827	+120,502
Manoel Leao	11 mths	Nov. 30		Gross \$52,130	+3,195
Manoel Leao	11 mths	Nov. 30		Net \$477,880	+77
Manoel Leao	11 mths	Nov. 30		Gross \$147,704	+27,838
Manoel Leao	11 mths	Nov. 30		Net \$477,880	+77

† 4 weeks return.

‡ Approximate receipts.

Reports and Notices.

ALEXANDERS DISCOUNT COMPANY, LIMITED.

LIABILITIES.	December 31, 1921.	ASSETS.	December 31, 1921.
Amount.	Compared with Dec. 31, 1920.	Amount.	Compared with Dec. 31, 1920.
Ord. shares £10.	450,000	Cash at bankers	477,954
with 25 paid..	100,000	Short dated	2,511,776
6% prof. shares	320,000	discounted	18,955,449
Reserve fund..	50,000	Loans on secu-	651,319
Loans, deposits,	18,931,994	urity, &c.....	460,892
& other acc'ts.	2,523,491		
Bills re-discounted	195,176		
discounted ..	195,176		
B'f'nce of profit	75,837		
and loss ..	3,516		
Total	22,596,498	Total	22,596,498

GLYN, MILLS, CURRIE, AND CO.

		December 31, 1921.			
LIABILITIES.		Compared		ASSETS.	Compared
		with Dec.			with Dec.
Amount.	31, 1920.			Amount.	31, 1920.
£	£			£	£
Capital	1,000,000	..		Cash	5,658,310
Reserve fund ..	500,000	..		Money at call	
Current acc'ts.	16,504,851	-	3,801,797	and notice ..	6,258,500
Deposit accts.	9,120,391	+	419,533	Investments ..	8,245,984
Reduction of				Bills discounted,	
premises act.	152,369	+	5,058	loans, &c. ..	6,744,917
				Premisses	370,000
Total	27,277,611	-	3,377,806	Total	27,277,611

Capital, Surplus and Profits
\$37,500,000

(I.) Comparative Statement of the Cotton Trade.

	Price, Jan. 12, 1922.	Previous Weeks in 1921-22.					
		Price, Jan. 5.	Price, Dec. 29.	Price, Dec. 21.	Price, Dec. 15.	Price, Dec. 8.	
Raw Cotton—Fully Mid. American...per lb	11-06	d	d	d	d	d	
— Sakellaridis Fully Good Fair	11-06	d	d	d	d	d	
— Egyptian	20-50	21-75	21-50	20-75	20-75	19-75	
Yarns—32's twist.....per lb	18½	18½	18½	18½	18	18½	
— 40's twist.....per lb	17½	18	18	17½	17½	17½	
— 60's twist (Egyptian).....per lb	31	32	32	32	32	32	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	30	d	d	d	d	d	
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	30	d	d	d	d	d	
38-in. ditto, 38 yds, 18 by 16, 10 lbs	18	0	18	6	18	6	
38-in. ditto, 37½ yds, 16 by 15, 8½ lbs	17	6	18	0	18	0	

(II.) Compared with Previous Years.

	Price, Jan. 12, 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American...per lb	11-06	11-64	29-30	19-60	23-96	10-83
— Sakellaridis Fully Good Fair	11-06	11-64	29-30	19-60	23-96	10-83
— Egyptian	20-50	23-00	68	27-30	30-25	20-70
Yarns—32's twist.....per lb	18½	25	58	35	39½	17½
— 40's twist.....per lb	17½	24	54	35	39½	17½
— 60's twist (Egyptian).....per lb	31	33	112	36	47	36½
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	30	0	44	6	89	0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	30	0	41	0	84	0
38-in. ditto, 38 yds, 18 by 16, 10 lbs	18	0	24	0	48	0
38-in. ditto, 37½ yds, 16 by 15, 8½ lbs	17	6	21	0	42	0

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The keen demand for wool at the London auctions reveals the strong position of the raw material, and not the least significant feature of the trade is the general demand from both home and Continental users. The advance in values had already been discounted in Bradford to some extent, though in the case of merinos, topmakers are now demanding considerable advances on quotations ruling a week ago. Most firms have already sold their output for at least three months ahead, and the scarcity of tops enables sellers to adopt a very firm attitude. The output of tops is inadequate, and the position is likely to become serious if the operatives cannot be persuaded to work longer hours. The woolcombers have refused a request from topmakers for a reduction in combing charges, but if wages are reduced in the near future, the matter will again be discussed. An encouraging sign at the moment is the increased interest in crossbreds, and following the improvement in values in Coleman street, most firms have advanced their quotations for tops. Spinners are well employed, and some fairly good orders are reported to have been placed in coating yarns. Unfortunately, manufacturers do not appear to be in a position to follow the upward movement in wool, and spinners experience great difficulty in making prices for their yarns at all commensurate with the current cost of tops. There is some improvement in some departments of the piece goods trade, and a considerable amount of business has recently been done with Japan. The financial stringency, however, is still very acute in both home and export trade, and many merchants are more or less crippled on this account. In home-grown wools, there is a fair demand for most sorts, and prices show a hardening tendency.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The first series of colonial wool sales for the current year began last Tuesday in London, the attendance of buyers being one of the largest ever seen. A very animated sale took place, succeeding sales being quite as good. The competition for merinos proved to be better than the majority expected, and instead of 10 per cent. advance compared with the close of the previous series (which was expected), good combing merinos appreciated practically 15 per cent., while average and shabbier grades met a good market at fully 10 per cent. advance. Fine crossbreds were somewhat poorly represented at the initial sale, but competition was excellent, with prices all round 15 per cent. higher; medium crossbreds appreciated 7½ to 10 per cent., and coarse crossbreds 5 per cent. New Zealand scoureds and slipes were mostly 5 per cent. dearer, the advance being less in evidence in the latter, due, no doubt, to the very plentiful supply. These results harmonise fully with the recent movement in consuming centres, and there is as much confidence in to-day's values as at any time. One could not fail to observe the active competition of the home trade, their efforts to obtain wool being ably seconded by the French section, and one expects a strong demand from Continental buyers during the whole series. Government Cape wools are to be offered next Friday, January 20th; in the meantime, "free" Capes are showing an average 10 per cent. advance for anything showing decent combing characteristics, but snow-whites are meeting with a rather poor reception at little more than unchanged rates.

The course of the auctions clearly shows that the raw material is in a very strong position. This also applies to tops and yarns, the manufacturing end of the trade being the one in which the improvement is not as great as it should be. The demand for fine

worsted goods is no more than sufficient to keep half the machinery running. Indeed, in view of this fact, it is remarkable that the demand for wool should be so keen. The existence of such opposite factors makes it very difficult to reckon up the situation. On the one hand there are strong markets for the raw material, values appreciating both at home and in the colonies, and, on the other, manufacturers with mills only half running, these bemoaning their inability to sell either wollen or worsted pieces. Yet everybody handling wool, tops and yarns is in an optimistic frame of mind, and these must be going into consumption somewhere, otherwise combs and spindles would never be running full time. The demand for merino tops is so keen that the combing facilities in the West Riding are not able to deal with it all, and it is understood that the same activity is being experienced in Roubaix-Tourcoing. Evidently tops and yarns are being sent out of the country at a much faster rate than they are being consumed at home, the requirements of home machinery, plus export demand, largely accounting for the activity in these two commodities. Notwithstanding the serious complaints about the poor state of the home piece trade, I am still optimistic regarding the future, and while many question seriously whether there is any justification for the recent rise in merinos, it is entirely the outcome of a big demand. The move that has been made at Cannes in regard to improving the financial position throughout Europe has had a beneficial effect upon trade, and no doubt, to some extent, is responsible for improvement in textile circles in general.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The domestic hide market is still drooping, and reductions of ½d to ¾d on ox and cow hides were a feature of Thursday's Bermondsey sales. Best heavy ox made from 8d to 8½d, and lights 6½d to 7½d, best cows going at 5½d. Calf also shared in the drop, all classes showing declines of ½d to ¾d, light best selling at 14½d. Tanners seem determined to get the price of raw stock down, as none can "see themselves home" on leather at to-day's prices of bends and offal. There is little doing in foreign hides, and tanners will only do business at reductions. Spot fregorifics are firmly held, shippers asking 10½d to 11d per lb. The hide trade is disturbed by the failure of John C. Gale and Co., Limited, one of the oldest hide factors in the trade. The liabilities are stated at £128,046, against assets of £46,414, leaving a deficiency of approximately £81,300. Nothing was settled at the recent meeting of creditors, but as several large firms in the trade are interested for large amounts, some anxiety is felt in regard to developments.

The demand for sole leather is moderate, but affected by the fine weather, repairers not buying their normal quantities. Tanners are reducing prices of 12-14 lbs bends, and large blocks of light-weights are on offer. American sole is coming over in fair quantities, and the fear of a dump is still prevalent. Upper leathers are slowly improving, but little in the way of big orders is expected until stocktaking is over.

Orders are coming in for spring boots and shoes, and retailers have still some way to go to meet the market, as the public demand is for cheaper stuff. The result of the ballot of the Shoe Operatives' Union re the reduction of wages shows a majority of 333 against it. The Manufacturers' Federation has, however, decided to postpone the reduction until the first week in February, the second reduction to take place in May instead of June.

VEGETABLE OILS AND OILSEEDS.

(FROM OUR CORRESPONDENT.)

Trade in raw linseed oil received a welcome filip at the close of last week, when there were big orders in the market, chiefly for American account, and quite a large business was done at advancing prices, up to over £20 being paid ex Hull mill, and £31 reached in London early this week. Demand having been satisfied, prices

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CAPITAL SUBSCRIBED - £1,000,000 RESERVE FUND - £270,000
CAPITAL PAID UP - £550,000 RESERVE LIABILITY £450,000

Approved Mercantile Bills discounted. Money received on deposit at call and short notices at current market rates; for longer periods on specially agreed terms. The Company deals in British Treasury Bills of any maturity.

have eased off about 10s per ton from the highest, but the undertone of the market is fully steady at the moment. Cotton oils are in better supply, but the demand is poor, and prices are distinctly easier and lower to the extent of 20s to 30s per ton on the week. Crude soya bean oil of English make is also quoted lower, and is feeling the competition of the Oriental article, large arrivals of which, in bulk, are to hand this week. Rape oil maintains the recent advance, but palm kernel and ground nut oil are only a poor trade. Castor oil, in sympathy with the slackness in the textile industries, is in small demand, first pressure now offering at £50 per ton (barrels included) ex Hull mill.

In the oilseed section some business has been done in Plate linseed, chiefly on speculative account. With better receipts, the spot value has eased off 10s per ton, and £17 has been accepted for December-January shipment to Hull. With £16 15s offered for January-February, cotton seed is quiet, and values for shipment inclined lower.

The shipments of linseed from Argentina in the year ended December 31st were no less than 1,335,800 tons, against 1,023,300 tons in 1920. Of the total, the United Kingdom took 493,800 tons, the Continent 576,000 tons, and North America 266,000 tons, the former two being more than double the figures of 1920, and America about half. The shipments of Indian linseed in the year were 37,275 tons to the United Kingdom, and 56,300 tons to the Continent—in all, 93,570 tons, against 185,800 tons in 1920. The shipments of cottonseed from Egypt were 238,005 tons, and from India 50,500 tons—in all, 288,505 tons, against 337,140 tons, the falling-off being due to the smaller quantity from India.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, January 13.

There was a fair amount of trade doing in some directions, though in the case of raw materials demand failed to show any appreciable recovery.

SUGAR.—Most descriptions of refined opened the week at a decline of 6d per cwt, and engaged good support, closing 3d up. Messrs Tate and Lyle's cubes sold, 50s 3d to 51s 6d; crushed, 47s 9d; granulated, fine, and also coarse, 46s 3d, London; also No. 2, 45s 9d; No. 1, 46s; icing 48s 9d; ditto, in drums, 48s; caster, finest, 48s 3d; A, 48s; B, 47s 9d; yellow crystals, 40s 3d, London; also No. 2, granulated, February-March, 45s 3d; and April-June, 45s 6d. Imported kinds met with fair patronage. Crystallised West India, in small supply, sold at 38s 9d to 40s, according to sample. Muscovado sold, 31s to 33s; white Java, on spot, was dealt in at 42s 6d to 43s; Belgian crystals, 43s; white Natal, 43s to 44s; white Mozambique, 43s 9d to 44s 3d. American granulated, January, sold, 17s 9d; and February-March, 17s to 17s 6d, c.f. and i. terms, United Kingdom. Cuban basis, 96 per cent., January-February, held for 11s 9d, c.f. and i. terms; and Brazilian, basis, 80 per cent., 9s ditto. With interest still shown in Belgian crystals on French account, certain buying back continues regarding contracts previously entered into by Belgian houses with London buyers. Cuban stock amounts to 890,500 tons, against 205,100 tons same time last year. American syrup steady, and good grocery sold, 28s. Liquid glucose, January delivery, quoted 24s 6d, duty paid.

COFFEE.—Spot market generally steady for all the finer qualities and which meet with fair support, though slight irregularity governed Costa Rica descriptions. Good bold Nairobi sold, 108s 6d; Uganda, fine bold, 96s; Costa Rica, medium sizes, 136s 6d to 141s 6d; bold, 140s to 155s 6d. Colombian, good to fine bold greyish, 99s 6d to 106s 6d. Future delivery market ruled quiet. March sold, 51s.

COCOA.—At public sale, about 4,000 bags were submitted, and with a slow demand only 500 bags were disposed of at prices showing no quotable change except Trinidad, and which ruled easier. Ceylon, red estate, sold, 93s to 97s; fair to good Grenada, 45s to 48s; fine St Lucia, 49s; fine Java, 140s. Trinidad, middling to fine red estate, quoted 53s to 59s. Cocoa butter quoted at 1s 6½d to 1s 7d per lb.

TEA.—Public sales of Indian during the week amounted to 52,000 packages. Competition from a full attendance of buyers proved active at full rates, while all qualities up to 1s 3d per lb were again dearer. 22,300 packages Ceylon offered aroused brisk support, and higher values were secured for all qualities up to 1s 6d per lb. Above this figure, however, demand was not so keen, and rates were barely maintained.

RICE.—Market very quiet, and only retail transactions took place this week. Importers, however, do not press, and quotations for the main part ruled nominally unaltered. Two stars Rangoon, spot, 15s; No. 1 garden Siam, 14s to 15s. Broken idle. Bran steady. New crop Burma, February-March, quoted £5 10s per ton, ex ship terms. Rangoon beans dull, and hand-picked, spot, quoted 7s 3d; afloat value, 6s 9d. Japanese peas steady, but quiet.

SPICE.—Pepper received fair support both with regard to spot and forward positions, and a steady tone governed proceedings. Fair black Singapore, spot, sold, 4d; ditto, February-April, steamer, London, 3½d; ditto, Hamburg, 4½d to 4d; Aleppy, spot, quoted 4½d; Tellicherry, 4½d; white Singapore, spot, 7½d; Muntok ditto, sold, 7½d to 7½d; ditto, February-April, steamer, 7½d, and March-May, 7½d. Cloves slow of sale. Fair Zanzibar, spot, 1s 6½d; ditto, to arrive, 1s 5½d, c.f. and i. Pimento, on spot, sold, 2½d. Tapioca steady, quiet. Fair flake, spot, sold 1½d to 1½d per lb. Fair Penang seed pearl, spot, changed hands at 17s 6d. Sago flour dearer, January-March, steamer, sold, 14s 4½d. Desiccated coconut quiet, steady. Fine cut, spot, sold, 40s 6d; medium, 41s to 41s 6d; and half-and-half at 41s.

FRUIT.—A steady tone prevailed for currants, and market moved on steady lines. Pyrgos quoted 56s; Amalia, 57s to 60s; Vostizza, 75s to 85s. Valencia raisins slow. Halves quoted 115s to 118s; quarters, 120s to 150s. Sultanias commanded firm prices, with fair patronage accorded.

JUTE.—The market opened the week easier, but ruled steady later, though business proved quiet while confined to assorting requirements as far as spinners were concerned. New crop, first grade, January-February, usual continental ports, sold, £26 10s; February-March, £27, £26 10s. Lightning grade, January-February, £21 10s; February-March, £22. Heart assortment, spot, Antwerp, sold, £19 10s. Daisee grade, No. 2, January-February, Dundee, quoted £26 10s. 10 oz Calcutta hessians, spot, London, sold, 24s; January, 23s; 8 oz, spot, 20s; January-February, 19s 2d. A twills, spot, 80s; B, 64s 6d; ditto, January-February, 62s.

HEMP.—The market for Manila remained in a very quiet state, but sellers required full prices. D grade, January-March, quoted £52; E, £49; F, £45; G sold, £40 10s; J, at £39 10s; K quoted £38; L, £37; M, £35; streaky threes, £41. New Zealand dull. High point, fair, spot, quoted £37 10s; January-March, £37; fair, spot, £36; January-March, £35. African Sisal steady. No. 1, G.E.A., January-March, £40, and B.E.A., £39 10s.

SHELLAC.—Market quiet, but steady, both spot and forward. T.N. spot, quoted 330s; May sold, 280s.

COPRA.—Market remained in a quiet state. F.M.S. Straits, January-March, Rotterdam, sold, £25 12s 6d to £24 15s; February-April and March-May, £25 15s to £24 15s. Ceylon afloat, London, sold, £25 10s; January-March quoted £26 5s; Cebu, January-March, Hamburg, sold, £24 5s; South Sea Islands to London quoted £24. Palm kernels slow. January-March, to Liverpool, sold, £18 10s to £18.

RUBBER.—Market continues generally quiet and prices weak. Standard crepe and sheet, spot, sold, 10½d to 10½d; April-June, 11½d to 10½d; July-September, 1s to 11½d. Fine hard Para, spot, quoted 1s 1½d and Caucho ball, ditto, 8½d.

OILS.—Linseed irregular. Spot, net, naked, 30s; January-April, 29s 1½d; May-August, 29s 7½d. Rape dull. Crude, spot, 45s; refined, 50s. Cotton quiet. Crude Egyptian, 37s; Bombay, nominal; common edible, 45s. Chinawood: Hankow, spot (barrels), 64s; and shipment, 63s. Cocanut quiet. Ceylon, spot, 45s 6d; January-February, 41s 6d; Cochin, ditto, 46s. Soya, quiet. Oriental, barrels, ditto, 34s 6d. Japan fish quiet. January-February, cases, 21s. Cod quiet. English, spot, 29s to 30s. Groundnut quiet. English crushed, naked, spot, 45s; deodorised, barrels, 56s. Turpentine irregular. American, spot, 72s; February-April, 72s. Rosin firm. American, grade B, 15s; F, 15s 6d; G, 15s 6d; K, 17s 6d; WW, 21s. French, F/G, 14s 9d; H, 14s 9d; WW, 17s 9d; extra pale, nominal. Petroleum quiet. American standard white, 1s 4½d; and water-white, 1s 5d per gallon.

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at one time saleable only at $3\frac{1}{8}$ per cent., changed hands towards the end of the week at $3\frac{1}{4}$. Fundamentally there was no change in the situation, and the supplies of money for gilt-edged securities, increased by the payments to the railways, remain large.

	Jan. 20, 1922.	Jan. 13, 1922.	Jan. 6, 1922.	Dec. 30, 1921.	Previous Rate and Date Changed.
Bank Rate	5%	5%	5%	5%	5% (Nov. 3, '21)
Banks Deposit Rate	3	3	3	3	3% (Nov. 3, '21)
Discount / Call	3	3	3	3	3% (Nov. 3, '21)
Houses / Notice	$3\frac{1}{4}$	$3\frac{1}{4}$	$3\frac{1}{4}$	$3\frac{1}{4}$	$3\frac{1}{4}$ (Nov. 3, '21)
Treasury Bills, 3 months ..	$3\frac{1}{2}$	$3\frac{1}{2}$	$2\frac{1}{2}$	$3\frac{1}{2}$	..
Market rate (3 mths' bills)	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	..

* Additional to those offered by tender the preceding week.

The Bank return showed a diminution of £8,500 in the gold stock and of £1,027,000 in the circulation, so that the Reserve was £1,018,500 higher. Government securities were reduced by £7,860,000 and Other securities by £1,187,800. Deposits therefore fell by £8,044,400, Other being £12,065,300 lower, while Public rose by £4,020,900. The circulation of currency notes was reduced by £4,889,900 to £308,566,000, which includes £1,714,400 for notes called in, but not yet cancelled. The fiduciary issue is £258,901,600, or £51,086,800 below the maximum.

THE STOCK MARKETS.

The most prominent feature in the stock markets during the week has again been the strength of gilt-edged securities and sound investment stocks, which was encouraged by the withdrawal of $5\frac{1}{2}$ per cent. Treasury Bonds and the announcement of a new 5 per cent. issue at 99 to take its place. Securities of home and foreign railways, brewery, and other industrial investments in this class have been in some demand, although dealings were restricted owing to lack of sellers. Amongst foreign Government bonds, Brazilians and Chileans improved, but French and Russians were inclined to weakness. Industrial debentures have been receiving much attention. Details of the week's movements in the stock markets will be found on a later page.

COMMODITY MARKETS.

Anticipation on the part of buyers of obtaining yarn and cloth at lower prices had the effect of restricting movements in the cotton market. China and India are not inclined to place substantial orders, while minor markets give no support. In wool, values of the raw material have been maintained at London auctions, buyers for France and Germany giving support; merinos and fine crossbreds have been in special demand. Reductions last week in prices of Cleveland pig-iron resulted in substantial sales, chiefly to Scottish consumers. In the steel trades some activity, it is hoped, may occur at the end of the month, but there is no evidence of a revival movement on any considerable scale. The steam-coal market is without feature, while business in household coal is less than might be expected at this time of the year. The wheat market remains firm, in sympathy with foreign advices. Raw linseed maintains its price, but other sections of the markets for vegetable oil and oilseeds have been quiet, quotations tending to decline. In the hide market conditions were easier, although business in the sole leather trade is better. Further particulars of market news and movements from our special trade correspondents will be found on later pages.

FOREIGN EXCHANGES.

Under the influence of political changes in France and uncertainty as to the policy to be pursued by M. Poincaré, the foreign exchange market has been quieter and more hesitating than for many weeks past. Francs have been up and down within comparatively narrow limits, but jumped again yesterday morning to 51.65 (compared with

51.50 on the 13th) as the result of M. Poincaré's speech on Thursday, and there is an uneasy feeling that a "vigorous" policy on the part of the new French Government may have a serious and rapid reaction on the French financial situation. As was to be expected, the mark has depreciated in the face of this new situation, and yesterday stood at 830, compared with 786 $\frac{1}{2}$ a week ago. The dollar, although it has weakened somewhat, is at 4.22 $\frac{1}{2}$, only one cent lower than a week ago. Should the attitude of France cause a revulsion of feeling in America with regard to Europe, the pound sterling will also suffer, although certainly not to the same extent as the franc. Otherwise, to judge by the general trade position, we may expect to see sterling maintain its present value for some time to come, and possibly to show a certain increase. Italy shows a slightly lower rate, but confidence with regard to the banking position there has by no means yet been restored. In neutral centres, Amsterdam has moved rather sharply in our favour, Geneva and Madrid have gone a little against us, the latter city being little disturbed by the serious political situation. The three Scandinavian countries have all appreciated slightly, while Helsingfors remains relatively steady. In Central Europe Vienna, after its recent recovery, is moving upwards again, and Warsaw has depreciated again to 13,000. Prague, on rumours of a loan in New York, has again improved slightly, but the rate of appreciation is less rapid than in recent weeks, as the active intervention of the Prague "Bank Amt" appears to have been relaxed. Belgrade is still well above 300, and Bukarest about 550, while Sofia remains considerably above 625. In the East the rupee has cheapened slightly to 1s 3 $\frac{1}{4}$ d, and the yen has also fallen slightly to just under 2s 3d. Silver has been quiet and easy, with sagging prices, and Hong Kong and Shanghai rates have dropped in sympathy to 2s 7d and 3s 5 $\frac{1}{2}$ d respectively. In South America Rio is very slightly cheaper, Montevideo unchanged, and Buenos Ayres rather dearer. Valparaiso, however, shows a sharp movement in our favour.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended January 14, 1922:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	23,917	Supply Services	48,560
Amount borrowed	27,549	Interest on Debt	3,196
Taken from Exchequer balance ..	653	Sundries	363
	52,119		52,119

These operations increased the National Debt by the sum of £27,548,538, and caused the following changes:—

	Min. £		Min. £
Treasury Bonds	+ 26,369	Treasury Bills	- 4,634
National Savings Certificates ..	+ 950	Surrenders of Bonds, &c.	- 560
Bank of England Advances ..	+ 17,000	Public Department Advances ..	- 10,220
		Unemployment Insurance	- 370
		Depreciation Fund	- 660
		Sundries	- 327
	+ 44,319		- 16,771

Property and Income-tax yielded £12,020,000, Customs and Excise £3,741,000, Motor Vehicle Duties £1,566,000, and Special Receipts, "Miscellaneous" £2,500,000. The floating debt was increased by £2,045,000 to £1,249,445,000. Sales of Treasury Bonds amounted to £26,369,348 during the week.

FINANCIAL YEAR, 1921-22 (TO DATE) APRIL 1 TO JANUARY 14, 1922.

	£		£
Total spent	815,861,130	Raised by revenue ..	720,196,429
Dec. in balances	576,175	Net borrowings	95,088,526
Total	815,284,955	Total	815,284,955

ESTIMATES for YEAR 1921-22.

	£		£
Ordinary Receipts ..	1,058,150,000	Ordinary Expenditure ..	974,023,000
Special Receipts ..	158,500,000	Special Expenditure ..	65,705,000
Total	1,216,650,000	Total	1,039,728,000

Surplus*

* Owing to liabilities which could not be precisely calculated, it was estimated that the final balance would not exceed about £80,000,000.

NATIONAL DEBT.

	Aug. 1, 1914.	Mar. 31, 1916.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Dec. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Jan. 14, 1922.
Funded Debt	588	518	518	515	515	515	515	515	515
Term Annuities	30	22	22	20	19	19	18	17	17
4% War Stock	63	63	63	63	63	63	63	63	63
4% War Stock	16	14	13	13	13	13	13	13	13
4 & 5% War Stock ..	2,091	2,068	2,047	2,040	2,008	1,996	1,956	1,953	1,953
National War Bonds ..	649	1,636	1,509	1,476	1,441	1,413	1,201	1,201	1,201
4% Funding Loan ..	..	..	409	409	407	405	405	405	405
4% Victory Bonds ..	..	..	..	..	..	..	..	..	..
3% Conversion Lm. ..	..	..	..	..	..	..	..	..	..
5-16 year Treas. Bonds ..	..	..	..	..	..	..	..	..	..
5% Treasury Bonds ..	..	..	..	..	..	..	..	..	..
Treasury Bills	15	961	957	1,107	1,102	1,121	1,060	1,063	1,063
Exchequer Bonds	80	392	384	323	319	292	289	218	218
Nat'l Savings Certs. ..	..	138	227	267	274	279	285	294	296
War Expnd. Certs.	..	23	..	..	..	..	..	..	..
Other Debt	..	944	1,241	1,306	1,181	1,164	1,132	1,097	1,097
American Loan	..	51	51	51	51	51	51	51	51
Temporary Advances ..	1	804	455	243	306	154	200	186	186
Other Capital Liabilities ..	654	57	49	46	47	47	7,754	7,748	7,778
Total Liabilities	711	5,921	7,481	8,079	7,876	7,832	7,623	7,799	7,829

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.

Way and Means Advances	Jan. 15, '21.	Mar. 31, '21.	Jan. 14, '22.	Jan. 14, '22.
Outstanding—				
Advances by Bank of England ..	36,250,000..	..	21,500,000..	+17,000,000
Advances by Public Department ..	210,122,000..	154,489,000..	164,284,000..	-10,220,000
Treasury Bills outstanding	1,153,849,000..	1,120,841,000..	1,063,661,000..	-4,735,000
Total Floating Debt	1,400,221,000..	1,275,330,000..	1,249,446,000..	+2,045,000

ANGLO-FRENCH RELATIONS.

By the time these lines appear, the country will be feeling the full force of the spate of political oratory that is to descend upon it this week-end. The moment is one of great possibilities, for if the orators can escape from the ephemeral issues of Party advantage and can give a clear lead on matters of principle, it may be that the waters of political life will divide off in new and possibly clearer channels. Unimaginative persons, less optimistic but perhaps more weather-wise, predict that the flood is likely to be succeeded by fog.

In the meantime, the country has had a short interval to reflect upon the epoch-making events that broke up the Conference at Cannes last week. If it is still too early to weigh up the full implications of the statement of policy made by M. Poincaré on Thursday in the French Chamber, we can at least take the opportunity of attempting to define our own attitude towards France. If we may attempt to analyse British opinion, there are three leading ideas which we believe are predominant in the minds of thinking people in this country. In the first place, the illusions of 1918 with regard to reparations have been generally discarded, and recognition has dawned that the recovery of British trade is dependent upon the renewal of more normal international trading conditions. Such renewal obviously involves a substantial modification of the present scheme of reparations, though it does not mean that Germany should be released from the obligation to restore war damage to the limit of her capacity to pay and of Allied capacity to receive without undue dislocation. On that point there is no weakening discernible in this country. But it does mean that there is no common ground between British opinion and M. Poincaré if the latter intends—as, unfortunately, his statement leaves little room to doubt—to insist upon the literal execution of the reparation chapters of the Versailles Treaty. At the same time, it is recognised that Great Britain is not in a strong position in this matter, for was it not the British delegation which made the pace at the Peace Conference and swelled the indemnity total to its present inflated figure by insisting on the inclusion of war pensions? Since this country has changed its mind, and since it is very much to our material interest that the new point of view should prevail, it behoves us to meet France very liberally in reducing our own claims to reparation and in giving her assurance of our strong support in the enforcement of such of her claims as can in practice be met.

In the second place, France has seen the anticipated sweets of victory turn to ashes, and the diplomatic barricades which she laboriously constructed in 1919 against

possible German aggression collapse. British opinion also realises that it is largely a result of our own rulers' policy that the League of Nations is not yet a sufficiently strong organisation to give the security France desires, and it therefore welcomes the principle of a pact. But this does not mean that we follow Lord Derby in declaring that we have a common frontier with France on the Rhine, and should undertake its joint defence in a simple agreement. It is idle to conceal that British opinion has been seriously perturbed at the French attitude towards many world problems—an attitude which betrays a failure to understand what may be termed the Anglo-Saxon view of world politics. Conviction that this generation of Europeans has definitely abandoned the idea that war can bring anything but harm to the victor as well as to the vanquished; belief in the healing power of international commerce and communication; trust in the liberalising influence of self-government; and, finally, the belief that by organised international co-operation the opinion of the world can be forged into an effective protection against war among white races—these are ideas which should find a fruitful soil in the traditionally liberal mind of France. But it sometimes seems as though France has a dual personality, and when her more militant mood is in the ascendant, as appears to be the case to-day, Great Britain would not be willing to bind herself unconditionally to a military alliance against German aggression without a very clear understanding as to what aggression means. Nor would she agree to accept the French interpretation of what constitutes a breach by Germany of her treaty obligations. This difficulty is a particularly real one, for under present arrangements France is technically entitled to enforce demands which we know cannot be carried out. In other words, a binding Anglo-French agreement is not readily acceptable until the two countries can find more common ground in the whole sphere of foreign policy. It is for this reason that we have urged that the first step should be to endeavour to reach an agreement on all outstanding questions. Only then should we be in a position wholeheartedly to enter into a guarantee. Moreover, the essence of such a guarantee is that it should have its basis clearly and indisputably in the sense of justice. It was the clear conviction that justice had been outraged that rallied the people not only of these islands, but of the whole British Commonwealth of Nations, to the side of France and Belgium in 1914. In the terrible event of the recurrence of a war crisis on the Continent, the question of justice and clear conscience will be even more closely scrutinised. It is, therefore, essential that any guarantee should make it clear beyond a peradventure that it can only come into operation in a case of proved and obvious justice. A guarantee thus clearly defined and framed in accordance with the principles of the League of Nations would, we believe, satisfy British opinion, and be accepted here as a step towards that provision of European security which must precede real economic recovery.

But in what direction are we to turn if it should unfortunately prove that there is no ground for such an understanding? This brings us to our third proposition, which is that under no circumstances would public

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opinion at present permit the definite modification of our policy in a pro-German direction. The war experiences have burned too deeply to be forgotten yet, and if we cannot continue in close alliance with France, we must do our best to build up stable economic and political relations with countries outside Europe and wait for experience to teach its own lessons nearer home. To adopt this policy of turning our eyes away from Europe would be admittedly a counsel of despair. Anglo-American friendship and co-operation is the bulwark of world peace, but Anglo-French harmony is the only door to European settlement and recovery. In the absence of such recovery the limits that will necessarily be imposed upon chances of trade revival in this country are grievously restricted. Week by week our columns testify to the devastation caused in industrial Britain by the continuance of the great Continental gap in the world trade circle. The prime object, then, of this country and of her statesmen should be to bring nearer the time when France and England can find sufficient common ground for the establishment of a clearly defined agreement. The way is at present barred by misunderstanding and suspicion, to which the spectacular proceedings of the Supreme Council have undoubtedly contributed. As the murky atmosphere of distrust begins to clear away, the numerous and vital points of common interest between the two nations should emerge into view as a pillar of fire drawing towards it paths that are at present divergent. If present hope in this direction burns very low in view of M. Poincaré's uncompromising statement on reparations, the spark is at least kept alive by his recognition that a policy of French isolation would be madness, and that it is the intention of his Cabinet to "mitigate the misunderstandings that have arisen between the two countries."

THE WAGES TANGLE.

It has constantly been emphasised in these columns that the recovery of trade in this country depends upon the solution of international problems in which politics play the predominant part. But there is another side of the story. Great Britain is also under the necessity of making drastic reductions in the cost of the manufactured products with which she purchases from abroad the necessities of her existence.

Unfortunately, adequate statistics are lacking to enable us to generalise about the main elements of cost during recent months; but, in regard to wages, sufficient information is available to show to some extent what has been happening. We have not attempted to estimate what total the national wages bill amounted to in 1921, but, allowing for short time as well as for unemployment, it is probable that the weekly disbursement of wages to-day is from 25 to 33 per cent. less than a year ago. Even in employments which may be regarded as definitely industrial, however, this reduction has been made very irregularly. The following figures, of which the first two columns are taken from the current number of the *Labour Gazette* and the third is a calculated figure, show the average reduction of earnings of men working full time in various industries:—

	No. of work-people affected by wages changes in 1921.	Net reduction in weekly wages bill.	Net reduction per head per week.
Mining and quarrying	1,290,000	2,588,000	2 0 0
Iron and steel	240,000	475,000	1 19 7
Building and allied trades..	450,000	304,000	0 13 6
Textiles	1,010,000	651,000	0 12 11
Engineering & shipbuilding	1,730,000	1,054,000	0 12 3
Transport	910,000	388,000	0 8 6
Public utility services	340,000	134,000	0 7 10

The coal-mining and iron and steel industries, in which the largest reductions have been made, are also those in which average earnings were highest during the boom; the cuts have, however, been so severe that these two trades have fallen substantially behind other industries.

But though such figures are illuminating, they do not bring out so clearly as a comparison of actual rates the extraordinary wages situation in the country at the moment. Wages of skilled men do not convey very

much except to the specialist, nor are many figures of skilled rates of wages readily available. But the earnings of unskilled labour tend in normal times to a much greater degree of uniformity, and we have therefore collected together a considerable number of unskilled rates of wages current in various industries and in various parts of the country at the end of the year. The figures, summarised by industries, show the following wide variations:—

RANGE OF UNSKILLED LABOURERS' WAGES—CHRISTMAS, 1921.*

	s	d	
Agriculture	34	0	(Rutland) to 50s (Lancs).
Railways (porters)	57	0	(country) to 61s (London).
Local authorities	42	0	to 76s 3d.
(Industrial Council scheme)			
Town range	50	0	(Aixminster) to 76s 3d (London).
Country "	42	0	(Shifnal) to 51s (Amblecote).
Builders' labourers	53	2	(Saffron Walden) to 71s 6d (London).
Engineering "	55	9	(Bristol) to 64s (London).
Iron and steel "	43	0	(South Wales) to 48s (Sheffield).

* Railway servants' wages fell 4s a week in January, and a sum amounting to about 2s 3d came off the engineering labourers' wages. A substantial reduction is also due in the iron and steel trade in the North of England on February 1st.

As regards coal mining, wages are calculated on a shift basis; but, assuming 5½ shifts a week in Northumberland and Durham and six shifts in other parts of England and Wales, the full week's work would produce for underground labourers 36s in the Forest of Dean, 37s 2d in Durham, up to 69s in Derbyshire, while surface labourers would earn from 31s 6d in the Forest of Dean and 39s 3d in Durham, to 67s in Yorkshire. January rates are somewhat lower in some cases. The recent mining settlement provides that by agreement a minimum day rate may be fixed if the wages of the lower-paid men fall abnormally, and in certain districts 7s 1d per day, or 42s 6d per week, has been fixed as a minimum under this clause. But this arrangement is not universal; and in any case, this weekly figure, as well as the previous figures quoted, are subject to the qualification that, in fact, the average time worked is nearer five than six shifts a week. On the other hand, a large number of the miners receive a house or housing allowance, and cheap or free coal.

These are really very remarkable figures, and depict a highly abnormal state of affairs, which goes far to explain the demand of the Miners' Federation that the Government should make an inquiry into the wage situation. Looking first at the differences between the trades, it is natural that the industries which have to face keen export competition, or which provide materials for the export trades, have been compelled by economic circumstances to lead the way in the process of adjustment. In the two trades most affected—viz., the coal and iron and steel trades—earnings of unskilled labour are definitely on an agricultural level. On the other hand, the wages of builders' labourers, which have been maintained at a high figure largely as the result of the policy of subsidising house building, and in the railway service, which until recently has also been enjoying a State subsidy, are at a comparatively high level, even in country districts. Between these extremes, unskilled labour has maintained its earnings in proportion to the extent to which it has been protected by economic circumstances from keen competition.

An equally striking feature is the great variation between different districts in certain trades, though not in all. Thus railway service has a very small range indeed, whereas in agriculture the tendency to uniformity introduced during the war is now rapidly disappearing under the present County Conciliation Board system. The local authority figures are even more startling. Those quoted in the table above are the figures laid down in the scheme of the local authorities' Whitley Council. But many towns have not adopted this plan, and the wages of the "outsiders" show a still wider variation. As illustrating the extremes, one rural district council in Hampshire pays 30s a week, while an urban district council on the North-East coast has fixed its minimum at 84s. Such wide variations for essentially similar classes of work can have no economic justification, and it is clear that the efforts made during the war to standardise wages all over the country have broken down.

The situation which these figures present is one which calls for sympathetic and statesmanlike treatment on the

A YEAR'S OVERSEAS TRADE.

NATURALLY enough, with the great fall in commodity prices and the stagnation of trade prevalent throughout the year, the value figures of overseas trade for 1921 show enormous decreases when compared with the results of 1920. The total merchandise trade turnover in 1921, as revealed in the Board of Trade returns, was £1,896,935,567, as compared with £3,489,871,481 in the previous year. In fact, the value figure for the total 1921 turnover was less than the value figure of imports alone in 1920. The fall in the total value figure is one of 47 per cent. The *Economist* Index Number, as was shown in a recent issue, fell during 1921 by 26 per cent., and the fall was of a fairly steady and persistent nature. Statistics, it is hoped, will be produced in the course of time to show what 1921's trade would have been had price levels been the same as those of 1920. Meanwhile it is only possible to say that a very important part in the decrease in the value figures was played by the fall in prices. The summary of the year's value figures for imports, exports, and re-exports, as compared with those for 1920, reads as follows:—

	Calendar Year.		Decrease in 1921.	
	1920.	1921.		
	£	£	£	%
Imports	1,932,648,881	1,086,687,213	845,961,668	-43.7
Exports	1,334,469,269	703,196,282	631,272,987	-47.3
Re-exports	222,753,331	107,052,072	115,701,259	-51.8
Total exports	1,557,222,600	810,248,354	746,974,246	-47.9
Excess of imports over total exports	375,426,281	276,438,859	98,987,422	-26.3

It may seem surprising at first glance that the import excess should have been reduced by nearly £100 millions in a year in which a long coal stoppage struck so severe a blow at the export trade. But, of course, the trade depression caused a severe restriction of our purchases abroad of the raw materials of industry, and the import figures were also reduced by the especially large fall in the prices of some leading articles of import, while some allowance must be made also for the rise in the value of the £ sterling in countries of purchase. The reduction in the import excess was entirely the work of the first half of the year, as will be seen from the following table:—

MOVEMENTS OF MERCHANDISE TRADE BALANCE.

Month.	Imports in 1921.	Total Exports in 1921.	Excess of Imports in 1921.	Excess of Imports in Corresponding Month of 1920.
	Million £.	Million £.	Million £.	Million £.
January	117.0	102.7	14.3	59.0
February	97.0	76.2	20.8	61.8
March	93.7	75.7	18.0	45.9
April	90.0	68.4	21.6	40.4
May	86.3	50.3	36.0	26.8
June	88.2	45.2	43.0	33.8
First half-year	572.2	418.5	153.7	260.7
July	80.8	52.5	28.3	7.8
August	88.6	61.3	27.3	25.0
September	87.1	63.8	23.3	22.0
October	84.7	72.7	12.0	21.2
November	89.3	72.7	16.6	11.7
December	85.3	68.6	16.7	10.2
Second half-year ..	515.8	391.6	124.0	97.9
Full year	1,088.0	810.2	277.9	358.6

It will be seen that the totals do not agree with those given in the first table, the reason being that, while the official returns give an adjusted total for the full year, adjustments in certain monthly figures are not made in the returns until later on. The last six months of 1921 compare with a period in 1920 when exporters were still busy on old orders, while the booking of new orders was already so slack that a falling-off had occurred in the imports of raw materials. For these reasons, the last half of 1920 saw the excess of imports reduced to a low figure.

The quantity and value figures of certain leading imports in 1920 and 1921, set out in the following table,

part of those who control the policy of our leading industries. In many cases the men have recognised the force of economic pressure, and accepted drastic reductions in a manner deserving of the highest praise, and by so doing have given proof of the solid qualities which are needed if the ideal of partnership is to become the ruling principle between employers and workpeople. The reduction has also been accompanied, particularly in those industries in which payment by results obtains, by a greatly increased output per head per day—even where the weekly output is reduced by short time. The highest output ever attained by a single blast furnace in Great Britain was reported recently from South Wales, and similar results are being experienced in most parts of the country. Unfortunately, the renewed exertions of workpeople, though they have greatly contributed to the lowering of working costs, have not yet sufficed to revive trade, and in such circumstances it is of the utmost importance to keep alive the will to work. Employers can assist in bringing about this result by satisfying workpeople that every effort is being made to reduce cost by all available means other than the mere reduction in the rate of wages; but above all by the fullest possible disclosure of the economic conditions of the trade. There is no doubt that the monthly publication of the costs, receipts and profits of the coal industry during control, which gave the men for the first time a trustworthy general view of the position of their industry, enabled the two sides, in the spring of 1921, to get to a degree of understanding which, given a little more time, might have averted the strike, and certainly largely contributed to the acceptance by the men of the product-sharing principle which underlies the present settlement. We regret very much that the Mining Association of Great Britain has not continued the publication of these figures, for the future of industrial relations in this country depends, more than upon anything else, on creating the conviction that workpeople are being treated frankly and with fairness during the present depression.

There is, however, another aspect of the situation which raises a more difficult issue. In the industries and employments protected from keen competition, wages rates are mostly calculated on the basis of the cost of living rather than by what industry can afford to pay. But these wages are themselves a cause which tends to maintain the level of internal retail prices, for it has to be remembered that the rates of wages paid within Great Britain to workers in retail and wholesale distributing industries, in road and rail transport, in warehousing, in making and in preparing food products for market, constitute a very large factor in the cost of retail commodities. The two factors which interfere with this tendency of internal wages to maintain the level of the cost of living are a reduction in the remaining elements in cost, such as the import value of imported food, and the reduced demand caused by unemployment and low wages in the industries subject to competition. In the long run the level of wages in this country must be governed by the level of wages that can be paid in the export industries, which is only another way of saying that the standard of living must be governed by the valuation which the world is prepared to put upon British products in terms of the products which it has to offer in exchange. In normal times the adjustment between the wages of those who work for export and those who work for the home market does not involve rapid and drastic variations; but in times like the present, when very big adjustments have to be made, it is very desirable to speed up the variation of wages so that the general level may more promptly follow the level payable in exporting industries. On this issue, which is definitely raised in the present controversy over railwaymen's wages, we suggest that it would be in the best interest of workpeople as a whole to modify the present rigid adhesion to the pre-war cost of living formula, and seek by a study of wages in other industries to find a temporary post-war standard which would reflect the economic condition of the country. This would be one of the surest roads leading out of the present morass of unemployment to the plains of trade prosperity. It is a topic which Parliament is not very qualified to discuss, but it is exactly the kind of problem to be thrashed out in an industrial Parliament organised on the lines which Mr Arthur Henderson has again been advocating this week.

gives an indication of the effect of price movements on the value totals:—

	IMPORTS.			
	Quantity.		Value.	
	1920.	1921.	1920.	1921.
Raw cotton.....centals	18,972,224	11,725,521	253,997,742	72,461,969
Sheep & lambs wool ..	8,728,799	7,610,440	87,623,962	41,539,603
Flax, hemp and jute..tons	383,350	180,797	32,263,320	9,692,152
Rubber	2,481,910	1,903,756	24,517,721	9,242,336
Beef	10,668,463	12,166,907	51,870,074	45,068,675
Mutton and lamb ..	6,398,942	6,810,151	26,760,522	28,973,658
Wheat	109,328,326	80,246,994	146,753,350	70,355,481
Sugar	27,427,116	25,590,292	73,140,456	35,283,957
Butter	1,702,203	3,523,998	24,518,748	42,528,399
Tea	431,196,236	445,519,602	26,957,802	23,017,425
Tobacco	219,042,927	227,620,930	32,767,209	22,192,947
Pig-iron—				
Forge and foundry tons	49,581	411,744	705,884	2,802,016

The cotton, wool, wheat, sugar, and rubber figures are the most prominent examples of the effect of lower prices. Mutton and lamb has varied very little. A noteworthy point is the fact that butter imports increased over 100 per cent. in quantity. The figures for forge and foundry pig-iron are put in, because foreign competition in this line has been a feature of the iron and steel trade year. Quantity and value figures of exports of coal and certain prominent manufactures are set out below in similar form:—

	EXPORTS.			
	Quantity.		Value.	
	1920.	1921.	1920.	1921.
Coal	24,931,853	24,660,558	99,627,146	42,951,591
Pig-iron and ferro-alloys.. tons	579,509	135,998	10,002,701	1,686,461
Railway material	311,211	339,603	9,835,488	10,571,882
Total of iron and steel and manufactures thereof	3,251,225	1,700,407	128,907,361	63,772,453
Textile machinery	63,314	156,996	25,148,832	74,630,495
Total machinery	461,663	606,008	74,630,495	23,998,459
Cotton yarns.....lbs	147,432,400	145,504,900	47,585,814	23,998,459
Cotton piece goods	4,436,405,000	4,902,659,000	315,717,631	137,168,336
Wool tops	237,703	246,898	5,036,621	4,401,655
Woolen tissues.....sq. yds.	187,232,900	76,626,600	75,166,330	24,638,719
Worsted tissues.....sq. yds.	77,354,900	40,816,400	26,683,079	11,227,527
Woolen piece goods	93,044,700	39,992,900	14,935,201	5,851,573
Boots and shoes	818,969	313,262	7,116,030	2,248,830
Leather	271,257	228,063	8,153,959	3,239,647
Paper and cardboard	2,350,132	1,464,996	12,810,405	7,736,444
Locomotives	43,296	47,468	5,987,396	7,936,903
Motor cars and chassis	8,433	3,800	6,404,545	3,296,234

Coal shipments were much the same in quantity, but less than half the value recorded in 1920. In 1913 coal shipments amounted to 73,400,118 tons, or nearly three times the quantity sent out of the country in each of the past two years. The acute foreign competition alluded to above, coupled with trade stagnation, has reduced pig-iron exports to a very low level. The quantity of cotton piece-goods exported fell by nearly one-third and the value by no less than £17½ millions. Of cotton yarn rather more was exported in 1921 than in 1920, but for little more than half the value. Machinery—especially textile machinery—is the most satisfactory item in the list. Railway material and locomotives also show up well. Woollen and worsted tissues, linen, boots and shoes, motor cars, paper and cardboard, and leather all illustrate not only the fall in prices, but also the slump in demand which marked the year 1921. To the fall of £115½ millions in re-exports, raw cotton and wool contribute between them declines of £41½ millions, and rubber another of £10 millions. The coin and bullion figures for the past two years compare as follows:—

	Gold.		Silver.	
	Imports.	Exports.	Imports.	Exports.
1920.....	50,678,283	92,565,137	9,923,034	11,493,266
1921.....	49,676,327	59,348,158	10,282,693	12,046,272

The surplus of gold exports over imports in 1921 was only £9.6 millions, as compared with £41.8 millions in 1920. We sent rather more gold to the United States, namely, £55.5 millions against £52.8 millions in the previous year, but gold shipments to British India fell from £23.6 millions to £1.5 millions, while we imported from that country £8 millions in place of £270,500. The total of shipping engaged in the foreign trade which entered our ports with cargoes was 37.1 million tons, against 36.5 million

tons in 1920 and 49.1 million tons in 1913; the total clearing with cargoes was 36.4 million tons last year, as compared with 36.7 million tons in 1920 and 67.8 million tons in 1913. Considering the growth in available mercantile tonnage, the figures throw light upon the deep depression in the shipping world.

The following table gives the value figures of the principal imports and British exports in 1920 and 1921 under their official heads:—

	Imports.		British Exports.	
	1920.	1921.	1920.	1921.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	231,635,600	138,084,686	2,773,296	3,903,897
B. Feeding-stuffs for animals ..	8,899,902	6,599,366	1,025,200	1,529,614
C. Meat	141,527,296	132,968,634	829,515	865,316
D. Animals, living, for food ..	..	2,804,427	13,889	45,126
E. Other food and drink, non-dutiable ..	174,795,109	165,590,765	37,165,403	26,053,292
F. Other food & drink, dutiable ..	174,030,078	96,384,473	..	..
G. Tobacco	34,919,890	22,814,296	9,129,149	5,060,711
Total, Class I	765,807,875	567,246,647	50,936,451	37,457,956
II.—Raw Materials and Articles mainly Unmanufactured—				
A. Coal	26,633	12,129,961	99,627,146	42,951,591
B. Other non-metallic mining and quarry products and the like	9,669,828	6,329,123	2,403,370	1,152,801
C. Iron ore and scrap	20,797,171	5,071,928	626,360	228,753
D. Non-ferrous metalliferous ores and scrap	17,705,166	8,089,664	2,201,244	1,591,369
E. Wood and timber	82,145,214	30,039,165	1,011,366	367,003
F. Raw cotton and cotton waste ..	256,678,879	73,329,907	3,073,571	728,152
G. Wool, raw, and waste, and woollen rags	93,099,664	43,405,680	8,768,294	4,530,748
H. Silk, raw, knubs and noils ..	4,067,632	953,480	94,169	32,326
I. Other textile materials	32,720,333	9,874,044	634,090	616,953
J. Oil seeds, nuts, oils, fats, resins, and gums	82,157,280	38,195,788	13,538,427	6,050,851
K. Hides and skins, undressed ..	31,967,112	10,926,201	4,034,117	1,281,453
L. Paper-making materials	33,250,413	13,855,298	2,510,119	818,541
M. Rubber	26,730,406	10,497,832	520,946	120,340
N. Miscellaneous raw materials and articles mainly unmanufactured	19,339,904	8,478,630	6,472,584	3,078,375
Total, Class II	710,356,635	271,175,698	145,515,803	63,559,256
III.—Articles Wholly or Mainly Manufactured—				
A. Coal and manufactured fuel ..	10,540	241,615	20,692,095	3,428,482
B. Earthenware, glass, abrasives, &c.	11,113,286	7,014,346	18,280,663	12,080,036
C. Iron and steel and manufactures thereof	29,016,755	22,887,372	128,907,361	63,772,453
D. Non-ferrous metals and manufactures thereof	39,132,561	18,467,560	25,781,789	11,733,687
E. Cutlery, hardware, implements, and instruments	10,603,510	6,687,742	13,596,004	8,954,138
F. Electrical goods & apparatus ..	1,826,177	1,931,362	11,601,150	13,065,415
G. Machinery	19,953,798	10,785,006	63,432,368	74,630,495
H. Manufactures of wood and timber	8,630,915	4,921,938	2,830,583	1,805,839
I. Cotton yarns and manufactures ..	9,820,277	5,890,647	401,420,272	178,709,912
J. Woollen and worsted yarns and manufactures	17,688,151	7,694,042	134,859,043	55,103,762
K. Silk and silk manufactures	36,909,099	19,237,337	5,194,476	2,285,198
L. Manufactures of other textile materials	23,116,430	8,194,001	45,009,262	18,538,381
M. Apparel	15,024,112	9,600,918	48,863,339	18,391,826
N. Chemicals, drugs, dyes, and colours	34,329,497	12,682,196	40,535,725	19,057,281
O. Oils, fats, and resins manufactured	76,853,313	56,589,249	13,626,432	5,230,435
P. Leather and manufactures thereof	20,445,154	8,666,549	11,664,944	4,760,506
Q. Paper and cardboard	30,243,744	11,601,303	12,810,405	7,736,444
R. Vehicles (including locomotives, ships, and aircraft) ..	27,221,754	6,907,281	60,098,318	57,611,112
S. Rubber manufactures	7,102,553	4,919,737	11,520,255	4,662,378
T. Miscellaneous articles, mainly or wholly manufactured ..	34,398,274	20,155,352	49,005,235	27,108,988
Total, Class III	453,439,840	245,045,553	1,119,739,723	588,664,977
IV.—Animals, not for food	401,739	393,813	4,805,512	3,448,525
V.—Parcels Post, non-dutiable articles	2,643,792	2,825,502	13,471,780	10,065,568
Total	1,932,648,881	1,086,687,213	1,334,469,269	703,196,282

THE CITY EQUITABLE COMPANY.

THE City Equitable Fire Insurance Company was established in 1908 to accept fire risks by way of re-insurance, a branch of business in which Great Britain had not hitherto been prominent. It was, in fact, a speciality of foreign fire managers, who made a great study of the science, and had for years supplied English fire offices with most of their opportunities to cover their surplus liabilities. From its birth the City Equitable developed quickly, its fire premium income rising between 1909 and 1913 from £20,448 to £83,443. After 1913 the foreign market, on which London and Liverpool had for long relied, was closed to them, and it was no easy matter for the offices to find reliable companies to whom their risks might be ceded under treaty. Naturally, then, the business of the City Equitable grew very rapidly, and the advance of its pre-war days was dwarfed by the great strides made during and after the war, both in its pre-

The New York Trust Company

Accepts deposits drawing interest from foreign banks, firms and individuals.

Buys and sells drafts and cable transfers on foreign countries.

Furnishes credit and trade information to foreign firms desiring to buy or sell in the American market.

Finances import and export transactions

Buys and sells American and foreign securities.

100 BROADWAY

NEW YORK CITY

London Correspondents
Barclay's Bank, Ltd.
Hambro's Bank, Ltd.

mium income and in its fire surplus. A brief summary of its fire figures would work out as follows:—

Year Ending	Premiums.	Balance Over Claims Paid and Expenses.
1909	20,448	9,463
1913	83,443	6,853
1916	363,498	133,656
1918	458,375	82,045
1920	1,189,760	275,444
1921	2,071,516	429,696

This is a very remarkable development, and it has been accompanied in the last few years by the growth of a big marine premium income, the figures since 1917 being as follows:—

Year Ending	£
1917	260,489
1918	740,038
1919	1,351,728
1920	1,442,772
1921	1,469,197

The whole of this premium income is derived from re-insurance business, so that the importance of the company to the English insurance market is obvious. The paid-up capital compared with the size and growth of the business is small, and the return to shareholders from the huge profits made is proportionately great. The shares authorised and subscribed amount to £375,000, but the capital paid up is only £75,000, which in comparison with the enormous premium income looks ridiculously small. Of this £75,000 £60,000 is in 6 per cent. participating preference shares (4s paid) and £15,000 in ordinary shares, also 4s paid. The dividends paid in the last few years are as follows:—

	Preference Dividend.	Ordinary Dividend.
	£	£
1918-19....	22,500 = 37½ %	22,500 = 150 %
1919-20....	30,000 = 50 %	30,000 = 200 %
1920-21....	37,500 = 62½ %	37,500 = 250 %

Returns of this size on so small a capital are very remarkable, and have naturally attracted much attention, both from insurance men and from investors in insurance shares.

Until last year the interests of the company were confined entirely to re-insurance business, but in July last a new venture was started under the protection of the City Equitable, which opened up wider fields and brought the company into more direct touch with brokers and the general insuring public. A company was floated under the name of the City Equitable Associated, with the stated object of consolidating the interests of the City Equitable in its dealings with various other insurance companies and "assisting it in its operations, more especially in the American field." It acquired a controlling interest in the Greater Britain Insurance Company, the City of London Insurance Company, and the First National Insurance Company (all of which had marine offices taking direct risks from brokers), and also in the Excelsior Company of Amsterdam, which, so far as we know, does no direct business in the London

market. The authorised capital of the new company was £1,100,000, and after a number of shares had been allotted in purchase of the Greater Britain and other shares, a public offer was made of 250,000 8-per cent. participating preference shares of £1 each, which are now fully paid, and are guaranteed both as to capital and dividend by the City Equitable Company. It is in this issue that the public shareholding interest mainly lies.

During the past fortnight there has been a striking fall in the price, both of the City Equitable 6 per cent. preference and the City Equitable Associated 8 per cent. preference, recent quotations being as follows:—

	City Equitable 6 %.	City Equitable Associated 8 %.
	£ s d	£ s d
June 30, 1921	2 19 0	.. ..
September 29, 1921	2 19 0	17 4½
December 31, 1921	2 15 0	16 3
January 19, 1922	0 15 0	9 9

An instalment of 10s per share (it may be noted) was due on the Associated 8 per cent. on January 12th. The rapid decline has caused some anxiety and disturbance in the insurance world, and shareholders and others have been much exercised in mind to comprehend the reason for it. The secretary of the Associated is reported in a daily paper of Thursday to have declared that he knows of no reason for the drop in prices, but, apart from this communication and a note in Friday's *Daily Express*, no official statement has been made, and the directors of the City Equitable may have decided to say nothing. If their interests were still confined entirely to re-insurance, and their dealings were all with big offices whose managers are acquainted with all the ins and outs of insurance, and can go to the source of things for their information, this policy might well be the correct one. But since they have now so closely connected with them companies doing business with the general public, and since investors are so much more largely interested in the shares than they were twelve months ago, would it not be advisable for the board of the City Equitable to take note of this decline and make a public statement? It would be idle to deny the disturbing effect of this week's price movements, or the desire of the shareholders to have their confidence established. Among the points that might be dealt with are:—

(1) Whether in the last few months any change has taken place in the relations between the City Equitable Company and its policy holders among the big insurance offices?

(2) Whether the directors are satisfied with the liquidity of their assets, especially the sum of £1,350,000 shown in the last balance-sheet as representing insurance shares, miscellaneous securities, and loans?

(3) Whether the directors are satisfied with the position of the companies with whom they have re-insured their excess liability?

(4) The state of their American connection and funds.

(5) Where the guarantee given by the City Equitable

on the Associated shares ranks among the City Equitable's liabilities?

In view of the difficulty of dealing in the shares this week a statement would be desirable both from the company's and the shareholders' point of view, and we cannot regard the personal comment of the general manager, published on Friday, as a satisfactory equivalent. The directors must declare their position.

THE COAL TRADE IN 1921.

THE returns of the output of coal in the United Kingdom in 1921 are the most convincing revelation that can be given of the disastrous effects on the mining industry of the United Kingdom of domestic strife and international depression. The production for the twelve months was only 163,663,800 tons. There is no parallel for so small a production in the records of the industry since 1887. It was 66 million tons less than the output in 1920, and 124 million tons less than the output in the record year of 1913. The chief cause of this contraction in the supply of coal was the three months' strike, extending from April 1st to July 2nd. In that period alone there was a loss of approximately 65 million tons, but both before and after the strike the conditions prevailing in the coal trade discouraged both inland and foreign demand. In the first three months of the year the industry was still financially under the control of the Government. The restrictions on exports had been removed in 1920, and those on inland prices were discontinued as from February 1, 1921, but up to the end of March both wages and profits were subsidised.

At the beginning of the year the price of coal in the inland market was less than the cost of production. In the export market it was considerably in excess of the cost of production, and though the industry in that month was worked at a loss of nearly £5 millions, the Government was under a guarantee to the coalowners to pay them profits at the rate of over £2 millions per month, or nearly £28 millions per annum. During 1920 it had been possible for the United Kingdom to exploit the foreign consumer, but by the end of 1921 the foreign consumer had discovered other sources of supply, and while our own exports to foreign countries were declining those from the United States, and even from South Africa and the Far East, were increasing. The effect of this redistribution in the world demand for coal was to bring down the export prices of British coals, and it was in consequence of the approximation of the export price to the inland price that the Government in February decided to decontrol the industry, and in March rushed through Parliament the Coal Mines (Decontrol) Act, under which all gratuities to the miners and guarantees to the owners were discontinued as from the end of March 31st. Production after the strike suffered through the dislocation of the manufacturing industries of the United Kingdom. Even in December the production of pig-iron in the country was only 275,000 tons compared with 682,000 tons in December, 1920, and with an average monthly output in 1913 of 855,000 tons. Moreover, during the strike Europe imported American coal on an extensive scale, and we ourselves imported 3½ million tons. In these circumstances both the inland and the foreign demand for British coal was comparatively inactive until the last few weeks of the year, when there were signs of recovery, and when the output in some of the coalfields approximated very closely to pre-war figures.

It was the export trade that suffered most from this reduced output. In 1913, when the production of the United Kingdom was 287 million tons, there was retained for inland consumption approximately 187 million tons, and exported as cargo, bunkers, coke, and patent fuel, roughly 100,000,000 tons. Last year the quantity exported was only about 34 million tons, leaving less than 130 million tons for home consumption. There was, therefore, a deficiency in the inland supply of about 60 million tons, and in the export trade of 60 million tons. This deficiency in the export market was not supplied by any other country. Acute conditions of depression existed in the great coal consuming industries of the United States, France, and Belgium. The under consumption of coal

even in November last was in France and Germany alone at the rate of upwards of 60 million tons per annum, and it is desirable to bear this fact in mind when the Spa Agreement is blamed for the very much diminished Continental demand for British coal.

The course of prices during the year was uniformly downward. The high-water mark of f.o.b. values was reached in September, 1920, when the f.o.b. price of all the coal exported from the United Kingdom was 89s 9d. By the end of January, 1921, there had been a reduction to 65s 4d, while in March the average f.o.b. price was 43s 6d. The coal strike did not interrupt this falling tendency, for in July the average price had further decreased to 38s 2d, while in the last month of the year it was about 27s. The decline in values had been greater in the coal exporting than in the inland districts. In the March quarter the average pit-head price in South Wales was 38s 1d. In December it was about 21s, a decrease of 17s; in Scotland the pit-head price fell during the year from an average figure of 32s 1½d in the first quarter of the year to 19s in November; Northumberland from 34s 1d to 19s; Durham from 34s 4½d to 22s 3d; but the English Federated Area only from about 31s 4d to 25s 1d—a decrease of only 6s compared with the decrease of 17s in the South Wales coalfield. Taking the year as a whole, the working of the industry involved a very considerable loss. In the first three months the debit balance as shown in the statistical statements of the Mines Department was £16,637,028, exclusive of approximately £6 millions due to the colliery owners under the provisions of the Mining Industry Act; during the three months' strike the maintenance expenditure of the colliery companies is estimated to have amounted to at least £10 millions; while the monthly ascertained between July and November showed a net nominal profit of £5,400,000, subject to commercial expenses and to those profits surrendered where the proceeds were otherwise insufficient to enable the collieries to pay the miners their minimum rates of wages. If we assume the net profits for the last six months of the year at £5 millions, we arrive at an approximate loss on the working of the industry for the 12 months of £27 millions.

The only coalfield where wages did not fall appreciably below the pre-war level, after allowing for the diminished purchasing power of money, was that of the Eastern Federated Area. With decontrol the Sankey wage of 2s per day, the war wage of 3s per day, and the 20 per cent. increase of March, 1920—involving a minimum rate of 2s per day—were withdrawn. The terms of the national settlement secured for every district a minimum wage equal to 20 per cent. above the average earnings in July, 1914. In the Eastern Federated Area, in which are included the Yorkshire, Nottinghamshire, Derbyshire, Leicestershire, Cannock Chase, and Warwickshire coalfields, the general wage rate payable in December was 109.54 per cent. on the standard, or 77.54 per cent. above the minimum wage for that area; in South Wales, South Staffordshire, Cumberland, Bristol, Kent, and the Radstock district of Somerset the wages in December were at the minimum; while in Scotland they were only 26.44 per cent. above the minimum, in Northumberland 27.35 per cent. above the minimum, in Durham 30.73 per cent. above the minimum, in Lancashire, North Staffordshire, and Cheshire 42.76 per cent., and in North Wales 12.5 per cent.

This is not the place or the occasion to tell the story of the coal strike, but it is necessary to refer to two or three of the more important of the facts in the settlement of that great struggle. The Government came to the assistance of the miners with a subsidy up to £10 millions spread over a period of three months, in order to mitigate the effect of the reduction which the financial condition of the industry had rendered unavoidable. By the aid of that subsidy, the reductions in wages in July were limited to 2s per day below the wages in March, to 2s 6d per day in August, and to 3s per day in September. Moreover, the colliery owners had agreed to surrender their July and August profits to the extent to which wages had been subsidised in those months from the Treasury, and as the result of this arrangement, the wages in September and October were maintained at a much higher level than otherwise would have been the case. The great change

in the permanent system for the regulation of wages in the industry introduced under the settlement of last July was that of the substitution of profits for selling prices as the main wage regulating factor. The miners were given a minimum wage as well as a standard wage, and the owners a minimum profit equivalent in money amount to 17 per cent. of the amount of money represented by the standard wage, or to approximately 8 per cent. on the capital employed in the industry. All the surplus proceeds left in each district after meeting these standard labour and capital charges, as well as the other costs of production, were distributable in the fixed proportions of 83 per cent. for labour, and 17 per cent. for capital, but in any case the colliery companies had to meet the minimum wage charge before they could retain any profits, and the concession to the coalowners as a compensation for this sacrifice was that of the right to carry forward any deficiencies in their standard profits as a charge to be met out of future profits before the granting of any further increases in wages. In the ascertainment of the working results of the industry the workmen's representatives were given an equal voice with the colliery owners, and all the items to be treated as costs were determined jointly by the two sides. No more epoch-making change has taken place in any other of the great industries of the country, but how far it will stand the strain of competitive trading experience alone will show.

THE COMMUNIST PARTY.

(BY A LABOUR CORRESPONDENT.)

IN spite of the alarms and excursions concerning Communism, there is no movement in this country which is less understood. An account of its establishment and present position may not be without interest. In this country before the war there were Socialist groups of which little was known to the general public. Many people were aware of the Social Democratic Federation, under the leadership of that picturesque bourgeois, H. M. Hyndman. The S.D.F. was a Marxian body, the members of which, in the early days at least, really expected to see the collapse of capitalism and the establishment of Marxian Socialism. Some of its most active members—Will Thorne, Dan Irving, Jack Jones, and Tom Kennedy—are now engaged in humdrum "reformist" work in the House of Commons. The Social Democrats split during the war, the left pacifist wing providing one of the nuclei of British Communism. The rest stoutly declared that Lenin and Trotsky had perverted the doctrines of the master, Marx, and that Social Democracy was the only true gospel. There were also before the war two smaller Socialist bodies to which reference must be made—the Socialist Labour Party and the Socialist Party of Great Britain, consisting of irreconcilables. The latter, though its few members would violently repudiate it, has never been of any consequence. The latter unsuccessfully contested three seats at the last General Election, one of their candidates being Mr Arthur McManus, now the chairman of the Communist Party of Great Britain. The S.L.P. was another nucleus of the British Communist Party. During the war Miss Sylvia Pankhurst, whose political views diverged from those of her mother and sister, raised the flag of revolutionary Socialism in East London and provided recruits when the Communist Party was founded. The shop stewards' movement, which was one of the most important spontaneous developments amongst the workers during the war period, also contributed its quota to the Communist movement. These are the main elements in British Communism.

With the second Russian revolution the world was presented with a new political philosophy, known as Bolshevism. The flag bearing this barbarous and uncouth word, which carries no glimmer of its meaning on the surface, threw the vast majority of people everywhere into consternation. On the other hand, the revolutionary spirits on the extreme left of the Labour movement in this and other countries responded to the new doctrines. There is no space here to attempt an analysis of Bolshevik (or Communist) psychology. Communism bears all the characteristics of a religion, and its supporters show all

the intolerance, blindness and fervour of the devotees of a new creed. No doubt in the "Red" movement there are poseurs, to whom anything which is left of the left is *ipso facto* good, and anything that is new is true. These, however, are not proletarians; they are generally intellectuals. Bolshevism, or Communism, to use the more modern term, stands for the Soviet form of government and the dictation of the proletariat. It claims to be the practical application of Marxism. Kautsky, the German Socialist, and Trotsky have engaged in a wordy duel on this subject, and thrown books at each other's heads. Communism has undoubtedly spread. A year ago the Communist Party of Great Britain was founded, with the blessing of Moscow, and under the wing of the Third International. It applied for affiliation to the Labour Party, but its application was rejected. It claims to have secured the defeat of Mr Ramsay MacDonald at the Woolwich Parliamentary by-election last year. Mr MacDonald was defeated by about 700 votes, and it is said that the Communist votes, which were cast against him, turned the scale. The Communists brought a candidate into the field a little later at Caerphilly, in South Wales, against Mr Morgan Jones, the Labour candidate. The Communist vote was only about 2,000, in an area where there is much unrest. The Communist Party has endeavoured to win the support of the unemployed workers, but they have met with little or no success. The British Communists have obtained a good deal of advertisement through the prosecution of certain of their members for sedition, and more recently as a result of the libel charge brought by Mr J. H. Thomas, M.P., against the Communist newspaper.

The *Communist* is a weekly propagandist newspaper, claiming a circulation of 50,000 copies. In addition, the party publishes the *Communist Review*, a monthly organ. Miss Sylvia Pankhurst has a weekly paper known as the *Workers' Dreadnought*, which some little time ago was, so to speak, put on the *index expurgatorius* by the Communist party. The Labour College appears to be the educational institution of the Communists. Eden and Cedar Paul, in their recent volume "Proletcult," deal with "proletarian culture," and the part which is being played by the Labour College in extending it. There are said to be 10,000 members of the Communist party of Great Britain. According to M. Rákosi, one of the secretaries of the Communist International, there are a similar number of Communists in the United States; in Germany 360,000, in Italy 70,000, in Norway 97,000, in France 130,000, in Czechoslovakia 360,000, in Sweden 15,000. It is claimed that there are Communists as far away as Japan and Uruguay, whilst Palestine is credited with 500 members. The gradual re-orientation of the policy of the Russian Soviet Republic, which has now proceeded a considerable way in coming to terms with capitalism, has obviously perturbed the Communist movement in other countries. Certainly there is uneasiness amongst the British Communists, though they invariably ascribe the views of those who hold that Lenin has compromised with capitalism as being due to a misunderstanding of the situation. There can be no doubt that the spread of Communist ideas depends very largely upon the success of Bolshevism in Russia. As Russia must live in a world which is overwhelmingly capitalist, it is inevitable that it should adapt its policy to this governing consideration, and it may be expected that the Communist movement will receive a substantial check owing to the partial reversion of Russia to private ownership and capitalist enterprise. The movement in this country has not made any substantial headway, notwithstanding falling wages and serious unemployment, and there is little prospect of any considerable growth in the future. It cannot be denied, however, that the Communist party has within its ranks some people of ability, and the party will be ably led. But quite apart from the doctrines of Communism, which will not win much support from the mass of workers, British labour will not submit to the discipline imposed by the party, and to the dictatorship of Mr McManus and his colleagues. The charge has often been made against trade unionists that they do not follow their leaders. It is much truer that they will never be driven by leaders, and the high-handed methods of Communist leadership will repel rather than attract the rank and file.

Not a word has been said in this article about trade unions which are subsidised by "Russian gold," or responsible Labour leaders, who are in Lenin's pocket—and for a good reason. These frenzied statements are utterly untrue. Nor is it true to suggest that the Labour movement is honeycombed into Communism. If the Communists had half the influence which it is sometimes suggested they possess, they would have plunged the country into a general strike on the unemployment question. Certain newspapers are far more afraid of Communism than is the trade union movement, which is quite capable of looking after itself.

Notes of the Week.

China and Washington.—The financial difficulties of the Peking Government are intensified by a fresh political crisis. The new Ministry represents a coalition of the Northern reactionaries, and Liang Shih-Yi, the Prime Minister, is known to favour a return to monarchy. This circumstance, coupled with his release of the political offenders of the Anfu or pro-Japanese party, not only precludes an arrangement with the Republican Government at Canton, but has provoked Wu Pei Fu, who overthrew the reactionary Government in 1920, to give its successor eight days' notice to resign. He has organised and trained a considerable force, and is preparing to advance on Peking; and he will be opposed by Chang Tsao-Lin, the Governor of Manchuria, and the real creator of the new Ministry, who likewise commands a large body of trained troops, which, however, are said to be less numerous. A peaceful settlement is not impossible, for Chinese military leaders are apt to settle their differences by negotiation rather than by arms; but there is no Government to which foreign financial aid can be safely given, and there is not likely to be until Peking and Canton can come to terms. The Consortium is necessarily non-political, and cannot offer a loan to any authority which does not represent the whole of China. Meanwhile, in order to obtain arrears of pay, a section of the fleet has seized a collecting station of the Salt Revenue administration on the Yang-tse; the salt traffic on the river is stopped, and the Legations have requested the Peking Government to restore order. Chinese Governments, however, have a way of emerging from apparently insurmountable difficulties, and competent observers in England expect that important developments will take place after the Chinese New Year holiday, which begins on January 27th. The consent of the Powers has been given to the proposed increase of the Customs tariff, the Customs revenues are still the highest on record, and the increased returns from them and the salt surplus afford ample security for a new loan so soon as a Government can be formed with which the Consortium can negotiate with confidence. The unrest gives additional importance to the task of the Washington Conference in dealing with Chinese affairs. The far-reaching American proposal, announced on Thursday, of an international Board of Reference, to secure "the open door" as regards concessions to foreigners, is fully in accord with British policy during the present century; the chief sufferer from it, should the action of the Board be retroactive, must be Japan; and, though the retroactive clause has been abandoned, it is not quite clear that retroactivity is dropped. Besides, there is an obvious objection to setting up a precedent, which may be applied elsewhere, by going back on arrangements, like those concluded in regard to Shantung, which have been formally accepted by the Powers which are parties to them. Apart from this, the Shantung question is still unsolved, owing to the opposition of the Chinese delegates to the proposed terms. The difficulties ahead, therefore, are serious, but the Powers most concerned seem disposed to be reasonable, and the publication of all the treaties, secret or open, between China and other Powers is a long step in advance. In many ways the Conference is clearing the ground for a strong Chinese Government, if the Chinese can manage to form one.

New Treasury Bonds and Gilt-Edged Prices.—The rumour, followed by the official announcement, of the withdrawal of the 5½ per cent. "C" series of Treasury bonds last Wednesday, and its proposed replacement next Monday by a new 5 per cent. series issued at 99, caused a notable rush on the first two days of the week to seize the last opportunity of buying the 5½ per cent. variety, and also gave renewed strength to quotations of gilt-edged securities. The addition of this week's advances makes the rise in the quotation of Government stocks in the past twelve months or so look very formidable. The extent of the rise is illustrated below in the case of some leading British Government stocks:—

Description.	Price End of 1920.	Lowest Price 1921.	End of 1921.	Present Price.
2½ % Consols	45	44½	50½	53
3 % Local Loans	50½	49½	56½	57½
5 % War Loan (1929-47)	83	82½	92½	93½
4 % Funding Loan (1960-90)	68	67½	76½	79½
4 % Victory Bonds	72½	72½	81½	83½
3½ % Conversion Loan	..	61½	66½	68½
National War Bonds, 5 %, red. at 102, Oct. 1, 1922	98	97½	102½	102½
Do 5 %, red. at 105, Oct. 1, 1929	95	94½	100½	100½

The new 5 per cent. Treasury bonds are to have a currency of five years, their maturity being fixed for a period which is comparatively free from debt maturity obligations.

Business Men and Economy.—At a public meeting held at the Cannon Street Hotel on Thursday afternoon, at which Mr Asquith was the chief speaker, the following resolution was proposed by Dr Walter Leaf, seconded by Lord Gainford, and carried with unanimity and acclamation:—

That in view of the present serious economic and financial situation, and the imperative need of replacing the wealth annihilated by the war, this meeting of bankers, manufacturers, merchants and shipowners

(1) Calls upon the Government to adopt immediately a policy of drastic retrenchment in the national expenditure, and to enforce a rigid economy in the administration of all public departments;

(2) Demands that the interference with our commerce, whether by Parliament or by the Administration, be stayed at once; and that trade and industry be released from the trammels imposed by the Safeguarding of Industries Act and allowed to recover the same freedom as before the war.

The meeting was convened by the National Association of Merchants and Manufacturers, and as Sir Hugh Bell, who presided, pointed out, the resolution was a further confirmation of the manifesto issued by prominent bankers in May of last year. The demand voiced by most of the speakers that the Safeguarding of Industries Act should be "scrapped and thrown upon the rubbish heap" met with general applause, only exceeded by that accorded to references to the necessity for retrenchment in Government expenditure. Mr Asquith's conclusion, in which he summarised the methods by which economic restoration can be achieved, is worthy of quotation:—"What is the sum of the whole matter? It is the rigorous curtailment of unproductive expenditure; putting an end to the artificial multiplication by the printing press or in other ways of purchasing power and credit inflation; the cessation of paralysing and sterilising State interference in the whole domain of business and industry, and, finally, the assessment and liquidation of outstanding international liabilities; the immediate lowering and the ultimate removal of tariff barriers, with the result of opening of all markets to the free interchange of commodities; the effective prosecution of a universal policy of disarmament both on the sea, on land, and in the air; the resolute avoidance of entangling engagements, which may tie our hands and mortgage the future between separate Powers or groups of Powers."

Employment in December.—In spite of some improvement in the demand for labour in coal mining, hosiery manufacture, and leather tanning and currying during December, the *Labour Gazette* shows that, on the whole, unemployment grew worse last month. The percentage unemployed among members of Trade Unions making returns to the Labour Ministry rose from 15.9 per cent.

to 16.5 per cent. The resulting movements of this figure in 1921 and former years are set out below:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.							
End of—	1913.	1916.	1917.	1918.	1919.	1920.	1921.
January ..	2.2 ..	0.6 ..	0.3 ..	1.0 ..	2.4 ..	2.9 ..	6.9
February ..	2.0 ..	0.5 ..	0.3 ..	0.9 ..	2.8 ..	1.6 ..	8.5
March	1.9 ..	0.5 ..	0.3 ..	1.2 ..	2.9 ..	1.1 ..	10.0
April	1.7 ..	0.5 ..	0.3 ..	0.9 ..	2.8 ..	0.9 ..	17.6*
May	1.9 ..	0.5 ..	0.4 ..	0.9 ..	2.1 ..	1.1 ..	22.2*
June	1.9 ..	0.5 ..	0.4 ..	0.7 ..	1.7 ..	1.2 ..	23.1*
July	1.9 ..	0.4 ..	0.4 ..	0.6 ..	2.0 ..	1.4 ..	16.7
August	2.0 ..	0.4 ..	0.5 ..	0.5 ..	2.2 ..	1.6 ..	16.3†
September ..	2.3 ..	0.4 ..	1.3 ..	0.5 ..	1.6 ..	2.2 ..	14.8
October	2.2 ..	0.3 ..	1.1 ..	0.4 ..	2.6 ..	5.3 ..	15.6
November ..	2.0 ..	0.3 ..	1.1 ..	0.5 ..	2.9 ..	3.7 ..	15.9
December ..	2.6 ..	0.3 ..	1.4 ..	1.2 ..	3.2 ..	6.0 ..	16.5

* Excluding coal miners. † Revised figure.

The percentage unemployed among workpeople covered by the Unemployment Insurance Act rose from 15.7 per cent. to 16.2 per cent., the percentages for males and females being 18.2 and 11.3 respectively.

The Cost of Living.—The *Labour Gazette* calculation of the cost of living for an average working-class family shows a fall of 7 points in December, the level at the end of the year being 92 per cent. above that in force at the outbreak of war. The following table shows how the figure has moved month by month since the beginning of 1920:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.				
	1920.	1921.	1922.	
	Per Cent.	Per Cent.	Per Cent.	
January 1st	125	165	92	
February ..	130	151	..	
March ..	130	141	..	
April ..	132	133	..	
May ..	141	128	..	
June ..	150	119	..	
July ..	152	119	..	
August ..	155	122	..	
September ..	161	120	..	
October ..	164	110	..	
November ..	176	103	..	
December ..	169	99	..	

The January 1st figure is the lowest recorded since March, 1918. The decline in December is attributed mainly to reductions in the prices of some of the principal articles of food, including bread, flour, meat, butter, and eggs. According to the official calculation, retail food prices alone are 85 per cent. above the July, 1914, level.

Export Credits.—A statement has been issued showing advances, general credits, and guarantees sanctioned and taken under the Overseas Trade (Credits and Insurance) Act, 1920. According to this, applications for advances sanctioned from September, 1919, to December 31, 1921, totalled £6,071,665, while advances and guarantees taken during the same period amounted to £1,687,075. Of the latter, £1,412,210 was for Finland, Baltic Provinces, Poland, Czecho-Slovakia, Jugo-Slavia, Roumania, Austria, and Bulgaria.

The Measurement of Inflation.—On Tuesday last Mr H. W. Macrosty, B.A., read a paper before the Royal Statistical Society dealing with "Some Current Financial Problems," the current theme of which was credit during the last seven years, involving the problems of the nature of bank credit, the creation of credit by the Government, the situation created by Treasury Bills, the holding of currency by the public and the banks, and the inflation or expansion of currency. Analysing the various methods in which the banks could extend credit, the lecturer showed that it was not possible, from the existing banking statistics, to measure the amount of credit created and to estimate the precise responsibility of the Government in the matter. Government financing during the war had inflated credit, but since that time there had been no tendency to inflation inherent in the methods for the continual renewal of floating debt. Dealing with Treasury Bills, Mr Macrosty estimated that at the end of 1920 probably about £500 million of Treasury Bills, and to-day a somewhat lesser amount, was held by the industrial and commercial community, as apart from financial interests. A brisk revival of trade would, con-

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sequently, lead to the wholesale non-renewal of bills and place the Government in the dilemma of choosing between a great inflation of the currency, which would in effect be a universal and unintelligent taxation of the community, and some form of a special levy on property for the redemption of debt. By a separate investigation, the lecturer confirmed Mr McKenna's estimates of the distribution of currency between the public and the banks in 1914 (£128 millions held by the public and £75 millions by the banks), and concluded from his calculations that the velocity of circulation, which had slowed down during the war, had nearly returned to its former rate, thus enabling a certain amount of currency to be withdrawn. The Currency Notes Account to-day appeared to be administered on purely banking principles, so that the Government had no responsibility for its temporary movements of restriction or expansion.

World's Gold Production.—From Messrs Samuel Montagu and Co.'s annual bullion letter for 1921 we extract the following interesting table of the world's gold production from 1913 to 1921:—

(Millions of £'s)

Year.	Transvaal.	The Rest of the Empire.	Total British Empire.	Foreign Countries.	Total for World.
1913.....	37.4	21.4	58.8	35.9	94.7
1914.....	35.6	20.9	56.5	33.9	90.4
1915.....	38.7	22.0	60.7	35.7	96.4
1916.....	39.5	20.1	59.6	33.9	93.5
1917.....	38.3	17.8	56.1	30.2	86.3
1918.....	35.8	15.2	51.0	28.0	79.0
1919.....	35.4	14.6	50.0	25.2	75.2
1920.....	34.7	13.5	48.2	21.3	69.5
1921 (est.) ..	34.5	12.0	46.5	19.5	66.0

For the purposes of this table gold is taken at 84s 11½d per fine ounce. For 1921 it is estimated that the total world's production will be 66 millions, which is again a serious decline. In the British Empire, the Transvaal is slightly lower on the year, while Australasia, with a drop from 5 millions for 1920 to just over 3½ for 1921, provides grave matter for reflection. Rhodesia and West Africa maintain their output, but India records a decline. Canada must be given credit for the very satisfactory increase of £400,000, climbing from an output of £3,300,000 to £3,700,000.

Guatemala Anti-Federal.—It is officially announced by the Guatemalan Consul in London that, in view of the hostile attitude of the Federal Council, Guatemala has withdrawn from the Pact of Union (with Salvador and Honduras), and resumes her sovereignty as an independent Republic. This development was fully expected as a result of the revolution three weeks ago, and for the present it obviously wrecks the projected federation of Central America. The Federal Constitution, as will have been seen from the sketch of it published in our issue of November 19th, was evidently in great part drawn up by imaginative idealists; geographical reasons alone would have rendered it unworkable, and a number of its provisions could not have been carried out for many years to come. Holders of Central American stocks will not mourn over its fate, for, though the existing State debts were recognised by it, their basis and structure were not in harmony

with its spirit, and a Federal Government might easily have been tempted to obstruct the working of such adjustments of them as that which has been achieved in Salvador, or those which at various times have been contemplated in Honduras. We understand that the new "Liberal" Government in Guatemala is composed of the more moderate members of the party of the ex-President, General Estrada Cabrera, who was overthrown and imprisoned last year by the Government which fell in December, and was believed in the United States to have instigated the revolution; but, so far as is known here, he is still in prison, and is not likely to regain power.

The Band Strike.—Little progress has been made during the week towards a settlement of this dispute. At one time the cables have been of an encouraging character, at another the position has assumed a threatening aspect. The strikers endeavoured—apparently without success—to dissuade the railwaymen from working the trains carrying natives in course of repatriation. At the Modder B they "pulled out" the mine officials, who were endeavouring to continue the essential service of pumping, but subsequently acknowledged that their action had been wrong. Having regard to what happened in this respect during our own last and most disastrous coal stoppage, it is surprising to find Labour again following the suicidal policy of allowing the mines to become flooded. Already several have arrived at such a stage that it is doubtful if they will ever be reopened. The question arises whether, after all, there is so very much room for reduction in the wages of the rank and file of the white miners. But there is obviously scope for change in a condition of affairs which enables contractors to gain £100 to £120 per month, and it is absolutely necessary that the management of the mines should be in a position to discharge incompetent or redundant supervisors. The latter point probably constitutes the real keynote of the situation. Latest news is to the effect that progress is retarded by certain preliminary difficulties; once these are surmounted it is thought that matters will move rapidly.

Baldwins' Report.—The accounts of Baldwins, Limited, for the year ended June 30th last show a substantial decline in both trading and net profits in comparison with the previous year. Net profit, after allowing £50,000 for depreciation, amounted to £325,200, as compared with £567,000 for 1919-20, when £75,000 was written off depreciation. A comparison of the last four years' results is set out below:—

	1917-18.	1918-19.	1919-20.	1920-21.
Trading profit	£ 442,900	£ 554,997	£ 683,405	£ 410,758
Net profit	359,043	471,139	567,023	325,167
Brought forward	156,969	255,139	285,799	291,325
Reserve	516,012	726,270	852,822	616,492
Preference dividend	75,000	75,000	75,000	25,000
Ordinary dividend	13,750	13,750	45,667	80,476
Carried forward	153,790	351,729	440,830	207,537
	(11½ %)	(12½ %)	(12½ %)	(5 %)
	273,473	285,799	201,325	303,479

In June an issue of £2,250,000 7½ per cent. mortgage debenture stock was made, but the amount of interest payable on debentures in the year 1920-21 was not affected. In connection with the acquisition of the British Mannesmann Tube Company, the ordinary capital was increased by £610,738 and the "B" preference shares by £334,512. This accounts for the increase in preference dividend. The ordinary dividend, which is reduced from 12½ to 5 per cent., is paid free of income-tax, and while the reserve appropriation is reduced from £75,000 to £25,000, the balance forward is increased by some £12,000. The principal changes in the balance-sheet, apart from the increases in capital already mentioned, are a decrease of £222,700 in creditors, increases of £1,013,800 in investments, £182,400 in debtors, and £523,500 in the property item, and decreases of £592,900 in stock and £249,100 in cash and bills. A new item on the asset side is £2,013,750 under the head of B.S.T., Limited, and B.S.T. (Birmingham), Limited, for pur-

chase of the 7½ per cent. debenture stock at 89½, "of which £1,006,458 has been lodged at bankers at this date."

The Debenture Corporation, Limited.—The report and accounts of the Debenture Corporation, Limited, for the year ended December 31, 1921, again show an increase in net profits, and, as will be seen in our table given below, a steady growth of earnings is revealed for the past six years:—

	1913.	1916.	1917.	1918.	1919.	1920.	1921.
Net profit....	£ 104,390	£ 98,474	£ 101,634	£ 111,946	£ 116,501	£ 127,037	£ 137,101
Prof. dividend	47,083	38,750	37,500	35,625	35,000	35,000	35,000
Ord. dividend	47,078	30,997	33,747	35,496	41,999	42,000	49,000
	(5 %)	(4 %)	(4½ %)	(5 %)	(6 %)	(6 %)	(7 %)
Income-tax ..	6,697	17,857	21,823	31,112	28,439	32,370	38,898
Founders' shrs	3,531	2,232	2,160	2,052	..	..	..
Reserve	..	8,638	6,404	7,660	11,064	10,955	15,000
Depreciation ..	..	..	..	..	..	..	..

Higher profits for the past year are caused by an increase of £4,663 from interest, dividends, and rent, and an additional £3,632 from fees and commissions. The ordinary dividend has been raised from 6 to 7 per cent., while £15,000 has been allocated to reserve in addition to the proceeds of differences in buying and selling investments mentioned below. In 1919, in consideration of a payment of £25,000 in cash, the special rights attached to founders' shares were cancelled, and they became ordinary stock, which accounts for the disappearance of founder share dividends in our table. The status of the corporation has now been changed from that of a financial company to a financial trust, and in consequence "premium reserve" becomes "capital reserve," and £4,884 profit made last year on selling securities is added to this account. In the balance-sheet the two reserve funds amount to £324,769, while investments in stocks and shares on the other side total £3,302,355. In this connection the auditors state that no valuation of securities has been made this year, and that there has been no provision for depreciation other than reserve accounts. The report states that, "although there is still considerable depreciation in the market value of the quoted investment held by the corporation, in the opinion of the directors their security is not affected." The balance-sheet is analysed in our usual column.

Minerals Separation.—Having regard to the recent activity in the shares of this company, it may be useful, writes our mining correspondent, briefly to review the history of the undertaking. Formed in 1903 with a capital of £15,000, principally to exploit certain patents for the recovery of minerals by oil flotation, the company now has an issued capital of just under £200,000, while its ramifications are very wide. The treatment of gold, copper, and complex ores by the flotation process is proceeding in various countries, and its application to the Witwatersrand banket has lately been the subject of experiments. Investigations with a view to improving the recovery of nitrate of soda from the caliche in Chili are announced to have been attended with encouraging results, and a rust preventative is in process of development. Undoubtedly, the most important of recent activities has reference to the recovery of fine coal, with which is associated the manufacture of briquettes. In this branch of its business the company works with the well-known Powell-Duffryn Steam Coal Company. The question the investor has to consider, however, is whether future possibilities are sufficiently concrete to justify him in purchasing the £1 shares at nearly £6 each. So far the dividends paid comprise 50 per cent. in respect of 1917 and 1918—on a much smaller capital than the present—and 25 per cent. on account of 1919, when the issued capital stood at about £100,000. In addition to these cash payments, the shareholders have received bonuses in the shape of certificates in the American company, and the right to subscribe for additional shares at a figure appreciably below the then current market price. Thus, early in 1920 a round 100,000 shares were offered at £4 premium, while the lowest price touched that year was 6½. The highest,

by the way, was 23. The net profit of 1920 amounted to only £16,600. It is true that the mineral industry was in a more or less depressed condition, and that several new lines of business were only in the early stages of development. Still, a careful consideration of the position as a whole suggests that the market valuation of the undertaking at £1,200,000 discounts the early future somewhat heavily.

Oversea Correspondence.

UNITED STATES.—EASIER MONEY RATES—ACTIVE INVESTMENT DEMAND—COMMODITY PRICES—RAILROAD EARNINGS.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 6.

MONEY rates are becoming decidedly easier, as was generally expected after the turn of the year. On the Stock Exchange the rate for call loans has been steadily declining this week, until to-day 3½ per cent. was reached, the lowest figure quoted for this type of loan since last July. A comparatively small amount is being loaned, however, even at that figure, because stock market and other speculative requirements are very light at present. The present rate compares with 5 and 6 per cent. prevailing in the final week of 1921. Of greater interest and importance is the relaxation in time money, which is now obtainable for all maturities at 5 per cent., as against 5½ to 5½ per cent. recently, with very little offered at those rates, and in some instances borrowers' bids of 4½ per cent. are being accepted by banks and other lenders on collateral other than Government securities, such as Liberty bonds. For some time past it has been possible to secure loans on such securities at rates below the general market rate. Commercial paper discounts of 5 and 5½ per cent. still prevail, and some exceptionally desirable offerings have lately been purchased at 4½ per cent. Further relaxation is expected in both time money and in business paper discounts in the near future. Call money rates, on the other hand, are unlikely to go, or stay, much lower.

As invariably happens, the easier money situation is reflected in a broad and active demand for bonds, and has, if anything, given an added stimulus to the January reinvestment purchasing now under way. After some moderate declines early this week due to profit-taking sales, bond prices generally have more than recovered their loss, and show an advancing tendency under renewed investment buying. Much of this week's liquidation was attributed to sales by holders who, for income-tax reasons, evidently did not wish to take their profits during 1921, preferring to enter such profits in their tax returns for 1922. New securities continue to be offered on a large scale, and include corporate, State, and municipal bonds, as well as some foreign obligations. One of the largest of the latter is the \$40,000,000 Dutch East Indies 25-year external 6 per cent. gold bonds offered by a syndicate headed by the Guaranty Company of New York at 94½ and interest, to yield about 6.75 per cent. to the earliest redemption date, January 1, 1932, or approximately 6.45 per cent. if held to maturity. New railroad bond offerings this week included \$3,000,000 first mortgage 6 per cent. bonds of the Western Pacific Railroad Company due March 1, 1946, which were priced to investors at par and interest, and \$3,000,000 first mortgage 6 per cent. bonds, series B, of the Chicago, Indianapolis, and Louisville Railroad Company, due in 1966, which were offered at 94½, to yield 6¾ per cent. An interesting development in the investment field is the offering of preferred stocks of substantial corporations. A block of 8 per cent. cumulative preferred stock of one large manufacturing company, for instance, was offered this week at 98 and accrued dividends, to yield 8.16 per cent., the stock being callable in whole or in part on 30 days' notice at \$115 a share and accrued dividends.

Commodity prices showed considerable irregularity in

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December, but the general tendency was upward, as is indicated by Bradstreet's index number for January 1, 1922, which shows a slight advance following the decline in November. The January 1st index, \$11.3725, represents a gain of five-tenths of 1 per cent. over that of December 1, 1921, and is the highest number reported since April 1, 1921. The present index number is almost identical with that of April 1st of last year, but is 10 per cent. lower than that of January 1, 1921, and 45.5 per cent. below that of February 1, 1920, which was the highest point ever reached. It is still 30.5 per cent. above the index of August 1, 1914. During December eight groups of commodities rose, namely, live stock, hides and leather, textiles, metals, coal and coke, oils, naval stores, and miscellaneous products. Five groups, including breadstuffs, provisions and groceries, fruits, building materials, chemicals and drugs, declined. Textiles and hides and leather were conspicuous in the advances, while provisions and fruits were outstanding features among the commodities that declined.

Reports from all but eight of the first-class railroads show total net operating income in November of \$65,741,893, or about \$15,000,000 more than preliminary estimates had indicated would be shown by the complete returns. The total thus far for that month represents an increase of approximately 30 per cent., as compared with the \$50,562,552 net operating income in November, 1920, and is equivalent to about 4 per cent. return on property valuation. Total operating revenues, for the lines reporting, were \$462,959,534, a decrease of 21.4 per cent. from November of 1920, but operating expenses were reduced 28.4 per cent., as compared with the corresponding month in 1920.

FRANCE.—THE NEW GOVERNMENT—REPARATIONS POLICY—THE BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, January 17.

THE dramatically sudden fall of the Briand Ministry may safely be attributed to the long-felt dissatisfaction, in both the Chamber and the Senate, with the position in which France has been placed, as the result of the numerous concessions that have been made to Germany by the Supreme Council in regard to reparation payments. Contributing causes included the conflict that has been going on for several months past between two great rival international financial groups that burst into flame in connection with the failure of the Banque Industrielle de Chine. M. Doumer, M. Briand's Minister of Finance, is alleged to have been opposed to the proposal that the Government should extend aid to the moribund banking concern that was formerly so closely bound up with French interests in the Far East, whereas other members of the Ministry were believed to take the opposite view. The resignation, just before the end of the year, of M. Philippe Berthelot, Permanent Secretary at the Quai d'Orsay and one of M. Briand's closest friends and political associates, was the direct outcome of the conflict in question, and could not but prove a very serious blow to Ministerial prestige.

The climax came when the text of the draft of the proposed Anglo-French pact of guarantee became known during the course of the Cannes meeting of the Supreme Council. It was felt by French Nationalists, who at present form the majority of the Chamber, that the proposed treaty, if allowed to become operative, would be of a purely unilateral character, and would have the effect of placing France in the position of a protected and inferior nation. This blow to French national pride, coupled with the other factors referred to above, made M. Briand's fall inevitable.

The new Ministry formed by M. Poincaré has come into office frankly for the purpose of enforcing the reparations clauses of the Treaty of Versailles, and, incidentally, for the purpose of trying to arrive at an understanding with Great Britain in regard to the numerous questions, such as that concerning the future of Turkey and Greece, on which the two countries favour opposing policies. M. Poincaré has long insisted that any attempt at concluding a treaty of alliance or a pact of guarantee between England and France without first arriving at some kind of common policy in regard to the various questions at issue between them would be putting the cart before the horse and a mere waste of time. For the moment, therefore, the one all-important problem to be settled is that of Germany's reparation debt. "Once that is settled," M. Poincaré is reported to have said, "I shall be prepared to resign."

The composition of the new Ministry amply confirms this view. Of the eight new Ministers—the other six having been members of the Briand Cabinet—no fewer than six have long been known as prominent advocates of the argument that the reparations clauses of the Peace Treaty shall be carried out in their entirety. M. Poincaré himself was for a time the chairman of the Inter-Allied Reparations Commission, and has made this question his strongest argument ever since. M. Maurice Maunoury was the president of the Finance Commission of the Chamber down to the day he entered office as Minister for the Interior. M. Charles de Lasteyrie, the new Finance Minister, was the Rapporteur Général of that Commission. For many years one of the high officials of the department of which he has now become the head, he has a great reputation as one of the leading financial specialists in this country. He recently made an exhaustive study of German finances, in the course of a tour of the Reich, and his report on the Budget Spécial des Dépenses Recouvrables (to which I alluded last week) has done more perhaps than any other factor to foster the belief in this country that no moratorium should be granted to Germany, but that the Allies should compel the German Government to put its financial house in order, and that its finances should be placed, to some extent at any rate, under Allied control. MM. Raiberti, the new Minister of Marine, and Reibel, who has succeeded M. Loucheur as Minister for the Liberated Regions, were both also prominent members of the Finance Commission of the Chamber, while M. Henry Chéron has undoubtedly been installed as Minister of Agriculture primarily because of the remarkable campaign he has led in the Senate in the same direction as Rapporteur Général of the Budget Commission of the Upper House. The views in this respect of M. Barthou, who has been promoted from the War Office to the double post of Vice-President of the Ministry and Minister of Justice, are too well known to need emphasis. It may safely be said that no such galaxy of financial specialists has been included in any French Ministry since the war began.

The fact that reparations will undoubtedly be the one great plank in the programme of the Poincaré Ministry more than justifies me in devoting special attention to the exact position in which this question now stands, particularly in view of the drastic, although not very generally known, decisions that were come to at Cannes, and of the inaccurate statements that have been in circulation on this matter. According to the decisions arrived at on May 5th last, Germany should have handed over to the Reparations Commission on January 15th the sum of 500 millions marks gold, less the value of the payments made in kind, and on February 15th a second sum, in respect of the current quarter's yield of the 26 per cent. tax on German exports, the amount of which was provisionally

fixed at 275 million marks gold. After deducting the payments that have been made in kind, these two payments were fixed respectively at 400 millions marks gold and 240 millions marks gold. On December 14th, however, the German Government notified the Reparations Commission that it would be unable to hand over more than between 150 and 200 millions marks gold in satisfaction of both payments called for, and it intimated, further, that similar difficulties would be found in connection with the subsequent payments during 1922.

The question was considered during the negotiations that took place both in Paris and London, and finally, during the sitting of the Supreme Council at Cannes, a decision was arrived at. Last Friday, at Cannes, the Supreme Council notified the German delegates there, through Dr Rathenau, that a "temporary delay," the duration of which was not fixed, would be granted to Germany in regard to the January and February payments. It was stipulated, however, that during the period of this temporary delay the German Government must hand over to the Reparations Commission, *every ten days*, through the various Allied national banks, the sum of 31,000,000 marks gold in foreign bills and currency, the first of these payments becoming due on January 18th.

The German Government was further informed that it must, within 15 days, submit to the Reparations Commission proposals for the reform of its Budget and its note circulation (accompanied by appropriate guarantees), together with a statement setting forth the programme of payments it proposes to make to the Allies during the current year. The period of the "temporary delay" accorded to Germany, Dr Rathenau was notified, would come to an end when the Allies have arrived at a decision as to the proposed reforms and guarantees and the proposed programme for the rest of the year. The effect of the step taken by the Supreme Council is apparently that Germany will be called on to pay over 31,000,000 marks gold every ten days until she is prepared to submit satisfactory proposals to the Allies. Apparently, also, if by January 28th the German Government has not paid over two sums of 31,000,000 marks gold, and also submitted the proposals called for by the Supreme Council, it will be open to the Allies again to bring pressure to bear upon the Reich, either by ultimatum or otherwise.

Cannes has exercised a certain influence on the Bourse. When the news was current in Paris that M. Briand was once again going to save his Government there was a certain movement of firmness, but this led to a weaker market as soon as it was known that he had failed. The fact does not mean that M. Poincaré has not supporters on the Bourse, it merely indicates that once again a factor of uncertainty has arisen, and that in consequence buyers—other than professionals, who will probably unload—have abstained from the general markets. The result has been a general depression, in which most securities have shared. French 3 per cents. dropped from 55.95 to 54.20. Foreign exchanges were generally weaker, and it is only Russians that at their weak quotation have shown any signs of real activity, while it must be admitted that Turkish Government stock has been in demand and has remained firm.

The returns of the Bank of France for the last week, the previous week, and the corresponding week of 1913 are as follows:—

	DEBTOR.		
	Jan. 12, 1922. Francs.	Jan. 5, 1922. Francs.	Jan. 16, 1913. Francs.
Capital of the Bank.....	182,500,000	182,500,000	182,500,000
Profits in addition to capital.....	38,105,294	38,105,294	8,008,145
Reserve.....	22,105,750	22,105,750	22,105,750
Reserve of landed property.....	4,000,000	4,000,000	4,000,000
Special Reserve.....	8,407,444	8,407,444	8,407,444
Sinking Fund account (Law, December 20, 1918).....	554,282,872	555,688,724	..
Surplus earmarked for Sinking Fund for advance to State.....	43,543,283	28,296,415	..
Supplementary Sinking Fund for interest (Law, Dec. 20, 1918).....	8,824,696	8,824,696	..
Notes in circulation.....	37,123,670,940	37,421,829,805	5,856,352,435
Interest on securities.....	64,477,109	86,227,820	35,792,849
Bank notes to order.....	877,203	1,477,157	3,685,670
Treasury account.....	41,685,377	17,785,449	280,980,741
Current accounts, Paris.....	1,568,829,827	1,682,122,121	487,474,064
Do branch banks.....	883,681,250	1,198,229,990	80,085,976
Dividends payable.....	12,153,493	18,324,532	5,676,416
Discounts and sundries.....	12,753,205	8,076,339	5,684,667
Re-discounts.....	13,081,887	13,081,887	6,435,356
Sundries.....	1,000,611,562	1,160,066,168	259,975,331
Total.....	41,898,620,297	42,456,134,385	7,249,172,843

	CREDITOR.		
	Francs.	Francs.	Francs.
Cash in hand.....	5,804,528,401	5,804,212,794	3,832,336,781
Balances abroad.....	623,203,183	623,595,260	..
Commercial bills overdue.....	1,594,947	1,594,947	2,333,530
Discounts in Paris.....	1,371,865,404	1,348,994,115	808,274,038
Foreign bills.....	7,061,618	6,069,137	27,466,046
Treasury bills.....	678,527	638,417	63,131
Discounts in branches.....	1,067,373,385	1,495,179,420	1,135,545,710
Adjudged payments, Paris and branches.....	55,195,533	55,596,355	..
Advances on bullion.....	12,874,000	12,874,000	6,744,000
Do on public securities.....	425,338,029	432,295,720	203,862,176
Do by branch banks.....	1,885,598,484	1,840,725,260	530,574,016
Advance to State (ordinary).....	200,000,000	200,000,000	200,000,000
Do (for war).....	23,800,000,000	24,150,000,000	..
Treasury bonds in respect of Advances to Foreign Governments.....	4,152,000,000	4,150,000,000	..
Government stock reserve.....	12,980,750	12,980,750	12,980,750
Do disposable.....	129,717,408	101,858,558	93,625,796
Rentes indisponible.....	100,000,000	100,000,000	100,000,000
Premises and furniture.....	55,380,714	54,512,965	40,573,737
Expenses and management.....	8,407,438	1,762,303	765,033
Special reserve.....	8,407,438	8,407,438	8,407,444
Sundries.....	2,182,417,363	2,051,336,690	227,062,155
Total.....	41,898,620,297	42,456,134,385	7,249,172,843

BANK OF FRANCE RATES.

Discount.....	5%
Advances on bullion.....	5%
Advances on public securities.....	6%

GERMANY.—REPARATIONS—TAXES—REICHSBANK LAW—EXCHANGE AND BOURSE—PRICES.

(FROM OUR CORRESPONDENT.)

BERLIN, January 17.

AFTER M. Briand's resignation and M. Poincaré's succession as Prime Minister had made a considerable stir, sentiment here quieted down, the view being held that M. Poincaré will not be able to pursue a policy differing much from M. Briand's. It is recalled that M. Briand's earlier expressions on the Reparations Question and on the necessary methods of enforcement were rather more forcible than M. Poincaré's; and it is still believed that Reparations will be settled on the basis of what Germany can pay, the unsettled questions being what she really can pay and what concessions she will have to make in exchange for what must in any case be granted. The net movement of the exchanges since the Cannes Conference began is very small; but the mark fell on news of M. Briand's resignation, recovered on news of the conditional moratorium, and in general continues to depend upon international views of Germany-Ally relations. Dr Wirth has not yet come to an agreement with his parties as to taxes. The difference in principle is between the Centre and the other Coalition party, the Majority-Socialists, on taxation of capital, in particular of the so-called "gold values" or "real values." The Government is pressing for the passing of its measures. The Socialists have pressed for the taxing of the "gold values," even if that requires a Reichstag dissolution. At this weekly Centre Congress speakers expressed themselves somewhat ambiguously against this plan. The Democrats, who are outside the Cabinet, require an amendment of the Estate Duties, which will take into account the new depreciation of the currency, after the precedent of the recent income-tax amendments. This measure would not necessarily mean lower revenue from the Estate Duties; the income-tax with its reduced rates is this year to yield the large sum of 23 milliards. The sugar tax, which the Government plan raised to 100 marks per 100 metric pounds, but which the Reichstag Commission reduced to 50 marks, is still unsettled, and the Commission's lower rates, as compared with the Government's proposals, for the new property and increment of wealth taxes, are also a matter of controversy. Under pressure from the Allies, the further reduction of bread subsidies has been decided on. From February 16th the 1900 gramme loaf will be raised from 7 to about 12.25 marks. The Budget for 1921-22 foresaw a reduction of bread subsidies to 3.27 milliards, as against 9 milliards in the preceding year; but the fall in mark exchange upset this calculation, requiring a further subsidy of 13.15 milliards. Even after the new increase in bread prices, and assuming the favourable dollar exchange of 100 marks, a subsidy of 6.25 milliards, or nearly double that proposed when the mark exchange stood highest last year, will be necessary. The reduction of subsidies, though from some viewpoints desirable and from others undesirable, neither increases nor decreases the ability to

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pay Reparations; the subsidies had to be taken back in taxes or added to debt, and only the incidence, but not the amount, of the national burden will be changed by raising prices. This applies also to the railway deficits and other involuntary subsidies.

The Federal revenue in the first nine months of the present financial year (ending March 31st next) totalled 51,665,295,000 marks. Expenditure totalled 132,360,574,000 marks, of which 11,939,891,000 marks were subsidies repairing the Posts and Railways deficits. The current deficit was nearly 8½ milliards; and to cover this 80,592,363,000 marks was added to the total of discounted Treasury bills and 102,364,000 marks to the Funded debt. The total of outstanding discounted Treasury bills on December 31st was 246,921,550,000 marks. The Reichsrat has sanctioned, and the Reichstag is considering, an amendment to the Reichsbank law of 1875, allowing the Bank to book as cash among its assets gold deposited in foreign central banks. This is a result of the recent agreements with the Bank of England and other central banks. Under present law only gold actually in the Bank's possession in Germany counts as cash. The aim is to deposit gold abroad, firstly, it appears, in England, as security for necessary currencies. This gold will be booked as cash only in so far as it is not pledged as security or after advances have been paid off. As the aim is to obtain such advances, a reduction in the gold amount appearing in the weekly statements may be expected, and though the Bank remains sole owner of the gold, the effect, so long as advances are outstanding, will be to reduce the amount of gold available for note covering. The gold has long ceased to play any except a sentimental rôle, but this rôle has been important. The Bank's statement for January 7th shows the big decline of 14,392,576,000 marks in Treasury bill discounts—this is natural after the exceptional year-end pressure for credit; note circulation declined by 499,592,000 marks to 113,139,872,000 marks, and "Darlehenskassenscheine" by 91,700,000 marks to 8,233,000,000 marks. State Deposits declined by 3,817,008,000 marks to 3,774,245,000 marks, and Private Deposits by 12,265,806,000 marks to 13,048,524,000 marks. The *Kassenscheine* held on the asset side fell to 4,903,056,000 marks, and are now only one-fourth of what they were at the beginning of 1921.

The Bourse, following the exchanges, has been unsettled. The *Frankfurter Zeitung's* index for January 13th shows:—Stocks, 32,487, against 33,442 on January 5th; home loans, 900, against 902; and foreign loans, 1,771, against 1,816. Since November 10th home loans have dropped from 976. This is apparently explained by a decline in the foreign buying which set in when the mark exchange was approaching its lowest. Of foreign mark exchange was approaching its lowest. Of foreign loan buying little is heard at present. The Berlin Bourse is inactive. Tuesday saw a slight tendency towards firmness, and on Thursday, with the mark weak as result of Cannes complications, there was a further rise. Home loans to-day quoted:—War, 77.50; 4 per cents., 88.25; 3½ per cents., 73.70; 3 per cents., 104.30; Colonial Fours, 109; and Savings and Premium, 79.90. The stocks index of the Berlin *Boersen-Courier*, which starts with 100 with the year 1913 (the *Frankfurter Zeitung's* only from September, 1919), shows that the index figure of 657 stock quotations on December 30th was 546.9. The highest index figure is that of the shipbuilding company group—851.3; the figure for companies engaged in ore and smelting is 749.5; cement, 767; textiles, 786; sugar, 724.6; hotels, 790; paper,

720.5; glass, 768.6; porcelain, 739.4; mineral oils, &c., 729.7; machines, 614.4; chemicals, 300.6. The depression in the chemicals-dyes branch, caused by loss of foreign markets, is indicated; but here (and in some other branches) capital has been largely increased. The index for bank stocks is 236. The annual reports for the year ending June 30th of three Stinnes concerns show large increases of (nominal) profits; the dividends of the Deutsch-Luxemburg, Gelsenkirchen, and Bochum Verein concerns are respectively 20, 20, and 14 per cent.

The Federal commodities index, which gives the average price of each whole month, shows 3487 for December, against 3461 for November, 2460 for October, a low point in 1921 of 1308 in May and 100 in 1913. At present most prices are stable, and differ little from those of mid-December. The following is from a retail prices list:—

	Beginning Jan., 1920.	Jan. 14, 1921.
Beans metric lb	2.80	2.80
Oatmeal "	2.20	4.50
Lard "	17.00	26.00
Cocoa butter "	15.00	23.00
Condensed milk (can) "	7.75	16.00
Santos coffee "	17.00	44.00
Cocoa powder "	16.00	26.00
Salt "	0.22	0.60
Matches 10 boxes	1.20	4.00
Petroleum litre	3.20	9.50
Sugar metric lb	1.20	6.50

Shipping in Hamburg in 1921 was:—Arrivals, 8,633 vessels of 9,532,801 net tons, against 4,808 vessels of 4,485,833 tons in 1920, and 15,073 vessels of 14,185,496 tons in 1913; departures, 9,940 vessels of 9,494,096 tons, against 5,096 vessels of 4,353,257 tons, and 16,627 vessels of 14,440,026 tons.

CANADA.—THE NEW GOVERNMENT—RAILWAY PROBLEMS—MERCHANTS' BANK—EXCHANGES—STOCK AND BOND MARKETS—NEW POWER PLANT.

(FROM OUR CORRESPONDENT.)

OTTAWA, January 6.

THE transference of office from the defeated Meighen Government to a Liberal administration headed by Mr W. L. Mackenzie King was accomplished on December 29th, and the new Cabinet are now busy settling down. When the revised returns showed that the Liberal Party did not possess a clear Parliamentary majority, Mr King attempted to form a coalition with the Progressives. Eventually, however, Mr King was thrown back upon the resources of the Liberal Party for his Ministry. Within the Cabinet friends of protection and the economic status quo are strongly in the ascendancy, and its dominating personality is expected to be Sir Lomer Gouin, the ex-Premier of Quebec, who is a director of the Bank of Montreal and has close affiliations with the C.P.R. He takes the important portfolio of Justice, and brings to the Cabinet with him four other French-Canadian Ministers. Mr W. S. Fielding, who was Laurier's Finance Minister from 1896-1911, returns to his old office. The Department of Railways has been entrusted to Mr W. C. Kennedy, of Windsor, Ont., a successful business man, as is also Mr J. A. Robb, the new Minister of Trade and Commerce.

The railway question will provide the new Cabinet with a difficult test. In recent months the national railways have shown markedly better results and earned a margin over operating expenses. On the other hand, the Grand Trunk, which has not yet been absorbed in the national system, still gives very disappointing returns. The supporters of State ownership are pressing for the immediate consolidation of the Grand Trunk with the rest of the national railways, on the ground that great economies in administration can be effected, and that the G.T. is needed to round off the State system by providing connections with strategic points in Eastern Canada and the U.S. On the other hand, the *Montreal Gazette*, and other opponents of public ownership, continue to denounce the whole State system as a menace to the national prosperity, and insist that the Grand Trunk, instead of being absorbed in the C.N.R., should be sold or leased at the

earliest possible moment to some private corporation. It happens that public ownership of railways is very unpopular with the French-Canadians and a large element of the Liberal Party. Undoubtedly the C.P.R. has influential friends in the Cabinet, but if Mr King endorsed any policies which seemed to be the fruit of C.P.R. dictation he would imperil his whole political future; he is, moreover, definitely pledged to give the national system a fair trial.

But even if this rock can be avoided, the transportation problem will confront the Cabinet in another direction. The prairie provinces are suffering from an agricultural depression without parallel in the history of Canada. Thousands of families in districts where the crops failed or were damaged by the autumn rains are not only unable to meet their obligations, but cannot buy the ordinary necessities of life. Agents of the mortgage companies and implement firms bring back most distressing tales of acute hardship. Creditors are extending the utmost possible leniency, and foreclosure would in most areas be a profitless enterprise, as the land, when secured, would be a drug on the market. But mortgage and insurance companies, who have heavy holdings of farm securities, are alarmed at the gravity of the situation, and there is a growing realisation that drastic measures must be taken to buttress the agricultural industry till some prosperity returns to it, or the West may lose thousands of good settlers. Westerners, with one voice, protest that the industry and trade of the country are being smothered under the load of heavy freight rates. In the past four years the Railway Commission has changed freight rates four times, but at present they are, on an average, 50 per cent. higher than the level of August, 1918. The following figures, showing the relations of the freight rates to grain prices at different dates, are illuminating, the price quoted being for December 15th in each case:—

FROM SASKATOON.				
	Port William. Price per Bushel.	Freight. per 100 Lbs.	Per Cent. of Value Consumed by Freight.	
1. Nor. wheat, 1917....	2.21	22	5.9	
" " 1921....	1.08½	33½	18.4	
2. C.W. oats, 1917....	79½	22	9.4	
" " 1921....	41½	33½	26.9	
FROM GRAND PRAIRIE, ALTA.				
	Price per Bushel.	Freight. per 100 Lbs.	Per Cent. of Value Consumed by Freight.	
1. Nor. wheat, 1917....	2.21	43	11.6	
" " 1921....	1.08½	59	32.5	
2. C.W. oats, 1917....	79½	43	18.4	
" " 1921....	41½	59	46	

In September, 1920, Mr Carvell, the chairman of the Railway Commission, laid down the principle that rates must be fixed to allow the C.P.R. to pay its usual dividends of 10 per cent. and provide something for the reserve account of the company. This decision has always rankled in the West. In the farming community there is a sullen determination that freight rates shall come down, and it finds expression in the threat that next season they will not till fields merely to provide revenues for the railways. Substantial reductions of some sort must come, and in view of the decline in wages and other operating costs, the railways ought to be able to face them with greater equanimity.

The Merchants' Bank débâcle continues to attract discussion, and most of the directors have been subpoenaed to give evidence in an inquiry now being held concerning the bankruptcy of Thornton, Davidson and Co., whose downfall involved the bank in enormous losses. In many quarters a demand for a Royal Commission on the affairs of the bank itself is being pressed. The meeting called for ratification of the fusion with the Bank of Montreal will hear some plain speaking.

Reports on the Christmas trade are on the whole good. The trend of the stock markets during the past month has been uniformly, if slowly, upward; there have been minor reactions, but the average price level is now well above the low of the year. Money has been reasonably plentiful, and large sums have been placed in bonds, but the rise in their quotations is now being checked. One of the last acts of the Meighen Government was to modify the marking regulations which were introduced last year

and aroused such criticism among British exporters to Canada. Foreign shippers are no longer required to mark goods like tea, coffee, raisins, dates, &c., which are obviously not of Canadian origin. However, the general expectation is that the King Government will sweep away the whole crop of these absurd rules, which even their sponsors now see may work to their disadvantage.

Last week there took place the formal opening of the great new plant of the Ontario Hydro-Electric Commission, which, when fully completed, is to generate from the Niagara cataract 600,000 horse-power. At present one unit of 33,000 h.p. is available, and another of equal size will be ready in three weeks. The cost of this enterprise, which will reach 85 million dollars—a sum far in excess of the original estimates—has frightened the people of Ontario, and Premier Drury is being widely supported in his resolution to curb the expensive activities of the Hydro Commission till times improve.

ARGENTINA.—CATTLE FINANCE—EXPORTS OF PRODUCE—MONEY AND STOCKS.

(FROM OUR CORRESPONDENT.)

BUENOS AYRES, December 27, 1921.

ANOTHER proof of the influence of the cattle interests in this republic is afforded by the latest Government announcement. Falling prices are to be counteracted by special banking facilities; special alike in respect to their terms of repayment, their rate of interest, and their apparent disregard of the international trend of prices. That the drop in the quotations for all save specially fine steers, such as the freezing companies now demand, is severe must be admitted. Cattle of a certain type are worth to-day but a third of the figure obtainable for similar stock two years ago, nor can any early improvement be expected. Cessation of canning, heavy stocks of meat-extract in Europe, the diminished purchasing power of consumers, low prices for hides, all have something to do with the collapse, no doubt. The principal reason is, however, to be found in the speculative instinct of the Argentine man of affairs. With prices higher in 1919-20 than ruled during the war, he pledged his herds under the *Prenda agraria* law, and with the money thus obtained rented more pasture at dear rents and bought young stock to fatten thereon, also at the top of the market. The *Prenda agraria*, or agrarian pledge, legalises advances against grazing cattle when certain provisions relative to registering of marks, &c., have been complied with, and in theory such business is both useful and safe. In practice, results have not been so satisfactory, it having been found that when execution becomes necessary the cattle are not always as represented, or have been disposed of to third parties despite all legal safeguards. This notwithstanding, many of the Argentine banks have advanced largely against such "security," and now find that not only is it next to impossible to call in their loans, but that any stringent measures will at best result in heavy capital loss owing to the poor prices which forced sales must bring.

The statistics of the Ministry of Agriculture being much behindhand—a serious fault which, unfortunately, is a drawback general to all Argentine returns at the present time—no definite figures as to the total amount involved in this class of loan are available. Estimates range from 200 to 500 million dollars paper, or, say, from £18,000,000 to £42,000,000 at present rates of exchange; but one thing is certain, namely, that the major portion of this business lies with Argentine banks. It has therefore been announced, officially and with much blowing of trumpets, that the Banco de la Nacion is to help all who have cattle interests by giving them special loans repayable within five years, the rate of interest to be 5 per cent. per annum, and the capital sum to be amortised by 5 per cent. every quarter. Actual details of what will be in the aggregate a very big piece of internal financing have not yet been published, nor will they be as easy to adjust as the official world seems to suppose. While the needier pastoralists are singing the praises of the Government, commercial interests in general are not so sure of the excellence of its proposals. In the first place, they

come startlingly soon upon the heels of the change of the above-mentioned bank's directorate; secondly—and the point is of the greatest importance—it is far from clear as to how such business will be financed. In its essence it involves the locking up of a very large sum for a long period, and when it is borne in mind that the same institution is indirectly carrying the weight of the Government's immense issue of short-date loans, estimated at anything from \$500,000,000 to \$900,000,000 Argentine paper, the feeling of anxiety is comprehensible. Under the *Dediscouting Law*, one of the Emergency Measures of August-September, 1914, it was enacted that the Banco de la Nacion might encash under discount selected paper presented by other banks. To meet this call, and to provide against any possible pressure, the Banco de la Nacion has the right not only to employ a special fund of \$30,000,000, which figured in its books prior to 1914 as part of the Conversion Office assets, but also to draw paper money from that office to cover its rediscount transactions, unless and until the percentage of gold in specie falls to 40 per cent. of the total paper circulation. Although \$20,000,000 of the special fund have been thus employed, the other alternative has not yet been made use of, and the percentage of gold to paper is now over 70. It is the feeling that, if the indubitably great resources of this unquestionably well-managed and widespread institution are too sorely tried, and its tradition of non-official interference is broken, there may come a call on this emergency issue, that tends to uneasiness in all conservative quarters. For, as *La Nacion* observed, in a leading article dated May 24, 1917, "the inherent drawback of the Conversion Fund is that it foments indefinitely the conversion of the balance due on exportable products, on top of which comes the Rediscount Law 9,479, which turns commercial documents into notes. If this emission is added to by encashing the internal and external public debt, to how many thousands of millions will the galloping increase of the circulating medium ascend, what disastrous effects will it hold in store for the country?"

Seeing that the greater part of the Argentine Government's short-date indebtedness is trustworthily reported to have been practically all rediscounted, and therefore lying in the portfolio of the Banco de la Nacion—and bear in mind that these short-date obligations are perpetually renewed pending some workable scheme for consolidation—the foregoing quotation has a present application, which those who best know Argentine affairs can amplify at their discretion. Important though Argentina's cattle interests undoubtedly are, it has still to be remembered that they embrace both wise and foolish virgins. The former took the oil of wartime profits, and filled their lamps withal; the latter counted on supplies being permanent and always at hand. If the Government sees fit to bolster up the reckless and speculative interests among the estancieros, the effect on trade as a whole will at best be but transient, while it may very well end in complete collapse.

The closing year has not been brilliant, it is true. Cereal shipments have been poor, but, contrary to general belief, the exports of produce are higher as regards quantity than they were in 1920, as the following table shows:—

	Wheat. Tons.	Maize. Tons.	Flour. Tons.	Wool. Bales.
1921	1,659,700	2,757,000	45,000	357,000
1920	5,043,000	4,410,000	165,000	229,000

	Butter. Cases.	Quebracho Ext. Tons.	Quebracho Logs. Tons.
1921	810,000	120,700	18,000
1920	507,800	114,000	4,000

Rates for money are easier in the case of first-class business, and may be put at 6 per cent., there being small demand by signatures coming under this category. For general purposes 8 per cent. may be considered an average charge, with 9 per cent. for advances in current account. Exchange is weaker than at this time last month, at 43½ sight drawing on London, nor has the rate on New York improved to any extent, being \$131.50 Arg. gold per \$100 U.S. If the long-delayed movement in cereals takes place in January, sterling and Continental currencies should be firmer, but the year ends on

a note of uncertainty in this as in many other directions. National Cédulas have appreciated steadily during the month, the last series, the 10th, being quoted at \$92.50 Arg. paper, which is some 50 cents below the highest quotation registered in December. There is little interest in local industrial and banking shares.

POLAND.—FOREIGN DEBTS—REVENUE AND EXPENDITURE—CUSTOMS UNION WITH DANZIG—ECONOMIC RELATIONS WITH AUSTRIA AND RUSSIA.

(FROM OUR CORRESPONDENT.)

WARSAW, January 12.

THE Ministry of Finance has published statistical data relating to the indebtedness of the Polish Government incurred in foreign currencies. The figures are for September 30th, as follows:—American dollars, 143,143,167; French francs, 460,563,669; English pounds, 3,715,478; Dutch florins, 17,800,000; gold francs, 35,578,062; Norwegian kroner, 16,575,836; Italian lire, 7,134,335; Swedish kroner, 128,507; Austrian krone, 111,070,000; Polish dollar loan, 16,969,120. Expressed in Polish marks this foreign debt is equal to 800 millions. This is equal to 41.76 gold francs per head of population. The debts incurred by the Polish Government at home are much smaller. They are composed of 27 millions obtained by the issue of loans, and of 220 millions of advances made to the Government by the Polish National Bank. The whole home and foreign indebtedness of the Polish State can be estimated at about 1,000 million marks.

The financial situation shows some improvement during recent months. Revenue compares with expenditure as follows:—

		Revenues.	Expendi- ture.	% of Revenues to Expendi- ture.
January, 1921.....	896	6,896	13.0	
February, ".....	1,396	12,896	10.8	
March, ".....	1,899	18,399	10.3	
April, ".....	2,434	15,438	15.1	
May, ".....	2,620	13,620	19.2	
June, ".....	3,108	16,108	19.3	
July, ".....	3,677	13,677	26.8	
September ".....	5,135	22,510	22.8	
October, ".....	7,083	27,083	26.1	

According to reports of the Press, steps have been undertaken for the organisation of a cotton exchange in Danzig. It seems that in this respect this port, with its great textile hinterland, will play in the future an important rôle as market for Poland and for the Russian border states. The consumption of Lodz alone amounts monthly to 20,000 lbs of cotton, and it may be assumed that as soon as the trade relations of the Polish textile industry with Russia are resumed, this quantity will greatly increase. Hitherto Bremen was the central market for the supply of cotton imported by Poland. An American company (American Cotton Trading Corporation) has acquired an entrepôt in Danzig for the warehousing of cotton to be supplied directly to the Polish textile manufacturer.

Negotiations for the signature of a commercial treaty with Austria will be opened shortly. The trade and banking relations between the two countries are already very intimate. Representatives of Soviet Russia will meet shortly with Polish delegates for the negotiation of a commercial treaty. The Polish Government has also taken steps for securing the participation of Poland in the reconstruction of Russia, which is planned by the Allies.

SWITZERLAND.—NEW LOAN—BANKING DIVIDENDS.

(FROM OUR CORRESPONDENT.)

GENEVA, January 17.

THERE will be issued at the end of this month a 5½ per cent. Swiss Federal Government loan, but whether it will meet with the success forecasted a few weeks ago is problematical. In view of this loan, the Swiss Treasury has

stopped the sale of Treasury bills during the last 10 days, and consequently the rate of discount for first-class commercial bills has fallen to 2½ per cent. But the number of bills considered as first-class commercial scrip is declining. The Canton of Neuchâtel, which issued during the past few weeks a small loan of 15 million francs, met with failure, for the amount was not covered. Public finance in Neuchâtel, the watchmaking canton, is still heavily charged with unemployment assistance; as a matter of fact, about 45 per cent. of the male population of this canton receive unemployment aid.

There is no encouragement for new investment on the part of the Swiss public. Although rumours of dividend reductions by the leading Swiss commercial banks prove incorrect, there is little doubt that the banks have endured certain heavy losses. Profits during 1921 were at least on the same scale as in the previous year, and the increase of business expenses ceased. But there are enormous credits granted to manufacturers of all kinds, whose stocks are rapidly depreciating. Though the cases of imprudent credits are rather the exception, in view of the depreciation of stocks even normal credits have become risky. At the same time, one would imagine that the banks will not risk the complete disturbance of the investment market by cutting down their dividends. At any rate, since the beginning of the year the quotations of the leading banking shares have risen in proportion to the expected dividends ordinarily paid in the month of April. So far, only a few reports have been published of local banks, which, of course, do not undertake risky business. Their results for the past year were quite satisfactory.

BOOKS RECEIVED.

The Money Market in Relation to Trade and Commerce. By Ernest Evan Spicer. Third Edition. Revised and Enlarged. (London) H. Foulks, Lynch, and Co., Limited. 8s 6d net.

Economics for the Accountant. By Kemper Simpson. (New York) D. Appleton and Co.

Obtainable from Messrs D. Appleton and Co., London, 8s 6d net.

The Edinburgh Review. January, 1922. (London) Longmans, Green, and Co. 7s 6d.

Includes an article, "Foreign Exchanges and Human Effort," by Mr A. W. Kiddy.

The Successful Insurance Agent. By J. J. Bisgood. (London) Sir Isaac Pitman and Sons, Limited. 2s 6d net.

The Director. Vol. I. No. 1. (London) The Institute of Directors, 25 Laurence Pountney lane, E.C. 4. 1s.

China. Report on the working of the Chinese Post Office, 1920. (Shanghai) Directorate General of Posts.

Bulletin of the Imperial Institute. Vol. XIX. No. 3, 1921. (London) John Murray. 3s 6d net.

The current number of the Bulletin of the Imperial Institute contains an interesting article on cinnamon, its sources, production, and trade. The article gives a detailed account of the production of aromatic oils yielded by cinnamon and related trees.

Liberty and Property Defence League. Thirty-ninth Annual Report, 1921. (London) 25 Victoria street, Westminster.

The Fight for Socialism. A Review of Present Forces and a Forecast of Victory. (London) Longmans, Green, and Co. 2s net.

Catalogue of Spanish Exporters. (Madrid) Centro de Información Comercial del Ministerio de Estado.

St Dunstan's Review. (London) Inner Circle, Regent's Park, N.W. 1. 1s.

This is a special memorial number of this journal, devoted to the late Sir Arthur Pearson.

BANK CIRCULARS.

Lloyds Bank Monthly. January, 1922. (London) Offices of the Bank.

Skandinaviska Kreditaktiebolaget. December. (Stockholm) Offices of the Bank.

This issue contains an article on the connections between movements of prices in different countries, by Professor Cassel.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.
January 25.

ACCOUNT.
January 26.

Each week adds to the strength shown by the market for gilt-edged and other investment stocks and shares. Each week, while it enlarges the number of issues available for dealing, witnesses the curious anomaly of restriction in the supply of existing securities on offer in the markets. For instance, the demand at the moment is for any good 3 per cent. stocks standing in the neighbourhood of 50, four per cents. quoted about 60, and fives in the neighbourhood of 70. The markets to which the investor naturally turns for such securities—namely, the home and foreign railway, brewery, industrial, and others of this class—are nonplussed to provide the stock which people want to buy. It is no exaggeration that there are hundreds of securities in the Stock Exchange markets for which there are buyers only, no stock being available to satisfy the demands of those who would like to acquire it.

Displacement of the "C" 5½ per cent. Treasury bonds by a new issue of 5 per cents. at par has had the effect of reinforcing the buoyancy of British Government securities. The War Loan, the Funding and Victory Bonds are close to their issue prices. Corporation stocks are in scanty supply. The recent Colonial scrip issues stand mostly at premiums, of which several are substantial. The big Commonwealth loan was subscribed before the date at which the lists were timed to close. Industrial debentures have been taken avidly. The Home Railway market shows several scores of advances this week in debenture, preference, and other prior-charge descriptions. In spite of the known fact that new issues are pending, the appetite of the public seems to be insatiable, for everything of good character is readily taken.

Brazilians are moving up to better levels, and the market in Argentine and Chile bonds is also firmer. The new Chilean scrip continues about 1½ premium. German threes have been somewhat erratic, the tendency remaining dull on the whole, and French bonds eased off on the announcement that the Seine contemplates an issue of 7 per cent. bonds. Russians, both Government and railway, gave way after their swift advance, but there were buyers about at the lower figures, and the market turned firm again.

The Home Railway market is tolerably cheerful, the traffics being regarded as satisfactory, and the dividend expectations leading to a little speculative investment. Amongst Canadians, the only feature is the way in which bonds of the various Canadian railway companies are moving upwards. Mexicans continue lifeless, although Mexican Utility bonds and shares are generally better. Amongst Argentines, the new Buenos Ayres Western 4 per cent. debenture stock, issued at 60, has risen to 5 premium, while the ordinary stocks are disposed to harden, after having been very dull. Brazilians went better, but failed to maintain their top prices, profit-takers evidently being attracted by the rise. Nitrates are extremely quiet.

The Rubber market is lower, in consequence of the raw material going below 10d per lb. There is nothing much doing in oil shares, the advent of the Anglo-Persian new issue giving rise to a few sales of other oil shares, apparently with a view to raising funds for application to the new issues. In the Insurance market, a heavy slump in City Equitable Associated preference and City Equitable Fire shares is the outstanding point of interest. The fall aroused much uneasiness, owing to the difficulty of finding a reason for the drop. The Shipping market is steady, and a newcomer to the market this week is the Union Castle's recently issued debenture stock. London banking shares are unaffected by the various reports that have appeared, but the colonial and foreign group is better. Armaments are dull, a further shrinkage occurring in Vickers. Tobacco shares stand out with pronounced strength. The unexpectedly good showing made by Carreras caused a brisk advance in the price of the company's shares, and assisted the rise in other tobacco issues. Tea shares are also conspicuously strong, rises occurring in practically the whole list, with a fair amount of business attaching to the movement. Radio Corporations, on American buying, spurted, both as regards

ordinary and preferred, and Marconis hardened in sympathy, while the cable group, together with the shares of the manufacturing companies, holds all its recent strength. Textiles are quiet, and catering shares inclined to be a little better. The brewery list shows a long catalogue of rises amongst the debenture and preference stocks, and the same remark covers similar issues of the trust companies, financial undertakings, and land concerns.

The Kaffir market is swayed by the conflicting reports which arrive from day to day in regard to the progress of the miners' strike on the Transvaal. Rhodesians are sympathetically affected by the dullness of Kaffirs, though diamonds maintain their quotations. The fall in the price of tin, the metal, led to heaviness amongst Cornish, Malayan and West African shares connected with that industry. Russo-Asiatics, the most active gambling counter at the moment in the mining markets, have gone back a little, and the interest in Mexican mining shares showed a tendency to ebb, with the inevitable result that prices eased off where they moved at all. Business during the week proved patchy, by far the greater proportion going to the Consol market, into which, by the way, various jobbers from other parts of the Stock Exchange are beginning to migrate.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

	Nominal Capital. £	Cash Subscription. £	First Payment. £	Further Liability. £
ISSUES OF THE WEEK—				
Amount previously recorded	36,188,017	..	..	..
TREASURY BONDS.				
Total receipts, 5-15 Year, 1925-35				1,063,317
5½% 1929 receipts to January 7, 1922				191,876,263
Week to January 14, 1922 (new series)				26,369,348
Receipts to date				218,245,611
NATIONAL SAVINGS CERTIFICATES.				
Net Receipts into the Exchequer Week ended January 14, 1922.				
April 1 to January 14, £7,480,000	950,000	..	950,000	
To the Public—				
Government of the Commonwealth of Australia, £5,000,000 6% Reg. Stock (red. at par, 1931-41), issued at 97% (Jan. 16)	5,000,000	4,850,000	250,000	4,600,000
The Honolulu Gold Mining Co., Limited, 33,000 Shares, 10s, at par (Jan. 16)	16,500	16,500	4,125	12,375
Super Cinema and Restaurant (S.E. Barnes), 16,000 Ord. £1, at par (Jan. 17)	16,000	16,000	4,000	12,000
Fife Tramway, Light, and Power, £250,000 7% Deb., at 93%, red. at par by July 1, 1952 (Jan. 17)	250,000	232,500	25,000	207,500
Liverpool Gas Co., £600,000, 7% Red. Pref. Stock (rep. at par, 1931-41), issued at par (Jan. 18)	600,000	600,000	60,000	540,000
Total offered to public	5,715,000	5,715,000	343,125	5,371,875
Total offered for subscription to date				
1922	£69,222,365	1921	£288,978,203	
1921	18,843,462	1920	357,649,666	
1920	31,955,974	1919	1,036,059,951	
1919	175,570,739	1918	1,383,381,441	
1918	110,902,073	1917	1,518,566,010	
1917	14,817,806	1916	685,438,650	
1916	63,024,250	1915	685,236,336	
1915	680,096	1914	519,599,633	

Commonwealth of Australia.—Issue of £5,000,000 6 per cent. registered stock at £97 per cent. The principal is repayable in London at par on March 1, 1941, the Commonwealth Government having the option of redemption on or after March 1, 1931, on giving three months' notice. The proceeds of the loan are intended to meet expenditure on public works and redemption of Treasury bills. When the property of persons not domiciled in Australia, this stock and interest are not liable to Australian taxation. The information contained in the prospectus is brief, and the usual Treasury disclaimer of responsibility for the loan appears. But considering that the issue is a trustee security of one of the big British Overseas Dominions, the offer is on the generous side, and investors showed their appreciation by the excellent reception which they gave it.

Anglo-Persian Oil Company, Limited.—Authorised capital £20,000,000, in shares of £1 each, of which there has been already issued 7,000,000 8 per cent. cumulative first preference shares, including the present issue, 3,500,000 9 per cent. cumulative second preference shares, and 8,100,000 ordinary shares, also including those now offered. This is an offer of 2,000,000 8 per cent. first preference shares at 21s each, and 600,000 ordinary shares at 65s each. The first and second preference shares are limited to £10,000,000 for each issue. There is outstanding 5 per cent. first debenture stock for £4,750,000, being part of an issue limited to one-half of the issued share capital. The company was formed in 1909, but its profits are only recorded in the prospectus from 1917. The British Government holds 5,000,000 ordinary shares, of which 1,000,000 are paid up to the extent of 1s per share. But this, of course, does not constitute a Government guarantee of success. The directors are strangely reticent over past dividends on ordinary shares, and the prospectus does not help investors

to gauge the probable return on money invested in this part of the issue. The preference shares appear to be a good industrial investment, but the risks attached to the undertaking may be judged by the fact that these first preference shares yield £7 12s per cent. on the issue price. The preference shares are underwritten for 2½ per cent. on the nominal value, while a subtle difference on underwriting ordinary shares is revealed by the increase of underwriting commission to 3 per cent. on the issue price for these. We have seldom seen a prospectus of a big undertaking offering ordinary shares in which information is so lacking. In this case, no doubt, the large public interest in the company, together with the prestige of directors, outweigh defects in the prospectus.

The Liverpool Gas Company.—Share capital, including £371,565 premium capital, consists of £2,498,905 authorised and issued ordinary stock, and £600,000 7 per cent. redeemable preference stock, now offered at par. Total authorised loan capital amounts to £750,222, of which, including premium of £30,226, only £550,219 has so far been issued. The company was formed in 1849, and from that date to 1914 maximum dividends were paid. This, when read in conjunction with the amount of ordinary capital issued, shows that there is ample margin for dividend payments, while capital security is equally good. The proceeds of the issue will be devoted to extension of plant, &c., and paying off an overdraft of about £450,000. This preference stock is repayable at par on June 30, 1941, but the company reserves the right to repay at par any time after June 30, 1931. The issue was underwritten for a commission of 2½ per cent., and an overriding commission of ½ per cent. The disadvantages of the stock, that it is redeemable and the dividends non-cumulative, are outweighed by the adequate rate of dividend and the substantial amount of ordinary capital over which the stock takes precedence. Moreover, the past financial history of the undertaking alone is sufficient to make the issue a first-class industrial offer. But those responsible for issuing the prospectus do not set a shining example for fullness of information to other companies not so happily situated.

Fife Tramway, Light, and Power Company, Limited.—Authorised capital £1,000,000, of which £720,000 has been issued, and is fully paid. There is also outstanding at date £236,235 5 per cent. debenture stock, which is redeemable at or below 105 per cent. This is an issue of £250,000 7 per cent. debenture stock at £93 per £100. The stock is secured by a trust deed, which constitutes a second charge, the first charge being the above-mentioned 5 per cent. debenture stock, on certain shares of various subsidiary electric supply and tramway undertakings. It is provided that no further 5 per cent. debentures shall be issued, and that any 7 per cent. debentures not redeemed by a sinking fund shall become due and payable on July 1, 1952. It will be noticed that although the operating companies may not pledge assets, the controlling undertaking may create debentures *pari passu* with the present issue, providing that the total amount borrowed by the company "does not exceed the amount of the issued and paid-up share capital of the company for the time being." This would appear a somewhat elastic proposition to be covered by a trust deed. Capital expenditure by subsidiary companies is given as £1,100,000 on property and plant, while a useful table of profits and ordinary share dividends is submitted. The issue was underwritten for 4 per cent., and quickly absorbed by the public when offered.

Arghan Company, Limited.—Authorised capital £40,000, divided into shares of 2s each, of which 200,000 shares have been issued for cash at a premium of 2s each. Shares to the number of 100,000 have also been issued in payment of purchase consideration, which consideration was £11,000 in all, the balance being payable in cash. The company was formed in November, 1919, to cultivate "arghan," a fibre which is claimed to be superior in tensile strength to every other fibre of its class. Borrowing powers of the company are limited to £50,000 without consent of shareholders, and £3,521 has been obtained in this direction up to the present. This information is extracted from an advertisement in the public Press, published to comply with Stock Exchange regulations. The progress of the undertaking will be watched with interest, although the merits claimed for the fibre are somewhat vaguely set out.

The Hobson Gold Sluicing Company, Limited.—Authorised capital £40,000, divided into shares of 10s each. This is an issue of 33,000 shares at par. The company has been formed to acquire certain ground and water rights in New Zealand, together with some plant. An estimate of profits is given which would provide a return of 15 per cent. on capital. At least the estimate has the merit of being moderate. The purchase consideration and the underwriting commission are payable in shares. Thus there are several favourable points about the proposition, but at best it is of a highly speculative nature.

Super Cinema and Restaurant (S. E. Barnes), Limited.—Authorised capital £40,000. This is an issue of 16,000 ordinary shares of £1 each at par. The company has been formed to acquire a newly-erected picture theatre and other property at Cleethorpes. The consideration to be paid the vendor is £60,000, of which £42,000 is payable in cash. No independent valuation appears in the prospectus; thus it

is impossible to test the purchase value. The directors named in the prospectus are permanent directors, so long as they retain a specified minimum holding. It is proposed to borrow £20,000 on mortgage or debentures. Estimates of future earnings are given only. The prospectus is lacking in many essential details, and the proposition as revealed looks unsatisfactory.

The Mersey Power Company, Limited, 7½ per Cent. Mortgage Debenture Stock.—The British, Foreign, and Colonial Corporation, Limited, B.F.C. House, Gresham street, London, E.C.2, notify that renounced letters of acceptance for the above stock must be lodged with them for registration on or before February 1, 1922.

Midland Counties Electric Supply Company, Limited, 7½ per Cent. Mortgage Debenture Stock.—The British, Foreign, and Colonial Corporation, Limited, B.F.C. House, Gresham street, London, E.C.2, notify that renounced letters of acceptance for the above stock must be lodged with them for registration on or before February 3, 1922.

ACTIVE SECURITIES

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.

	Price	Week	Latest	Price	Week	Latest	Price	Week	Latest
War 4½, 1925-28	91½	91½	91½	Local Loans 3½	86	86	86	86	86
Loans 4½, 1925-45	84	84	84	Aust. 5½, 1922-7	99	99	99	99	99
Loans 5½, 1925-47	82½	82½	82½	Canada 4½, 1920-25	97	97	97	97	97
Funding Loan 4½	96	96	96	India 3½, 1920-25	98	98	98	98	98
Victory Bonds 4½	82½	82½	82½	Do 7½, 1920-25	104	104	104	104	104
Conversion Loan 3½	87½	87½	87½	N.S.W. 5½, 1922-27	98	98	98	98	98
Consols 2½	51½	51½	51½	U.S.A. 4½, 1920-25	96	96	96	96	96
Irish Land Stock 2½	52	52	52	Victoria 5½, 1924-24	94	94	94	94	94

Banks.

Barclays B. (S.L. 1st)	24½	24½	24½	Nat. Bank of Egypt	19	19	19	19	19
Lloyds (S.L. 1st)	24½	24½	24½	Nat. Bank of S. Africa	11	11	11	11	11
London Joint City & Midland (S.L. 1st)	7½	7½	7½	Nat. Prov. & Union of England (S.L. 1st)	9½	9½	9½	9½	9½
London County West- minster and Parr's (S.L. 1st)	14½	14½	14½	Standard of S. Africa (S.L. 1st)	10½	10½	10½	10½	10½

Colonial and Foreign Railways.

Antofagasta Cons.	43	43	43	Grand Trunk 1st Pref.	35	35	35	35	35
B. A. & Pacific	35½	35½	35½	Leopoldville	25	25	25	25	25
B. A. G. Southern	53½	53½	53½	Mexican Railway	13	13	13	13	13
Buenos Ayres West	54	54	54	Do 1st Pref.	33	33	33	33	33
Canadian Pacific	143	143	143	Do 2nd Pref.	33	33	33	33	33
Central Argentine	51½	51½	51½	San Paulo	112	112	112	112	112
Grand Trunk Ord.	13	13	13	United Havana	44½	44½	44½	44½	44½

Foreign Government Securities.

Argentina 5½, 1886-7	97	97	97	Italian 3½, Rentes	21	21	21	21	21
Belgium 3½	63	63	63	Greek Monopoly 4½	32½	32½	32½	32½	32½
Brazil 5½ Fund, 1914	66	66	66	Japanese 4½	105	105	105	105	105
Chilian 4½, 1895	67	67	67	Do 4½, 1910	62	62	62	62	62
Chinese 5½, 1912	68	68	68	Mexican Cons. 1899	60½	60½	60½	60½	60½
Egyptian 4½	62½	62½	62½	Peruvian Corp. Pref.	14	14	14	14	14
French 5½	41½	41½	41½	Russian 5½, 1906	164	164	164	164	164
Do 4½	32½	32½	32½	Spanish 4½	70	70	70	70	70

British Railways.

Great Central Pref.	10	10	10	L. & S. Western, Def.	20	20	20	20	20
Great Eastern	29	29	29	Metropolitan	27½	27½	27½	27½	27½
Great Northern Def.	26½	26½	26½	Metropolitan District	33	33	33	33	33
Great Western	78	78	78	Midland Deferred	48½	48½	48½	48½	48½
London, Brighton, & S. Coast	41	41	41	North British Def.	11	11	11	11	11
London, Chatham & Dover	68	68	68	North-Eastern	75	75	75	75	75
Do Arb. Pref.	43	43	43	South-Eastern "A"	25	25	25	25	25
L. and N.W. (New)	73	73	73						

Telegraphs.

Anglo-American "A"	19½	19½	19½	Marconi Canada	1½	1½	1½	1½	1½
Marconi Wireless	11½	11½	11½	Marconi Marine	1½	1½	1½	1½	1½

American Railroads.

Chesapeake & Ohio	65	65	65	Southern	21	21	21	21	21
Erie	10	10	10	Do Non-cum Pref.	56	56	56	56	56
Do 4½ 1st Pref.	16	16	16						

Miscellaneous.

Asbestos Bond (S.L.)	11	11	11	Lipton (S.L.)	81½	81½	81½	81½	81½
Armstrong (S.L. W. G.)	14½	14½	14½	Lever Bros. (S.L.)	16½	16½	16½	16½	16½
and Co. (S.L.)	14½	14½	14½	Do 8½, Cn. A. Pref. (S.L.)	16½	16½	16½	16½	16½
Ass. Pined. Cement (S.L.)	14½	14½	14½	Do 20½, Cn. P. Ord. (S.L.)	9½	9½	9½	9½	9½
B'ham Small Arms (S.L.)	7½	7½	7½	Lister (S.L.)	81	81	81	81	81
Brazil Traction (S.L.)	31½	31½	31½	Lobitos Oilfields (S.L.)	81	81	81	81	81
British American Tobacco (S.L.)	31½	31½	31½	Lyons (J.) & Co. (S.L.)	3½	3½	3½	3½	3½
Brit. & Arg. Meat (S.L.)	31½	31½	31½	Magadi Soda (S.L. Ord.)	3½	3½	3½	3½	3½
Burnham Oil (S.L.)	31½	31½	31½	Mexican Eagle (S.L.)	3½	3½	3½	3½	3½
Coats (J. and P.) (S.L.)	21½	21½	21½	North Canadian (S.L.)	3½	3½	3½	3½	3½
Courtaulds (S.L.)	11½	11½	11½	Pekin (S.L.)	3½	3½	3½	3½	3½
Cumard (S.L.)	11½	11½	11½	Rubber Plantations Investment (S.L.)	3½	3½	3½	3½	3½
Dorman, Long (S.L.)	11½	11½	11½	Shell Transport (S.L.)	41½	41½	41½	41½	41½
Dunlop Rubber (S.L.)	11½	11½	11½	Smithfield & Argentine Meat (S.L.)	11½	11½	11½	11½	11½
Fine Cotton Spinners (S.L.)	11½	11½	11½	Underground Electric (S.L.)	2	2	2	2	2
Forestral Land (S.L.)	11½	11½	11½	Do "A" (S.L.)	11½	11½	11½	11½	11½
Furness, Withy (S.L.)	11½	11½	11½	Do Inc. Bds. (S.L.)	75	75	75	75	75
Highlands and Lowlands Rubber (S.L.)	11½	11½	11½	United Bards (S.L.)	11½	11½	11½	11½	11½
Hudson's Bay (S.L.)	11½	11½	11½	United Tobacco (S.L.)	11½	11½	11½	11½	11½
Imperial Tobacco (S.L.)	11½	11½	11½	Valambros (S.L.)	11½	11½	11½	11½	11½
Int'l. Nat'l. Paints (S.L.)	11½	11½	11½	Wickers (S.L.)	11½	11½	11½	11½	11½
Lingit Plantations (S.L.)	11½	11½	11½	Watney Def. S.L.	14½	14½	14½	14½	14½

Mines.

Brakpan (S.L.)	21	21	21	Kingsley	11½	11½	11½	11½	11½
Broken Hill Prop. (S.L.)	11½	11½	11½	Modderfontein (S.L.)	11½	11½	11½	11½	11½
Charter (S.L.)	11½	11½	11½	Modderfontein "B" (S.L.)	11½	11½	11½	11½	11½
Gold Fields (S.L.)	11½	11½	11½	Modderfontein, Deep (S.L.)	11½	11½	11½	11½	11½
Crown Mines (S.L.)	11½	11½	11½	Premier Def. (S.L.)	11½	11½	11½	11½	11½
De Beers Def. (S.L.)	11½	11½	11½	Rand Mines (S.L.)	11½	11½	11½	11½	11½
East Rand Prop. (S.L.)	11½	11½	11½	Rio Tinto (S.L.)	28	28	28	28	28
Geduld (S.L.)	11½	11½	11½	Spring Mines (S.L.)	11½	11½	11½	11½	11½
Gov. Gold Areas (S.L.)	11½	11½	11½						

COMPANY MEETINGS, &c.

ALEXANDERS DISCOUNT COMPANY, LIMITED.

SPLENDID RESULTS OF YEAR'S BUSINESS. UNDIVIDED PROFITS TO BE CAPITALISED.

The fifty-fourth ordinary general meeting of shareholders of Alexanders Discount Company, Limited, was held on January 19, 1922, at the office of the company, 24 Lombard street, London, E.C. Mr Colin Frederick Campbell (the chairman of the company) presided.

The secretary (Mr A. K. Bruce) having read the notice convening the meeting and the auditors' report, and the minutes of the last ordinary general meeting of January 20, 1921, having been also read and confirmed,

The Chairman said:—

I presume that you will accept the report as read.

I am sure that you will be well satisfied with the report and accounts that we are able to submit to you to-day, as they are the most favourable that it has been my privilege to lay before you.

I do not propose to take you through all the events of 1921, as I think I may say without fear of contradiction that few years have been so full of incident, whether you consider them from the point of view of the industrial, commercial, or the financial world. In our business as a discount company we live more particularly in the financial world, and as finance and credit are immediately affected by whatever takes place in industry and commerce, we are in the ascendant as those in which we can carry on our business to the greatest advantage; but what was the situation throughout 1921?

In industrial circles we have witnessed one upheaval after another culminating in a most acute and deplorable period of unemployment that still exists to-day throughout the whole country. In commercial circles we have seen even our strongest institutions striving to maintain their organisations in face of adverse changes, an unprecedented decrease in trade, a heavy fall in the values of raw materials and serious losses on stocks of manufactured goods throughout the world, and the effect of these conditions on the financial situation has been to still further reduce the demand for credit and consequently the supply of bills which began to make itself felt in 1920. Had it been our misfortune to have had to rely on the supply of bank and commercial bills for our profit we should indeed have been in a bad way, but once again an unending supply of Treasury bills has supplied all our needs, in the early part of the year when they were on tap and more recently since they have been offered by tender. The latter method has not been so advantageous to us as when the bills were on tap at a fixed rate; but, on the other hand, the change has enabled the Treasury to borrow on much more favourable terms, so that from the wider and more important point of view the change is one that we cannot in any way regret.

DISCOUNT BUSINESS.

The discount side of our business has been less profitable than in 1920, as though the average margin between money and bills throughout the year was about 12s compared with about 24s in 1920 the actual margin was much greater in the first part of the year, and it practically disappeared altogether during the month of December. The circumstances that have materially added to the profits of 1921 have been the steady fall in the value of money, coupled with a pronounced rise in the price of all Government securities. Our policy for several years past has been to hold only short-dated securities, so that the phenomenal rise in War Loan, for instance, from 83 to 93 has not affected us, but short-dated securities have also enjoyed their rise, and our holding in them as shown in the balance-sheet has been substantial.

THE FUTURE.

If the past year was one of difficulty, the immediate future cannot be said to be particularly clear. Last year I referred to the crushing burden of taxation, and now its effect on our national life and well-being is past contradiction, so much so, that the attention of all men is now concentrated on the problem, and we can only hope that Government will take such steps as may be necessary this new year to materially reduce public expenditure, and so prepare the way for some possible lessening of this intolerable burden. Should this take place, I am sanguine enough to look into the future with a good deal of hopefulness. The present extreme pessimism seems to me now to be a little psychological, our hopes have been so often disappointed, that we have almost ceased

to hope; but I believe the position is slowly and quietly improving all the time, and that though it would be unwise to anticipate anything like a boom in trade this year, I believe it would not take very much to materially alter the present outlook. In any case, however, this would take time to materialise, and I doubt whether the conditions in the discount market in 1922 can possibly be as favourable as they have been in recent years. In order that they may be so, it is not sufficient that Treasury bills should be available even to their present extent, for competition has forced the rate for them on to a basis which is frequently unremunerative for us. We need, like the rest of the world, a recovery in general trade, which will establish the discount rates on a more normal basis in relation to money. During 1921, with only small exceptions, bankers' advances decreased without a corresponding decrease taking place in deposits, a fact which goes far to explain the great increase in the demand for Treasury bills and the supply of money which marked the end of last year and the beginning of this. Already, however, a slight recovery in the figures of the clearing-house may perhaps be regarded as a hopeful sign. We have also the satisfaction of knowing that our banking and credit system, compared with that of the Continent and America, has so far come through a tremendous ordeal unshaken, so that London will be ready to take advantage of any trade revival when it comes.

THE ACCOUNTS.

Turning now to the accounts before you, the total of the balance-sheet shows the satisfactory increase of about 10 per cent. compared with last year, being 22½ millions, against 20½ millions. Our net holding of bills has risen by £625,000 to £16,432,000, and our total of commercial bills rediscounted by £268,000 to £2,523,000. Our holding of investments, unchanged in character, is £694,000 higher at £2,512,000, and it will be obvious that in view of the fall in money rates this holding is more remunerative than are bills. Loans on security we have increased from £190,000 to £651,000, and cash from £448,000 to £477,000. These increases combine to make up the total increase of two millions to which I have already referred.

PROFITS.

The gross profits for the year show an increase of £45,000 and amount to £377,000. The dividend this year calls for £2,500 more, and rebate, the maintenance of which on a conservative basis we regard as most necessary, is nearly £20,000 more, and now stands at £195,000. Although the directors have anticipated the natural desire of the shareholders by giving a generous bonus to the management and staff, the expenses show practically no change, owing to the absence of items which appeared last year, but which, as I then said, were not likely to recur. We have again transferred £5,000 to the Clerks' Pension Fund, so that it may be better able to meet whatever demands may be made upon it. We have placed £50,000 (an increase of £20,000) to the reserve fund, leaving £30,000, an increase of £4,000 to be carried forward, and thus accounting for the increase of £45,000 in the profits to which I have just alluded. The dividend at the rate of 15 per cent. per annum, together with a bonus of 2s per share, free of tax, are the same as a year ago.

CAPITALISATION OF UNDIVIDED PROFITS.

I now come to the proposal, of which you have had notice, to capitalise £40,000 of the undivided profits, and to distribute the same among the shareholders on the register *pro rata*, which works out at one new share for every nine existing shares held. Resolutions to this effect will be submitted to you at an extraordinary meeting to be held at the close of this meeting, and a few alterations have also to be approved of in the articles of association to carry out the proposal, which is included in the resolution to increase the authorised capital by 25,000 shares. The capital of the company will then be £1,250,000, of which £1,100,000 will be subscribed, consisting of £1,000,000 ordinary, paid up to the extent of £500,000, and £100,000 preference shares fully paid. There is also a reserve fund of £320,000. The balance of 15,000 shares will be held for issue as and when the company think fit.

The justification for this bonus distribution is not to be looked for in the anticipation of the directors that the profits of the past few years are always likely to continue, but in the fact that as their policy has been one of caution and conservatism, they think the share-

holders are now entitled to this special share in the prosperity of the company which has continued for several years, and for this reason I have little doubt that the shareholders will approve of the proposal.

In conclusion I would like to say that an account such as the one in your hands is only possible when the management, supported by the staff, is highly efficient, and the shareholders are indeed fortunate that their affairs are in the hands of one so capable as their present manager, who is also keenly backed by a very efficient staff.

If anybody has any questions to ask before I propose the adoption of the report and accounts, I shall be pleased to answer them. No questions were asked.

I now beg to propose:

"That the report and accounts be received, adopted, and entered on the minutes."

Sir Austin Edward Harris, K.B.E.: I have pleasure in seconding that

The resolution was carried unanimously.

The Chairman: I now have to move:

"That dividends for the half-year ended December 31st last be declared at the rate of 6 per cent. per annum on the £100,000 preference capital, and at the rate of 15 per cent. per annum on the £450,000 ordinary capital, both less income-tax, and a bonus of 2s per share on the ordinary shares, free of tax, payable on and after the 20th instant, and that the balance of £30,087 2s 6d be carried forward to next account."

Mr Robert Ernest Alexander seconded the resolution, which was carried unanimously.

Mr Robert Ernest Alexander: I should like to move:

"That our chairman, Mr Colin Frederick Campbell be re-elected a director of the company."

Mr George Cleverly Alexander seconded the resolution, which was carried unanimously.

Mr H. G. Alexander moved that the auditors, Messrs Price, Waterhouse, and Co., be re-appointed auditors of the company at the same remuneration as before.

Mr Robert Alexander seconded the motion, and it was agreed to unanimously.

The Chairman: That finishes the business of the ordinary meeting.

EXTRA REMUNERATION FOR THE DIRECTORS.

Mr D. A. Horner: I think there is an obvious duty which devolves upon someone on this side of the table, namely, to propose a hearty vote of thanks to you, Sir, for the illuminating address you have given us, and also to you, Sir, and your colleagues for their conduct in the affairs of the company during the last year. Those of us who have grown old in the money market and have lost the bloom of youth trying to make money there, know that great watchfulness and very great caution are needed to produce the excellent statement which has been placed before us to-day. And not only is that so, but we shareholders have earned an exceptionally handsome dividend; the public appreciation in which the company is held has added to the value of our securities, and by way of adding a crowning mercy to the year we have been allotted a substantial addition of new capital for ourselves. In the cutting of that luscious melon one little slice ought to go to a quarter which is not mentioned in the published accounts.

I hope I am in order in the proposal which I venture to make, namely,

"That we vote as a contribution amongst the directors of the

company a sum of not less than £2,500 as a little mark of our appreciation for the splendid services they have rendered to enable us to earn such an excellent dividend, and to receive such a good account of the year."

I should like to move that resolution, and add to it a vote of thanks to the chairman and his colleagues.

The Chairman: I am not quite sure whether such a resolution is in order, or whether notice should be given. I will ask our solicitor about that.

The Solicitor: You may accept such further remuneration as is voted in an ordinary general meeting.

Mr H. G. Alexander seconded the motion, which was agreed to unanimously.

The Chairman: It is extremely generous of you; we thank you most heartily.

A vote of thanks to the management and staff having been proposed and seconded, the proceedings came to an end.

NATIONAL DISCOUNT COMPANY, LIMITED.

SPLENDID YEAR—INCREASED PROFIT.

The ordinary annual general meeting of the National Discount Company, Limited, was held, on the 20th instant, at the Cannon street Hotel, London, Sir Sigismund F. Mendl, K.B.E., chairman of the company, presiding.

The secretary (Mr Charles H. Gough) having read the notice convening the meeting, and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that the past year had been a profitable one for the company. The figures in the profit and loss account and in the balance-sheet showed increases under nearly all heads, and these increases had been obtained although there had been a smaller margin between the rates of money and discount than in 1920. The yield on the investments was considerably higher in 1921 than in 1920, and, as the shareholders would have noticed, they had considerably increased their investments and therefore their profits under this head, and he would like to anticipate any questions on that subject by stating that the investments stood in the books at well under current market price.

The net result of the working of the year was that after making a moderate addition to the pension fund they were able to pay 2 per cent. more dividend, to declare the same bonus as in 1920, and to carry forward some £60,000 more than they did in 1920. He thought the shareholders would regard that as a not unsatisfactory result. The expenses had risen somewhat, and that was not entirely due to normal causes. They had for the first time, in 1921, taken up a methodical, or perhaps he might call it a scientific method, of allocating a portion of the profits to a bonus to the staff. They thought it a suitable opportunity to do that because they had been engaged in revising the special bonus hitherto given to the staff to meet the cost of living, and thought it a suitable moment to introduce a system by which the staff could be personally interested in the profitable working of the company.

SCHEME FOR REDUCTION OF LIABILITY ON SHARES.

Proceeding to deal with the scheme for the reduction of the liability on the shares, the Chairman said he did not think the shareholders could accuse the board of having been precipitate, but previously they did not consider that the time was ripe for the change. The moment they did they at once gave their earnest consideration to the matter, and in view of the generally expressed opinion of the shareholders, they had prepared a scheme for effect-

ing a reduction of the liability by £15 per share, thereby reducing the liability to £5. Of course, they could have done that in a very simple manner by calling their £25 shares £10 shares with a £5 liability, but after considering the matter, and having taken the best advice they could obtain, they came to the conclusion that it would be a better thing in the interests of the shareholders to divide each existing share, when the liability had been reduced, into two shares—namely, one "A" share and one "B" share, the "A" share to be fully paid and the "B" share to carry the £5 liability which it was proposed to retain. Their reason for that was that shares with a liability could not be held by trustees and executors, and that being the case, the market in their shares was unduly affected when any of their shareholders died, or for any other reason, trustees found themselves in the possession of shares. It appeared to the board desirable that they should have a fresh class of shareholders—namely, trustees and executors, who could hold shares in the company without any question of liability. They also thought that in that way there would be a better market. On the other hand, it was necessary to restrict the dividend in respect of the fully-paid shares to a moderate amount, and to allow the partly-paid share, which was the more speculative share, to have the opportunity of earning a larger dividend. The existing shareholders were not affected, because each of their shares would be divided into two, and they would have one of each class, and the people who bought later on would know what they were doing, and have no grievance. The scheme was very simple. They proposed to reduce the liability of £20 per share to £5 per share by the extinction or cancellation of £15 per share. Each share thus altered to £10 with £5 paid would then be subdivided into two shares—namely, one "A" share of £2 10s fully paid, the dividend on which would be limited to a maximum of 10 per cent. in any one year, and one "B" share of £7 10s having £2 10s paid without any limitation of dividend. The two classes of shares would participate equally in the distribution of dividends up to 10 per cent. in any one year, and any distribution in excess of 10 per cent. would belong wholly to the "B" shares. The directors' qualification would be 200 "B" shares, instead of 200 shares as at present, because it was obvious the directors should be qualified in shares carrying the liability.

Col. the Hon. Sidney Peel, D.S.O., M.P., seconded the resolution for the adoption of the report and accounts, and it was carried unanimously.

An extraordinary general meeting was then held, at which the resolutions to carry into effect the scheme outlined by the chairman were carried unanimously.

GREAT INDIAN PENINSULAR RAILWAY COMPANY.

CHAIRMAN ON THE REPORT OF THE COMMITTEE OF INQUIRY.

The 144th half-yearly general meeting of the Great Indian Peninsular Railway Company was held, on the 20th instant, at the offices, 48 Copthall avenue, London, Sir Charles H. Armstrong, the chairman, presiding.

The secretary (Mr R. H. Walpole) having read the notice convening the meeting,

The Chairman, in the course of his speech, said: Gentlemen, when I addressed you six months ago at our last half-yearly meeting, I was not very sanguine as to the prospects of the current year, but I must admit I did not anticipate that for the first six months to September 30 last the result, as shown by the figures in the report now in your hands, would be so very unfavourable. The explanation is an excessive and, I hope, an abnormal expenditure, due largely to a serious increase in the cost of our coal supplies. Finding some months ago that we were not receiving from the Bengal Coalfields as much as we had been led to expect, and as our stock was running dangerously low, we were compelled to buy additional supplies in this country, in South Africa, and elsewhere, so that we might have a sufficient stock during the monsoon months and more or less up to the end of the year.

RECEIPTS AND EXPENDITURE.

Our gross receipts during the six months were Rs. 6,35,00,000, and our gross expenditure Rs. 6,06,00,000, leaving a sum of only Rs. 28,66,000 as net earnings. After bringing into account interest on capital expenditure and other charges, there was a deficit of Rs. 1,44,00,000, as against a deficit in the corresponding period of last year of Rs. 2,77,000, the net difference between the two periods being Rs. 1,41,00,000.

Our working expenses were 95.49 per cent. of our gross receipts, against 75.86 per cent. in the corresponding period of last year. The excess of approximately 20 per cent. was due largely, as I have already said, to the excessive cost of overseas coal.

During the period under review, we collected on behalf of the Government of India Rs. 34,00,000 on account of surtax, in

addition to our gross receipts. This tax, which was rather hurriedly imposed at the last Budget and which cannot be defended from any point of view, continues until March 31st. From April 1st it is intended to bring into operation a higher scale of rates, and this to some extent ought to improve our position next year, but I am doubtful if the advance will be sufficient to cover our greatly increased expenditure. At the same time, I think later on we may fairly look for some improvement in trade, and, if so, our traffics will increase.

REPORT OF THE COMMITTEE OF INQUIRY.

Perhaps the most interesting event of the half-year has been the publication of the Report of the Committee appointed by the Secretary of State to inquire into the administration and working of Indian railways. It is a very interesting document, full of valuable information, but it does not seem to me to solve the question as to what is best to be done with the Indian railways. Well-informed opinion is against an extension of State management, and, so far as the formation of Indian companies is concerned, as recommended by some members of the Committee, it is not, I imagine, a practicable financial proposition, so far, at any rate, as this railway is concerned. If some of the recommendations made by the Railway Committee are carried out, working conditions will no doubt be improved; but, whatever the system of management in future,

FINANCIAL DIFFICULTIES.

I cannot see how the position of the Indian Company Railways can be materially altered for the better until there has been a very large expenditure on equipment, on necessary renewals, and in course of time on much-needed extensions. The cost of raising the necessary funds is at the present time expensive, and there is little money to be made on loans raised at present rates, but a large expenditure is not only necessary but unavoidable in the interests of Indian industries and of the country's overseas trade. Finance has been the difficulty of the situation all along. If sufficient funds could have been provided by the Government of India, or, failing this, if the general public had been invited to take a greater interest in the financing of Indian railways, the position in India to-day would have been very different and the need for a heavy expenditure would have been less acute.

During the half-year we have not been able to make any progress with our suburban electrification project, an urgent and very necessary work in connection with the Bombay development scheme.

The guaranteed interest of 1½ per cent. for the half-year was distributed in December as usual.

The report and accounts were unanimously adopted, and the formal business was duly transacted.

NATIONAL MUTUAL LIFE ASSURANCE SOCIETY.

RESULTS OF BOARD'S SOUND INVESTMENT POLICY.

The 92nd annual general meeting of the National Mutual Life Assurance Society was held, on the 18th instant, at 39 King street, Cheapside, London, Mr J. M. Keynes, C.B., the chairman, presiding.

The actuary and manager (Mr Geoffrey Marks, C.B.E., F.I.A.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, after mentioning the figures of new business, premium income, claims and rate of interest (which have been already published), pointed out that the net rate of interest earned represented a profit of about £56,000 on the year, and proceeded as follows:—There is a balance of profit on assets realised and revalued of nearly £179,000. Of this sum, £162,000 is represented by profit actually realised in cash, and only £17,000 is attributable to an increase on balance in the reassessment of book values. Nearly all, namely £172,000, of this profit is due to the capital gains on our Stock Exchange securities, which represent about 8 per cent. over the whole of our assets of this description.

SOCIETY'S INVESTMENTS.

A considerable part of this is, of course, attributable to the general improvement in the value of gilt-edged securities which occurred in the latter part of last year, but the exceptionally satisfactory result recorded above could have been secured only by the special care which the board have bestowed on this part of their duties, and the active policy which they have pursued in taking quick advantage of the opportunities which have presented themselves. The members can best judge, I think, of the success which has attended the efforts of the board in this direction by considering together the results of the two years 1920 and 1921. This period happens to be a particularly convenient one for purposes of comparison, because the leading British Government securities stood at almost the same prices at the beginning and at the end of the period. For example, 5 per cent. War Loan

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stood at 91½ at the beginning of the two-year period, and at 92½ at the end of it; Funding Loan at 75½ and 76½; Victory Bonds at 80½ and 81½; and Local Loans at 55½ and 56. In fact, the average of these four standard securities fell 10 per cent. in 1920 and rose 11 per cent. in 1921, so that the depreciation of the first year was almost exactly balanced by the recovery in the second year, the net result over the two years being an appreciation of almost exactly 1 per cent. National War Bonds did a little better than this, the recovery in 1921 bringing them to about 4 per cent. above what they had been two years earlier. On the other hand, many other classes of securities, particularly ordinary shares, showed a heavy depreciation on balance over the two years.

The test of success in an active investment policy is to be found in an ability to avoid losses when security values are falling, whilst nevertheless obtaining profits when they are rising. Anyone can make profits in gilt-edged investments when gilt-edged investments are all going up; and we must look, therefore, to the net result of the two years 1920 and 1921 taken together. Over these two years our society has a balance of appreciation and realised profit over the whole of its Stock Exchange securities of approximately 8 per cent. I do not think that any other society can show an equally good result, and I am certain that it could not have been obtained by an inactive policy, however well and carefully the investments had been selected in the first instance.

LIFE ASSURANCE SOCIETIES' POLICY.

I venture to say that at the present time life assurance societies must stand or fall mainly with the success or failure of their investment policy. The labours of the great actuaries of the nineteenth century have carried actuarial science to a point where great improvements or striking innovations are no longer likely. All well-conducted societies now follow almost the same established actuarial rules. They work on mortality tables based on past experience, which, by reason of the improvements in medical science and public sanitation, are likely to yield some profit on the actual claims falling due over a period of years. The rise in the rate of interest, even when allowance is made for the depredations of income-tax, the present incidence of which on life assurance is open to objection, both on principle and on grounds of public policy, provides an automatic profit over the rate assumed in the valuation. These factors are in favour of all societies alike, and tend to put them in a strong position, unless these advantages are thrown away by a defective investment policy. But investment, on the other hand, provides both more pitfalls and also more opportunities than formerly. The wide fluctuations even in securities of the highest class, which have occurred in recent years, are likely to continue in the near future; whilst the range and choice of investments now available afford opportunities for an active policy which did not exist previously. The new problems of investment thus presented are, in the opinion of your board, the most difficult and the most important with which the insurance world is now faced. They believe that the gradual building up of a sound investment policy is the most vital part of their duties. It is too soon to speak confidently as to what can be done on these lines. But, at any rate, the results which your board has obtained in the past two years are not an accident, but are attributable to a conscious and deliberate policy.

RESULTS OF RECENT VALUATION.

The funds of the society have increased during the year by £277,000, the largest addition which they have ever received in a single year. This year, as in previous years, we have made a valuation of our liabilities for our own information, with a view to determining how much of this increase represents surplus. This valuation discloses that our net surplus has increased during the year by £231,000, bringing our aggregate surplus up to nearly £409,000, with two more years still to run before the close of the current quinquennial period. At our valuation in 1913, which concluded the most successful quinquennium in the society's history, there was a surplus of £341,000, on which result a compound reversionary bonus of 36 per cent. was declared, and more than £100,000 carried forward. The cost of a similar bonus would now be greater, owing principally to the increase in the number of endowment assurances, but, after making allowance for this factor, and for certain adjustments which may be necessary in 1923, the prospects for the society's policy-holders are decidedly good.

TRADE REVIVAL PROSPECTS.

I look for a revival of trade in the coming year irrespective of political developments here and in Europe, because I attribute the exceptional severity of the recent trade depression by no means entirely to the falling off in consumption, but also in large measure

to a financial and credit situation which has held up production and has kept it far below the rate of current consumption. This means that stocks, particularly invisible stocks, have been falling, a process which cannot go much further without leading to scarcity and a reaction towards higher prices and busy production. Let me quote two figures so striking as to be almost incredible. In 1921 Lancashire's export of piece goods was the lowest for 60 years; Great Britain's production of pig-iron was the lowest for 70 years. In spite of the war and the state of Europe, nothing like this can be true of consumption.

The Hon. Francis N. Curzon seconded the motion, and it was carried unanimously.

The formal business was duly transacted, and a cordial vote of thanks to the Chairman, directors, and staff terminated the proceedings.

RIO DE JANEIRO FLOUR MILLS AND GRANARIES, LIMITED.

SATISFACTORY RESULTS OF YEAR'S WORK.

The thirty-sixth ordinary general meeting of the Rio de Janeiro Flour Mills and Granaries, Limited, was held, on the 17th instant, at the Institute of Chartered Accountants, London.

The Chairman (Mr R. Foster), in moving the adoption of the report and accounts, said that the profit on the flour mill had increased some £37,000, while that of the cotton mill was £25,500 down, after ample provision had been made for various reserves. The falling off in the cotton mill profit was wholly due to the lower rate of exchange. The quantity manufactured and sold, however, had increased. As to the work of the past financial year, he thought that, on the whole, they might consider it very good. The deliveries of flour had increased, as had also the proportion of the total amount of flour consumed in Brazil, notwithstanding the fact that the higher prices of wheat and the low exchange combined had made the cost of this commodity too high for the natural increase in consumption. It had been a very difficult year in which to make profits, as the wheat market had had a falling tendency most of the time.

The reports with reference to the biscuit factory in which they had taken an interest were most encouraging. First-class goods were being turned out, and already the demand would appear to be equal to the supply. The Bahia mill, in which they had also taken an interest, had not yet started owing to the many delays caused by the local authorities.

With regard to the present year, he was hopeful that it might be one of average prosperity, although the quarter just completed had not been a good one. This, however, did not necessarily mean that the result at the end of the year would be bad. There would seem to be ample supplies of wheat for the requirements of the world, which should mean the price of this article being at a very much lower level than the average of last year. The company's interests were very closely bound up with those of Brazil, and he believed there was a feeling that things were on the mend in that country.

Mr S. C. Sheppard (managing director) seconded the motion, and, after making a few remarks regarding the progress of the business, read the following cablegram just received from the general manager at Rio:—"Demand for flour and cloth is well maintained. The spinning side of the cotton mill extension has started, and the prospects of business generally are encouraging."

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £50,000,000 in three months' Treasury Bills, dated from Monday to Saturday, Jan. 23rd-Jan. 28th, were opened on Jan. 20, 1922, and the total amount applied for was £79,470,000. Tenders for Monday bills at £99 is 11d and Tuesday to Saturday bills at £99 is 8d, about 11 per cent., and above in full. The average rate of discount was £3 13s 7½d per cent.

The following table shows Treasury Bills by tender outstanding:—

Date of Bills.	Amount Offered.	Amount Applied for.	Average Rate of Discount.	Rate for Additional Bills.
1921.				
December 23	£ 80,000,000	£ 67,975,000	3 7 11-09	3 ½
December 30	50,000,000	117,040,000	3 13 6-52	3 ½
1922.				
January 6	60,000,000	84,175,000	3 4 11-73	2 ½
January 13	60,000,000	78,545,000	3 13 10-73	3 ½
January 20	60,000,000	79,470,000	3 13 7-62	..

The amount to be offered next week will be £35,000,000.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to		Redemption Account.					
			Bankers.	Savings Banks.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance Bank of England.	
1914.	£	£	£	£	£	£	%	£	£	
Aug. 26	21,535	..	6,302	3,810	..	..	..	..	11,423	
Dec. 30	38,478	..	169	600	18,500	..	48-1	9,924	9,286	
1915.										
Dec. 29	103,125	729	159	249	28,500	..	27-6	54,621	20,536	
1916.										
Dec. 27	150,144	2,430	64	40	28,500	..	19-0	118,102	6,868	
1917.										
Dec. 26	212,782	8,554	39	675	28,500	..	13-4	186,637	5,486	
1918.										
Dec. 31	323,241	15,529	..	570	28,500	..	8-9	305,133	4,566	
1919.										
Dec. 31	356,152	17,182	250	245	28,500	4,000	9-1	337,537	2,802	
1920.										
June 30	357,356	16,700	..	190	28,500	13,400	11-7	331,660	305	
Dec. 29	367,626	16,962	..	..	28,500	19,450	13-0	336,504	134	
1921.										
Mar. 30	343,826	15,599	..	..	28,500	19,450	13-9	311,334	141	
June 29	323,884	14,965	..	..	28,500	19,450	14-8	287,750	150	
Sept. 28	314,382	14,830	..	..	28,500	19,450	15-2	278,119	143	
Dec. 28	325,584	14,658	..	..	28,500	19,450	14-7	289,131	161	
1922.										
Jan. 11	313,456	14,274	..	..	28,500	19,450	15-3	276,624	156	
Jan. 18	308,568	13,930	..	..	28,500	19,450	15-5	271,364	182	

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, and for 1922 at £309,988,400.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1921-22. (See Note.)	Total Receipts into the Exchequer from		Receipts.	
		Apr. 1, 1921, to Jan. 1, 1922.	Apr. 1, 1920, to Jan. 1, 1921.	Week Ended Jan. 14, 1922.	Week Ended Jan. 15, 1921.
Balances in Exchequer on 1st April:—	£	£	£	£	£
Bank of England	..	2,591,051	7,159,773	..	..
Bank of Ireland	..	483,455	2,209,324	..	..
REVENUE.	..	3,074,506	9,369,097	..	..
Customs	126,800,000	103,565,000	106,487,000	1,988,000	1,793,000
Excise	196,200,000	152,836,000	153,402,000	1,753,000	2,207,000
Motor Vehicle Duties ..	9,000,000	5,583,000	5,583,000	1,566,000	..
Stamps, &c., Duties	48,000,000	38,174,000	37,747,000	737,000	616,000
Stamps	21,000,000	12,901,000	20,405,000	808,000	392,000
Land Tax	2,500,000	720,000	690,000	170,000	190,000
House Duty	..	..	..	..	..
Property & Income Tax (Including Super-Tax & Mineral Rights Duty) ..	410,500,000	194,816,000	178,950,000	12,020,000	12,365,000
Excess Profits Duties, &c.	120,000,000	23,714,000	167,166,000	5,918,000	..
Corporation Profits Tax ..	30,000,000	11,313,000	..	434,000	..
Post Office	60,000,000	41,500,000	37,450,000	1,250,000	850,000
Crown Lands	650,000	570,000	510,000	..	..
Interest on Sundry Loans	12,000,000	10,881,562	19,088,437	181,094	2,012,513
Miscellaneous	..	..	..	..	..
Ordinary Receipts	21,500,000	18,606,114	19,004,052	510,000	570,193
Special Receipts	158,500,000	99,016,753	208,561,204	2,500,000	5,553,431
Revenue	1,216,650,000	720,196,429	949,860,699	23,917,094	32,467,137
Total Income	..	723,270,335	959,229,796	..	..
OTHER RECEIPTS.	..	..	..	..	..
Temporary Advances Repaid:—	..	..	..	..	..
Bullion	7,580,000	3,870,000	100,000	180,000	..
Interest on Exchequer Bonds under the Capital Expenditure Money Act (1904)	169,818	169,818	..	..	..
Under the Unemployment Insurance Act, 1921	520,000	..	..	..	..
Money Raised by Creation of Debt:—	..	..	..	..	..
(a) For Capital Expenditure Issues:—	..	..	..	..	..
Under the Telegraph (Money) Act, 1913 and 1921	5,561,474	4,000,000	..	..	..
Under the Post Office (London) Railway Act, 1913	27,500	115,000	..	..	..
Under the Housing Act, 1914 ..	50,000	30,000	..	..	..
(b) Under the Unemployment Insurance Act, 1921	7,600,000	..	..	..	..
(c) For other Issues:—	..	..	..	..	..
By Treasury Bills for Supply ..	3,171,623,000	3,283,899,000	68,786,000	116,951,000	..
By 4% Funding Loan, 1900-50 ..	..	270,552	..	..	..
By 4% Victory Bonds	..	769,061	..	..	..
By 5% Exchequer Bonds, 1925 ..	..	258,784	..	..	..
By National Savings Certificates—	..	..	..	..	..
Under the War Loan Act, 1914-1919	..	20,760,794	..	..	..
Under the Finance Act, 1920 ..	33,230,000	10,920,000	1,350,000	1,100,000	..
By National War Bonds	..	..	..	..	..
By Treasury Bonds	1,062,317	19,054,994	..	420,000	..
5-15 year, 1925-35	218,245,611	..	26,369,348	..	..
By Other Debt created under the War Loan Act, 1914 to 1919	10,961,454	40,961,120	..	2,480,307	..
(d) Ways and Means Advances ..	1,103,646,000	1,152,962,000	23,200,000	18,750,000	..
Anglo-Persian Oil Company	5,010	3,504	..	..	..
Dividends on Shares acquired ..	130,000	130,000	..	..	..
In respect of Cunard Loan	127,268	5,940	..	..	..
Do Issues under Civil Contingencies Fund Act, 1919	7,250,000	..	..	..	..
Do Issues under Land Settlement (Facilities) Act, 1919	46,434	10,697	..	..	..
Do Issues under Section 55 (4) of the Finance Act, 1920	13,490,960	..	..	..	..
Interest received under Section 55 (5) of the Finance Act, 1920	321,533	..	..	..	..
Total	5,304,913,309	5,497,420,990	143,722,442	172,348,444	..

EXPENDITURE AND OTHER ISSUES.

EXPENDITURE.	Estimate for the Year 1921-22, including Supplementary Grants.	Total Issues out of the Exchequer to meet Payments from		Issues.	
		Apr. 1, 1921, to Jan. 14, 1922.	Apr. 1, 1920, to Jan. 15, 1921.	Week Ended Jan. 14, 1922.	Week Ended Jan. 15, 1921.
	£	£	£	£	£
Permanent Charge of Debt.....	24,500,000	14,330,156	15,125,364	..	500,000
Interest, &c. on War Debt.....	320,500,000	265,837,142	276,172,996	895,144	2,051,533
Road Fund	8,400,000	5,282,000	2,966,689	2,301,000	..
Payments to Local Taxation Accounts, &c.....	11,115,000	6,992,236	6,997,548	73,373	79,000
Payments to Northern Ireland Exchequer ..	..	550,000	..	..	..
Land Settlement	5,000,000	2,388,892	5,531,005	58,986	250,871
Other Consolidated Fund Services	1,757,000	1,660,944	1,418,619	230,574	32,793
Supply Services	774,851,000	518,819,760	578,726,406	48,560,000	14,260,000
Expenditure	1,146,123,000	815,861,130	886,938,627	52,119,077	17,174,197
OTHER ISSUES.					
Temporary Advances—					
Bullion		7,800,000	3,800,000	300,000	150,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921		8,890,000	..	370,000	..
Issues to Meet Capital Expenditure—					
Under the Telegraph (Money) Acts, 1913 and 1921		5,561,474	4,700,000	..	700,000
Under the Post Office (London) Railway Act, 1913		27,500	115,000	..	..
Under the Housing Act, 1914		50,000	30,000	..	..
Redemption of Unfunded Debt—					
Treasury Bills for Supply		3,227,431,000	3,237,219,000	73,420,000	109,865,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917		28,272,281	52,960,577	559,520	3,319,446
Principal of National Savings Certificates—					
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920		15,350,000	25,100,000	400,000	400,000
(b) Repaid otherwise		10,400,000	..	..	..
Principal of Exchequer Bonds paid off—					
1921-22	£	18,962,820	26,496,808	..	100,000
6%, 1920	£	2,985,808			
5%, 1920	£	23,510,000			
5%, 1921 ..	£	18,962,820			
Other Debt under the War Loan Acts, 1914 to 1919		51,494,036	59,592,848	..	4,769,918
Principal of American Loan under the American Loan Act, 1915		..	59,229,221	..	..
Ways and Means Advances Repaid		1,072,351,000	1,111,477,000	16,420,000	33,900,000
Depreciation Fund, under the Finance Act, 1917		23,940,201	23,280,178	660,622	1,000,000
Issues to National Debt Commissioners to Reduce Debt—					
Cunard Loan Repayments		130,000	130,000	..	..
East Africa Protectorate Loan Repayments		127,268	5,940	127,268	5,940
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)		15,390,000	2,475,000	..	650,000
Old Sinking Fund, 1910-11, issued under Section 16 (1) of the Finance Act, 1911		212,450	197,766	..	..
		5,302,420,978	5,493,917,783	144,375,887	172,034,501
Balances in Exchequer—					
Bank of England		1,536,178	2,104,384	753,436	105,544
Bank of Ireland		962,153	1,398,823	99,991	209,399
Total		2,498,331	3,503,207	653,446	315,943

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

£12,000,000

ASSETS EXCEED FIRE. LIFE. ACCIDENT. MARINE.

Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

Clerical, Medical & General

LIFE ASSURANCE SOCIETY.

2½% Valuation
and
BONUS as BEFORE

Chief Office: 15, St. James's Square, S.W.1, London

COMPARISON with PREVIOUS WEEK and a YEAR AGO.

	Amount, Jan. 18, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,400,663	+ 16,868	+ 18,758
Public deposits	19,623,055	+ 4,020,935	+ 3,546,761
Other deposits	117,821,255	+ 12,065,316	+ 2,190,812
Government securities	47,143,686	+ 7,850,000	+ 7,366,570
Other securities	83,974,646	+ 1,187,844	+ 2,649,812
Reserve	21,294,248	+ 1,018,505	+ 6,097,458
Note circulation	122,599,950	+ 1,027,040	+ 5,940,755
Coin and bullion	128,444,198	+ 8,535	+ 156,703
% of reserve to liabilities	178%	+ 18%	+ 41%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Liabilities.
Oct. 26, 1921.	128,413,527	123,915,830	175,038,529	169,779,091	22,947,697	134.5
Nov. 2, 1921.	128,413,527	125,141,350	141,902,138	137,856,328	21,726,894	151
Nov. 9, 1921.	128,413,527	124,403,190	122,905,825	118,135,305	22,467,663	181.5
16, 1921.	128,413,527	123,587,030	126,104,853	120,548,806	23,286,166	181
23, 1921.	128,413,527	123,505,915	139,684,230	133,885,916	23,582,450	161
30, 1921.	128,413,527	125,112,960	144,160,001	140,172,509	21,779,380	151
Dec. 7, 1921.	128,413,527	124,961,865	154,738,656	150,700,714	21,921,711	141
14, 1921.	128,413,527	124,734,450	154,727,609	150,482,425	22,152,821	141
21, 1921.	128,413,527	126,671,025	138,322,943	136,024,708	20,210,119	141
28, 1921.	128,413,527	126,520,245	122,589,335	120,126,896	20,364,114	161
Jan. 4, 1922.	128,413,527	125,694,450	132,021,827	128,772,223	21,195,490	11
11, 1922.	128,413,527	123,626,990	145,488,691	140,156,176	23,275,743	16
18, 1922.	128,413,527	122,599,950	137,414,310	131,118,332	24,294,248	178

TEN YEARS' RECORD.

At corresponding date with the present week.	Jan. 17, 1912.	May 27, 1914.	Jan. 21, 1920.	Jan. 19, 1921.	Jan. 18, 1922.
Circulation (excluding Bank post bills)	28,044,040	28,933,380	88,094,255	128,540,705	122,599,950
Public deposits	16,983,685	15,014,809	21,472,380	16,076,294	19,623,055
Other deposits	39,607,829	41,248,964	40,341,208	122,012,067	117,821,255
Government securities	15,270,184	11,046,570	68,157,438	54,510,256	47,143,686
Other securities	15,665,009	41,461,280	84,407,836	81,324,834	83,974,646
Reserve of notes and coin	27,712,507	25,463,980	27,169,457	18,196,790	24,294,248
Coin and bullion	37,306,547	35,947,360	96,806,712	128,287,495	128,444,198
Proportion of reserve to liabilities	49%	42%	162%	138%	178%
Bank rate of discount	4%	3%	6%	7%	5%
Market rate, 3 months' bills	3%	2%	5%	6%	3%
Price of Consols	77½	76½	79½	78½	78½
Price of silver per oz.	33s 1d	33s 0d	72s 7d	85s 11d	45s 0d
Average price of wheat	25-21-2½	25-17-20	43-15-75	58-90-59-80	51-55-99
Exchanges on New York	84-43	84-79	83-61-65	83-74-76	84-22-23
on Amsterdam	12-18-2½	12-05-10	9-70-77	11-35-40	11-49-52
on London	20-50	20-49	20-24-1	23-25-45	790-830
Clearing house return	344,306,000	199,913,000	741,541,000	764,751,000	912,736,000

BANKERS' CLEARING RETURNS.

Week Ending	Town Clearing.	Country Clearing.	Total.
1922.			
January 1-January 11	989,128,000	93,465,000	1,082,593,000
January 18	852,673,000	60,063,000	912,736,000
Total to date 1922	1,841,801,000	153,528,000	1,995,329,000
Do 1921	1,825,437,000	200,023,000	2,025,460,000
Increase or decrease in 1922	16,364,000	-46,495,000	-30,131,000
%	0.9%	-23.2%	-1.4%
Total for 1921	31,928,380,000	3,002,179,000	34,930,559,000
Do 1920	34,946,883,000	4,072,220,000	39,019,103,000
Increase or decrease in 1921	3,018,303,000	-1,070,041,000	-4,088,344,000
%	8.6%	-26.2%	-10.4%

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Inc. or Dec.
Aggregate Totals to January 14.			
BIRMINGHAM	9,858,300	5,256,300	-4,602,000
BRISTOL	3,751,000	3,037,000	-714,000
DUBLIN	17,470,300	14,390,200	-3,080,100
HULL (Jan. 2 to Jan. 14)	2,129,700	2,129,700	0
LEEDS	2,992,000	2,184,500	-807,500
LIVERPOOL	1,968,700	1,849,100	-119,600
LONDON	31,616,500	17,442,700	-14,173,800
MANCHESTER	39,588,000	29,749,700	-9,838,300
NEWCASTLE-ON-TYNE	4,948,000	3,197,300	-1,750,700
NOTTINGHAM	1,934,200	1,565,800	-368,400
SHEFFIELD	3,639,400	2,046,000	-1,593,400

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

	Jan. 13, 1922.	Jan. 6, 1922.	Week's Movmnt.	Jan. 10, 1921.
RESOURCES.				
Total gold reserve	2,895,590	2,875,300	+ 20,290	2,080,280
Legal tender notes and silver reserve	145,710	134,500	+ 11,210	196,570
Bills discounted for member banks	987,490	1,112,570	-125,080	2,607,350
Bills bought in open market	86,750	126,870	-40,120	234,760
Government obligations owned	219,190	231,110	-11,920	287,810
All other resources	55,770	57,330	-1,460	34,750
LIABILITIES.				
Government deposits	15,290	68,310	-53,020	25,590
Other deposits	1,761,620	1,760,830	+ 790	1,608,950
Federal Reserve Notes in actual circulation	2,293,800	2,405,320	-111,520	3,370,020
Federal Reserve Bank Notes in actual circulation	83,980	83,880	+ 100	213,550
All other liabilities	15,730	15,650	+ 80	21,850
Capital and surplus	318,600	318,730	-130	301,640
Ratio of total reserves to gross deposit and Federal Reserve note liabilities combined	74.7%	71.1%	+ 3.6%	46.4%

STATEMENT OF CANADIAN BANKS.

	Oct. 31, 1921.	Sept. 30, 1921.	Oct. 31, 1920.
ASSETS.			
Cash and bank balances	509,829,101	480,457,342	594,793,585
Bank balances abroad	69,886,192	74,325,335	82,446,915
Call and short loans	277,376,321	290,020,026	301,503,361
Securities	345,581,096	360,823,142	367,811,462
Loans in Canada	1,345,531,564	1,343,445,512	1,497,774,391
Loans abroad	156,518,933	151,489,861	193,749,657
Other assets	102,305,236	101,970,661	117,852,033
LIABILITIES.			
Note circulation	193,546,363	186,797,922	249,165,707
Deposits			
Government	136,968,833	136,180,510	187,072,150
Public in Canada	1,816,974,475	1,798,071,304	1,958,927,532
Foreign	284,254,860	295,574,501	339,955,233
Bank balances—			
Canadian	11,561,996	12,577,629	15,377,031
Foreign	39,048,800	47,444,013	59,278,460
Bills payable and acceptances	33,530,439	33,073,315	57,183,917
Other liabilities	3,213,425	2,865,834	5,556,059
Capital and rest	264,338,629	264,334,153	257,682,757

BANK OF FRANCE.

	Jan. 19, 1922.	Jan. 12, 1922.	Jan. 20, 1921.	Week's Movement.	Position May 30, 1914.
ASSETS.					
Gold coin and bullion	5,524,573	5,524,456	5,501,497	+ 117	3,730,625
Of which held abroad	1,948,367	1,948,367	1,948,367	0	1,948,367
Silver coin and bullion	280,235	280,072	267,963	+ 163	632,652
Discount and advances	4,778,652	4,812,911	5,635,793	-34,265	2,327,775
LIABILITIES.					
Notes	36,785,724	37,123,670	38,152,890	-337,946	5,811,875
Government deposits	33,347	41,685	37,221	+ 8,338	183,700
Private deposits	2,451,742	2,467,510	3,301,551	-15,768	845,950

BANK OF SPAIN.

	Jan. 14, 1922.	Jan. 7, 1922.	Dec. 31, 1921.	Jan. 14, 1921.	Week's Movement.	Position May 30, 1914.
ASSETS.						
Gold	2,514,651	2,513,953	2,512,869	2,459,429	+ 708	521,775
Silver	2,822,021	2,821,963	2,821,041	2,757,742	+ 2,031	728,600
Loans and debts	2,975,368	2,975,744	2,975,744	2,157,348	-93,265	800,725
Spanish gold stock	344,475	344,475	344,475	344,475	0	344,475
Treasury bills	150,000	150,000	150,000	150,000	0	150,000
LIABILITIES.						
Circulation	4,286,831	4,292,460	4,244,081	4,348,783	-5,629	1,901,550
Deposits	1,082,160	1,076,413	1,041,817	1,177,371	+ 5,747	477,500

NATIONAL BANK OF GREECE.

	Dec. 13, 1921.	Nov. 28, 1921.	Dec. 13, 1920.	Previous Return.	Last Year.
ASSETS.					
Gold and balances abroad	1,371,160,713	1,345,932,858	1,395,990,819	+25,227,855	+44,830,106
Loans and securities	2,170,115,354	2,170,859,235	1,115,216,330	-743,881	+105,489,904
Discounts and loans	687,446,212	679,345,672	633,002,511	+8,100,540	+64,443,701
LIABILITIES.					
Notes in circulation	2,121,177,700	2,130,134,199	1,490,617,152	-8,956,499	+630,550,548
Government deposits	152,116,879	142,340,757	180,320,826	+9,776,122	-8,203,597
Private deposits	850,298,126	834,984,339	729,054,478	+15,313,787	+121,245,648
fixed dates	942,161,724	934,266,087	600,192,238	+7,895,637	+341,969,486

BANK OF JAPAN.

	Dec. 10, 1921.	Dec. 3, 1921.	Nov. 26, 1921.	Dec. 11, 1920.	Move- ment.	Position June 30, 1914.
ASSETS.						
Gold and silver	1,365,542	1,265,813	1,261,175	1,177,296	-271	221,320
Discounts	79,339	139,114	128,119	113,478	-59,775	41,740
Advances	100,537	106,499	88,521	170,025	-5,962	70,540
LIABILITIES.						
Notes	1,167,196	1,232,988	1,187,907	1,120,323	-65,792	362,270
Govt. deposits	1,384,289	1,354,702	1,365,590	1,324,843	+29,587	87,340
Private deposits	46,359	59,442	49,209	194,053	-13,483	11,440

IMPERIAL BANK OF GERMANY.

	Jan. 7, 1922.	Dec. 31, 1921.	Jan. 7, 1921.	Week's Movement.	Position May 30, 1914.
ASSETS.					
Gold	995,395	995,392	1,051,551	+ 3	1,313,240
Silver	11,712	11,612	6,478	+ 100	321,920
Treasury notes	4,903,056	6,963,607	21,587,009	-2,060,551	943,460
Bills discounted	119,693,959	133,392,660	52,496,460	-13,698,701	60,780
LIABILITIES.					
Notes in circulation	113,139,872	113,639,464	67,976,386	-499,592	2,013,860
Deposits	16,822,768	32,905,673	12,509,643	-16,082,905	842,340

BANK OF ITALY.

NATIONAL BANK OF BULGARIA.

(000's omitted.)

Assets.	Nov. 14, 1921.	April 30, 1921.	Mar. 31, 1921.	Feb. 28, 1921.	Jan. 31, 1921.	Dec. 31, 1920.
Gold	63,239	37,461	37,461	37,461	37,461	37,461
Silver	165,157	244,535	244,535	244,535	244,535	244,535
Treasury notes	216,700	244,535	244,535	244,535	244,535	244,535
Notes in circulation	3,592,379	3,193,777	3,193,777	3,193,777	3,193,777	3,193,777
Deposits	1,426,138	1,381,737	1,381,737	1,381,737	1,381,737	1,381,737

THE STATE SAVINGS AND CREDIT BANK OF LATVIA.

Assets.	December 16, 1921.	December 1, 1921.	November 16, 1921.	Fortnight's Movement.
Total cash	120,445,955	123,118,634	91,198,484	+ 2,672,679
Foreign bank	321,901,646	381,916,720	374,316,168	+ 6,001,074
Discounts and loans	165,161,575	370,873,394	381,496,306	+ 205,711,819
Other assets	286,808,113	74,336,921	169,953,318	+ 212,471,192
Capital	300,000,000	300,000,000	300,000,000	—
Deposits	296,116,253	301,892,091	410,849,503	+ 46,775,838
Other liabilities	292,201,036	308,353,578	316,115,773	+ 9,152,542

BANK OF ESTHONIA.

Assets.	Nov. 30, 1921.	Oct. 31, 1921.	Dec. 31, 1921.	Monthly Movement.
Total cash	342,493,108	307,258,714	35,235,391	+ 130,629,946
Discounts and loans	1,397,925,805	1,397,925,805	564,738,756	+ 130,629,946
Capital paid up	250,000,000	250,000,000	10,000,000	+ 1,000,000
Reserve	11,674,154	10,674,155	184,663	+ 100,000,000
Notes in circulation	380,000,000	250,000,000	—	+ 44,421,510
Deposits	1,021,017,110	976,595,597	565,448,243	+ 44,421,510

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

Assets.	Jan. 7, 1922.	Dec. 31, 1921.	Dec. 23, 1921.	Jan. 7, 1922.	Week's Movement.
Liabilities of the Austro-Hungarian Bank to the Banking Office	10,096,681	10,096,638	10,084,512	9,522,181	+ 43
Discounts and advances	4,078,390	4,285,852	4,306,659	4,224,131	+ 147,462
Gold, silver, foreign bills and balance abroad	1,113,525	1,084,921	1,286,048	—	+ 28,604
Other assets	1,158,500	1,292,142	1,211,564	1,116,980	+ 125,642
State notes in circulation	11,756,978	12,129,573	11,678,293	11,097,337	+ 372,595
Deposits	2,181,905	1,743,922	2,145,259	1,537,422	+ 437,983
Other liabilities	2,518,313	2,586,058	3,064,191	2,228,533	+ 307,845

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENES.

(000's omitted.)

Assets.	Dec. 22, 1921.	Dec. 15, 1921.	Dec. 8, 1921.	Nov. 30, 1921.	Week's Movement.
Gold	74,204	74,179	74,282	74,178	+ 25
Other coin and notes	19,065	19,031	19,031	19,031	+ 164
Foreign credits	511,878	231,888	293,043	302,067	+ 19,988
Bills	559,000	580,938	591,560	595,096	+ 12,138
Govt. advances	4,438,946	4,438,946	4,438,929	4,432,921	—
State notes in circulation	4,598,051	4,620,502	4,645,879	4,619,361	+ 22,451
State credits	370,100	370,100	370,100	370,100	—
Deposits	328,507	311,326	284,115	265,697	+ 17,180

LONDON RATES.

Bank rate (reduced from 5 1/2% Nov. 3, 1921)	Jan. 13, 1922.	Jan. 14, 1922.	Jan. 15, 1922.	Jan. 16, 1922.	Jan. 17, 1922.	Jan. 18, 1922.	Jan. 19, 1922.	Jan. 20, 1922.
Market rates of discount—								
30 days' bankers' drafts	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%
3 months' do.	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%
6 months' do.	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%	5 1/2%
Discount (Treasury Bills)—								
3 months'	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
Loans—Day to day	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
Short	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
Deposit allowances: Banks	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
Discount houses at call	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%

† Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

	Short Loans.	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1921.	%	%	%	%	%	%	%
Nov. 4.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5	5 1/2
11.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5	5 1/2
18.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5	5 1/2
25.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5	5 1/2
Dec. 2.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5	5 1/2
9.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5	5 1/2
16.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5	5 1/2
22.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5	5 1/2
30.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5	5 1/2
1922.							
Jan. 6.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5	5 1/2
13.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5	5 1/2
20.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5	5 1/2

IRISH BANKS' RATE.

	Present Rate.	Date Changed.	Previous Rate.	Date Changed.
Discount	4 1/2%	July 21, 1921	5 1/2%	June 23, 1921
Deposit	4 1/2%	Nov. 4, 1921	5 1/2%	June 23, 1921

OVERSEAS BANK RATES.

Bank Rate	Bank Rate
Amsterdam	July 1, 1921 .. 4 1/2%
Athens	May 15, 1920 .. 5 1/2%
Berlin	Dec. 23, 1914 .. 5 1/2%
Brussels	May 19, 1921 .. 5 1/2%
Bucharest	Sept. 4, 1920 .. 5 1/2%
Calcutta	July 30, 1921 .. 5 1/2%
Christiana	Dec. 5, 1921 .. 5 1/2%
Copenhagen	Nov. 6, 1921 .. 5 1/2%
Helsingfors	Nov. 8, 1920 .. 9
Lisbon	Sept. 3, 1920 .. 7
New York Federal Reserve ..	Nov. 2, 1921 .. 4 1/2%
Madrid	Nov. 4, 1920 .. 5 1/2%
Paris	July 28, 1921 .. 5 1/2%
Prague	Aug. 16, 1921 .. 5 1/2%
Rome	May 11, 1920 .. 5 1/2%
Sofia	June 14, 1921 .. 5 1/2%
Stockholm	Oct. 19, 1921 .. 5 1/2%
Swiss Bank	Aug. 11, 1921 .. 4
Tokio	Nov. 18, 1919 .. 8
Vienna	Nov. 29, 1921 .. 7
Warsaw	Sep., 1921 .. 7

RATES OF EXCHANGE.

London on	Usance	Par.	Rate, Jan. 21, 1922.	Rate, Jan. 13, 1922.	Rate, Jan. 20, 1922.
Paris	francs to £1	T.T.	25-22 1/2	56-63-68	51-63-68
Berlin	marks to £1	T.T.	20-43	223-832	788-793
Vienna	krone to £1	T.T.	24-02	1825-75	11000-13000
Prague	krone to £1	T.T.	24-02	280-282	285-285
Warsaw	zloty to £1	T.T.	20-43	3200-3250	11500-12000
Bukarest	leu to £1	T.T.	25-22 1/2	288-293	520-550
Constantinople	piastres to £1	T.T.	24-02	1965-585	670-700
Sofia	levas to £1	T.T.	25-22 1/2	270-290	590-625
Belgrade	dinas to £1	T.T.	25-22 1/2	135-140	294
Amsterdam	florin to £1	T.T.	12-107	11-37-39	11-46-49
Brussels	franc to £1	T.T.	25-22 1/2	53-95-04-05	54-00-05
Stockholm	kroner to £1	T.T.	18-153	19-70-75	26-98-07
Copenhagen	kroner to £1	T.T.	18-153	19-40-45	21-07-12
Helsingfors	F. marks to £1	T.T.	25-22 1/2	115-118	223-228
Oslo	drachmas to £1	T.T.	25-22 1/2	503-51	97-99
Italy	lire to £1	T.T.	25-22 1/2	1052-106	962-973
Switzerland	francs to £1	T.T.	25-22 1/2	24-07-10	21-75-80
Madrid	pesetas to £1	T.T.	25-22 1/2	28-00-03	28-21-26
Lisbon	escudos to £1	T.T.	53-4	43-4	43-4
Alexandria	piastres to £1	Sight	97 1/2	97 1/2	97 1/2
New York	dollars to £1	Cable	4-85 1/2	3-78-78 1/2	4-22 1/2
Montreal	dollars to £1	Cable	4-85 1/2	4-22 1/2	4-46-47
Buenos Ayres	pesos to £1	Cable	47-58 1/2	50-2	43-43 1/2
Rio de Janeiro	pesos to £1	T.T.	16	14 1/2	43-43 1/2
Valparaiso	pesos to £1	T.T.	15-13	14 1/2	43-43 1/2
Santiago	pesos to £1	T.T.	15-13	14 1/2	43-43 1/2
Bombay	rupees to £1	T.T.	10 to 12	10 to 12	10 to 12
Calcutta	rupees to £1	T.T.	10 to 12	10 to 12	10 to 12
Madras	rupees to £1	T.T.	10 to 12	10 to 12	10 to 12
Hong Kong	dollars to £1	T.T.	24-58 1/2	24-58 1/2	24-58 1/2
Shanghai	dollars to £1	T.T.	24-58 1/2	24-58 1/2	24-58 1/2
Yokohama	dollars to £1	T.T.	24-58 1/2	24-58 1/2	24-58 1/2
Manila	dollars to £1	T.T.	24-58 1/2	24-58 1/2	24-58 1/2
Mexico	pesos to £1	T.T.	15-13	14 1/2	43-43 1/2

† Rate for previous day. (a) Pence to peso. (b) Sellers.

‡ For approved commercial transactions.

CURRENT RATES IN NEW YORK.

The Irving National Bank of New York cable the following money and exchange rates in New York:—

	Jan. 20, 1922.	Dec. 21, 1921.	Dec. 29, 1921.	Jan. 5, 1922.	Jan. 12, 1922.	Jan. 19, 1922.
Gold money	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%
Time money (90 days' mixed coll.)	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%
Bank acceptances:—						
Members—eligible, 90 days	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%
Non-mem.—eligible, 90 days	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%
Indisputable, 90 days	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%	6 1/2%
Commercial accept., 90 days	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%	8 1/2%

RATES OF EXCHANGE.

New York on—	Par Level.	Rate, Jan. 20, 1922.	Rate, Jan. 5, 1922.	Rate, Jan. 12, 1922.	Rate, Jan. 19, 1922.
London—					
80 days		3-71	4-14625	4-1825	4-17875
Cable		3-7775	4-1925	4-2275	4-2250
Cheques		3-777	4-18875	4-2250	4-22125
Paris	Cents for 1 franc	19-30	6-53	7-96	8-19
Brussels	Cents for 1 franc	19-30	6-88	7-60	7-82
Switzerland	Cents for 1 franc	19-30	15-70	19-30	19-45
Italy	Cents for 1 lire	19-30	3-64	4-28	4-35
Vienna	Cents for 1 mark	23-83	1-62	0-5075	0-54
Madrid	Cents for 1 peseta	20-26	0-10	0-3375	0-350
Amsterdam	Cents for 1 guilder	19-30	13-40	14-88	14-99
Copenhagen	Cents for 1 kroner	40-195	19-20	36-60	36-61
Stockholm	Cents for 1 krona	19-30	15-50	15-70	15-73
Christiana	Cents for 1 kroner	26-80	18-90	19-88	20-00
Athens	Cents for 1 drachma	19-30	7-55	4-45	4-45
Montreal	Cents for Can. \$1	100	87-50	94-75	94-87
Yokohama	Cents for 1 yen	49-85	48-00	47-55	47-40
Hong Kong	Cents for H. Kong \$	100	55-90	55-45	54-75
Shanghai	Cents for 1 Shing. tael	100	74-90	74-30	75-00
Calcutta	Cents for 1 rupee	100	27-50	27-85	27-75
Buenos Aires	Gold pesos for \$100	103-65	126-50	133-25	131-80
Rio de Janeiro	Cents for 1 milreis	32-42	15-25	12-55	12-65
Valparaiso	Cents for 1 peso	20-60	14-38	11-20	11-25

Note.—The rates for acceptances quoted above are selling rates.

CENTRAL AMERICAN EXCHANGE RATES.

The Commercial Bank of Spanish America, Limited, quotes the following rates of exchange:—

Country.	Par Value.	Usance.	Year, 1922.	Rate.
Buenos Aires	1000	Sight London	Jan. 14	17-45
Colombia (Bogota)	25-25	"	Jan. 12	23-70
Colombia (Medellin)	100	"	Jan. 17	92
Nicaragua	4-8655	"	Jan. 11	4-15
San Salvador	8-75	"	Jan. 13	8-85
Guatemala	10-45	"	Jan. 14	24-82
Costa Rica	19-20	"	Dec. 23, 1921	17-85
Bolivia	"	"	Dec. 21	13

NOTICES.

The Manchester and Liverpool District Banking Company, Limited, announce that Sir D. Drummond Fraser, K.B.E., while retaining his seat on the board, has retired from the position of managing director. Mr W. R. Easterby, manager, has been elected to a seat on the board of directors, and appointed a managing director. Mr H. J. Daffern has been appointed manager, and Mr W. Cunliffe, sub-manager. Mr Robert Crerar has been appointed manager of branches.

Mr Joseph F. Cosby, vice-president of the National City Bank of New York, is now in Europe in connection with the opening of a branch of the bank at 39-40 Boulevard Haussmann, Paris. Mr Cosby announces that Mr G. K. Weeks, who has been vice-president of the National City Company in charge of European operations, has also been made a vice-president of the National City Bank, with general jurisdiction over operations in Great Britain and on the Continent. A closer co-ordination of the commercial and investment banking operations of the institution is contemplated.

The London Joint City and Midland Bank, Limited, announce the opening of new branches at 49 High Holborn, London, W.C.1 (Mr W. H. Salter, manager), and George street, Nailsworth, Stroud, Glos.

Barclays Bank, Limited, announce that they will open a new branch on Monday next, the 23rd inst., at 3 Bank street, Ashford, Kent, under the management of Mr S. Roe.

The directors of the Anglo-South American Bank, Limited, have appointed Mr A. W. Martin to the position of manager at the London office of the bank.

During the past half-year branches of the Queensland National Bank, Limited, have been opened at Babinda, Queensland, and Wiangaree, New South Wales.

We are informed that Dr Boris Gavronsky, of Paris, and I. Wissotzky, Esq., of London, have been appointed members of the board of the British and North European Bank, Limited.

ANALYSIS OF BALANCE-SHEETS.

LONDON JOINT CITY AND MIDLAND BANK, LIMITED.

December 31, 1921.			
LIABILITIES.	Amount.	ASSETS.	Amount.
Shares of £12 each, £24 pd. ..	7,172,698 ..	Coin, bank, & currency notes and balances at Bank of England ..	59,989,012 ..
Fully-paid shs., £24 each ..	3,688,155 ..	Cheques on other banks ..	12,802,707 ..
Reserve fund ..	10,860,852 ..	Money at call and notice ..	11,651,497 ..
Div. payable on Feb. 1, 1921. ..	684,234 ..	Investments ..	56,768,808 ..
Balance of profit and loss ..	777,253 ..	Bills of exchange ..	72,118,034 ..
Current deposit, and other accounts ..	375,117,092 ..	Advances ..	176,779,261 ..
Acceptances on account of customers ..	19,848,322 ..	Acceptances ..	19,848,322 ..
		Bank premises ..	4,942,299 ..
		Belfast Bank ..	..
		shs., Clydesdale Bank ..	3,258,666 ..
		shares ..	1,250 ..
Total ..	415,148,606 ..	Total ..	418,148,606 ..

NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

December 31, 1921.			
LIABILITIES.	Amount.	ASSETS.	Amount.
£120,000 shares, £25 with £34 paid ..	420,000 ..	Cash and notes ..	36,167,423 ..
£20 with £4 paid ..	7,889,416 ..	Balances and cheques ..	8,883,252 ..
200,000 shares, £5, fully-paid ..	1,000,000 ..	Money at call ..	12,294,328 ..
Reserve fund ..	8,878,041 ..	Bills discounted ..	55,729,175 ..
Current deposit and other accounts ..	272,933,345 ..	Investments ..	45,372,645 ..
Acceptances ..	2,863,921 ..	Stk. in Conts. and Co.	2,000,000 ..
Profit and loss ..	889,250 ..	Shares in Bank of British West Africa ..	208,331 ..
		Lloyds and Nat. Provincial ..	240,000 ..
		P. & O. Banking ..	101,250 ..
		Yorkshire Penny Bank ..	187,500 ..
		Advances ..	126,936,994 ..
		Bank premises ..	3,889,153 ..
		Acceptances ..	2,863,921 ..
Total ..	294,873,972 ..	Total ..	294,873,972 ..

BARCLAYS BANK, LIMITED.

December 31, 1921.			
LIABILITIES.	Amount.	ASSETS.	Amount.
Current, deposit, and other accounts ..	330,942,299 ..	Cash in hand & with Bank of England ..	49,995,930 ..
Acceptances and endorsements, &c.	6,239,151 ..	Money at call and short notice ..	20,041,300 ..
"A" shares, £4 fully paid ..	3,430,356 ..	Balances with other Brit. banks, &c.	8,287,966 ..
"B" shares, £1 fully paid ..	11,760,811 ..	Bills discounted ..	74,839,526 ..
"C" shares, £1 fully paid ..	401,205 ..	Investments ..	63,668,610 ..
Reserve fund ..	8,250,000 ..	Advances ..	133,350,925 ..
		Liability for acceptances, &c.	6,239,151 ..
		Bank premises ..	4,600,414 ..
Total ..	361,023,822 ..	Total ..	361,023,822 ..

BANK OF LIVERPOOL AND MARTINS, LIMITED.

December 31, 1921.			
LIABILITIES.	Amount.	ASSETS.	Amount.
£20 shares, £24 paid ..	2,348,890 ..	Cash ..	9,509,230 ..
Reserve fund ..	1,400,000 ..	Money at call or notice ..	10,665,851 ..
Current deposit, & other accounts ..	78,645,612 ..	Loans on stocks ..	261,644 ..
Bank's acceptances ..	3,683,244 ..	Investments ..	15,840,533 ..
Unpaid divs. ..	189,327 ..	Bills of exchange ..	5,307,605 ..
Balance of profit ..	147,119 ..	Loans and advances to customers, &c.	39,753,999 ..
		Customers' liability for bank acceptances ..	3,683,244 ..
		Bank premises ..	1,392,086 ..
Total ..	86,414,192 ..	Total ..	86,414,192 ..

WILLIAMS, DEACON'S BANK, LIMITED.

December 31, 1921.			
LIABILITIES.	Amount.	ASSETS.	Amount.
£5 shs., £1 pd. ..	1,562,500 ..	Cash ..	7,222,552 ..
£1 "B" shs., fully paid ..	3,125,000 ..	Money at call and notice ..	32,619,754 ..
Reserve fund ..	1,100,000 ..	Investments ..	5,746,738 ..
Unpaid divs. ..	119,257 ..	Bills of exchange ..	5,749,535 ..
Current deposit, & other accounts ..	39,917,598 ..	Advances ..	18,745,747 ..
Acceptances ..	1,243,847 ..	Acceptances ..	1,243,847 ..
Profit and loss ..	30,086 ..	Bank premises ..	646,478 ..
Total ..	44,285,788 ..	Total ..	44,285,788 ..

BALDWIN'S, LIMITED.

June 30, 1921.			
LIABILITIES.	Amount.	ASSETS.	Amount.
54% pref. shares ..	250,000 ..	Properties ..	3,437,455 ..
Ord. shares ..	4,137,382 ..	Stock ..	488,231 ..
5% cum. "B" pref. ..	1,334,512 ..	Investments ..	3,313,138 ..
4% deb. stock ..	500,000 ..	Interest, &c.	59,430 ..
7% deb. stock ..	2,250,000 ..	Sundry debtors ..	1,790,986 ..
Overdrafts at bankers ..	297,010 ..	Cash, War Bonds, and bills ..	116,369 ..
Sundry creditors on trading accs.	1,109,491 ..	Premium ..	176,995 ..
Sundry creditors on capital expenditure ..	595,897 ..	B.S.T. and B.S.T. (Birmingham) on purchase of (deb. stock, 7%) ..	12,013,750 ..
Deb. int. accrued ..	14,464 ..	Expenses of issue of deb. stock ..	236,250 ..
Prof. dividend ..	40,238 ..		
Outstanding deb. warrants ..	1,336 ..		
Sinking funds ..	176,994 ..		
Reserve ..	389,835 ..		
Premiums on ord. shares ..	529,863 ..		
Profit and loss ..	407,582 ..		
Total ..	12,032,604 ..	Total ..	12,032,604 ..

THE DEBENTURE CORPORATION.

December 31, 1921.			
LIABILITIES.	Amount.	ASSETS.	Amount.
Pref. stock ..	1,000,000 ..	Mortgage debts ..	1,722,520 ..
Ord. stock ..	1,000,000 ..	Advance on mortgage ..	210,000 ..
Deb. stock ..	1,233,708 ..	Investments ..	1,041,804 ..
Deposits and sundry creditors ..	33,774 ..	Advances ..	86,622 ..
Div. and deb. int. unpaid ..	25,543 ..	Sundry debtors ..	41,398 ..
Reserve ..	200,000 ..	Freehold prop'ties ..	47,013 ..
P&O. Banking ..	124,769 ..	Brit. Govt. secs.	483,505 ..
Acceptances ..	94,913 ..	Foreign Govt. secs.	54,256 ..
Profit and loss ..	16,876 ..	Cash ..	45,589 ..
Total ..	3,732,707 ..	Total ..	3,732,707 ..

MANCHESTER AND LIVERPOOL DISTRICT BANKING CO., LIMITED.

December 31, 1921.			
LIABILITIES.	Amount.	ASSETS.	Amount.
£15 shs., £3 paid ..	1,896,000 ..	Cash in hand and in Bank of England ..	7,912,384 ..
Reserve fund ..	1,650,000 ..	Money at call and notice ..	3,689,490 ..
Dividend for half-year, subject to tax ..	173,800 ..	Bills of exchange ..	12,918,934 ..
Balance of profit and loss ..	236,406 ..	Investments ..	12,162,795 ..
Current deposit, & other accounts ..	62,116,777 ..	Advances in current and other accs.	28,889,379 ..
Acceptances ..	1,493,834 ..	Acceptances ..	1,493,835 ..
		Bank property ..	500,000 ..
Total ..	67,566,817 ..	Total ..	67,566,817 ..

COUTTS AND CO.

December 31, 1921.			
LIABILITIES.	Amount.	ASSETS.	Amount.
Partners' capital ..	800,000 ..	Cash ..	5,933,648 ..
Partners' reserve ..	800,000 ..	Treasury bills ..	..
Current deposit accounts ..	19,283,951 ..	Investments ..	4,581,290 ..
Acceptances ..	193,666 ..	Bills discounted ..	10,022,583 ..
		Advances ..	193,666 ..
		Premises ..	346,430 ..
Total ..	21,077,617 ..	Total ..	21,077,617 ..

UNION DISCOUNT COMPANY OF LONDON, LIMITED.

December 31, 1921.			
LIABILITIES.	Amount.	ASSETS.	Amount.
£10 shs., £5 paid ..	1,000,000 ..	Cash ..	1,256,490 ..
Reserve ..	1,100,000 ..	Investments ..	4,517,666 ..
Provident res.	154,609 ..	Loans, &c.	2,339,478 ..
Loan and deposits ..	33,417,987 ..	Bills discounted ..	40,882,932 ..
Bills re-discounted ..	12,660,346 ..	Sundry debit balances ..	45,677 ..
Rebate on bills discounted ..	643,535 ..	Premises, &c.	169,885 ..
Profit and loss ..	235,651 ..		
Total ..	49,212,128 ..	Total ..	49,212,128 ..

BANK OF IRELAND.

December 31, 1921.			
LIABILITIES.	Amount.	ASSETS.	Amount.
Capital paid up ..	2,769,230 ..	Cash ..	8,435,125 ..
Reserve ..	1,140,000 ..	Treasury bills ..	5,500,000 ..
Notes in circulation ..	8,905,340 ..	Govt. debt ..	2,630,769 ..
Govt. & other accounts ..	4,200,155 ..	Investments ..	2,619,754 ..
Deposit, current, & other accounts ..	35,818,674 ..	Bills discounted ..	13,301,292 ..
Profit and loss ..	179,318 ..	Advances, &c.	525,777 ..
		Premises ..	71,261 ..
Total ..	53,012,717 ..	Total ..	53,012,717 ..

THE NATIONAL BANK, LIMITED.

December 31, 1921.			
LIABILITIES.	Amount.	ASSETS.	Amount.
Capital paid up ..	1,500,000 ..	Cash ..	4,814,158 ..
Reserve ..	800,000 ..	Money at call & notice in stock ..	..
Special reserve ..	180,000 ..	Exchange ..	7,994,909 ..
Notes in circulation ..	3,043,190 ..	Govt. securities ..	4,765,429 ..
Deposit, current, and other accounts ..	44,645,678 ..	Corporation railway, and other stocks ..	616,260 ..
Acceptances ..	499,881 ..	Advances ..	18,154,146 ..
Net profits and brought forward ..	180,604 ..	Bills discounted ..	961,616 ..
		Acceptances ..	499,881 ..
		Bank premises ..	128,224 ..
Total ..	50,829,353 ..	Total ..	50,829,353 ..

MINING OUTPUT STATISTICS FOR DECEMBER, 1921.

Gold.		Tons Crushed.		Gold Recovered.		Value.		Profit.	
Tons.	Oz.	Mill.	Oz.	Mill.	Oz.	£	s.	£	s.
Abosso ..	5,800 ..	..	986	506	2,348 (b)	11,389	..	594	..
Gaika ..	1,158 ..	..	..	..	1,492 (d)	7,168	..	1,884	..
Lonely Reef ..	5,100 ..	..	..	..	4,849	..	..	(c) 11,944	..
Obbussai ..	550 ..	..	..	..	594	..	..	2,445	..
Oriental Cons. (Nov.) ..	17,816 ..	..	..	..	101,946	..	..	..	..
Oroya Links ..	1,163 ..	..	..	..	8,432	..	..	..	..
Planet Aroturus ..	5,930 ..	..	1,169	1,435	2,604 (d)	12,505	..	1,591	..
Preates ..	7,747 ..	5,286	..	..	(a) 11,128	..	..	..	..
Rhodesia (Humman) ..	227 ..	..	..	..	304 (d)	1,444	..	5,392	..
Santa Gertrudis ..	10,958 ..	..	..	..	..	..	..	7,232	..
Do El Bordo ..	21,109 ..	..	..	..	(c) 38,617	..	..	10,021	..
Shamva ..	59,100 ..	..	..	..	(a) 8,512	..	..	..	..
South Kalguri ..	5,740 ..	..	..	..	2,030	..	..	9,845	1,464
Taqah ..	3,190 ..	..	3,844 (gold)	50,571 (silver)	..	..	..	..	..
Walhi ..	14,547 ..	..	..	..	..	..	..	..	..

* Loss. (a) Premium not included. (b) 97s 6d per oz.; (c) 24 15s per fine oz. net. (d) 24 16s per oz.

Copper.		Output.	Other Notes in Return.
Tons.			
Falcon ..	2,754	..	Containing 2,913 ozs gold, 5,560 ozs silver.
Gurum River ..	10	..	..
Kamuning ..	100	..	Year's total, 576½ tons. Shipped 4 tons.
Renong ..	..	..	..
Rukuba ..	..	..	..
East Kent ..	2,419	..	Week ended Jan. 14th.
Miscellaneous ..	4,034	..	Refined lead, 3,065 tons; refined silver, approx 318,800 ozs.

BRITISH BROKEN HILL.—Mill returns for fortnight ended Jan. 14th:—5,919 tons crude ore produced 1,024 tons lead concentrates, containing 625 tons lead, and 26,524 ozs silver; also 810 tons zinc concentrates, assaying 93 per cent. lead, 104 ozs silver per ton, and 45 per cent. zinc. Carbonates raised, 180 tons. One day stoppage.

MOUNT LYEEL.—From December 15th to January 11th, inclusive, ore treated by flotation plant, 5,062 tons; concentrates produced by flotation plant, 1,068 tons. A total quantity of 3,950 tons of ore was smelted, being 2,549 tons from Mount Lyeel mine and 1,401 tons from North Mount Lyeel mine, also 694 tons concentrates. The converters produced during the same period 193 tons of blister copper, containing copper 191 tons, silver 4,387 ozs, gold 138 ozs. Furnace in blast 256 hours. Decreased output due to furnace being shut down for 16 days for repairs to flue and stack, also on account of holidays.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.		Method of Payment.	Dividend for Whole Years.	
	* Interim div.	† Final div.		Lat'at Year.	Pre-vious.
Railways.					
Chatham and District Light	4†	Jan. 27	..	% 4	% 5
Clonakilty Extension	4†	..	..	3	3
East Indian, Defd. Ann. and Defd. Ann. "D"	3 %	..	Less tax 4/9 in £	..	..
Banks.					
Bank of Ireland	6 % (& bonus 1 %)	..	..	..	..
Belfast Discount	7	..	Less tax	18	18
Clydesdale	10*	..	..	..	..
Commercial Banking of Sydney	9 %	..	..	..	..
Hibernian Bank	5/ p.s.†	..	Tax free	6½	6½
Imperial of Persia	10 %	..	Less tax	..	..
Munster and Leinster	12†	Jan. 28	Less tax	..	..
National Bank	3% Mar. 1	..	..	..	..
Royal Bank of Canada	3% Jan. 25	..	Less tax	10	12
Standard of South Africa	7/ p.s.*	..	..	10	12
Union of Canada	5/ p.s.†	..	Less tax	10/p.s.	10/p.s.
Union of Manchester	5/ p.s.†	..	..	..	..
Insurance.					
Indemnity Mutual Marine	20/ p.s.	(& bonus 5/)	Less tax	..	..
Mining.					
Rambutan, Limited	18 p.s.	Jan. 26	Less tax	..	..
Rubber.					
Anglo-Ceylon and General	5%*	Feb. 4	Less tax	..	..
Bambrackley (Ceylon)	5%*	Jan. 21	Less tax 6/ in £	..	..
Scottish Malay	5%*	Jan. 20	Less tax	..	..
Sendayan (F.M.S.) Rubber	..	..	Less tax	15	10
Other Companies.					
Australian Pastoral	3%†	..	Tax free	6	6
Baldwins	..	..	Tax free	5	12½
Belgian Spinning	13 p.s.	..	..	12½	10
Bell and Nicol	..	..	Tax free	15	..
Boodle Cold Storage	5%†	(& bonus 5%)	Tax free	..	..
Cairo Spinning	13 p.s.	..	..	10	12
Cardiff Pure Ice, &c.	7%†	..	Tax free	12½	8
Carreras, Limited	..	..	Less tax	6	6
Clarence Hotels	..	..	Tax free	10	10
Colombo Commercial	7½%†	..	..	..	..
Coral Spinning	14 p.s.†	..	..	..	..
Crown Brewing	4½	..	..	12	12
Debenature Corporation	7†	(& bonus 5%)	Tax free	7	6
Dickent Green Spinning	5%†	..	..	..	..
Distillers Company	13 p.s.	..	..	..	..
Elliott's Metal	8/ p.s.*	Feb. 1	Tax free	..	..
Foreign & Col. Investment, Def. Freeman, Hardy, and Willis	1/ p.s.*	..	Less tax	7	7
General Guarantee Corporation	5†	..	..	..	..
Cum. Pr. l.	12½†	(& bonus 5%)	..	..	..
George Angus and Co. Government Stocks Invest., Def. Hoare and Co.	2½ %	..	(on account of 1917)	..	..
Holborn Viaduct Land	16 p.s.	..	..	1/ p.s.	7
Holly Spinning	5*	Jan. 27	Less tax	7½	6½
Holt and Ogden Spinning	8/ p.s.	..	..	..	..
Hurst Spinning & Manufacturing	2 p.s.	..	..	..	..
J. F. and H. Roberts	13 p.s.†	..	..	..	..
John Crossley and Sons	5/ p.s.	..	..	..	..
J. Sears and Co.	3½	..	Less tax	7½	12½
Law Debenature Corporation	3/ p.s.*	..	..	10	10
Leicester Real Property	2/ p.s.*	Jan. 31	Less tax	3/6 p.s.	3/6 p.s.
Lister and Co. (Bradford)	2/ p.s.*	..	Less tax	5½	5
Lloyd and Co. (Bradford)	5%†	..	Less tax	7½	7½
London Produce Clearing House	10	..	..	10	10
Macrae Val Smith	5% Feb. 7	..	Less tax	12	11½
Metropolitan Trust	8½%†	..	..	10	10
Middle West Utilities, Pref.	1% Feb. 15	..	..	14	14
Montreal Tramways	24% (arrears)	..	..	..	..
New Century Pictures	5%†	..	Less tax	10	10
Northern Corporation	11 %	..	..	7	7
Omnia Invest, Def.	11 %	..	..	15	15
Omshaw Brewery	12½†	(& bonus 5%)	Less tax	15	15
Penman	2% Feb. 15	..	..	..	..
Philadelphia Co.	1½% Jan. 31	..	Tax free	12½	..
R. C. Larkins and Sons	15†	..	..	10	10
Stead and Simpson	20*	..	..	..	..
Threfall's Brewery	8%†	..	..	12	..
West Cumberland Laundry	16 p.s.†	..	..	..	..
Witworth Docking	..	..	Tax free	15	15
Wilkinson and Riddell	..	..	Tax free	5	..
William Dixon	..	..	..	..	..
Worthington Pump & Machinery	\$1 p.s.	Jan. 16	Less tax	..	..

OIL OUTPUTS.

COMMONWEALTH OIL CORPORATION, LIMITED.—For four weeks ending December 30, 1921, shale retorted, 2,133 tons; crude oil and naphtha produced 215,539 gallons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—The combined production for the week ending Wednesday, January 11, 1922, amounted to 825 tons.

Reports and Notices.

Mr William Denny (of Messrs William Denny and Brothers, Limited, Dumbarton) has joined the board of the Still Engine Company, Limited.

The Rt. Hon. Viscount Milner, K.G., K.C.M.G., has been elected deputy-chairman of the Indemnity Mutual Marine Assurance Company, Limited.

GOVERNMENT STOCKS, &c.

PROVINCE OF MANITOBA GOVERNMENT SECURITIES.—Lloyds Bank, Limited, notify holders that on behalf of clients they are authorised to offer to purchase for cancellation by the Provincial Government the undermentioned bonds and stocks at the prices indicated:—5 per cent. bonds, 1923, Series E, January 1, July 1, 99; 4 per cent. bonds, 1947, Series I, January 1, July 1, 81; 4 per cent. bonds, 1949, Series J, January 1, July 1, 81; 4 per cent. registered stock, 1950, May 1, November 1, 82; 4½ per cent. registered stock, 1953, April 1, October 1, 87. The offer may be withdrawn upon one week's notice being given in the Press. All lodgments should be made at Lloyds Bank, Limited, Branches Stock Office, 21 Austin Friars, E.C. 2.

REPUBLIC OF NICARAGUA GOLD BONDS, 1909.—With reference to the above bonds the Council of Foreign Bondholders have received a telegram from the bankers in New York notifying the payment of the January instalment of the Debt Service in accordance with the arrangement of May 25, 1912.

8 PER CENT. DIPLOMATIC DEBT OF VENEZUELA, 1905.—Tenders of bonds of the above debt for amortisation were opened on the 18th inst. at the offices of the Council of Foreign Bondholders. Tenders ranged from £51 17s to £60 per cent., and those at and under £56 per cent. were accepted.

BANKS.

LONDON JOINT CITY AND MIDLAND BANK, LIMITED.—Average weekly position during December, 1921:—

LIABILITIES.	£	ASSETS.	£	Ratio to Curr't, Deposits & Other Accts.
Capital paid up.....	10,860,852	Coin, bank and currency notes, and balances with the Bank of England..	58,902,594	15.6
Reserve fund.....	10,860,852	Balances with, and cheques in course of collection on, other banks in the United Kingdom.....	10,730,940	2.8
Current, deposit, and other accounts (including balance of profit and loss account).....	378,182,972	Money at call and short notice.....	12,746,964	3.4
Acceptances and engagements on account of customers.....	20,304,509	Investments.....	54,107,194	14.3
		Bills discounted.....	76,150,675	20.1
		Advances to customers and other accounts.....	179,367,707	47.4
		Liabilities of customers for acceptances and engagements.....	20,304,509	
		Bank premises at head office and branches....	4,639,937	
		Shares of the Belfast Banking Co., Ltd., and the Clydesdale Bank, Ltd.....	3,258,665	
			420,209,185	

RAILWAYS.

GUAYAQUIL AND QUITO 6 PER CENT. PRIOR LIEN MORTGAGE GOLD BONDS.—Messrs Glyn, Mills, Currie, and Co. hereby give notice that, in accordance with the provisions contained in the trust deed, the twenty-sixth amortisation will take place by tender in London, on Monday, January 30, 1922, the amount applicable being £16,530 12s 8d. They are prepared to receive tenders of bonds for redemption, forms for which may be obtained at 67 Lombard street, London. Tenders must be lodged not later than 1 p.m. on Monday, January 30, 1922. Messrs Glyn, Mills, Currie, and Co. reserve the right of accepting or rejecting the whole or part of the tenders, and may require the deposit of the bonds offered for sale under any tender. All bonds tendered must bear the coupons due July 2, 1922, and all subsequent coupons. Tenders must not be made at any fraction of a shilling lower than 3d or multiples of 3d. Tenders should be enclosed in a sealed envelope marked outside "Tender of Guayaquil and Quito Railway 6 per cent. prior lien bonds for redemption."

Commercial Reports.

THE CORN TRADE.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919.
Estimated sales of home-grown wheat—1 week to January 14.....	Cwts. 312,381	Cwts. 280,481	Cwts. 484,957	Cwts. 349,618
19 weeks to January 14.....	7,781,809	6,650,974	5,491,515	5,940,122
Average price of English wheat per quarter.....	s d 45 0	s d 85 11	s d 72 7	s d 72 7
— per cwt.....	10 6	20 0½	16 11	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1917 to 1920:—

	QUANTITIES SOLD.			AVERAGE PRICES.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1922.	qrs bsh	qrs bsh	qrs bsh	s d	s d	s d
Jan. 7.....	40,478 5	32,337 1	11,920 4	44 7	43 0	28 5
14.....	72,888 7	80,336 6	17,463 4	45 0	43 6	28 1
1918.....	69,665 1	75,064 5	19,375 2	71 3	58 1	47 9
1919.....	81,577 5	90,008 4	13,843 1	72 7	62 3	50 0
1920.....	113,156 6	109,774 1	22,208 3	72 7	110 6	67 6
1921.....	65,445 6	127,216 7	23,687 4	85 11	73 10	44 0

Mark Lane, Friday Evening.

Wintry conditions have prevailed during the week, and with a lower temperature, heavy snowfalls were experienced in most parts of the country, though same will afford a protective covering to the young wheat plant. Official reports point to the acreage under wheat being on a par with last year. A steady tone was apparent at market, the demand being chiefly for feeding stuffs, which maintained a firm price level. English wheat in fair supply, and moderate sales occurred at 47s to 50s for suitable milling grades, with inferior down to 40s per 504 lbs, free on rail. Of imported, Canadian qualities remained firm, as supplies of this quality are in moderate compass, but other descriptions quiet, though firmly held. No. 1 Northern Manitoba quoted 56s, and La Plata 62½ lbs ex ship to arrive 52s 6d per 480 lbs. Australian ex quay 53s to 54s per 496 lbs. There was a fair amount of activity in the floating and forward cargo market, and prices ruled fully steady for all North American grades, but Plate qualities somewhat pressed for sale, and rates the turn easier. No. 1 Northern Manitoba shipping sold 52s 6d net. Steamers of Rosafé 62½ lbs afloat sold 50s 9d, ditto 64 lbs loading 47s 6d to 48s 9d, expected to load 21st inst. 47s 9d. Several steamers of Rosafé 78 kilos were sold to Germany, February-March, at 45s 9d, March-April 45s 6d per 480 lbs, while shipments of North American wheat are being made on account of the "Russian Relief Committee." Reports from Australia indicate full average yields, though the total outturn is not expected to reach last season's figures. Indian prospects continue favourable, while the Argentine new crop is now moving freely. North American visible supplies show a normal decrease, and U.K. arrivals continue on a light scale. Flour trade dull, and quotations were reduced by 1s to 2s per sack for home milled descriptions. London standard straight run quoted 43s, town households 41s, patents 45s to 46s, all English straight run 40s per sack, delivered London district. All English country straights 36s to 38s, free on rail at London stations. Imported quiet and occasionally the turn easier. Manitoba export patents 44s, straights 40s, Kansas patents 40 to 41s, and Australian 43s, all per 280 lbs, ex store. On c.i.f. terms, Canadian patents, January seaboard, quoted 42s, straights 40s, Kansas patents 41s, and Australian new crop, January, 38s, per 280 lbs. Millers' offals firm. Broad bran quoted £9 to £9 5s, middlings £9, ex mill. Fancy Plate middlings £9 15s, ex ship, and Plate Pollards £8, landed terms. Maize continues firm and sparingly offered. Yellow La Plata held for 38s 6d, yellow round African 37s 6d, white flat ditto in small supply and nominally 35s 6d, all landed, mixed American ex ship, to arrive, 31s 6d per 480 lbs. In the forward cargo market near position, were sparingly offered and general tone firm. Plate steamers January shipment guaranteed sold 35s, and ditto expected ready to load February 5th 34s 3d per 480 lbs. Parcels in fair request at full rates, and Plate December-January sold up to 34s 1½d. Barley dull for malting, but feeding sorts steady. Native malting ranges from 43s to 65s, feeding sorts 37s to 41s per 448 lbs. Of imported, Morocco quoted 30s to 31s 6d, Plate 30s, No. 4 Canada Western 33s 6d, and American

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefce.	Ordinary.			
					Amount.	Amount.	Rate.		
Banks.									
Bank of Ireland.....	Dec. 31*	45,696	253,622	299,318	135,692	14	120,000	43,626	277,865
Bank of Liverpool and Martins ..	Dec. 31	124,414	548,528	672,942	375,822	16	150,000	147,120	735,948
Barclays.....	Dec. 31	565,602	2,201,652	2,767,254	1,432,002	10 A	800,000	535,252	292,753
						14			10 A
						20+			20+
						10d p.s.			10d p.s.
						8+			8+
						4d p.s.			4d p.s.
Belfast Banking.....	Dec. 31	73,854	111,102	184,956	41,708	7	70,000	73,248	122,403
						150			120
Belfast Discount.....	Dec. 31*	318	165	483	249	18	150,000	47,571	336,975
Clydesdale.....	Dec. 31	46,562	331,009	377,571	180,000	9	25,000	42,809	45,130
Hibernian.....	Dec. 31*	12,794	47,515	60,309	22,500	22½	12,000	3,964	18,927
Isle of Man.....	Dec. 31	3,805	18,909	22,714	6,750	18	1,050,000	777,254	2,831,861
London Joint City and Midland..	Dec. 31	741,619	2,454,084	3,195,703	1,368,449	18½	100,000	236,405	561,783
Manchester and Liverpool District	Dec. 31	144,731	539,274	684,005	347,600	20	60,000	37,395	81,335
Munster and Leinster.....	Dec. 31*	37,117	88,278	125,395	28,000	16	500,000	889,250	2,762,514
National Provincial and Union ..	Dec. 31	824,070	2,054,686	2,878,756	1,489,506	13½	5,000	48,862	63,454
Provincial of Ireland.....	Dec. 31*	31,504	47,873	79,377	25,515	12	70,000	27,604	132,476
The National Bank.....	Dec. 31	27,871	132,733	160,604	63,000	18(b)	115,000	149,651	197,019
Union Discount Co. of London ..	Dec. 31	155,044	244,607	399,651	135,000	20	40,000	20,683	20,683
Union of Manchester.....	Dec. 31	11,945	153,738	165,683	105,000	12½	125,000	30,086	463,653
Williams, Deacon's.....	Dec. 31	24,230	365,231	389,461	234,375	15			
Breweries.									
Northern Corporation.....	Dec. 31	1,294	14,736	16,030	10,000	3,750	1,000	1,280	14,921
Thos. Wethered and Sons.....	Oct. 10	6,496	8,673	15,169	5,217	3,000	5†	16,613	23,565
Canals and Docks.									
Ardrossan Harbour.....	Nov. 30*	563	Dr 4,167	Dr 8,604	..	..	..	Dr 3,604	9,128
Financial, Land, &c.									
British Columbia Trust Lands ..	Apl. 30	Dr 31,411	Dr 22,112	Dr 53,526	35,000	49,000	7	15,000	6,016
Debuture Corporation.....	Dec. 31	6,812	98,204	105,016	7,000	14,700	7	3,251	94,767
Law Debuture Corporation.....	Dec. 31	..	26,902	26,902	..	592	5	..	1,831
Leicester Real Property.....	Dec. 31	242	2,181	2,423	..	..	..	..	1,714
Iron, Coal, and Steel.									
Baldwin's.....	June 30	291,325	325,167	616,492	80,476	207,537	5†	25,000	303,479
Rubber, &c.									
Escot.....	Sept. 30	1,791	2,668	4,459	..	..	..	3,000	1,459
Sendayan (F.M.S.).....	Sept. 30	18,471	15,464	33,935	..	10,500	15	..	23,435
Tangkah.....	Sept. 30	8,372	Dr 7,987	385	..	..	..	..	385
Shops and Stores.									
Freeman, Hardy, and Willis	Dec. 31	77,290	94,911	172,201	10,500	65,312	17½	19,323	77,066
J. Sears and Co.....	Dec. 31	33,159	116,292	149,451	21,000	73,500	17½†	20,000	34,951
Stead and Simpson.....	Dec. 31	73,042	Dr 22,776	50,266	9,794	14,000	10	..	26,472
Textiles.									
John Crossley and Sons.....	Dec. 31	7,350	51,573	58,923	29,699	23,759	10	..	5,465
John Howell and Co.....	Dec. 31	5,198	Dr 142,894	Dr 187,696	..	..	Dr 85,000	Dr 52,696	52,696
Wilkinson and Riddell.....	Dec. 31	25,693	66,462	92,155	6,500	45,000	15†	29,944	10,711
Trust.									
Foreign and Colonial Investment	Jan. 10	49,023	113,336	162,359	43,750	54,231	7	14,000	50,378
Governments Stock and Other									
Securities.....	Dec. 31	13,525	44,465	57,990	16,187	22,663	7	..	19,140
Metropolitan.....	Jan. 1	37,606	70,787	108,393	18,000	39,200	14	..	51,193
Omnium Investment.....	Dec. 31	49,045	37,917	86,962	14,515	20,323	7	..	52,124
Waterworks.									
Cleveland Water.....	Dec. 31*	1,628	2,127	3,755	..	2,380	7	..	1,375
Other Companies.									
Bell and Nicolson.....	Dec. 31	14,712	27,622	42,334	1,960	12,500	12½†	10,000	17,874
Cork Improved Dwellings.....	Dec. 31*	218	824	1,042	..	675	4½	148	219
G. B. Kent and Sons.....	Aug. 31	5,386	Dr 106	5,280	3,850	..	..	..	1,430
George Angus and Co.....	Dec. 31	66,016	19,696	85,712	6,000	21,500	5	..	58,212

* Half-year. † Free of tax.

(b) Union Discount.—3% of this dividend of 18% is paid free of income-tax. The previous year 2% of the 16% was paid free of tax.

feed 28s 3d, all landed per 400 lbs. Oats firmer, especially for imported sorts, with a steady demand. English ranges from 28s 6d to 34s per 336 lbs, as to sample. La Plata f.a.q. quoted 28s 6d, ditto clipped 29s 6d, No. 2 Canada Western 30s 9d, Chilean tawny 28s to 29s per 320 lbs landed. Oatmeal easier. London made, all 28s to 29s per 320 lbs landed. American oatmeal £17 10s cuts, £18 to £19, rolled oats £20 to £20 10s per ton. English beans in to £18 10s, and rolled oats £19 to £20 per ton. English peas less freely offered, with a steady demand in evidence. Maples range from 76s to 84s, Duns 55s to 60s per 504 lbs. Of imported, New Zealand blues 18s to 22s, and Dutch blue 22s to 28s per cwt. Lentils quiet. No. 1 split 32s to 34s, No. 2 27s to 28s, and Egyptian 27s to 28s per 100 lbs. Homeward grain chartering generally quiet, but rates steady in most directions. From the River Plate spot steamers are worth 36s 3d upper ports, February 32s 6d, and March-April 30s to U.K./Continent, with proportionate increases for light cargoes. American Northern States to U.K. quoted 4s 3d qr, ditto Continent done at 17 cents, West Italy 21 cents, and some 21,000 tons booked to Greece at 5s 6d one and 5s 9d per qr two ports of discharge. Tonnage is also in request on account of the "Russian Relief Commission," and 28 cents is indicated to Baltic and 30 cents per 100 lbs to Black Sea ports. India steadier, with 23s paid on dead weight to U.K. Liner parcels of rice are doing at 25s to Germany. Australia firmer, and 50s paid for wheat South Australia

to U.K./Continent, February 10th-March 10th. South African maize quiet at about 30s to 32s 6d U.K./Continent. Egyptian cottonseed can be placed at 9s per 60 cubic feet to London/Hull. Other markets without new feature.

THE BANK OF TAIWAN, LIMITED.

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Capital Paid Up : : : Y45,000,000
Reserve : : : Y11,080,000

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The Bank is incorporated by Special Charter of the Imperial Japanese Government, and is authorised to issue notes in Formosa, conducts general Banking Exchange Business, undertakes Trust Business, and acts as Business Agents for other Banks. Special facilities are available for Exchange Business on Japan, China, India, Straits Settlements, Dutch East Indies and France, where the Bank has special working arrangements with Cox and Co. (France) Limited. Deposits are received for fixed periods on terms which may be ascertained on application.

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated January 19th, is as follows:—Pig-iron: The reductions in the prices of Cleveland pig-iron made last week have resulted in substantial sales being effected, chiefly to Scottish consumers, although a few small lots have been sold for export. Prices are as follows:—No. 1 Cleveland, 95s; No. 3 Cleveland G.M.B., 90s; No. 4 Cleveland foundry, 87s 6d; No. 4 forge, 82s 6d; mottled and white, nominally, 80s. East Coast hematite makers are still very keen to secure orders, and it is understood that for mixed numbers 95s has been quoted. Manufactured iron and steel: No more steel furnaces have been put into operation, orders are few for home requirements, and competition for foreign orders is very keen. Prices are as follows:—Steel ship plates (home), £10 10s; steel ship angles, £10; iron bars, £12 10s; steel rails, £9 10s; but these would be cut for export orders. Iron ore: The immediate requirements of consumers having been covered, no actual business is reported. Meantime, freights are firmer, and best Bilbao Rubio is quoted 26s 6d.

Our Sheffield correspondent writes:—The effect of the holidays upon local industry has not yet disappeared, and the amount of work in progress is disappointingly small. If a revival movement has really begun, there is little evidence of it to be seen. Nevertheless, people speak hopefully of the future. There is a small accumulation of business at some of the plants which have been standing. These furnaces and mills are to be re-started. By the end of the month some increase in steel plant activity is certain to occur. A moderate booking of orders is reported for common steels from India and Japan. When all is said, however, the local position is about as bad as it can be at present, and there is much leeway to make up before the heavy unemployment roll of the city is reduced. The number on this list is fully a thousand more than when last year ended. There is much price-cutting in semi steels, which means unremunerative operating in many instances. Since the opening of the year makers of finished steel products have been busy notifying customers of reductions in their selling lists. These average about 10 per cent. Buyers, however, still expect further cuts, but the opinion of sellers is that prices are now comparatively stable. Manufacturers are pressing for reduced postal and parcel rates, as the present high charges constitute a serious addition to their on-costs. The coal market is without feature or incident. The demand for manufacturing fuel does not expand, although requirements will increase in the event of the re-starting of a number of pig-iron and steel furnaces which are now being got ready. The export trade is also quiet. Inquiries for both home and export are rather more numerous. The market for small fuels is decidedly flat, the demand being particularly poor for second qualities. Business in house coal is much less than might be expected during this severe weather, but the existence of many thousands of unemployed people who cannot afford the usual standard of warmth in their homes is one explanation of the flatness. The demand for coke is unchanged.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Judging from the trend of trade at the Colonial wool sales in London during the past few days, the upward movement in prices has not yet exhausted itself. The extreme strength of the raw material markets, indeed, is the outstanding feature of the trade at the moment, and it is significant that competition is general. There is a feeling that the rise in merinos is being rather overdone, and that the sharp advances of recent weeks may be followed by a reaction, but at present buyers appear to have confidence in values, and, of course, the official statement issued by B.A.W.R.A. as to stocks in their hands is also having a bullish effect. Some Bradford topmakers are so well sold ahead that they have withdrawn their quotations for merinos, and others are quoting protective prices. On the whole, there is rather less business passing, but quotations remain very firm at late rates, and the position is decidedly against the buyer. Spinners are well employed in the meantime, but most firms would be able to regard the future with more confidence if they could see more business coming forward. As things are, it is apparent that the strong upward movement in values has seriously checked business in yarns, and the disparity between the price of yarns and the cost of the tops from which they are made is still very striking. The one thing needed to place the industry on a sound foundation is a greatly increased demand for cloth, but this does not appear to be likely to develop on the current basis of values. For this reason many believe that the turn of crossbreds will come in the not distant future, because the general public at home and abroad will not be able to afford to pay the high prices for Botany fabrics.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The London sales have been continued under favourable conditions. Perhaps home trade buyers are not as keen as they were during the earlier part of the series, but values are fully maintained, France, and sometimes Germany, being eager to purchase all desirable parcels. From the range of values ruling, it is plain that merinos occupy a unique position, anything below 50s quality showing little advance compared with last series, 1d per lb being the extent of the rise seen. Selling and buying brokers are surprised with the competition for merinos and fine crossbreds, but the interest shown in these indicates that consumption is large, and confidence is still being expressed in the future of these wools. There is no probability of any falling off in demand or consumption, even if values should ease slightly, and prices have certainly gone as high as circumstances justify. Some firms who

were large buyers in Australia during the earlier months of last year have done remarkably well, and a maintenance of the present consumption of merinos may be expected to be followed by a full maintenance of values, if not an advance. Nobody desires this, but the statement made by the London directors of the British Australian Wool Realisation Association to the effect that at the present rate of offering all their surplus stocks of merinos will be cleared by the end of July, shows clearly enough what is happening. Merinos should certainly not become dearer until the general trade of the country shows a substantial improvement, and it is understood that responsible members of the trade, including the largest buyers, are strongly opposed to any advance in the price of this description. Meanwhile the demand in Coleman street is exceedingly good, and as far as can be judged is likely to remain so to the end of the series.

The principal of one of the leading firms of buying brokers has stated this week that everything indicates the probability of America becoming an important factor in the wool market at no distant date, stocks of merinos across the Atlantic being very small. If the representatives of United States mills become important buyers, in either London or Australia, the trade can say goodbye to lower prices for merinos this year, but so far as the home trade is concerned, spinners are finding it impossible to make prices for yarn which correspond to the 4s 6d basis now current for 64's tops.

B.A.W.R.A.'s statement issued at the end of last week is one of the most enlightening documents turned out by that body. A wise course has been pursued in making the announcement, and it can be largely left to speak for itself. The most important points contained in it are the indication of the rapid absorption of all merino supplies, and the satisfaction expressed regarding the future of crossbreds. It will probably take till the middle of 1924 to clear all the surplus stocks of this description, but future developments are likely to favour holders, and no undue haste need be manifest to market these wools. It may be strongly maintained that 40's crossbred wool in the grease should realise nothing less than 9d per lb. This should be the standard price for low crossbreds if pastoralists in New Zealand and South America are to make any profit. Prospects for crossbreds are encouraging. By the middle of this year Germany, and to a large extent West Riding export houses, should have resumed trade with many pre-war customers in Central and Eastern Europe.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—January 13, 1922.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.			Same Period 1920.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
American.	d	d	d	d	d	d	d	d	d	d	d	d
Sea Island.....per lb.	..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Florida ditto.....	..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
	Ord	G	O	L	M	M	G	O	L	M	G	O
American.....	7-25	8-00	9-55	10-70	11-45	13-10	7-60	9-10	12-50	23-16	26-11	30-91
Brazilian.	Mid	M	F	Fr	G	F	Fr	G	F	Fr	G	F
Pernambuco, &c.....	..	8-65	11-15	12-65	..	..	8-35	11-85	..	26-16	34-66	..
Paraiba.....	..	8-65	11-15	12-65	..	..	8-35	11-85	..	26-16	34-66	..
Maceio.....	..	8-65	11-15	12-65	..	..	8-35	11-85	..	26-16	34-66	..
Mossoro, &c.....	..	8-65	11-15	12-65	..	..	8-35	11-85	..	26-16	34-66	..
Ceara.....	..	8-65	11-15	12-65	..	..	8-35	11-85	..	26-16	34-66	..
Maranhao.....	..	8-65	11-15	12-65	..	..	8-35	11-85	..	26-16	34-66	..
Egyptian.	..	..	..	..	..	..	..	..	..	..	..	..
Brown.....	..	14-25	15-75	18-25	20-00	..	15-00	21-00	..	nm	67-00	..
Upper.....	..	14-00	15-00	17-00	18-00	..	13-00	17-00	..	nm	63-00	..
West Indian—Sea Island.....	..	24-00	27-00	30-00	32-00	..	35-00	45-00	..	..	..	..
Peruvian—Rough.....	..	11-75	13-50	14-25	..	..	16-30	..	..	..	..	..
Ditto Mod. Rough.....	..	11-00	12-50	13-00	..	..	16-30	..	..	..	..	..
Ditto Smooth.....	..	8-90	12-15	13-40	13-90	14-90	9-00	13-50	..	37-00	42-00	..
Ditto Sea Island.....	..	..	..	..	..	..	7-85	12-85	16-35	35-66	38-56	44-16
African, East, &c.....	7-75	8-75	10-75	11-75	12-75	13-75	8-50	11-50	17-50	33-00	35-00	44-00
East Indian.	G	F	Fr	G	F	Fr	G	F	Fr	G	F	Fr
Surat—Mac. Ginned Surtee.....	..	10-25	10-75	11-25	..	..	10-25	..	..	25-60	..	..
" " Broach.....	..	8-75	9-25	9-75	10-25	10-75	9-00	9-25	9-75	24-10	24-35	24-85
M. Ginned Bhownagur.....	6-95	7-70	8-45	8-95	9-45	9-95	6-94	7-44	8-19	19-79	20-54	21-54
M. Ginned Comra, No. 1.....	7-05	7-80	8-55	9-05	9-55	10-05	7-00	7-50	8-25	19-85	20-60	21-60
M. Ginned Khairat.....	..	7-05	7-80	8-30	8-80	9-30	5-50	6-00	6-75	13-35	20-10	21-10
M. Ginned Comptah.....	8-95	..	..	..	..	..	..	..	..	..	..	..
M. Ginned Bengal.....	6-00	6-50	7-00	7-50	8-00	8-50	5-50	6-00	6-75	..	..	..
M. Ginned Seinde.....	5-90	6-40	6-90	7-40	7-90	8-40	5-38	5-88	6-63	16-75	17-50	18-50
Tinnivelly.....	10-25	10-75	11-25	..	..	..	10-00	10-25	..	24-85	25-10	..
Madras, Western.....	8-20	8-70	9-20	9-70	..	..	9-25	9-50	..	23-10	23-35	..
Madras, Northern.....	..	..	..	..	..	..	9-00	..	..	..	..	..
M. Ginned Cocanada, Red.....	Fr	9-05	..	..	..	..	9-25	..	..	22-10	..	..

MANCHESTER, January 19.

The tone of the market has been quieter than last week. The falling off in demand has been chiefly due to increased bearish sentiment in raw cotton circles, and the anticipation on the part of buyers of yarn and cloth of lower values. Scattered sales have occurred in piece goods for China, but buying has tended to taper off. Bids for India remain very poor, and it seems quite impossible to get dealers abroad to raise limits, operations being confined to sorting up lots. The minor outlets East and West have given no support worth mentioning, and fewer contracts have been arranged in home trade fabrics. More manufacturing concerns are weaving out. A dull feeling has prevailed in American and Egyptian yarns for home use, and prices have favoured buyers. There has been less activity in export yarns.



THE marvels of one age are the commonplace of the next. The methods for security used in the past are not to be derided because they have been superseded. Our ancestors did the best they knew.

The stout oaken chest hewn from a tree with an axe was good enough until the saw was invented. The ironclad was a power until a gun and shell were produced which penetrated it, this in time being inevitably followed by armour plate which resisted the shell.

The means of attack and defence, thrust and counter-thrust, are ever advancing. The poison invariably is followed by the antidote; and the antidote to the modern burglar, armed with the oxy-acetylene blow-pipe, is THE CHATWOOD SAFE.

The armoury of the up-to-date Burglar consists of the Oxy-acetylene blow-pipe, which can cut through 3 ft. of 17 inch steel in 15 minutes.

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On MONDAY, January 23, an Issue will be made of
2,000,000 8 Per Cent. Cumulative First Preference Shares of £1 each at £1. 1s. Od. per Share

AND

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Full Particulars of which will appear in the Press on
Sunday and Monday, the 22nd and 23rd inst.

Prospectuses and Forms of Application will be obtainable from the following:—

NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND. Head Office—15, Bishopsgate, London, E.C., and Branches.

THE BANK OF SCOTLAND. Head Office—Edinburgh; Glasgow, London and Branches.

THE IMPERIAL BANK OF PERSIA, 25, Abchurch Lane, London, E.C.

THE BURMAH OIL CO., LIMITED, 175, West George Street, Glasgow.

Messrs. S. M. PENNEY & MACGEORGE, 24, George Square, Glasgow; and

ANGLO - PERSIAN OIL CO., LIMITED, Britannic House, Great Winchester Street, London, E.C. 2.

(I.) Comparative Statement of the Cotton Trade.

	Price, Jan. 1922.	Previous Weeks in 1921-22.				
		Price, Jan. 12.	Price, Jan. 5.	Price, Jan. 29.	Price, Dec. 21.	Price, Dec. 15.
Raw Cotton—Fully Mid. American .. per lb	10.46	11.06	11.64	11.81	11.30	11.04
— Sakellaridis Fully Good Fair	19.00	20.50	21.75	21.50	20.75	20.75
Egyptian .. per lb	17.2	18.1	18.1	18.1	18.1	18.1
Yarns—32's twist .. per lb	17.2	17.2	17.2	17.2	17.2	17.2
— 40's twist .. per lb	17.2	17.2	17.2	17.2	17.2	17.2
— 60's twist (Egyptian) .. per lb	29.4	31	32	32	32	32
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	23	23	23	23	23	23
32-in. Shirts, 75 yds, 19 by 19, 32's and 40's	23	23	23	23	23	23
38-in. ditto, 38 yds, 18 by 16, 10 lbs	18	18	18	18	18	18
39-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs	17	17	17	17	17	17

(II.) Compared with Previous Years.

	Price, Jan. 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American .. per lb	10.46	10.33	28.51	18.55	23.84	10.74
— Sakellaridis Fully Good Fair	19.00	22.50	67.00	27.30	29.70	20.70
Egyptian .. per lb	17.2	24	58	32 1/2	39 1/2	17 1/2
Yarns—32's twist .. per lb	17.2	23	54	33	39 1/2	17
— 40's twist .. per lb	17.2	23	54	33	39 1/2	17
— 60's twist (Egyptian) .. per lb	29.4	32	112	65	46 1/2	36 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	23	12	89	0	81	24
32-in. Shirts, 75 yds, 19 by 19, 32's and 40's	23	9	84	0	51	9
38-in. ditto, 38 yds, 18 by 16, 10 lbs	18	23	48	0	28	13
39-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs	17	21	42	0	25	11

VEGETABLE OILS AND OILSEEDS.

Markets generally have been quiet, and only a moderate amount of business has been put through. Raw linseed oil maintains its value round £28 10s (Hull) and £29 10s (London), but demand is not heavy, and for home consumption decidedly poor. Crude cotton oil has dropped sharply to £31 10s, ex Hull, mill, and soap-makers' grade of refined is 25s lower on the week, and edible refined 40s down. Supplies are good, but trade disappointing. English makes of crude Soya bean oil have fluctuated somewhat, but is still 40s dearer than Oriental, with which it has to compete. Rape oil is scarce and dearer at £48 for near positions, ex Hull, mill. Other oils quiet and unchanged.

In the oilseed section, Plate linseed has been in small request. Substantial quantities have changed hands at £17 on passage to Hull, and £16 15s, January-February, while a cargo of 4,000 tons to Avonmouth, January shipment, has changed hands at £17 2s 6d, these representing current values. Egyptian cotton seed is easier, and a little more trade done up to £12 for January loading. Hamburg is a buyer of rapeseed (Toria) at £15, January-February.

The imports of oilseeds, nuts, and kernels into the United Kingdom in 1921 aggregated 1,358,345 tons, against 1,495,426 tons in 1920, a decline of 137,081 tons. Linseed at 469,791 tons was 80,424 tons better than in the previous year. Cotton seed, however, was down over 66,000 tons, viz., 376,522 tons, against 442,842 tons, due to very small imports from India. Soya beans at 61,425 tons showed a substantial increase, but oil nuts and kernels at 394,631 tons compared with 477,594, the falling off being under the heads of ground nuts and palm kernels. The re-exports of all kinds were 61,339 tons, equal to 4.5 per cent. Exports of vegetable oils manufactured or refined in the U.K. were 110,092 tons, against 114,112 tons, linseed oil standing for 55,360 tons, against 48,421 tons.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide market was again weaker in Bermondsey on Thursday, as best ox sold from 64d to 7d for lights, to 7d-8d for heavies. Cows at 6d, however, were 4d up on last prices. Calf skins were firmer, heavies making 87d to 11d, and lights 12d to 15d. Wools sold at 3s 4d to 8s, and hogs at 3s 6d to 8s 6d each. Trading in imported hides is erratic, as tanners are not much interested. Anglo-fregoric ox, ex store, London, have been sold at 9 1/2, but these are oldish hides, and the price is no criterion of real values. Dried and dry-salted have sold at recent rates, 7d having been made for 1,000 Mendes of best selection. Cables from New York report the American hide market as steady, with best heavy packers selling still at 16 1/2 cents.

On the whole the tone of the sole leather trade is better; factors, it is true, are not yet in the market, as they are waiting a further fall. Tanners seem more contented, however, as small lots are being regularly taken, which keeps stocks down. Tanners are firm on prices, but are willing to make small concessions if big business is in view. The repairing section is rather more active, following on the recent spell of snowy weather, and are taking fair amounts of 12/14 bends. Upper leathers are still slow, but some of the big operators in the Midlands report a fair amount of business.

The boot trade is only fairly well employed, and in the Bristol districts, where heavy goods are made, short time is the rule. The majority of the operatives' union against the proposed wages agreement has checked business, although it is expected it will be accepted when the question again comes up for balloting upon.

Boot exports dropped to 313,252 dozen pairs, valued at £2,248,830, for last year, as against 818,969 dozen pairs, valued at £7,116,030 for 1920—a fall without precedent, I believe.

OVERSEAS PRODUCE MARKETS.

Mining Lane, Friday, January 20.
There was a fair trade doing in some directions, but, generally speaking, a quiet demand continued during the greater part of the week for most raw materials.

SUGAR.—With sustained inquiries for all classes of white, and supplies of imported having shrunk to limited proportions on the spot, the market manifested a firmer tendency, with prices fully 6d per cwt dearer. Messrs Tate and Lyle's cubes sold, 51s to 52s; crushed, 48s 3d; granulated, 46s 3d to 46s 9d; caster, 48s 5d to 48s 9d; icing, 49s 3d; ditto in drums, 48s 6d. Granulated, February-March delivery, sold, 46s; April-June, 46s 3d. West India crystallised in small supply and sold at 39s to 41s, as to quality. American granulated, nominal on spot, and January-March, steamer, sold, 18s, c.f. and i. terms. Belgian crystals largely nominal, and with regard to forward offers these are above London parity owing to sustained operations on the part of French interests. White Brazilian, on spot, sold, 45s. White Natal, spot, sold, 43s 3d to 43s 9d. West India syrups and muscovados, 32s to 35s. Dutch granulated, prompt shipment, 18s 6d; and cubes, 22s 6d, f.o.b., Amsterdam. Czechoslovakian ordinary granulated and crystals, ready delivery, sold, 17s 6d to 18s; and cubes, 21s, f.o.b., Hamburg. Terminal market steadier but unsettled, White, March, sold, 18s 3d to 18s and 18s 6d; May, 18s 3d to 18s and 18s 6d; August, 18s 3d to 18s 4d, 18s 1d, and 18s 7d. Cuban receipts last week 29,000 tons, against 36,000 tons same time last year. Stock, 84,000 tons (including 38,000 tons new crop), against 210,400 tons same time last year.

COFFEE.—Moderate supplies were offered at public sales, and met a rather quiet demand, but prices on balance showed little or no alteration. Nairobi low mid, 101s; East India, Shevaroy, 103s to 110s; Costa Rica, bold sizes, 120s 6d to 145s; peaberry, 115s to 161s 6d. Future delivery market remained in a dull state. December, sold, 52s.

COCOA.—There was a better inquiry during the week, and market proved steady. Transactions include good to fine Grenada, 50s to 52s; fine Trinidad, 58s; fine estate Ceylon, bold red, 95s to 100s. Accra, F/F quality, January-March, Liverpool, sold, 41s, ex quay.

TEA.—Indian auctions this week totalled 49,500 packages, which met with active support. All the finer qualities ruled about steady, while common went off briskly at full to dearer values. 25,000 packages Ceylon submitted attracted keen support regarding the lower descriptions at full to higher prices, while the better sorts denoted no material change, though attended by slight irregularity.

RICE.—Market easier, with a little more interest shown. Two stars Rangoon, spot, sold, 14s 6d; and No. 1 garden Siam quoted 13s 6d. Siam C.I. broken, spot, 9s 6d. Bran quiet but steady. New crop Burma, February-March, quoted 110s, ex ship terms, per ton. Beans steady. Rangoon hand-picked, spot, 7s 9d per cwt.

SPICE.—Pepper market generally quiet, but tolerably steady. Fair black Singapore, spot, sold, 4d to 3 1/2d; ditto, March-May, steamer, 3 1/2d; Aleppy, spot, quoted 4 1/2d; Tellicherry, 4 1/2d; white Singapore, spot, 7 1/2d; Muntok, 7 1/2d; ditto, March-May, sold, 7 1/2d to 7 3/4d. Zanzibar cloves dull. Fair, on spot, quoted 1s 6 1/2d; ditto, to arrive, 1s 5d, c.f. and i. terms. Pimento, spot, quiet at 2 1/2d per lb. Flake tapioca, spot, sold, 1 1/2d and sellers per lb. Fair Penang seed pearl, spot, done 18s. Sago flour easier, and January-March, steamer, sold, 13s 6d; February-April, 13s 4 1/2d. Desiccated coconut, fine cut, spot, 40s 6d; medium, 41s; February-March, halves, 30s 6d. Ginger quietly steady.

FRUIT.—The market for currants rules steady with moderate inquiries. Pyrgos, quoted 56s; Amalia, 57s to 60s; Patras, 57s to 60s; Vostizza, 75s to 76s. Valencia raisins quiet but steady. Halves, quoted 115s to 120s; quarters, 130s to 150s; Cape, 70s to 95s. Sultanias quiet at about late prices. Dates steady, quiet. Siar, spot, 28s 6d.

JUTE.—Extreme dullness governed this market, and prices steadily declined, though no undue pressure to sell was shown. Demand for spinners is restricted to assorting requirements. Native, first grade, January-February, Continent, sold, £24 15s; ditto February-March, £24 15s; lightning grade, January-February, £24 15s; ditto February-March, £20 15s; heart grade, January-February, sold, £16 10s. A fine parcel.

Continued on page 112.

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The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.	DRUGS.	INDIA RUBBER.	PROVISIONS.
COCOA—Duty, British grown	Aloes, fine E.L., per cwt. 180 0	Para, fine, hard, spot 1 3/4 0	Butter—per cwt.
35s, foreign 42s, cwt. 5 0	Cape, good to fine 30 0	Plantation crepe 0 0 0	Irish creamery 120 0
Trinidad, per cwt. 50 0	Balsam Peru .. per lb 7 6		Do factory 130 0
Granada .. 43 0	Opavi .. 2 0		Argentine 116 0
Ceylon, plantation 72 0	Camphor .. 4 9		Dutch 112 0
Guayquil .. 64 0	Cardamoms, Ceylon 1 6		New Zealand 130 0
Bahia, finest 60 0	Cantharides .. per lb 0 0		Danish 130 0
COFFEE—British grown	Castor-oil .. cwt 85 0		Beacon, eng. 133 0
35s, foreign 42s, cwt. 5 0	Gum Benjun, Sum. cwt 61/0 10/0		Danish 133 0
E. India fine good, d. 70 0	Oilbanum, drops 0 0		Canadian 130 0
Do good to fine 110 0	Ipecacuanha 0 0		American 130 0
Costa Rica, ord. to mid 80 0	Jalap. 0 0		Hans. 110 0
Good to fine 100 0	Musk, pod, China .. 2 0		Canadian 100 0
Central American, gd. 95 0	Oil, Camia .. per lb 4 6		American 100 0
ord. to mid 75 0	Aniseed 2 0		Lard—Irish bladders 60 0
Mid. to fine 110 0	Peppermint, H. G. H. 45 0		Do washed 60 0
Columbian, ordinary 60 0	Rhbar. China, fr. to fn 4 6		For—per 8 lbs 7 0
Do gd. ord. to low mid 70 0	DYE STUFFS, &c.		Beef—Frozen, per 8 lb 2 4
Do mid. to fine 95 0	Galls, China, per cwt 72 6		Scotch 6 8
CHEMICALS.	Turmeric, Bengal 19 0		Cheese—Swiss, Canadian 8 10
Acid, citric .. per lb 2 0	Madras, finger 19 0		New Zealand 8 10
Nitric .. 2 0	Gambier, block 32 0		Eng. Cheddar 8 10
Oxalic, net .. 2 0	Catch, ord. to fair 35 0		Cheshire 70 0
Tartaric, English 1 4	DYE WOODS		Essex, per 12 33 0
Foreign 1 3 1/2	Brazil .. per ton 18 0		Fish 28 0
Alum lump .. per ton 10 0	Do 17 0		FLOR—250 lbs
Do ground 17 0	Do 16 0		Eng. straight ex mill 4 0
Ammonia, carb. p. lb 0 4	Do 15 0		RICK—per cwt. 14 0
Muriate, white ton 70 0	Do 14 0		Hongkong No. 2 14 0
Sulphate .. 210 0	Do 13 0		Broken 11 0
Argentic lump, per ton 70 0	Do 12 0		ROBIN—per ton
Powder .. per ton 40 0	Do 11 0		American 14 0
Ashes, pot. .. per cwt 90 0	Do 10 0		French 14 0
Pearl do .. 100 0	Do 9 0		SAGO—Pearl, per cwt 25 0
Bleaching pwr. p. ton 16 0	Do 8 0		Sago flour 17 0
Borax, crystals .. cwt 31 0	Do 7 0		SHILLAC—per cwt 4 0
Do powder 32 0	Do 6 0		Orange, first market 40 0
Creosote .. 120 0	Do 5 0		Second, fair to fine 390 0
Colony .. per lb 4 11 5	Do 4 0		TN Orange 32 0
Iodine, dry .. per oz 1 0 1	Do 3 0		Garnet, Lac, AC 280 0
Nitrate of Soda, p. ton 15 0	Do 2 0		W. Australian 9 0
Potash .. 0 5 0	Do 1 0		Button—Pure 4 0
Chlorate, net .. 0 5 0	Do 0 0		Blocky (TN) 312 0
Do Foreign 1 1 1 1/2	Do 0 0		SILK—per lb
Sulphate .. per ton 25 8 30	Do 0 0		China—Blue Elephant 32 0
Sal-Ammoniac, per cwt 75 0	Do 0 0		Canton 35 0
Soda Bicarb., per ton 12 0	Do 0 0		Tussah 14 0
Crystals, ex ship, p. ton 27 0	Do 0 0		Re-reeled 37 0
Alkali .. 8 0 0	Do 0 0		Japan 37 0
Caustic .. 8 0 0	Do 0 0		Isab.—Raw, fr. Milan 44 0
Sugar of lead white ton 0 0	Do 0 0		SHELLS. —M.-o-P. per cwt
Foreign white 45 0	Do 0 0		Manila, bold 10 0
Sulphate Quinine .. 4 0	Do 0 0		Macassar 15 0
English Brand .. 3 0 1	Do 0 0		Sydney 15 0
Sulphate Copper, p. ton 28 0	Do 0 0		W. Australian 9 0
Zinc .. 25 0	Do 0 0		Bombay 15 0
Sulphur Flour .. 15 0	Do 0 0		SUGAR—per cwt duty 25 0
Do Roll .. 15 0	Do 0 0		per cent. polarisation 4 0
Vermilion, Chinese, p. lb 4 4	Do 0 0		B.W.L. muscovado 3 0
English .. 4 4	Do 0 0		Crystallised 39 4 1
COPIA—per ton c.i.f. 2 0	Do 0 0		Java, spot 43 0
Malabar, Jan. Mar. 25 10	Do 0 0		Rapeseed—London 49 0
Ceylon 24 10	Do 0 0		Yellow Crystals 51 0
FM Singapore 23 10	Do 0 0		Crushed 48 0
FM Straits 23 10	Do 0 0		Granulated 46 3 45
COCHINRAI, per lb 2 0	Do 0 0		Crystals, No. 3 48 0
	Do 0 0		Caster 48 3 45
	Do 0 0		Pices 73 3 40

Continued from page 110.

Belas M, D to E, spot, Antwerp, sold, £30. Hessians quiet. 10 oz. spot, sold, 23s 6d; 8 oz. quoted 18s 6d. A twills, spot, 78s; B, 64s.

HEMP.—The market for Manila developed a very dull tone, and rates were easier in some cases, despite firmness cabled from the other side. C grade, January-March, quoted £54; D, £52; E, £49; F, £44 10s; G, £40; H, £39 10s; J, £39 10s; K, £38; L, £37 10s; M, £34 10s; streaky, ones, £44; two, £42; three, £40. Some streaky ones, afloat, sold, £42 10s. New Zealand slow of sale. High point, fair, on spot, £37 10s; January-March, £36 10s; fair, on spot, £36; January-March, £35. African Sisal steady, quiet. No. 1, G.E.A., January-March, £40; B.E.A., £39.

SHELLAC.—Market firmer, but rather irregular at times. Fair T.N., spot, 330s; March sold, 310s to 305s and 300s; May, 295s to 300s and 290s.

COPRA.—Market slightly unsettled, and general trade ruled quiet. F.M.S. Straits, December-February, to Rotterdam, sold, £24 5s to £23 10s and £24; ditto, January-March, £24 to £24 7s 6d; February-April, £24 12s 6d to £24 17s 6d; March-May, £24 15s to £25, £24 10s, £25. Ceylon, January-March, London, quoted, £25 15s; South Sea Islands, ditto, £23 5s; Cebu, ditto, to Hamburg, £23 15s. Palm kernels quiet, and February-April, Liverpool, sold, £17 10s.

EGG PRODUCTS.—Market steady, with a fair demand for prime liquid yolk, and spot lots sold, 112s 6d; April-June, quoted, 75s per cwt. Native dried whole egg, spot, quoted, 3d; dried yolk, 3½d; and albumen, sold, 2s 10½d lb.

MENTHOL.—Spot, quoted, 22s 6d; forward, 22s; Japanese peppermint oil, spot, 5s 6d; aniseed, 2s 2d; Japanese slab camphor, spot, 4s; crude, quoted 3s 8d per lb. Japanese wax, spot, 90s cwt.

ISINGLASS.—A small supply offered at public sale met a good demand, and practically all sold at irregular prices. Saigon, long leaf, 1s to 1s 9d per lb lower as compared with rates current last auctions, round, however, being dearer. Karachi leaf, 6d to 1s 6d higher; purse slightly dearer, with a better demand. Brazilian lump is dearer, tongue ruling firm, and honeycomb slightly dearer. West India lump is up. Saigon long leaf, sold, 16s 6d to 18s per lb. Brazilian lump, 4s 5d to 5s 9d. Karachi leaf, 3s 7d to 6s 2d. West India lump, 3s 3d to 4s 7d per lb.

RUBBER.—Market opened the week firmly, but assumed a quiet and easier tone later. Spot, sold, 9½d to 10d lb.

OILS.—Linseed easier. Spot, net, naked, 29s 9d; January-April, 28s 10½d; May-August, 29s. Rape dull. Crude, spot, 45s; refined, 50s. Cotton quiet. Crude Egyptian, 36s; Bombay, nominal; common edible, 43s. Chinawood: Hankow, spot (barrels), 64s; and shipment, 61s. Coconut quiet. Ceylon, spot, 44s; January-February, 40s 3d; Cochin, ditto, 45s. Soya, quiet. Oriental, barrels, ditto, 34s 6d. Japan fish quiet. January-February, cases, 27s. Cod quiet. English, spot, 29s. Groundnut quiet. English crushed, naked, spot, 44s; deodorised, barrels, 56s. Tur-

pentine irregular. American, spot, 72s; February-April, 71s 9d. Rosin easier. American, grade B, 14s 6d; F, 14s 6d; G, 14s 6d; WW, 20s 6d. French, F/G, 14s 3d; WW, 18s; extra pale, nominal. Petroleum quiet. American standard white, 1s 4½d; and water-white, 1s 5d per gallon.

OLSEEDS.—Linseed: Market firmer. Calcutta, January, sold, £18 7s 6d. January-February, sold, £17 15s to £18. Plate, spot, Hull, quoted £18; afloat, sold, £17 to £17 15s; December-January, £17 to £17 12s 6d; January-February, at £16 15s to £17 2s 6d. Rape-seed lower. Toria, January-February, sold, £15 to £14 15s, to Continent; real bold Ferozepore quoted £14 15s; brown Cawnpore, £14. Cottonseed irregular. Egyptian black, January, quoted £11 17s 6d; and white, sold, £11 7s 6d; ditto afloat, £11 8s 9d. Bombay, January-February, £8 17s 6d. Gingelly quiet. Chinese, January-February, Continent, £24. Castor, Bombay, January-February, £15 10s. Ground nuts quiet. Coromandel, machine-dried, January-February, Hull, £19; Continent, £19 10s; Chinese decorticated, f.a.q., ditto, Continent, £20 5s per ton.

METALS.—Tin, under selling pressure, continued a declining market early in week, cash fluctuating down to £163 5s; three months' to £164 15s, while finally registered at £165 5s. An improvement characterised last Wednesday's movements, these dates advancing to £164 and £165 15s respectively. Irregularity prevailed on Thursday. Cash changed hands at £164 5s to £164, and three months' up to £166 12s 6d, while settling down at £165 12s 6d. At Friday's session values eased. Cash sold at £163 5s to £162 12s 6d; early February, £163; and three months' at £165 to £164 10s. Copper lower until last Wednesday, when standard cash sold at £64 10s to £64 12s 6d; three months' down to £65 5s. At Thursday's meeting the tendency was firmer. Cash sold at £64 17s 6d to £65 7s 6d, and three months' up to £66 5s. At Friday's session prices were rather lower. Standard, late January, being sold at £65 5s to £65 10s, and three months' at £66 to £65 15s, and finally at £65 17s 6d. Wire bars, £72 to £73. Lead easier at £23 2s 6d. Spelter lower at £26 2s 6d to £26 10s, as to position. Antimony: English regulus remains at £36 to £39. Aluminium: Home delivery, £120; export, £125.

METROPOLITAN CATTLE.—JANUARY 19.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.

Beasts—Herefords	8 d	7 s	8 d	Sheep—Downs	8 s	8 d	10 d
Shorthorns	7 0	7 8	8 0	Longwools	8 0	8 8	9 0
Devons	7 8	8 4	8 8	Crossbred	8 0	8 8	9 0
Northfoks	7 4	8 0	8 4	Scottish	8 0	8 8	9 0
Scottish	6 10	7 6	8 0	Lamb—Downs	8 0	8 8	9 0
Irish	6 10	7 6	8 0				

LONDON POTATO MARKETS.—JANUARY 19.

King Edwards	Per Cwt.	Per Cwt.	Evergoods	Per Cwt.	Per Cwt.
10 6	11 6	11 6	6 0	7 0	7 0
8 0	9 0	9 0	6 0	9 0	9 0

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCIV.

SATURDAY, JANUARY 28, 1922.

No. 4,092.

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TABLE OF CONTENTS.

The Money Market	113	Stock Exchange News—	
Leading Articles—		The Stock Markets	132
The Bankers' Diagnosis ..	115	New Issues	133
The Bank Balance-Sheets ..	116	Active Securities	134
Trade Union Amalgama-		Company Meetings	136
tions	117	Government Returns—	
The New Capital Market in		Public Income and Expen-	
1921	118	diture	158
The Cotton Trade in 1921 ..	119	Treasury Bills by Public	
Australasian Land Com-		Tender	158
panies	120	Currency Notes Account ..	158
Notes of the Week—		Bankers' Gazette—	
Scottish Railway Wages		Bank of England	159
Award	122	Clearing Returns	159
Coal Output	122	Overseas Bank Returns ..	159
Shipbuilding in 1921	122	Monthly Statement of Lon-	
Economy in the Army	123	don Clearing Banks	160
Progress in Mesopotamia ..	123	Loan and Discount Rates ..	161
Births and Deaths	123	Overseas Bank Rates	162
The Hague Rules	123	Rates of Exchange	162
The City Equitable	124	Indian Treasury Bills	163
Hours of Business	124	Bullion	163
A New Form of Manage-		Imports and Exports of Gold	
ment Share	124	and Silver Prices	164
Power Alcohol	125	Company News—	
Tin Prices and Producers ..	125	Analysis of Balance-Sheets	
Electrolytic Zinc of Austr-		Mining Output Statistics ..	164
lasia	125	Oil Outputs	164
Lister's Year	126	Dividend Announcements ..	164
Overseas Correspondence—		Railway & Tramway Traffic	
United States	126	Reports and Notices	166
France	127	Rhodesian Gold Output ..	166
Germany	128	Profit and Loss Accounts ..	167
Italy	129	Commercial Reports—	
Greece	129	Corn Trade	166
Norway	130	Iron and Coal Trade	166
Jugoslavia	130	Wool Trade	166
Letters to the Editor—		Cotton Trade	166
"The Wages Tangle"	131	The Timber Trade	166
Railway Reserve Funds ..	131	Vegetable Oil and Oilseeds	
Books and Publications—		Hide and Leather Trade ..	166
Reviews	132	Overseas Production	166
Books Received	132	Price Current	166

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THE MONEY MARKET.

SINCE by Saturday last the Government had repaid the
Bank its debt on Ways and Means advances, the pay-
ment of very large sums to them on Monday for the last
issue of Treasury bonds caused money to be badly wanted.
Even so, the amount borrowed from the Bank by the
market was small, and its character unrepresentative;
the situation had again been saved by special buying of
short bills. Thereafter money became easier, and buyers

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About	560	About	560
100 Badger, Russian	560	100 Lynx	560
400 Bear, Black	5,400	400 Marten	5,400
80 " Grey	600	80 " Stone	600
220 " White	8,450	220 " Mink	8,450
16,400 Beaver	238,700	16,400 Musquash	238,700
88,000 Ermine	2,620	88,000 Otter, Land	2,620
115 Fisher	7	115 " Sea	7
175 Fox, Blue	1,360	175 Sable, Russian	1,360
1,050 " Cross	520	1,050 " Seal, Fur,	520
1,250 " Japanese	520	1,250 " Dressed	520
8,900 " Red	2,240	8,900 " Seal, Hair,	2,240
165 " Silver	1,640	165 " Squirrel	1,640
12,000 " White	435	12,000 " Wolf	435
4,400 Kolinsky	60	4,400 Wolverine	60
19,750 Lamb, Persian	60	19,750 " and Sundry Skins and Furs.	60

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of bills, alarmed by the smallness of the amount of Treasury bills offered for tender, began to buy at falling rates. Thus, though fine bills, of which few came to market, were sold at $3\frac{1}{2}$ per cent., Treasuries were taken below $3\frac{1}{2}$ per cent. on Thursday. It appears that the quantity of money actually on loan in the market has fallen since the end of last year, and there are large tax payments still to be made to the Government. The money, however, having gone into Treasury bonds for the most part, the market is not surprised to find conditions fairly easy, while new subscriptions to the present issue remain small.

	Jan. 27, 1922.	Jan. 20, 1922.	Jan. 13, 1922.	Jan. 6, 1922.	Previous Rate and Date Changed.
Bank Rate	5%	5%	5%	5%	5% (Nov. 3, '21)
Banks Deposit Rate	3	3	3	3	3 (Nov. 3, '21)
Discount / Call	3	3	3	3	3 (Nov. 3, '21)
Houses (Notice)	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$ (Nov. 3, '21)
Treasury Bills, 3 months ..	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$ (Nov. 3, '21)
Market rate (3 months' bills)	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$ (Nov. 3, '21)

* Additional to those offered by tender the preceding week.

The Bank Return showed an addition of £2,900 to the stock of gold and a reduction of £394,100 in the circulation, so that the Reserve was increased by £397,000. Government securities were reduced by £2,065,000, and Other securities by £307,200. Deposits were thus £1,991,200 lower, Public falling by £5,098,800, while Other rose by £3,107,600. The circulation of currency notes were reduced during the week by £3,562,000, to £305,004,000, which includes £1,704,000 for notes called in but not yet cancelled. The fiduciary issue is £255,350,000, or £54,638,400 below the maximum.

THE STOCK MARKETS.

The feature of the Stock Exchange remains the short supply of stock in sound investment sections in face of persistent demand, which, however, slackened after the middle of the week. The gilt-edged market absorbed a lion's share of the activity of the House. This state of affairs favours borrowers in the new capital market, where large new issues have been rapidly and largely oversubscribed, and have quickly established premiums on quotations. Foreign bonds show narrow movements, and home railway ordinary stocks are irregular. Rubber shares remain dull, and the oil market is quiet. Details of stock market news and movements will be found in a subsequent column.

COMMODITY MARKETS.

In the cotton markets the tone is weaker, although there are indications of a slight broadening of cloth demand for India, and spinners are making slight progress. Raw wool remains in strong demand, but new business in Yorkshire is being curtailed owing to the inability of users to follow the upward movement. In the iron and steel trades, in spite of the relief from foreign competition afforded by recent cuts in prices, the revival anticipated in some quarters still hangs fire, and the position remains very unsatisfactory. More confidence in the outlook is, however, reported from Sheffield. Neither home nor export demand for steam coal is expanding, while the demand for house coal is lower than might be expected in view of the bad weather. In the markets for vegetable oil and oil seeds there is little change. The hide market is steadier, but consumers are very cautious. The shoe trade is quiet. Movements and news in the principal markets are detailed on later pages by special correspondents.

FOREIGN EXCHANGES.

The foreign exchange market has had another week of uncertainty and restrained dealings, with all the more important currencies moving irregularly. With the dollar the rate has, on the whole, moved upward, and yesterday morning took a rather sharp jump to 4.23 $\frac{1}{2}$, as compared with about 4.21 the week before; this is a continuance of

the steady upward tendency which may with some reason be looked for at present, should political factors not intervene and should a policy of extension of credit and consequent rise in prices not be undertaken here. For the moment dollars at one month forward are quoted at par, with $\frac{1}{8}$ cent for two months. Paris francs, after an irregular recovery, have moved up again, and at 52, or rather over, are about the same as last week. Berlin, under the pressure of reparation uncertainties, depreciated more rapidly than for some time past, up to not far short of 900, and although yesterday it was back at 865, was still well above last week's quotation; nor does there seem much prospect of relief in the near future, whatever further conferences may bring forth. Italy has improved slightly, in spite of the unexpectedly serious figures of the Banca di Sconto. Brussels has improved slightly in relation to Paris, and there are some slight indications of the spread between the two rates becoming narrower. Among the neutrals, Amsterdam, after moving irregularly, ended about the same as the week before; Switzerland, after last week's depression, has moved somewhat in our favour again. The value of the peseta, on the other hand, has recovered rather sharply to 28.12 $\frac{1}{2}$. Among the Northern countries, Christiania and Copenhagen have reacted a little from their recent improvement, and have moved upward again. Stockholm, after moving further against, has risen to about the same level as last week. Finland, at about 224, shows a slight improvement. In Central Europe the week has been remarkable for another catastrophic collapse in the Austrian krone, which in Vienna (Inlandskrone) has been quoted at about 43,000 to the £, while the London (Auslands) rate was yesterday 16,000. Warsaw also shows a tendency to lose its recent steadiness, and has moved up to 14,000. In Prague, however, improvement, on loan rumours, continues more rapidly than before, the rate being now down to about 220. In Belgrade, depreciation continues steadily, Bucharest remains at a practically nominal figure, Athens is a little better, but Sofia shows a further upward movement. In the East the rupee is slightly dearer at 33 $\frac{1}{2}$ d, in spite of fears of political trouble, while the yen is practically unchanged. Quiet at first, the silver market moved up a little later in the week, on good demand from India. The Hongkong and Shanghai rates, however, are unchanged. In South America, Buenos Ayres continues to improve, as also Monte Video and Valparaiso. Rio also is very slightly more expensive.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended January 21, 1922:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	36,040	Supply Services	14,630
		Interest on Debt	1,517
		Sundries	225
		Added to Exchequer balances ..	4,513
		Reduction of Debt	15,149
	36,040		36,040

These operations reduced the National Debt by the sum of £15,149,117, and caused the following changes:—

TREASURY BONDS.	Min. £	TREASURY BILLS.	Min. £
National Savings Certificates ..	+ 47,960	Surrenders of Bonds, &c.	— 2,519
	+ 2,450	Public Department Advances ..	— 34,540
		Bank of England Advances ..	— 21,500
		Other Debt	— 5,568
		Unemployment Insurance	— 560
		Depreciation Fund	— 500
		Sundries	— 500
	+ 50,410		— 65,555

Property and Income-tax yielded £14,243,000, Customs and Excise £13,150,000, Estate Duties, &c., £1,724,000, and Special Receipts, £3,500,000. The floating debt was reduced by £58,585,000 to £1,190,860,000. Sales of Treasury Bonds amounted to £47,960,000 during the week.

FINANCIAL YEAR, 1921-22 (TO DATE) APRIL 1 TO JANUARY 21, 1922.

Total spent	832,233,555	Raised by revenue ..	756,236,742
Inc. in balances	3,942,596	Net borrowings	79,939,409
Total	836,176,151	Total	836,176,151

ESTIMATES for YEAR 1921-22.		£	
Ordinary Receipts ..	1,058,150,000	Ordinary Expenditure	974,023,000
Special Receipts ..	158,500,000	Special Expenditure	65,705,000
Total	1,216,650,000		1,039,728,000

Surplus* 176,922,000
* Owing to liabilities which could not be precisely calculated, it was estimated that the final balance would not exceed about £80,000,000.

NATIONAL DEBT. (Million £.)

	Aug. 1, 1914.	Mar. 31, 1915.	Mar. 31, 1916.	Dec. 31, 1916.	Mar. 31, 1917.	Dec. 31, 1917.	Mar. 31, 1918.	Dec. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Dec. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.
Funded Debt	588	318	318	315	315	315	315	315	315	315	315	315	315	315	315
Term Annuities	30	22	22	20	19	19	18	17	17	17	17	17	17	17	17
4% War Stock	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63
4% War Stock	16	14	13	13	13	13	13	13	13	13	13	13	13	13	13
4 & 5% War Stock	2,091	2,068	2,047	2,040	2,008	1,996	1,986	1,952	1,952	1,952	1,952	1,952	1,952	1,952	1,952
National War Bonds ..	649	1,636	1,509	1,476	1,441	1,413	1,401	1,201	1,201	1,201	1,201	1,201	1,201	1,201	1,201
4% Funding Loan	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
4% Victory Bonds	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
5% Conversion L'n.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
5-15 year Treas. Bonds ..	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
5% Treasury Bonds	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Treasury Bills	15	961	967	1,107	1,107	1,102	1,121	1,060	1,061	1,061	1,061	1,061	1,061	1,061	1,061
Exchequer Bonds	20	392	384	323	319	292	289	218	218	218	218	218	218	218	218
Nat'l Savings Certs.	...	138	297	267	274	279	285	294	298	298	298	298	298	298	298
War Expend. Certs.	...	23	...	...	...	...	...	...	...	...	...	...	...	...	...
Other Debt	...	1,241	1,306	1,121	1,164	1,132	1,097	1,091	1,091	1,091	1,091	1,091	1,091	1,091	1,091
American Loan	...	51	51	51	51	51	51	51	51	51	51	51	51	51	51
Temporary Advances	1	204	455	943	805	306	154	200	130	130	130	130	130	130	130
Other Capital Liabilities ..	654	5,872	7,435	8,033	7,429	7,785	7,574	7,748	7,763	7,763	7,763	7,763	7,763	7,763	7,763
Total Liabilities	711	5,921	7,481	8,079	7,876	7,832	7,623	7,799	7,814	7,814	7,814	7,814	7,814	7,814	7,814

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.

Way and Means Advances	Jan. 22, '21.	Mar. 31, '21.	Jan. 21, '22.	Movement week ended Jan. 21, '22.
Outstanding—				
Advances by Bank of England ..	32,500,000	...	...	—21,500,000
Advances by Public Departments ..	200,624,000	154,489,000	129,744,000	—54,540,000
Treasury Bills outstanding	1,161,894,000	1,120,841,000	1,061,116,000	—2,545,000
Total Floating Debt	1,395,016,000	1,275,330,000	1,190,860,000	—58,585,000

THE BANKERS' DIAGNOSIS.

THERE has probably never been a time when the country was in greater need of light and guidance in matters of economics and finance. Unfortunately the flood of political oratory which has swept the country during the past ten days has, on the whole, been singularly unproductive of either, most of the eminent speakers being mainly concerned with destructive criticism or with defence based upon special pleading. The outstanding feature is the definite return of Viscount Grey to public life as a supporter of Mr Asquith. His mordant criticism of the Government left no doubt that the Opposition have been strengthened by a formidable reinforcement. On the Coalition side Mr Churchill endeavoured to make anti-Socialism a main plank in the Coalition Liberal platform, but he and his colleagues not unnaturally had little success in putting forward proposals which would at once appeal to the mass of liberal sentiment in the country, and also heal the growing breach in the Coalition. Indeed, neither party rose to the opportunity which the occasion offered of submitting even in outline a really constructive policy in home or in foreign affairs. A reader could rise from a perusal of these speeches without ever gleaning that Great Britain has any abnormal difficulties to face in Turkey, Egypt, or India, or that she is faced with social or economic problems at home that require new methods of treatment.

But if the speakers at Westminster lit no flares to guide us through the economic fog, bank chairmen in the City, availing themselves of the opportunity of the annual meetings of shareholders, were more successful in concentrating attention on vital economic issues, and illuminating them from the wealth of their daily experience. Mr McKenna, chairman of the London Joint City and Midland Bank, took as his main theme the study of the unemployment problem from

various aspects—external conditions, labour conditions, and the effect of taxation. He finds, as every expert observer must find, the prime cause of the great trade depression is the continental gap which the war has made and the peace has failed to mend in the circle of world trade. "If the economic needs of Europe were the primary consideration in international policy, our course would be tolerably clear. We should recognise at once that modern industrial and transport conditions have brought all countries into such close trading relationship as to make each an integral part of the trading world as a whole. One nation, and still more a large group of nations, cannot be broken up and impoverished so as to destroy its ability to function without throwing the entire machine out of gear. If Russia fails to buy tea in China or India, our Eastern market for cottons is narrowed, the United States sells less raw cotton to us, and our shipping, banking, and insurance business is impaired. Illustrations could be multiplied indefinitely showing how the trade of each country is linked up with that of the whole world. Our own trade cannot recover its pre-war activity whilst so many countries continue in their present broken-down condition, and though our plans to foster our export trade by the grant of special credit facilities may be a temporary palliative, the only lasting solution of the problem is by the re-establishment of genuine peace and an ordered system of government throughout Europe."

Mr Goodenough, chairman of Barclays Bank, developed the same idea. "Every portion," he said, "of the world's population must be able to produce and to consume, and any check or interruption anywhere in the continuity of production and consumption throws out of gear the whole industrial machine." There is nothing new in these presentations of the case; they are indeed the *crambe repetita* of economic discussion ever since the Brussels Conference. But the need for their constant repetition is no less now than it was eighteen months ago, and our leading bankers perform good service by dinning it once more into the deaf ears of governments and statesmen. The Prime Minister has reached the stage of adopting this view for platform purposes. But we should like to hear more precisely from him before the country is committed in its policy towards France, Germany, and Russia how he proposes to carry it into effect.

Passing to conditions at home, Mr McKenna devoted a large portion of his address to a lucid exposition of the evils resulting to all sections of the community from restriction of output. It is perhaps one of the most hopeful features of the past year that Labour leaders have vied with capitalists in the propagation of this doctrine, and that in many industries—the coal industry, in particular—an important increase has taken place in the daily output per head of worker. Yet, at a time when widespread unemployment lends attraction and plausibility to the old fallacy that the less work that one man does the more work there will be for others, Mr McKenna is doubtless right in claiming that the pure economic truth of this matter is still in need of propagation through the length and breadth of the land. The third cause of industrial idleness examined by Mr McKenna was excessive taxation. He took the view, as on a previous occasion, that taxation in this country has exceeded "the

LONDON JOINT CITY AND MIDLAND BANK LIMITED

CHAIRMAN:
The Right Hon. R. McKENNA
JOINT MANAGING DIRECTORS:
S. B. MURRAY F. HYDE E. W. WOOLLEY

Subscribed Capital ..	£38,117,103
Paid-up Capital ..	10,860,852
Reserve Fund ..	10,860,852
Deposits (Dec. 31st, 1921) ..	375,117,092

HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C.2.
OVER 1,000 OFFICES IN ENGLAND AND WALES
OVERSEAS BRANCH: 65 & 66, OLD BROAD STREET, LONDON, E.C.2.

AFFILIATED BANKS:
BELFAST BANKING CO. LTD. THE CLYDESDALE BANK LTD.
OVER 110 OFFICES IN IRELAND OVER 160 OFFICES IN SCOTLAND

exact maximum scale which could be imposed upon us without impairing in any marked degree the national spirit of business enterprise," and urged that "the strictest economy in our national expenditure has become the first and most imperative necessity of our time." With this general view we heartily concur, but we doubt whether the effect of taxation upon enterprise can be treated as precisely as Mr McKenna contemplates. If it were so, critics of the Chancellor would have an easier task.

We cannot here follow the bank chairmen over the varied fields covered by their speeches, which are reported in full in later pages of this issue. Among the most important problems touched upon was that of inflation and deflation. Mr McKenna drew a picture of the evils resulting from both processes, and, like Mr Winston Churchill, proclaimed stability as the need of the moment. Sir Harry Goschen, at the meeting of the National Provincial and Union Bank of England, argued strongly against devaluation, a policy which, in his belief, "would not only permanently destroy the position we occupy as the clearing house of the world, and which, I feel sure, we shall in time regain, but would amount to a repudiation of obligations incurred during the last century." Sir Harry did not, however, appreciate the other horn of dilemma and deal with the argument, that by lowering prices to a level which would permit return to the old gold parity, the country would be imposing upon itself the heavy burden of paying back to holders of the War Loan, both in principal and interest, a much greater amount of wealth than the equivalent of the original loan. This is only one aspect of the most difficult problem in currency policy—one to which we shall have occasion to return. On the question of German reparations, Mr McKenna repeated his conviction that revision is necessary, both of amount and method. "Before Germany could meet her full liability, before she could develop her foreign trade to such a degree as to have an exportable surplus of £400 millions a year, the foreign trade of this country, her chief competitor, must dwindle into insignificance." Mr Goodenough was not on very different lines in pointing out that the problem turns "not only upon the ability of Germany to pay, but also upon the world's ability to receive payment according to the plan as it now stands." The note on which three of the speakers closed was one of cautious encouragement. Sir Harry Goschen finds that the outlook is certainly brighter, and Mr Goodenough that fundamental conditions are sounder than a year ago. Mr Edward Paul, at the meeting of the Bank of Liverpool and Martin's, bases a confident outlook on hopes of the Genoa Conference. If, however, as at present seems likely, the reparations problem is removed by the French Government from the agenda paper, and the view current in Washington and New York that America will not participate is well founded, the Conference's potentiality for good will be restricted within narrow limits. We are in any case convinced that the negotiations between Paris and London should not be rushed, and should be carried to successful completion before the Genoa conference is allowed to meet.

THE BANK BALANCE-SHEETS.

WE have already given a summary of the net profits of the English joint stock banks for 1921, as shown in the preliminary statements (*Economist*, January 14th). The full reports have now appeared, but with few exceptions add little to the information concerning profits already published. In the few cases where gross profits are given, they are found to be slightly higher than in 1920, but there has been a much larger increase in expenditure, and it may be assumed that this has been the case with the remainder. This gives further confirmation to the assumption that but for the rally in the value of gilt-edged stocks dividends would have had to be reduced.

Turning to the balance-sheets themselves, we set out below the principal items of 13 English joint stock banks at December 31, 1920 and 1921:—

(Million £'s.)								
	Capital and Reserves.		Acceptances and Endorsements.		Deposits (inc. Undivided Profits, &c.).		Total Liabilities.	
	1920.	1921.	1920.	1921.	1920.	1921.	1920.	1921.
Barclays	23.8	23.8	10.2	6.3	327.8	330.9	361.8	361.0
Lloyds	24.1	24.4	17.9	8.2	346.4	348.8	388.4	381.4
London County West- minster and Parr's	17.5	18.0	19.0	16.8	306.9	319.2	343.4	354.0
Lon. Joint City and Mid. Nat. Provincial & Union Countys	21.7	21.7	27.8	19.8	373.3	376.6	422.8	418.1
Glyn, Mills, Currie	18.2	18.2	4.4	2.9	273.8	273.8	301.8	294.9
Bank of L'pool & Martins Lancashire and Yorks ..	1.6	1.6	0.6	0.2	21.3	19.3	23.5	21.1
Manchester and County Union of Manchester	1.5	1.5	..	..	29.1	25.8	30.6	27.3
Williams, Deacon's	3.7	3.7	6.5	3.7	81.6	79.0	91.8	86.4
	1.9	2.0	1.1	0.3	29.8	30.5	32.8	32.8
	1.9	1.9	1.3	0.3	28.0	26.7	31.2	28.9
	3.4	3.5	1.6	1.5	60.5	62.6	65.5	67.6
	1.4	1.4	0.8	0.7	25.0	24.4	27.2	26.5
	2.9	3.0	1.5	1.2	39.0	40.1	43.4	44.3
	123.6	124.7	92.7	61.9	1,947.9	1,957.7	2,164.2	2,144.3

	Cash in Hand and at Bank of England.		Investments.		Discounts, Advances, and Money at Call.		Cover for Acceptances, Premises, and Sundries.	
	1920.	1921.	1920.	1921.	1920.	1921.	1920.	1921.
Barclays	61.7	58.2	63.9	63.7	221.8	236.5	14.4	10.8
Lloyds	51.2	50.3	73.4	81.0	241.8	237.4	22.0	12.7
London County Westm. and Parr's	49.1	44.5	58.0	56.9	213.8	231.9	22.5	20.7
London Joint City & Mid. Nat. Provincial and Union Countys	70.2	72.8	55.0	60.0	285.9	260.5	31.7	24.8
Glyn, Mills, Currie	42.0	45.1	56.4	48.1	195.3	194.9	8.1	6.8
Bank of Liverpool & Martins Lancashire and Yorks ..	3.1	2.4	9.3	4.6	10.2	13.5	0.9	0.6
Manchester and County Union of Manchester	6.8	5.7	6.4	8.2	17.0	13.0	0.4	0.4
Williams, Deacon's	12.6	9.5	14.2	15.8	57.2	56.0	7.8	5.1
	*5.2	*4.4	6.2	7.6	19.2	17.1	1.5	0.7
	*8.0	*6.2	4.7	5.6	19.8	16.4	1.7	1.0
	7.2	7.9	7.3	12.2	42.8	45.9	2.1	2.0
	*2.4	*4.2	3.4	5.7	17.6	18.4	3.4	1.1
	6.7	7.2	7.0	2.7	27.6	28.5	2.1	1.9
	323.9	321.4	365.2	372.2	1,358.1	1,370.6	119.0	88.3

* Includes money at call.

The publication of the monthly statements of weekly averages has to some extent prepared the way for the end-of-the-year figures, and any element of surprise has thereby been removed. Capital and reserves are practically unchanged, acceptances are considerably lower on balance, and deposits are very slightly higher. The ratio of paid-up capital and reserves to deposit liabilities, which fell steadily from 18½ per cent. in 1890 to 5.5 per cent. at the end of 1919, and rose to 6.3 per cent. at the end of 1920, has risen to 6.4 per cent. On the credit side of the balance-sheet, cash, including cheques in course of collection, which most of the banks now show as a separate item, is slightly lower, but the principal movement is the heavy decline in advances, which has been more than offset by the rise in bills discounted. The latter includes Treasury Bills, and as it is reasonable to assume that the volume of commercial paper has not expanded during the 12 months, it may be taken that the increase is entirely due to larger holdings by the banks of Treasury Bills. This in its turn may be taken to be the result of a decline in advances unaccompanied by a corresponding decrease in deposits. Investments show a small increase, and now doubtless stand well below market value. The ratio of cash to deposit liabilities at the end of 1921 stands at 16.4 per cent., as compared with 16.6 per cent. a year ago. How the various items have fluctuated during the year may be seen from the next table, which gives the aggregate figures of the nine English clearing banks at the end of 1920 and 1921, together with the weekly averages for every third month of the past year:—

	(Million £'s.)					
	Dec. 31, 1920.	Dec. 31, 1921.	Weekly Average.	Dec. 31, 1921.	Dec. 31, 1921.	Dec. 31, 1921.
			March, 1921.	June, 1921.	Sept., 1921.	Dec., 1921.
Capital and reserves	115.0	115.6	115.9	115.9	115.9	115.9
Acceptances	87.9	69.4	57.7	47.2	65.3	59.1
Deposits (incl. undivided profits, &c.)	1,804.6	1,715.0	1,768.4	1,771.4	1,818.6	1,813.5
Total liabilities	2,007.5	1,900.0	1,942.0	1,934.5	1,999.8	1,988.5
Cash, notes, balance at bank, & cheques in course of collection	304.1	244.8	265.1	250.4	273.5	295.7
Money at call	113.0	82.6	98.0	96.9	105.7	105.1
Investments	339.1	336.1	336.9	332.7	343.3	344.0
Discounts	296.3	282.1	284.2	284.3	284.3	284.3
Loans and advances	845.1	862.6	815.4	786.2	762.3	750.6
Cover for acceptances, premises, &c.	109.9	91.8	81.4	72.0	90.7	83.8
Total assets	2,007.5	1,900.0	1,942.0	1,934.5	1,999.8	1,988.5

Deposits, it will be seen, fell considerably in the spring, but have since steadily increased. Discounts fell and advances increased in the first three months, but since then the movement has been reversed. We may here

mention that we cordially support the plea for an improvement in the method of compilation of bank balance-sheets, and in particular for a distinction between Treasury Bills and other bills discounted in bank balance-sheets, put forward by Mr H. W. Macrosty in a paper read before the Statistical Society last week. To quote from his address:—"To-day when the London clearing banks handle between 70 and 80 per cent. of the banking deposits of the United Kingdom, and when five great banking amalgamations with their Scottish and Irish affiliations dominate the British banking world, bank accounts can no longer be treated as the private affairs of the proprietors and customers of the banks. Not only has the Bank of England, but all other banks have their finance intimately bound up with the national finance, and, at a time when on all hands it is recognised that some unusual, if not drastic, action has to be taken to improve the monetary situation, not merely bankers or politicians, but the country as a whole should have the fullest information available as to the financial situation and as to the position of those institutions which control, so far as it can be controlled, that situation. The London clearing banks, in their accounts showing their monthly average position, give much more detail than formerly, but it can still be usefully expanded, and similar information should be furnished by all banks."

We next show how total deposits have fluctuated since 1913. The figures are taken from our annual banking numbers, with the exception of those for 1921, in which are included estimates in the case of some of the banks whose reports have not yet appeared:—

DEPOSITS AT DECEMBER 31st.

(Million £'s.)

	1913.	1915.	1916.	1917.	1918.	1919.	1920.	1921.
English	809.4	992.6	1,154.9	1,365.3	1,583.4	1,874.2	1,961.5	*1973.7
Scottish	125.9	140.6	166.6	196.5	221.1	259.6	279.2	*289.6
Irish	70.7	77.7	83.7	99.3	131.6	166.2	200.4	212.9
Private	27.1	32.9	39.2	44.7	51.3	56.2	50.9	*46.0
	1,033.1	1,243.8	1,444.4	1,705.8	1,988.4	2,356.2	2,492.0	*2522.2

* Partly estimated.

The increase in the total since 1913 amounts to 144½ per cent., the change in 1921 being a net increase of 1.2 per cent. only.

The final table shows the principal items of the balance-sheets of the three discount companies for each of the past two years:—

1920.

	Capital and Reserves.	Loans and Deposits.	Bills Discounted.	Cash.	Short Loans, &c.	Investments.	Bills Discounted.
Alexanders	£820,000	£17,196,230	£2,255,865	£448,111	£190,427	£1,818,289	£18,063,470
National	£1,346,665	£21,206,142	£12,174,743	£614,179	£1,682,161	£575,855	£32,406,636
Union	£2,000,000	£31,669,303	£12,661,765	£1,259,557	£1,558,415	£3,019,944	£1,079,453
	£4,166,665	£70,071,675	£27,092,373	£2,321,847	£3,431,003	£5,414,088	£21,549,559

1921.

	Capital and Reserves.	Loans and Deposits.	Bills Discounted.	Cash.	Short Loans, &c.	Investments.	Bills Discounted.
Alexanders	£870,000	£18,931,994	£2,523,491	£477,954	£651,319	£2,511,776	£18,955,449
National	£1,346,665	£22,374,040	£14,703,190	£500,083	£2,223,457	£1,890,717	£34,125,925
Union	£2,100,000	£33,417,987	£12,660,346	£1,256,490	£2,339,478	£4,517,666	£40,882,932
	£4,316,665	£74,724,021	£29,887,027	£2,264,527	£5,214,254	£8,920,159	£93,964,306

The profits of the discount companies in the past year increased considerably—Alexanders from £115,900 to £141,000, National Discount from £123,000 to £165,300, and Union Discount from £197,000 to £245,600—although the margin between money rates and discount rates was much smaller in 1921 than in the previous year. The supply of ordinary bills was very much smaller, and as the chairman of Alexanders pointed out at the meeting, "had it been our misfortune to have had to rely on the supply of bank and commercial bills for our profit we should indeed have been in a bad way, but once again an unending supply of Treasury bills has supplied all our needs, in the early part of the year when they were on tap and more recently since they have been offered by tender." Each of the companies, it will be seen, has largely increased its holdings of investments. In drawing attention to the company's higher investments, the chairman of the National Discount Company remarked that the yield on the investments was considerably higher last year than in 1920.

The outstanding fact which emerges from an examina-

tion of the bank and discount companies' figures is that the difficulties of the post-war period, which for them have been quite as serious as those of war time, have been met and overcome in a highly creditable manner, and that their strength remains unimpaired.

TRADE UNION AMALGAMATIONS.

(BY OUR LABOUR CORRESPONDENT.)

ALTHOUGH the new year is but begun, the establishment of two new trade union amalgamations is to be recorded. At the beginning of January the Transport and General Workers' Union came into existence, to be followed by the new amalgamation in the wool textile industry. So far as internal development is concerned, the keynotes of trade union policy since the opening of the twentieth century have been federation and amalgamation. In almost every industry these processes have taken place. Partly, no doubt, the movement towards consolidation is the result of practical considerations. That is to say, it has been a response to the growth of combinations, and to the increasing scale of capitalist organisation. But it is also the outcome of new trends of thought. Though Syndicalism in the decade before the war never captured the imagination of British labour, its emphasis upon the producer made a powerful appeal; for it supplied what Collectivism lacked. The synthesis between Collectivism and Syndicalism was provided at least tentatively by Guild Socialism, which incorporated the principle of industrial self-government with that of the public ownership of the means of production. The doctrines of the Guild Socialists have exercised considerable influence on the trade union movement, as may be seen from the resolutions adopted at recent Trades Union Congresses and Labour Party Conferences. Before the rise of Guild Socialism, Syndicalism, and Industrial Unionism stimulated the idea of trade union consolidation. The guildmen, by their active propaganda, have assisted the movement, and given the trade unions a new importance in Labour theory.

The movement began before the war, the chief example being the National Union of Railwaymen, which was an amalgamation of three unions. It was hurried on during the war. The Triple Alliance and the National Federation of General Workers—both important federations—sprang into being during the war period. The post-war period saw the foundation of several large amalgamations—the Union of Post Office Workers, the Amalgamated Engineering Union, and the Amalgamated Society of Woodworkers may be cited as examples. It might have been thought that the trade depression would for the time have put an end to large schemes of unification. There are two reasons, however, why this should not be so. In the first place, an amalgamation is a long business. There are lengthy negotiations between the executives of the various unions concerned regarding contributions, benefits, accumulated funds, and other similar questions. These negotiations, commenced in a time of good trade, may be prolonged into a trade depression. Secondly, the misfortunes which befall trade unions during periods of serious unemployment are a reason for promoting amalgamations rather than excuses for postponing action.

The Transport and General Workers' Union is an amalgamation of dock and road transport unions, the chief of which was the Dock, Wharf, Riverside and General Workers' Union, more generally known as the Dockers' Union. This union and the National Union of Dock Workers, another constituent body of the new organisation, arose during the 'eighties of last century, and both were products of the great trade union revival which spread the doctrine of organisation to the transport workers and semi-skilled labourers. The Dockers' Union has exercised an important influence in the Labour movement. Since the days of the Dock Strike of 1889—one of the most dramatic struggles in the history of trade unionism—it has been an active organisation. The Transport Workers' Federation was founded very largely through its efforts. The National Federation of General Workers superseded the more informal General Labourers' National Council, mainly through the instigation of the

Dockers' Union, and it has been the moving spirit in the establishment of the Transport and General Workers' Union. The new union starts its career with a total membership of about 470,000, the majority of whom are transport workers, the remainder being, for the most part, factory workers, general labourers, and agricultural workers. The Transport Union will presumably gradually absorb the remaining unions catering for various grades and types of transport workers, and it may be that in the future an amalgamation will be arranged between the National Union of Railwaymen and the Transport Union. It is realised that the various transport services are very closely interwoven, and even if the railway and road transport workers and the dock and wharf workers do not combine to form one big transport union, it is probable that there will be close co-operation between the various existing unions. The Transport Union, the N.U.R., the Associated Society of Locomotive Engineers and Firemen, and the Railway Clerks' Association together represent a million organised workers, and if common industrial action were taken by them there would be an almost complete stoppage of the whole transport system. It is not suggested that any such step is contemplated, and it is certain that the energies of the new union will be directed for some time to the questions of organisation and administration involved in a large amalgamation, but the possibility cannot be ignored.

The new wool textile amalgamation is not nearly as comprehensive as that of the transport workers. There still exists in the textile areas a number of local unions. In the cotton industry, however, there are effective federations of long standing. Central organisation in the woollen and worsted industry, on the other hand, is of more recent growth. During the war there was formed a federation known as the National Association of Unions in the wool textile trade, to which about 30 unions, large and small, are affiliated. This was a great step forward, particularly in view of the consolidation of employers' organisations in the industry. The new federation assisted the movement towards co-ordination, and some of the unions, of which the chief were the General Union of Textile Workers and the National Society of Dyers and Finishers, decided to promote amalgamation. After the necessary negotiations, ballots were taken in the unions concerned, but there was not in all cases a sufficient majority in favour of amalgamation. But the two largest unions in the industry—the General Union and the Dyers, together with the Yeoman and Guiseley Factory Workers' Union, decided on complete unification, and the new organisation came into existence a week ago. It will undoubtedly be the dominant influence on the trade union side in the wool textile industry, and it can only be a matter of time before it becomes the one union for woollen and worsted workers. Even now the majority of the remaining independent unions will be almost compelled to follow the lead of the new society, and it will not be long before there is an industrial wool textile union.

The Transport and General Workers' Union and the new textile amalgamation illustrate the trend towards industrial unionism, i.e., one union for all grades of workers in each industry, though neither of them has succeeded in its first stages in securing a complete amalgamation of all the unions concerned. Nevertheless, they indicate the general lines on which trade union development is proceeding. But there is still some distance to travel before the many overlapping trade unions are merged into comprehensive organisations.

THE NEW CAPITAL MARKET IN 1921.

An article in our issue of December 31st last was devoted to showing the amount of capital raised by public subscription in the London market in 1921, the purposes for which it was raised, and the countries by which it was borrowed. In the following article we present statistics showing the form in which the capital was raised, and the average rates of interest offered on

those securities on which a definite yield is calculable. By way of explanation of the tables that follow it should be said that all yields are less tax, the yield of securities offered "free of tax" being brought into line with this method by a simple calculation. Profit on redemption has been allowed for in all cases where it is necessary.

The public London issues of 1911, 1912, 1913, 1920, and 1921 are compared in the first table:—

PUBLIC ISSUES OF CAPITAL IN LONDON.

	Year 1911.	Year 1912.	Year 1913.	Year 1920.	Year 1921.
Debentures, bonds, &c.	£132,603,200	£123,064,600	£139,920,400	£134,184,300	£347,517,400
Preference stocks and shares.	21,150,700	28,674,400	22,955,500	78,235,100	21,045,300
Ordinary stocks and shares.	38,005,700	59,111,000	33,661,300	155,130,200	20,415,500
Total	£191,759,600	£210,850,000	£196,537,200	£367,549,600	£388,978,200

It is seen at a glance that 1921 saw a great change in the investment fabric for which the borrower has to cater. Issues of ordinary shares, so prolific in 1920, dwindled to a low figure under the influence of the trade depression, while preference shares were far less prominent. The year 1920 saw a great boom in short-term notes and preference shares with speculative participating rights attached. The short-term note issues of 1920 totalling about £20 millions, are included under the heading "debentures, bonds, &c." for that year. In 1921 there was only one prominent issue of short-term notes. The year 1921 saw the return to favour of the debenture for private borrowers, and a heavy campaign of Government borrowing. In 1921 the British and Colonial Governments raised £276 millions, against £49 millions in 1920. Our statistics, like those of our previous article, do not include temporary borrowings by the British Government in the shape of Treasury Bills and Ways and Means advances.

We next analyse in detail the way in which various classes of borrowers raised their capital in 1921:—

NATURE OF CAPITAL OFFERED ON THE LONDON MONEY MARKET.

Analysis.	Total for Year 1921.	Ordinary Stocks or Shares.	Preference Stocks or Shares.	Debentures, Bonds, &c.	Total for Year 1921.
British Government Loans.....	£37,530,700	..	..	202,896,300	202,896,300
Colonial Government Loans	11,970,000	..	..	73,650,000	73,650,000
Foreign Government Loans	..	..	..	5,905,000	5,905,000
British Corporations, &c.	46,571,000	..	..	19,003,700	19,003,700
Colonial Corporations	..	..	..	4,882,000	4,882,000
Foreign Railways	1,116,000	..	..	630,000	630,000
Australasian Mines	3,880,000	18,600	..	18,600	18,600
South African Mines	54,700	237,500	..	150,000	387,500
Other Mines	3,526,000	160,900	..	25,000	185,900
Exploration, Financial, &c.	14,131,100	1,538,700	..	387,600	1,926,300
Breweries	1,894,700	1,682,400	400,000	2,325,000	4,407,400
Merchants, Importers, &c.	78,666,000	497,100	5,859,500	17,401,900	23,761,500
Manufacturing	6,090,800	150,000	3,650,000	..	5,800,000
Stores and Trading	1,743,000	107,300	60,000	651,600	818,900
Estates and Land	5,893,500	468,900	128,400	537,600	1,134,900
Rubber	13,004,600	7,751,900	6,519,200	1,550,600	15,821,700
Oil	25,292,100	573,800	..	4,200,000	4,200,000
Iron, Coal, Steel, &c.	6,247,000	850,100	942,500	3,885,200	5,677,800
Electric Lights, Power, &c.	1,021,300	113,000	..	88,500	572,500
Tramways and Omnibuses	8,567,700	35,000	300,000	570,000	905,000
Motor Traction and Mng.	980,200	20,000	160,900	2,266,700	2,447,600
Gas and Water	6,452,300	1,328,400	1,199,000	2,000	2,529,400
Hotels, Theatres, &c.	1,068,200	4,200	77,300	50,000	131,500
Patents & Proprietary Articles	18,150,600	..	60,000	5,123,200	5,183,200
Docks, Harbours, and Shipping	16,879,400	3,204,000	375,000	..	3,579,000
Banks and Insurance	55,057,800	1,673,700	925,000	848,500	3,447,200
Miscellaneous	..	..	..	..	..
Total	£367,549,600	£20,415,500	£21,045,300	£347,517,400	£388,978,200

After deducting loans by Governments and municipalities at home and abroad, about £83 millions are left of the 1921 total, of which about half was raised in the form of debentures, and one quarter each in the form of ordinary shares or preference shares.

We pass now to the question of the rates which borrowers had to pay. The average rates paid on Government and municipal stocks and company debentures, &c., works out at 6.39 per cent. for 1921, as against 6.97 per cent. in 1920, and 5.07 per cent. in 1913. The substantial decline in 1921 is due mainly to the great increase in the volume of Government borrowing at comparatively low rates. The usefulness of this figure as a guide to conditions in the market being impaired by the wide divergence between the prestige and stability of various borrowers, we give further tables analysing in more detail the types of borrowers and the average rates they had to pay. The first comprises British, Foreign, and Colonial Governments:—

BRITISH, COLONIAL, and FOREIGN GOVERNMENT SECURITIES.
(000's omitted.)

	(a)	British Government Loans.	Colonial Government Loans.	Foreign Govt. Loans.	Total.	Total.
	Year 1913.	Year 1920.	Year 1921.	Year 1920.	Year 1921.	Year 1921.
Yielding over 5½% to 4%	£4,000	..	..	..	..	..
" " 4% to 4½%	21,329	..	..	..	..	..
" " 4½% to 5%	7,663	..	..	..	..	..
" " 5% to 5½%	11,178	..	..	..	..	..
" " 5½% to 6%	6,675	7,500	186,417	4,470	2,650	12,970
" " 6% to 6½%	..	..	..	6,500	63,500	6,500
" " 6½% to 7%	..	..	..	7,500	3,520	11,020
" " 7% to 7½%	..	12,215	11,130	..	..	12,215
" " 7½% to 8%	..	..	..	..	455	455
" " 8%	..	..	..	..	1,930	1,930
Total	£52,437	19,715	197,547	11,970	73,650	5,905
Average yield	4.77%	6.98%	5.7%	5.54%	6.42%	7.49%

† Represents borrowing at over 6%. (a) This total of £52,437,000 represents £26,279,000 on behalf of Colonial Governments, at an average yield of 4.15%, and £26,158,000 on behalf of Foreign Governments, at an average yield of 5.31%. There were no Foreign Government borrowings in 1920 on the London market.

The figures reveal a decline of 1.78 per cent. during 1921 in the average rate which the British Government had to pay for its capital, and the 1921 rate of 5.7 per cent. would be lower were it not for the inclusion in the statistics of net sales of National Savings Certificates, on which the yield if held to redemption runs to 7½ per cent. Colonial Governments, on the other hand, had to pay a considerably higher rate on a very much larger volume of borrowing. The foreign Governments that appeared in the market had to pay an average of about 1 per cent. more than Colonial Governments.

British municipalities had to pay almost the same rate as in 1920—6.22 per cent., against 6.24 per cent., or about ½ per cent. more than the average rate paid by the British Government. How industrial debentures raise the average rate for all Government, municipal, and debenture borrowings is shown below:—

INDUSTRIAL and COMMERCIAL BONDS, DEBENTURES, &c.

	Year 1913.	Year 1920.	Year 1921.
Yielding over 3½% to 4%	£60,000	..	..
" " 4% to 4½%	1,182,000	..	..
" " 4½% to 5%	2,582,000	..	..
" " 5% to 5½%	6,852,000	..	..
" " 5½% to 6%	5,158,000	140,000	..
" " 6% to 6½%	9,252,000†	671,400	..
" " 6½% to 7%	..	2,925,700	1,520,100
" " 7% to 7½%	..	4,110,000	6,920,800
" " 7½% to 8%	..	7,155,500	18,026,400
" " 8% to 8½%	..	12,122,900	7,655,700
" " 8½% to 9%	..	5,702,400	3,837,900
" " 9%	..	3,437,500	1,935,100
Total	£25,086,000	£36,263,400	£39,896,000

Average yields

† Represents capital yielding over 6%.

The average rate on industrial debentures thus rose fractionally in 1921. The same is true of preference stock and share issues. The average rate paid on new issues of preference stocks and shares was 8.39 per cent. in 1921, as compared with 8.09 in 1920, and 5.74 in 1913. There has been practically no railway borrowing during the years 1920 and 1921, the totals being £1,116,000 at a yield of 6½ per cent., and £630,000 at an average yield of about 8 per cent., respectively on behalf of foreign railways. In 1913 the average yield on £39,469,699 of borrowings on behalf of Indian, Colonial, and Foreign railways was 5.22 per cent.

That the record of the rates paid by borrowers during 1921 does not offer greater evidence of decline seems at first sight strange, since so great a fall in money rates had taken place before the end of the year. In spite of the decline in Bank rate, and a striking fall in money rates, the rate paid on new industrial debentures rose in 1921. The following table gives the average Bank rate, the average three months' bill rate, and the rates paid on industrial debentures, and on all Government borrowings, in 1913, 1920, and 1921 respectively:—

	Average Bank Rate.	Average 3 Months' Bill Rate.	Average Rate on Issues of Industrial Debentures.	Average Rate Paid by all Government Borrowers.
	%	%	%	%
1913	4 15 5	4 7 5	5.5	4.77
1920	6 16 4	6 7 11	7.92	6.05
1921	6 2 4	5 4 3	8.09	6.49

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It must, however, be remembered that Bank rate remained at 7 per cent. for nearly four months, and then descended only by ½ per cent. at a time in April, June, July, and November respectively. The average Bank rate for the first half of 1921 was £6 16s per cent., as compared with £6 8s 7d per cent. for the first half of 1920.

THE COTTON TRADE IN 1921.

(BY OUR MANCHESTER CORRESPONDENT.)

THE year 1921 in the Lancashire cotton industry will long be remembered as probably the worst twelve months ever experienced in the history of the trade. Quite apart from the limited demand met with, the losses of merchants mainly through the depression in values were of a serious character, and for some time leading firms have felt the financial stringency very acutely. Recently failures have increased in number, and from week to week rumours are being circulated of old-established firms being in a tight position. Spinners and manufacturers were unable throughout the year to secure orders at prices which cover the cost of production, and most producers on several occasions had to go into the question very closely as to whether it was more economical to close down entirely, or accept contracts at a loss, in order to provide employment and keep the operatives together.

Fully middling American cotton on the spot in Liverpool was quoted on January 3rd at 9.99d. Trade demand was poor, and prices tended to be easier, the lowest quotation of the year, 7.13d, being reached on February 28th. There was comparatively little change in values during the next month or two, the figure on June 30th being 7.85d. A more bullish feeling prevailed in August, and by the 31st the price had advanced to 11.05d. The upward movement continued, and on September 29th the highest price of the year, 15.71d, was registered. A distinctly easier tendency followed, the figure on October 31st being 12.49d, whilst on November 30th 11.30d was posted. On December 30th the quotation was 11.71d. The outstanding event of the year was the way in which traders were misled by the Agricultural Bureau of the United States Government. In the middle of the summer it looked as though the crop for the season was a complete failure. The rise in prices which began at the end of August, and continued throughout September, stimulated demand in yarn and cloth, and a larger business was done in the belief that lower values were most improbable. More recently it has been found that the Agricultural Bureau miscalculated the probable yield, as a result of faulty acreage returns. At the beginning of October, according to the Government, the output would only be about 6,500,000 bales, but in December an official forecast of the crop of 8,340,000 bales was published. Trade organisations in Lancashire have passed strong resolutions about the discrepancy, and protests have been made to the United States Government. On January 3rd the quotation for fully good fair Sakellaris Egyptian cotton on the spot in Liverpool was 21d. On February 28th the lowest quotation of the year, 13d, was posted. By the beginning of June the rate had advanced to 16d, and the market was steady for several weeks. The month of September brought higher values, and on October 4th the highest rate of the year, 30.75d, was registered. There followed a rapid downward movement to 23d on November 3rd, and 20.50d on December 1st, whilst on December 30th the quotation was 21.50d. Last week the

figure was 19,50d. The Egyptian crop for this season is expected to be very poor, and the Government has estimated the yield at only 3,300,000 cantars.

Spinners of yarn throughout the year had a wretched experience. The position became worse almost from month to month. It was impossible to sell the output of the machinery at figures which did not show a loss. Short time on an organised scale was started in the Egyptian spinning section in October, 1920, when it was decided to run the mills only 35 hours a week instead of the usual 48. In the following December spinners using American cotton resolved to work only 24 hours a week. This organised curtailment of production continued until last July. About that time there was a slight improvement in trade, and it was decided to abandon the official scheme of short time. There was no real improvement in business, and the mills worked very irregularly. Rather more orders were booked in September, but the increased demand soon fell off, and in November there was another ballot of American spinners as to restricting the production by 50 per cent., but on the result being made known it was found that the Masters' Federation had not secured a sufficient majority to put the proposed scheme into operation. Throughout the year it was a struggle for spinners of both American and Egyptian yarns to make ends meet, and most of the contracts secured were at prices very little better than stopping machinery. Owing to the large number of looms idle for want of orders, the total consumption of twist and weft was comparatively small. During the latter half of the year there was a distinct improvement in the demand from abroad. A big business was done for China, especially in twofold descriptions, and more recently buying has been on a much freer scale for India. Trade was also rather better in cops for Germany and Holland.

The following is a comparative table of yarn shipments, particulars being given of 1913, the year before the outbreak of war, and the two last years:—

	Lbs.	£
1913	192,968,400	13,751,785
1920	139,826,200	45,330,682
1921	129,856,800	21,512,734

During 1921 Germany, Bombay, Roumania, and Bengal increased their takings of yarn, but there was a falling off in the exports to France, the United States, Belgium, Turkey and Sweden.

It was a deplorable year for manufacturers of cloth. Compared with the boom period of 1919-20, a remarkable change presented itself. Now and again there were spurts of buying, but the activity did not last very long, and the orders secured were not sufficient to strengthen the position of sellers. One of the outstanding features was the extensive depreciation in the value of stocks, and this led to great trouble in the completion of contracts. The demand from India was very discouraging. The political unrest abroad was largely responsible for the dull state of affairs. The Gandhi agitation and the boycott of foreign goods had a serious effect upon Lancashire trade. The monsoon was excellent in every respect, and the good crops should have a favourable effect upon trade in the near future. Buying for China was very irregular. Since the turn of the half-year there has been more activity in standard goods and fancies. Stocks in Shanghai are much smaller than a year ago. Recently there has been rather more business for Java and the Straits Settlements. The outlets of the Near East were adversely affected by the uncertain political situation, but in September there was an extensive buying movement for Egypt, the Levant, and Persia. Trade with South American outlets was blocked by the unfavourable position of exchange. A few months ago there was an improvement in the demand for certain of our colonies, and houses with connections in Australia and Canada reported a larger turnover. In view of the trade depression, it can easily be imagined that unemployment in the weaving towns of Lancashire during the year was on a very extensive scale. The home trade houses experienced big losses, especially during the first half of the year. A slack state of affairs prevailed for calico printers, bleachers, and dyers. Although several cases of financial difficulties were reported, it is satisfactory to know that no really important failure took place.

The following is a comparative table of cloth shipments:—

	Yards.	£
1913	6,544,866,100	90,292,766
1920	4,188,511,700	295,630,641
1921	2,572,385,600	125,293,291

During 1921 exports increased compared with the previous year to Bengal, Morocco, Germany, and Roumania, but there was a big falling off in the shipments to Bombay, China, Turkey, British West Africa, Egypt, and the Argentine Republic.

The only labour dispute of importance during the year was in June, when the operatives resisted the wages reduction of the masters, and were locked out for three weeks. The original demand of the employers was for a drop of 95 per cent. in list rates, which meant a decline on current wages of about 30 per cent. After extended negotiations, a settlement of the trouble was reached. The agreement provided for an immediate reduction in list rates of 60 per cent., or 3s 10d in the £ on current wages, and a further drop of 10 per cent. on list rates, or 7d in the £ on current wages, in six months. The agreement expired on December 24th, but it was part of the settlement of last June that if either side wished to make a further change in list rates, three months' notice would have to be given. The masters now want to alter this condition, and substitute one month's notice. A joint conference of employers and trade union officials was recently held in Manchester, when the suggestion was discussed. It has now been decided that no change shall be made in wages until April 24th, and that a month's notice shall be given by either side. It may be pointed out that the operatives are now being paid on a basis of 145 per cent. above list rates, or 140 per cent. higher than the wages existing in July, 1914.

During the last few weeks there has been an increased inquiry in yarn and cloth in the Manchester market. Although business has not been on a large scale, there has been an increased turnover in certain sections at very low rates. Numerous merchants, however, owing to lack of funds, are not in a position to adopt a policy of enterprise. The trade situation in many outlets abroad is not all that could be desired. On the other hand, stocks of manufactured articles are being reduced, and in certain styles dealers are in need of supplies. The political outlook in India remains uncertain. Recently there has been some improvement in the demand for China. In other parts of the world Lancashire goods are required, but financial matters and the irregularities in exchange rates prevent a revival of demand. Spinners of yarn are hampered at every turn, and it is impossible to sell, except at prices which mean a definite loss. The position cannot improve until more looms are running. Taking the trade as a whole, there is every likelihood of 1922 being more encouraging than the year which has just closed, but progress towards better times will probably be slow. The Lancashire cotton industry depends for its life upon foreign trade, and, owing to the disturbed conditions throughout the world, an important revival of demand cannot be expected immediately.

AUSTRALASIAN LAND COMPANIES.

THE comparatively low prices ruling for produce and the high costs of production combined with heavy taxation have made the past year one of great difficulty and anxiety to all engaged in the Australasian agricultural industry. Apprehensions, however, arising from hasty legislation, which affected in some parts the full development of the industry, appear to be giving way to a more hopeful outlook, especially as the horizon is not without signs of a better feeling towards outside British and foreign investors.

Although climatic conditions in the first half of 1920 were not favourable for agriculture generally throughout Australia and New Zealand, the weather which followed up to June, 1921 at least, on the whole must be regarded as fairly satisfactory. Thus, in considering the position of Australasian land companies as revealed by the accounts

and reports of a group of representative undertakings, attention must be paid to the period covered by accounts. Government control of Australian wool ended on June 30, 1920, but the British Australasian Wool Realisation Association, Limited, took over the balance of unsold wool for realisation on behalf of the British Government and growers. As a further assistance to stabilise wool prices the Commonwealth Government prohibited the sale or export of wool from Australia unless guarantees were forthcoming not to sell under the reserves fixed by the Association. Whatever views may be held as to the merits of wool control, it is of interest to observe that the directors of Dalgety and Company in November of last year reported that "prices obtainable for wool show a substantial recovery." In livestock the position, although at present depressing for the industry, is not without redeeming features; the position was aptly summed up by an official of the Australian Agricultural Company, who wrote that "the company's stock and runs could scarcely be in a better condition, whilst the fat stock market could hardly be worse." It is only too evident that present freight costs for frozen meat, and increased freezing charges followed with low selling prices in home markets, are rapidly bringing conditions prevailing in this branch of the industry to a climax. There is, however, some consolation in the fact that there has been a good wheat harvest, and excellent returns are shown from dairy produce.

In our first table we show the total assets of ten of the most important companies for the past year, with land interests and cash and investment items shown separately, compared with a pre-war year:—

	1912-13. Land, &c.	1920-21. Land, &c.	1912-13. Cash and Invest- ments.	1920-21. Cash and Invest- ments.	1912-13. Total Assets.	1920-21. Total Assets.
Australian Agricultural	710,000	275,784	174,416	370,534	1,217,186	1,233,510
Aust. Est. and Mortg.	2,118,809	1,981,126	370,089	557,234	5,181,622	3,310,447
Aust. Merc. Land, & F.	2,257,183	2,339,967	616,089	675,369	5,398,328	5,579,270
Australian Pastoral	1,254,909	1,241,520	155,224	387,270	1,509,004	1,703,425
Dalgety and Co.	4,898,593	4,429,592	894,098	1,927,996	7,974,715	6,023,371
N.S.W. Land & Agency	364,183	352,907	115,943	101,538	481,949	495,021
N.Z. & Australian Land	2,532,310	2,631,606	854,003	722,338	4,837,382	4,885,109
N.Z. Loan and Merc.	1,614,736	2,764,182	324,422	687,297	4,508,365	5,369,309
Scottish-Aust. Invest.	1,465,886	1,275,926	122,842	523,181	1,792,345	2,070,360
South Aust. Land Mort.	205,001	162,237	74,130	101,414	319,817	284,900

* Overdrafts, &c., £263,091.

In examining assets, and also liabilities, a comparison of figures with a pre-war year shows that there is a distinct lack of inflation. It would perhaps be better if some common practice could be adopted for valuing investments. Some companies are content to show them at cost, with no explanation, while others value at cost and build up what may be probably ample reserves against depreciation. Others follow the third course of showing investments at market value. In one instance the auditors take a courageous lead in this matter, and publish in their certificate the exact amount of depreciation.

Under investments of Australian Agricultural is included shares in Hebburn, Limited, at £265,000. It would be interesting to know the basis of valuation for this item. Australian Mercantile Land and Finance show lumped together in one item loans on land, fixed deposits with bankers, and properties owned by the company. It would perhaps be better if the separate amounts could be given. Dalgety and Co.'s main business consists of financing farmers and others by loans, and under land, &c., in the above table, we have recorded the advances of the company against land and agricultural produce. The New South Wales Land includes, under property and mortgages, £104,650 of fully-paid shares in other companies, but the amount of dividend revenue from this source is not stated separately. Cash in hand or at bank is not revealed in the accounts of the New Zealand and Australian. This is, however, explained by the item of bank overdrafts, which are taken into consideration less cash at bank and on hand. For the New Zealand Loan and Mercantile under "land" we have placed "secured loans and other advances," this being the main item in assets.

The next table shows the fully issued loan and share capital of these undertakings together with reserves:—

	1912-13. Loan Capital.	1920-21. Loan Capital.	1912-13. Pref. and Ordinary Capital.	1920-21. Pref. and Ordinary Capital.	1912-13. Re- serves.	1920-21. Re- serves.
Australian Agricultural	£	£	£	£	£	£
Aust. Est. and Mortg.	2,250,894	1,928,949	476,762	800,000	201,099	157,248
Aust. Merc. Land, & F.	1,913,340	1,898,640	520,000	807,980	160,000	154,216
Australian Pastoral	93,000	110,000	932,500	932,500	576,912	534,556
Dalgety and Co.	2,639,613	2,584,345	1,500,000	1,500,000	418,595	520,148
N.S.W. Land & Agency	160,000	150,000	261,450	261,450	79,532	75,177
N.Z. & Australian Land	685,900	677,400	2,500,000	3,000,000	912,876	520,636
N.Z. Loan and Merc.	1,700,000	1,700,000	1,823,514	2,000,000	347,165	682,305
Scottish-Aust. Invest.	354,900	306,300	1,100,000	1,100,000	134,870	466,339
South Aust. Land Mort.	114,950	30,450	139,405	139,415	54,685	75,706

Share capital has not been increased to the extent prevailing in most industries, and it may be observed that debenture capital is being slowly but substantially reduced. Reserves shown in our table include sums at the credit of profit and loss accounts. An examination of our columns comparing these reserves reveals, in many cases, sad raids which directors have had to make in this direction. It is, however, difficult to draw conclusions from figures of the Australian Agricultural Company, as the balance-sheet for 1913 contains several suspense and contingency items which we have not included. A year ago Dalgety's figures under "reserves" stood at £1,309,500; in the year under review, although the main reserve fund was increased by £50,000, bringing the total up to £850,000, the balance at profit and loss account was reduced from £338,506 to £194,112. A curious practice is observed by the New Zealand Loan and Mercantile in recording debentures outstanding. Under liabilities, debentures figure at £2,000,000, while on the other side under assets appears an item of debenture stock held by the company amounting to £300,000; this company, as observed later, reduced its reserve during the year.

In the following table profits for the past two years are compared with those for 1912-13, together with rates per cent. of distribution on ordinary capital. Profits are struck after deducting loan interest:—

Company.	1921. Year Ending.	Profits.					
		1912-13.	Ord. Div. Rate.	1919-20.	Ord. Div. Rate.	1920-21.	Ord. Div. Rate.
Australian Agricultural....	Dec. 31	£ 105,452	9%	55,648	7%	41,614	5%
Aust. Estates & Mortgage....	Dec. 31	107,123	6	49,134	5	48,889	5
Aust. Merc., Land, & Fin....	June 30	222,912	15	79,287	12½	Dr 32,795	10
Australian Pastoral.....	June 30	124,854	8	92,006	8	45,083	6
Dalgety and Co.	June 30	223,377	8	292,577	15	140,806	10
N.S.W. Land and Agency....	Jan. 31	22,252	6	7,072	3	Dr 5,449	3
N.Z. & Australian Land....	Mar. 31	256,165	11½	176,080	10	Dr 89,886	4
N.Z. Loan and Mercantile..	June 30	114,915	5	156,746	4	83,613	4
Scottish Aust. Invest.....	June 30	115,831	5	105,308	10	90,700	10
South Aust. Land Mort....	June 30	8,728	7½	11,048	7½	14,763	7½

* Free of income-tax.

If figures of profits, given above, are compared with our table of capital employed in these companies, it will appear strange, perhaps, that such substantial dividends can be declared, but these profits are usually shown after Australian and British taxes are deducted. To give some idea of the proportion of profits which goes in payment of taxes, Dalgety and Co. made a trading profit of £689,169 for the year ended June 30, 1921; working expenses absorbed £310,318, and debenture interest £103,386, while Australian and English taxes swallowed £134,858, leaving £140,606 for net profits.

As will be seen from our final table quotations for stocks and shares show interesting fluctuations. Based on prices prevailing at the end of 1921 some generous yields are obtainable, and, moreover, these yields are in most cases free of tax:—

Name of Company.	Amount.	Paid Up.	Price July 30 1914.	Price End of 1920.	Price End of 1921.	Yield.
Australian Agricultural	5	5	84	5	4½	5 2 3
Aust. Estates & Mortgage, cons. ord.	Stock 100	100	88	60½	52½	8 12 9
Australian Merc. Land, & Finance	25	5	112	89	78	10 0 0
Australian Pastoral, ord.	Stock 100	100	112	104	84	7 16 6
Dalgety and Co.	20	5	42	28	24	5 17 9
New South Wales Land and Agency	Stock 100	100	211	205	136	7 1 3
N.Z. & Australian Land	" 100	100	96	92½	82	2 18 9
N.Z. Loan and Merc. Agency	" 100	100	110½	104½	102½	4 17 6
Scottish-Australian Investment, L.	" 100	100	110½	104½	102½	9 15 3

* Price of Old Stock.

† Free of income-tax.

It is not improbable that shares in many Australasian land companies would appeal more to the general public if the liability attached to the uncalled capital could be removed, and it is difficult to see why the lead in this direction set by joint-stock banks could not be followed.

The future has encouraging prospects. The freightage question may tend to right itself. The empty outward voyage is a passing phase, and with a better tendency to acquire European manufactures, Europe, revitalised, will demand in return a heavy share of Australasian agricultural products.

Notes of the Week.

Scottish Railway Wages Award.—The National Railway Wages Board has given its decision on the appeal of the Scottish railway companies referred to in our issue of January 14th. The Award is signed by the chairman, by the four representatives of the users of the railways, by the six representatives of the railway trade unions, and by four out of six of the general managers representing the railway companies, the two general managers representing the Scottish companies alone dissenting. On the wages question the Award agrees to the removal of the special advance made in June, 1920, but instead of the decrease being immediate, it is to be withdrawn, as the cost of living falls, by doubling the reduction which should normally take place under the sliding scale, until the special addition is removed. It is not certain whether the Board would make a similar decision in favour of English railways; for while the companies urged that conditions justified special treatment for Scotland, the men refused to admit the argument. The award does not say which view the Board accepted. The Award makes no alteration in the rules as to night duty, but increases the age at which railway servants secure adult earnings from 18 to 20 years of age, though the Award must not in itself be held to be a justification for regrading as a "junior" position any post which is now graded as an "adult" position. On the difficult problem of the eight-hour day, the tribunal observes that its introduction "was not the subject of that minute examination and discussion between the companies and the employees which so considerable an innovation deserved and would normally receive. Its operation has been marked by an inflexibility which, as regards some grades of employees, the conditions of railway service do not easily support. In the view of the Board the evidence submitted sufficiently established this point. The question, therefore, resolves itself into one of how the necessary degree of flexibility can be introduced." The Board has not ventured to interpret the eight-hour principle either in the company's sense of eight hours' actual work or in the employees' sense of eight hours' duty. But in order to give substantial relief in the cases where the principle works badly, they have decided that in cases where economy will accrue men may be rostered up to nine hours a day provided the additional hour is paid for at an agreed overtime rate. They also confirm the arrangement under which men may work five long terms and one short term in the week. Finally, they consider that a spread over up to 10 hours a day, and in some cases even up to 12 hours a day, may be put into operation where men can be booked off and freed from duty for the period in excess of the rostered day. Special provision is made for determining disputed cases under this concession. It is a hopeful augury for future harmonious relations in railway service that the men's representatives have agreed to this concession, which obviously will restore greater elasticity in the application of the eight-hour principle. The fact that they are concurred in by so overwhelming a proportion of the Board will, we think, carry great weight as against the contention of the dissenting general managers, who declare that "the findings fall far short of meeting the necessities of the Scottish railway companies, and would only in small measure relieve them of the enormous burden placed upon them by the universal application of the eight-hour day—a burden which neither the Scottish railway companies nor the industries of Scotland can bear."

Coal Output.—The production of coal from the mines of Great Britain for the week ended January 14th showed a recovery from the lower totals of the holiday period, the total amounting to 4,719,100 tons. This compares with the output for the three previous weeks as follows:—

Districts.	Dec. 24.	Dec. 31.	Jan. 7.	Jan. 14.
	Tons.	Tons.	Tons.	Tons.
Northumberland.....	240,200	205,400	163,100	254,000
Durham.....	647,900	453,800	405,900	616,700
Yorkshire.....	869,400	386,700	729,300	867,800
Lancashire, Cheshire, and North Wales.....	414,700	270,200	285,800	403,000
Derby, Nottingham, and Leicester.....	621,500	244,500	527,600	596,200
Stafford, Shropshire, Warwick, Worcester.....	366,300	149,900	307,800	341,200
South Wales and Monmouthshire.....	1,002,100	616,900	898,600	927,900
Other English districts..	90,300	45,400	74,300	89,200
Scotland.....	713,000	676,200	281,600	623,100
Total.....	4,965,400	3,049,000	3,674,000	4,719,100

In the week ended January 15, 1921, the production was 4,897,700 tons.

Shipbuilding in 1921.—The Annual Summary of the Mercantile Shipbuilding of the World, published by Lloyd's Register, states that the total gross tonnage of merchant vessels launched in the United Kingdom during 1921 amounts to 1,538,052 tons, of which 946,182 tons are intended for registration in the United Kingdom and 591,870 tons are for owners residing abroad. The totals for 1921 are 517,572 tons less than for 1920, which remains the record year. The output of the leading shipbuilding districts is as follows:—Glasgow, 358,347 tons; Newcastle, 354,813 tons; Greenock, 146,842 tons; and Sunderland, 144,280 tons. The largest decrease during 1921 has taken place on the Clyde, where the tonnage launched is 175,277 tons lower than during 1920; the decrease for the Wear is 170,174 tons, and for the Tees 105,013 tons. The total launched abroad during 1921 amounts to 2,803,627 tons, a reduction of just over one million tons as compared with 1920. The countries where the largest output has taken place during the year are:—United States, 1,006,413 tons; Germany, 509,064 tons; Holland, 232,402 tons; Japan, 227,425 tons; France, 210,663 tons; and Italy, 164,748 tons. The totals for the United States are nearly one million and a-half tons lower than in 1920. For the first time since 1913 complete figures are available for Germany, and totals for that country include 40 vessels of between 4,000 and 7,000 tons, 13 of between 7,000 and 10,000 tons, and one vessel of about 14,000 tons. The totals for Holland, France, Italy, Denmark, and Sweden are the highest on record in each case. The world's total output for 1921 reached 4,341,679 tons, a decrease of about 1½ million tons as compared with 1920, but the totals still exceed by over a million tons those for 1913, which was the pre-war record year for the world. The total figures comprise 167 vessels of about 1,195,000 tons to be fitted with steam turbines; they also include 151 vessels of about 1,050,000 tons built to carry oil in bulk. Of the 1,377 vessels launched in the world during the year, 47 are of over 10,000 tons each. During the four years 1918-1921 the total addition to the world's merchant navies by new construction amounts to nearly 23 million tons. The annual summary draws special attention to the present circumstances, and to the immediate future, of the shipbuilding industry of the world, and points out that although the tonnage under construction at the end of 1921, viz., 4,457,093 tons, is no less than 2,722,000 tons lower than in December, 1920, even the present reduced figures are not a correct index of the position of the shipbuilding industry unless certain factors be taken into consideration, such as the very large number of vessels, included in the totals, the construction of which is now suspended, and the fact that the orders for new vessels have been for some time and are now far below those in normal times.

Economy in the Army.—The problem of getting the maximum result from the lowest possible expenditure which is exercising the minds of the fighting services no less than of the civilian departments of the Government, has raised the question of the economy which may be secured by the widest possible adoption of mechanical and modern scientific methods into all branches of the army. In this connection a Service correspondent has forwarded to us some very striking figures comparing the annual cost and the fighting efficiency of normal units and mechanical (tank) units respectively:—

	Per-sonnel.	Armament.	Total Annual Cost Including Replacement.
Cavalry Regiment—			£
Normal.....	550	{ 20 machine guns 300 rifles..... }	144,240
Mechanical.....	400	108 machine guns....	196,300
Infantry Battalion—			
Normal.....	1,000	{ 40 machine guns 500 rifles..... }	204,485
Mechanical.....	350	84 machine guns....	135,025
Field Artillery Brigade—			
Normal.....	700	18 guns, 6 howitzers	184,875
Mechanical.....	400	18 guns, 6 howitzers	162,850

From this table it will be seen that in the case of all arms, except cavalry, the balance is in favour of the mechanical unit. Combining the figures, and assuming a force of three cavalry regiments, three artillery brigades, and twelve infantry battalions—roughly one-sixth of the Expeditionary Force of 1914—the saving amounts to £3½ million out of a total normal cost of less than £3½ millions. It is, however, claimed that the advantage is enormously greater when account is taken of comparative fighting efficiency. The maximum speed of normal cavalry may be put at 16 miles an hour, its average rate of movement at four to five miles an hour, and its daily limit of endurance at 30 miles when operations are continuous. The maximum speed of a cavalry tank may be taken at 25 miles an hour, its average rate of movement at 10 miles an hour, and its daily endurance at 150 miles. The maximum speed of field artillery may be put at 8 miles an hour, its average rate of movement at 2½ to 4 miles an hour, and its daily endurance limit at 25 miles. The rates of movement of artillery tanks may be put at, maximum 15, average 10, miles per hour with a daily endurance of 75 miles. The maximum speed of infantry (for a very short distance) may be put at 5 miles an hour, its average rate of march at 2½ miles an hour, with a daily limit of 15 miles. The maximum speed of the infantry tank may be assumed to be 20 miles an hour, its average rate of movement at 10 miles an hour, and its daily limit at 50 to 75 miles. Further, mechanical cavalry has a firing capacity of three times that of the normal cavalry unit, and the mechanical infantry of 1½ times that of the normal infantry unit. Taking these various factors into consideration, it is urged that the true comparison of expense for equal fighting efficiency is, in the case of mechanical cavalry, 45 per cent., mechanical artillery 88 per cent., and mechanical infantry 40 per cent. of the cost of corresponding normal units. If these ratios are applied, the cost of the combined forces referred to above would be reduced from £3½ millions to £1¼ millions, a saving of 50 per cent. General Horne has reminded us that we should cast from our minds the possibility of a repetition of the conditions of the Great War, and must assume that the small wars for which we must prepare will be of the "open warfare" type for which our pre-war army was designed. It is sometimes assumed that mechanical methods are not suited to wars of this character. There would undoubtedly be difficulties in waging war by means of tanks in distant countries, notably in connection with transport of fuel supplies. But the supporters of a mechanical army are able to urge a certain amount of successful experience in this respect. It is admitted that mechanical units alone cannot fulfil all requirements of present-day tactics, but in the future, as in the past, tactics will always adapt themselves to new weapons. So long as we have to maintain armed forces for policing the troubled quarters of the globe the tax-payer is interested to obtain the greatest possible value for his money. We think the case

of our correspondent is a strong one, and vested interest should not be allowed to stand in the way of a fair consideration in organising the army of to-morrow.

Progress in Mesopotamia.—A correspondent writes:—After the apprehensions as to the future of Mesopotamia which have been aroused by the provisions of the Franco-Turkish Treaty of Angora, it is reassuring to learn from the "well-informed observer" of the country whose testimony is published in the *Times* of January 14th, that prosperity is increasing, and that the tribes generally desire to retain the British Divisional Advisers, and value their advice. Native capital is ready to be invested in the roads, railways, power stations, and irrigation works which are necessary for the economic development of the region, and are really desired by the wealthy sheikhs and the large landowners of Baghdad. There can be no great engineering difficulties, and labour can be furnished by the tribes at a very low cost. What is chiefly needed is some means of ensuring tribal co-operation for works of common benefit; but as the country settles down this difficulty may be overcome. The leaders of the risings of 1920 have been amnestied, and there is reported to be no trace of animosity against the British. If the country is only allowed to use its very limited man-power in development rather than in the defence of its immense frontiers, it may in a few years' time be rich enough to raise a loan in Europe on the security of its revenues from cereals and oil. Unfortunately, until the Treaty of Sèvres is ratified—or reconstructed—British advisers are in the country merely as a consequence of the British military occupation; but the only opposition now manifested comes from the Shabibah ("youths"), a sort of "Young Arab" party (Syrians and natives, some of them in Government service), with the confidence and the ignorance of youthful politicians everywhere. But the tribes and the urban population generally suffered quite enough in 1920 from misguided Nationalism.

Births and Deaths.—The provisional returns of births and deaths in England and Wales in 1921 issued by the Registrar-General on Thursday show that the death rate is the lowest on record for the country as a whole at 12.1 per 1,000 of total population at the 1911 Census, which compares with 12.4 for 1920 and 14.3 for 1911-15. Infant mortality was 82 per 1,000, as against 80 in 1920 and 110 in 1911-15. The birth rate at 22.4 per 1,000 compares with 25.4 in 1920 and 23.6 in 1911-15, but is well above the average of the war years.

The Hague Rules.—The proposal in regard to the Hague Rules was that they should be adopted so as to be effective in relation to transactions originating after the end of the present month of January. The indications are that, though the Rules will not come into general use on any fixed date, they will be incorporated during the next few weeks in the bills of lading issued by a number of leading shipping lines. The scope and purpose of the Rules were fully explained in an article in the *Economist* on November 19th, and it will be recalled that they constitute a code of conditions defining the risks to be assumed by sea carriers from the loading to the unloading of the goods. The code, being intended for international use, is worded so that it is independent of any national laws, but in substance the basis of contract resulting from the incorporation of the Rules is that the goods are taken at carriers' risk. In other words, the relations between cargo owner and carrier are similar to those obtaining in shipments under the American Harter Act, or the corresponding Canadian or Australian Acts. There are, however, divergencies between the legislative measures, and the standardisation of the conditions, besides meeting the long-standing complaints of shippers against the negligence clauses in bills of lading, which will be superseded, is regarded by bankers and underwriters as a matter of great convenience in dealing with large numbers of shipping documents. The Rules will bring about international uniformity in a degree not readily obtainable by promoting legislation in all the countries engaged in maritime trade. Apparently

the compromise, as between shippers and shipowners, represented by the Hague Rules is acceptable to shipowners in general. They endorsed the Rules at their International Conference in London last November, and, as already indicated, they are taking steps to revise bills of lading and use the Rules in everyday business. A certain amount of opposition to the introduction of the Rules has developed, but the great majority of commercial men, both in this country and America, appear to be in favour of their adoption. Certainly among shippers of miscellaneous cargo by liners the change has been welcomed. It was primarily in order to meet their complaints that the Rules were prepared. The opposition has come especially from members of the timber and corn trades interested in the carriage of bulk cargoes. The coal exporters have also indicated that they are not altogether in favour of the proposals. Apparently doubts arose whether the special clauses hitherto inserted in shipping documents in these trades would continue to be used along with the Hague Rules. Shipowners and those who were promoting the adoption of the Rules neglected for a long time to confer with the interests concerned, and the attitude of the latter developed into one of active opposition, counter proposals for legislation instead of international agreement being put forward. Probably no attempt will be made for the time being to introduce the Rules into the special trades where objections have been raised, but it seems to be clear that they will be put to the test of practice by the liner companies, and, if they are found to afford a basis satisfactory to the various interests concerned, their use may afterwards be extended.

The City Equitable.—No official statement has yet been issued, but we understand that on Wednesday last a hurriedly convened semi-public meeting was held at the Cannon street Hotel, at which a new committee was appointed to examine the position. The committee will co-operate with a chartered accountant, and it is hoped that within a month it will be possible for it to issue some kind of report, though not necessarily for public consumption. Meanwhile, neither rumour nor criticism is silent, the points of chief interest being the investment policy of the directors (especially in connection with industrials and real estate), the relation of the parent company with its subsidiaries (especially in matters of finance and funds), and the general likelihood of the big offices consenting to carry the burden until the City Equitable's position is restored. It may be taken for granted that if they can help the lame dog over the stile they will, but apparently no one knows yet either the weight of the dog or the height of the stile, both matters of importance. The share market is very weak indeed, and preference shareholders of the City Equitable Associated would like to know whether the task of supporting the framework of the City Equitable necessarily involves paying the preference dividend of the City Equitable Associated. A legal opinion on the guarantee would be very interesting. Can an outside combination keep the City Equitable going in any form without having to recognise its guarantee to the shareholders of the subsidiary? Unfortunately the difficulties of a big re-insurance must have a disturbing effect on the whole insurance market, since it is impossible to say what other interests are involved and to what extent, and the silence of the directors is day by day increasing the general disquiet. Never was the air so full of rumours, and while the official silence is maintained the public is apt to assume that the rumours undershoot rather than overshoot the truth. Otherwise why not meet them with a plain statement of what is going on.

Hours of Business.—Banks open at 9 o'clock in the morning and close at 3 o'clock in the afternoon; at 12 o'clock on Saturdays, in both cases an hour earlier than was the case before the war. The Stock Exchange opens at 10.45 a.m., closes at 3 p.m., and remains shut on Saturdays. Before the war, the House used to open on Saturdays until one o'clock, and to close at 4 o'clock on ordinary days, at half-past four on settling days. Both the banks and the Stock Exchange, writes a Stock Ex-

change correspondent, are being urged to revert to their pre-war hours, if only by way of setting a good example to the labour community in the matter of showing readiness to work for at least the same number of hours as those which prevailed in July, 1914. It is obvious to the City man that the Stock Exchange must be dependent in this matter upon the banks to no small extent. The old time for paying against delivery of transfers used to be half-past two, which left an hour and a-half for the arrangement of paying in. To-day, transfers need not be paid for after 1.45 p.m.; this practice has demonstrated that no loss and very trifling inconvenience are caused by the curtailment of 45 minutes. On Saturdays, as the banks close at noon, the time allowed for transfer deliveries would be extremely limited if cheques were to reach the banks before noon. The banks themselves are understood to be not unwilling to extend their hours if it could be proved that there were any real demand for the extra facility, but, as the Stock Exchange is one of the principal customers of the London banks, and there is no such demand from the House for this extension of time, the inaction of the banks is natural enough. The Stock Exchange is busy in a few markets only. There is no general activity. A small proportion of members are overwhelmed with orders, their staffs working late every night, and some of them coming up on Saturdays in order to cope with the rush of work involved by the investment boom. This, however, is by no means general, and by far the greater number, unfortunately, of Stock Exchange firms find that even the present short hours hang heavily on their hands, and that their receipts do not cover expenditure—a simple statement of fact which any Stock Exchange man will regretfully confirm. The Stock Exchange Committee, however, have appointed a sub-committee for inquiring into a mass of proposals, recommendations, and suggestions for modifying the existing regulations as soon as Treasury control is removed from the Stock Exchange. The question of business hours appears amongst these, and it may be assumed without hesitation that if business were to broaden out, to flow into the general markets of the Stock Exchange, and to assume such proportions as would give members more work to do, those members will be the first to press for an extension of working hours which, if brought into force now, would merely mean a greater waste of time than is involved while business remains so slack.

A New Form of Management Share.—A new form of management share has made its appearance in the prospectus of the Stoll Picture Theatre (Liverpool), Limited. The share capital is £380,000, divided into 379,900 ordinary shares of £1 each, and 100 management shares of £1 each. The management shares do not rank either for capital or for dividend, and are to be issued as fully paid as part of the purchase consideration. But although the management shares do not rank either for capital or for dividend, they confer upon the holders extraordinary voting rights which may obviously prove extremely inconvenient to other shareholders. Thus—to quote the words of the prospectus—"at general meetings of the company.....upon a poll.....the holders of the management shares shall in respect thereof be collectively entitled to as many votes as the holders of all the other shares for the time being issued would be entitled to upon a poll in respect of such other shares, and each of the management shares shall upon a poll confer on the holder, whether present in person or by proxy, a rateable proportion of such votes." It is to be noted that only 377,650 ordinary shares of £1 each are offered in the prospectus for subscription, thus leaving 2,250 of the total authorised issue unaccounted for. Nothing is said in the prospectus as to rights of transfer attaching to the management shares. It thus seems that those who subscribe for ordinary shares are clearly fixed with notice that as shareholders they will have no effective voting power. The prospectus makes it plain that—for weal or for woe—they must be content to leave final decisions upon all subjects to the holders of the management shares. These subjects include, of course, the personnel and the remuneration of the management, the modification or abrogation of the rights and privileges attached to the

management shares, the creation and issue of preference shares, and even the very winding up of the company by shareholders' resolution. As far as can be gathered from the full prospectus, the great body of ordinary shareholders are, in fact, effectively disfranchised. It may be doubted whether such a complete subversion of the whole spirit of joint stock enterprise as is involved by this new form of management share will be found to hold good in law. But apart altogether from this, it is hoped that the practice will not become common even when, as in this case, the sovereign control is vested in capable and experienced hands.

Power Alcohol.—A correspondent writes:—The Memorandum on "Fuel for Motor Transport" recently issued by the Fuel Research Board of the Department of Scientific and Industrial Research scarcely conveys an adequate idea of the degree of progress that has been made towards solving the problem of the supply of power alcohol on a commercial scale. But experiments carried out at the instance of one of the biggest distilling concerns in the country have produced a fuel which consists of a mixture of strong alcohol and benzol in certain proportions, and its reliability has been proved by exhaustive tests. In its general conclusions, the Fuel Research Board's Memorandum is almost uncompromisingly negative so far as the provision of supplies of power alcohol on a commercial scale in this country are concerned. As its first conclusion it states that the prospect is remote of adding materially to the supplies of liquid fuel for internal combustion engines in this country by the manufacture of alcohol from home-grown materials. Reference is made in the body of the Memorandum to the experiments that have been carried out in connection with the cultivation of mangolds and Jerusalem artichokes, the two raw materials which seem to hold out any solid hope of success. It was found that mangolds could be grown to yield 20 tons to the acre, which in turn would yield 200 gallons of 95 per cent. alcohol, while Jerusalem artichokes could only be relied upon to provide 130 gallons per acre. The only reference made in the Memorandum to the spade work put in by the distilling interests is contained in the following sentence:—"The Distillers Company, Limited, is also sending representatives to various colonies to investigate the questions of raw materials and all other relative matters with a view to considering the possibilities of starting the industries where localities and other conditions are found suitable." It is understood that the reports of the Distillers Company's representatives are not too encouraging as regards the possibility of manufacturing such a quantity of power alcohol in any part of the world as could take the place of petrol were the supplies of the latter for any reason to fail. But, on the other hand, there is not likely to be any insurmountable difficulty in the way of producing large quantities of power alcohol as an adjunct of or supplement to the supplies of petrol both at home and abroad. Reference is made in the Memorandum to the suitability of molasses as a raw material for the production of alcohol. As a matter of fact, the Distillers Company has had extensive experience of producing industrial alcohol from this product on a commercial scale, and will undoubtedly increase its output from this source so soon as cost, selling price, and demand permit. The Fuel Research Board point out that only 100 gallons of 95 per cent. alcohol can be produced from 250 gallons of molasses, and that the capacity of the existing distilleries for dealing with this raw material is only eight or nine million bulk gallons per annum. As a matter of fact, the present available distilling capacity would permit of a production of approximately 20 million bulk gallons, equal to 33 million proof gallons, so that it will be seen that even from this immediately available raw material the possible production is by no means insignificant. On the average Empire production of sugar for the last three years, the total quantity of 95 per cent. alcohol which could have been produced, if the whole of the molasses had been used for that purpose, is put at 15 million gallons, but it is added that on the basis of the world's sugar production, both cane and beet, for the same period, the resultant molasses

would have produced about 250 million gallons of alcohol, which is approximately equal to the quantity of petrol consumed in the United Kingdom during 1921.

Tin Prices and Producers.—Our mining correspondent writes:—A relapse in the quotation of tin to a level fully £15 below the best point touched during the recovery of December synchronises with the issue of poor annual statements on the part of three tin mining companies. There is no connection between these circumstances, for in two cases the accounts are of a very belated character, being made up to December 31st, 1920. The most important of the trio is the Rayfield (Nigeria) Tin Fields, which has a considerable issued capital in ordinary and preference shares, debentures, and income participation certificates. For 1920 a net loss of £21,400 was made, which fulfilled the forecast of the general manager. At the date of the balance-sheet the liquid assets comprised:—Cash, £9,900; tin, £10,900; debtors and loans, £21,200. In connection with the latter, the auditors call attention to a very unsatisfactory feature: "Sundry debtors include £9,000 due from the chairman; this amount has since been settled by the payment of £2,500 in cash, and the transfer of securities." The nature and value of the securities is not stated. It is fortunate that the directors have been able to come to an arrangement with the Niger Company for capitalisation of the substantial sum due for principal and interest. The Sha Falls Company's balance-sheet indicates that the financial resources were practically exhausted, and the directors intimate that the efforts made to discover payable tin deposits on the areas held were not successful. Negotiations are proceeding with a view to letting the property. The operations of the Benue Tin Mines in the 12 months ended July 31st last resulted in a loss of £6,400; the financial position is, however, comparatively good. Conditions in the Nigerian tin industry have recently undergone an appreciable improvement, the concessions granted by the Government in the matter of rents, royalties, &c., having been supplemented by reductions in smelting and other charges. Even the best-managed companies can, however, barely pay their way with the metal at the price to which it has now been depressed by a combination of unfavourable factors. There can be no doubt that the December spurt was partly due to purchases in anticipation of a revival in trade which has failed to materialise. In the United States the tin-plate industry is fairly well employed, but advices with respect to the position in South Wales are far from encouraging. Then substantial sales have lately taken place in the Far East in anticipation of the Chinese New Year holidays.

Electrolytic Zinc of Australasia.—The full text of the first annual report and accounts of this important industrial-mining enterprise is now available, writes our mining correspondent. A cabled summary of the directors' statement was, of course, published early in December. It intimated that, owing to the excess of constructional costs over the estimates, additional capital would be required. A leaflet accompanying the report announces that £400,000 8 per cent. debentures have been placed in Melbourne at 95; holders have the right until the end of 1923 to take up a corresponding amount of preference shares. At the date of the balance-sheet—June 30th—the paid-up capital figured at £1,786,300; machinery and plant stood for £917,400; stores, fuel, &c., £260,000; properties and equipment, £357,700; research and development work, with balance of profit and loss, £213,000. The cash deficit of about a quarter of a million then existing has been wiped out by the calls since made on the preference shares, but the need of additional resources is obvious, despite the fact that expectations in regard to the commencement of treatment operations have been more than realised. The first half of the 30,000 horse-power electrical plant started in November, and it is anticipated that the remainder will be running well before the end of this year; the production to January 25th has just been advised as 2,318 tons of zinc. The company, may be recalled, occupies an exceptional position in several respects. By a contract with the British Board of Trade it is assured of a large supply of

zinc concentrates, and through another contract between the Board and the Zinc Producers' Association it is assured of a market for its products over a term of years on advantageous terms. Further, on the supply side there are the reserves in the company's Tasmanian properties—estimated at 1,000,000 tons—as well as the further quantities which will be available from Broken Hill. The original working capital was provided by a number of British-Australian mining companies, whose shareholders were subsequently invited to subscribe for a large block of preference shares. The issued capital is now £2,200,000 in preference and ordinary shares, plus the debentures earlier referred to.

Lister's Year.—The directors of Lister and Co., Limited—the silk spinners and silk manufacturers of Bradford—are to be congratulated upon the year's progress of the undertaking as shown by the report and balance-sheet at November 30, 1921. Profits for the year ended at this date amount to £144,862, which, considering the industrial crisis through which we are passing, compare favourably with profits of £145,283 recorded for 1920. The dividend of 7½ per cent. is maintained, while including the previous year's balance brought into the accounts, a total of £171,870 is carried forward, which again compares favourably with £174,383 a year ago. The fact that dividends and profits are maintained is of more than passing interest, as the capital was increased in 1920 by capitalising a portion of reserves. Turning to the balance-sheet, total assets are down from £3,588,881 to £3,191,050. It is a pity, perhaps, that goodwill patents and property are all included in one item at £1,331,775, as it would be interesting to know the value placed upon the various assets. "Investments" at £249,550 might also be usefully more informative, and include the basis of valuation. The company have valued their stocks at £783,412, as against £881,100 a year ago, while cash and bills at £477,473, as compared with £365,885, reveals strength in liquid resources. Sundry debtors have been reduced from £709,417, and sundry creditors have fallen from £943,247 to £547,930.

Oversea Correspondence.

UNITED STATES.—MONETARY EASE—BANKING POSITION—BOND MARKET ACTIVE.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 14.

THE most noteworthy development in the financial situation here is the further marked relaxation in money. Call funds have accumulated at this centre in such volume that the rate for demand loans on the Stock Exchange fell this week to 3 per cent., the lowest point reached since the summer of 1917, with the exception of a momentary decline to 2 per cent. in November, 1917. Demand for accommodation for stock market purposes, however, continues extremely light. The rate would probably have gone lower were it not for the fact that many interests are financing their current needs with call money instead of time money, which commands a higher rate at present, although in the latter there has also been a decidedly easier tendency this week. Loans for all maturities can now be obtained at 4½ per cent. on all industrial collateral, and at 4½ per cent. on mixed collateral. Long-term borrowing has not been of large proportions, partly because of the comparatively easier call money market and partly because still lower time money rates are expected in the near future, provided there is no sudden and extensive business revival—which is about the last thing that conservative bankers, railroad and industrial interests expect. On all sides the consensus of opinion seems to be that improvement in trade and industry will continue from now on, but that it will be gradual.

The lowering of money rates, as well as easier terms in the commercial paper market, where prime names are now being discounted at 4½ to 5 per cent., is, of course, due to the further improvement in the banking position, which in turn reflects the progress made in thawing out frozen credits in virtually all sections of the country, but more particularly in the West and South. As evidence of the better credit situation, the Federal Reserve banks at Richmond, Atlanta, Dallas, and Minneapolis have lowered their rediscount rates from 5½ to 5 per cent. Throughout the Federal Reserve system the maximum rate is 5 per cent., while at three centres, namely, New York, Boston and Philadelphia, the rediscount rate is 4½ per cent. The pronounced relaxation in money, and especially the decline in the open market for bills or acceptances to 3½ per cent., the lowest rate in about four years, are taken to foreshadow a more or less general reduction in current Federal reserve rediscount rates in the not distant future. A few brief facts will serve to show the great improvement that has taken place in the banking position. For the entire Federal Reserve system rediscounts were reduced during the past week \$125,000,000, making a total decrease of \$192,000,000 since the end of December, while note circulation was reduced to the extent of \$113,000,000, making a total retirement of \$132,000,000 in the past fortnight. The system's rediscounts are now smaller in the aggregate than at any time since the middle of 1918, while the amount of reserve notes outstanding is the smallest since September of that year. As compared with their respective peaks about a year ago, rediscounts show a decrease of more than 60 per cent., while note circulation has been reduced about one-third. The Federal Reserve system's present ratio of reserve to note and deposit liabilities is 74½ per cent., the highest recorded since the middle of 1917, and comparing with 71½ per cent. at the close of 1921. The New York Federal Reserve Bank's ratio has advanced to virtually 87 per cent., as against 79.03 per cent. a week ago; it compares with a maximum of approximately 84 per cent. for last year and with 36½ per cent. last February, when credits were pretty solidly frozen throughout the United States.

Another noteworthy fact is that not less than 25 of the leading New York City banks and trust companies have entirely cancelled their indebtedness to the Federal Reserve Bank at this centre. An idea of the enormous liquidation of reserve bank loans may be gained from figures compiled by the *Wall Street Journal*. It is shown that when such loans were at the peak, 17 New York City banks had obligations to the extent of \$882,954,831, while to-day only two of those institutions are borrowing, and the total of their loans amounts to less than \$90,000,000.

The vastly improved banking situation and, in consequence, the declining tendency of money rates, have caused heavy purchasing this week of high-grade investment bonds of all descriptions by corporations, institutions, and individuals. Under the broad and active demand, prices have registered sharp advances. United States Government war obligations, in particular, have been bought on an extraordinarily large scale; many of the Liberty loan issues reached the highest prices witnessed in more than a year, while Victory notes sold at substantial premiums above par. At this week's top levels, which have been well maintained, the Government's war issues show an advance from last year's low points of approximately 12 per cent. for the Liberty bonds, and of about 4 per cent. for the Victory notes. The usual January re-investment demand has contributed to the activity in the bond market. Furthermore, the depression in trade and industry has left a great amount of surplus funds, which is now seeking employment in bonds.

FRANCE.—M. POINCARÉ'S FINANCIAL POLICY—THE YIELD OF TAXATION—INCOME-TAX—LIQUIDATION OF WAR STOCKS.

(FROM OUR CORRESPONDENT.)

PARIS, January 24.

M. POINCARÉ came before the Chamber of Deputies last Thursday with a strong programme, and secured the large majority of 472 votes to 107. This majority and the enthusiasm accorded to his speech are easily explained. For months past he has been stating in the Press and elsewhere that Germany must pay the full sums due by her to France under the Peace Treaty, and that France, with or without Allied aid, must ensure her own security. M. Poincaré, in fact, is regarded as a strong man in France, who will show more determination than M. Briand in attempting to carry the French view point. The declaration opened by M. Poincaré congratulating the Chamber and Senate on having duly passed the Budget, and of having got away from the unsatisfactory system of *douzième provisoires*; but he immediately added that it was impossible for France to have a stable financial position, unless Germany should at least execute the engagements it has undertaken. M. Poincaré indignantly repudiated the suggestion that France could be justly accused of Imperialism, and, returning again to finance, contended that Germany was deliberately encouraging disorder in her public finance so as to enable the nation to amass wealth. If Germany did not pay a really effective control must be imposed on the Budget of the Reich, on the issuing of paper money, and on Germany's exports. Most of the other points in the Premier's speech were of a political rather than of an economic importance. In connection with the Genoa Conference, M. Poincaré pointed out that France would not be represented at the Conference until guarantees had been given that none of the stipulations of the Peace Treaty should be even remotely discussed there. The declaration was very warmly received from every quarter of the house except the Extreme Left, and, in reply to a number of interpellations, M. Poincaré again insisted that Germany should meet her financial obligations towards France.

From this brief summary of the French Premier's financial policy, it will be seen there is a considerable divergence between his view and those of England. M. Poincaré and his friends, who include all except the Left and the Extreme Left, are convinced that Germany can pay and will pay, provided payment is demanded with sufficient vigour. M. Poincaré has taken office with the avowed intention of employing the necessary vigour, and he and the country are faced by three alternatives, either Germany will pay and the French financial situation will be considerably relieved, or Germany will not pay, and M. Poincaré must then employ the vigorous methods to which he has referred, or else point out to his followers that Germany is a debtor from whom the full sums that all admit she owes cannot be abstracted.

Figures are now available that give, at any rate, an approximate summary of the yield of French taxation during 1921, and consequently a general idea of the economic situation of France during the year that has just closed. From these it appears that the total amount received by the Treasury during the year from indirect taxation and State monopolies was 13,233,707,500f, or 1,112,506,200f less than the Budget estimates, which placed the expected yield at 14,346,213,700f. The following figures show the yield from the chief categories of indirect taxation, as compared with Budget estimates:—

	Actual Yield. Francs.	Inc. or Dec. as Compared with Estimates. Francs.
Registrations	2,705,416,000	.. + 139,158,000
Stamps	563,326,000	.. + 122,065,000
Bourse operations	19,425,000	.. — 13,585,500
Taxes on stock and bonds	926,425,000	.. + 265,876,000
Luxury tax	13,114,000	.. + 1,114,000
Tax on turnover	1,897,457,000	.. — 1,002,543,000
Customs (excluding sugar & salt)	1,192,966,000	.. — 831,450,000
Indirect taxation (exclusive of do)	2,404,415,000	.. + 12,008,000
Colonial foodstuffs	177,134,000	.. — 59,320,000
Salt	32,376,000	.. — 1,486,000
Sugar	352,045,000	.. — 75,148,000
Motor spirit and petroleum	166,705,000	.. + 66,584,000
Benzols	13,097,000	.. + 3,362,000

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Taxation on spirits and higher-priced wines (vins de luxe) yielded 462,053,000f, or 37,943,000f less than Budget estimates; taxes on wines, cider, perry, &c., which produced 578,311,000f, yielded 41,144,000f below the estimate, and those on commercial alcohols 575,589,000f were 39,649,000f less. The tax on beer, on the other hand, produced 69,172,000f, or 18,085,000f more than was expected. Other categories that yielded revenue in excess of Budget estimates were:—

	Francs.	Francs.
Tax on transports by railway	388,605,000	.. + 19,945,000
Tax on theatres, music-halls, &c. ..	48,135,000	.. + 15,296,000
Taxes on motor cars	95,738,000	.. + 58,738,000
Government monopolies in 1921 yielded a total of 2,769,806,500f, or 260,859,300f more than Budget estimates.		

The yield from the income-tax during 1921 has been extremely disappointing, the total produce being only one-third of the amount for which demands were levied. Demand notes were issued for a total sum of 2,775,872,900f, of which only 945,279,800f were actually recovered. Of the total amount for which demands were issued last year, 2,117,552,000f were in respect of the financial year 1921, the balance consisting of 51,663,200f in respect of unpaid income-tax for 1916, 1917, and 1918, 72,735,900f for 1919, and 533,921,800f for 1920. It is interesting to notice that nearly one-half of the total amount levied for was allocated as follows among the following four great categories into which French income-tax payers are divided, namely, those who derive their incomes respectively from—

	Francs.
Profits from trade and industry	975,101,200
Profits from agriculture	27,999,700
Incomes from salaries	284,811,300
Incomes from the liberal professions	42,631,600

The balance levied for (1,445,329,000f) takes the form of the *impôt général*, or general tax, which is imposed on all persons alike who are subject to income-tax; the persons belonging to the four categories above being called on to pay according to the category to which they belong, in addition to the *impôt général*.

The striking discrepancy between the total amount of income-tax asked for from those who derive their revenues from trade and industry, as compared with those who till the soil, has for many months past been the cause of bitter controversy throughout France. On the one hand it is asserted that the trading classes, who are a comparatively small handful, in comparison with the agriculturists, are called on to pay over 33 per cent. of the total income-tax, whereas the agriculturists escape with a total of something like 10 per cent., in spite of the fact that they number something like 50 per cent. of the population, and have been making enormous profits for several years. The agricultural classes, on the other hand, insist that the income-tax statistics do not present the actual state of the facts, as every peasant proprietor is subject to the tax on undeveloped (that is, unbuilt on) land, which, if added to the total amount paid by the agricultural class in income-tax, would bring its contributions to the National revenue appreciably nearer to the total paid by the trading classes.

The yield from the tax on war profits during 1921 was almost as unsatisfactory as that from income-tax. The total amount due to the State under this head, including 2,485,252,000f in respect of 1921, was returned on the published lists as 12,193,527,000f, of which 10,325,390,900f became due and payable during 1921. A large proportion of this sum, it may be mentioned, was outstanding from previous years. The amount actually recovered during the 12 months was 7,578,383,500f. Another enormous amount of unpaid taxation was represented by the outstanding amounts due in respect of old direct taxes, including land tax and certain other taxes, that were abolished when the income-tax came into operation. The total amount of these taxes notified during 1921 was 2,261,195,200f, of which 733,028,900f were due to the State, and 1,538,167,200f to the various departments, communes, chambers of commerce, &c.

The liquidation of French and American war stocks during 1921 yielded a total revenue of 1,501,582,500f. It may be interesting to state that, so far as French war stocks are concerned, goods to the value of 6,110,000,000f have been disposed of since the liquidation began, and of this amount 5,615,000,000f have actually been paid for down to the beginning of December last, leaving a balance of 495,000,000f still to come in, practically the whole of which is due from public administrative bodies and Government departments. About 150,000,000f worth of French stocks still remain in hand awaiting disposal. The American army stocks left in France at the close of the war, it will be remembered, were purchased by the French Government for a lump sum of \$400,000,000, the dollar being calculated for this purpose at 7f, making a total cost of 2,800,000,000f. To this must be added interest at the rate of 5 per cent., payable in dollars at the rate of the day, as and from 12 months after the purchase was concluded. The total purchase price is payable to the United States Government within 10 years from the date of purchase, in dollars at the then current rate. Of these American stocks, goods have been sold to the total amount of 3,072,000,000f, of which 1,794,000,000f have been sold to public bodies and the balance to private purchasers. As in the case of the French stocks, the private purchasers have paid for the goods they have bought, while the public bodies concerned have so far not done so, about 250,000,000f worth of American stocks remain to be sold, and these, it is expected, will be disposed of by July next.

Despite the dramatic political events of the week, namely the fall of the Briand Government and the coming to power of Poincaré, also the sudden collapse of the Cannes Conference, the Bourse has remained more or less unaffected, the calls for new capital being now a much more important factor than events in the political world. The French Three per Cents. have remained at 55.90, but there has been a sudden improvement in French war stocks owing to the law that those subject to war tax may pay the war tax in French war Rentes providing that these are purchased before January 31st. There has consequently been a considerable demand for these Rentes, and the actual prices have approached very much more nearly to that officially quoted. Thus the discount charge on 1920 Six per Cents. has fallen to 2½, and the 1915 Five per Cents. to 1½, the 1920 Five per Cents.

to 1½, and the 1918 Four per Cents. to 1½, and the 1917 Four per Cents. to 2. Banks have been neglected, Union Parisienne fluctuating between 710 and 700. Banque de Paris closed at 1,240 from 1,255, and Crédit Foncier fell from 800 to 790, but Banque Ottoman advanced from 685 to 700. Transports have remained without movement, but shipping has been heavier.

GERMANY.—REPARATIONS—REICHSBANK REFORM—EXCHANGE AND BOURSE—EXPORT DUTIES.

(FROM OUR CORRESPONDENT.)

BERLIN, January 23.

M. POINCARÉ's statement to the French Chamber depressed slightly the mark exchange, and is considered unpropitious for the Genoa Conference, as the Conference was here understood to be a continuation on a greater scale of the Cannes debates, and that being so the Reparations clauses of the Versailles Treaty were bound to be discussed. If M. Poincaré's condition that no provisions of the Treaty are to be even indirectly raised, the Conference will have a very limited interest for Germany. The replies to the questions put at Cannes have not yet been published. Around the Wirth Cabinet rages a dispute on the subject of taxes. The Socialists have so far insisted that the so-called "solid values" (*Sachwerte* or *Goldwerte*), which increase in nominal value in measure as the currency decays, shall be subjected to a special tax. Such a tax was the main point of Dr Wirth's own declarations after he became Chancellor; but as the non-Socialist parties, including his own centre, are unfavourable, he has changed his mind. From the first the Socialists made their support of new indirect taxes conditional upon a "solid values" tax. The compromise proposed is that a second large instalment of the Emergency Levy be collected at once. Originally, the levy was to be collected in 30 (for land 50) instalments. Last year, as alternative to a forced loan, a whole one-third of the levy was collected at once, and it is proposed that the new instalment be another third. The fall in the value of money since 1919 (when the levy law was passed) is shown by the fact that in that year many persons held that the tax could not be paid even in small 30-year instalments, whereas to-day it appears practicable to collect two-thirds in a couple of years.

The estimates of the General Administration for 1922 show estimated revenue of 97,328 millions, or 44,700 millions more than in 1921. The estimates for execution of the Peace Treaty, as sanctioned by the Reichsrat, total 187,900 millions, whereof 135,000 millions are for Reparations. The expenditure for the Inter-allied Commissions is put at 1,800 millions. The total deficit of the financial year 1922 is put at 181,900 millions. The probable effect of this deficit on the currency inflation is shown by analysis of the floating debt and Treasury bill figures. The inflation of the past years has represented that part of the discounted Treasury bills which have remained on the Reichsbank's hands. The floating debt is almost entirely (246 out of 264 milliards) made up of discounted Treasury bills. The proportion of new bills remaining on the bank's hands depends upon money market conditions, and of late the proportion has greatly risen. The great inflation of the last few months has, therefore, been caused not only by the absolute increase of the floating debt, but also by the increased saturation of the money market with Treasury bills. In 1918 the private banks and public took up 13,707 millions out of 26,356 millions of new bills, or 52 per cent.; in 1919 17,079 millions, out of 31,174 millions, or 55 per cent.; in 1920 50,068 millions, out of 66,442 millions, or 75 per cent.; and in 1921 19,393 millions, out of 94,098 millions, or 21 per cent. The *Frankfurter Zeitung* comments that either the capital market has become much more stringent, or that the bank has lost control of this market—probably both. Prospects of inflation for 1922 are black. The Prussian Budget for 1922 shows revenue of 29.1 milliards, ordinary expenditure of 18.8 millions, and extraordinary of 10.3 millions. Plans for reform of the Reichsbank are under way. The increase of the bank's capital to 1,000,000,000 marks from the present 180,000,000 marks is discussed. Also

under debate, in connection with expected Ally demands, is the right of foreigners to take part in the management. At present only foreigners residing permanently in Germany can sit on the Central Committee. Except in the main question of financing the Government, the bank has practically complete Home Rule; and in the question mentioned it is war legislation still in force, not the pre-war law, which limits liberty. To the Financial Committee of the Reichswirtschaftsrat has been submitted a resolution demanding abrogation of war laws as far as they compel the bank to assist the State in contracting debts without limit. The bank, says the resolution, should during the transition period be allowed to issue a limited quantity of notes against Treasury bills. The bank should be converted into a share company, managed entirely independently of the Republic, but with its president sanctionable by the Government. In general notes should be issued only against purchases of gold, or against commercial bills. In exchange for its concession the bank should book part of its present holding of Treasury bills as a perpetual, non-interest-bearing debt from the Republic; it should be allowed to issue notes against such Treasury bills, and be required to cancel them out of its profits at a fixed minimum rate. The rest of the bank's holding of bills should be amortised by the State.

The Reichsbank has raised its purchase rate for 20 marks gold coins from 720 to 780 paper marks. The highest price, 850 marks, was reached in November. No statement as to the rate for fine gold has been issued since late September, when the price per kilo was 63,000 paper marks. The bank's statement for January 14th shows a decline of 4,897,315,000 marks in Treasury bills discounted to 122,845,645,000 marks; an increase of 893,481,000 marks to 4,067,726,000 marks in State deposits, of 4,420,028,000 marks to 17,468,552,000 marks in private deposits; and a decline of note circulation of 545,935,000 marks to 112,593,937,000 marks, and of "Kassenscheine" of 90,900,000 marks to 8,142,100,000 marks. Stocks last week were mostly moderately firm, with sharp rises in potash and brown coal papers. The *Frankfurter Zeitung's* index for January 20th shows 34,537 for 25 stocks, against 32,487 on the 13th, 898 against 900 for home loans, and 1,826 against 1,771 for foreign loans. Potash stocks have been sent up by a fight for domination between the leading Wintershall and Deutsche Kaliwerke groups. The former, which produces cheaply, desires to cut export prices; the latter, which produces at greater cost, opposes. While stocks in general (following the fall in the exchanges) are much lower than in the first fortnight of November, potash stocks are much higher, one nearly twice as high. Brown coal is closely connected with potash; by buying up brown coalfields some potash works have been enabled to extend materially their business.

The Reichswirtschaftsrat has approved of a Bill establishing universal export duties. Under the law of December, 1919, export duties were imposed only on those wares which are export-forbidden, that is, exportable only under licence.

ITALY.—BANKING—FOREIGN EXCHANGES—THE LIRA'S EXTERNAL AND INTERNAL VALUE.

(FROM OUR CORRESPONDENT.)

TURIN, January 22.

No further important news is to hand as regards the Banca Italiana di Sconto affair. Two or three minor banks have closed their doors in consequence of the Banca's moratorium, but the effect is hardly noticeable. It appears that several plans for the reconstruction of the Banca have been submitted to the Government for approval, but no definite decision has been arrived at. The Ilva iron and steel company shareholders, after inquiring into the loss of their capital, have come to the conclusion that it was inexpedient to prosecute past directors, and was better to accept a formal offer from the same directors of a payment of 30 million lire. Notwithstanding these and other bad incidents of the crisis, the impression is gaining ground that the worst is passing.

Some interesting financial data are contained in the new edition of "Prospettive Economiche" by Professor Giorgi Mortara. Professor Mortara studies the relations

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between the internal and external buying power of the lira. At first sight the situation is not bettered, perhaps is yet worsening. Exchanges continue very much against Italy, as is seen from the following table of average monthly prices at the end of half-years:—

		100 Swiss		Pound	100 French
		Dollars.	Francs.	Sterling.	Francs.
Parity	lire	5.18	100	25.22	100
June, 1914	"	5.16	100.22	25.27	100.33
December	"	5.30	101.60	25.88	103.31
June, 1918	"	9.10	230.70	43.75	161.02
December	"	6.34	130.00	30.37	116.25
June, 1919	"	8.05	151.32	37.33	125.43
December	"	13.07	241.67	50.08	121.92
June, 1920	"	16.89	308.98	67.14	133.64
December	"	28.57	441.02	99.79	169.65
June, 1921	"	19.84	339.40	75.63	161.51
December	"	22.70	439.85	94.00	177.10

If not quite at its worst, the lira remains gravely depreciated. The value of the lira in terms of the gold lira has moved thus:—December, 1914, 98 per cent.; 1915, 79 per cent.; 1916, 76 per cent.; 1917, 62 per cent.; 1918, 82 per cent.; 1919, 40 per cent.; 1920, 18 per cent.; 1921, 23 per cent. Fortunately, it seems that the two levels—internal and external—of the buying power of the paper lira are approximating. Thanks to the decrease of prices in the United States, the lira purchases more goods there than a year ago. Professor Mortara has calculated the weight which a given sum of money could acquire in 1913 and in September, 1921. Making 100 the weight acquired in both markets in 1913, with a given sum of lire, the same sum acquired in September, 1921, the following weights:—

In Italy.		In the United States.	
Wheat	 23	Wheat	 17
Indian corn	 20	Indian corn	 25
Wine	 15	Sugar	 17
Olive oil	 16	Petroleum	 23
Butcher cattle	 15	Calf skins	 29
Butter	 14	Coal	 13
Raw wool	 23	Raw wool	 22
Raw hemp	 19	Raw cotton	 14
Raw silk	 14	Pig-iron	 17
Sulphur	 17	Steel	 20

As far as these scattered data go, it seems that the buying power of the lira is reduced to a fifth part of 1913. And the reduction is not very much different in the two markets. If that is a true picture, equilibrium ought not to be a very distant hope, and when it is attained, the stabilisation of the foreign exchanges would no longer seem an impossible dream.

GREECE.—LOAN IN ENGLAND—OPENINGS FOR BRITISH CAPITAL—REACTION IN EXCHANGES AND STOCKS.

(FROM OUR CORRESPONDENT.)

ATHENS, January 5.

On Friday last the Minister of Finance issued a communiqué stating that the British Government have given their consent for the issue of a Greek loan of £15 millions in England (for which negotiations have been proceeding in London for some time lately), under the condition that the greatest possible portion of the proceeds of this loan will be utilised for the purchase of English products. On the other hand, the Greek Government have renounced their claim against the British Treasury in connection with the unpaid balance of £5,500,000 of the credit opened in favour of Greece in virtue of the agreement, signed on February 10, 1918, between the Governments of Great Britain, the United States, and France on the one part, and the Greek Government on the other. The openings which Greater Greece offers for British capital and trade have been repeatedly indicated in this column. Nearly everything has to be done. New railways need construction; those already

existing must be extended, new locomotives be purchased, and the rolling-stock must be repaired and increased; ships, bridges, roads, and houses have to be built; factories to be enlarged and equipped with machinery; ports and docks to be constructed, and automobiles to be bought for communication purposes. Agriculture, cattle, and live-stock raising and fishery are waiting for development; finally, foodstuffs and clothing materials of every kind must be imported annually in considerable quantities. The importance of Greek markets to British trade may be judged from the following table:—

(In Millions of Drachmæ.)

	1913.	1918.	1919.	1920.
Imports from—				
England	43	84	389	523
United States of America	3	86	445	478
Germany	14	..	..	26
Russia	35	..	4	12
Austria	29	..	3	6
France	11	83	134	213
Italy	6	80	142	218
Egypt	1	62	84	64
Total imports	178	734	1,608	2,131
Proportion of imports from England to total imports	24 %	11 %	24 %	25 %
Exports to England	28	83	175	121
Total foreign trade of Greece	297	1,031	2,335	2,795
Proportion of total trade with England to total foreign trade	24 %	16 %	24 %	23 %

England alone accounted for 23 per cent. of the total foreign trade of Greece in 1920.

The news of the permission to raise the loan in England spread a temporary panic among speculators in foreign exchanges and in stocks. Foreign exchanges fell immediately. Happily for the speculators, the Consortium has lowered its rates for the moment only by 3 dr to the pound sterling, and this wise action has served as a deterrent to the falling trend, which otherwise would assume dangerous dimensions. It is the intention of the Consortium to lower the rates (so far as may be deemed advisable) only gradually and slowly, so that the readjustment of the general level of prices may be made with the least possible disturbance. Speculators are offering their holdings in blocks to prevent losses from a further fall of rates, and it is believed that sales would have been much more important still if a sudden fall of the rates were anticipated. In the Stock Exchange the reaction was somewhat more severe, as the depressing factors had free play. Consequently Government securities in gold and Corporations shares, which the rise of foreign exchanges had pushed to high levels, dropped sharply. An exception to this downward movement were the shares of the National Bank of Greece, which rose from 9,950 to 10,300 dr per share. The initial nervousness having now subsided and confidence restored, Government bonds and Corporations stocks, on the whole, show a sensible and progressive recovery.

NORWAY. — FINANCE AND TRADE IN 1921—A BLACK YEAR.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, January 9.

THE weather during the past year has been so dry that few, if any, people can remember anything like it. The result has been disastrous to such parts of Norwegian industry as need a great quantity of water for production of power, &c. This, of course, in the first place, applies to the wood industry and the generation of electric power. This misfortune has, however, been mitigated by circumstances which are in themselves misfortunes—viz., the greatly reduced inquiry for all kinds of wood or forest products. So, if production has been restricted through want of water, export has been, perhaps, still more restricted. One might have expected that the dry weather would have entirely spoiled the crops. This has not been the case. Small, seasonable rainfalls have helped, and the hay may be characterised even as good,

while other crops are not so bad as was feared. Since the boom of 1920 the timber trade has been extremely bad. Many cellulose and woodpulp factories and sawmills bought timber excessively during 1920, and at exorbitant prices. As the prices have fallen 50 per cent., or perhaps more, they are heavy losers. The difficulties of financing these enormous purchases seem to have been overcome, for the present at least.

The money market has not, generally speaking, been tight. By the middle of the year circumstances permitted a reduction of the official discount rate from 7 to 6½ per cent., while the private banks took a further and unprecedented step of lowering their rate for deposits a further ½ per cent. to recoup themselves for increased costs of management. The note circulation of the Bank of Norway, which a year ago was about 478 millions, was about 418 million kroner at December 31st. This was not the lowest, for at the end of November last the circulation even fell below 387 million kroner. The larger private banks are in a sound position, but some smaller banks, chiefly the country and coast city banks, have found it difficult to maintain liquidity. More than 20 of them have got into difficulties, out of which some have been extricated by aid from outside, while some have succumbed. At the beginning of the year the large Overseas Export and Import Company, owing to some unsuccessful undertakings of a daughter company in the Far East, was compelled to stop its business, and the result was a loss of about 30 millions. Another very large concern, the Elektrokemisk, with a capital of about 37 millions, owing to losses sustained in 1920, had, at the beginning of the year, to write down its capital to one-fifth of the nominal amount. Just before the close of the year, to finish this sorry list; a couple of big insurance companies proved to be insolvent and had to discontinue business.

The number of bankruptcies, of course, is very considerable compared to the preceding years, but by no means appalling, considering the fall in prices of merchandise and the reduced purchasing power of the public. The shipping trade had a very black year. The coal strike in England, and the sailors' strike at home, aggravated the difficulties. The gross freight earned last year is computed at 400 million kroner, or hardly one-third of the sum earned in the previous year. Fortunately the end of the year seems to have brought some improvement. The fisheries have, both in respect of quantities of fish caught, as to quantities sold, and as to prices obtained, shared in the general depression. A tariff war with Spain and Portugal—important markets for dry codfish—has added to the difficulties of this trade. The stock markets have been very quiet indeed, and the prices of shares, especially of industrial and shipping shares, have receded sharply. The same, though less markedly, is also the case with bank shares. Public bonds, on the other hand, have gained substantially. The year saw some big struggles between workers and employers. The result, inevitably, was a defeat for the workers. Wages are, however, still considered too high if industry is to be able to compete in world markets. The early part of this year will see new negotiations—new struggles perhaps—on this score. Both the contending parties are in difficulties. The cost of living is, however, constantly going down, and this may ultimately lead the way to agreement.

JUGOSLAVIA.—TRADE DIFFICULTIES—BRITISH EXPORT CREDIT SCHEME.

(FROM OUR CORRESPONDENT.)

BELGRADE, January 17.

FURTHER depreciation of the dinar has placed Serbian import merchants in a very difficult position. During December London was quoted at about 275 and Paris about 520. These rates are too high for our importers who have debts abroad. Towards the end of the year the situation became still more serious. At the present moment the cheque on Paris has reached 595, and the London cheque 305. It is becoming almost impossible for Serbian merchants to settle their old debts (from 1920 and 1921) contracted in England, France and Italy.

In this difficult situation the Belgrade merchants are asking for a moratorium for a period of 18 months. The Government would have completely to guarantee commercial debts in order to assure the position of creditors abroad. It appears that the Government is disposed to help the merchants, but the plan suggested by the merchants has not been accepted, because this throws upon the Government a very heavy responsibility towards the foreign creditors.

Mr Horton, the Representative of the Department of Overseas Trade in London, has just been on a visit here, to obtain information on the application of the export credit scheme in Yugoslavia. Up to the present there has been very little business done between Yugoslavia and Great Britain under the scheme. This scheme was elaborated in the hope that the depreciated currencies of Eastern Europe were going to improve in one or two years, and this has not happened. If the Serbian merchants had done business on the basis of the export scheme they would all be bankrupt now, seeing that the dinar has steadily depreciated since 1918. Nevertheless, it is thought that the dinar could improve in the near future, if our politicians would pay more attention to economic and financial questions. In this case the export credit scheme would be a very great help to Yugoslav trade. It would only require to be slightly modified, and suggestions have been submitted to Mr Horton during his conferences with the merchants, manufacturers, and banks of Belgrade.

Letters to the Editor.

"THE WAGES TANGLE."

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your issue of January 21st there appears in an article under the above heading the following statement:—

"There is no doubt that the monthly publication of the costs, receipts, and profits of the coal industry during control, which gave the men for the first time a trustworthy general view of the position of their industry, enabled the two sides, in the spring of 1921, to get to a degree of understanding which, given a little more time, might have averted the strike, and certainly largely contributed to the acceptance by the men of the product-sharing principle which underlies the present settlement. We regret very much that the Mining Association of Great Britain has not continued the publication of these figures, for the future of industrial relations in this country depends, more than upon anything else, on creating the conviction that workpeople are being treated frankly and with fairness during the present depression."

It is plain that your correspondent has not made himself familiar with the terms of settlement following last year's stoppage. Clause III. of this Agreement covers the question thus:—

"The amount of the percentage to be paid in each district during any period shall be determined by the proceeds of the industry in that district during a previous period, as ascertained by returns to be made by the owners, checked by joint test audit of the owners' books carried out by independent accountants appointed by each side."

Every colliery in a given district sends in a return of which both the owners' accountants and the men's accountants receive a copy. In order to satisfy themselves that nothing has been improperly included as a cost of production, and that the returns are correct in other respects, the men's accountants have the right to make a test audit of the owners' books. This right they, in fact, exercise. The results are then summarised by the accountants, and both owners' and men's organisations receive a statement showing for the district what are:—

- (a) The total proceeds.
- (b) The total wages paid.
- (c) The total costs other than wages.

The results of these "ascertainties" are announced

by the men's accountants, and the state of the industry, being reflected in the men's wages, is at all times known to the men.

I do not think the workpeople have doubts with regard to the information supplied to them, and I will finish my letter with a quotation from a recent speech of Mr. Hodges, in which he says:—"Even if the archangel Gabriel had, with a divine pen, drafted the agreement for the mining industry, it would not have substantially changed their lot."—Yours truly,

PHILIP GEE.

40 King street, Covent Garden, W.C. 2,

January 24th, 1922.

[We were aware of the provisions for joint audit referred to by Mr. Gee, and the comments to which he refers were not intended to convey that the miners are suspicious or are ignorant of the results used in fixing wages under the new product-sharing scheme. But these results are of importance not only to the miners in the district concerned, but also to the whole industrial community, who are watching this experiment with the greatest interest. The temper of Labour generally will be largely determined by its success or failure, and at the moment, when the settlement is approaching its most critical period, we are gravely concerned at the cessation of full publicity.—Ed. *Economist*.]

RAILWAY RESERVE FUNDS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Would you give space for the consideration of a subject which these days of adversity have illuminated with a new light, and that is the subject of railway company reserve funds? A railway must spend money on many objects which cannot be charged under the usual heads of working expenses, for which money should not be borrowed, or stock issued, and this money, therefore, comes from net earnings before dividends are declared, and the fund which provides the money is generally called "credits to reserve." This is necessary and good, but those objects on which the money is expended are largely consumed in use, and the abuse of the system is that the reserve fund does not suffer a corresponding waste: so it increases year by year, looks splendid in the balance-sheet, and perhaps represents nothing any longer in existence. I urge the adoption of a new system. Nothing should be called reserve except that which is represented on the other side of the account by saleable assets which can be turned into cash and used to supplement earnings if required. The railway official would say, "What is the use of our locking up our money to return, say, 5 per cent. to 6 per cent., when in our hands it earns perhaps 25 per cent.?" Perfectly; I don't urge any different practice from the present, but a less misleading nomenclature. Let the account be called "renewals and improvements," and then let the money spent be debited to that fund and the net credit reduced. There was a case this year which vividly illustrated the disadvantages of the present nomenclature. A railway company had been most ably managed and financed for many years. It gradually accumulated in its accounts a so-called reserve fund of £1,000,000, and besides much money reserved from earnings in various funds under other titles. At last the directors thought the shareholders would grumble if, after reserving £1,000,000, money was still added to reserve, and they reserved £300,000 more, but called this fund dividend equalisation account. This year brought great difficulties. The interim dividend was passed, and the final dividend largely reduced, though the net earnings shown in the report would have sufficed to continue the rate paid the previous year. But there was not really the money to pay out, though this company had on paper enormous reserves and a dividend equalisation account. Of course, professionals know, if they look into an account and see nothing tangible against reserve credits, that they represent earnings reserved and returned to the business, and that these credits will not help the company in an emergency, except to inform inquirers that the directors have been wise and cautious in the past and not divided earnings up to the hilt, and that the stockholders, though they may not have had dividends, have a well-maintained plant to represent their stock. But all shareholders are not professionals, and a

state of affairs like that outlined above was a great disappointment and should not be perpetuated.—Yours truly,
F. L. GOVETT.
6 Throgmorton street, E.C. 2.

Books and Publications.

REVIEWS.

"The South Sea Bubble." By Lewis Melville. Illustrated. (London) Daniel O'Connor. 1921. 25s net.

THE amazing outburst of speculation in the London of 1720 has never yet had a book to itself. It was the outcome of the Tory effort, ten years earlier, to show that the landed classes which made up the party could outdo the mercantile wings in finance, by converting the Funded Debt into the stock of a company formed to monopolise British trade with Spanish-America. The trade proved disappointing, and in 1720 the company reverted to finance, planning to pay off the unfunded Debt by issues, at huge premiums, of its own stock. The resultant gamble, the profit-taking, and the rise of a host of companies offering fresh opportunities for speculation—Mr Melville enumerates 166—was followed by a crash and a scandal described in all the histories of the period. Mr Melville gives details and long extracts from the original authorities, and from the comment and satire of the time. The book should be useful to students, though the economic causes and bearings of the outburst must still be sought in the pages of economic historians. The eighteenth century "projectors" anticipated most of the devices of their successors in the twentieth—even to the blind pool of the modern bucket shop.

BOOKS RECEIVED.

International Finance and Its Reorganisation. By Elisha M. Friedman. (New York) E. P. Dutton and Co. \$7.
Sixty Years of Indian Finance. By K. T. Shah. (London) P. S. King and Son, Limited. 21s.

Labor and the Moneyed Man. By George Radford. (London) Hodder and Stoughton, Limited. 6s net.

Depreciated Exchange and International Trade. (Washington) United States Tariff Commission.

A Fluctuating Exchange and the Remedy. By W. Goodliffe, M.A. (London) 68 Victoria street, S.W. 1.

A History of Trade Unionism in Australia. By J. T. Sutcliffe. (Melbourne) Macmillan and Co., Limited.

Obtainable from Messrs Macmillan and Co., Limited, London. 6s.

1921 Financial Notes. (London) Fred C. Mathieson and Sons, 16 Copthall avenue, E.C. 2. 21s.

The Official Year Book of New South Wales, 1920. (Sydney) Bureau of Statistics.

Coal and Smoke. By John W. Cobb. (London) Longmans, Green and Co. 1s.

The Cost Accountant. January, 1922. (London) The Institute of Cost and Works Accountants, 38 Grosvenor gardens, S.W. 1.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET—
February 8.

ACCOUNT—
February 9.

THE feature of the week is the way in which new stock has been eagerly absorbed by the public. The subscription lists for the thirty million pounds Local Loans issue closed within a couple of hours of their opening. Marked success occurred in the cases of the Anglo-Persian Oil and a number of other industrials. Premiums obtain on practically all the new issues recently made, premiums that range from a point up to 6. The scramble for existing stocks continues. Debentures of any good-class railway; preference shares in sound industrial companies, even the ordinary stocks of many scores of sound concerns are increasingly difficult to obtain. Every morning the market happens in the Stock Exchange: brokers go round from market to market with orders to buy stock, and find that the jobbers are ready enough to deal—but only as buyers, themselves. They have no stock to offer. Naturally enough, in these circumstances, new issuers are busy with their wares,

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Manchester Foreign Branch Corner York St. & Fountain St., Manchester.

and it is said that a dozen or more promotions are already on the stocks to be presented to the public within the course of the next week.

India Government stocks gave way upon alarmist references to the state of affairs in the Dependency. These were deemed to be somewhat exaggerated, but the market remains dull. Conversion, Funding, and practically all the latest Colonials are in active demand. The throwing upon the market of a large line of War stock caused the price to react a trifle from the top. The three series of Treasury 5½ per cent. bonds have advanced in company with the rest of the Consol market, and the Local Loans, issued at 57, rapidly advanced to ¾ premium, while Port of London Sixes, a non-trustee stock, has risen to 6 premium.

Foreign Government bonds keep tolerably steady, but interest in them is subservient to that shown in the Consol market. Germans have been moving narrowly, and French issues are not attracting much attention. Brazilians moved erratically, the Funding Loan of both dates being better, while the other issues were disposed to give way. The new Chile 7½ per cent. scrip failed to make headway against the sales of stags, who wanted to get out before the second call becomes payable on February 1st. Uruguay bonds have strengthened. The speculation in Russians has died down, and, while prices maintain most of their recent sharp recovery, there has been a little selling to lower prices from the best.

Home Railway ordinary stocks are irregular; the Scottish and Undergrounds have given way somewhat noticeably. Yesterday's dividend announcements from the Great Northern and Lancashire companies aroused lively interest. The debenture and preference stocks are mostly better. Canadian pre-ordinary railway stocks have again been rising. Mexicans are a little harder, and Argentine Rails pursued an erratic course, the market being easily swayed by a few orders on either side. The prior charge stocks, however, in this department are decidedly strong, there being plenty of demand with very little supply to meet it.

Rubber shares are as dull as ever. The oil market is quiet. Allotments of the new Anglo-Persian issue are expected in the course of the next fortnight or so. Maples gave way, on the disappointing dividend of 7½ per cent. Tobacco shares recovered after a drop in Imperials, the dividend of 17½ per cent. net being the same as that of a year ago. The submarine cable group is better, and Radio Corporations rose substantially, on persistent buying from New York, though Marconis are quiet. Fears of a capital reorganisation led to a further dullness in Dunlops. The company's debentures, however, together with those of Levers, Joshua Hoyle, and Niger Notes, have all attained three figures this week. Vickers enjoyed a brief spurt, and held part of the rise, but other iron and steel shares are attracting little attention. City Equitable Associated preference remain very flat, and the shares of the City Equitable Fire Company further gave way. The insurance group as a whole is stronger. Banking shares have moved but little, though Indians are lower. Nothing of fresh consequence has occurred amongst shipping issues, P. and O. deferred being lower on the week, while the new Union Castle debenture stock opened at 1 premium and remained steady at that price.

The Kafir market weakened further, on the fear lest some of the companies which had declared dividends payable next month would elect to postpone the distributions, but this apprehension was removed towards the end of the week, and there was a faint recovery. The position of the mines, however, is far from being happy. The only consolation which the market draws from the strike is that, if the fight is allowed to go on to a finish, it should definitely end the restlessness that has marred relations between the mines and their employees for Kaffirs. The gamble in Russo-Asiatics has died down to small proportions. The course of tin, the metal, brought no comfort to holders of tin-mining shares, and the tendency of the various markets, Cornish, Malayan, West African, has been towards lower levels. The only outstanding feature of strength in the mining markets this week was a jump in Mount Elliotts on Paris buying, stimulated apparently by the reorganisation scheme now before shareholders.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—				
Amount previously recorded	69,222,365			

TREASURY BONDS.

Total receipts, 5-15 Year, 1925-35	1,082,317
5½% 1929 receipts to January 14, 1922	218,245,611
Week to January 21, 1922 (new series)	47,960,000
Receipts to date	266,205,611

NATIONAL SAVINGS CERTIFICATES.

Net Receipts into the Reserve Fund ended January 21, 1922.

April 1 to January 21, 1922, £9,930,000	2,450,000	2,450,000
To the Public—		
New South Wales Government 6% Conv. Loan, £7,000,000, at 97½, red. at par, 1930, Nov. 1, 1940		
Anglo-Persian Oil, 2,000,000 8% Conv. First Pref., £1, at £1 1s. 2,000,000 ..	2,100,000	250,000
Do 600,000 Ord. Shares, £1, at £3 5s (Jan. 23) ..	600,000	150,000
Local Loans Stock, £30,000,000 3% (red. at par), issued at 57½ (Jan. 23) ..	30,000,000	1,500,000
Clan Line Steamers, Limited, £1,500,000 7% Mort. Deb. Stock (red. at par, 1927-41), issued at 99½ (Jan. 24) ..	1,500,000	148,500
African Steam Ship Co., £1,500,000 6% Deb. Stock (red. at 100% 1927-34), issued at 95½ (Jan. 26) ..	1,500,000	75,000
Stoll Picture Theatre (Liverpool), Limited, £175,000 7½% Deb. Stock (red. at 105½, issued at 85% 1915), issued at 85% (Jan. 23) ..	175,000	148,750
Do 377,650 Ord. Shares, £1, at par (Jan. 23) ..	377,650	94,412
Total offered to public	24,556,400	2,236,912
Total offered for subscription to date ..	24,556,400	2,236,912
in—		
1922	£144,188,765	£388,978,203
1921	18,894,474	367,594,606
1920	37,488,922	1,036,069,951
1919	227,814,144	1,393,381,441
1918	138,566,095	1,318,596,010
1917	16,317,866	585,436,850
1916	77,023,950	685,236,320
1915	790,096	519,522,533

Five per Cent. Treasury Bonds.—Issued at 99 per cent. payable on application. Repayable at par on February 1, 1927. Interest payable half-yearly on February 1st and August 1st. Principal and interest of these bonds are chargeable on the Consolidated Fund of the United Kingdom. Interest will be exempt from corporation profits tax. The first dividend will be payable on August 1, 1922, and will represent interest to that date from the date on which the relative application was lodged and payment made for the bond. The yield on these bonds, including profit on redemption in five years, is £5 4s 7d per cent.

Local Loans 3 per Cent. Stock.—Issue of £30,000,000 at 57½ per cent. First dividend payable April 5, 1922, at the rate of 5s. per £100. The stock will be inscribed in the books of the Bank of England and of the Bank of Ireland, and will be consolidated with existing Local Loans stock. Principal and interest are charged upon the Local Loans fund established under the control of the National Debt Commissioners, and, if such fund is insufficient, upon the Consolidated Fund of the United Kingdom to the extent of any such insufficiency. The stock is redeemable at par at any time by resolution of the House of Commons on one month's notice being given in the *London Gazette*. Interest is payable quarterly. Transfers and stock certificates are free of stamp duty. The yield of this stock at the price of 57 is £5 5s 3d per cent. A gilt-edged trustee security, which was quickly over-subscribed.

New South Wales Government 6 per Cent. Conversion Loan, 1930-1940.—This is an offer of conversion to holders of £4,400,000 4 per cent. debentures, maturing October 1, 1922, and £494,600 5½ per cent. debentures and £2,005,400 5½ per cent. stock maturing August 15, 1922. The price of the issue is £97 per cent., and this stock will rank *pari passu* with the existing £3,000,000 New South Wales 6 per cent. stock, 1930-40. Holders of the 4 per cent. debentures maturing October 1, 1922, are to receive a cash payment of £3 7½ per cent., being £3 per cent., the difference between the nominal amount of 4 per cent. debentures and the issue price of the 6 per cent. stock, plus 10s per cent. (less tax) difference of interest. Holders of the 4 per cent. debentures are to surrender the coupons due April 1 and October 1, 1922, and holders of the 5½ per cent. debentures or stock maturing August 15, 1922, are to receive a cash payment of £2 18s 3d per cent., being £3 per cent., the difference between the nominal amount of 5½ per cent. debentures and stock and the issue price of the new 6 per cent. stock, with a deduction of 2s 6d (less tax) for difference of interest. Holders of the 5½ per cent. stock will

receive the interest due February 15, 1922, and holders of the 5½ per cent. debentures should retain the coupon due the same date, surrendering the coupon due August 15, 1922. The usual disclaimer of the British Treasury appears, but it is a trustee investment, and ranks high amongst Australian securities.

The Clan Line Steamers, Limited.—Authorised capital £3,750,000, of which £3,700,000 has been issued. This is an issue of £1,500,000 7 per cent. mortgage debenture stock at 99 per cent. The Clan Line of Steamers Co. was incorporated as an undertaking with a limited liability in 1890, with an ordinary capital of £500,000. Its fleet consists of 53 steamers, the value of which, at December 31, 1921, after allowing for depreciation, amounted to £5,000,000. This mortgage debenture stock will be secured by a trust deed, under which vessels of the company valued at £3,226,403 are "specifically vested by first mortgage" in the trustees. Further, the trust deed provides for additional tonnage, so that the total value of security pledged should always be double the amount of stock outstanding. The issue was underwritten for 2 per cent., with an overriding commission of 1 per cent. Details given in the prospectus are informative, though a table of past profits would have been of material assistance to investors, and those subscribers who succeeded in obtaining allotments may consider that they possess an excellent stock.

The African Steam Ship Company.—Authorised share capital £5,000,000, of which £2,500,000 has been issued and is fully paid up. This is an offer of £1,500,000 6 per cent. debenture stock, being part of an issue authorised and limited to 70 per cent. of the paid-up share capital of the company. Right is reserved to pay off stock any time after February 1, 1927, on giving three months' notice, and stock not redeemed will be repaid at par in 1934. The company was incorporated by Royal Charter in 1852, and now owns a fleet of 31 vessels. It also holds the whole of the share capital of the Elder Line, which has a fleet, "free from any charge," of 14 vessels. A table of dividends on ordinary shares is provided, which goes back to 1896. No profit figures being given, the statement that "the interest on the present issue of 6 per cent. debenture stock will amount to £90,000 per annum" is of little interest to intending investors. The prospectus states that "the book value of the fleet and investments of the company at December 31, 1920, as shown by the balance-sheet of that date, certified by the auditors, amounted to more than £4,000,000." This debenture stock is, however, only to be secured by a floating charge on assets, and as far as is revealed by the prospectus, no provision is made against the creation of prior charges. However, the excellent past record of the company will ensure a hearty reception being given to the issue, and may be taken to outweigh in importance the points we have mentioned.

The South Essex Waterworks Company.—Incorporated by Special Act of Parliament, 1861. This is an offer by tender of £100,000 6½ per cent. redeemable preference stock, the minimum price of issue being par. The stock is to be redeemed at £102 per cent. on January 1, 1932. The authorised stock capital is £835,700, of which £466,908 has been issued, including premiums on stock. Of this latter amount, preference stock represents but £148,500, but it does not, of course, include the present issue. The authorised loan capital is £414,396, of which £155,550 has been issued. The prospectus is not as fully informative as those usually circulating from this quarter, as in the place of actual past profits an estimate of profits for 1922 appears. This is possibly an oversight. As the maximum rates of dividends on ordinary stocks have been paid for upwards of 10 years, the issue can be regarded as an excellent security in its class, if obtained at par. It is a trustee investment.

Stoll Picture Theatre (Liverpool), Limited.—Authorised share capital £380,000, divided into 379,900 ordinary shares of £1 each and 100 management shares of £1 each. This is an issue of 377,650 ordinary shares at par and £175,000 7½ per cent. debenture stock at 85 per cent., "redeemable" at 105 per cent. The term "redeemable" is somewhat ambiguous. A cumulative sinking fund of £5,250 per annum, beginning in 1926, is proposed; but from our reading of the prospectus, we do not find anything that binds the directors definitely to redemption of the whole or any part at any particular date. It is also proposed to issue "constructional period convertible notes," bearing interest at 6½ per cent. per annum, "to applicants for £200 and over." This is a proposition of Sir Oswald Stoll's to erect and run a picture theatre at Liverpool. The novelty of issuing 100 management shares, which do not rank either for capital or dividend claims, are dealt with in another part of this issue under "Notes of the Week." The debentures are to be secured by a trust deed creating a floating charge only on assets, and the company reserves power to create mortgages or specific charges, in priority to these debentures, during the constructional period. Thus the value of the floating charge and trust deed are distinctly problematical. The owners of the site are selling at a profit of £33,098, and Sir Oswald Stoll

is interested in the property to the extent of one-fifth part. Profits are estimated on the basis of earnings made by the Stoll Picture Theatre (Kingsway), London. But it is reasonable to assume that profits of an entertainment in the Metropolis is a measure which can be applied to Liverpool? It is quite probable that under Sir Oswald's efficient management the undertaking will prove successful, but a subscription to the issue will be based on this confidence rather than on the intrinsic merits of the prospectus.

National Bank of Australasia, Limited.—According to cable advices, it has been decided to increase the capital of this bank by the issue of 100,000 ordinary shares of £8 each, with £5 paid, to existing shareholders, in the proportion of one share for every two fully paid and one for every four ordinary shares "at a premium of £1."

Société Générale des Huiles de Pétrole.—The capital of this company is to be immediately increased from 100,000,000 (say £2,000,000) to 227,000,000 (say £4,540,000). Of this increase 120,000,000 (say £2,400,000) will be issued this week at par, a large proportion being guaranteed by the Anglo-Persian Oil Company. The Société Générale des Huiles de Pétrole was formed a year ago primarily as the refining and marketing organisation for the Anglo-Persian Oil Company in France and the French colonies, when 45 per cent. of the capital was subscribed by the Anglo-Persian Oil Company. Certain rights in the new issue are reserved for the present shareholders.

To complete our record of new issues and summary of profit and loss accounts, company secretaries are requested to furnish us with copies of new prospectuses and report and accounts. Our readers can also assist by forwarding copies of prospectuses and company reports and accounts which may fall into their hands.

ACTIVE SECURITIES.

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
War Loans	100.00	100.00	—
Consols	100.00	100.00	—
Local Loans	100.00	100.00	—
Colonial Govt. Secs.	100.00	100.00	—
Foreign Govt. Secs.	100.00	100.00	—
Colonial and Foreign Railways.	100.00	100.00	—
Foreign Government Securities.	100.00	100.00	—
British Railways.	100.00	100.00	—
American Railroads.	100.00	100.00	—
Mines.	100.00	100.00	—

	Price Last Week.	Latest Price.	Rise or Fall.
Barclays B. (11 p.d.)	2 1/2	2 1/2	—
Lloyds (25 with 11 p.d.)	2 1/2	2 1/2	—
London Joint City & Midland (11 p.d.)	7 1/2	7 1/2	—
London County West. minster and Parr's (20 with 11 p.d.)	15 1/2	15 1/2	—

	Price Last Week.	Latest Price.	Rise or Fall.
Antioquia Cons.	45	45	—
B. A. & Pacific	36 1/2	36 1/2	—
B. A. & Gt. Southern	60 1/2	60 1/2	—
Buenos Ayres West.	53 1/2	53 1/2	—
Canadian Pacific	148	148	—
Central Argentine	52	52	—
Grand Trunk Ord.	1 1/2	1 1/2	—

	Price Last Week.	Latest Price.	Rise or Fall.
Argentine 5%, 1888-7	97	97	—
Belgian 3%	63	63	—
Brazil 5% Fund, 1914	67	67	—
Chilian 4%, 1895	67	67	—
Chinese 5%, 1913	67	67	—
Egyptian 4%	65	65	—
French 5%	408	408	—
Do 4%	31 1/2	31 1/2	—

	Price Last Week.	Latest Price.	Rise or Fall.
Great Central Pref.	10	9 1/2	— 1/2
Great Eastern	28 1/2	28 1/2	—
Great Northern Def.	28 1/2	28 1/2	—
Great Western	77	76	— 1
London, Brighton, & A.	41	40	— 1
London, Chatham, & Dover	45	45	—
Do Arb. Pref.	45	45	—
L. and N. W. (New)	72	71	— 1

	Price Last Week.	Latest Price.	Rise or Fall.
Chesapeake & Ohio	67	65	— 2
Do 4% 1st Pref.	16	15	— 1

	Price Last Week.	Latest Price.	Rise or Fall.
Knights	1 1/2	1 1/2	—
Modderfontein (10)	3 1/2	3 1/2	—
Modderfontein, B. (5)	1 1/2	1 1/2	—
Modderfontein, Deep (5)	1 1/2	1 1/2	—
Premier Def. (2/6)	1 1/2	1 1/2	—
Rand Mines (5)	1 1/2	1 1/2	—
Rio Tinto (25)	28	27 1/2	— 1/2
Spring Mines (11)	1 1/2	1 1/2	—

	Price Last Week.	Latest Price.	Rise or Fall.
Anglo-American "A"	19 1/2	19 1/2	—
Marconi Wireless	1 1/2	1 1/2	—
Marconi Canada	1 1/2	1 1/2	—
Marconi Marine	1 1/2	1 1/2	—
Aerated Bread (11)	1 1/2	1 1/2	—
Armstrong (Sir W. G.)	14 1/2	14 1/2	—
Ass. P. Ind. Cement (11)	15 1/2	14 1/2	— 1
B'ham Small Arms (11)	7 1/2	7 1/2	—
Brazil Traction (100)	35	33 1/2	— 1 1/2
British-American Tobacco (11)	3 1/2	3 1/2	—
Brit. & Arg. Meat (11)	1 1/2	1 1/2	—
Burnham Oil (11)	5 1/2	5 1/2	—
Coats (J. and P.) (11)	2 1/2	2 1/2	—
Courtauld's (11)	1 1/2	1 1/2	—
Cunard (11)	1 1/2	1 1/2	—
Dorman, Long (11)	1 1/2	1 1/2	—
Dunlop Rubber (11)	1 1/2	1 1/2	—
Fine Cotton Spinners (11)	1 1/2	1 1/2	—
Forestal Land (11)	1 1/2	1 1/2	—
Furness, Withy (11)	1 1/2	1 1/2	—
Highland and Lowland Rubber (11)	1 1/2	1 1/2	—
Hudson's Bay (11)	5 1/2	5 1/2	—
Imperial Tobacco (11)	2 1/2	2 1/2	—
International Paint (11)	1 1/2	1 1/2	—
Linggi Plants (11)	1 1/2	1 1/2	—
Lipton (11)	1 1/2	1 1/2	—
Lever Bros. (11)	1 1/2	1 1/2	—
Do 8% Cm A Pr (11)	1 1/2	1 1/2	—
Do 20% Cm P Ord (5)	9 1/2	8 1/2	— 1
Lister (11)	1 1/2	1 1/2	—
Lobitos Oilfields (11)	4 1/2	4 1/2	—
Lyons (J.) & Co. (11)	3 1/2	3 1/2	—
Magadi Soda (11 Ord.)	5 1/2	5 1/2	—
Mexican Eagle (11)	5 1/2	5 1/2	—
North Canadian (10)	1 1/2	1 1/2	—
Pekin (11)	1 1/2	1 1/2	—
Rubber Plantations Investment (11)	1 1/2	1 1/2	—
Shell Transport (11)	4 1/2	4 1/2	—
Smithfield & Argentine Meat (11)	1 1/2	1 1/2	—
Underground Electric (11)	2 1/2	2 1/2	—
Do "A" (11)	1 1/2	1 1/2	—
Do Inc. Bds. (1100)	75 1/2	74 1/2	— 1
United Serdang (2)	1 1/2	1 1/2	—
United Tobacco (11)	6 1/2	6 1/2	—
Vallambrosa (2)	1 1/2	1 1/2	—
Vickers (11)	1 1/2	1 1/2	—
Watney Def. Stk. (147 1/2)	147 1/2	145 1/2	— 2

ANALYSIS OF BALANCE-SHEETS.

LLOYDS BANK, LIMITED.

December 31, 1921.		December 31, 1920.	
LIABILITIES.	Amount.	LIABILITIES.	Amount.
Current, deposit, and other assets	347,507,410	347,507,410	2,478,426
Profit and loss	1,384,566	1,384,566	15,997
Acceptances, &c.	8,174,114	8,174,114	9,683,416
Capital paid up, 14,137,796 shs., 65 each, £1	14,137,796	14,137,796	235,160
Reserve fund	10,000,000	10,000,000	—
Total	381,439,046	381,439,046	6,963,833
ASSETS.		ASSETS.	
Cash	50,296,370	50,296,370	856,706
Cash at call & short notice	15,952,885	15,952,885	1,205,198
Bills of exchange	20,619,423	20,619,423	14,582,339
War Loans, &c.	71,769,613	71,769,613	7,728,474
Other investments	1,584,619	1,584,619	112,481
National Bank of Scotland	2,914,842	2,914,842	3,720
London River Plate Bank	4,487,782	4,487,782	494
Lloyds and National Provincial Frn.	340,000	340,000	—
Advances, &c.	130,847,130	130,847,130	20,332,044
Acceptances, &c.	8,174,114	8,174,114	9,683,416
Premises	4,582,348	4,582,348	410,589
Total	381,439,046	381,439,046	6,963,833

LONDON COUNTY WESTMINSTER AND PARR'S BANK, LIMITED.

December 31, 1921.		December 31, 1920.	
LIABILITIES.	Amount.	LIABILITIES.	Amount.
1,414,198 shares, £20, 85 paid	7,070,990	7,070,990	—
1,432,728 shares, £1, fully paid	1,432,728	1,432,728	500,000
Reserve	9,003,718	9,003,718	—
Deposits, &c.	317,855,838	317,855,838	12,275,024
Notes in circulation	18,467	18,467	558
Acceptances, &c.	16,755,101	16,755,101	2,279,216
Rebate on bills	486,985	486,985	13,168
Profit and loss	1,089,234	1,089,234	80,668
Total	354,023,061	354,023,061	10,589,089
ASSETS.		ASSETS.	
Cash	64,306,189	64,306,189	7,755,718
Bills discount'd	101,696,841	101,696,841	41,361,117
Investments	53,939,758	53,939,758	1,056,314
London City and West.	1,080,000	1,080,000	—
Ulster Bank	1,911,362	1,911,362	1,740
Advances, &c.	110,424,995	110,424,995	20,114,526
Acceptances, &c.	16,755,100	16,755,100	2,279,217
Bank premises	3,908,816	3,908,816	431,004
Total	354,023,061	354,023,061	10,589,089

BARING BROTHERS AND CO., LIMITED.

December 31, 1921.		December 31, 1920.	
LIABILITIES.	Amount.	LIABILITIES.	Amount.
Capital	1,025,000	1,025,000	—
Reserve fund	1,000,000	1,000,000	—
Current and other accounts	19,624,855	19,624,855	1,123,970
Acceptances, &c.	8,101,960	8,101,960	4,370,174
Balance carried forward	13,836	13,836	476
Total	29,765,651	29,765,651	5,494,620
ASSETS.		ASSETS.	
Cash	6,572,050	6,572,050	67,934
Bills receivable	12,119,467	12,119,467	1,650,790
Government securities	984,079	984,079	153,647
Acceptances, &c.	9,963,655	9,963,655	3,768,117
House property	127,000	127,000	—
Total	29,765,651	29,765,651	5,494,620

LISTER AND CO.

November 30, 1921.		November 30, 1920.	
LIABILITIES.	Amount.	LIABILITIES.	Amount.
Ord. shares	1,425,000	1,425,000	—
Deb. stock	500,000	500,000	—
Sundry credit	547,930	547,930	395,317
Reserve	50,000	50,000	—
Special reserve	50,000	50,000	—
Interest accrued	20,000	20,000	—
Profit and loss	243,120	243,120	2,513
Total	3,191,050	3,191,050	397,830
ASSETS.		ASSETS.	
Goodwill	1,331,775	1,331,775	2,502
Sundry debtors	348,840	348,840	360,577
Investments	246,560	246,560	53,655
Stocks	783,412	783,412	97,688
Cash	477,473	477,473	111,588
Total	3,191,050	3,191,050	397,830

Orders for the publication in these columns of the reports at Company Meetings should be addressed to the Reporting Manager of the ECONOMIST, 3 Arundel street, Strand, London, W.C.s.

UNION BANK OF CANADA

HEAD OFFICE - WINNIPEG.

57th ANNUAL STATEMENT.

PROFIT AND LOSS ACCOUNT, 30th November, 1921.

Balance at credit of account, 30th November, 1920	\$149,296.47
Net profits for the year, after deducting expenses of management, interest due depositors, reserving for interest and exchange, and making provision for bad and doubtful debts and for rebate on bills under discount, have amounted to	1,342,389.96
	\$1,491,686.43

Which has been applied as follows:—	
Dividend No. 136, 2 1/2 per cent., paid 1st March, 1921	\$200,000.00
Dividend No. 137, 2 1/2 per cent., paid 1st June, 1921	200,000.00
Dividend No. 138, 2 1/2 per cent., paid 1st September, 1921	200,000.00
Dividend No. 139, 2 1/2 per cent., payable 1st December, 1921	200,000.00
Memorial Appropriation to perpetuate the memory of Members of the Staff, who lost their lives in the Great War	10,000.00
Contribution to Officers' Pension Fund	10,000.00
Transferred to Officers' Guarantee Fund	50,000.00
War Tax on Bank Note Circulation to 30th November, 1921	80,000.00
Balance of Profits carried forward	541,686.43

LIABILITIES, 30th November, 1921.

Capital Stock	\$8,000,000.00
Reserve Account	\$6,000,000.00
Balance of Profit and Loss	541,686.43
Account carried forward	541,686.43
Unclaimed Dividends	6,541,686.43
Dividend No. 139, payable 1st December, 1921	200,000.00
	6,764,996.21
Notes of the Bank in circulation	9,867,309.00
Deposits not bearing interest	37,313,939.62
Deposits bearing interest	79,409,815.86
Balances due to other Banks in Canada	809,297.42
Balances due to Banks and Banking Correspondents elsewhere than in Canada	7,543,643.48
Acceptances under Letters of Credit	134,944,005.38
Liabilities not included in the foregoing	2,897,829.36
	18,555.56
	\$152,625,386.51

ASSETS, 30th November, 1921.

Gold and Silver Coin	\$1,176,468.33
Dominion Government Notes	13,053,261.00
	\$14,229,729.33
Deposit with the Minister of Finance for the purposes of the Circulation Fund	395,000.00
Deposit in the Central Gold Reserves	2,100,000.00
Notes of other Banks	1,047,342.00
Cheques on other Banks	8,806,897.80
Balances due by other Banks in Canada	90,012.35
Balances due by Banks and Banking Correspondents elsewhere than in Canada	4,794,735.82
Dominion and Provincial Government Securities not exceeding market value	15,946,501.28
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian	9,618,253.94
Railway and other Bonds, Debentures and Stocks not exceeding market value	3,478,744.44
Call and Short (not exceeding 30 days) Loans in Canada, on Bonds, Debentures and Stocks	3,220,914.03
Call and Short (not exceeding 30 days) Loans elsewhere than in Canada	1,461,979.39
Demand Loans in Canada secured by Grain	7,295,483.33
	\$72,485,583.71
Loans to Governments and Municipalities	\$7,420,529.33
Other Current Loans and Discounts in Canada (less rebate of interest)	62,010,007.68
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest)	4,937,468.99
Real Estate other than Bank Premises	176,126.89
Mortgages on Real Estate sold by the Bank	395,540.62
Overdue Debts, estimated loss provided for	137,562.91
Bank Premises, at not more than cost, less amounts written off	2,031,692.12
Liabilities of customers under Letters of Credit, as per contra	2,897,829.36
Other Assets not included in the foregoing	133,044.90
	\$152,625,386.51

JOHN GALT, President.

H. B. SHAW, General Manager.

COMPANY MEETINGS, &c.

LONDON JOINT CITY AND MIDLAND BANK, LIMITED.

RIGHT HON. R. McKENNA ON ECONOMIC AND FINANCIAL PROBLEMS.

EVILS OF INFLATION AND DEFLATION.

GERMAN REPARATION DIFFICULTIES.

RESTRICTION OF OUTPUT CRITICISED.

EFFECTS OF EXCESSIVE TAXATION.

The ordinary general meeting of the shareholders of the London Joint City and Midland Bank, Limited, was held at the Cannon street Hotel, London, E.C. 4, on Friday, January 27, 1922, for the purpose of receiving the report and balance-sheet, declaring a dividend, electing directors and auditors, and transacting other ordinary business.

The Chairman (the Right Hon. R. McKenna) said:

My Lords, Ladies and Gentlemen,

It is my duty to-day to lay before you all the figures necessary to enable you to form a judgment upon the progress of this bank during the year which has just elapsed, and at the conclusion of my address I shall ask you to approve and adopt the report of the directors. But in accordance with a custom of many years' standing I propose, before I tell the story of our own bank, to make some observations on general trade and economic conditions. The business of this bank covers so wide a field that all considerations affecting the industry of the country as a whole are of the greatest importance to us, and I am sure you will agree that it is not out of place in surveying our year's work to extend our view beyond our own bank to the general conditions of our trade and employment.

INFLATION AND DEFLATION—A RETROSPECT.

Two years ago, when we were suffering the discomfort of a rapid rise in the cost of living, it seemed appropriate at our annual meeting to take high prices as the subject of my address. I ventured at that time upon a word of warning. Although the high prices were due to the monetary and credit inflation consequent upon the immense borrowing by the Government during the war, I endeavoured to show that any attempt to drive prices down by a policy of forced deflation would lead to grave trade depression and widespread unemployment.

Last year when I addressed you a policy of deflation had been publicly announced and steadily pursued for a considerable period. I discussed on that occasion inflation and deflation in detail, and outlined so far as I could the monetary, trade, and social conditions which arise in either case. We have recently learnt the evil consequences of deflation in the school of experience, and this policy has for the time being fallen into disrepute. But, unfortunately, the lesson has had the effect of turning a considerable body of opinion back in favour of inflation, and we seem now to have in prospect a regular alternation between the two policies, each to be adopted in turn as a remedy for the other. The danger of this proceeding is my apology for touching upon the subject again before I turn to the other matters upon which I wish to address you.

NEED FOR STABILITY OF PRICES.

The danger is a real one, because of the force of the appeal which either policy can make to different sections of the public. The trading community require the assistance of the banks, and are very much alive to all the arguments against dear money and restriction of credit, which are the accepted marks of a deflationary policy. They know that falling prices, the objective of this policy, mean loss of profit, trade depression and unemployment, and, convinced that deflation is bad, they are apt to think that inflation, the opposite of deflation, must be good. On the other hand, consumers suffer acutely under the pressure of high prices, and, if not traders themselves, readily assimilate all the undeniable arguments against inflation. For them deflation, the opposite of inflation, is necessarily good. The truth is, of course, that both are bad. What is needed is stability, the point from which both alike proceed in opposite directions. When we have stability of prices we have a basis upon which trade can be carried on with confidence. Manufacturers, merchants, and retailers are then able to make their contracts with reasonable assurance that the debts created under the contracts will be paid when due in a currency of the same purchasing value as it had when the obligations were assumed.

HIGH PRICES AND UNEMPLOYMENT THE RESULT.

The evil of inflation is that it raises prices; the evil of deflation is that it causes unemployment. High prices in any country are marked by a low rate in foreign exchange, and the currencies are most depreciated where inflation has been most rampant. On the other hand, the highest percentage of unemployment is found in the two countries in which a policy of deflation was recently pursued. There is a higher proportion of unemployment in the United Kingdom and the United States than anywhere else, although these two countries have the greatest wealth and the largest volume of foreign trade. The world offers at the present time the clearest examples of the evils of both inflation and deflation. In Russia we see the complete industrial and commercial collapse in which the inflationary process finally ends; while in this country part at least of the trade depression and unemployment, and much of the budgetary difficulty which we see ahead of us, are attributable to the policy of deflation.

CAUSES OF UNEMPLOYMENT.

The overwhelming gravity of the problem of unemployment with which we are confronted at the present time has led me to choose it as the central theme of my address to you to-day. In considering its causes, it is natural for a banker to have his attention more immediately directed to the effects of financial policy, but we should be taking a very partial view of the subject if we failed to give due weight to the other influences which have their share in creating the unparalleled amount of unemployment that we have now in this country. We depend so greatly upon foreign trade that external conditions are a factor of first-rate importance; so also are our labour conditions, which in a large degree determine the cost of production; and so, too, by its moral as well as its material influence, is the toll levied upon trade and commerce by taxation. It would be impossible within the limits of such an address as this to give more than a bare outline of each of these causes of unemployment, but in the short time at my disposal I will ask you to consider first the state of Europe, next our labour conditions, and lastly the burden of taxation.

ECONOMIC CONDITION OF EUROPE.

It would no doubt have been desirable that in the Europe created by the Treaty of Versailles we should have found as good a market for our products as we had before the war. But our responsible representatives, whose freedom of action was restricted by international considerations, could not have their attention solely directed to our trading requirements. The political necessities, which, regardless of economic needs, compelled the dismemberment of Austria-Hungary and the creation of a group of new States without any tradition of organised government, must have been very powerful, and may still be too powerful, to permit a modification of the present settlement. If the economic needs of Europe were the primary consideration in international policy, our course would be tolerably clear.

ALL MARKETS' NECESSITY FOR TRADE REVIVAL.

We should recognise at once that modern industrial and transport conditions have brought all countries into such close trading relationship as to make each an integral part of the trading world as a whole. One nation, and still more so as to destroy its ability to function without throwing the entire machine out of gear. If Russia fails to buy tea in China or India, our Eastern market for cottons is narrowed, the United States sells less raw cotton to us, and our shipping, banking and insurance business is impaired. Illustrations could be multiplied indefinitely, showing how the trade of each country is linked up with that of the whole world. Our own trade cannot recover its pre-war activity whilst so many countries continue in their present broken-down condition, and though our plans to foster our export

trade by the grant of special credit facilities may be a temporary palliative, the only lasting solution of the problem is by the re-establishment of genuine peace and an ordered system of government throughout Europe.

GERMAN REPARATIONS.

An essential preliminary of the restoration of Europe is to settle the terms of the German indemnity upon a sound economic basis. While we recognise that political and international considerations could not have been disregarded in settling the amount and form of the demand upon Germany, the subject is one which admits of being treated from a purely economic point of view.

HUGE ORIGINAL ESTIMATE.

When the German indemnity was first discussed the public expected a huge money contribution by Germany which was to go a long way towards paying for the war. A total figure of £20,000 millions was talked of, our share of which, about £4,000 millions, was to be used to pay off a large part of the National Debt. At a later date the original estimates of Germany's capacity were considerably modified, but even the reduced figures of the Ultimatum of London point to the conclusion that there was no clear idea of the manner in which alone international debts can be paid.

When one nation owes money to another, it is obvious that the debt cannot be discharged by payment in the money or currency of the debtor country except in so far as this consists of gold coin. If the creditor were willing to accept paper, I have no doubt that the printing press would very soon prove equal to meeting any nominal liability. Payment in gold, though possible to a small extent, may be left out of account, as the amount available is insignificant in relation to the amount of the debt. When then Germany is required to pay large sums periodically to the Reparation Commission, what is really meant is that Germany must export during each period saleable commodities which have a total selling value equal to the liabilities she has to meet.

MAXIMUM ANNUAL PAYMENTS.

If this were the whole problem it would not present any great difficulty. The maximum annual payment Germany could be required to make under the terms of the London Ultimatum is about £400 millions, and there is no doubt that German industry is more than equal to an export of this value. But an industrial country cannot have a large export without receiving imports. Germany has to import a considerable proportion of her raw materials and a certain amount of food, and payment for these must be a first charge upon her exports. The utmost she can pay over to the Reparation Commission is her exportable surplus, and, considering the question only from the point of view of the amount Germany can pay, the problem becomes one of determining the extreme limit to which this surplus could be forced. What that limit may be I do not venture to say, but, judging from the experience of the last six months, I do not think that it could possibly be made sufficient to meet her liabilities for reparations under the Ultimatum of London.

EFFECTS OF A FORCED GERMAN EXPORT.

The more or less, however, of the German exportable surplus obtainable under external pressure is not the only point we have to bear in mind. We have to consider also the other effects of this pressure and how it reacts upon ourselves and our own trade. After all, we exact reparations in order to gain some advantage for ourselves. If the form of the reparations and the means adopted to secure payment do us more harm than good we fail in our object. External pressure means forcing Germany to develop her export trade under penalty of invasion, blockade, or such other punishment as the Allies may inflict. But Germany can only export in competition with her trade rivals, whom she must undersell in the foreign market. To ensure cheap production she must pay less wages than other nations for an equal labour product, an object she can achieve by depreciating the mark in foreign exchange so as to keep its external below its internal value. So long as this difference in value exists it affords a premium on German exports, and as the pressure upon her to pay reparations continues she cannot avoid a progressive depreciation of her currency.

DEPRECIATED MARK AND EXPORT TRADE.

We have seen in recent months this process in action. We have seen how a compulsory depreciation of the mark has stimulated German exports, and as her manufacture competes directly with ours any increase in her trade must be largely at our expense. Perhaps we should not have suffered as much in normal times as we do now, when effective foreign demand, owing to the closing of the Russian market and the general disorganisation of Europe, is very restricted; but in the actual condition of affairs German competition at prices far below what is possible for us is a serious blow to our foreign trade, and is one cause of the depression and widespread unemployment of the last twelve months.

EFFECTS OF FORCED GERMAN EXPORT.

The injurious effect of a forced German export is not felt by us alone; every market in the world is disturbed by the depreciation of the mark. In all countries capital has been invested, trade has been organised, and millions of workers—I include employers and employed under this name—have found their daily occupation in meeting the requirements of foreign and domestic trade on a certain basis of demand and supply, a basis founded upon the normal capacity and growth of each nation. If now it is sought to force one country to make a gigantic export of goods which, if accomplished, would flood the markets of the world, the whole balance and adjustment of the foreign trade of every nation must be violently upset. Before Germany could meet her full liability, before she could develop her foreign trade to such a degree as to have an exportable surplus of £400 millions a year, the foreign trade of this country, her chief competitor, must dwindle into insignificance.

HOW GERMANY CAN PAY.

It will be asked, what then can Germany pay, without injury to us, towards making good the civil damage the Allies have suffered in the war? As to the annual amount, she can pay to the full extent of the export surplus her trade can give her without forcing the external value of the mark below its internal value. As to the form, she can pay in specified commodities, which in our case might include sugar, timber, potash and other materials which are indispensable to us, but which we either do not produce at all or in insufficient quantities. She can pay also by the surrender of any foreign securities her nationals may possess, so far as they can be traced, and, if the Allies are willing to accept this form of payment, by the direct employment of her labour in reconstructing devastated areas. In all that I am saying now I am speaking only from the economic point of view. It is not my province to enter into the sphere of political action. But I cannot help thinking that an agreement founded on a realisation of economic possibilities would be at once more advantageous to the trade interests of the world and more productive in reparations payment itself than successive ultimatums which in due course prove to be impossible of execution.

LABOUR AND RESTRICTION OF OUTPUT.

If we pass from the external influences upon our trade which at the present time are affecting us injuriously and turn to our labour conditions, I believe we shall find that here also mistaken economic ideas are at the root of much of our trouble. Every person in this room would, I have no doubt, regard it as the merest commonplace to say that all rules, or customs or practice which by restricting output cause more men to be employed than are necessary to do a given piece of work in a given time, must increase the cost of production and in the long run be harmful to trade. But we should make a mistake if we thought that this was an opinion generally held by workmen. Many workmen, of course, have as good an understanding of economics as anybody; and it is right to say that, so far as I am aware, there is no trade union regulation, with possibly one exception, which in so many words directly restricts output. But it is not open to doubt that such restriction is very common in practice. We know, for instance, how usual it is to prescribe a limit which individual output may not exceed, and it is quite customary upon the introduction of a new machine to insist upon more men being employed than the machine really requires.

FEAR OF UNEMPLOYMENT.

Underlying this practice or custom is the praiseworthy purpose of preventing men being thrown out of employment. I believe a large part, if not the majority, of our workmen think that a restriction of output has this effect. In a country like ours, in which trades are greatly sub-divided and every man is confined by habit and training to a particular section of work, the fear of unemployment is the bane of the working-class life; and if the unwritten rules restricting output did in fact prevent unemployment, we could not hope to see them given up. But since they do not, since, on the contrary, the supposed remedy for unemployment is itself a powerful aggravation of the evil, what we need is to convince the workmen that their economic theory is false.

A FALLACY EXAMINED.

Let us examine, for instance, how a rule requiring more men to operate a machine than are needed works in practice. I will take a case in which the actual number required to handle the machine is only two, but the rule requires that three men should be engaged on it. The framers of the rule believe they have achieved their object: they have found employment for an additional man. But is this really so? There is still only work for two men. The third man is paid, but in a true sense there is no work for him. We have yet to examine the question of who it is that pays this unnecessary third man, and to see the effect of this payment upon employment generally.

At first sight the answer to this question is obvious. The third man's wages are paid by the employer. But, like so many obvious answers to economic questions, this, though superficially true, is fundamentally untrue. Let us look for a moment behind the apparent at the real facts of the case. The employer, we may suppose, is executing a contract. He based his tender on the cost of the materials, the total of wages, the overhead charges and the anticipated profit. In his estimate of wages cost he included the third man whom he would have to pay for doing nothing, and his tender was increased accordingly. The wages of the third man were not paid out of the employer's profits, but were a charge upon the cost of production, and raised the price of the goods he had to deliver.

EFFECTS OF RESTRICTION OF OUTPUT.

All restriction of output raises the price of the article produced, and if the restriction operates over a wide enough field, it must increase the general cost of living, and thereby reduce the real value of the wages received by all workmen. Combination amongst workmen to raise wages is very different from a combination to restrict output. In the former case, the workmen seek to obtain for themselves as large a share as possible of the total earned by the joint efforts of capital and labour; in the latter they seek to increase the number of men amongst whom the workmen's total share is to be divided. They do not see that this is the effect of the restriction of output, because it does not show itself by a reduction in money wages. All that they see is that more men are receiving wages, all of whom are paid at the same rate. They fail to observe that the wages will buy less; or, if they observe it, they attribute the rise in price to some cause other than the high labour cost.

LABOUR THE GREATEST SUFFERER.

But the evil consequences of a restriction of output do not end here. Let us go back to the case of three men being required on a machine which two could operate. The contractor, being obliged by this rule to add to his price, may lose the order to a foreign competitor. The whole of his men may then be thrown out of employment, and the very misfortune which it was sought to avert in the case of a few men only falls upon the whole body. That this happens we have only too good reason to know. The first effect of a restriction of output is a rise in the cost of living; the next effect is general unemployment. The greatest sufferers are the workmen themselves. They share in the product of their labour as a whole, and, if they did but realise it, are most benefited when each individual member of their body works at his highest efficiency.

I am afraid you may think that I am labouring to prove an obvious conclusion, but I would remind you that we are all apt to turn aside from the narrow path of strict economics when our interests or our preconceived ideas seem to point another way. If we are surprised that elementary economics are sometimes disregarded by workmen, we must not forget that they were no less ignored in dealing with German reparations. And when I turn now to the third cause I have mentioned of our bad trade and unemployment—excessive taxation—we shall find here also that economics are treated as of little account.

A NATION'S TAXABLE CAPACITY.

It would not be easy—I doubt if it would be possible—to define the limits of a nation's taxable capacity. Too much depends upon the human factor, which varies so greatly in different people. One man will exert himself to the utmost though the tax-collector should take from him 10s in the £ of all he earns; another will be disheartened if he be mulcted of but 5s in the £. We cannot doubt, however, that, taking the nation through, there is a limit beyond which, if taxation continues so high as to give only a very small return for additional effort and for risk of additional capital, it will become a matter of general occurrence that the effort will not be made and the capital will not be risked.

As wealth is created by human effort, the greatest care should be taken not to dishearten those upon whose enterprise so much of the industrial progress of the country depends. Looked at from the point of view of national wealth and prosperity, in which we all have an interest, it is bad policy to deprive business men of the stimulus of a reasonable return for their labours. It may be difficult to determine in advance the exact maximum scale of taxation which could be imposed upon us without impairing in any marked degree the national spirit of business enterprise, but we cannot shut our eyes to the signs that our present taxation has probably exceeded this limit.

EVILS OF EXCESSIVE TAXATION.

But the question is not merely one of the discouragement of business. We know that if business is to expand and prosper con-

tinuous additions must be made to the capital employed. A growing business—and at every period it is upon the growing business that the progress of the future depends—is one in which a large part of the profits each year are saved and put back into the concern. By this method the energetic and capable young man slowly acquires the additional capital he needs for development, and brings himself to the front. If now the whole or a large part of his savings is absorbed each year in taxes, he is deprived of the means of enlarging his business. New plant cannot be acquired; additional stock cannot be bought; growth becomes impossible. The capital which the keen, active, enterprising man could use to the utmost advantage in developing trade is taken from him and spent unproductively on one of the manifold activities of the State. In such conditions business must become stagnant, and in this country, where the industrial organisation is contrived for expansion and a continually growing production, stagnation means failure.

Let us look at excessive taxation in another aspect. Everyone is agreed that taxation of the poor on such a scale as to deprive them of the means of obtaining the necessities of life is morally wrong. But it is not generally accepted that excessive taxation of the rich is economically wrong. Most rich men do not spend the whole of their income on their own consumption. Some part, and often a very considerable part, is saved, and these savings are lent as industrial and commercial capital. A high super-tax in the case of the rich is largely a tax upon savings, and the money taken by the State is withdrawn from productive use and spent upon consumption. In a healthy condition of a State no more should be raised in taxation than will leave an amount available for capital development sufficient to meet all the needs of business.

EXPENDITURE MUST BE REDUCED.

Our present scale of taxation, then, I believe to be so high as to undermine our national business energy and enterprise, and to deprive us of indispensable capital. What is the remedy? There is only one, which we must face with all the determination and resolution at our command. We must reduce expenditure to the utmost limit consistent with our contractual obligations and the supply of indispensable services. If we do so now, we shall quickly recover our national earning power, and with it will come the elasticity of revenue which we experienced during the second half of the last century. The ideal of economy, both in public and private affairs, is alluring and popular, but the practice is quite another matter. It is difficult, often hateful, and certainly never popular. But to-day, looking at our decline in revenue, the state of our trade, and the dangers which confront us, we have no choice. I have no hesitation in saying that, whatever the difficulties, the strictest economy in our national expenditure has become the first and most imperative necessity of our time.

OUR OWN BANK.

Ladies and gentlemen, I pass on now to the story of our own bank.

The prolonged period of falling prices and trade depression has brought many failures in the business world, but, happily, there has been no extension as in other countries to the banks. Indeed, the experience of last year has demonstrated that we owe much, first, to the spirit of conservatism, which has led our banks to confine their operations to banking business, and, secondly, to the far-sighted policy of amalgamation. Our banks generally have emerged from the recent difficult and trying conditions with enhanced prestige, and in the case of our own institution I feel sure that the exceptional position revealed by our balance-sheet figures for December 31st last cannot fail to be regarded as satisfactory by both shareholders and depositors. Let me, however, remind you before we examine our own figures in detail that we must expect to see a reflection of the disorganised state of the world's trade in the balance-sheets and profit statements of all commercial enterprises.

PAID-UP CAPITAL AND RESERVE FUND.

During the year there has been a small increase of £1,052 10s in the amount of our paid-up capital, due to the issue of 421 shares of £2 10s each, fully paid, principally in exchange for Clydesdale Bank shares. These shares were issued at a premium which more than sufficed to enable us to add an equal amount to our reserve fund, which now stands at £10,860,852, the same amount as our paid-up capital.

DEPOSITS.

Deposits at the end of the year reached £375,117,092, an increase of £3,275,124 on December, 1920, and the highest published figure in any balance-sheet in the history of the bank. Although a record in joint stock banking, it does not actually constitute the highest

point touched by our own deposits. Even as recently as last December, the average for the whole of the month was higher by several millions than the actual total for the last day.

It may seem remarkable that we are in a position to report such high figures of deposits in view of the heavy fall in prices and the great decline in trade. Wholesale prices have dwindled in the course of twelve months by 30 per cent. Ordinarily it would be right to anticipate that a considerable decline in the price level would be accompanied by a marked reduction in deposits. Indeed, this result was expected by the protagonists of the deflationist theory, who avowed it as their object. As a matter of fact, however, and for reasons which I explained on a previous occasion, the policy of forced deflation has reduced very little, if at all, the actual volume of purchasing power represented by the amount of deposits in the banks and currency in the pockets of the people. What dear money and restriction of credit accomplished was a reduction of the rate at which this purchasing power has been exercised; or, in other words, the velocity of circulation of money has been reduced. In the price equation this velocity is a factor no less important than the actual amount of money or purchasing power, and the actual amount of goods available for purchase. If it were possible accurately to measure the velocity of circulation of money in 1921, as compared with 1920, I think it would be found that there was a decline last year of at least 40 per cent., a diminution which, while it did not affect the total of bank deposits, caused a fall in prices and was largely responsible for the great reduction in trade and trade profits.

ACCEPTANCES AND ENGAGEMENTS.

Acceptances and engagements on account of customers at £19,848,322 are down by a little over eight millions. The reduction in this item is due to lower prices and the smaller volume of international trade. Our acceptances are for the most part drawn by or on account of first-class bankers, and are, we believe, quite undoubted.

COIN, BANK, AND CURRENCY NOTES, &c.

Let me turn now to the other side of our balance-sheet and examine the manner in which our assets are distributed. The cash item, coin, bank, and currency notes and balances with the Bank of England, at £59,989,012, represents 16 per cent. of our deposits. I told you last year that our traditional principles were to keep the bank strong and to help the country's trade and industry. These principles guide our policy to-day. The average statements of accounts, issued by the bank each month in conformity with the decision of the London Clearing Bankers' Committee, show that for the year 1921 our weekly ratio of cash to deposits averaged 15 per cent., and if we were to take the average daily ratio throughout the year we should find that it did not differ from the average weekly ratio by as much as one-third of 1 per cent. As the cash reserve of a bank is the basis of its stability, it has been part of our policy to maintain a strong cash reserve in the daily conduct of our business, and although on balance we may sacrifice a little in actual profit, we are confident that the compensating advantages are great and that our policy is justified.

BALANCES WITH AND CHEQUES IN COURSE OF COLLECTION.

The next item, balances with and cheques in course of collection on other banks in the United Kingdom, is five millions higher. In 1920 this item consisted solely of cheques in course of collection, and the increase is due to balances with banks other than the Bank of England.

MONEY AT CALL AND SHORT NOTICE.

Money at call and short notice at £11,651,497 is nearly seven millions less than the previous year, five millions of which are accounted for by the transfer to the previous item to which I have just alluded.

INVESTMENTS.

Investments stand at £56,758,808, an increase of nearly five millions over the amount for December, 1920. Our investments, which are never taken at above cost, are here entered at prices below their market value. We are happy to assure you that the provisions made in earlier years are sufficient to meet all probable depreciation. The higher market price of our securities this year is, of course, due entirely to the lower Bank rate and the cheaper rates for money.

BILLS DISCOUNTED.

Bills discounted at £72,118,034 are 14½ millions higher than a year previously, and, incidentally, are greater in amount than in

any previous balance-sheet. The whole of the increase in bills is due to our larger holding of British Government Treasury bills, a fact which in itself reflects the condition of the country's trade and industry. In previous years by far the greater proportion of our bills has consisted of bank or approved trade bills, but with the restriction of trade and lower prices the available supply of commercial paper has been reduced, and we have had no alternative but to invest our surplus money in Treasury bills.

It is worthy of note that while the banks generally hold a much larger amount of Treasury bills now than six months ago, the total of Treasury bills outstanding has declined considerably during this period. The public, who formerly were large holders of these bills, have allowed a great amount to run off, and have thus been provided with funds used for subscription to new issues. To the extent that the banks have taken the place of the public as holders of Treasury bills, the issue of Treasury bonds at a rate of interest much higher than the discount rate on bills has failed to accomplish its purpose of funding floating debt, and has led to an increase in bank deposits.

ADVANCES ON CURRENT AND OTHER ACCOUNTS.

The next item in our balance-sheet is "advances to customers on current and other accounts," which this year show a diminution of nearly 13 millions on the total of £189,719,805 reported for December 31, 1920. The decrease is more apparent than real in view of the heavy fall in commodity prices, and I think you will agree that customers of the bank have suffered in no way from a restriction of credit. Indeed, after making due allowance for a 30 per cent. reduction in the price level, the figures indicate that the bank has responded to the demands for legitimate trade accommodation. We can say without hesitation, not only that we have assisted trade and industry to the full limit of banking prudence, but that we are looking forward to the time when we shall be called upon to assist a genuine revival of trade, and in that event the surplus funds devoted to the purchase of Treasury bills can be made available for advances.

PREMISES ACCOUNT.

During the year we have opened 121 new offices in different parts of the country, which, with those previously in existence, give the bank a total of 1,600 offices in England and Wales. Sites have also been obtained in localities where the bank is not now represented, and where there are reasonable prospects of profitable business. It must be remembered that much necessary work was held up for several years during the war, and we have been obliged, notwithstanding the high cost of building, to make good some of these arrears. The expenditure in respect of our new offices and the extension of existing offices has increased the book value of our premises account to a total of £4,942,299, which is considerably below the actual value of the properties.

INVESTMENTS IN SUBSIDIARY BANKS.

Investments in subsidiary banks show a small increase, owing to the exchange of an additional 50 shares of the Clydesdale Bank for shares of this institution, bringing our holding in the Clydesdale Bank to 99,959 out of a total of 100,000 shares. As you know, we own the whole of the share capital of the Belfast Banking Company. The book value of these investments amounts to £3,258,665, or £112,000 less than the combined paid-up capital, reserve fund, and undivided profits of the two institutions. Both banks have made satisfactory progress during the year, and if I make special mention of the Belfast Bank it is because the management are to be particularly congratulated on the results of their labours in the difficult and trying conditions which have existed in Ireland. You will notice from the balance-sheets which have been circulated with our own that both banks report a reduced note circulation, due partly to the fall in prices. The affairs of both companies have been conducted in a manner which reflects the highest praise upon their respective managements, and I gladly avail myself of this opportunity to record our appreciation of their invaluable services.

PROFIT AND LOSS ACCOUNT.

I pass now to the profit and loss account. After full provision for bad and doubtful debts, the net profits for the last year were shown at £2,454,084, which, with £741,618 brought forward, gives us for distribution and allocation a total of £3,195,702

Out of this amount—

We propose to pay dividend at the usual rate of 18 per cent., less tax, absorbing for the whole year a sum of £1,368,449
We have allocated to reserve for future contingencies £750,000

And to bank premises redemption fund £300,000
And we carry forward the balance of £777,253

In view of what I have already said, it is hardly necessary to explain at length the reasons which have prompted your directors to make these allocations. Fortunately, there is no immediate prospect of depreciation in our investments, and accordingly we have not deemed it necessary to make further provision for this purpose. You will, I feel sure, agree with the policy of providing against other contingencies. In the present condition of trade, it is impossible to conduct banking operations without risk of loss, and in any reasonable forecast of the future such risk must be taken into account. I would not like to be understood to mean that the year ahead of us will pass under such disturbed trade conditions as we have lately suffered; but recovery when it comes is always slow, and in the meanwhile we must be prepared to meet the consequences of any delay in the restoration of our trade.

The allocation to bank premises redemption fund is somewhat greater than our usual contribution owing to the large number of new offices which have been or are about to be opened. The carry forward this year is maintained at a slightly higher figure.

NET PROFITS.

Our net profits are £377,777 less than they were a year ago. The decline is considerable, but profits are inevitably lower in a period of falling prices, when all business activities are restricted. Quite apart from losses arising in the ordinary course of business, the banks have suffered from a decline in turnover and commission, due to a reduced velocity in the circulation of money. Full and adequate provision has been made for all bad and doubtful debts. Every account on our books has been scrutinised with the utmost care and with entire regard to the uncertainty of prices and trade. Wherever it has been thought that an account might prove to be bad, the whole amount has been written off and provision has been made for every doubtful debt.

COST OF ADMINISTRATION.

Last year I told you that the cost of administration was very high, and that we could expect little relief in the future owing to our heavy permanent charges. There has been an enormous rise in rates and taxes, and the charge for salaries and bonus to staff has increased in recent years considerably faster than the growth of business, rapid as this has been. The bonus has been paid by the bank from 1916 onwards to enable the staff to meet the rising cost of living, which reached its maximum in November, 1920. It was always understood that the bonus was temporary, and would be reduced as a matter of course as the cost of living declined. The reductions, however, will be gradual, and will never be made until they are more than justified by the fall in retail prices. Notice of reductions as from April and July next have now been given.

MANAGEMENT AND STAFF.

I cannot conclude without saying a few words about the management and staff of the bank. The year through which we have just passed has been one of exceptional difficulty, calling for the exercise of the highest qualities of judgment, prudence and courage, qualities which are possessed by none in higher degree than by the managing directors of this institution. I can assure you that no words of mine can adequately indicate the extent to which we are indebted to Mr Murray, Mr Hyde, and Mr Woolley for their unremitting and self-sacrificing zeal in the bank's service. The managers and other officials of our staff, both at head office and the branches, also deserve the highest commendation for the manner in which they have assisted, by the faithful discharge of their manifold duties, in maintaining our unique position in the banking world. With their continued help, and in the same spirit of mutual confidence and loyalty, we face the future with a firm belief in our ability to overcome any difficulties which may lie before us.

The Chairman then moved the adoption of the report. This was seconded by Mr W. G. Bradshaw (deputy chairman) and was carried unanimously.

The motion declaring payable a dividend at the rate of 18 per cent. per annum was seconded by Mr A. H. Goschen (deputy chairman).

Mr R. C. Beazley and Mr F. H. Fox, retiring directors, were re-elected, as also were the auditors.

Mr Rowland Blades, Bart., M.P., in proposing the thanks of the meeting to the chairman and the board of directors, paid a special tribute to the great ability of Mr McKenna. The change from Cabinet rank to the chairmanship of the bank had in no way impaired his world-wide reputation. He was better known now, and, if possible, more highly respected, and his great qualities had been more fully recognised.

VOTE OF THANKS TO MANAGING DIRECTORS, MANAGERS, AND STAFF.

Mr W. G. Bradshaw, in moving that the thanks of the meeting be presented to the managing directors, general managers, branch managers, and all other officers of the bank for their continued devotion to their duties, said:—

I do not think that there has ever been a time when this resolution was more clearly called for than on the present occasion. The work of our staff during the past year certainly deserves our admiration and our hearty thanks. As the chairman has already pointed out, the exceedingly difficult and anxious times through which the country has been passing, and which are still with us, have made exceptional demands upon the care, knowledge, and good judgment of the staff, and especially of the senior members of it. The good results which we are able to present to you to-day show how ably and successfully they have surmounted the difficulties which beset banking operations last year.

I think I may say that in the Midland Bank we are a happy family. I believe that the staff are proud of the bank, and recognise the good conditions of their service, and I have reason to know that their relationship with the directors continues to be of the most harmonious and satisfactory character.

I have the honour of associating with this resolution the names of our three managing directors, for while they are our valued colleagues on the board, they are also the much-esteemed chiefs of the staff. Upon them falls the principal burden of responsibility for the conduct of the business of this great bank. None could be more devoted, more able or better equipped for their work than they are. The chairman has already borne his tribute of praise, and I will only add that they possess the entire confidence of the directors and of the staff, and they are making for themselves a great name in the estimation of the public, not only in England, but all over the civilised world.

I must not include the name of our chairman in this resolution, for he is not a member of the staff, and moreover he has a resolution all to himself later on, but I cannot omit a reference to him, and such a reference is not out of place, because he presides over the supreme committee of management of the bank. During the two and a-half years he has been our chairman he has gained the confidence and esteem, and may I add, for it is strictly true—the affection also of all who work under him, while his past distinguished career in the Government, and still more his character and ability, have conferred upon the bank a prestige which is of the utmost value to it both at home and abroad.

Mr Stanley Christopherson (director) seconded the resolution, which was carried with acclamation.

MR E. W. WOOLLEY'S ACKNOWLEDGMENT.

Mr E. W. Woolley (joint managing director), in reply, said: It is a privilege to respond to this resolution, because my colleagues and myself, and also the executive management, realise that the expressions of Mr Bradshaw and Mr Christopherson are no mere courtesy address, but reflect the feelings of the whole of the directors with respect to our staff, of whom we are justly proud. To receive such an expression of approval at this meeting is the greatest possible encouragement to those whose earnest endeavours have been directed to serving your best interests, and to send them this message of recognition will greatly assist them in making further efforts. They are fully appreciative of the exceptional conditions through which we are passing and are working with that admirable spirit of co-operation which ensures a continuance of loyal and enthusiastic support to the chairman and directors and the management in carrying on the work of your great institution.

You have been so kind, Mr Bradshaw, as to include my colleagues, Mr Murray, Mr Hyde, and myself in your resolution, and on behalf of each of us I beg you to accept our sincere thanks. You have alluded to the absence of Mr Murray. I know how keenly he is disappointed, and how much he regrets not being here to-day owing to indisposition, a regret in which we all share, but I am glad to say we shall soon have him with us again.

We are experiencing most difficult and trying times, calling for the exercise of the greatest care and vigilance, while at the same time we are giving the fullest consideration and assistance to the needs of the country's trade. With the knowledge, ladies and gentlemen, that we have your support and approval, we shall meet the future and its demands with the utmost confidence.

The unavoidable absence of Mr Murray (joint managing director) was also referred to in suitable terms by Mr Rae, of Liverpool, who expressed the hope of the shareholders that Mr Murray, beloved and respected by all who had the privilege of knowing him, would soon be back at the bank.

The proceedings terminated with a vote of thanks to the chairman, proposed by Sir William P. Raynor, and seconded by Mr John Embley.

BARCLAYS BANK, LIMITED.

MR GOODENOUGH'S EXHAUSTIVE REVIEW OF INTERNATIONAL FINANCE AND COMMERCE.

PAPER MONEY AND CREDIT SCHEMES.

NECESSITY FOR LOANS TO FOREIGN COUNTRIES.

GERMAN AND AUSTRIAN REPARATION DIFFICULTIES.

SIR HERBERT HAMBLING ON THE CURRENT YEAR'S PROSPECTS.

The twenty-seventh ordinary general meeting of the shareholders of Barclays Bank, Limited, was held, on the 25th instant, in the great hall at the Cannon street Hotel, London.

Mr Frederick Craufurd Goodenough (the chairman) presided.

The secretary (Mr W. N. Seeley) read the notice convening the meeting and the auditors' report.

The Chairman, who was received with cheers, said: My lords, ladies, and gentlemen,—Will you be pleased to take the report and accounts as read? (Agreed.) Since our last meeting we have to deplore the death of three of our directors—Sir Gilbert Claughton, Bart., who was also chairman of the London and North-Western Railway Company; Mr Percy Tew, a very well-known country banker from the West Riding of Yorkshire, and a man widely respected for his sound judgment and great experience; and Mr Charles Barrington Balfour, C.B., who had been a director of the British Linen Bank, and joined our board upon the affiliation of that institution with ourselves—a man well known in Scotland and in London, and a very valued colleague. We deeply regret the loss of these members of our board. The value of the services of each of them to the bank was of a very special character.

YEAR'S PROFIT.

During the year we have made a profit of £2,201,651. This profit is less than that of the previous year, the reduction being due to lower rates of interest upon short money, to a reduction in the amount lent out to customers, and, on the other hand, to higher expenses. The payment of salaries to our staff, taken as a whole, has been larger; the number of staff employed and the average individual payments (inclusive of the war bonus and allowances) have both been higher. Moreover, we have been required to pay more taxation. The full amount of the corporation tax has been a heavy item under this heading.

You will realise that during the past year banking conditions have been difficult. We have, as you may well suppose, made some bad debts, but in all the circumstances—seeing how great has been the break in prices and values—this is not surprising. You may rest assured that we have fully provided not only for all bad debts, but for all probable bad debts.

On the other hand, there has this year been a great improvement in the values of all gilt-edged securities, so that we have not appropriated anything to investments, as we found it necessary to do in the last and in previous balance-sheets. The market price of our securities is considerably in excess of the figure shown in the balance-sheet.

Our profit, after payment of the same dividend as a year ago—namely, 10 per cent. on the "A" shares and 14 per cent. on the "B" and "C" shares—has been allocated in the way set out in the report. We have carried the sum of £600,000 to the fund against contingencies, £100,000 to a reserve against pensions for widows and orphans of members of our staff, £100,000 to reduction of premises account, leaving a balance of £535,251 to be carried forward, as compared with £565,602 brought forward from the previous year.

Some idea of the magnitude of the work conducted by this bank may be gathered from the fact that during the past year the number of cheques, &c., collected and paid by us through the medium of our clearing department alone, irrespective of the direct settlements made by branches, was about 87 million items, representing a total turnover of £12,000,000,000.

BALANCE-SHEET ITEMS.

Turning to the balance-sheet, you will agree that its most notable feature is that of extreme liquidity. The current, deposit, and other accounts show an increase of £3,153,930, as compared with a year ago. They stood at the date of the balance-sheet at £339,942,299. In looking at our figures, however, you should, for all practical purposes, include the current, deposit, and other accounts of the British Linen Bank and the Union Bank of Manchester, totalling a further £55,000,000, as we hold practically the whole share capital of both those institutions.

On the other side of our balance-sheet we have cash, money at call and short notice, equal to 23.6 per cent. of the deposits; bills

discounted (being mostly Treasury bills), 22.6 per cent.; and investments amounting to £63,668,610, of which over 75 per cent. are British Government securities taken at book value, but of which the market value, as I have already stated, is substantially higher. The loans and advances to customers were, at the date of the balance-sheet, in the proportion of 40.3 per cent. to the deposits, which is a considerably lower percentage than was the case in the earlier period of the year, owing both to the falling off in industry and to the gradual reduction which has taken place in stocks of manufactured goods and produce.

Our premises account stands at £4,600,412, after making the appropriation from profit towards reduction to which I have already referred. We have opened many new and important branches. This has enabled us to make use of some supernumerary staff from other places, and in this way we have been able to employ more men, which is a good thing in these times.

INDUSTRIAL AND ECONOMIC CONDITIONS.

A great change has taken place in industrial and economic conditions during the past 12 months. In the early summer of 1920 almost every industry was fully employed, and orders had been booked for the supply of goods ahead in sufficient quantity to warrant the expectation that, for a very considerable time, there would be a continuance of great activity. There had been, however, some signs of a falling off of orders for a few months, and during the autumn of 1920 the absence of new orders became very marked, and made itself felt acutely. There was also a great cancellation of contracts already entered into. This setback arose from inability on the part of purchasers, chiefly from abroad, to pay. The increased supply of commodities at the existing price levels had overtaken the world's purchasing power—then, and still, greatly reduced by the wastage and dislocation resulting from over four years of war. After that there followed a great scarcity of new business, until September last, when there was a slight revival, but this soon died away. Now, after a period of great stagnation, there are perhaps some signs of improvement in conditions, although they are very slight.

"INEVITABLE REACTION."

The period of trade stagnation from which we have suffered, and are still suffering, represents the inevitable reaction from the spell of great industrial activity which followed immediately upon the termination of hostilities. The provision for the immediate needs of devastated Europe, and, in the case of other countries, the making up of arrears in their requirements, gave rise to a boom which was carried to great lengths before people fully realised that, until the financial stability of European countries had been restored, their capacity to purchase must fall far short of what might be regarded as a normal figure. There is also the fundamental fact that a lack of purchasing power on the part of one important section of the world's population reacts upon and is reflected in the purchasing power of the world as a whole. It is no longer possible to separate the world of industry into compartments, and to expect that there can be prosperity in one direction whilst there is poverty in another. To-day, world trade has passed the stage of primitive exchange of the bare necessities of life, and barter is, for all practical purposes, a thing of the past.

BARRIERS TO TRADE.

Every portion of the world's population must be able to produce and to consume, and any check or interruption anywhere in the continuity of production and consumption throws out of gear the whole industrial machine. The theory of self-determination, however necessary or desirable it may have been as a political ideal, has served to raise trade barriers. These tariff walls must be broken down, and trade, like a stream, will then gravitate to the old and well-worn channels which are the most natural and have proved to be the most beneficial.

At the present time it is computed that the total volume of international trade does not exceed one-half of its pre-war volume. In these circumstances it is easy to understand why industry has received a severe setback and is depressed, and why it is essential

to make a determined effort to restore the financial stability of Europe as a first step towards better markets.

PAPER MONEY

We can also understand why, with existing high prices and with an enormous burden of war debt upon our shoulders, many countries have been driven to create more and more paper money, or "promises to pay," in order to fill the gap between exports and imports—between revenue and expenditure. This gap cannot at the present time be filled by shipping freights, or by earnings through finance and other sources, which, in some instances, formerly helped to make good a deficit. These invisible exports have been largely lost to the more distressed countries of Europe, and the alternative to starvation has been the sale, where possible, of paper money to foreign speculators as the only method of adjusting an adverse trade balance, since the national credit of the distressed countries has been destroyed. Similarly, the gap between revenue and expenditure has also been filled by the creation of paper money for purposes of internal circulation. It follows that, with the best will to cease this form of borrowing, it is to a large extent inevitable, until help arrives from outside to arrest the *débacle* which is hurrying the countries concerned into bankruptcy—a condition which must necessarily react upon the rest of the world.

The wide fluctuations in the exchanges, which have resulted from the generally unsound conditions, have not only been a disturbing factor to trade, but have encouraged excessive speculation abroad in both exchanges and securities, and have resulted in the temporary closing of more than one European Bourse. The greatest care should be exercised to preclude facilities from being given which would result in the transfer of this dangerous speculation to the London market.

CREDITS SCHEMES.

Many schemes have been devised to meet the difficulties encountered by our own exporters, and for providing credit to enable their goods to be sold, but up to the present very little has been achieved in this manner. In point of fact, little could be expected, for no practical step has yet been taken for dealing with the financial conditions of the distressed countries, or to get to the root of the problem—namely, unsound currency. It is only fair, however, to say that the export credits scheme, in its latest form, has undoubtedly proved to be of use in facilitating exports from this country to other parts where credit is weak, and the Government's action in promoting this scheme should be acknowledged as a valuable contribution to the needs of our exporters. So long, however, as unsound currency conditions continue abroad, it will be open to question whether the export credits scheme really tends to promote sound business, or whether it may not ultimately lead to some of the exports having been practically given away.

These problems were the subject of discussion at the conference lately held at Cannes, and we must await the result of those deliberations and of the further discussions at Genoa. One thing is certain—this country must take the lead, and it remains for it to do so.

Before, however, anything could be attempted with any reasonable chance of success, it would be essential that there should be an honest and acceptable plan on the part of the country requiring assistance whereby its finances might be put upon a sound basis. This would involve:—

1. A determination to impose taxation and to reduce expenditure.
2. An adequate assurance against the creation of new paper money except against value of an approved kind.

With these fundamental conditions fulfilled or assured, it should be for us to extend credit in order to help the country concerned to balance its exports and its imports for a period of time sufficient to enable it to return to a normal condition of trade and financial equilibrium.

CONDITIONS OF LONDON MONEY MARKET.

Turning to the conditions of the London money market during the past 12 months, the great falling off in trade and the lower interest rates which have ruled have had the effect of diverting funds to permanent investment. There has, in consequence, been a considerable rise in the prices of Government securities, five of the principal issues nominally amounting to £3,000,000,000, showing an improvement during the year of approximately £268,000,000 in total value.

An important change has also taken place in the policy of the Government in regard to rates of interest for their borrowings through issues of Treasury bills. In April last the tender system was reintroduced, and since then, instead of being more or less regulated by the Bank of England rate of discount, the rates for Treasury bills and for the short-loan market have to a greater

extent been permitted to follow the ordinary course as regulated by supply and demand, whilst the Bank of England rate, though also reduced, continues at a relatively higher level.

GOVERNMENT BORROWING CHEAPER.

The average rate at which the Government have borrowed against issues of Treasury bills since April is £4 10s 8d per cent., compared with £6 10s per cent. for the corresponding period in the previous year.

This important change has effected great economy in Government borrowing, and there seems to have been no real reason why the Government should for so long a period have paid a higher price for money than market conditions at the time demanded. The return to the system of tender, combined with a method by which bills are offered for sale "on tap" at a lower rate than the last tenders received, has proved a useful combination, which secures liberal supplies for the Exchequer, whilst at the same time going a long way towards abolishing that control by the Government of market rates for money which has been so highly prejudicial to the taxpayer. The Treasury bond issue has also proved to be a conspicuous success, and the further recent change from 5½ to 5 per cent. indicates the success of the policy of cheaper money as the result of allowing it to find its own level.

DOMINION LOANS.

Another benefit which has accrued through this change of policy is found in the fact that lower rates and easier conditions in the money market have afforded opportunities for several of the Dominions and Colonies, and also for foreign Governments, to come to the London market for permanent loans. The proceeds are applied either towards the repayment of floating indebtedness, or for development purposes, and this should in due course give some aid to our industries.

LOANS TO FOREIGN COUNTRIES.

There seems to be a growing appreciation of the fact that debts due to this country for money lent abroad for productive purposes, form the backbone not only of our financial, but also of our industrial position. I have often said that, because we cannot ourselves produce all we need for the maintenance of our population, we must turn to profitable use all the credit we can command, employing it, in the first place, in the preparation and development of those markets which will take from us our manufactured goods.

It is only 18 months ago that even first-class foreign Governments were, for all practical purposes, shut out of the London money market. I have one particular instance in mind, and the fact that the loan in question has since been floated with success—the fact that what a few months earlier was considered to be inexpedient or impossible, proved to have been both expedient and possible—serves to illustrate the important change of policy which has taken place in responsible quarters, upon those questions of inflation and deflation of which so much has been heard. It is now recognised that, if we are to preserve our industrial and financial position, this country can, and must, play its part in financing the needs of other countries, even in the matter of large loans.

AMERICAN COMPETITION.

With keen competition from America, we cannot afford to neglect any safe opportunities which may present themselves for loaning money to our foreign customers, nor can we ignore the advantages in pursuing that policy which accrue through a cheap and plentiful supply of credit. London held its position in the past as a financial centre through relatively cheap rates of discount and other financial facilities. The granting of loans resulted in the receipt of orders and, with cheaper conditions for manufacture, secured for us our place in the markets of the world. Unless we can maintain those conditions of relative cheapness, it is difficult to see how we are to regain, and retain, that position upon which the whole future of the country depends.

A relatively cheap money market will also tend to restore financial cohesion within the British Empire, which cohesion has been gravely threatened through the dear money policy, and through the disturbance to our own currency system. Financial cohesion within the Empire is of great importance both for its development and also for the welfare of our own industrial position. Financial cohesion is also essential for the preservation of the individuality of our race and for the principles which guide it.

MONEY RATES IN LONDON AND NEW YORK.

Now that a policy of cheaper money has been accepted there seems no real reason why rates in the London market should, as

a matter of policy, be kept higher than rates prevailing in New York, and we may gradually see the way towards greater independence, and to a return, at all events from time to time, to the old conditions when the London rates were, as a rule, fractionally lower than New York rates. There will probably be alternate phases of cheap money and dear money in this country, according as our supplies of loanable capital are encroached upon to an extent which would cause rates to harden on this side. When that happens America, with her larger basis of loanable capital, will be better able to meet the demands pending the return of the London money market once more to easier conditions. It seems clear, however, that we should make use of our opportunities as and when they occur, notwithstanding which America should recognise that such a policy would ultimately benefit both countries by bringing about a maximum development of international trade. By developing world markets through a courageous financial policy, we might, for the time being, appear to be acting adversely to America. In point of fact, we should be acting for the good of both countries, for by the gradual relief which would be given to the pressure on the sterling-dollar exchange through the development of sources of supply in other directions, together with the active competition with America in financing the world's markets, we should in reality be co-operating with her in restoring the world's equilibrium, and co-operation with America is what we and she should desire.

ALTERNATIVE TO EXPANSION OF CREDIT.

Such a policy may necessitate expansion of credit and currency, and many people take the view that it is dangerous to permit such expansion of credit for the purpose of financing other countries in order that they may buy from us, and so improve our own industrial conditions. It is urged that this involves granting credit for a considerable period of time, while the goods which we supply must in effect represent large cash payments abroad, since cost of production is largely represented by wages, and a substantial portion of wages paid is spent on imported food supplies and other necessities of life. It is contended that under such conditions prices must rise, and that inflation, with all its attendant evils, must follow.

It must be remembered, however, that the alternative is unemployment, and that, though there is always the outlet of emigration for those who are able and willing to seek a living abroad, we cannot allow our population to starve. It follows that—to a considerable extent—cash payments abroad for the necessities of life are in the nature of a continual charge which cannot be avoided. In as far as it is practicable, it is better to follow a policy of productive expansion, resulting in the development of new markets and new sources of supply, rather than be compelled to fall back upon other remedial measures, which would certainly call for inflation, such as relief work or doles.

CURRENCY AND CREDIT.

I now wish to turn to the question of currency and credit. At the present time slackness of trade and the lower cost of living (the latter being, no doubt, due in some measure to reduced wages) have served to bring about a reduction in the demand for currency, so that there is a substantial margin now available for issue, without the need for infringing on the limitations imposed by the existing regulations.

Credit is gradually finding its way into permanent investment, but the amount of outstanding Treasury bills which are convertible into cash at the option of the holder is still over £1,000,000,000. There is thus room for considerable expansion when, with a return to trade activity and with money more in demand, additional currency may be needed. Moreover, if wages can be adjusted to and retained at an economic level, any tendency for prices to rise should be diminished, and the fiduciary margin now available, without infringement of the limit, should to that extent go further towards meeting what may be required. If, however, the legitimate trade expansion, which we look for, should demand a volume of currency in excess of the limit, it would be a mistake to endeavour to maintain what is at best an arbitrary figure fixed by the maximum needs of the previous year, by penal action in regard to money rates. Now that we no longer possess a free gold market the Bank rate is not really effective, and it seems that, providing we balance our national Budget without recourse to the printing press, and keep a tight hand on speculation of an undesirable character, we shall not, in existing conditions, go far wrong.

MONETARY FLATION.

In fact, it seems to be impossible to do much more, for a policy of monetary deflation such as was intended under the Cunliffe Committee's Report, has been found to be impracticable. It is

only when there is a surplus of taxable capacity at the disposal of the Government that monetary deflation can be effected, and at the present time no such surplus is available or is immediately in sight. Moreover, monetary deflation with the object of reducing sterling prices to the level of gold prices may prove to be unnecessary. The relative tables of prices, for this country and America, indicate a tendency towards a gradual approximation between sterling prices and gold prices, and this movement towards a common level is confirmed by the improvement which we have seen in the London-New York exchange. This approximation may continue, for America holds some 40 per cent. of the world's gold, and against this gold there must naturally be a tendency to create credit, and so to cause prices to rise.

To-day it is generally recognised that, although the policy outlined in the Cunliffe Committee's Report would be practicable on a full tide of prosperity, and would have been effective and suitable if this country were still a free market for gold, yet under actual post-war conditions it has not afforded a practical working basis. Possibly at some later date its provisions may be usefully applied, but it seems that, for the time being, direct monetary deflation must be postponed, although this should not prevent the energetic pursuit of a policy of "commodity" deflation. On the other hand, no one should be an advocate of deliberate inflation. We know the evils of such a policy.

NEED FOR ELASTIC CURRENCY.

What is really needed to-day is a policy neither of deflation nor of inflation, but an ability and a readiness to expand for productive purposes, under sound economic conditions. For this we require a currency which is both capable of elasticity and is sound, and one that has a definite relation to value. It should be capable of expansion and contraction, and, in addition, there should be such elasticity of credit as will enable us to meet the needs of productive enterprise.

Such a policy, coupled with the adoption of some of the recommendations of the Geddes Committee for economy, should justify some revision of taxation on the lines which are now being discussed.

CRUSHING BURDEN OF TAXATION.

A reduction of income-tax and of double taxation would do much to improve trade and remove unemployment, and should help to bring down retail prices. The trade of this country has developed largely under our limited liability system, but that system is now penalised by a corporation tax, and in consequence many companies may have to reduce their dividends. Under this tax the State takes 5 per cent. of your profits before you draw your dividend, on which you are again taxed. This is only one of many instances of double taxation. At the present time a relief in the crushing burden of taxation would enable those who are engaged in retail trades to reduce their prices, and others who are employers of labour would be able to give employment in many directions where they would gladly do so, but are prevented for the sole reason that they cannot afford it. There is a point which is, in fact, the limit of taxable capacity; beyond this only a strangling effect is produced, which is paralysing to industry and to the earning capacity of the community as a whole.

GERMAN REPARATION.

Few people understand exactly what the payment of the reparations due by Germany under the London Agreement involves, or what is the precise method by which payment will have to be carried out, and how it will affect ourselves—either favourably or otherwise.

Germany has to provide the agreed sum of £6,600,000,000, together with certain interest charges, which are regulated by the Reparation Commission. This payment must be made by instalments, and bonds have been handed over by her in accordance with this plan.

Under the terms of the Treaty payment is required to be made in gold, or in something which can be measured by gold, but Germany has at present only a comparatively small stock of gold—with which she may perhaps be able some day to start to reform her currency—and the whole stock of gold in the world would not suffice to enable Germany to make her payments in gold, even if she should possess it. She must, therefore, import raw materials, and, in order to pay for them, must export her manufactures. This is a first charge on her exports. Then she must still more goods abroad and render other services so that she may buy gold, or its equivalent in value, in order to make reparation payments.

The question must, of course, arise whether the world can absorb so large a quantity of goods as will have to be sold in order to realise the amount that is required as quickly as is at present proposed, or, at all events, whether it can do so without dislocation to trade and consequently injury to itself.

The problem of reparation payments turns, therefore, not only upon the ability of Germany to pay, but also upon the world's ability to receive payment according to the plan as it now stands.

LIMIT TO GERMANY'S EXPORTABLE CAPACITY.

No doubt there are many things which Germany can make and sell with benefit to the rest of the world and without doing any injury, but there is certainly some limit in this direction. There is also a limit to her exportable capacity, having regard to the extent to which she is dependent upon raw material from abroad, and her ability to pay for it; for, as I have said, in the first place her exports must balance her imports of raw materials and necessities of life, and, after that, a surplus of exports is needed in order that she may make her payments under the Treaty.

If she is forced to inflate her currency for the purpose either of balancing her trade or of making her reparation payments, she must eventually come to bankruptcy, or, in the alternative, the internal value of the mark will fall to a point where the cost of manufacture will not enable her to sell abroad.

SUGGESTIONS.

It seems, therefore, that it is only by spreading such payments as may ultimately be decided upon over a longer period—and according to some plan such as will enable a part to be accumulated, for the time being, as mark balances in Germany for the redemption of the bonds which she has deposited—the ultimate payment can be accomplished without undue disturbance to the world's economic system.

In this way reparation bonds already deposited by Germany would become a saleable security improving in value as her recovery proceeds.

If steps are taken to stop further inflation in Germany much can be done, but without such stability of currency as will afford a reasonably sound and stable medium of exchange any attempt to obtain continuous and substantial payments from her, or to find in her a market such as she afforded to this country in former days, when she was our second largest customer, could not produce any very satisfactory results. If report be true, Germany has been given to understand, and has accepted, this condition, and in such case the first step towards the restoration of Europe will have been taken.

AUSTRIA'S POSITION.

The case of Austria is much the same, though it presents fewer difficulties through being of less dimensions. It is, however, of immense importance, seeing that Austria is once more regaining her old position as a centre for the South-Eastern portion of Europe, and any improvement in her position would have its effect on the whole of that area. She needs support for a few years, by assistance in the form of external credits, to enable her to obtain the necessities of life upon reasonable terms, and in this way to reduce her expenditure and to obtain stability of currency by balancing her Budget. The extending influence of such a policy would have an ever-widening effect, and would be far-reaching. It is by providing her indirectly in this manner with those facilities which will enable her to balance her Budget and stabilise her currency that the restoration of Austria can be achieved, provided always there is the desire and intention upon the part of her own people to take the necessary steps, even if they involve temporary privations, so as to make revenue and expenditure balance.

FALSE PROSPERITY.

At the present time there is an appearance of prosperity, and there is great activity in industry and trade, both in Austria and Germany; this is due to the continuous rise in prices, following upon further creations of currency, so that the goods already manufactured have the appearance of cheapness, and are regarded not only as a profitable investment by the people, who are supplied with further paper with which to buy, but also as an investment which is preferable to the holding of paper money, in which public confidence has been gravely shaken. As this proceeds, there must come a time when the climax is reached, and bankruptcy ensues. When that time arrives, if no step has been taken to arrest it through want of concerted action between the different peoples, payment of any kind will have become an impossibility. Nevertheless, if Germany and Austria are allowed and placed in a position to trade, and to trade profitably, a reasonable burden of debt for reparations could be undertaken and discharged, provided it is spread over a sufficient period of years.

Sound currency is the first essential, and in the case of Austria will help through credits and loans as will give her time to turn round.

INTER-ALLIED DEBTS.

The problem of inter-Allied debts presents much the same difficulties as that of reparations, because any effective payment on account of either interest or principal must ultimately be made in goods or services. Any general scheme for dealing with this matter presents many difficulties, but there is always room for bargaining between individual nations as to a basis for payment, either now or at some future time.

"FUNDAMENTAL CONDITIONS SOUNDER."

Before concluding this brief résumé of the financial history of the past year, and my outlook on the future, I should like to say that the grave difficulties we have encountered have, in my opinion, left us with fundamental conditions sounder than they were a year ago. There is still much to be done, but it is to the good that prices have fallen substantially, that considerable stocks have been liquidated, that profits and wages have gone some way on the road towards a sounder economic basis, that the credit position is easier, and that a new and more suitable monetary policy has been adopted.

LABOUR.

Labour, as is almost invariably the case when it is not misled, is prepared to adapt itself to the altered conditions, and will accept lower wages as the cost of living comes down, and the need is shown for lower cost of production, to enable us to secure our place in world markets. Labour is the life of the country. It is often the custom to assign to labour an unfair share of the blame for a failure to secure all the markets that we would, but my impression is that, if conditions are properly explained and understood, labour will be ready to play its part. It is by the direct exchange of confidence between employers and employed, and the disregard by both of outside interference, that the best results can be achieved.

My lords, ladies, and gentlemen,—I now beg to move the following resolution:—"That the report of the directors produced, together with the annexed statement of the company's accounts as at December 31, 1921, duly audited, be received, approved, and adopted, and that a final dividend at the rate of 10 per cent. per annum on the 'A' shares, and 14 per cent. per annum on the 'B' and 'C' shares, less income-tax, making, with the interim dividend paid on August 2nd last, 10 per cent. for the year on the 'A' shares, and 14 per cent. for the year on the 'B' and 'C' shares, be declared, payable on the 1st proximo, to the shareholders registered in the books of the company on December 31st last."

VIEWS OF SIR HERBERT HAMBLING.

Sir Herbert Hambling (deputy-chairman): Ladies and gentlemen,—Before formally seconding the motion which has been proposed by the chairman, I should like to congratulate him on the address that he has given us to-day. I think you will all agree that he has reviewed the situation during the past 12 months in a most admirable and statesmanlike way. I think he has pointed out to you that the position of the bank is more solid, its assets are more liquid, and it stands even higher in the estimation of the public than it did a year ago. That is in a measure reflected in the price of the shares. You will observe that the bank share market has had a considerable rise during the last few months. It is true that the rise has been general in all gilt-edged securities, and we must not forget that the enormous rise that has taken place in gilt-edged securities is rather strong evidence of bad trade. It is the large sums of money that have been taken from commerce and have been driven into the gilt-edged market that, in my opinion, primarily account for the increase in value; and I should like, before the end of the year or before we get half through the year, to see that money come out of these gilt-edged securities and go back into commerce.

THE CURRENT YEAR.

There is no doubt that we have many difficulties in front of us in the present year. I see, personally, no sign of any boom in trade. But in my humble opinion the political situation entirely overshadows the commercial position, and if we can get a real peace all over the world, if we can get all countries back again into the financial circle, if we can set the wheel moving, gradually at first, I hope and believe that before the end of the year it will gather increased impetus, and that trade—the trade we want; the trade we live on; export trade—will come back to us. I am not going to weary you or to keep you longer. I only hope that this time next year, if we are all alive and well, you will have a better record of prosperity, and I think it will certainly happen that if the peace that I earnestly hope will come about, does come

about, trade will follow. With these few words, ladies and gentlemen, I beg to second the motion which has been proposed by the chairman.

SHAREHOLDERS' CONGRATULATIONS.

Mr Millar Wilkinson said he felt sure that the address which the chairman had delivered had been listened to with considerable interest by all present. He was exceedingly pleased to hear that the bank had splendid investments to the amount of no less than £55,500,000, of which £48,000,000 consisted of Government securities. He wished to ask whether the directors were of opinion that the date would ever arrive when they would cease opening branches of the bank throughout the United Kingdom. As one of the oldest shareholders in the bank, he congratulated the chairman and his colleagues upon the splendid and sound report which they had submitted. Although the profits had been somewhat less, they knew that the commercial gloom was being pierced, and when it was pierced and commerce improved, the very first to participate in that improvement would be Barclays Bank.

TWO EXCELLENT QUALITIES.

Mr Stephen Collins expressed his thanks to the chairman for the very able and comprehensive address which he had delivered, remarking that, on the whole, it was very encouraging. The chairman, by his long experience, was a prophet, and the shareholders all valued the wise remarks he had made. Some of them had doubtless felt a little amused by Sir Herbert Hambling's paradox, when he said that Barclays Bank was not only solid, but liquid. Those, at any rate, were two excellent qualities in a bank. He trusted that this important institution would go on expanding. As a very modest shareholder, he was very pleased that the bank had during the last six months opened a branch in the locality in which he resided. He was sure they all wished continued and increased success to the bank, and hoped that Mr Goodenough would preside over its destinies for many years to come.

GERMANY'S TAXATION.

Mr Edwards said that, having travelled in Germany and Austria recently, he had listened with considerable interest to the remarks which the chairman had made on the subject of reparations. There were one or two facts with regard to Germany which did not appear to be generally known. In his opinion, Germany was playing with the question of reparations. He had had a good deal of discussion with people there, and he found that until recent months income-tax for 1919-20 had not been collected; the money, in fact, had only just been applied for. His own opinion was that Germany must have time to pay, and that every possible opportunity should be given to her to do so, but if Germany were forgiven her reparations, she would again begin her preparations for war. The payment of her reparations was, as a matter of fact, the best guarantee we could have for peace in the future.

SOUNDNESS OF THE BANK'S POSITION.

Mr Christian, who remarked that the shareholders must all recognise the soundness of the bank's position, asked whether the advance of approximately £1,000,000 in the value of British Government securities was due to fresh investments or to appreciation, and whether the diminution in investments in the British Dominions and in Colonial Government securities was due to withdrawals or depreciation. He wished to put the same question with regard to the decrease of £500,000 in British railway debentures. A further item which required a little elucidation was the investment in the Anglo-Egyptian Bank, where there was an advance of nearly 2,000 shares, whereas the value this year was £1,680,000, as against £1,900,000 a year ago.

Mr Bromwich asked as to the amount lent by the bank upon shipping undertakings during the last three years, and particularly in the case of the Western Counties Shipping.

REPLY TO QUESTIONS.

The Chairman, in reply, said that he had not before him at the moment the figures asked for by the last speaker, but the gentleman might take it from him that whatever advances the bank had outstanding upon shipping were well covered by good securities. They might have lost a few thousand pounds, but there was nothing material, and nothing that need disturb shareholders under that head. The Western Counties Shipping owed them nothing whatever. The bank did advance them a considerable amount at one time, but it was repaid in full without the loss of a single penny. Again, with regard to the questions raised as to investments, he was without precise information, but he thought he could satisfy Mr Christian. With regard to the Anglo-Egyptian Bank shareholding, they had bought during the past year a few more shares as they were offered for sale by the remaining shareholders, but

they had thought it prudent to write down materially the total shareholding in their books. That was an ordinary matter of prudence in the management of the business, and could not do otherwise than strengthen the bank's position as a holder of those shares. It was not that they were not entirely satisfied with the holding, because they were, and they received a very good return on the shares. The whole transaction, in fact, had worked out completely to their satisfaction. As to the other securities, they had written down some of them and had sold others because they thought that, with the uncertainties of the future, it was better, perhaps, not to continue to hold them—not that they were dissatisfied with them, but simply in order to take no risks. In the matter of the Government securities, shareholders might take it that on the total of the bank's holdings there was a very substantial margin between the figure at which they stood in the books and the present market value—a very substantial sum indeed. They might have purchased some investments, and, on the other hand, they might have sold others. He could not state precisely what the balance of their holding was one way or the other, but certainly they had not written up their holding, if that was what the shareholder meant. He was much obliged to Mr Collins for his kind remarks and for the expression of his hope that the bank would continue to prosper. He (the chairman) had no doubt that it would. In reply to Mr Millar Wilkinson, he might say that they would certainly go on opening branches wherever they found they could do so with profit to the bank.

The motion was carried unanimously.

RE-ELECTION OF DIRECTORS.

The Chairman next moved:—"That Messrs Henry Birkbeck, Edward Gurney Buxton, Geoffrey Fowell Buxton, C.B., Edwin Henry Galsworthy, Arthur Bevington Gillett, Walter Somerville Gurney, the Right Hon. Lord Kinnaird, K.T., Messrs George Macpherson, Hugh Exton Seebohm, and Francis Barry Whitfield, the retiring directors, be re-elected directors of the company."

Sir Herbert Hambling seconded the motion, which was unanimously adopted.

On the proposition of Sir Rowland Blades, Bart., M.P., seconded by Mr C. Heath Clark, Messrs Kemp, Chatteris, Nichols, Sendell, and Co., and Messrs Price, Waterhouse, and Co. were reappointed auditors.

VOTE OF THANKS TO STAFF.

The Chairman said that perhaps the most pleasant duty which fell to him on the present occasion was to propose a cordial vote of thanks to the staff. The past year, as he had already said, had been characterised by difficult banking conditions, and had required all the ability and energy of their general managers, assistant general managers, and the whole of the staff in order to bring about the very satisfactory position shown by the report and accounts. It was due very largely—principally, in fact—to the staff that the bank was carried on with such very great success, and in saying this he referred not only to those at the top, but also to every one in the employ of the bank. They had a most excellent staff, and were glad to recognise the fact. He therefore moved:—"That the cordial appreciation and thanks of the shareholders be given to the general managers and assistant general managers, and the whole of the staff of the bank, for their excellent services during the past year."

Sir Herbert Hambling said he had very great pleasure in seconding the resolution. He could assure the shareholders that, in his 45 years' banking experience, he knew of no other occasion during the whole of that period when such a vote had been more deserved than it was in respect of 1921.

The vote was unanimously accorded.

MR W. F. TUKE'S ACKNOWLEDGMENT.

Mr W. Favill Tuke (one of the general managers): On behalf of my colleagues and myself, and also on behalf of the whole of the staff, I wish to thank you for the very cordial way in which you have received this resolution. I appreciate very highly the words which have fallen from the chairman and the deputy-chairman, and I am sure that we shall all be encouraged—not only the management, but the whole of the staff—by what has fallen from them and from you to-day. I thank you very much for the resolution.

VOTE OF THANKS TO THE CHAIRMAN AND DIRECTORS.

On the proposition of Mr Millar Wilkinson, seconded by Mr Christian, a hearty vote of thanks was passed to the chairman and directors.

The Chairman, in a brief acknowledgment, said that the directors would certainly do their utmost to continue to deserve the good opinion of the shareholders.

The proceedings then terminated.

NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

SATISFACTORY RESULTS DESPITE DIFFICULTIES OF THE YEAR.

NATION'S FINANCIAL AND ECONOMIC POSITION.

IMPROVEMENT IN NATION'S FINANCE.

CHAIRMAN OPTIMISTIC OF THE FUTURE.

DIMINUTION OF ADVERSE TRADE BALANCE.

The annual meeting of the National Provincial and Union Bank of England, Limited, was held, on the 26th instant, at the Cannon street Hotel, London.

Sir W. H. N. Goschen, K.B.E., presided.

The secretary (Mr E. W. Blackler) read the notice convening the meeting and the auditors' report.

The Chairman said: My Lords, Ladies, and Gentlemen,—Before I deal with the actual figures we have the pleasure of submitting to you to-day, I should like to refer to one or two matters mentioned in the report, and especially to the paragraph which announces the retirement of two of our general managers—Mr Hopewell and Mr Thomas.

TRIBUTE TO RETIRING GENERAL MANAGERS.

Mr Hopewell has devoted no less than 48 years to the service of the bank, the greater part of which has been spent in our City office, and I can pay him no higher tribute than to say that during this time he has gained not only the respect, but I think I may say also the affection of all those with whom, both inside and outside the bank, he has come into contact. His long experience has been an invaluable factor in the conduct of the finance of the bank in the abnormal times through which we have been passing. We lose in him a most efficient general manager possessed of an unrivalled knowledge of London business, deeply imbued with all the highest traditions of our service and well versed in the customs both of the City and of this bank.

Mr Thomas's varied experience and great energy have been employed rather in country banking, and the large increase in the country business of the Union Bank bears testimony to the good use he made there of the connections and knowledge he originally acquired in the London and Yorkshire Bank. He was appointed a general manager of this bank on the amalgamation with the Union, in which position his intimate acquaintance with the trade of the North of England, where he is widely known and respected, has proved of the greatest assistance to the development of this side of our business. We part with them both with much regret, and trust they will long enjoy the leisure to which they are so well entitled.

CHANGE ON THE BOARD.

I must also draw your attention to the paragraph in the report announcing the resignation by Mr Gilliat of his seat on the board of this bank. Mr Gilliat felt that owing to other demands on his time he was unable to give the affairs of the bank the attention they deserved, and under these circumstances he thought it right to tender his resignation, which the directors had no alternative but to accept with much regret.

We are glad to be able to announce that we have elected the Right Hon. Lord Illingworth to fill this vacancy, and his extensive experience as a man of public affairs, as a late partner of a famous firm in the woollen trade and a former director of the Bradford District Bank, will be of great value in the deliberations of our board. You will be asked later on to confirm this appointment by his re-election.

BANK'S WAR MEMORIAL.

In May the memorial to the members of our staff who laid down their lives in the Great War was unveiled by Field-Marshal Sir William Robertson in the presence of some hundreds of relatives of the fallen, and representatives of ex-service men throughout the bank. The names of no fewer than 440 members of our staff are engraved on its tablets, and we trust it will serve not only as a visible memento of their self-sacrifice, but as an example of patriotism for future generations.

NEW BRANCHES.

The consolidation of the various institutions absorbed by this bank continues to progress smoothly, and the several constituent parts are rapidly settling down into one harmonious whole. As stated in the report, a number of new offices have been opened during the year, our policy being to open branches wherever they are necessary for the convenience of our customers, to conserve our business, or where we see an opportunity of extending our connections and adding to our profits.

BANK'S TRUSTEE DEPARTMENT.

I do not know whether the advantages that our trustee department, under the able superintendence of a highly experienced solicitor, is now able to offer to our customers are sufficiently well known. The previous disabilities under which we suffered have lately been removed, and, in consequence of recent legislation, the bank can now be appointed an executor in its corporate name. I think it will be found that our fees compare favourably with those of the Public Trustee and insurance institutions doing a similar business.

THE FRENCH AUXILIARY

We are pleased to report that our French auxiliary—Lloyds and National Provincial Foreign Bank, Limited—continues to make good progress, and we believe the facilities it provides are proving of considerable service to many of our customers. During the past year new branches of that institution have been opened in some of the more important centres in France, and its business generally is extending satisfactorily.

THE ACCOUNTS.

Turning to the accounts, there are no changes of great importance to which I have to call your attention. The amount of our current, deposit, and other accounts—£272,000,000—is practically the same as last year. On the other hand, the coin at the Bank of England and currency notes in the United Kingdom, &c.—the first item on the asset side of the balance-sheet—amounts to £36,167,000, against a previous figure of £31,094,000, an increase of some £5,000,000, showing a percentage this year of cash to deposits of 13.2 per cent., or, if balances at other banks and cheques in course of collection—£8,000,000—are taken into consideration, a percentage of 16.17 per cent. of our deposits.

MONEY AT CALL AND SHORT NOTICE.

The amount of money at call and short notice is about the same as in 1920. Bills under discount—£56,000,000—show an increase of £13,000,000 over last year's figures. These bills, practically all maturing within three months, include a very large proportion of English Treasury bills, and form a readily realisable asset.

INVESTMENTS.

With regard to investments, Government securities stand at £38,000,000, against £48,000,000 in the previous year, from which you will gather that we have had during the past year opportunities of realising at favourable prices some of the investments resulting from the issues in less favourable times to which it was incumbent on the bank to subscribe. For the first time for many years you will be glad to hear that there has been no necessity to provide for any depreciation in our Government securities.

Our shares in other banking companies amount to £2,737,000, and are set out at their cost price. If any item amongst these appears at a price above its present market value you may rest assured that specific provision has been made to meet it.

REDUCTION IN ADVANCES TO CUSTOMERS.

Advances to customers at £126,000,000 show a reduction of £14,000,000 as compared with the figures last placed before you, but it must not be understood that the cause of this reduction is the result of any undue restriction of facilities to our customers. On the contrary, not only have we responded to all applications for assistance by our customers in a liberal spirit, and granted advances where any justification could be shown, to the utmost limits of prudence and safety, but in view of the exceptional times the bank has exercised unusual forbearance and leniency with regard to renewals of advances which otherwise would have become due for repayment.

BANK PREMISES.

Bank premises account shows an increase of a little over £300,000. The rearrangement of our organisation necessary for the effective control of the businesses we have taken over and the absorption of their staff entailed large alterations in, and extensions to, our head office. It is unfortunate that the work had to be undertaken while prices are still at a high level, but we feel confi-

dent that the money is well spent, and that the new arrangements it has been possible to make in consequence of the greater space at our disposal will result, not only in increased efficiency, but also in eventual economy.

PROFITS AND ALLOCATIONS.

After making provision for all bad and doubtful debts—and I am glad to assure you that not only has every ascertained bad debt been written off, but ample provision has been made for any active account the result of which might seem doubtful—we are able to show you an available profit of £2,054,686, which, together with £824,070 brought forward from last year, makes a total sum now available of £2,878,756.

After deducting the interim dividend paid in July, which absorbed £744,753, and after providing an equal sum for the dividend which we have now declared of 8 per cent., making a total distribution of 16 per cent. for the year, there remains a balance of £1,389,249, which has been disposed of by transferring £100,000 to the bank premises fund and £400,000 to the contingencies fund, leaving a balance to carry forward to next year's account of £889,249, or more than a half-year's dividend at the present rate on the bank's capital.

I should like to add that the results of the year's working we have been able to lay before you are, in the main, due to the close co-operation and devotion to duty existing in all ranks of our staff; our general managers, who have only one object in view, the success of the bank, are ably supported by the zeal of the branch managers throughout the country, backed up by an efficient and loyal staff.

DIFFICULTIES OF PAST YEAR.

It is hardly necessary for me to remind you that we have been passing through one of the most troublesome years the business community has ever experienced. In times past there may have been moments of greater stress and crises of a more acute nature may have had to be dealt with, but I doubt whether there has ever been a year during which the obstacles to be surmounted have been more constant, or when the general condition of trade has caused greater anxiety. Throughout the year we have been confronted with a combination of adverse circumstances which have strangled any revival of commercial activity.

Strikes and threats of strikes have impeded the course of business and nipped in the bud any feeling of growing confidence or enterprise. Markets for our exports in all parts of the world have been disorganised, and merchants have been faced not only with a scarcity of buyers, but with the difficulty of collecting the proceeds of sales they might have been fortunate enough to have made, payment of which was, in many cases, long overdue. A large part of Europe has been practically a closed market, and the uncertainty in world politics and the violent fluctuations in exchange have all contributed to the troubles and perplexities which have beset the trade of this country during the past year. None of us can regret that we have finished with 1921, but it speaks volumes for the stability and common sense of the business community, and for the prudence and courage which has characterised the relations of the banks of this country with their customers, that the country has come through the year without any serious disaster.

HOPES OF THE FUTURE.

With regard to the future, apart from the feeling of optimism that the beginning of a new year is apt to beget, I cannot help feeling that there is some break in the cloud of depression which has been hanging over our trade for so long, and that the worst of our troubles are over.

Manufacturers and the wholesale trade have to a great extent faced and realised their losses. Wholesale prices of manufactured goods have declined to more normal levels, and although this has not been the case to the same degree in the retail trade, it would seem as though those engaged in this branch of business are beginning to realise that losses have to be faced, and that the only way to attract customers and to increase business is to bring down their prices to a reasonable level.

Our national finances also seem to be improving, and it is satisfactory to know that from January 1, 1921, up to the end of the year the Treasury have been able to pay off no less than £94,000,000 of our external indebtedness, and it is a no less significant feature that the securities they have created during that period for the purpose of paying off maturities as they became due or of converting them into longer-dated bonds have been issued on an increasingly favourable basis to the State.

The value of the pound sterling, as judged by the American exchange, stood on December 31, 1921, at 4.21½, as against 3.53 on December 31, 1920—an improvement which is fully justified by our general position and the state of our currency.

NOTE ISSUES AND THEIR COVER.

At the end of 1920 (and I ought to explain that in the figures I propose to put before you I have deducted both from the total

note issue and from the currency note reserve the £20,000,000 Bank of England notes held on account of the currency), the issue of Bank of England notes amounted to £124,934,000. And currency notes to a total of 367,626,000.

Making together a total issue of notes available for circulation of £492,560,000. Against which there was bullion at the Bank of England and in currency reserves of £154,434,000. Or 31.3 per cent. of the total issue. Whereas at the end of 1921 there were Bank of England notes issued amounting to £125,064,000. And currency notes issued 325,584,000.

Making together a total issue of notes available for circulation of £450,648,000. Against a total amount of bullion of £157,564,000. Or 34.9 per cent. of the issue. Had I been able to compare the figures for the end of 1919 with those at the present day, the comparison would have been much more striking. At that time the Bank of England notes amounted to £108,748,260. And currency notes amounted to 356,152,000.

Showing a total of £464,900,260 but no comparison of the bullion held at that time is possible or right, as the gold held by the banks had not then been paid into the Bank of England.

This unquestionably shows that we are progressing in the right direction, and assures us in the belief that the policy adopted for the restriction of the currency note issue must appreciably facilitate a return to the pre-war gold standard.

DEVALUATION POLICY CRITICISED.

A far more important factor in the recovery of our general position than the actual amount of note issues and their cover is the condition of our international trade and the gradual diminution of our adverse trade balance, which only amounted to £276,500,000 in 1921, against £375,500,000 in 1920—a remarkable reduction, especially when we consider that it took place in the year of the disastrous coal strike, with all the consequent dislocation which that calamity entailed.

This progress would seem to me to afford no support to, and even to dispose of, the suggested policy of devaluation, or, in other words, the proposal that we should permanently reduce the gold contents and value of our sovereign. I remember an old and well-known London banker, who has now passed away, once saying: "It is bad enough to be poor, but to look poor is the devil," and what greater confession of poverty could we make to the world than to proclaim that we had no hope of the pound sterling ever regaining the pre-eminence it had attained prior to the war? Such a policy would, I believe, not only permanently destroy the position we occupied as the clearing house of the world, and which I feel sure we shall in time regain, but would amount to a repudiation of obligations incurred during the last century. I do not believe there is any necessity for such a pusillanimous policy, which would, to my mind, be a confession of disaster and manifestly unfair to a large section of the community.

CANCELLATION OF DEBTS.

It has also been suggested that we should appeal to the United States to cancel our debt to them because other nations do not, or cannot, pay us. We are, I hope, honest debtors, although we may require time to satisfy our creditors, and can reasonably expect to receive some consideration in this respect while we put our house in order; I trust we shall never attempt to evade the payment of the obligations we have incurred. Nothing could be more harmful to our credit, and I am glad to see the Chancellor of the Exchequer has energetically repudiated any suggestion of the kind, and has stated that even though it may be a burden on the country for years, he will be no party to an appeal to cancel our just debts; it is his firm intention to honour all the liabilities the country has incurred.

RAW MATERIALS AND COST OF LIVING PRICES.

Since we met last year there has been further improvement in the conditions, then so ably expressed by Lord Inchcape in his speech as necessary for a return to a more normal state of affairs and improvement in trade.

Prices of raw materials are now, generally speaking, on a reasonable basis, and the average of wholesale prices has fallen during the year from 132 per cent. over the level ruling on July 1, 1914, to 75 per cent.

The cost of living as disclosed by the Board of Trade figures has fallen from 165 per cent. at the end of 1920 to 92 per cent. at the close of last year above that ruling in July, 1914. But perhaps

one of the most satisfactory features of all is the change that seems to be taking place in the attitude and policy of labour throughout the country. Leaders of the principal trade unions and a large proportion of their members appear now to be realising that industry must be conducted on an economic basis, and are more inclined to work for a rate of wages which gives the manufacturer some hopes of being able to produce and sell his goods in competitive markets.

Our Eastern markets also show signs of improvement, and stocks of unsold or undelivered goods are slowly being absorbed.

TAXATION BURDEN

The excess profits tax, which, in spite of the abuse heaped upon it, has in some cases proved a blessing, or, in other words, a reserve in disguise, has disappeared, but the heavy burden of taxation still remains with us.

I trust that the arrangements which have been arrived at by the Washington Conference may result in decreased demands for expenditure, with a corresponding alleviation of taxation, and we are looking forward to some further relief from this heavy burden by the adoption of the recommendations in the direction of public economy made, we believe, by the Geddes Committee, of which our colleague Lord Inchcape is a distinguished member. We anxiously await the publication of their report.

Although to a small extent some business has been possible with the Central European countries, the situation there is still far from satisfactory, and we can only hope that at the Conference to be held in March next arrangements may be made for the regeneration and reorganisation of that part of the world and the consequent resumption of trade on a more normal basis.

BRIGHTER OUTLOOK.

Taking all things into consideration, I think that the outlook is certainly brighter than it was a year ago. Not that one expects or wishes to see a boom in trade this year; we must go slowly. Our commerce is as yet hardly convalescent, and has still to recover from the effects of the war and the slump in prices we have lately experienced, and if pressed to efforts beyond its strength, the wounds which are just healing may break out afresh. But if I am right in thinking, as I do, that we have begun to realise that economy, hard work, and combined efforts are, after all, the only remedies which will cure the ills from which we have been suffering, then I believe we have really made some progress on the uphill road which leads to success.

I now beg to move the adoption of the report and accounts.

Sir Felix O. Schuster, Bart., seconded the motion.

LIABILITY ON SHARES.

Mr Deputy Millar Wilkinson said that he had listened with great attention to the chairman's excellent speech. He felt sure that all the shareholders would readily agree that the past year had been an extremely trying one for bankers, and that it must have taxed the great financial ability of the chairman and his colleagues to a considerable extent. He had no doubt that the consensus of opinion among the shareholders would be that the report before them was a very sound one. As a citizen of London for over 60 years, and as one who had been until recently engaged in business, he had many friends among manufacturers and retailers, and they all imbued him with the idea that the worst was past, and that next year would show some lifting of the dark cloud which had hung over trade so long. He wished to ask whether the board had considered, or would consider, the advisability of reducing the amount of the uncalled liability on the shares. They had shares in this great institution, £5 fully paid and ranking *pari passu* in every respect with the ordinary shares, and what was the result? The £5 fully-paid shares stood at about £12, and the ordinary shares stood at £9. It seemed quite clear that the public were now showing a disinclination to hold shares with a heavy liability. In conclusion, he congratulated the chairman very heartily on the way in which he had dealt with the report, which he believed all the shareholders would agree was an admirable one.

Mr John Hedges said he was heartily in accord with the remarks of the last speaker. They all recognised that the past year must have been a very trying one for the bank, but it appeared that all the banks had passed through it fairly satisfactorily. He was afraid, however, that the present year would not show much better results in regard to trade unless the Government reduced taxation. He did not see how it was possible for people paying a heavy income-tax, and also super-tax, to spend money, and, after all, it was by people spending money that trade was made good. He quite agreed with the opinion expressed by Mr Millar Wilkinson with regard to the liability on the shares. There was not so much likelihood with fully-paid shares of holdings being thrown on the market when a person died. Executors would not run the risk of keeping shares carrying a liability, and he thought it would be agreed that there was more likelihood of the price remaining

steadier with fully-paid shares. With regard to the closing of the banks at 3 o'clock, he thought the matter deserved some further consideration, because it was well known that a good many businesses did a lot more trade after 3 o'clock than earlier in the day, and the cashiers could not get their money added up and ready to be paid in before the present early closing hour.

CHAIRMAN'S REPLY.

The Chairman, in reply, thanked the speakers for their kind expressions with regard to the conduct of the bank, and said he could assure them that the various points brought forward would receive the most careful consideration of the directors. The whole question of the capital of the bank had been often discussed at their annual meeting, and the board had given the matter very careful consideration. There was one great difficulty with regard to reducing the liability, and that was that they would have to go to the court, and, if the capital were reduced, he believed he was right in saying they would have to add the words "and reduced" after the name of the bank. This, perhaps, would not have an injurious effect in this country, where people knew the bank, but it might cause considerable inquiries to be made abroad as to what the reduction in the responsibilities of the bank really meant. However, the matter should receive careful consideration. The question of keeping the bank open after 3 o'clock was one that came from time to time before the Committee of the London Clearing Bankers, and it had received careful thought, but in view of the very heavy work thrown upon their employees, and the small demand from the public for a later hour of closing, it had not so far been considered necessary to make any change; he would certainly bring the matter before the committee again.

The resolution was unanimously carried.

The Chairman next moved the re-election of the directors going out of office by rotation—namely, Mr Selwyn Robert Pryor, Mr Francis Alexander Johnston, Mr Colin Frederick Campbell, and Mr Lindsay Eric Smith, and this, having been seconded by Sir Felix Schuster, was carried; and the appointment of Lord Illingworth to a seat on the board was confirmed.

On the motion of Mr J. B. Braithwaite, seconded by Mr J. A. Scrimgeour, the auditors (Sir William Barclay Peat, C.V.O., and Sir Nicholas E. Waterhouse, K.B.E.) were appointed.

A hearty vote of thanks having been accorded to the directors, general managers, branch managers, and other officers of the bank for their efficient management and services, the proceedings terminated with a vote of thanks to the chairman for his able conduct in the chair.

BRITISH BURMAH PETROLEUM COMPANY, LIMITED.

NEW CONCESSIONS ACQUIRED.

The adjourned eleventh ordinary general meeting of the British Burmah Petroleum Company, Limited, was held, on the 24th instant, at the Cannon Street Hotel, London, the Hon. Lionel Holland, the chairman, presiding.

The Chairman said that conditions in the oil industry of the world and in India had materially diminished the company's profit. Profit on exchange, which last year amounted to over £112,000, this year was under £10,000. Substantial economies were being or would shortly be effected.

The refinery throughput averaged 300 barrels per day less than in the preceding year, through smaller deliveries of crude oil from the producing fields, and a strike in September and October among employees on the oil "flats" conveying crude oil from the field to the refinery. The seven lean months that followed were the effect of a forced reduction in drilling and development during the war, but the extensive programme undertaken thereafter made its effects felt last spring, with a satisfactory initial yield from new wells in the Singu area. Consequently, before the end of the financial year the refinery was receiving a full supply of crude oil.

The trading profit was £168,559, or a drop of nearly £200,000. Including profit on exchange, already mentioned, and other items, and deducting sundry charges, debenture interest and depreciation, as well as nearly £77,000 for drilling and sinking, there remained a profit balance of £93,334, apart from about £74,000 of surplus on the sale of investments and refunded taxation. The proposed final dividend was at 12½ per cent. per annum, free of income-tax, making 12½ per cent., tax free, for the year.

At Singu several wells had reached the deeper and richer sands, and others were being sunk, while they were taking seriously in hand the development of another field in which they held a very considerable territory. Oil rights over some 58 square miles in the N.W. Provinces and the Punjab had been acquired, and might well prove an asset of importance. On the Sinai Concessions active work was proceeding, and in the Argentine they looked for early success.

The report and accounts were adopted.

BANK OF LIVERPOOL AND MARTINS, LIMITED.

MR EDWARD PAUL ON CURRENCY INFLATION AND TRADE REVIVAL.

DIVIDEND MAINTAINED DESPITE YEAR'S DIFFICULTIES.

INDUSTRIAL SITUATION REVIEWED.

HOPES FROM THE GENOA CONFERENCE.

The ninety-first annual meeting of shareholders of the Bank of Liverpool and Martins, Limited, was held at Liverpool on Tuesday last, the 24th instant, Mr Edward Paul, the chairman, presiding over a large attendance.

In moving the adoption of the report and accounts for the year 1921, the Chairman said: Gentlemen,—I beg to move that the report of the directors now submitted, and already printed and distributed among the proprietors, be adopted. I presume you will allow me to take the report as read.

LOSSES ON THE BOARD OF DIRECTORS.

You will observe that the report refers to the loss we have sustained by the death of Mr A. T. Neilson, a member of our general board, and Mr William Taylor, a member of our Manchester board.

Mr Neilson served the bank as a director with great acceptance for 15 years, and rendered us good service by his advice and by his knowledge of business affairs in Liverpool and Manchester. In losing him the directors feel that they have lost a valuable and most congenial colleague.

Mr William Taylor was a director of the Palatine Bank, and latterly of this bank, for 22 years. He was a man of shrewd judgment, business knowledge and capacity, all of which qualities he placed unreservedly at the disposal of the bank. In his case, also, the directors will miss him greatly.

May I also refer to the death of one who was for many years a director, and only retired from our board a few years ago. I mean Sir William Henry Tate. He was an excellent director of the bank and a leading citizen of Liverpool, and we shall treasure his memory.

To the families of all these friends I beg to tender, on your behalf and on behalf of the directors, our heartfelt sympathy.

MANAGEMENT CHANGES.

During the year we have lost the services of Mr J. C. Kerr, our Halifax district general manager, and Mr Sydney P. Bell, our North-Eastern assistant district manager, both of whom retired in consequence of the state of their health.

To the Halifax Commercial Banking Company, as their general manager, and to ourselves as district general manager, Mr Kerr rendered valuable service during a combined period of 24 years. The directors regret the necessity for his retirement, and offer him best wishes for his future welfare. His successor is Mr Herbert Holt, who was for many years associated with him in the management, and has the full confidence of the directors and the customers.

Mr Bell entered the service of the North-Eastern Bank shortly before its amalgamation with this bank, and has rendered us very good service. We are sorry to lose him, and hope that retirement will restore his health. In his place we have appointed Mr J. M. Furniss, formerly manager of our Victoria Street branch, Liverpool, who is well qualified to discharge the duties of his new office.

Another important change in management is due to the retirement, owing to advancing years, of Mr R. W. Williams, manager of our London office, who served Martins Bank and ourselves loyally and efficiently for 56 years. Mr J. H. Cooper, who succeeds him, has a thorough knowledge of the London business, and is well fitted for his new position.

NEW BRANCHES.

The report also refers to the opening of certain branches and the acquisition of premises for new branches. During the war we were deprived of so many of our men that extensions were impossible, but now that the staff is replenished we propose to open offices in places where we feel that an extension is not only natural, but likely to result in the development of business.

BALANCE-SHEET ITEMS.

Turning to the figures of the balance-sheet and comparing them with the corresponding figures of December 31, 1920, you will notice that there has been a decrease of £2,500,000 in the amount due on current, deposit, and other accounts. This decrease is apparently of a temporary nature. There is also a decrease of £3,000,000 in the bank's acceptances, due to the dull condition of trade and the fall in the value of commodities, against which acceptances are given. The total of the balance-sheet has accord-

ingly fallen from £91,000,000 at the end of 1920 to £86,000,000 at the end of 1921.

On the assets side the cash in hand and at the Bank of England is £3,000,000 less, but the investments in first-class securities, which include Treasury Bills, have increased by £3,800,000. Our investments in war issues have diminished by £2,000,000, owing to the sale of some short-dated investments during the year. Bills of exchange are £5,300,000, against £7,000,000 last year, a decrease which, again, is due to the dull condition of trade.

The most important change in the figures, however, is the reduction of £180,000 in the net profit for the year. In considering this decrease, one has to remember that the year 1920 was a "boom" year; when the bank's customers were doing a large business, which was reflected in the activity of their bank accounts; whereas the year 1921 was one of profound depression, when the turnover in business accounts diminished to an extraordinary degree. This is indicated in the figures of the bankers' clearings:—

In the Liverpool clearing the decrease was 45.7 per cent.

In the Manchester clearing the decrease was 48.8 per cent.

In the Newcastle-upon-Tyne clearing the decrease was 54.7 per cent.

and so on, while the country cheques cleared through London showed a reduction of 26.2 per cent. In other words, business was stagnant, and our commission account naturally suffered. Further, the margin of profit in interest account declined as the year went on, until, towards the end of the year, it was difficult, in respect of money lying in London, to make enough to cover rates allowed to customers on their balances.

DIVIDEND MAINTAINED.

Taking these adverse circumstances into account, the directors are gratified that the profits enable us to pay the usual dividend of 16 per cent. per annum, to provide £150,000 for the bank's contingent fund, and to increase the balance of profits carried forward by about £23,000. The contingent fund is the internal reserve fund of the bank, and our reason for making a transfer to that fund is that, in the present depressed condition of trade, it is desirable to keep the internal reserve strong.

INVESTMENTS.

With regard to our investments, the very conditions which so adversely affected commercial business led to a recovery in the price of gilt-edged securities, and we have no occasion this year to provide for any depreciation. On the contrary, the value of the bank's investments shows a substantial surplus beyond the amount at which they stand in the books.

TRADE DEPRESSION AND ITS CAUSES.

The year 1921 was a year of unexampled business depression, not only in this country but in most of the commercial countries of the world. The fall in the trade barometer began about April, 1920, and had reached such a point by the end of that year that many observers hoped that the bottom had been touched; but during the opening months of the year 1921, and until the month of April, the fall in values and the curtailment of business continued without interruption. From April until the end of the year, while conditions have shown no marked improvement, they have not become worse, and one is tempted to hope that the bottom of the depression has at last been reached. As prices fell, many buyers of goods, especially foreign buyers, failed to fulfil contracts. Especially was this the case where buyers had to face not only the loss in the market value of the goods, but a further heavy loss in exchange. The result was that huge quantities of textile and other goods, which had been shipped out to fulfil definite orders, were left on the hands of exporters to be sold for what they would fetch, or to lie encumbering the quays and warehouses of distant ports. Fresh orders were few and far between. Prices fell below the cost of production, and serious losses were incurred by many of our industrial concerns.

INDUSTRIAL DISPUTES.

To add to our troubles there were during 1920-21 a large number of industrial disputes; I have seen the number quoted as 4,000. The engineering trade was seriously crippled by the

moulders' strike. The shipjoiners' strike, which lasted nine months, threw all shipyard work into confusion, and drove an enormous amount of repair work out of the country; and the coal strike put an end for the time being to our export trade in coal, and closed down the blast furnaces throughout the country. Trade has not yet recovered from these shocks. One is, however, glad to observe a better spirit in regard to labour questions and signs of a happier co-operation between employers and employed.

Another cause of the depression, and especially of its long duration, is that we have not succeeded yet in this country in getting down the costs of our leading lines of manufactured goods to a basis low enough to compete successfully for foreign orders.

When we add to all this the fact of the general economic dis-organisation of the world, we have no difficulty in accounting for the unsatisfactory state of trade and the deplorable extent of unemployment.

This being the background of the picture, I hope you will allow me to fill in some of the details by referring to individual trades and industries.

AGRICULTURE.

I take first the industry of agriculture. The year 1921 was disappointing for farmers. They suffered from heavy depreciation in the value of livestock and from a great fall in price of agricultural products. Roughly speaking, in our area, the fall in values ranged from 40 to 50 per cent. The drought of last summer, although not felt so severely in the North of England as in other parts of the country, also greatly interfered with successful farming, and increased the expense of stock feeding. In some quarters it is felt that although prices may still have to drop further, the fall will not be great, and that steadier prices are likely to be seen during the current year. Speaking generally, the farming industry throughout the North of England has stood the adverse conditions well, and with prudence, economy, and favourable weather will probably get safely through any depression still in front of it.

COAL, IRON, AND STEEL.

During the greater part of 1921 the coal, iron, and steel industries, which I treat together because they are so closely interwoven, have been more or less in a moribund condition. In the first three months of the year most of the steel works were kept busy on old orders at profitable prices, though not much new business was coming to hand. During the same period very little money was being made in the coal trade, but as a proportion of the pre-war standard of profit was guaranteed by the Government, the trade as a whole had not taken any harm. Then, on March 31st, came the end of the Government guarantee, and the disastrous coal stoppage, which paralysed trade in every direction. Some of the iron and steel works kept going as long as supplies of fuel lasted, but there was a gradual closing down, and eventually that important industry came to a complete standstill. Old orders for steel were cancelled on all sides, and our foreign competitors began to get busy to such an extent that more coal and iron was imported into this country than has ever been known. As much as 20,000 tons of iron were imported into the Tees in a single month. Since the coal settlement, foreign competition, coupled with the poor demand, has made owners chary of starting their works and collieries. In many districts miners' wages have now come down to the minimum under the national agreement, and that being so, the coal owners have not found themselves able to further reduce quotations for fuel, and no further reductions in the price of iron and steel can be made without loss. It is the general opinion, however, that prices of iron and steel have dropped to such an extent as to prevent any further imports from abroad. As soon as these facts are recognised, it is possible that the demand will expand. Inquiries are certainly more numerous, although, so far, not a great deal of business has resulted. The one satisfactory feature is that we are recovering our trade in export coal.

SHIPBUILDING.

This leads me to speak of the allied industry of shipbuilding, which in its turn is dependent upon the position of shipping. Shipping has been seriously affected by two main considerations—namely, the enormous increase in the tonnage of the world and the decrease in the quantity of cargo to be carried. Before the war the steam tonnage of the world was 43,000,000; it is now 59,000,000. The quantity of cargo moving before the war was just enough to keep steamers employed. The quantity is now only 80 per cent. of pre-war quantity, while the tonnage has increased 36 per cent. The consequence is that many ships are idle, many only half-full, and new ships are not wanted. The high

cost of new steamers has also checked the demand. The result is that the various shipbuilding yards are gradually completing tonnage under construction, but orders for new tonnage are not being placed, except by a few liner companies who must have tonnage for their special trades. Many builders are now becoming short of work, and are prepared to contract at figures which only leave the smallest margin, if any, of profit; but owners of cargo steamers do not consider prices sufficiently low as yet to justify contracting for further tonnage. It is the opinion in some well-informed quarters that the bottom of the shipping slump has been reached, and that we shall see a slow but steady improvement, and there is undoubtedly some inquiry now regarding new tonnage. There is also a certain amount of repair work in progress, and this department of the industry will probably be the first to participate in any revival, because ships which have been laid up will require overhauling before being replaced in commission.

COTTON TRADE.

Turning now to the cotton trade, the year under review was the worst since the days of the American Civil War. It began with a falling-off of the 1920 demand, and both consumption and price continued to fall until August. Stocks of raw material, as well as manufactured yarn and goods, accumulated, and a cessation of buying for export, together with postponement of deliveries on contract for both home and foreign markets, compelled most mills to run much short time. At the end of the summer a mistaken estimate of the American crop by the accepted authorities caused wide and continual price fluctuation, and mills and merchants, in guarding against a shortage, placed themselves in a worse position than before.

To give you an idea of the fall in values which spinners had to face:—Egyptian yarn (60's), which in February, 1920, was quoted as high as 12s rod per lb, was in 1921 purchasable at about 2s per lb, and American cop twist (32's) fell not less than 75 per cent. in value. It follows that in the spinning industry very few dividends have been earned during 1921, and the losses have been heavy.

Manufacturers also suffered severely. Overseas purchasers either refused or were unable to take up cloth ordered at high prices in 1920, and the existence of these unsold stocks proved a dead-weight on the market for cloth. The Indian (Native) Piece Goods Association refused to meet their engagements, except on the basis of a 28 rupee, to which our merchants could not see their way to agree, whilst in Calcutta and elsewhere the Ghandi boycott presented a great impediment to trade. Accordingly, exports of piece-goods show a heavy fall in practically all the principal markets as compared with the year 1920.

A MORE ENCOURAGING OUTLOOK.

With regard to the future, the impediments in the way of increased trade are that there are still considerable stocks of undigested goods in various parts of the world; finishing prices are still high, though I am glad to see that reduction is now contemplated; taxation, both local and Imperial, is a heavy burden, adding greatly to the cost of production, and the dislocation of the foreign exchanges makes trade in many cases almost impossible. Taking the trade as a whole, however, there is, according to a well-known trade authority, every likelihood of 1922 being more encouraging than 1921, but business will probably be irregular, and progress towards better times slow. A favourable feature is that we must be approaching the point where the markets of the world will require to replenish their stocks, but when that point will be reached it is impossible to say. Another bull point for spinners, though not for manufacturers, is that during recent months exports of yarn to India, Germany, and Roumania show a considerable increase.

WOOLLEN TRADE.

The course of the woollen trade was similar to that of the cotton trade. The boom in the industry attained its height about April, 1920, and the remainder of that year witnessed traders making every effort to overcome the difficulties which threatened the whole industry. The period of depression reached its culminating point in April, 1921, when there were heavy stocks of wool in this country and abroad, and very heavy stocks of finished cloth manufactured from raw material bought at the highest prices, and for which there was no demand whatever. The formation of the British Australian Wool Realisation Association, at the end of 1920, for the disposal of the Government's surplus wool, probably prevented wool from falling to its economic level at the point of greatest depression of the industry; had it done so, the result in other sections of the trade would have been disastrous. The Emergency Tariff in the United States in the early months of 1921 created a heavy demand for tops, and the recovery of the German wool textile industry brought about a sustained demand for raw material, and for tops and yarns during the remainder of the year.

PIECE GOODS.

The experience of manufacturers and merchants of piece goods has been, and is, a sorry one. From the termination of the boom in 1920 to April, 1921, they were inundated with cancellations of orders for piece goods, which were either made or in process, and since then the trend of values for finished cloth has been downwards without interruption. Their difficulties were increased by Germany entering into our market for semi-raw materials at the point of lowest values, and offering the resulting manufactured goods in competition with British manufacturers' stocks made from raw material bought at high prices. The liquidation of finished cloth has therefore been, and is, very difficult, and heavy losses have been made.

The end of the year 1921 closed favourably so far as top-makers and spinners were concerned, and machinery which had been approaching a standstill began to run again. The outlook for makers of tops and yarns is accordingly better than it has been for some time past, and while the prospect for manufacturing and piece merchanting is not yet encouraging, it is felt that the worst is over. Reports received from our branches indicate that the chief obstacles to a revival of the trade are again high taxation and fluctuating exchanges.

If I were to touch upon other markets and trades, I might tell you a more cheering story about some of them, such as foodstuffs, textile machinery, and others, but, nevertheless, I could not avoid the conclusion that the year 1921 witnessed the greatest depression in our economic history. If it had not been for the patience and resource of our business men, and the generous way in which buyers and sellers often agreed to cancel contracts and share losses, and if it had not been for the power to recover losses to the extent of excess profit duty previously paid, the results would have been calamitous. As it is, the country weathered the storm, and will, I trust, now enter calmer water.

MONEY MARKET.

During the year conditions in the money market underwent a considerable transformation. At the beginning of the year Bank rate stood at 7 per cent. and Treasury bills were being sold at 6½ per cent. From March onward Bank rate was reduced by gradual stages to 5 per cent., at which it still stands, and at the end of the year Government was able to borrow on Treasury bills at slightly over 3½ per cent. The fall in the value of money afforded the Treasury the opportunity of borrowing upon Treasury bonds, the total sales of which up to the end of the year amounted to over £175,000,000, which will be a valuable assistance to the Chancellor of the Exchequer in balancing his Budget. The prospect for the new year is that money will continue reasonably cheap, except perhaps during February and March, when taxes are being collected.

After what I have said about the state of trade, I think you will realise some of the problems which bankers have had to face, and you will agree with me that it is a tribute to the soundness of our banks that they have passed so successfully through the difficulties of the year. Our financial system, tried by the test of the war, by the test of the boom which followed it, and by the test of the depression through which we have just passed, has not been found wanting.

EXCHANGE RATES AND TRADE RECOVERY.

Unfortunately, the economic recovery of our own country does not depend alone upon the soundness of our banking system or the solvency of our Government's Budget. It depends also upon the financial and economic conditions prevailing in other countries. While our transactions with America are running on a more even keel, as evidenced by the recovery and comparative steadiness of dollar exchange, our trade relations with Europe are being interrupted and curtailed by the chaotic conditions which prevail in most of the European countries. In many of these the reprehensible practice of inflating the note issue has continued practically unchecked throughout the year, and, if not stopped, is bound, according to all past experience, to end in the economic, commercial, and even social collapse of the countries where the practice prevails. It is not too much to say that the very existence of the economic system of Europe depends upon the abandonment by Germany and other countries of the policy of increasing their issue of inconvertible notes. But what concerns us more directly is that the depreciation of these currencies has led to violent fluctuations in the exchange rates as between the currency and the pound sterling or the currency and the American dollar. The extraordinary effect of such fluctuations upon the internal and foreign trade of the countries concerned is puzzling even to those experienced in such matters. Booms of greater or lesser volume appear and die away, and appear again. Great apparent prosperity exists alongside of very real distress, and in the case of all the countries whose exchanges are subject to the violent

fluctuations I have mentioned, the difficulties in the way of foreign trade are becoming very great. In pre-war days, when the gold standard prevailed in the leading commercial countries, exchange fluctuations were limited by the cost of shipping gold. Thus, if we were becoming too heavily indebted to America, the rate of exchange moved against us until it fell to the point where it was cheaper to draw gold out of the Bank of England and ship it to New York, than to remit money in the form of dollar bills or cable transfers purchased in London. Such shipments of gold not only checked the fall in exchange, but produced a train of remedying influences which, in the old days, protected the economically stabilised countries against the effects of any tendency on their part to overtrade, whether in goods, credit or finance.

DISAPPEARANCE OF GOLD STANDARD AND ITS EFFECT.

The trouble is that with the practical disappearance of the gold standard from the countries of Europe, there is now no link between the currencies of one country and another, no automatic limit to the fluctuations of exchange, and none of the restraining and correcting economic influences which, as I have said, were evoked when international indebtedness reached the point at which gold had to be shipped. Further, in the old days, the trend of prices was fairly uniform throughout the world, and sudden and excessive movements of price were the exception. Now there is no guarantee that in countries where the currency is inflated prices may not move suddenly, violently, and in a direction quite at variance with prices in the rest of the world. It follows that transactions between this country and, say, Germany, which when originated showed a profit to both buyer and seller, might end in severe loss to either the one or the other. Under such conditions business becomes impossible. Again and again during the year we have found business men prevented from undertaking desirable transactions, which would have yielded both profit to themselves and employment to others, by the uncertainty as to the course that prices and rates of exchange would take during the currency of the transaction. In my opinion this uncertainty is now the chief obstacle to business recovery.

GENOA CONFERENCE.

I therefore welcome the approaching international Conference at Genoa in the hope that it will accomplish the following necessary things:—Settle the amount of Germany's reparation at a figure which she ought to pay, but which she can pay; fix the method of payment so as to cause the minimum of disturbance in the foreign exchange market; induce the several Governments to balance their Budgets and cease further issue of inconvertible notes; abolish tariff walls and similar restrictions upon international trade; and, establish peace. The task before the Conference is stupendous, but the Conference will be helped by the conviction which is growing in many minds in all lands, that the welfare of all the nations depends upon the restoration of economic stability and the reopening of the channels of international trade. To achieve such a restoration and such a reopening would be no mere economic gain, it would bring comfort and hope into countless homes in this country, which are at present desolated by want of work, and it would do more than anything else to promote order and contentment not only here, but in the distracted countries of Europe. But if this great end is to be accomplished, the work of the Genoa Conference must be supplemented by earnest effort to reduce our own local and Imperial taxation, which is such a handicap to industry, and to remove all other obstacles which in this country stand in the way of trade recovery. Then we may confidently look forward to a return of that commercial prosperity which, for the sake of every class of the community, is so much to be desired.

Mr Isaac H. Storey, one of the deputy-chairmen, seconded the adoption of the report and accounts, and the motion was carried unanimously.

Messrs G. E. B. Bromley-Martin, W. R. Glazebrook, W. H. Hustler, and A. Allan Paton, C.B., were re-elected directors.

VIEWS OF SIR JAMES HOPE SIMPSON.

Sir James Hope Simpson, general manager, responding to a vote of thanks to directors, management, and staff, said the past year had probably been the most difficult in his experience, not even excepting the war years. During the war when problems arose there was generally only one thing to do. Last year the problems were due to so many cases that it was not always easy to select the right one. However, they had got through, and got through well, and he hoped this year would be commercially a calmer one. Sir James acknowledged the loyalty and support of the managers and staffs of the bank, and announced that the long-wished for widows' and orphans' fund was now established. The meeting concluded with cordial thanks to the chairman.

The meeting concluded with cordial thanks to the chairman.

THE UNION DISCOUNT COMPANY OF LONDON, LIMITED.

SATISFACTORY YEAR'S BUSINESS—INCREASED PROFIT.

SIR ROBERT BALFOUR ON FINANCIAL AND TRADE CONDITIONS.

NEED FOR UNIVERSAL ECONOMY—OUTLOOK BRIGHTER.

The sixty-fourth ordinary general meeting of the shareholders of the company was held at Cannon street Hotel, London, on Thursday, January 26, 1922, Sir Robert Balfour, Bart., M.P., presiding. The secretary read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said: Gentlemen,—I presume that you will take the report as read. It is scarcely necessary to remind you of the adverse industrial and business conditions which have prevailed in this country during the past year, and you are aware that much more adverse conditions exist in many other countries with which we were accustomed in happier times to carry on large and mutually advantageous trading operations. Under all the circumstances, we feel that we are fortunate in being able to submit for your approval the satisfactory reports and accounts for 1921 which are now before you. The restriction of industrial production and trading operations has led to comparatively large supplies of short employment money being available for the purposes of the discount market, and although the supply of bankers' and commercial bills has been limited, as the natural result of trade depression, this deficiency has been made good by free offerings of Treasury bills, which have enabled the discount houses to obtain suitable employment for the funds at their disposal.

NORMAL TRADE CONDITIONS DESIRED.

While, however, the discount market has been able to carry on a satisfactory business under the adverse conditions to which allusion has been made, we would welcome a return to the more normal position which may be expected to result from renewed industrial and commercial activity. In this connection it may be of interest to refer to the Board of Trade returns for 1920 and 1921. In 1920 the export of imports was of the value of about £375,000,000, whereas in 1921 it was about £275,000,000, an improvement in the trade balance of about £100,000,000, which is advantageous from the point of view of restoring the gold value of the £ sterling and the par basis of exchange; but, unfortunately, there are other considerations. These are brought into view by a comparison between the total volume of trade, as disclosed by the Board of Trade returns, for the years 1920 and 1921 already mentioned. The value of the combined imports and exports in 1920 (including re-exports) was a little under £3,500,000,000, whereas in 1921 it was rather less than £1,000,000,000. It is proper to point out that these figures represent values, not quantities, and that the heavy depreciation in values, which came into effect during the past year, is, in part, probably in substantial part, responsible for the fact that the combined import and export trade for 1921 in respect of value did not greatly exceed one-half of that of 1920. The greatly reduced volume of foreign trade demonstrated by these figures has materially added to the general depression which is responsible for the deplorable amount of unemployment and short-time employment which now exists.

INDICATIONS OF BRIGHTER TRADE OUTLOOK.

There are, we venture to think, indications of improving trade conditions. Production has greatly diminished, owing to the restricted demand, and stocks (both at home and abroad) are being reduced under the pressure of discriminating credit facilities and the lack of confidence resulting from continuously declining prices. Consumption, however, has been going on, although, doubtless, on a smaller scale than in more normal times, and it is reasonable to expect that trade will gradually reach a broader and sounder basis of development than it has enjoyed for a considerable time, especially if substantial progress is made in rehabilitating the industrial and commercial life of other countries. It is well to remember that the prosperity of one country is not obtained from the adversity of other countries, and that all countries are mutually interdependent from a trading point of view. There is ground for hope that good results may be obtained from the proposed Conference at Genoa in establishing more friendly international business relations.

NEED FOR GOVERNMENT AND PRIVATE ECONOMY.

It is essential to the recovery of our prosperity that the national expenditure should be reduced to the narrowest limits consistent with efficiency, and likewise personal expenditure of a wasteful character should be avoided. There is reason to fear that we are

becoming so accustomed to the depreciated value of our current money as to be indifferent to the national discredit which this implies. The remedy is in our own hands. It may be assisted, it cannot be accomplished, by artificial means, and will be found in increased production and exportation of marketable commodities and reduced consumption of unnecessary things. There is a further remedy, that of increasing the home production of food, which there is reason to believe could be largely augmented to the national advantage.

INTERNATIONAL RELATIONS.

With reference to questions of wider significance, the progress which has been made in the organisation of the League of Nations is a subject for congratulation, and there seems good reason to believe that the establishment of harmonious relations between the countries represented at the Washington Conference may be of invaluable assistance in laying a foundation on which the more comprehensive purposes of the League of Nations may be developed.

MONEY MARKET.

Referring now more particularly to our own affairs, the year opened with the Bank of England rate at 7 per cent.; on April 28th it was reduced to 6½ per cent., on June 22nd to 6 per cent., on July 21st to 5½ per cent., and on November 3rd to 5 per cent., at which rate it now stands. The Treasury bill rate in January was 6½ per cent., afterwards reduced in March-April to 6 per cent.; since then the issue of Treasury bills has been mainly in response to weekly tenders, and liberal applications have recently been accepted at an average differential at about ¼ per cent. below the Bank of England minimum for the time being. The discount market, therefore, has been confronted with the unusual position of the Bank rate minimum, which governs the deposit rates, being maintained at 5 per cent., while the market discount rate, which has followed the Treasury bill rate, was about ¼ per cent. lower, or practically the current rate paid for weekly loans. But, while the working margin of the discount houses under the circumstances has been on a meagre basis during the past few weeks, market conditions were exceptionally favourable during the greater part of the year, owing to the fall in the Bank rate from 7 per cent. to 5 per cent., and to the still greater fall in the rate for Treasury bills. Moreover, they have gained substantial advantage from the appreciation in Government securities.

The average discount rate for the year was £5 4s 3d, the average deposit rate £4 2s 4d, and the average rate for short loans was £4 12s 8d.

BALANCE-SHEET ITEMS.

Turning now to the balance-sheet and profit and loss account, and comparing the figures with those of 1920, I have to make the following observations.

The position of capital account is unaltered at £1,000,000. An addition of £100,000 has been made to reserve fund, which now amounts to £1,100,000; and in explanation of this appropriation, it is sufficient to say that the directors' object is to strengthen the financial position of the company, having in view its increasing business and responsibilities.

An appropriation of £10,000 has been made to provident fund. It is desirable that due regard should be given to the prospectively increased claims on this fund.

Loans and deposits, including provision for contingencies, amount to £33,417,986, as compared with £31,669,392, an increase of £1,748,594. Bills rediscounted are £12,660,345, practically the same amount as last year.

Rebate on bills discounted amounts to £643,535, being £319,955 more than last year. The amount of bills subject to rebate is not materially different; but the average maturities are more extended.

PROFIT AND LOSS ACCOUNT.

Balance at credit of profit and loss account for appropriation is £399,650 12s 6d, as compared with £323,044 4s 3d last year, an increase of £76,606 8s 3d. I have referred already to the appropriation of £100,000 to reserve fund, and of £10,000 to provident fund. An appropriation of £5,000 has also been made to premises account, which now stands at £169,884.

The other side of the balance-sheet shows cash at bank and in hand, £1,256,489, as against £1,259,557 last year, being £3,067 less.

INVESTMENTS, &c.

British Government (including Exchequer Bonds and National War Bonds) and other securities amount to £4,517,666, as compared with £3,019,944, an increase of £1,497,722, which is mainly attributable to increased holdings of comparatively short-dated Government securities.

Loans on securities at call and short dates, &c., are £2,339,478, as compared with £1,558,415, an increase of £781,063. These loans are secured by negotiable securities with adequate margins.

Bills discounted, &c., amount to £40,882,932, as compared with £41,079,452, a decrease of £196,520.

THE DIVIDEND.

We propose to pay a final half-year dividend at the rate of 16 per cent. per annum, less income-tax (making 15 per cent. for the year) and a bonus of 3s per share, free of tax, which will, we venture to think, be satisfactory to the shareholders. The balance to be carried forward amounts to £149,650 12s 6d, as compared with £155,044 4s 3d.

After some remarks by Mr Chalmers, to which Sir William Plender, one of the auditors, replied, the Chairman put the resolution to the meeting, and it was carried unanimously.

The Chairman: I have now to move that Mr A. J. Fraser and Mr A. Louis Allen be re-elected directors of the company.

The Hon. Sir W. H. Goschen: I have much pleasure in seconding that.

The motion was put to the meeting, and carried unanimously.

The reappointment of the auditors, Sir William Plender and Mr A. T. Turquand-Young at a remuneration of 200 guineas each per annum was proposed by Mr Tomkinson, seconded by Mr Nicholas, and carried unanimously.

VOTES OF THANKS TO MANAGERS AND STAFF.

The Chairman: It is now my duty, and, indeed, my privilege, to move a vote of thanks to the managers and staff for their services during the past year. It is very largely due to their efficiency and carefulness that we are able to present to you so satisfactory an account. I am sure that you will join with us heartily in passing this vote of thanks.

The resolution was seconded by Mr Holland-Martin, and carried unanimously.

With a vote of thanks to the chairman the proceedings terminated.

THE NATIONAL BANK, LIMITED.

SUCCESSFUL RESULTS DESPITE UNFAVOURABLE CONDITIONS.
INCREASED DEPOSITS—STRONG LIQUID POSITION.

The annual general meeting of the National Bank, Limited, was held, on the 26th instant, at the head offices, Old Broad Street, London, Sir John Purcell, K.C.B. (the chairman), presiding.

The secretary (Mr M. J. Cooke) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and Gentlemen,—We meet again to take stock of the position of the bank after an eventful and strenuous half-year—a period full of gloom, anxiety, and difficulties all round. Unhappily, in Ireland, we have had unsettlement—political, financial, and economic, affecting all interests. None have felt the strain and suffered more than the farming industry, mainly due to unpropitious and fitful weather as well as contributory causes such as labour, difficulty of transport, fewness of fairs, and the like, with the result that prices of agricultural produce and of stock fell all round, involving a considerable reduction in the heretofore ordinary profit of the farmer. Indeed, the paralysis which has overtaken Irish commercial and industrial development has, I do not hesitate to say, led up to immense and cumulative loss both to Ireland and to Great Britain. Then, in England, we, like others, have had a setback in having to contend with grave and great depreciation in trade of universal extent and financial stagnation in all directions without precedent. It is true that there has been a rise in British funds and other high-class fixed interest stocks, but accompanied, as I have already indicated, by a heavy fall in industrial and other speculative securities. Well, ladies and gentlemen, in spite of the difficulties of the situation, and the unfavourable circumstances ruling during the past half-year to which I have drawn your attention, the bank has continued to be active, and I venture to think that when I have placed before you certain facts and figures by way of analysis and contrast, you will be of opinion that our operations over the half-year have, in all the circumstances, been fairly satisfactory.

BALANCE-SHEET FIGURES.

I now proceed to deal with the figures in the balance-sheet. There is no change in the "paid-up capital." It remains at one million five hundred thousand pounds. The "rest" has not been touched. There is no change in the "special reserve." It still stands at £180,000. "Notes in circulation" have fallen by £924,000. This decrease is due to the shrinkage of general business in Ireland, fewness of fairs, and to reduction in the prices of

THE
ANGLO-SOUTH AMERICAN BANK,
LIMITED.

Capital and Reserves
exceed £13,000,000.

HEAD OFFICE:
62, OLD BROAD STREET,
LONDON, E.C.2.

NORTHERN DISTRICT OFFICE: 69 Market St., Bradford

Manchester Agency—
WILLIAMS DEACON'S BANK, LTD.

Foreign Exchange Shipping and Agency
Branch—York Street, Mosley Street
(P.O. Box 356), where our Representatives are in daily attendance for the greater convenience of Manufacturers and Shippers.

BRANCHES OF THE ANGLO-SOUTH AMERICAN BANK, LIMITED.
BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.
BRANCHES OF THE COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

commodities. "Deposit and current accounts" show an increase of close upon three millions. The figure of "acceptances to bankers' drafts" shows a small reduction of £32,000.

Now turn to the assets side of the balance-sheet. In "cash on hand" there is a reduction of £1,200,000, but this is more than set off by an increase of £1,700,000 in "money at call." "National War Bonds, Treasury Bonds, and Exchequer Bonds" maturing 1922 to 1930 have gone up by over two millions. "Government securities" remain approximately at the same figures. The item "corporation, railway, and other stocks" is lower by £183,000. This is due to an exchange of securities into National War Bonds. "Advances on securities" have gone up by £439,000. "Bills discounted" show a decrease of £962,000. This arises from the fact that trade bills were not so readily available. The item of "bank premises" is increased on the year by £128,000. At our meeting six months ago I called attention to an addition of £61,000 owing to necessary expenditure on this building (Old Broad street), and on certain new branches. At the same time I mentioned that further expenditure was being incurred on several other branches, and that the matter would be dealt with at to-day's meeting. Thus I explain the figures of increase in this item. As you are aware, our bank premises form a very valuable asset.

Here, ladies and gentlemen, I would ask you to note the very liquid position in which the assets of the bank now stand. It will be seen by a study of the balance-sheet that a sum of practically 22 millions appears under the headings of "Cash, money at call, and early maturing Government bonds," the whole of which may be regarded as available cash.

PROFIT AND LOSS ACCOUNT.

On reference to profit and loss account, the item, "Total expenditure at head office and branches has gone up by £29,000. This is mainly due to additions made to staff salaries and increase of staff owing to the opening of new branches. We again, as in the previous half-year, provide £70,000 for taxation and contingencies, and we have made suitable provision for bad and doubtful debts. Finally, we pay the usual dividend of 12 per cent. and carry forward £27,604 to "profit and loss new account." It will be seen that our aggregate means stand at close upon 51 millions, an increase of nearly two millions. Ladies and gentlemen, on the whole, I venture to think you will agree with me that—looking to the difficulties which had to be contended with over the half-year with which I am dealing—we have fair grounds for being satisfied.

It will be seen, ladies and gentlemen, from the fourth paragraph of the directors' report, that during the past half-year my friend, the Right Hon. Alexander Carlisle, has resigned his seat upon the board, and that this vacancy has been filled by the co-option of Mr Higginson, who had retired from the management of the London office. It has been a source of much gratification to me that during my term of office as chairman of the bank, I have had an opportunity of recommending to my colleagues the selection of two members of the staff for promotion to seats upon the board, who, by their industry, their hard work and devotion to the bank's interests were, in my opinion, eminently fitted for that position. My recommendations were unanimously accepted by my colleagues, and carried through. The first advanced to the directorship was my friend, Mr O'Connell, general manager in Ireland. His promotion has been—after the usual practice—confirmed by the shareholders in Dublin; and now we advance Mr Higginson, whose promotion, also, I am confident, will be as surely confirmed.

Needless to say, ladies and gentlemen, that the past half-year has been an anxious and trying one for your directors, as it also has been a period of watchfulness and caution for the members of your staff; and I know that I express the feelings of my colleagues—and I am sure that I voice the sentiments of the shareholders—when I thank them—one and all—for their loyalty and devotion to the bank's interests during the difficult half-year with which we are to-day dealing.

And now, ladies and gentlemen, I ask to be pardoned for making a new departure. As chairman of this bank, it has always been my policy and practice, when addressing the shareholders at our meetings, to abstain from introducing political matters; but to-day I should like to express my sense of personal gratification at the Treaty that has been ratified as between England and Ireland, which I earnestly hope may bring to an end long-subsisting troubles and bitter memories between the two countries; and, speaking as a banker, I cannot but think that at no distant date it will lead up to a free and ready exchange of commodities and the like, not only between Great Britain and the Free State of Ireland, but also between the North and South of Ireland. This latter is a development earnestly to be desired, not only in the interests of trade and industry, but likewise of the business of the

banker. The pact recently come to between Mr Michael Collins and Sir James Craig is, I am sure, ladies and gentlemen, you will agree with me, a happy omen.

Speaking for this bank, I desire to say that if we can be of any assistance either in Ireland or England to the Government of the Irish Free State it will give us the greatest pleasure to help in any way possible.

Mr J. B. Meers, C.B. (deputy-chairman), seconded the resolution, which was carried unanimously.

The formal business having been transacted, a cordial vote of thanks to the chairman and directors terminated the proceedings.

PROVINCIAL BANK OF IRELAND, LIMITED.

STEADY WIDENING OF THE BANK'S INTERESTS.

HOPEFUL OUTLOOK FOR AGRICULTURE.

The annual general meeting of shareholders of the Provincial Bank of Ireland, Limited, was held, on the 26th instant, at the offices of the bank, 8 Throgmorton avenue, London, E.C., Mr Richard Durant Trotter presiding. Other directors present were: Mr William Thomas Brand, Mr Walter Spencer M. Burns, Mr Robert John Fitzgerald, Hon. Sir William Henry Goschen, K.B.E., Mr Henry Samuel Howard Guinness, Mr Alexander Broderick Leslie Melville.

The secretary (Mr Hume Robertson) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—I presume that you will, as usual, take the report as read. It covers a period which has been one of considerable disappointment to the farming community both in the North and South of Ireland, and the fall in the value of livestock especially represents a large aggregate loss, which has not been made good as yet to the farmer or grazier by successful results in other operations. Crops were affected in a varying degree by the drought, and statistics as to yields give unfavourable comparisons with the results of recent years. In the linen trade no decided improvement can yet be reported. There has been heavy depreciation, which has necessitated writing down of values during the year. Fortunately, failures have been few. Stocks in the hands of retailers and merchants continue to decrease, but we still await the active demand, which is needed to fully revive the industry.

IMPROVED CONDITIONS FOR TRANSPORT.

With improved conditions for transport and a more general reopening of fairs and markets the outlook for agriculture gives cause for hopefulness, but there can be no doubt that the last 12 months mark a halt for the time being in the years of profitable production and trading which had assisted so many of our customers, and had brought about the expansion of our business reflected in our reports to you from time to time. Apart altogether from these matters, however, since our last meeting in Dublin in the summer, Ireland has passed through an anxious and trying time, and during the negotiations which have been conducted between the two countries intervals of intense anxiety occurred.

IMPORTANCE OF THE IRISH SETTLEMENT.

Owing to the patience and conciliatory spirit shown by the plenipotentiaries of both nations a conclusion was happily reached, with the result that there is at present in power in South Ireland a provisional Government appointed by the representatives of the Irish people themselves in that part of the country. This Government must necessarily have great difficulties before it, but the national record justifies the confident belief that these difficulties will be wisely surmounted, and we feel assured that it will be recognised that all citizens of the Irish Free State, whatever their political views may have been hitherto, must co-operate in the efforts to make Ireland a great and prosperous nation. The settlement arrived at is a matter of the greatest importance to us, as the more prosperous the Irish nation becomes the more prosperous the bank should be. From the Irish Free State our thoughts turn naturally to Northern Ireland. There we see a Government in power, led also by Irishmen who love their country, and there are already signs that the differences that at present divide North and South are becoming less acute, and may eventually be settled, as is indicated by the recent agreement.

The course of the money market during the half-year has been towards lower rates, and within the past few days the Government terms for bond issues have been further reduced.

CONTINUED GROWTH OF THE BANK'S CONNECTIONS.

We are glad to be able to report continued growth in the bank's connections, and a steady widening of our interests. Maintaining the dividend this half-year at 13½ per cent. per annum, we have

HEAD OFFICE:

1 Dale Street,
LIVERPOOL.



LONDON:

Chief Office,
1 Cornhill, E.C.2

TOTAL ASSETS exceed - - £20,000,000
TOTAL CLAIMS PAID over - - £102,000,000

FIRE. LIFE. ACCIDENT. ANNUITIES.

Marine, Leasehold Redemption, Burglary, Fidelity Guarantee, Motor Car, Plate Glass, Personal Accident, Workmen's Compensation, Sickness, Live Stock, Loss of Profits, &c.

OFFICES IN ALL THE CHIEF COMMERCIAL CENTRES

applied £5,000 to write down bank premises account, and have thought it well to carry forward the balance available of £17,358 10s 8d, increasing the balance of undivided profits to £48,862 9s 5d. The principal changes compared with the position at the corresponding date of 1920 are an increase in the reserve fund of £15,000 and of £780,438 in deposits. Advances are lower by £714,845. Against this you will observe that investments are higher by £1,093,487, giving a total now of £6,751,576, which includes a large proportion of short-dated securities, and in this connection I may mention that all our securities are valued at market prices current at close of the year. Cash immediately available exceeds £5,000,000, being higher by £315,529. Circulation is lower by about £100,000, about 5 per cent. upon the total. This tendency was to be expected having regard to the prevailing depression of trade and agriculture.

NEW BRANCHES.

Bank premises account is higher by about £25,000, caused mainly by the expenditure for new branches. We have referred at our recent meetings to these prospective outlays. Some of the workings are still in progress, and you will notice that since our last meeting new branches have been opened at Grafton street, Dublin, and at Kingstown, and the development of business in Limerick made it desirable to open our second office there as a permanent branch to meet more fully the needs of the district.

The balance-sheet probably does not need any further comment or explanation from me, and I may close my remarks by observing that should the new conditions in Ireland tend, as we hope, towards the encouragement of industrial enterprise and commercial activity, the bank's resources will enable us to afford legitimate assistance where we are satisfied that such can be given.

APPRECIATION OF THE STAFF'S SERVICES.

I wish to express the appreciation of the board for the zeal and efficiency of the staff at all our branches, and for their loyal service and attention to the bank's interests, to which the continued progress of the institution must be largely due.

I shall be pleased to answer any inquiries that any shareholder may desire to make. There being no questions, I now formally move: "That the report and statement of accounts, as already in the hands of the proprietors, be adopted."

Mr William Thomas Brand seconded the resolution.

The resolution was carried unanimously.

The Chairman: I now have the pleasure to propose that the two directors who retire by rotation, the Hon. William H. Goschen, K.B.E., and Mr Alexander B. Leslie Melville, be re-elected directors of the company. The Chairman added that the extensive banking experience of these gentlemen had been of the greatest possible assistance to the board.

Mr Henry Samuel Howard Guinness seconded the resolution with pleasure.

The resolution was carried unanimously.

Mr Charles Sebag Montefiore proposed the re-election of Messrs Ernest Cooper and J. Harold Pim as auditors of the company. Mr Crisp seconded the resolution.

The resolution was agreed to unanimously.

VOTE OF THANKS TO THE CHAIRMAN AND DIRECTORS.

Mr Edmund Sebag Montefiore said that he would like to move a vote of thanks to the chairman and board, and remarked that while he was waiting for the meeting it had occurred to him mind that his father attended a meeting of the company so far back as 1847. He had much pleasure in moving the vote of thanks.

A Shareholder: I have much pleasure in seconding that resolution.

The Chairman, in acknowledging the compliment, said on behalf of his co-directors and himself he thanked them very heartily for the resolution just agreed to.

VOTE OF THANKS TO THE STAFF.

The Chairman said he would like before they separated to propose a very hearty vote of thanks to the staff of the bank.

The Hon. Sir William Henry Goschen, K.B.E., seconded the motion.

The meeting voted unanimously.

The secretary, in response, said that on behalf of the staff generally he begged to return hearty thanks for the vote of thanks they had been good enough to pass to them.

The proceedings then terminated.

IMPERIAL BANK OF PERSIA.

SATISFACTORY YEAR—INCREASED PROFIT.

BANK'S SOUND FINANCIAL POSITION.

The thirty-second ordinary general meeting of the Imperial Bank of Persia was held, on the 23rd instant, at the Cannon street Hotel, London, Sir Hugh S. Barnes, K.C.S.I., K.C.V.O. (the chairman), presiding.

Mr Sydney Rogers (manager and secretary) read the notice convening the meeting and the auditors' report.

The Chairman, having referred to the loss which the bank had sustained by the sudden and unexpected death of Mr A. O. Wood, said: You will remember that when I addressed you a year ago there was still a small British-Indian brigade in Northern Persia, and that at our annual meeting some anxiety was expressed as to the result that might follow from its premature withdrawal. Indeed, at one time so alarming did the situation appear that early in January all European women and children were advised to leave Teheran. The brigade, however, was unable to move during the winter, which happened to be a very severe one, and it was not actually withdrawn until the following May. It is satisfactory to be able to record that the fears entertained proved to be unfounded, and that the Persian Government showed itself equal to the task of maintaining order.

At the beginning of the year the Sipahdar's Government was still in power, but on February 21st a force of 2,000 Persian Cossacks, under their commander, Reza Khan, marched from Kazvin and occupied Teheran, ostensibly with the object of insisting upon the establishment of a strong military Government that would be able to protect the country from aggression after the departure of the British troops. The Sipahdar's Ministry was compelled to resign, and a journalist named Zia-ed-Din, the editor of a local newspaper, was appointed Prime Minister. This gentleman at once announced a very ambitious programme of reforms, many of which, no doubt, were urgently needed, but he was given no time to carry them out, for on May 25th his Ministry fell, and he himself had to flee across the frontier.

CHANGES IN THE MINISTRY.

In his place the Ghavam-es-Saltaneh was appointed Prime Minister, with the Cossack leader, Reza Khan, as Minister of War. This Government was still in power when I prepared this speech, but since then the Ministry has fallen, and the Mushir-ed-Dowleh, who was Prime Minister once before, has been appointed in his place. The Ghavam-es-Saltaneh, who is the brother of the former Prime Minister, the Vossough-ed-Dowleh, was very favourably known for the excellent work he did in aid of the Allies while he was Governor of Meshed during the war. He has certainly proved himself to be a strong and able administrator. He had the courage to call together the Persian Mejliss, or Parliament, which was to open by his Majesty the Shah on June 22nd. The Cossack Brigade was reorganised under the Minister of War, and a rebel lion which broke out in Khorassan in the autumn was speedily quelled and the leader killed. Later on Resht was reoccupied by the Persian forces, and Kuchik Khan, the leader of the insurgents in Chilan and Mazanderan, was killed and his followers dispersed. It has also been reported that the Cossacks have succeeded in quelling some local risings in the Tabriz district. Khorassan, the Caspian districts, and Azarbaijan are the richest parts of Persia, and to have restored order so speedily in these provinces is a feat of which the Persian Government may well be proud.

Our branch at Resht had been closed for some months because of Kuchik Khan's unwelcome activities. Also, owing to the disturbances in Khorassan, our staff at Meshed were compelled to leave that place last February, but following the success of the energetic measures taken by the Persian Government business has been resumed at Meshed, Resht, and Tabriz, and all the branches of the bank are now open and at work.

FISCAL REFORM NEEDED.

Under the Anglo-Persian agreement the British Government

undertook to lend a financial adviser to the Persian Government, and Mr Armitage-Smith, C.B., went out to Persia to take up that post. The Persian Mejliss refused to confirm the Anglo-Persian agreement, and as a result Mr Armitage-Smith's mission terminated last September, to our great regret, for I have no doubt that if he had been invested by the Persian Government with the necessary powers he would have carried through a series of administrative reforms which would have been of great benefit to the country. The Persian Government are now anxious to obtain the services as financial adviser of the American gentleman, Mr Shuster, who occupied that position some years ago. I cannot tell you at this moment whether Mr Shuster has accepted the position, but I need hardly say that what is urgently needed in Persia is administrative and fiscal reform and strong financial control, and that from the point of view of the bank we shall gladly welcome anyone, English or American, in the post of adviser who is able to persuade the Mejliss to devote its attention to these objects and to sanction the measures necessary to bring them about.

During the year under review the import trade, both through the Gulf ports and *via* Bagdad, has been active. But so far the export trade has shown very few signs of revival. This is the main cause of the falling off in the total in our balance-sheet of bills receivable. Needless to say, it is of great importance to the prosperity of the country that an effort should be made to stimulate the export of Persian commodities, as at present the balance of trade is heavily against Persia. According to the figures received for the year ended March 20, 1921, the total imports amounted in value to £82,000,000 kranas, or approximately £9,500,000 sterling, of which no less than £7,500,000 represents British and Indian trade.

OVER-TRADING AND ITS EFFECTS.

The evil effects of over-trading during the short-lived boom immediately following the war have been to a great extent disclosed during the past year, and I am afraid there is still a good deal of clearing up to do generally. The heavy fall in the price of manufactured goods and the enormous stocks accumulated in foreign markets, shipped at the time prices were greatly inflated, have had the effect of locking up a very considerable amount of capital, with the result that stagnation in trade has followed, and the restriction of credit has brought about for us, as for others, a smaller turnover.

The due proportion of the heavy tax on income levied during the previous good years now falls to be paid in the lean ones, which tends to make the position of business men more difficult. The question of taxation in this country deserves the grave consideration of all of us, and every possible support ought to be afforded to the efforts of the committee appointed to recommend the economies so urgently needed in the spending departments of the State.

The total of the balance-sheet for the year under review stands at £7,172,369, and, compared with the figures of the preceding year, £8,260,996, shows a reduction of £1,088,626. Our note circulation has risen from £670,204 to £733,327, while deposits are down from £3,228,336 to £2,805,374. Bills payable, endorsements, and adjustments are smaller this year, showing a reduction from £3,378,404 to £2,616,712. This is mainly owing to slightly better facilities and greater rapidity of communication in Persia, and a return to more normal conditions.

BALANCE-SHEET ITEMS.

The net profit for the year shows an increase from £80,242 to £88,195, and permits us to carry forward £31,955, as against £29,051 brought in. This result is obtained after paying to the Persian Government £5,291, against £4,000 last year, the interim and final dividends aggregating 8s per share, and the allocation of £30,000 to reserve account. Although we have this year transferred £10,000 to premises account, this item shows on the assets side a reduction of only £5,302. This is due to some necessary expenditure on new premises. Cash in hand at bankers and in transit stands at £3,055,204, as against £3,339,574, a reduction of £284,369. Investments are slightly lower at £1,499,172, compared with £1,535,222 last year; these, in accordance with our usual practice, have been adjusted at the lowest quotations of the day on September 20th last. Bills discounted, loans, and advances at £1,872,801, however, show an increase compared with £1,738,789, which was the figure of last year. Since September 20th a rather large advance to the Persian Government, made against special security and included in the figures given, has been repaid. Bills receivable at £695,073 show a considerable reduction on the previous figures of £1,591,989. I hope that, in the future trade recovery to which we look forward, this item in our balance may improve. Our reserve account now stands at £310,000. In view of the serious depression in trade I think we are fortunate in being able to place so considerable a sum to this account again this year. But we are not satisfied with the total reached, and hope that we may be able to continue to add to it yearly in the future.

In conclusion, I think you will agree with me that the accounts disclose a strong financial and liquid position, which will enable us to take advantage of all opportunities which may offer good openings for new business, and I have much satisfaction in adding that this position is arrived at after having made every provision necessary for bad and doubtful debts.

The Chairman concluded by moving the adoption of the report and accounts.

Mr W. A. Buchanan seconded the motion.

Sir J. D. Rees spoke at some length upon the importance of studying the Mohammedan subjects of the Empire, and of arriving at a just and generous peace with the Turkish Empire in the interests of trade.

The motion was carried unanimously.

On the motion of Mr V. A. C. Hawkins, seconded by Mr H. E. R. Hunter, the retiring directors, Sir Hugh S. Barnes and Mr E. A. Chettle, were unanimously re-elected.

A vote of thanks to the directors and staff terminated the proceedings.

THE METROPOLITAN TRUST COMPANY, LIMITED.

BOARD'S INVESTMENT POLICY JUSTIFIED.

THE OUTLOOK—NEED FOR RE-OPENING EASTERN MARKETS.

The twenty-fourth ordinary general meeting of the Metropolitan Trust Company, Limited, was held, on the 27th instant, at the offices, Gresham House, Old Broad street, London, Mr Robert Fleming (the chairman) presiding.

The secretary (Mr H. Carlisle) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Dealing briefly with the main points of the report, I might refer first to capital account.

VALUES OF INVESTED FUND.

The book cost of the invested fund is little changed from last year, but the value on the Stock Exchange of the securities forming that fund, of course, fluctuates from year to year. On January 1, 1922, that market value was about 24 per cent., less than on January 1, 1921. We still have, as you see from the report, about 24 per cent. of our capital in the United States. In 1914 we had 61 per cent., and last year 25 per cent. in that country, so that while slow to part with old holdings which sell at prices that still sound cheap, we continue to reduce our total holdings there as good opportunities offer. Prices in New York have risen very substantially during the year, but exchange has also risen from 3.53 to 4.21½. Had we been able to sell at present New York prices, and at the exchange of a year ago, there would have been no decrease in our market valuation, but some increase.

EXCHANGE RATES.

The course of exchange during the year has been a puzzle to the most knowing. One course, besides cheaper money in New York, has been that the Americans have been lending to Governments and municipalities all over the world, and buying quoted foreign securities in the London market. Another, that the congestion in the Eastern demand for our manufactured cotton fabrics has reduced the demand for raw cotton, and consequently the offering of cotton bills. America will probably continue to find it in its own interest to part with some of its enormous stock of gold, either by loans or purchase of existing securities, or, what we would wish far more, buying goods from impoverished Europe.

BOARD'S POLICY JUSTIFIED.

Returning again to a consideration of our capital account, I sometimes ask myself whether, in its results, we have justified our management of your funds in the 22 years during which we have had charge of them.

When we consider, on the one hand, the prices that ruled in 1899, when this company was formed—Consols, 105, now 53; L. and N.W. 3 per cent. Debenture Stock, 108, now 57; New York Central 3½ per cent. Bonds, 112, now 75 in New York; and, on the other hand, note that the £1,692,000 which you placed in our hands then and later (when prices were still high, though not so high as in 1899) is now represented by Stock Exchange securities having a market value at the end of the world war of £1,802,000; and consider also that we have had no other business the profits from which could absorb losses or depreciation in the market quotations of our securities; when we consider all these things, and the fact that we have paid dividends from the start, I think the directors are justified in answering in the affirmative the question I put to myself.

Other things being equal, the success of an investment trust such as ours, formed to buy Stock Exchange securities of an investment character, depends largely on conditions at the time of making its investments, that is to say, whether we are then on the crest or in the trough of those price waves—billows during the war—hat mat financial history.

REVENUE.

Turning from capital to revenue, you will observe that, after deducting all expenses, interest on debenture stock, and dividend on preferred stock, there remains out of the profits of the year a sum of £52,786. This is £1,577 greater than last year. After paying 14 per cent. dividend, the surplus for the year is £13,586, or almost 5 per cent. on the ordinary stock. This would, in normal times, justify some increase in dividend, but the present time is a very abnormal one. It is, I think, almost certain that the revenue for 1922 will show some reduction in that surplus; how much I cannot say; not so much as to endanger the continuance of the present dividend, but enough to suggest the wisdom of delay in making any change in it.

THE OUTLOOK.

The outlook is dark just now, but one large hopeful element is the commencement of a realisation on the part of the workers of the fact that we are but one in the community of nations, that we are not self-contained, and that we can only live by having our portals wide open to the world, and selling to all in order that we may buy from all. In our third most important industry, iron and steel, the reductions in wages and profits have really been great, and not unready agreed to. One outstanding element in cost still remains too great—transport—when that comes down in line with the reduction in other costs, our ability to compete with Europe will be greatly increased. But further reductions, though necessary, may be hard to accomplish. Another, an easier and a more popular, way of reducing costs and stimulating business, some quarters suggest. They suggest reduction of taxation even at the cost of adding to the National debt, but I cannot imagine that while our bankers keep demanding, as a first step to solvency, that the distressed countries of Europe balance their budgets, we can adopt the opposite course.

NEED FOR RUSSIAN AND EASTERN EUROPEAN MARKETS.

But not only must we be able to sell the products of our workshops as cheaply as others, we must also have the whole world for a market.

The population of the world is round 1,600 millions. Of this total Russia, before the war, had 173 millions. That large part of the whole is practically "down and out," and the populous countries adjacent to Russia nearly so.

The world's loom of trade will not roar as it was wont till that great part of its web and wool are woven into its web. Some day it will be so woven. Let us hope that that day will be hastened. In that hastening Germany can help. It helps little to put Germany on her feet in order that she can sell her goods to us and other nations West of her. But if she can have, as she used to have, a big trade in Eastern Europe and Russia, then she, as well as the countries East of her, can also again become big customers of ours. But all this will take time. The way through the wilderness may be long before we reach promised prosperity.

With these remarks, gentlemen, I beg to move: "That the report and accounts as presented be, and they are hereby received, approved, and adopted, and that a dividend of £8 10s per cent. on the ordinary stock, less income-tax, making, with the interim dividend, 14 per cent. for the year ended January 1, 1922, be and the same is hereby declared."

Mr Henry A. Vernet seconded the resolution, which was carried unanimously.

On the motion of the Chairman, seconded by Viscount St Davids, the retiring director (Mr Henry A. Vernet) was re-elected.

On the proposition of Mr T. E. Nalty, seconded by Mr D. A. Joseph, Messrs Deloitte, Plender, Griffiths and Co. were re-appointed auditors.

A hearty vote of thanks to the chairman and directors concluded the proceedings.

BALDWIN, LIMITED.

COAL PRICES, TAXATION, AND TRANSPORT RATES.

The annual general meeting of Baldwin, Limited, was held, on the 26th instant, at Birmingham, Sir John Roper Wright, Bart. (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, having referred to the retirement of Mr Roger Beck, after a connection with the company extending over 45 years, said the year's working had been carried on under most difficult and trying conditions. The collapse in selling prices which occurred in the second half of the company's financial year, and the disastrous coal strike, which closed down the company's works for a period, combined with the present burden of taxation and the heavy drop in the value of stocks and raw materials, were factors which had adversely affected the year's results. The great problem which confronted the iron and steel industries of the country was the unparalleled competition which had made itself felt during the past year. Germany, France, and Belgium were now not only in a position to produce but also to export at prices which were lower than our own.

but even to undersell us in our home markets. The factor largely responsible for this condition of things was the depreciation in the exchanges of the three countries named, and while this great disparity existed we should suffer serious handicap in our competition in the world's trade. There were, however, other factors contributing to our disadvantage, the chief of which were (1) price of coal; (2) cost of transport; (3) taxation. The last few months had witnessed considerable reductions in the price of coal, but further substantial relief from this quarter was essential to re-establish our industries on anything like a satisfactory scale.

OUTPUT AND PRICE OF PRODUCTION.

He suggested that it would be in the interests of the miners themselves to consider seriously the advisability of reverting to the eight-hours' day, which would mean a greater output per man, with consequent reduction in standing charges, and possibly avert a further drop in wages while the cost of living remained at its present high level. Wages had come down, but the output per man, although improved of late, was still much below the pre-war figures. With the lower-paid men in the coal industry at the present time he had every sympathy. He feared they were suffering severely during the transition period the country had to pass through before economic affairs adjusted themselves, but he hoped the day was not far distant when the industry would be restored to normal prosperity, in which the wage-earners would receive their due reward. Other important factors were the effects of new obligations imposed—namely, increased contributions under the Insurance Acts, increased workmen's compensation, payments to the Betterment Fund under the Mining Industry Act, &c. The cost of stores and materials, although declining, had still a very long way to go, and railway and dock companies would certainly have to give more adequate relief in the matter of railway rates and dock charges. Again, local rates and taxes had increased enormously, while income and corporation profits tax, though not, strictly speaking, items of cost, were, nevertheless, a crushing burden upon the industries that had to be nursed towards recuperation. Coal markets were now being slowly recovered, but the instability of the exchanges and the unsettled financial and industrial conditions now prevailing all over the world made business precarious.

TRANSPORT CHARGES.

Slight concessions had recently been granted in the matter of transport, but the present rates compared with those ruling before the war constituted an additional heavy burden. For example, the cost of transport from the company's Oxfordshire mines to the furnaces at Margam had increased by 2s 4½d, equivalent to 8s 4d per ton of pig. This applied equally to other raw material, and the cumulative effect was very serious. In the case of imported ores they were faced with greatly increased freight, dock charges, and transport from docks to works, altogether equivalent to 10s 5d per ton of pig. As for taxation, it was now acknowledged to be so oppressive as to constitute a definite check on industry, and he hoped some practical relief would soon be granted. Baldwins, Limited, and its subsidiary companies paid in Imperial taxes and other compulsory charges more than the amount required to pay the whole of the debenture interest, the whole of the preference dividend, and 5 per cent., free of tax, on the ordinary capital. The gravity of the situation at present was such that there was urgent necessity for railway companies, dock authorities, manufacturers, and the community generally to assist in bringing about a resumption of work in the stable industries now at a standstill, and in increasing the activities of those only partially operating.

The report was adopted, and an ordinary dividend at the rate of 5 per cent. per annum, free of tax, was declared.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors), FINLAND.

Capital and Reserves - Fmk. 240,000,000.00
Deposits and Cheque Accounts (31/5/21) - Fmk. 1,200,000,000.00

125 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE.
RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1921-22. (See Note.)	Total Receipts into the Exchequer from	Receipts.	Week Ended Jan. 21, 1922.	Week Ended Jan. 22, 1922.
	£	£	£	£	£
Balances in Exchequer on 1st April:—					
Bank of England	2,591,051	7,159,773			
Bank of Ireland	483,455	2,209,324			
REVENUE.	3,074,506	9,369,097			
Customs	126,800,000	106,021,000	2,456,000	2,563,000	
Excise	196,200,000	163,530,000	10,694,000	10,613,000	
Motor Vehicle Duties	5,787,000	5,787,000	204,000	204,000	
Stamps, &c., Duties	48,000,000	39,898,000	1,724,000	710,000	
Land Tax	21,000,000	12,955,000	54,000	156,000	
House Tax	2,500,000	920,000	200,000	220,000	
Property & Income Tax (including Super Tax & Mineral Rights Duty)	410,500,000	209,059,000	14,243,000	12,826,000	
Excise Profits Tax, &c.	120,000,000	29,714,000	547,000	5,812,000	
Corporation Profits Tax	30,000,000	11,860,000	1,250,000	1,000,000	
Post Office	60,000,000	42,750,000	510,000		
Crown Lands	650,000	570,000			
Interest on Sundry Loans	12,000,000	10,892,287	19,558,740	10,725	470,303
Miscellaneous—					
Ordinary Receipts	21,500,000	19,763,702	1,157,588	608,439	
Special Receipts	158,500,000	102,516,753	3,500,000	5,873,934	
Revenue	1,216,650,000	756,336,742	36,040,313	40,552,676	
Total, inc. Balance	759,311,248	999,782,472			
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Billion	7,830,000	3,970,000	250,000	100,000	
Interest on Exchequer Bonds under the Capital Expenditure Money Act (1904)	169,818	169,818			
Under the Unemployment Insurance Acts, 1921	520,000				
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Acts, 1913 and 1921	5,561,474	4,000,000			
Under the Post Office (London) Railway Act, 1913	27,500	115,000			
Under the Housing Act, 1914	50,000	30,000			
(b) Under the Unemployment Insurance Acts, 1921	7,600,000				
(c) For other issues:—					
By Treasury Bills for Supply	3,242,394,000	3,420,346,000	70,771,000	136,447,000	
By 4% Funding Loan, 1920-21		270,000			
By 4% Victory Bonds		769,000			
By 5% Exchequer Bonds, 1922		258,784			
By National Savings Certificates:—					
Under the War Loan Acts, 1914-1919		20,760,794	2,750,000	1,250,000	
Under the Finance Act, 1920	35,980,000	12,170,000			
By National War Bonds	5				
By Treasury Bonds	1,062,317	19,463,150	408,225		
By 5% War Bonds	266,205,811		47,960,000		
By Other Debt created under the War Loan Acts, 1914 to 1919	10,961,454	42,272,536		1,311,416	
(d) Ways and Means Advances	1,104,646,000	1,170,212,000	1,000,000	17,250,000	
And-Pension All Company Dividends on Shares acquired	5,010	4,936		1,492	
Repayments:—					
In respect of Cunard Loan	130,000	130,000			
Do East African Protectorate Loan	127,268	5,940			
Do Issues under Civil Contingencies Fund Act, 1919	7,250,000				
Do Issues under Land Settlement (Facilities) Act, 1919	46,434	10,697			
Do Issues under Section 59 (4) of the Finance Act, 1920	13,490,950				
Interest received under Section 59 (5) of the Finance Act, 1920	321,533				
Total	5,463,690,622	5,694,741,800	158,771,313	197,320,810	

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1921-22, including Supplementary Grants.	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended Jan. 21, 1922.	Week Ended Jan. 22, 1922.
	£	£	£	£	£
EXPENDITURE.					
Permanent Charge of Debt	24,500,000	14,366,149	35,993	1,000,000	
Interest, &c., on War Debt	320,500,000	267,318,775	1,481,633	2,518,902	
Road Fund	8,400,000	5,282,000			
Payments to Local Taxation Accounts, &c.	11,115,000	7,092,236	6,997,548		
Payments to Northern Exchequer	650,000		100,000		
Land Settlement	5,000,000	8,413,691	5,758,553	227,548	
Other Consolidated Fund Services	1,787,000	1,660,944	1,611,926	193,307	
Supply Services	774,851,000	533,449,760	14,630,000	19,280,000	
Expenditure	1,146,123,000	838,833,655	616,158,344	16,372,425	23,219,757
OTHER ISSUES.					
Temporary Advances—					
Billion	8,100,000	3,950,000	300,000	150,000	
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	169,818			
Under the Unemployment Insurance Act, 1921	9,450,000		560,000		
Issues to meet Capital Expenditure:—					
Under the Telegraph (Money) Acts, 1913 and 1921	5,561,474	4,700,000			
Under the Post Office (London) Railway Act, 1913	27,500	144,000		29,000	
Under the Housing Act, 1914	50,000	30,000			

	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended Jan. 21, 1922.	Week Ended Jan. 22, 1922.
	£	£	£	£
Redemption of Unfunded Debt—				
Treasury Bills for Supply	3,300,721,000	3,364,854,000	73,290,000	127,435,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917	28,494,411	55,039,698	222,130	2,079,121
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920	15,650,000	25,600,000	300,000	500,000
(b) Repaid otherwise	10,400,000			
Principal of Exchequer Bonds paid off—				
1921-22	18,962,820	26,586,808		190,000
6%, 1920		2,985,808		
5%, 1920		23,700,000		
5%, 1921		18,962,820		
Other Debt under the War Loan Acts, 1914 to 1919	57,162,023	70,592,848	5,667,987	11,000,000
Principal of American Loan under the American Loan Act, 1915		59,229,221		
Ways and Means Advances Repaid	1,129,391,000	1,141,977,000	57,040,000	30,500,000
Depreciation Fund, under the Finance Act, 1917	24,440,201	23,940,201	500,000	660,023
Issues to National Debt Commissioners to Reduce Debt—				
Cunard Loan Repayments	130,000	130,000		
East Africa Protectorate Loan Repayments	127,268	5,940		
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	15,390,000	3,675,000		1,200,000
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	212,450	197,766		
Balances in Exchequer—				
Bank of England	5,466,673,520	5,690,880,684	154,252,542	196,962,901
Bank of Ireland	5,944,572	2,103,293	4,408,394	1,081
Bank of Ireland	1,072,530	1,757,823	110,377	359,000
Total	7,017,102	3,861,116	4,518,771	357,908

NOTE.—Budget Estimate as in House of Commons, Paper No. 99 of 1921.

Treasury, January 23, 1922.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £35,000,000 in three months' Treasury Bills, dated from Monday to Saturday, Jan. 30th-Feb. 4th, were opened on Jan. 27th, 1922, and the total amount applied for was £47,925,000. Tenders for Tuesday bills at £99 3s 3d and above in full, and Monday and Wednesday to Saturday bills at £99 3s, about 86 per cent., and above in full. The average rate of discount was £3 9s 0.43d per cent.

The following table shows Treasury Bills by tender outstanding:—

Date of Bills.	Amount Offered.	Amount Applied for.	Average Rate of Discount.	Rate for Additional Bills.
1921.				
December 30	60,000,000	117,040,000	£ 3 13 6.52	38
1922.				
January 5	60,000,000	84,175,000	3 4 11.73	27
January 13	60,000,000	78,545,000	3 13 10.73	34
January 20	60,000,000	79,470,000	3 13 7.62	34
January 27	35,000,000	47,925,000	3 9 0.43	

The amount to be offered next week will be £35,000,000.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to Bankers.	Redemption Account.	Bank of England Notes.	Ratio to Government Securities.	Balance at Bank of England.
1914.							
Aug. 26	21,535	6,302	3,810				11,423
Dec. 30	38,478	169	600	18,500		48.1	9,286
1915.							
Dec. 29	103,125	729	159	249	28,500	27.6	20,636
1916.							
Dec. 27	150,144	2,430	64	40	28,500	19.0	6,868
1917.							
Dec. 25	212,782	8,554	39	675	28,500	13.4	5,486
1918.							
Dec. 31	323,241	15,529		570	28,500	8.9	305,133
1919.							
Dec. 31	356,152	17,182	250	245	28,500	9.1	337,537
1920.							
June 30	357,356	16,700		190	28,500	11.7	331,660
Dec. 29	367,626	16,962			28,500	13.0	336,504
1921.							
Mar. 30	343,826	15,599			28,500	13.9	311,334
June 29	323,894	14,965		3,000	28,500	14.8	287,760
Sept. 28	314,382	14,430		3,000	28,500	15.2	278,119
Dec. 28	325,594	14,658		3,000	28,500	14.7	289,131
1922.							
Jan. 18	308,566	13,930		3,000	28,500	15.6	271,294
25	305,004	13,673		3,000	28,500	15.7	267,823

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £300,000,000, for 1921 at £317,865,200, and for 1922 at £308,988,400.

DEPRECIATION IN
INDUSTRIAL INVESTMENTS

can best be covered by a
Limited Payment Policy
in the

SCOTTISH PROVIDENT
INSTITUTION

HEAD OFFICE:

6, St. Andrew-square, Edinburgh.
London: 3, Lombard-street, E.C.3.
West End: 17, Pall Mall, S.W.1.

ACCUMULATED FUNDS - £16,750,000

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, January 25, 1922.

ISSUE DEPARTMENT.

	£	£
Notes issued	145,071,160	
Government debt		11,015,100
Other securities		7,434,900
Gold coin & bullion		126,621,160
	145,071,160	145,071,160

BANKING DEPARTMENT.

	£	£
Proprietors' capital ..	14,553,000	
Reserve	3,417,228	
Public deposits	14,524,254	
Other deposits	120,928,852	
Seven-day & other bills ..	14,117	
	153,437,451	153,437,451

*Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Account.

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, Jan. 25, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,417,228	+ 16,565	+ 21,584
Public deposits	14,524,254	+ 5,098,801	+ 1,556,548
Other deposits	120,928,852	+ 3,107,597	+ 8,400,703
Government securities	45,078,686	+ 2,085,000	+ 1,132,780
Other securities	83,667,488	+ 307,158	+ 8,500,697
Reserve	24,691,277	+ 397,029	+ 6,442,769
Note circulation	122,205,840	+ 394,110	+ 6,779,260
Coin and bullion	128,447,117	+ 2,919	+ 163,509
% of reserve to liabilities	18.2%	+ 8%	+ 4%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.
1921.						
Nov. 2.....	128,418,244	125,141,350	141,902,138	137,856,328	21,726,894	12.5
9.....	128,420,853	124,463,180	128,906,825	118,135,305	22,467,663	13.5
16.....	128,433,196	123,587,030	126,104,853	120,548,806	23,296,166	14.2
23.....	128,438,325	123,805,915	139,584,230	133,885,916	23,582,450	16.1
30.....	128,444,340	126,118,860	144,160,001	140,172,509	21,779,380	15.1
Dec. 7.....	128,433,576	124,961,865	154,738,656	150,703,714	21,921,711	14.1
14.....	128,437,271	124,734,450	154,737,609	150,482,485	21,152,821	14.1
21.....	128,431,144	126,671,025	138,322,943	136,024,708	20,210,119	13.5
28.....	128,434,369	126,620,245	122,593,331	120,126,896	20,354,114	13.6
1922.						
Jan. 1.....	128,430,940	126,694,460	129,001,827	128,772,223	21,196,400	11.1
11.....	128,462,733	123,626,990	146,482,691	140,166,176	23,275,743	12.6
17.....	128,464,198	123,626,990	137,444,510	131,118,338	24,694,268	14.7
18.....	128,444,193	122,599,960	126,766,178	126,766,178	24,694,268	14.7

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances. December, 1921.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	London Joint City and Midland Bank, Limited.	London County Westm'r and Parr's Bank, Limited.	National Provin- cial and Union Bank of England, Limited.	National Bank, Limited.	Willm's Deacon's Bank, Limited.	Total.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ..	8,644	41,599	1,501	2,609	41,314	58,903	33,214	32,554	4,410	5,041	229,789
Balances with and cheques in course of collection on other banks in the United Kingdom	2,172	7,400	484	889	8,888	10,731	9,052	7,209	226	1,216	48,367
Items in transit	8,560	19,945	3,282	7,343	13,939	12,747	20,502	14,812	8,015	4,518	113,663
Money at call and short notice	5,746	84,617	2,495	555	88,195	76,151	102,581	58,233	3,418	5,698	427,689
Bills discounted	16,118	55,595	4,662	7,747	74,700	54,107	55,258	45,187	15,464	5,663	334,501
Investments	38,958	137,967	7,461	6,223	130,581	179,368	115,804	127,664	18,142	18,260	780,428
Advances to customers and other accounts Liabilities of customers for acceptances, endorsements, &c.	5,922	6,237	204	1,122	9,753	20,304	17,460	2,973	501	1,313	65,789
Bank premises account	1,384	4,514	346	370	5,434	4,640	4,148	3,948	559	673	26,016
Investments in affiliated banks	..	8,180	..	..	7,643	3,258	2,991	2,240	..	..	24,312
	87,504	366,054	20,435	26,958	380,447	420,209	361,010	294,820	50,735	42,382	2,050,554
LIABILITIES.											
Capital paid up	2,349	15,592	800	1,000	14,372	10,861	9,004	9,309	1,500	1,875	66,662
Reserve fund	1,400	8,250	800	500	10,000	10,861	9,004	8,878	980	1,025	51,698
Current, deposit, and other accounts ..	77,833	335,975	18,631	24,184	346,321	378,183	325,524	273,660	44,613	38,169	1,863,093
Acceptances, endorsements, &c.	5,922	6,237	204	1,122	9,754	20,304	17,460	2,973	501	1,313	65,790
Notes in circulation	..	..	..	..	..	..	..	..	..	..	3,159
Reduction of bank premises account ..	..	..	..	..	..	..	..	..	..	..	152
	87,504	366,054	20,435	26,958	380,447	420,209	361,010	294,820	50,735	42,382	2,050,554
Ratio of cash to current, deposit, and other accounts	11.10	12.38	8.05	10.78	11.92	15.57	10.20	11.89	9.88	13.20	12.33

BANK OF SPAIN.

(000's omitted.)

ASSETS.	Jan. 21, 1922.	Jan. 14, 1922.	Jan. 7, 1922.	Jan. 22, 1921.	Week's Movement	Position May 31, 1914
Gold	2,515,171	2,514,561	2,513,953	2,513,953	+ 510	728,775
Silver	828,338	828,338	828,338	828,338	..	800,725
Loans and discounts	2,827,873	2,828,103	2,827,368	2,827,368	- 54,300	344,475
Spanish 4% stock	344,475	344,475	344,475	344,475	..	344,475
Treasury bills	150,000	150,000	150,000	150,000	..	150,000
LIABILITIES.						
Circulation	4,239,714	4,286,831	4,292,460	4,292,460	- 47,117	1,901,550
Deposits	1,090,516	1,082,160	1,076,415	1,076,415	+ 8,556	477,500

NATIONAL BANK OF GREECE.

ASSETS.	Dec. 13, 1921.	Nov. 28, 1921.	Dec. 13, 1921.	Previous Return.	Last Year.
Gold and balances abroad	1,371,160,713	1,345,932,858	1,395,990,819	+ 25,227,855	- 24,830,106
Government loans and securities	2,170,115,354	2,170,859,235	1,115,216,330	- 743,881	+ 105,489,904
Discounts and loans	687,446,212	679,345,672	633,002,511	+ 8,100,540	+ 54,443,701
LIABILITIES.					
Notes in circulation	2,121,177,700	2,130,134,199	1,490,617,152	- 8,956,499	+ 630,560,548
Government deposits	152,116,879	142,340,757	150,320,826	+ 9,776,122	- 8,203,947
Private sight deposits	850,298,126	834,984,339	729,052,478	+ 15,313,787	+ 121,245,648
Private deposits at fixed rates	942,161,724	934,266,087	600,192,238	+ 7,895,637	+ 341,969,486

BANK OF JAPAN.

(000's omitted.)

ASSETS.	Dec. 17, 1921.	Dec. 10, 1921.	Dec. 3, 1921.	Dec. 18, 1920.	Move- ment.	Position Jan. 30, 1914
Gold and silver	1,264,733	1,265,542	1,265,813	1,192,576	- 809	221,320
Discounts	72,351	79,339	139,114	94,117	+ 6,888	41,740
Advances	93,561	100,537	106,499	166,039	+ 6,976	70,540
LIABILITIES.						
Notes	1,205,338	1,167,196	1,232,988	1,144,910	+ 38,142	362,720
Govt. deposits	1,347,361	1,384,289	1,354,702	1,299,932	- 36,328	87,340
Private deposits	53,986	46,359	59,842	161,025	- 12,373	11,440

IMPERIAL BANK OF GERMANY.

(000's omitted.)

ASSETS.	Jan. 14, 1922.	Jan. 7, 1922.	Jan. 15, 1921.	Week's Movement.	Position May 31, 1914
Gold	1,500,449	1,349,831	1,370,322	+ 150,618	1,221,875
Silver	3,357,652	3,369,932	2,874,496	- 12,280	418,400
Treasury notes	11,693	11,712	6,391	- 19	321,920
Foreign bills	3,940,304	4,903,056	22,046,039	- 962,752	943,460
Bills discounted	124,808,539	119,693,969	53,794,358	+ 4,914,580	60,780
LIABILITIES.					
Notes in circulation	112,593,937	113,139,878	66,546,702	- 545,935	2,013,860
Deposits	22,136,278	16,822,768	15,537,435	+ 5,313,510	842,340

BANK OF ITALY.

(000's omitted.)

ASSETS.	Dec. 20, 1921.	Dec. 13, 1921.	Dec. 6, 1921.	Move- ment.	Position May 31, 1914
Total cash	1,500,449	1,349,831	1,370,322	+ 150,618	1,221,875
Loans	3,357,652	3,369,932	2,874,496	- 12,280	418,400
Foreign bills	11,693	11,712	6,391	- 19	321,920
Advances to the Treasury	3,940,304	4,903,056	22,046,039	- 962,752	943,460
Other advances	2,478,467	2,530,318	1,888,450	- 61,851	79,175
Securities	413,101	415,095	213,790	- 1,994	205,700
LIABILITIES.					
Notes in circulation	13,273,111	13,743,686	15,171,500	- 470,575	1,556,925
Deposits and drafts	1,727,174	1,497,217	1,758,071	+ 229,957	193,975

NETHERLANDS BANK.

(000's omitted.)

ASSETS.	Jan. 2, 1922.	Dec. 19, 1921.	Jan. 3, 1921.	Week's Movement	Position May 31, 1914
Gold	605,969	605,969	605,969	..	163,092
Silver	7,896	8,941	8,366	- 345	6,436
Loans and advances	480,466	488,533	432,450	+ 51,933	153,504
LIABILITIES.					
Notes in circulation	1,057,251	1,012,878	1,014,343	+ 44,373	316,632
Deposits	36,451	30,573	29,337	+ 5,878	5,016

NATIONAL BANK OF ROUMANIA.

(000's omitted.)

ASSETS.	Dec. 17, 1921.	Dec. 10, 1921.	Dec. 18, 1920.	Week's Movement.
Gold	4,581,590	4,596,722	3,150,222	- 15,132
Silver, &c.	313	315	328	- 2
Government loan	12,374,039	12,374,039	7,989,279	+ 643
Other advances	703,767	554,076	2,070,711	+ 49,691
LIABILITIES.				
Notes in circulation	13,709,378	13,723,365	9,330,646	- 13,987
Deposits	5,659,691	5,622,197	4,727,336	+ 37,494

SWISS NATIONAL BANK.

(000's omitted.)

ASSETS.	Jan. 23, 1922.	Jan. 14, 1922.	Jan. 7, 1922.	Jan. 22, 1921.	Week's Movement	Position May 31, 1914
Gold	550,210	550,252	550,262	542,962	+ 658	171,175
Silver	108,240	108,240	108,240	128,990	..	18,350
Darlehens-Kassen. Assets & advances	18,572	18,591	15,502	10,725	- 19	..
Notes in circulation	339,459	389,655	381,658	345,004	- 50,196	103,000
LIABILITIES.						
Notes	873,495	909,149	947,556	899,745	- 35,654	275,995
Deposits	180,185	207,042	142,343	155,131	+ 36,857	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to December 31, 1921, total issues were Fr. 29,687,000, of which Fr. 18,317,000 was held by the Swiss National Bank.

BANK OF SWEDEN.

(000's omitted.)

ASSETS.	Jan. 21, 1922.	Jan. 14, 1922.	Jan. 7, 1922.	Week's Movement	Year's Movement	May 24, 1914.
Gold	274,480	274,580	281,520	- 100	+ 7,040	104,918
Balance abn. and foreign bills	126,701	126,902	107,893	+ 799	+ 18,808	112,173
Swedish and for Govt. securities	15,623	15,623	12,696	..	+ 2,927	32,465
Discount and loans	593,342	531,146	528,485	- 1,804	+ 857	112,658
LIABILITIES.						
Notes in circulation	532,265	553,335	635,058	- 21,070	- 102,793	226,555
Deposits at notice	351,462	335,228	228,746	+ 16,434	+ 122,716	69,660

AUSTRIAN BANK.

(000's omitted.)

ASSETS.	Dec. 31, 1921.	Dec. 23, 1921.	Dec. 15, 1921.	Week's Movement.
Gold coin and bullion, bills Silver coin	10,017	7,818	9,440	+ 2,199
Bills discounted, warrants and drafts	29,373,651	23,907,105	22,345,073	+ 5,466,556
Loans	586,814	576,872	643,308	- 8,585
LIABILITIES.				
Notes in circulation	174,114,747	160,199,560	142,871,798	+ 13,915,187
Deposits	6,951,279	20,946,021	16,435,642	- 13,994,742

NATIONAL BANK OF BELGIUM.

(000's omitted.)

ASSETS.	Jan. 19, 1922.	Jan. 12, 1922.	Jan. 5, 1922.	Jan. 20, 1921.	Move- ment.	Position May 28, 1914.
Coin (gold & silver and bullion)	327,549	327,333	327,334	308,988	+ 316	322,650
Securities	411,581	398,646	449,485	797,774	+ 12,935	697,600
LIABILITIES.						
Notes in circulation	6,313,721	6,342,304	6,335,012	6,241,399	- 28,583	934,150
Current accounts	665,588	610,794	675,598	1,078,075	+ 54,864	112,125

HUNGARIAN BANK.

(000's omitted.)

ASSETS.	Jan. 7, 1922.	Dec. 31, 1921.	Jan. 15, 1922.	Week's Movement.
Gold coin and bullion, bills Silver coin, &c.	12,249	12,245	13,091	+ 849
Bills, warrants, drafts, &c.	23,624,086	23,859,239	24,055,405	+ 431,319
Loans	1,155,518	1,158,398	1,148,210	- 7,908
Other assets	3,204,696	3,186,400	3,134,128	- 70,568
LIABILITIES.				
Notes in circulation	25,109,135	25,174,941	25,470,835	+ 361,700
Deposits	2,138,174	2,233,914	2,236,063	+ 97,689
Other liabilities	1,650,125	1,702,068	1,645,054	- 5,071

NATIONAL BANK OF DENMARK.

(000's omitted.)

	Nov. 30, 1921.	Oct. 31, 1921.	Nov. 30, 1920.	Month's Movement	Position May 30, 1914
ASSETS.					
Coin and bullion	Kroner. 228,336	Kroner. 228,336	Kroner. 227,586	750	Kroner. 76,644
Loans and discounts	379,791	363,111	462,602	+ 16,680	88,470
Debtors abroad	13,226	18,909	13,623	+ 5,683	24,107
Securities	40,411	46,386	51,267	+ 5,975	11,988
LIABILITIES.					
Circulation	465,041	493,380	555,220	- 28,339	167,266
Deposits	136,998	103,324	60,139	+ 33,674	6,696

GOLD AND SILVER PRICES.

The price of gold and cash and forward prices of bar silver during this week and in previous years are as below:—

1922.	Gold.		Silver.		Date.	Silver.	
	Per Ounce.		Cash, Per Ounce.	Forward, Per Ounce.		Cash, Per Ounce.	
Jan. 21 ..	97 6		34½	34½	Jan. 27, 1916	26½	
23 ..	97 9		34½	34½	26, 1917	37½	
24 ..	97 7		35	34½	25, 1918	43½	
25 ..	97 6		35	34½	25, 1919	48½	
26 ..	97 5		35	34½	23, 1920	79½	
27 ..	97 4		34½	34½	21, 1921	40	

NOTICES.

The London Joint City and Midland Bank, Limited, announce the opening of new branches at Market place, Dursley (Glos.); High street, Melksham (Wilts.); 49 High Holborn, London, W.C.1. (Mr W. H. Slater, manager), and George street, Nailsworth, Stroud, Glos. Additional offices are also open at Barford (Warwick), and Bridge street, Wellesbourne (Warwick). The Midland Bank now has over 1,600 offices open for business in England and Wales.

Lloyds Bank, Limited, announce that a branch is now open at 31 Church street, Stoke-on-Trent, under the management of Mr E. E. Wilshaw.

A branch of the Bank of Liverpool and Martins, Limited, will be opened on Wednesday, February 1st, at 2 Moor street, Ormskirk, Lancashire, under the management of Mr E. C. White.

The Right Honourable Sir Frederick John Dealtry Lugard, G.C.M.G., C.B., D.S.O., has been appointed as a director to the court of the Colonial Bank.

The business of the Bank of Queensland, Limited, 4 Queen Victoria street, E.C., will be taken over by the National Bank of Australasia, Limited, 7 Lothbury, London, E.C. 2, at close of business on January 31, 1922.

The Bank of Adelaide have opened a branch at Collie, Western Australia.

The Banco Espanol Del Rio De La Plata have established a branch in Antwerp, at 26 Longue Rue de l'Hopital, which was opened for business on January 26th.

MINING OUTPUT STATISTICS FOR DECEMBER, 1921.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyande Works.	Mill.	Cyande Works.		
Gold.	Tons.	Tons.	Oss.	Oss.	£	£
Jumbo-Tip Top	1,350	..	..	..	471	515
London and Rhodesian ..	3,932	..	..	..	..	3,847
Mexican of El Oro	13,130	..	..	..	£180,100	£38,110
Ouro Preto (Brazil)	7,200	..	..	..	2,600	12,309
Coal.	Tons.	Output.	Other Notes in Return.			
Chinese Engineering	63,662	Week ended January 14th.	..			
East Kent	1,985	Week ended January 21st.	..			
Withbank	81,489	..	..			

BROKEN HILL SOUTH.—Output for four weeks ended Dec. 3rd.—10,710 tons of crude ore were treated, assaying 15.3 per cent. pb., 6.9 ozs ag. and 13.7 per cent. zn., producing 2,039 tons concentrates, assaying 67.4 per cent. pb., 23.8 ozs ag. and 7.8 per cent. zn. Of the foregoing, 1,759 tons came from the lead concentrating mill, assaying 68.2 per cent. pb., 21.4 ozs ag. and 7.7 per cent. zn., and 280 tons were produced from current slime, assaying 62.2 per cent. pb., 38.7 ozs ag. and 8.3 per cent. zn. 10,698 tons of dump slime were treated, assaying 11.0 per cent. pb., 6.7 ozs ag. and 13.0 per cent. zn., and produced 1,549 tons concentrates, assaying 44.4 per cent. pb., 33.7 ozs ag. and 17.5 per cent. zn. The despatches of zinc tailings were:—To Zinc Corporation, 26,785 tons net. To Amalgamated Zinc (De Barys), 5,485 tons net.

SULPHIDE CORPORATION.—During the six weeks ended Dec. 31, 1921, 11,797 tons of ore and 2,265 tons of slime were milled at the Central Mine, producing 2,394 tons of lead concentrates (including 249 tons from the de-leading plant), which assayed 46 ozs silver, 69 per cent. lead, together with 4,222 tons zinc concentrates, assaying 12 ozs silver, 8 per cent. lead, 47 per cent. zinc per ton. At Cooke Creek 2,976 tons of lead concentrates and purchased ores were smelted, producing 1,787 tons lead bullion for treatment in the refinery. The refinery products for the same period were 1,422 tons soft lead, 158,787 ozs silver, and 914 ozs gold.

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, January 18, 1922, amounted to 821 tons.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash * Interim div.	Date of Payment.	Method of Payment.	Dividend for Whole Years.	Last Pre-vious Year.
Banks.					
Banco Espanol del Rio de la Plata	5% p.a.	Jan. 23	Less tax	..	..
Bank of Montreal	5%	Mar. 1	..	..	..
British Mutual Banking	..	..	Less tax	10	9
Canadian Bank of Commerce	5%	Mar. 1	..	..	..
Farmers' Loan and Trust, N.Y.	5%	Feb. 1	..	..	..
Isle of Man Banking	20% (div. 5%)	..	..	22½	22½
Merchants Bank of Canada	(a) 1½% (b) 2½%	Feb. 1	..	..	..
Union of Canada	2½%	Mar. 1	..	..	..
Insurance.					
Colonial Mutual Fire	5% (a) 5% (b) 5% (c) 5%	..	..	12½	12½
Queensland	2% p.a.	..	..	15	15
Sea	1½% p.a.	Feb. 15	Less tax	10	10
United	5% p.a.	..	..	..	..
Mining.					
Deebeck Dredging	16 p.a.	Feb. 2	..	..	..
Railways.					
Belfast and County Down	5%	..	..	5	6½
Ile of Wight, Def.	..	..	..	2½	2½
Lancashire and Yorkshire	3½% p.a.	..	Less tax	4½	4½
Rohilkund and Kumaon	4½% (a) 4½% (b) 4½%	..	Less tax 3/6 in & 4/6 out	11	10
Shelfield District	2½%	..	..	3½	3½
Tea and Rubber.					
Assam Co.	7½% p.a.	Feb. 14	Less tax	..	..
Assam Frontier Tea, Pref.	3% p.a.	Jan. 30	..	..	..
Sungei Krian Rubber	6%	Feb. 15	Less tax (for 1920 and 1921)	..	..
Other Companies.					
A. F. Stoddard and Co.	4% p.a.	Feb. 2	Less tax	(b) 10	12½
Allen Liveridge, Limited	10%	..	..	..	..
Argentine-English Tramways, Pref.	2½% p.a.	Feb. 14	Less tax 6/ in & 4/ out (ar. 10/)	10	15
Austin Iron Co.	2½% p.a.	..	..	10	15
Ashton Brothers and Co.	2½% p.a.	..	..	10	15
Australian Bank of Commerce	..	Jan. 31	..	..	..
Bon Marché, Pref.	8%	Feb. 16	Less tax	..	..
Birmingham Gt. West. Arcade	15/4 p.a.	Feb. 1	Tax free	..	..
Bradford Exchange	..	..	..	10	10
British and Allied Investments	10%	Feb. 1	Less tax	15	15
British Investment Trust, Def.	8½% p.a.	..	..	15	15
Carnwall, Pref.	5%	(ar. 10/)	..	..	..
Chadburn (Ship) Telegraph	..	..	..	6	6
Charter Trust and Agency	1/2% p.a.	Mar. 2	Less tax	5	5
City of Buenos Aires Trans.	1/2% p.a.	Feb. 15	Less tax	20	25
City of London Brewery	15% p.a.	..	..	20	25
Consolidated Spanish Ore	1% p.a.	Feb. 15	..	..	..
Cowling Spinning	5%	..	..	..	..
E. W. Tarry	2½% p.a.	..	..	5	7½
Fore Street Warehouse	2½% p.a.	..	..	5	7½
Guardian Investment Trust, Def.	5%	..	..	7½	7½
James' Sewing Machine, Pref.	..	..	..	7½	10
Holder Line	..	..	..	7½	10
House and Mill	2% p.a.	..	..	6	10
Hunter, Barr, and Co.	6%	..	..	6	10
Imperial Tobacco Company	10% p.a.	(a) 10% (b) 10% (c) 10%	Tax free	17½	17½
Ingersoll-Rand	2½% p.a.	Jan. 31	..	7½	12½
J. F. and H. Roberts	7½%	..	..	7½	12½
J. H. Hockington and Sons	5%	..	..	..	..
Jones' Sewing Machine, Pref.	10%	..	..	..	..
Kirkwall Brewery	10%	Feb. 1	..	..	..
Lancashire Tramways	6½%	..	..	5½	..
L. and J. Weber and Phillips	10% p.a.	..	..	15	..
Lanston Monotype	4½% p.a.	..	..	15	8
Leicester Real Property	3% p.a.	..	..	5½	5
Lily Spinning	1/3% p.a.	..	..	7½	7½
Lister and Co.	5% p.a.	..	..	7½	7½
Liverpool Daily Post	5% p.a.	..	..	17½	8
Do bonus	5% p.a.	..	..	6	6
Liverpool Grain Storage	5% p.a.	..	..	..	..
London and Edinburgh Shipping	5% p.a.	Jan. 31	Tax free	..	..
Lotus, Ltd.	5%	..	..	8	7
Manchester Corn Exchange	3½% p.a.	(a) 3½% (b) 3½%	Less tax	7½	17½
Maple and Co.	5% p.a.	..	..	7½	15
McIntyre, Hogg, Marsh, and Co.	6%	Feb. 1	..	7	15
Merchandise Warehousing	1½% p.a.	Feb. 15	..	..	..
Montreal Light, & Co.	2%	..	..	..	..
Montreal Light, & Co.	2%	..	..	..	..
Mortgage of the River Plate	9% p.a.	..	..	15	15
Mutual Tontine, Westminster Chambers	2½% p.a.	Feb. 28	Less tax	5	6
N. of Scotland Canadian Mfg.	8½% p.a.	(a) 8½% (b) 8½%	Less tax	10	10
Northern Trust	5% p.a.	..	..	10	10
North Queensland Mortgage	5% p.a.	(a) 5% (b) 5%	Tax free	10	12½
Richard Lunt and Co.	12½%	..	..	10	12½
River Plate and General Investment, Def.	6% p.a.	..	..	10	10½
Scottish Motor Traction	..	..	..	10	10
Scott, Son, and Co.	..	..	..	7½	10
Tonge Vane Spinning, "A"	3% p.a.	..	..	10	10
Do "B"	2% p.a.	..	..	10	10
Vulcan Spinning and Manufg.	8½% p.a.	..	..	13½	12
Wagon Finance	6% p.a.	Feb. 2	..	..	..
William Murray and Co.	1% p.a.	Feb. 9	..	..	..
Yorkshire Rly. Wagon, £2 paid	1% p.a.	Feb. 9	..	..	..
Do £1 paid	1% p.a.	Feb. 9	..	..	..
York Waterworks, Ord.	10%	Feb. 3	..	..	..
Do New Shares	..	..	..	..	..

(a) This dividend is approximately equivalent to the quarterly returns the Merchants Bank shareholders will receive in ordinary course in future after they before the shareholders. (b) Increased capital.

BRITISH DYEWORKS CORPORATION announce that owing to the depression in the textile and other colour-consuming trades, and the heavy fall in stock values, the trading results are such as do not permit of any payment in respect of preference dividend for this period.

CONSETT IRON.—Company is not paying interim dividend on ordinary shares. Preference dividend will be paid as usual.

ELTRINGHAM announce the impossibility of paying at present any further dividend on the preference shares.

RICHARDS, LIMITED announce that this is the first time the company has incurred a loss, and it is the first occasion it has failed to pay a dividend on the ordinary capital. The rate last time was 26½ per cent., and during the war period it was 3½ per cent.

SUN LIFE ASSURANCE.—Anticipate that in the absence of unforeseen circumstances they will be able to declare half-yearly dividends (inclusive of bonus) of 12s 6d per share, free of tax, payable July 1st next, and on expiry of each subsequent half-year until January 1, 1927, inclusive.

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Name.	Miles Open.	Week Ended Jan. 22, 1922.			Aggregate 3 Weeks 1922.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Re- cepts.
Brecon and Merthyr	60	914	3,931	4,845	2,915	11,717	14,632
Great Central (t)	338	38,900	118,600	157,500	127,200	337,200	5,586,000
Great Eastern (t)	1,207	91,700	98,000	189,700	286,500	288,100	574,628
Great Northern (t)	1,050	78,500	145,000	223,500	236,200	409,000	645,000
Great Western	230,000	288,000	518,000	697,000	829,000	1,526,000	..
Hull and Barnsley	92	699	18,286	18,985	1,973	52,435	54,408
Do Dock Receipts	2,633	288,000	436,000	724,000	885,000	1,227,000	1,119,778
London & N. Western	988	105,800	55,800	161,600	317,100	153,600	470,700
London & South Western	423	1,155	1,329	2,484	3,590	3,802	7,392
Marquise and Carlisle (t)	734	33,748	3,638	37,386	101,134	11,792	112,926
Metropolitan (t)	1,585	148,000	318,000	466,000	450,000	914,000	1,364,000
Midland (t)	63	991	1,291	2,282	3,207	3,590	6,797
North Eastern (t)	1,758	102,700	192,300	294,900	317,900	527,800	845,700
North London	16	5,329	10,400	15,729	16,283	28,885	45,168
Rhymney	51	2,924	9,523	12,447	3,171	26,290	31,461
Taff Vale	124½	8,109	22,042	30,151	11,312	61,955	88,068
Do Docks, &c.	..	..	..	5,285	..	..	15,803
Underground R.R. (t)	..	..	..	199,689	..	..	625,039
Lon. and Sub. Group (t)	..	..	..	42,557	..	..	133,947
Caledonian	1,097	52,900	83,100	136,000	177,600	201,900	379,500
Glasgow and S.W. (t)	476	21,600	33,000	54,600	75,100	85,100	160,200
Gt. North of Scotland (t)	336½	7,440	8,710	16,150	24,770	21,290	46,060
Highland (t)	492 (a)	8,446	9,146	17,592	27,154	26,505	53,659
North British (t)	1,378	46,200	106,600	152,800	165,600	277,800	443,400
Belfast & County Down (b)	80	3,990	5,498	9,488	13,312	3,964	15,276
Dublin and S. Eastern (b)	160	4,444	3,393	7,837	15,309	9,405	24,714
Midland Gt. Western (b)	538	10,529	13,062	23,591	29,957	35,045	65,002

(b) Week ended Jan. 20, 1922. (c) Week ended Jan. 21, 1922. (a) Including 10 miles temporarily closed. (b) Includes 210,700 Great Central proportion of joint lines for week and 294,300 for the three weeks.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1921-22.	+ or -	1921-22.	+ or -
INDIAN.							
Assam Bengal	39 weeks	Dec. 31	993	2,10,118	7,471	64,25,583	18,00,218
Bazil Rly.	39 weeks	Dec. 31	118	3,52,640	10,500	9,55,000	1,00,320
Bombay & N. Western	12 weeks	Jan. 12	2,697	6,15,240	1,26,641	63,80,736	6,88,670
Bombay Nagpur	15 weeks	Jan. 14	2,671	20,64,000	2,45,000	64,14,000	1,15,177
Bombay Bar. & C.L.	36 weeks	Dec. 10	1,342	5,76,130	33,131	20,49,854	10,73,031

Reports and Notices.

At a general meeting of the Life Offices Association held on January 23, 1922, Mr A. Levine, actuary of the Alliance Assurance Company, Limited, was re-elected chairman, and Mr A. D. Besant, general manager and actuary of the Clerical, Medical, and General Life Assurance Society, was re-elected deputy-chairman.

Sir Percy Wilson Newson, Bart., of Messrs. Jardine, Skinner, and Co., of Calcutta, and Messrs. Matheson and Co., Limited, London, has accepted a seat on the board of Commercial Union Assurance Co.

Mr Thomas Frazer, F.F.A., has been appointed joint assistant secretary of the North British and Mercantile Insurance (London.)

At the half-yearly meeting Mr W. Hutton, F.I.A., F.F.A., general manager of the Scottish Amicable Life Assurance Society, was elected chairman of the Associated Scottish Life Offices in succession to Mr Owen D. Jones, whose term of office has expired.

Sir James Farquharson Remnant, Bart., M.P., has been elected to a seat on the board of the Continental Union Gas Company, Limited, rendered vacant by the death of Sir Arthur Lucas.

We are officially informed that, as from March 28th next, the present general manager, Mr James Hamilton, has been appointed managing director of the Yorkshire Insurance Company, Limited; Mr W. T. Maudsley, the present sub-manager, is made general manager; Mr James Dallas is made manager of live stock department, Mr R. M. Hamilton is made manager of foreign department, Mr G. E. Howard is made manager of accident department. Mr E. A. Birks continues secretary at the head office in York.

After January 31, 1922, the address of the chief office of the British Gas Light Company, Limited, will be 2 The Abbey Garden, S.W. 1.

Following the resignation of Mr E. C. A. Sharper as managing director of the British Central Africa Company, Limited, the board, in consultation with the committee of shareholders, have appointed Mr C. Ponsonby as general manager in London.

Mr W. E. A. Williams, underwriter of the British and Foreign Marine Insurance Company, Limited, and Mr E. L. Jacobs, underwriter of the Alliance Assurance Company, Limited (Marine Department), have been elected chairman and deputy-chairman respectively for 1922 of the Institute of London Underwriters.

GOVERNMENT STOCKS, &c.

REPUBLIC OF PERU 5 PER CENT. GOLD BONDS, 1920.—The Ethelburga Syndicate, Limited, announce that the Foreign Office, through the medium of the British Minister in Lima, have received an assurance from the President of Peru that the overdue payment of the service on the above loan will be made without delay.

RAILWAYS.

BENGAL-NAGPUR RAILWAY COMPANY, LIMITED.—Holders of debenture bonds to bearer of this company, amounting to £445,000, and falling due on January 31, 1922, are notified that the directors, with the sanction of the Secretary of State for India in Council, are prepared to renew such debentures for a further period of two years with interest at the rate of 5 per cent. per annum, with a discount of 1½ per 100, provided the holders of the said debentures intimate their acceptance of this offer, and send their bonds to the office of the company, 132 Gresham House, Old Broad street, London, E.C., for endorsement before noon on January 30, 1922. A commission of 5s per £100 will be allowed to brokers and other recognised agents.

BANKS.

CONTINENTAL AND COMMERCIAL NATIONAL BANK OF CHICAGO.—December 31, 1921:—

LIABILITIES.		ASSETS.	
Capital	25,000,000	Time loans	134,533,116
Surplus	15,000,000	Demand loans	78,943,186
Undivided profits	3,528,176	Acceptances	312,810
Reserve for taxes	1,829,035	Bonds, securities, &c.	15,710,574
Circulation	50,000	U.S. bonds, &c., of indebted-	
Letters of credit	3,087,192	ness	6,476,251
Acceptances	5,023,401	Stock of Federal Reserve	1,200,000
Deposits	269,668,073	Bank	7,250,000
		Bank premises	32,945
		Other real estate	2,865,213
		Letters of credit	4,974,074
		Acceptances	88,399
		Overdrafts	83,768,309
		Cash and due from banks	336,155,877
			336,155,877

THE DOMINION BANK (CANADA).—The London branch of the Dominion Bank are advised by cable that the profits of the institution for the year ending December 31st last are \$1,016,262.

UNION BANK OF CANADA.—The report for the year ended November 30, 1921, shows a net profit of \$1,342,390, to which is added \$149,208 brought forward from previous year, making \$1,491,598 available. The dividend of 10 per cent. for the year absorbed \$800,000. There is a memorial appropriation of \$10,000 to perpetuate the memory of members of the staff of the bank who lost their lives in the great war, and \$10,000 goes to officers' pension fund, and \$30,000 to officers' guarantee fund. War tax on bank note circulation to November 30, 1921, absorbed \$80,000, and a balance of \$541,686 is carried forward. The bank has over 400 branches in Canada and agents in the principal cities in America.

INSURANCE.

SCOTTISH WIDOWS' FUND.—The new assurances completed during 1921 with the Scottish Widows' Fund Life Assurance Society, amounted to £2,455,000 gross, and £2,365,000 net after deducting re-assurances.

UNITED INSURANCE COMPANY (INCORPORATED IN AUSTRALIA, 1882).—The total receipts for the year ended September 30, 1921, were £627,425; less agency and general expenses, commissions, discounts, and re-insurances, £396,200—making £231,225. The expenditure—Fire, marine and accident losses (including provision therefor), £97,325; expenses of management, &c., £49,925; leaving £83,975; which the directors propose to dispose of as follows:—To reserve fund (making £140,000), £5,000; to reinsurance reserve fund (making £118,000), £2,000; to special distribution, £50,000; to dividend for year of 10 per cent., £25,000—£69,500 leaving balance £1,975, which is transferred to contingent account. At the special general meeting of the shareholders, held on September 7, 1921, the following resolution was unanimously passed:—“That the capital of the company be increased to £1,000,000 by the creation of 50,000 new shares of £10 each,” which increase of capital has been duly registered. The board has decided, subject to confirmation by the shareholders, to issue 10,000 unallotted shares, and to distribute same in proportion as far as possible of one new share for every five shares held, and to appropriate from profit and loss account the sum of £50,000 as a special distribution to be applied in payment of the sum of £5 per share on the above-mentioned 10,000 shares. This distribution will make the paid up capital £300,000.

MISCELLANEOUS.

HOULDER LINE, LIMITED.—The report for the year 1921 shows that the insurance fund has been debited with £2,828, being claims and returns in respect to the lines underwritten by the company, and a similar amount has been transferred to profit and loss account. After making provision for general maintenance expenses, directors' remuneration, audit fee, and dividends paid and accrued on preference share capital, there remains a credit balance of £68,223. A sum of £10,000 has been transferred to insurance fund (increasing that reserve to £110,000). An amount of £9,468 has been transferred to depreciation (increasing that fund to £225,000). These allocations leave an available balance of £48,755, to which must be added a sum of £2,751 brought forward from previous accounts, making £51,506. A dividend of 7½ per cent. (free of tax) is recommended on the ordinary shares, which will absorb £20,625, and leave an amount to carry forward, subject to income-tax, &c., of £30,881.

MINES.

MASON AND BARRY, LIMITED.—Referring to their circular, dated September 28th last, the directors state that the negotiations for the proposed sale of the company's property in Portugal have fallen through. The directors take this opportunity of further informing shareholders that, although shipments of pyrites during 1921 were slightly less than during 1920, they have no doubt that the result of the year's working will be entirely satisfactory.

RHODESIAN GOLD OUTPUT.

Month.	1918.	1919.	1920.	1921.
January	£ 253,807	£ 211,917	£ 211,851	£ 293,794
February	232,023	220,885	250,020	288,225
March	236,023	226,006	199,881	134,932
April	239,916	213,159	208,334	282,396
May	239,205	218,057	403,255	225,841
June	225,447	214,215	194,194	238,200
July	261,740	214,918	313,126	279,269
August	267,096	207,339	241,970	286,151
September	247,885	223,719	231,226	271,452
October	136,780	204,184	248,085	363,374
November	145,458	186,462	282,237	306,636
December	192,870	158,835	272,470	267,005
Total Gold	2,652,250	2,499,492	3,056,549	3,217,275

NOTE.—The value of the gold output fluctuates each month in accordance with the amount of premium which may be declared to the Mines Department of Southern Rhodesia in that month.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Seasonable weather continues to prevail, with milder conditions following a cold snap, while reports from most districts are favourable respecting the growing wheat crop. Supplies of native wheat were on a moderate scale, and prices ruled fully steady, best samples selling at 48s to 50s per 504 lbs, free on rail. Imported descriptions ruled firmer in sympathy with higher c.i.f. values, at which trade was in a measure checked. No. 1 Northern Manitoba quoted 57s, No. 2 hard winter 54s 6d, Rosaf 64 lbs, 52s to 54s, all ex ship to arrive per 480 lbs, and Australian 53s to 54s landed per 496 lbs. In the floating and forward cargo market a fair business transpired at irregular prices, though same are firmer on balance. North American grades sparingly offered, while Argentine qualities

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefer.	Ordinary.			
					Amount.	Amount.	Rate.		
Banks.									
British Mutual	Dec. 31	£ 1,498	£ 8,141	£ 9,639	£ 6,000	10	2,000	1,639	7,354
Lloyds	Dec. 31	543,864	2,529,124	3,072,988	1,676,845	16½	850,000	546,143	3,237,741
London County Westminster and Parr's	Dec. 31	460,914	2,167,846	2,628,760	1,159,052	12½	950,000	519,708	2,915,708
Financial, Land, &c.									
Mortgage Co. of River Plate	Dec. 31	52,712	66,130	118,842	12,500	45,000	15	61,342	59,673
Nth. of Scotland Canadian Mortgage	Nov. 11	21,740	52,697	74,437	36,225	18½	10,000	28,212	51,042
Scottish American Investment	Dec. 31	64,714	146,991	211,705	39,200	88,200	18	64,305	149,538
Rubber, &c.									
Djasinga	June 30	46,397	24,794	21,603	..	..	..	21,603	22,144
Garing (Malacca)	Sept. 30	13,128	7,478	5,650	..	..	2,286	3,364	1,808
Rembia	Sept. 30	11,794	1,894	9,900	..	..	..	9,900	251
Shipping.									
Houlder Line	Dec. 31	2,751	80,598	83,349	12,375	20,625	7½	19,468	30,881
Shops and Stores.									
Lotus	Dec. 31	10,520	65,753	76,273	17,150	28,563	6	20,000	10,560
Textiles.									
J. F. and H. Roberts	Nov. 30	24,095	56,645	32,550	5,000	18,750	7½	18,700	54,900
Lister and Co.	Nov. 30	174,383	134,362	308,745	30,000	106,875	7½	171,870	134,783
Trust.									
Northern	Dec. 31	347	2,287	2,634	900	1,165	10	569	2,278
River Plate & General Investment	Dec. 31	30,473	47,441	77,914	12,375	27,500	10	35,039	53,632
Waterworks.									
Cambridge	Dec. 31*	3,660	4,847	8,507	..	4,740	8½	3,767	3,917
York	Dec. 31*	11,961	6,625	18,586	1,200	5,400	10	11,986	6,043
Other Companies.									
Allen-Liversidge	Oct. 31	1,029	30,468	31,497	..	22,415	10	5,842	3,240
Australian Pastoral	June 30	15,065	45,083	60,148	..	55,950	6½	4,198	92,006
Carreras, Limited	Oct. 31	11,732	86,210	97,942	20,000	30,000	12½	33,942	24,411
Craigton Cemetery	Dec. 31	788	2,439	3,227	..	1,750	5	1,000	477
E. W. Tarry and Co.	Aug. 31	14,368	531	14,899	9,000	7,500	5	4,399	31,447
McIntyre, Hogg, Marsh, and Co.	Nov. 30	32,523	28,780	4,443	6,600	15,330	7	2,513	66,700
Richard Lunt and Co.	Dec. 31	12,796	14,845	27,641	800	13,400	10	13,441	21,480
Yorkshire Railway Waggon	Dec. 31	2,914	27,288	30,202	..	18,750	10	6,651	26,268

* Half-year.

† Free of tax.

advanced mainly due to adverse exchange rates. Steamers of Australian on passage sold 50s, loading 50s 9d, No. 1 Northern Manitoba arrived off coast 53s 6d, Rosaf 64 lbs end January 48s 9d, ditto February 25th 48s 6d to 49s to U.K., and Australian cargo afloat at 50s 6d to India. Offerings from Argentina and Australian new crops now begin to make their weight felt, and will no doubt exercise a predominating influence for some time to come, and although neither crops are above the average, liberal quantities will be available for export, while quality leaves little to be desired. North American visible supplies show a substantial decrease, but floating supplies are increased by liberal shipments from Australia and South America. Flour continues quiet of sale, though prices showed no material alteration. London standard straight run quoted 43s, town households 41s, patents 45s-46s, all English straight run 40s per sack delivered London district. All-English country straights 35s to 38s free on rail at London stations. Imported makes steady. Manitoba export patents 43s, straights 40s, Kansas patents 41s to 41s 6d, and Australian in small supply, while firmly held at 43s 6d to 44s, all per 280 lbs, ex store terms. On c.i.f. terms, Australian new crop February quoted 37s, Canadian patents February 41s, straights 39s, Kansas top patents 40s per 280 lbs. Millers' offers steady. Broad brand quoted £9 15s, ordinary £8 10s to £8 15s, middlings £8 15s ex mill, fancy Plate middlings £9 ex ship, and Plate pollards £7 15s to £8 per ton landed. Maize firmer and reservedly offered. Yellow La Plata quoted 39s, yellow African 38s, white flat ditto 35s 6d all landed, and American ex ship to arrive 31s 6d to 32s. Floating and forward cargoes firmer while in moderate demand, the market being influenced by lighter Argentine shipments and adverse rates of exchange. Steamers of La Plata expected to load end January sold 35s 9d, and March shipment at 35s 3d per 480 lbs. Barley steady, but generally quiet. Native malting ranges from 43s to 65s, and grinding sorts 37s to 41s, Irish 43s 6d per 448 lbs. Morocco 30s to 31s, La Plata 30s 6d, No. 4 Canada Western 34s, Canada feed 28s 6d, all landed per 400 lbs. Oats in good demand, and prices firmer in sympathy, with other feeding stuffs. Native varieties range from 29s 6d to 34s 6d, as to sample per 336 lbs, free on rail. Of imported, Plate, f.a.q., quoted 29s, clipped 29s 9d, Canadian 30s to 31s, and Chilean tawny 28s to 29s 6d per 336 lbs. Oatmeal steady, while in moderate demand. English all cuts quoted £18 to £19, rolled oats £20 to £21, American oatmeal £17 10s to £18 10s, rolled oats £19 to £20 ton. English peas firm. Maples range from 70s to 80s, Duns 55s to 62s per

504 lbs. Of imported, Japanese hand picked 35s to 36s, Tasmanian "A" 18s to 22s, New Zealand blue 18s to 22s, and Dutch blue 22s to 28s per cwt. English beans firmly held, winters at 50s to 52s, springs 57s to 62s per 532 lbs. Homeward grain freights generally firm, and a fairly active chartering business transpired. The River Plate section is still the chief centre of attraction, and steamers to load heavy grain at Upper ports, spot, fixed at 37s 6d, early February cancelling done 36s 3d, all February 35s, early March 34s 3d, March 32s 6d, April 15th 30s to U.K./Cont. America quiet, and represented by 16 cents range to Antwerp/Hamburg, February, 20 cents West Italy, and 30 cents per 100 lbs to Baltic ports, the latter being on account of the Russian Relief Committee. To U.K. 4s to 4s 3d quarter is the nearest indicated, with 6d extra if loading in the Gulf. Eastern markets quiet, and Bombay easier at 21s 3d paid on dead weight to U.K./Cont. Australia fully steady, with a fair demand extending to March loading, and fixtures were recorded at 50s for wheat to U.K., and charter business was on a fair scale, and modern steamers of suitable size rule at 4s 9d to 5s 3d for a period of six to twelve months general trading.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919.
Estimated sales of home-grown wheat—				
1 week to January 21	Cwts. 466,161	Cwts. 425,548	Cwts. 425,548	Cwts. 425,548
20 weeks to January 21	8,247,970	6,949,322	5,915,118	6,274,390
Average price of English wheat per quarter—	s d 45 8	s d 45 4	s d 45 4	s d 45 4
— per cwt	10 8	19 11	16 11	16 11

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL
INSURANCE COMPANY, LIMITED
ALL CLASSES OF INSURANCE EFFECTED

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1917 to 1920:—

	QUANTITIES SOLD.			AVERAGE PRICES.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1922.						
Jan. 14	72,888 7	80,336 6	17,463 4	45 0	43 5	28 1
21	108,770 7	80,797 5	22,841 1	45 8	43 9	28 4
1918	51,335 4	62,036 1	15,977 5	71 1	58 7	48 2
1919	77,996 0	85,786 5	19,331 5	72 7	61 10	49 6
1920	98,840 7	71,133 0	25,846 0	72 7	108 11	57 10
1921	69,614 6	132,436 3	23,504 0	85 4	73 7	43 11

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated January 26th is as follows:—Pig-iron: The anticipated revival in the iron and steel trade at the turn of the year still "hangs fire." Buying is very limited, indeed, and is confined to prompt delivery. A favourable feature is that pressure of foreign iron and steel on the home market has ceased. Prices are as follows:—No. 1 Cleveland iron, 95s per ton; No. 3 Cleveland G.M.B., 90s per ton; No. 4 Cleveland foundry, 87s 6d per ton; No. 4 forge, 82s 6d per ton. East Coast hematite mixed numbers, 95s per ton. East Coast hematite being relatively cheap, there is more business in this iron than in Cleveland foundry. Manufactured iron and steel: Business slow and orders very scarce. Steel ship plates, home, £10 10s; steel ship angles, home, £10; iron bars, home, £12 10s; steel rails, home, £9 10s net. Iron ore: The market for imported ores is rather easier. A small business, principally in Mediterranean ores. Best Bilbao Rubio is now quoted about 25s per ton c.i.f. Middlesbro'.

Our Sheffield correspondent writes:—While there is no reduction in local unemployment, the outlook for trade is distinctly better. That several of the large firms can see business ahead is evident from their decision to start up some of the idle steel furnaces, and it is a fact that orders for the cheaper classes of steel are being booked. Some of these come from the Far East. Another encouraging incident is the placing of contracts locally by the Midland Railway Company for 16,000 tons of heavy rails, as it indicates a recognition that prices of such material are now fairly stable. The British railway companies are in need of rails, rolling-stock, and all sorts of materials, but they have only bought on hand-to-mouth lines for a couple of years. It is expected that they will now resort to their traditional practice of placing contracts for three or six months' supplies. The contract obtained by Metropolitan Vickers Electric Company for the supply of 70 electric locomotives and other electric apparatus to the South African railways will bring a good deal of work to Sheffield, where the motors of the engines will be made. The crucible steel department is as stagnant as ever. The trade done with the United States in such material last year was the smallest ever recorded. Should it continue at that level the market will not be worth cultivation. Prices of German iron and steel products have been steadily rising for some time. Now that the Germans are compelled to buy raw materials abroad, their costs have gone up very considerably, and their competition with this country is becoming less intense. Agricultural engineers are experiencing the worst spell of depression in the history of the trade, and at the moment there are no signs of recovery. In spite of the severe weather, the demand for house coal is comparatively small. The qualities most in request are the best and the poorest. Many householders are buying the smallest possible quantities. The inland demand for steam coal continues at a low level, nor does the export demand expand, although inquiries are increasing. Small fuel and coke are unchanged.

Our Glasgow correspondent (writing on Thursday) says:—The industrial situation remains unsatisfactory, yet there is hope about that things have seen their worst. This is no doubt due to the fact that since the middle of December manufacturers of iron and steel have been accumulating slices of work here and there. In the proper sense of the term, however, there has been no placing of running contracts or provision been made for covering periodical needs of consumers, and therefore the course of the situation at the moment rests on how long and how short the sort of temporary or jobbing bookings of the season lasts. Over the past fortnight leading shipbuilders and engineers have been reducing their staffs, going as far as discharging hands who have been in asso-

ciation with the firms for life-times—steps that are never taken unless in the direst circumstances. These measures show that the work on hand is light, and that recent business operations are not accounted to be of consequence. Machinery builders, valve and pump engineers, oil engine constructors, and such are stated to have come to an understanding, according to which they aim at combining (without amalgamating) their several interests. Latest official details indicate that there is more shipbuilding work for finishing on the Clyde than was understood. The new total includes three Clan liners, which are to cost about £800,000, and be delivered during 1922-23. Much interest attaches to the restart next week of the several steel works that have been idle since the New Year holidays began. Most of the rolling mills will be set agoing, but unless a good few big orders come along the resumption will be of short duration. Rumour has it that a number of inquiries are on circuit for heavy bridge work, for which the English competition is very keen, prices there being several pounds cheaper than here, where the rates rank at £10 10s for ship plates, £10 for sections, and £14 for boiler plates. At the same time dealing here has been reported in ship plates at under £9 10s a ton. Demand for Scotch foundry pig-iron continues indifferent and in sympathy with the tone of the Midlands, prices are off fractionally, Scotch No. 1 being called £5 10s and No. 3 £5 5s, as compared with £5 12s 6d and £5 7s 6d last week. Scotch iron bars are nominally £12 10s. The export terms for black sheets have been shaded a bit, despite some inquiry for various sizes from South America, Australia, China, and the Far East generally. It may here be mentioned that inquiries for bridge building material for Australia are spoken of, with the rate for plates called round about £9 a ton, those for ½ in. sheets being given at £10 10s and 22 GG £13. Exporters to India of light and heavy stuff are more in evidence, but they cannot be described as eager dealers.

P.S.—Since the above was written has come the announcement by the Holt Line that they have placed an order for a large boat with Scott's Shipbuilding Company, Greenock. It appears that the new steamer is to be equipped with the Scott's Still Engines—a combination of oil and steam, from which great propulsive results are anticipated. It is a feature of the day that marine

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PAID-UP CAPITAL ...	£2,229,166
RESERVE FUND ...	£2,883,335
UNCALLED CAPITAL ...	£6,687,495
	£11,809,995

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engineers are devoting every energy they control to the improvement of the oil engine, and that they look for large developments in this direction.

CUMBERLAND IRON.

(FROM OUR WORKINGTON CORRESPONDENT.)

There is still very little business stirring in the Cumberland and North Lancashire hematite pig-iron market, and the number of furnaces in full blast numbers only six. One of these, which was lighted last week, is on ferro-manganese, a metal which has not been smelted for twelve months. A demand which is largely American has sprung up for ferro-manganese, and it is not at all improbable that a second furnace may be put on to a manganese alloy. The stagnant condition of the hematite iron trade may be judged by the fact that while nearly all the make is of ordinary iron some portion of it is going into stock. Midland and Scotch requirements of low phosphorus iron are negligible, and but for local requirements of ordinary iron production would have to be reduced. It is not an unhelpful sign, however, that West Coast ironmasters at their monthly meeting this week decided to make no alteration in the price of Bessemer mixed numbers, which stand at £5 8s 6d per ton at works. There is a disposition to regard this decision as a token that smelters expect shortly to have a fair volume of business at command, and, indeed, there is a belief that needs will be considerably larger in the spring, and that a revival of trade may set in before the end of April. It need hardly be said that the iron ore industry in West Cumberland and in the Furness district is also very dull. Most of the ore being used at the furnaces is foreign ore, and the demand is mainly for low phosphorus and hand-picked ores for special purposes. There is little doing in the steel trade. Small orders are being booked and part of the plant at Barrow is in operation, but at Workington the steel works are idle and are not expected to start rolling again until March at the earliest. The coal trade is slack. Collieries depend almost entirely upon the Irish market for a living. Competition with Scotland and Lancashire, however, is so keen that the pickings are very small. Scotch owners are quoting 20s per ton against Cumberland's 27s 6d per ton, f.o.b. The difference in quality alone enables Cumberland coalowners to secure what business they possess. There is practically no market for small coal, and what is not sent to the 120 by-product coke ovens that are drawing has to be dumped on the ground, though this week there has been a small shipment to the Continent. The chemical industry is standing, the distillation of a little tar and the manufacture of a small quantity of sulphuric acid being all that is going on.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—There is a growing feeling among users in the principal consuming centres that the advance in wool prices is being pushed too far. Judging from the strong competition at the London sales, there is a very big demand for the best combing merinos on home, American, and Continental account, and it is obvious that buyers have confidence in the present position, as otherwise they would not be prepared to pay current prices. It is a mystery, however, as to what is being done with the wool, for it is evident that new business in Yorkshire is being largely curtailed owing to the inability of users to follow the upward movement. In the United States, of course, supplies of fine wool are getting very scarce, and the mills will be compelled to buy in spite of the tariff. With regard to the position in Bradford, the great scarcity of spot merino tops is having its effect on quotations, and where lots are available the question of price is merely a matter decided by the needs of the buyer. For forward delivery, however, tops can still be bought at late rates, though some of the largest firms are out of the market for the time being. Difficulties with regard to price begin to make themselves felt in the yarn trade, and it is an undoubted fact that new business is scarce at to-day's level of values. Manufacturers cannot afford to follow the upward movement, and although worsted spinners have plenty of work in hand for the next two or three months, there is not much to be done for delivery during the subsequent months. The reduction in wages may help matters to some extent, and the reduction of ad in dyeing charges for union gabardines is also a step in the right direction. It is hoped that reductions will soon be announced in other cloths, and the trade is also awaiting a reduction in combing charges.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The London sales are being continued with most classes of wool in strong demand, without much change in the course of values. Now that the most urgent needs of the trade have been satisfied, it is to be expected that steady values will continue. The offerings this week of merinos have not been equal to those of the previous week, and for the time being it looks as if the cream of the merino wools on hand have been catalogued. Still, some very good prices have been paid, particularly for Queensland wools. There can be nothing wrong with the market when up to 42d is being paid almost daily for good ordinary clean lines of scoureds, this figure being exceeded several times for really choice parcels. I hardly think there is the same keenness to acquire medium and faulty merinos as during the earlier part of the series, but all the same they are selling readily enough. Many Yorkshire topmakers would be glad if they could buy wool for 64's tops on a 4s basis, but that

is impossible. A limit of at least 4s 4d is needed to buy even ordinary topmaking wools, and many who have sold forward at 3s 6d to 4s must be "landed" unless they have covered their forward sales by large purchases in Australia on a lower basis than is current in London to-day. The depreciation in the mark has somewhat affected the operations of Germany; many expected to see larger operations on German account this series. France has been a good buyer, and Belgian and Switzerland have given a fair measure of support, but when all is said and done, the home trade has been the mainstay of the market. Surely this is proof of returning prosperity in textile manufacturing circles, this notwithstanding the complaints of manufacturers that they cannot obtain orders for pieces on to-day's prices. America has bought reasonable quantities of the best merinos, and one is pleased to see competition centred upon the best lines coming from Queensland. We have been accustomed to expecting American buyers to concentrate upon West Victorian light conditioned merinos, but Central Queensland wools have commanded their support, and wools giving up to 54 per cent. clean yield are well worth attention.

Crossbreds have sold very freely, the offerings being good in all qualities; 56-58's have commanded strong support, the rise in these qualities being well maintained. The competition for crossbred qualities is better than the majority expected. Bradford topmakers are maintaining their interest in medium and coarse crossbreds. The improvement in slipped lambs of fine quality is particularly well sustained, and good half-breds at 18d to 19d are about 3d dearer compared with the closing days of the December series. In both Lincoln and Leicester lambs there is often 1d per lb improvement, but some of the slipped B.A. wools fared rather badly, due largely to increased limits.

A feature of the sales this week has been the offering last Monday of 5,000 bales of Government-owned South African wool. These met an encouraging sale, far better than they would have done in December. If to-day's values are maintained for these wools, the Government should make a nice profit on them, and it is to be hoped that they will be put upon the market when buyers are prepared to operate. One regrets that, owing to the slackness among woollen manufacturers, there is not a stronger demand for scoured Cape wools. It is just possible that these short clothing Capes will have to be marketed judiciously in order to maintain to-day's standard of values.

THE COTTON TRADE.

MANCHESTER, January 26.

Prices throughout the market have continued to favour buyers, and as is usual in such conditions, operations have been very limited. Although curtailment of production in both spinning and weaving is on a very large scale, the output of yarn and cloth this week has not been sold. Miscellaneous sales have occurred in piece goods for China, but no weight of trade has been done. Not more than sorting up lots have been put through for the several outlets of India, and news from the other side remains discouraging. The political situation in Egypt causes anxiety, and trade is being impeded, but some moderate lines have been booked for Constantinople. Home trade buyers continue to limit their purchases. It is understood that the reduction in the charges for dyeing cloth is to be followed almost immediately by a fall in the prices for calico printing and bleaching. It has been a flat week for spinners of yarn. Prices have given way, and demand has been dull in both home counts and export descriptions.

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(I.) Comparative Statement of the Cotton Trade.

	Price, Jan. 26, 1922.	Previous Weeks in 1921-22.				
		Jan. 19.	Jan. 12.	Jan. 5.	Dec. 29.	Dec. 21.
Raw Cotton—Fully Mid. American .. per lb	10.07	10.46	11.06	11.64	11.81	11.30
Egyptian .. per lb	17.00	19.00	20.50	21.75	21.50	20.75
Sakellaridis Fully Good Fair .. per lb	17.00	17.00	18.00	18.00	18.00	18.00
Yarns—32's twist .. per lb	16.00	17.00	17.00	18.00	18.00	18.00
— 40's twist .. per lb	16.00	17.00	17.00	18.00	18.00	18.00
— 60's twist (Egyptian) .. per lb	28.00	29.00	31.00	32.00	32.00	32.00
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	28.00	29.00	30.00	31.00	31.00	31.00
32-in. Shirts, 75 yds, 19 by 19, 32's and 40's ..	28.00	29.00	30.00	31.00	31.00	31.00
32-in. ditto, 38 yds, 18 by 18, 10 lbs ..	17.00	18.00	18.00	18.00	18.00	18.00
32-in. ditto, 37 yds, 16 by 16, 10 lbs ..	17.00	18.00	18.00	18.00	18.00	18.00

(II.) Compared with Previous Years.

	Price, Jan. 26, 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American .. per lb	10.07	9.83	29.91	18.25	23.68	11.03
Egyptian .. per lb	17.00	21.00	75.00	27.30	28.55	20.95
Sakellaridis Fully Good Fair .. per lb	17.00	17.00	18.00	18.00	18.00	18.00
Yarns—32's twist .. per lb	16.00	23.00	59.00	29.00	30.00	17.00
— 40's twist .. per lb	16.00	23.00	59.00	29.00	30.00	17.00
— 60's twist (Egyptian) .. per lb	28.00	30.00	121.00	62.00	46.00	36.00
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	28.00	41.00	91.00	56.00	52.00	24.00
32-in. Shirts, 75 yds, 19 by 19, 32's and 40's ..	28.00	41.00	91.00	56.00	52.00	24.00
32-in. ditto, 38 yds, 18 by 18, 10 lbs ..	17.00	23.00	49.00	32.00	28.00	13.00
32-in. ditto, 37 yds, 16 by 16, 10 lbs ..	17.00	21.00	43.00	26.00	25.00	11.00

LIVERPOOL OFFICIAL QUOTATIONS—January 20, 1922.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.		Same Period 1920.	
							Med.	Good Med.	Med.	Good Med.
American ..	a	a	a	a	a	a	a	a	a	a
Sea Island .. per lb	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Florida ditto ..	Ord	G	O	L	M	G	O	L	M	G
American ..	703	778	908	1018	1093	1243	860	870	1110	2216
Brazilian ..	Ord	G	O	L	M	G	O	L	M	G
Paraná ..	703	778	908	1018	1093	1243	860	870	1110	2216
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Paraná ..	703	778	908	1018	1093	1243	860	870	1110	22

December amounted to 2,300 tons. Quotations are:—Australian mutton: Fine, 42s; good to fair, 40s to 38s; dull to dark, 34s to 32s 6d; hard, 40s. Australian beef: Fine, 40s 6d; good to fair, 39s 6d to 37s; dull to dark, 33s to 32s; sweet, 42s. Present shipment from Australasia: Mutton, fair coloured, 48 degs., 39s; and mixed, 43½ c.i.f., London, 38s. The market letter is lower. Tallow, 1s, stuff unchanged. Town tallow, 33s 6d per cwt. Rough fat, per 8 lbs, 1d; melted stuff, 22s per cwt. Quotations are:—Town: 33s 6d net, cash, naked, ex works. Country: Frail casks, 30s; home melted, shipping casks, net f.o.b., good coloured, none; fair to dull, 34s to 32s. Bone fat: White, none; pale, none; benzine, 28s; melted stuff, 28s, f.o.b.

METROPOLITAN CATTLE—JANUARY 26.				SHEEP—DOWNS			
British Beasts, per stone of 8 lbs to sink the stall. Sheep, per stone.				Longwools			
Beasts—Herefords	7	4	8	9	8	11	0
Shorthorns	7	4	8	9	8	11	0
Devons	8	0	8	9	8	11	0
Northolks	7	4	8	9	8	11	0
Scottish	7	0	7	8	9	10	8
Irish	7	0	7	8	9	10	8

LONDON POTATO MARKETS.—JANUARY 26.

Per Cwt.				Per Cwt.			
King Edwards	10	6	11	Evergoods	8	0	7
British Queen	8	0	9	Blacklands	8	0	9

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.				INDIA RUBBER—lb			
OCCO—Duty, British grown				Para, fine, hard, spot			
55s, foreign 42s, cwt.	50	0	0	Plantation crepe	10	0	0
Trinidad, per cwt.	50	0	0	INDIGO—per lb	11	0	0
Granada	50	0	0	Bengal, good red vio-	11	0	0
Ceylon, plantation	50	0	0	let to fine	11	0	0
Quayquil	50	0	0	Mid. ord. yel. to good	11	0	0
Bahia, finest	50	0	0	Madras, dry leaf, good	11	0	0
COFFEE—British grown				Do low to ord.	11	0	0
55s, foreign 42s, cwt.	50	0	0	Kash. gd. mid. to gd.	11	0	0
E. India fine ord. gd. mid.	50	0	0	Low to mid.	11	0	0
Do good to fine	50	0	0	HEMP—per ton			
Costa Rica, ord. to mid.	50	0	0	St. Petersburg, layer	11	0	0
Good to fine	50	0	0	Manila, "J" Grade,	11	0	0
Central American, ord.	50	0	0	Jan./March	11	0	0
Mid. to fine	50	0	0	N. 2, spot, high fair	11	0	0
Columbian, ordinary	50	0	0	JUTE			
Do good to fine	50	0	0	Native first marks			
Do mid. to low	50	0	0	Jan./Feb. 1st grade	11	0	0
CHEMICALS				LATHES—per lb			
Acid, chloride				Sole Benda 6/10 lb.			
Nitric	2	0	0	Do do 12/14	2	0	0
Oxalic, net	2	0	0	Do do 14/16	2	0	0
Tartaric, English	2	0	0	Do do 17/18	2	0	0
Foreign	2	0	0	Do do 18/20	2	0	0
Alum lump, per ton	17	0	0	Do do 20/22	2	0	0
Do ground	17	0	0	Do do 22/24	2	0	0
Ammonia, carb. p. lb	0	4	0	Do do 24/26	2	0	0
Muriatic, white, ton	7	0	0	Do do 26/28	2	0	0
Sulphate, ordinary	7	0	0	Do do 28/30	2	0	0
Arsenic, lump, per ton	7	0	0	Do do 30/32	2	0	0
Powder	7	0	0	Do do 32/34	2	0	0
Aches, pot., per cwt	10	0	0	Do do 34/36	2	0	0
Pearl do do	10	0	0	Do do 36/38	2	0	0
Bleaching powder, ton	17	0	0	Do do 38/40	2	0	0
Brax, crystals	31	0	0	Do do 40/42	2	0	0
Do powder	32	0	0	Do do 42/44	2	0	0
Cream Tartar	120	0	0	Do do 44/46	2	0	0
35% powder	120	0	0	Do do 46/48	2	0	0
Calomel	4	11	0	Do do 48/50	2	0	0
Iodine, dry	1	0	1	Do do 50/52	2	0	0
Nitrate of Soda, p. ton	15	0	0	Do do 52/54	2	0	0
Potash	15	0	0	Do do 54/56	2	0	0
Chloride, net	15	0	0	Do do 56/58	2	0	0
Do Foreign	15	0	0	Do do 58/60	2	0	0
Sulphate	15	0	0	Do do 60/62	2	0	0
Do Foreign	15	0	0	Do do 62/64	2	0	0
Sal-Ammoniac, p. cwt	7	0	0	Do do 64/66	2	0	0
Soda Bicarb., per ton	11	0	0	Do do 66/68	2	0	0
Crysalis, ex ship, p. ton	27	0	0	Do do 68/70	2	0	0
Alkali	27	0	0	Do do 70/72	2	0	0
Castile	27	0	0	Do do 72/74	2	0	0
Sugar of lead white, ton	0	0	0	Do do 74/76	2	0	0
Foreign white	0	0	0	Do do 76/78	2	0	0
Sulphate Quinine	0	0	0	Do do 78/80	2	0	0
Foreign do	0	0	0	Do do 80/82	2	0	0
Sulphate Copper, p. ton	28	0	0	Do do 82/84	2	0	0
Zinc, cut	16	0	0	Do do 84/86	2	0	0
Sulphur Flour	16	0	0	Do do 86/88	2	0	0
Do Roll	16	0	0	Do do 88/90	2	0	0
Vermillion, Chinese, p. lb	4	1	4	Do do 90/92	2	0	0
English	4	1	4	Do do 92/94	2	0	0
OCCO—per ton c.i.f.	4	1	4	Do do 94/96	2	0	0
Do Malabar, Jan./Mar.	26	7	6	Do do 96/98	2	0	0
Ceylon	26	7	6	Do do 98/100	2	0	0
FM Singapore	26	7	6	Do do 100/102	2	0	0
FM Straits	26	7	6	Do do 102/104	2	0	0
OCCO—NEAL per lb	2	0	0	Do do 104/106	2	0	0

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WEEKLY COMMERCIAL TIMES,

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A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCIV.

SATURDAY, FEBRUARY 4, 1922

No 4,093.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2

ASSETS EXCEED £25,000,000.

The Hon. N. CHARLES ROTHSCHILD, President

The operations of the Company embrace all branches of Insurance

Full information respecting
ESTATE DUTYand
CHILDREN'S EDUCATIONAL
POLICIESissued by the Company may
be obtained on application to
the Head Office as above or to
any of the Offices or Agencies
of the Company.

O. MORGAN OWEN, General Manager.

Centralbanken for Norge

Christiania, Norway,

transacts all kinds of banking business.

CORRESPONDENTS IN:

Aalesund	Haugesund
Bergen	Sandefjord
Christiansand S.	Skien
Drammen	Stavanger
Fredrikstad	Trondheim

and all Norwegian places of any importance.

CAPITAL AND SURPLUS

1 Jan., 1920... Kr. 69,000,000

CREDITO ITALIANO.

Capital Fully Paid	£1,000,000
Reserve	£1,000,000
Deposits and Current Accounts at 30th June, 1921	£1,483,270,156

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES THROUGHOUT ITALY.

London Branch: 22 ABCHURCH LANE, E.C.4.

Managers: D. A. HORNER.
F. N. SCHILLER.Transacts a general Foreign Banking Business, having
correspondents in all Countries, and is specially pre-
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between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.

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TABLE OF CONTENTS.

The Money Market	173	Books and Publications—	
Leading Articles—		Reviews	189
Some Tasks of the Coming		Books Received	190
Session	175	Stock Exchange News—	
Wholesale Prices Still		The Stock Markets	190
Receding	176	New Issues	191
A National Industrial		Active Securities	191
Council?	177	Company Meetings	193
China's Mineral Possibilities	178	Government Returns—	
Hotel and Restaurant Com-		Public Income and Expen-	
panies	179	diture	202
Notes of the Week—		Currency Notes Account	203
The Naval Agreement	180	Treasury Bills by Public	
Security Values	180	Tender	203
Home Railway Dividends	180	Bankers' Gazette—	
Stock Exchange and Pre-		Bank of England	203
War Conditions	180	Clearing Returns	204
The City Equitable	181	Overseas Bank Returns	204
The Sun Life Offices' Sur-		Loan and Discount Rates	206
plus	181	Overseas Bank Rates	206
Marine Insurance Losses	181	Rates of Exchange	206
Dunlop Rubber	181	Indian Treasury Bills	207
"Kaffirs" and the Strike	182	Bullion	207
Bawra's Operations	182	Imports and Exports of Gold	207
South Africa's Trade	183	Gold and Silver Prices	207
The Japanese Budget	183	Company News—	
Pekin Syndicate	183	Dividend Announcements	192
S.T.D. Motors	183	Mining Output Statistics	192
Gas Light and Coke Results	184	Reports and Notices	208
Postal Charges	184	Railway & Tramway Traffic	209
The 1921 Fish Harvest	184	Profit and Loss Accounts	210
Overseas Correspondence—		Analysis of Balance-Sheets	210
United States	185	Commercial Reports—	
France	185	Corn Trade	210
Canada	186	Iron and Coal Trade	212
Poland	187	Cotton Trade	212
Finland	187	Wool Trade	213
Letters to the Editor—		Vegetable Oil and Oilseeds	213
"The Bankers' Diagnosis"	188	Hide and Leather Trades	214
The Rise in Value of the £		Overseas Produce Markets	214
Sterling	189	Price Current	215
Business Hours	189		

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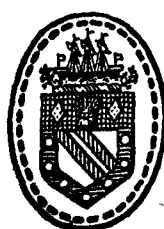
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pavement.

Paris: Gallani Library, 224 Rue de Rivoli; Messrs Brentano's,
37 Avenue de l'Opera. New York: Economist Office, 20 Broad
street (Room 1,709).

THE MONEY MARKET.

THE Bank Return confirmed the market's impression that
the Government had found it necessary to borrow tem-
porarily from the Bank to meet its payments at the
beginning of February, which included the repayment of
some maturing 5½ per cent. Exchequer bonds. Money
was easy all the week, and markedly so from Wednesday
onwards, when the regular rate for old day-to-day loans
fell from 3½ to 3 per cent. Banks bought March and



THE
DISTRICT BANK
The Manchester & Liverpool District
Banking Company Limited



Chairman:
Sir E. Tootal Broadhurst, Bt.

Managing Directors: Angus A. G. Tulloch, Esq., D.L.
W. R. Easterby, Esq.

Paid-up Capital - £1,896,000
Reserve Fund - £1,650,000

Deposits - £82,116,777
Total Assets - £67,566,816

Head Office: SPRING GARDENS, MANCHESTER.

FOREIGN DEPARTMENT: 13, SPRING GARDENS, MANCHESTER.

LONDON OFFICE: 75, CORNHILL, E.C.3.

LIVERPOOL OFFICE: WATER STREET,

and 341 Branches and Sub-Branche in Lancashire, Cheshire, Staffordshire, Shropshire, Yorkshire,
Derbyshire, Cumberland, Westmorland and North Wales.

EVERY DESCRIPTION OF BANKING BUSINESS TRANSACTED. BANK ACTS AS EXECUTOR OR TRUSTEE.

April bills at 3½ per cent., and the ordinary three months' rate fell to 3¼ per cent. again, while six months' bills were bought below that figure. The volume of business was small, though some scattered offering of bills from America was reported.

	Feb. 3 1922.	Jan. 27, 1922.	Jan. 20, 1922.	Jan. 13, 1922.	Previous Rate and Date Changed.
Bank Rate	5%	5%	5%	5%	5½ (Nov. 3, '21)
Banks Deposit Rate	5%	5%	5%	5%	5½ (Nov. 3, '21)
Discount / Call	3%	3%	3%	3%	3½ (Nov. 3, '21)
Houses / Notice	3½	3½	3½	3½	3½ (Nov. 3, '21)
Treasury Bills, 3 months ..	3½	3½	3½	3½	3½
Market rate (3 months' bills)	3½	3½	3½	3½	3½

* Additional to those offered by tender the preceding week.

The Bank Return showed evidence of heavy Government borrowing. The stock of gold rose by £305,200 and the circulation by £1,380,800, so that the Reserve was £1,075,600 lower. Government securities were £29,125,000 higher, but Other securities fell by £3,077,900. Deposits were thus £24,942,900 higher, of which £1,122,000 went on to Public and £23,820,900 on to Other. The circulation of currency notes was reduced by £698,000 to £304,306,000, which includes £1,698,000 for notes called in, but not yet cancelled. The fiduciary issue is £254,658,100, or £55,330,300 below the maximum.

THE STOCK MARKETS.

Under the influence of disquieting news from India, liquidation of one or two large accounts, and reaction after the great new issue rush of last week, high-class investment stocks suffered a set-back in the early days of the week. This was followed by a rally in the gilt-edged market, which recovered some of the lost ground, and India stocks fluctuated widely. Business in the markets generally has been quieter this week. But the home railway market has derived strength from some favourable dividend announcements. Oil shares weakened on the Shell's proposed increase of capital, rubber shares remain dormant, and the insurance group has been disturbed by the City Equitable Fire affair.

COMMODITY MARKETS.

The fall in cotton prices has been checked. There is some improvement in the Indian demand for cloth, but at unfavourable prices. Prices at the wool auctions are not closing at the highest point. Quotations for tops are unchanged, and yarn prices are unchanged, spinners being well employed. Stocks of piece goods are still heavy. Reports from Sheffield indicate but a very slight revival, and there is little change recorded from other iron and steel centres. The possibility of closing down steel works is again mentioned. The vegetable oil market has reacted after its recent sharp advance. Some scarcity of hides is anticipated in Bermondsey as a result of restrictions on cattle-slaughtering owing to the outbreak of foot and mouth disease. The boot trade is slack. Detailed reports from special correspondents will be found in later columns.

FOREIGN EXCHANGES.

On the foreign exchange market there has been rather more business than during the past few weeks, although, of course, compared with many periods last year things are still very quiet indeed. The chief feature has been the rapid rise in the dollar rate, which has gone up steadily from 4.24½ on the 27th to 4.30 yesterday morning, the highest point reached since the middle of August, 1919. We have suggested for some weeks past that this improvement was likely to take place, but the rise has been even more rapid than might have been expected, and there is a feeling for the moment that in the immediate future there may be rather more steadiness, although the general tendency for some time to come, at least, will probably be towards an appreciation in the value of sterling. An incidental feature of the rise,

which is unfortunate for the English exporter, is the fact that American goods on the world market have been brought down, for the time at least, to a lower-price level. The German mark has been irregular, with an upward tendency, sufficiently explained by the continued uncertainty as to the reparation settlement. How far the rate will be affected by the railway strike in North Germany is not yet clear. Paris, somewhat surprisingly, in view of the movement in marks, showed a rather rapid downward tendency until February 1st, since when the rate has gone up again to 51.45, as compared with 51.77½ on the 27th. Possibilities of internal difficulties over the military budget and the postponement of a settlement of the Turkish difficulties with England are not very hopeful signs. Italy has appreciated some 3½ lire to 92½, and so far the resignation of the Cabinet has produced only a slight reaction. Among neutral countries, Amsterdam has jumped sharply in our favour to 11.61, Madrid has depreciated very slightly again after its recent improvement, and Switzerland, for the first time for some long period, has moved up to just over 22. Helsingfors, on the week, is rather lower, and the other three Northern currencies (Christiania, Copenhagen, Stockholm) have all moved slightly against us. In Central Europe, Vienna, after its recent dramatic rise to £43,000 (Inlandskrone) is down again to 33,000. The London (Auslandskrone), after recovering to 13,000 from 16,000, is up again to 14,000. Warsaw is practically unchanged, and Budapest a little better. Prague, on the other hand, shows a slight reaction from its recent rapid recovery, while Belgrade still remains high, with uncertain dealings. Bucharest and Athens show little change, and Sofia continues to depreciate. In the East the rupee is very slightly cheaper on uncertainty as to the political outlook, and Yokohama has again depreciated a little. The absence of Chinese business, owing to the New Year, a sharp spot demand from India and few sellers, brought up the silver rate somewhat, but the market is quiet, and Shanghai and Hong Kong are both actually a little lower. In South America, Buenos Ayres, after suddenly rising to 46½d, has now eased again to 45½d, but there would seem to be indications of a steady, if slow, improvement. Montevideo and Valparaiso, on the other hand, are slightly cheaper.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended January 28, 1922:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	27,787	Supply Services	10,848
Taken from Exchequer balances	3,402	Interest on Debt	2,257
		Sundries	125
		Reduction of Debt	17,939
	31,189		31,189

These operations reduced the National Debt by the sum of £17,959,199, and caused the following changes:—

Treasury Bonds	Min. £	Treasury Bills	Min. £
National Savings Certificates	+ 18,400	Surrenders of Bonds, &c.	- 22,626
Sundries	+ 1,950	Public Departments Advances	- 13,879
	+ 20,350	Unemployment Insurance	- 610
		Depreciation Fund	- 1,008
			- 38,364

Property and Income-tax yielded £10,622,000, Customs and Excise £4,040,000, Estate Duties, &c., £1,029,000, and Special Receipts £8,788,862. The floating debt was reduced by £36,424,000 to £1,154,436,000. Sales of 5½ per cent. Treasury Bonds amounted to £17,230,000 and of the 5 per cent. Treasury Bonds to £1,170,000 during the week.

FINANCIAL YEAR, 1921-22 (TO DATE) APRIL 1 TO JANUARY 28, 1922.

Total spent	845,463,466	Raised by revenue ..	784,023,383
Inc. in balances	540,127	Net borrowings	61,980,210
Total	846,003,593	Total	846,003,593

ESTIMATES FOR YEAR 1921-22.

Ordinary Receipts ..	1,058,150,000	Ordinary Expenditure	974,023,000
Special Receipts ..	158,500,000	Special Expenditure	65,705,000
Total	1,216,650,000	Total	1,039,728,000

Surplus*

* Owing to liabilities which could not be precisely calculated, it was estimated that the final balance would not exceed about £176,922,000.

NATIONAL DEBT.

	Apr. 1, 1914.	Mar. 31, 1915.	Mar. 31, 1916.	Dec. 31, 1916.	Mar. 31, 1917.	Dec. 31, 1917.	Mar. 31, 1918.	Dec. 31, 1918.	Jan. 28, 1922.
Funded Debt	588	518	518	515	515	515	515	515	515
Term Annuities	30	22	22	20	20	20	20	20	20
4½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	14	13	13	13	13	13	13	13
4½% War Stock	2,091	2,068	2,047	2,040	2,008	1,996	1,966	1,961	1,961
National War Bonds ..	649	1,636	1,509	1,476	1,441	1,413	1,201	1,201	1,201
4% Funding Loan	...	...	409	409	407	405	405	405	405
4% Victory Bonds	...	...	360	357	358	348	346	346	346
4% Conversion L'n.	...	...	...	...	18	23	26	26	26
5-15 year Treasury Bonds	...	...	...	...	...	...	24	24	24
5% Treasury Bonds	...	...	...	...	...	...	273	390	390
Treasury Bills	15	961	957	1,107	1,107	1,121	1,060	1,039	1,039
Exchequer Bonds	30	392	384	323	319	292	289	218	218
Nat'l Savings Certs.	138	227	267	274	279	285	294	300	300
War Expend. Certs.	23	1,941	1,306	1,181	1,164	1,132	1,097	1,091	1,091
Other Debt	944	51	51	51	51	51	51	51	51
American Loan	1	204	455	243	205	154	200	116	116
Temporary Advances	...	...	...	...	...	...	...	...	...
Other Capital Liabilities	654	5,872	7,435	8,033	7,829	7,785	7,748	7,746	7,746
Total Liabilities	711	5,921	7,481	8,079	7,876	7,832	7,623	7,799	7,797

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.

	Out.	Jan. 29, '21.	Mar. 31, '21.	Jan. 28, '22.	Movement week ended Jan. 28, '22.
Temporary Advances	40,750,000	154,469,000	115,865,000	115,865,000	115,865,000
Advances by Bank of England ..	201,072,000	1,130,841,000	1,038,571,000	1,038,571,000	1,038,571,000
Advances by Public Departments	1,145,049,000	1,130,841,000	1,038,571,000	1,038,571,000	1,038,571,000
Treasury Bills outstanding	1,386,871,000	1,275,330,000	1,154,436,000	1,154,436,000	1,154,436,000
Total Floating Debt	2,772,662,000	2,591,441,000	2,348,842,000	2,348,842,000	2,348,842,000

SOME TASKS OF THE COMING SESSION.

THE speech of the Lord Chancellor on Wednesday was one of the most illuminating of the series with which the leaders of various parties have recently entertained us, for it revealed the state of mind of a large body of opinion current among the senior partners of the Coalition. The great part of the speech was devoted to an attack upon the parties in opposition and by a vigorous defence of the thesis that if there was justification for the Coalition five years ago, there is the same justification to-day. But the Lord Chancellor evidently has no liking for this state of affairs, for after declaring that every consideration of political decency and political gratitude makes it impossible for the Unionist party to dissociate itself from the men with whom it had fought in the last four years, and that he himself felt "bound in honour as long as no great divergence of principle manifests itself between me and them—to march on with them," added the significant sentence that "As far as I am concerned, I shall so march until a divergence of principle emerges which offers the means of an honourable escape." Lord Birkenhead, like his fellow orators, was not very clear on these questions of principle, but was concerned rather with electioneering than with the grave problems which will compel the immediate attention of Parliament, be the session short or long.

In the forefront stands the question of national finance. So long as the Geddes Report, together with the Government views thereon, are withheld from the public, comment upon detailed departmental estimates would be idle speculation. But there are one or two provisional observations which may be made on the general Budget position. In the first place, we are not pessimistic as to the balancing of the current year's accounts. The estimated surplus of £175 millions will not materialise owing to the shrinkage of revenue. But, on the other hand, in spite of the unforeseen charges involved in the coal strike, and in the de-control of the mines and railways, expenditure is also well below estimate, and the position appears to be that even if receipts from E.P.D. do not improve, receipts and expenditure will approximately balance, while if arrears of E.P.D. come in at all freely there may be a small surplus. The latter contingency is by no means improbable, for one of the effects of the depression has been

to convert much of the floating capital—stocks, work in hand, &c.—of industrial concerns into cash, with which arrears of taxation may be paid. The expectation that there will be no large deficit does not, however, lessen the difficulty of drawing up a Budget for next year which will meet the demand for lower taxation. The cuts proposed by the Geddes Committee are intended to balance the Budget if carried out intact; but it is believed that some compromise has already been made involving some modification in the reductions proposed for the Military and Naval services and in the vote for Education. A suggestion has been made that pensions, which, including administration, are costing £110 millions in the current year, but will be a steadily diminishing charge, can properly be imposed to a greater extent upon future generations by paying them out of newly-raised capital and charging only interest and sinking fund on the present Budget. This specious but inadmissible demand does not differ in principle from any other excuse for borrowing to meet current expenditure. It has been urged in some quarters that the reduction of the income-tax to 5s or even less in the £ should in any case be made on the ground that the relief to the country generally would encourage trade, and the yield would very soon recover. But, in the meantime, if the Government has not reduced its outgoings, it must meet its expenses by borrowing from the public, and there will not be any net addition to the purchasing power available in the country, unless the methods employed for raising such loans involve currency inflation. In any case, the normal reaction from reduced taxation is less likely to be effective this year than at any other time. The abundance of money for investment on the Stock Exchange shows that we are not at the moment suffering from insufficiency of capital available for industry, and if the funds available were in some way increased by, say, 50 millions, it would not in present circumstances do anything to remove the underlying causes of industrial stagnation, which are mainly international in character. So long as our Budget includes £450 millions for interest (excluding foreign obligations) and pensions, and the prices and salaries which govern the cost of the Army and Navy and of the Civil Services remain far above pre-war level, the Budget will inevitably involve very heavy taxation. Temporary sources of revenue such as the excess profits duty have gone, and so long as trade, which determines the yield of indirect taxes, remains sub-normal the main source of revenue must be the income-tax. If, as seems probable, it proves impracticable to reduce Government activities down to the "Geddes line," the alternative will be between maintaining the present level of direct taxation and suspending the various sinking funds or actually increasing debt. This we believe to be the true financial issue, and much as we should all welcome a lower income-tax, any offer, whether from the Coalition or the Opposition, of a reduction on any other terms will need to be most closely scrutinised.

A number of international economic questions will equally demand the attention of Parliament. Every day there arise new obstacles against holding the Genoa Conference on the appointed day. No European country, except Great Britain, is ready with its plans, while the technical preparations—in any case difficult to arrange

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in the short time available—will be upset by the resignation last Thursday of the Italian Coalition Cabinet, whose demise after a few months of office was not unexpected. A more fundamental objection to carrying out the full scheme according to programme is the need for time to compose differences between Great Britain and France. The meeting between the Foreign Ministers, which was to have taken place this week, has already been postponed in order to allow of more careful study of the issues raised by M. Poincaré in regard to the Near East, while M. Poincaré has now raised some important queries on the Agenda of the Conference itself. Evidently the Conference cannot succeed in its original purpose so long as the embargo on the discussion of reparation is maintained by the French. This veto is, we believe, unlikely to be removed until we have made and persuaded France to accept a proposal for a new and final settlement dealing with the war debts as well as making substantial concessions in our share of reparation. The change in the tone of the French Press indicates that if the proposal increased the prospect of future receipts, France would be ready to listen. Any such conversations should, however, obviously be carried on between England and France alone, and can hardly be expected to have reached finality before March.

We suggest that the way to meet these very serious difficulties, without abandoning altogether the idea of a Conference, and so giving the impression of a hopelessly divided Europe, is to confine the Agenda to the limited objective of re-establishing commercial relations with Russia. We agree with Mr Walter Leaf in his categorical assertion at the annual meeting of the London County and Westminster Bank that "our first policy should be to help Germany on to her legs again, to bring her nearer to the position of our best customer outside the Empire which she used to hold." But the Russian question can be isolated. The German problem cannot. It is commonly supposed that the Russian Government intend to recognise pre-war debts and the rights of private property in Russia. As this recognition is the only fundamental assumption on which discussion can be carried on, it must be full and complete. The Russian Government, which is clearly anxious that the Conference should have definite results, would immensely improve its prospects if it would give the necessary undertaking before the Conference meets. If this were done, there is some hope that the present scheme for an International Corporation, whose parent, M. Loucheur, will presumably not now represent France at the Conference, might be modified into a workable plan for commencing the long task of restoring the economic activities of Russia.

The question of aid for Austria, on the other hand, should not be postponed for the Conference. The imminent passing of the Funding Bill by Congress will remove the barrier which has prevented the scheme of the Finance Committee of the League of Nations from being carried into effect. England and France are considering the case for immediate assistance, and it would be very undesirable to delay action pending the problematical decisions of a Conference which is by no means assured of a successful issue.

On the political side, the Irish settlement, whose smooth progress has been checked by the failure of Sir J. Craig and Mr Collins to reach agreement on the boundary question, and the situation in India and Egypt, in both of which the doctrine deduced from Ireland that Downing Street can be convinced by force but not by reason has greatly complicated matters, provide topics of the utmost moment. It is on such questions as these that we look for guidance from our political leaders rather than the personal debates which inevitably recur at election time.

WHOLESALE PRICES STILL RECEEDING.

The month of January saw a further decline in the wholesale prices of commodities, our Index Number falling by a further 73 points to 4284, which is the lowest point recorded since the middle of the year 1916. The present total compares with 5617 a year ago and 8352 at the end of March, 1920. As will be seen from the appended table, which shows the monthly movements since the

beginning of last year, each of the groups, with the exception of subsidiary foodstuffs, fell during January:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oil, &c.).	Total.	Percentage Change.
Basis (avg. 1901-5)...	500	300	500	400	500	2200	100.0
Jan. 1, 1914....	563	355	642	491	572	2623	119.2
April 1 "....	560	350½	626½	493	567	2597	118.0
July 1 "....	565½	345	616	471½	551	2549	115.5
End July "....	579	382	618½	484½	583	2868	116.6
" Dec. "....	714	414½	509	476	686½	2800	127.3
" Dec., 1915....	897	446	731	711½	848½	3634	165.1
" Dec., 1916....	1294	553	1124½	1112	1112	4908	223.0
" Dec., 1917....	1286½	686	1684½	839½	1348½	5845	263.2
" Oct., 1918....	1271	780	1889	878½	1391½	6210	282.6
" Nov. "....	1289	782½	1848	903	1389½	6212	282.6
" Dec. "....	1303	782½	1805½	866	1337	6094	277.0
" Dec., 1919....	1441½	881½	2442½	1145	1453½	7364	334.7
" Mar., 1920....	1808	914	2974½	1248	1709½	8352	379.6
" June "....	1511	929½	2562½	1289	1555½	7847	356.7
" Dec. "....	1344	805	1284	1216	1275	5924	269.8
" Jan., 1921....	1295½	797	1187	1128½	1209	5617	255.3
" Feb. "....	1176½	771	1038	1053	1137½	5176	235.3
" Mar. "....	1212	727	1030	1003	1125	5097	231.7
" April "....	1196	723	1031	936	1043	4929	224.0
" May "....	1195	691	996	963	1065	4910	223.2
" June "....	1174½	665½	973½	973	1023½	4810	218.6
" July "....	1165	707½	958½	937	1030	4798	218.1
" Aug. "....	1184	716½	998	920½	1000	4819	219.0
" Sept. "....	1119½	688	1258	871	987½	4924	223.8
" Oct. "....	956	685	1171	816	960	4588	208.5
" Nov. "....	951	672	1117½	774	943½	4458	202.6
" Dec. "....	921½	636	1106	762	931½	4357	198.0
" Jan., 1922....	907½	654½	1066½	730	925½	4284	194.7

In the group of primary foodstuffs, all cereals except rice are a little higher, but there was a further decline of 2s per sack in flour, which brings it down to 42s. An increase in mutton was more than offset by declines in beef and pork, but the serious outbreak of foot and mouth disease is already having an effect on meat prices, which have risen since the end of the month. The rise in the group of subsidiary foodstuffs was very largely due to a reaction in the quotation for butter, after its sudden decline in December. There was also a small advance in sugar.

In the textile group, cotton and cotton yarn and cloth have again fallen, but wool is higher. With reference to cotton piece goods, Messrs Robert Barbour and Brother, Limited, report that: "No relief has come from Bombay, Karachi, or the North-West either in the shape of liquidation of the enormous debts still outstanding or of fresh inquiry, and sales have been almost entirely confined to country-made qualities. The only business really worth mentioning has been that done for China, and some quite good lines in greys, bleaching cloths, and dyed and printed goods have been booked. Demand from Singapore, Java, Egypt, and the Levant continues very limited, but reports from several of the South American markets are distinctly more encouraging, even though actual transactions have not amounted to much. Cotton has been consistently weak, with no measure of support from any single quarter." At the wool sales, on the other hand, prices were higher in some cases by 20 per cent. than at the previous auctions, and spinners and top makers are now well employed. Silk and hemp are again higher, but flax is unchanged, and jute has relapsed to the end of November level. According to Messrs Wigglesworth and Co.'s fortnightly report, the constant fluctuations in the Philippine exchange have an unsettling effect on the market for manila hemp, "but it is considered that present prices should prove a workable basis."

In the minerals section, pig-iron is again lower, but iron bars and steel rails are unchanged. The low level to which prices have fallen is very slowly beginning to have an effect upon the placing of orders in this country. Our Middlesbrough correspondent, in our Commercial report, notes the significant fact that 2,000 tons of foundry pig-iron have this week been sold to Germany, while a large maker of galvanised sheets stated at the annual dinner of the London Iron and Steel Exchange that he was beginning to sell sheets in Belgium. Steam coal is a little easier, and each of the minor metals has given way.

Changes in the miscellaneous group were small, declines in leather, rubber and tallow being sufficient to counteract a small increase in oils and oilseeds. The table below shows how each of the groups and the total stand in relation to the level at the outbreak of war, which is taken as 100:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914....	100	100	100	100	100	100
Dec., 1918....	226	222	293	186	241	236
Dec., 1919....	249	250	396	247	263	287
March, 1920....	261	260	484	269	309	325
June, 1920....	261	263	415	278	281	305
Dec., 1920....	233	229	209	261	230	231
March, 1921....	209	206	167	216	203	198
June, 1921....	203	188	158	210	185	188
Sept., 1921....	193	195	204	189	178	192
Dec., 1921....	159	180	180	164	168	170
Jan., 1922....	157	186	173	158	167	167

"Other Food" still lags behind in the downward movement, principally owing to the consistently high level of sugar and tobacco.

While our Index Number shows an increase of 67 per cent. in wholesale prices in this country since the beginning of the war, *Bradstreet's* Index Number as at January 1st last shows an increase of 30 per cent. for the United States. This compares with 27 per cent. at the beginning of August, 1921, the lowest point since 1916, 44 per cent. a year ago, and 140 per cent. at the beginning of February, 1920, the highest level recorded.

A NATIONAL INDUSTRIAL COUNCIL.

THE need for creating and giving expression to a corporate industrial opinion which may be brought to bear in the event of industrial disputes, and may influence the legislature in the wide and growing field of economic legislation, is responsible for the numerous proposals put forward both in England and abroad for the establishment of a national body representative of employers and employed. As the question is once more being discussed, it will be of interest to remind our readers how the matter stands in this country. In 1911 the Government established an Industrial Council, the members of which were drawn from employers and workers in the staple industries of the country. The Council was set up for the purpose of "considering and of inquiring into matters referred to them affecting trade disputes, and especially of taking suitable action in regard to any dispute referred to them affecting the principal trades of the country, or likely to cause disagreements involving the ancillary trades, or which the parties before or after the breaking out of a dispute are themselves unable to settle." The members of the Council included, on the one hand, Sir Hugh Bell, Sir (then Mr) Gilbert Claughton, Sir Thomas Ratcliffe Ellis, and Sir Charles Macara, and, on the other, Thomas Burt, C. W. Bowerman, J. R. Clynes, H. Gosling, Arthur Henderson, and John Hodge, all of them serving in their individual capacities. It will be observed that the Industrial Council was in effect an extension of the conciliation machinery of the country, and that its members were not representatives of employers' organisations and trade unions. Since the publication, in 1913, of its Report on an inquiry into industrial agreements, the Industrial Council has been moribund, and is, in fact, now dead, though Sir Charles Macara has made many efforts to restore it to life.

During the war the Garton Foundation issued (in 1916) a Report urging the establishment of national and district joint bodies in each industry, a proposal which was developed further in the Reports of the Committee on Relations between Employers and Employed, better known as the Whitley Committee. Industrial Councils have as a result been set up in many industries, while in less organised or in lowly paid industries the establishment of trade boards has provided them with standing joint bodies endowed with statutory powers and duties. There is no need here to attempt to appraise the work of these Councils and Boards, though it may be pointed out that, notwithstanding the efforts of the Ministry of Labour, Industrial Councils have not been adopted by all the staple industries, though it is

true to say that in almost all of them there is some kind of national joint body holding fairly frequent, if not regular, meetings for consultation and negotiation.

It is not surprising that many people should have turned to the possibility of a further development by the establishment of a national joint body covering industry as a whole. But what most of those who have considered the matter have in mind appears to be something much more than a piece of conciliation machinery. Since the days of the old Industrial Council the developments which have taken place suggest a body with wider interests. One of the many difficulties in the past in the way of the formation of a national council has been the absence of any effective and comprehensive organisation which brought together for common purposes the organised employers in different industries. During the war, however, this condition of affairs was changed, and at the present time the authoritative representation of employers as a whole would undoubtedly be achieved.

When the war ended it seemed probable that a national industrial council would come into existence. In February, 1919, the Government called together a Conference of employers' and workers' representatives to consider the post-war situation. This Conference appointed a joint committee, consisting of equal numbers of employers and workers, to report upon hours, wages, and general conditions of labour, unemployment, and its prevention, and "the best method of promoting co-operation between Capital and Labour." The Joint Committee set up three sub-committees, one of which was instructed to make recommendations concerning "the method of negotiation between employers and trade unions, including the establishment of a permanent Industrial Council to advise the Government on industrial and economic questions with a view to maintaining industrial peace." It will be observed that the body contemplated was to possess much wider and more constructive powers than the old pre-war Industrial Council had enjoyed.

In its Report the Joint Committee declared that, "for the purpose of carrying on future investigation into matters now affecting the industrial situation, and of keeping such matters under continuous review in the future and advising the Government on them, it is the unanimous view of the Committee that there should be established some form of permanent National Industrial Council." The Committee recommended that such a body should not supersede any of the existing agencies for dealing with industrial questions, but that it should be an advisory body possessing the knowledge and experience of all sections upon the problems affecting industrial relations as a whole. The Council should be recognised "as the official consultative authority to the Government upon industrial relations," and should be "the normal channel through which the opinion and experience of industry will be sought on all questions with which industry as a whole is concerned." It should, if it thought fit, "issue statements on industrial questions or thought for the guidance of public opinion." It was disputed for the guidance of public opinion. It was thought that the Council should consist of 400 members "fully representative of and duly accredited by the employers' organisations and the trade unions, to be elected as to one-half by the employers' associations and elected as to one-half by the trade unions. The Minister of Labour would be president, and the Government would appoint a chairman of the Standing Committee of 50 members. In accordance with the general practice on similar bodies, it was suggested that the two sides of the Council should vote separately, and that no resolution should be declared carried unless approved by a majority of those present on each side. It was also proposed that the expenses of the Council and its Standing Committee should be borne by the Government. The trade union side of the Joint Committee worked out in detail a scheme for the trade union representation on the National Industrial Council.

The Conference which reassembled in April, 1919, to consider the report accepted the whole of the Joint Committee's proposals under the various terms of reference. Unfortunately, however, the Government, which had led the Conference to believe that it would give effect to any joint recommendations

which might be made to it, did not adopt the programme laid down. The Joint Committee dragged out a weary existence for many months, until in disgust it wound itself up, and with its dissolution the proposal for a National Industrial Council was for the time being at least thrown to the scrap-heap of unaccepted schemes. Although it is true that the Joint Committee which prepared the scheme did not represent every industry of importance, its Report was a unanimous document, and therefore represents the views of a large body of employers and workers.

Definite proposals in the direction of the formation of a National Industrial Council or Parliament have recently been made by Mr Arthur Henderson, who was the chairman of the Joint Committee set up by the Industrial Conference of 1919. Whether any further steps will be taken in the near future, it is impossible to say. But we believe that the general opinion among employers is not unfavourable. It is possible that the constitution and powers of such a body would be somewhat different from that proposed nearly three years ago; but there can be no doubt that it would have a full and important agenda, and that it might contribute substantially to the solution of some of our current economic problems.

CHINA'S MINERAL POSSIBILITIES.

(FROM A CORRESPONDENT.)

THE wealth of modern nations is created principally by the manufacturing industries, and the prosperity of the manufacturing industries is based mainly on the exploitation of minerals, among which coal and iron stand easily first. Even the wealth and income of the United States with their gigantic production of foodstuffs of every kind, and of cotton, tobacco, and timber, are derived chiefly from their manufacturing industries, the power and prosperity of which are due to the extraordinary wealth of the country in coal and iron.

China has been almost exclusively an agricultural country. Restricting themselves to the arduous pursuit of the rural industries, the teeming millions of the country have learned to work intelligently and indefatigably, and to live frugally. That hard training has moulded their character, and will be of inestimable advantage to them in the pursuit of modern commerce, industry and mining.

China is a highly mineralised country, and it is particularly rich in coal, which is far more valuable than all other minerals combined. Its mineralogical pre-eminence in Asia may be seen from the following figures which were placed before the International Geological Congress of 1913:—

COAL RESOURCES OF ASIA.

	Tons Available.
China	995,587,000,000
Siberia	173,879,000,000
India	79,001,000,000
Indo-China	20,002,000,000
Japan	7,970,000,000
Persia	1,858,000,000
Manchuria	1,208,000,000
Korea	81,000,000
Total	1,279,586,000,000

If the figures given are correct, China alone should have 75 per cent. of the coal of Asia, and should have fully five times as much coal as the United Kingdom. The estimate regarding China, which was made by Messrs Drake and Inouye, has been severely criticised by some. The China Year Book of 1921-1922, for instance, considers the figures relating to China to be "in many ways misleading," and gives instead "extremely conservative figures," relating to a very fragmentary survey. On the other hand, the very important Commercial Handbook of China, published by the United States Government in 1919-20, states on page 264 of Volume II:—

"According to Mr V. K. Ting, Director of the Geological Survey of China, a minimum estimate of China's wealth in coal indicates that it is sufficient to supply the world's consumption at its present rate of 1,000,000,000 tons a year for a period of 1,000 years."

In view of the absence of a thorough geological survey of China, it is idle to speculate as to whether the country

possesses more or less than 1,000,000,000,000 tons of coal. However, so much is certain that China occupies an absolutely unique position in the world with regard to that mineral. Anthracite is the most valuable coal, and the percentage of anthracite is very small in this country, and still smaller in the United States, which possess only a trifle of that kind of coal. On the other hand, anthracite is common in China, about one-third of the known deposits consisting of that precious fuel. Of China's non-anthracite coal, a very large proportion is exceedingly rich in those by-products which are more valuable than the fuel itself, and the country contains a large supply of excellent coking coal suitable for iron smelting.

In most countries coal occurs only in a few localities, and as the manufacturing industries tend to establish themselves about the coal pits, heavy or bulky raw materials, such as iron-ore, limestone, copper-ore, cotton, wool, &c., have to be carried at great expense over long distances to the localities which supply the requisite fuel. The bulk of the coal of North America, which possesses about two-thirds of the world's coal, is of poor quality, and occurs in the far away interior where exploitation is difficult and transport very costly. China has the unique distinction of having vast stores of coal in every one of her numerous provinces, and the wonderful system of inland waterways, which can be greatly improved, assures cheap transport for China's future industries and trade, the more so as cost of transport depends not only on the configuration of the country and its waterways, but also on the national wage level, which affects both the cost of railway construction and the cost of handling traffic.

The value of minerals depends on the cost of bringing them to the surface. In this respect China has a unique advantage, for her labour is super-abundant, very efficient and extraordinarily cheap. At present the United States produce half the world's coal. It seems by no means impossible that within a relatively short time China may take the lead among the coal producing nations of the world, especially if she becomes a large consumer of her own fuel. As she has almost ten times as many inhabitants as the United Kingdom, a relatively small consumption of coal per head of population would make her the foremost coal producer in the world. Besides, China might become a coal exporter on a very large scale. The position of her coalfields, and the facilities offered by her rivers, ports and cheap labour invite the creation of a great coal exporting trade.

China has iron ore, copper ore, lead, tin, zinc, gold, mercury, asbestos, petroleum, and numerous other minerals. Apparently the country is highly mineralised, but it is difficult to form any opinion as to the quantity of minerals possessed because a thorough geological survey has not been made, and cannot be made for a great many years. The fact that numerous concessions for mining minerals of all kinds have been granted and the keenness with which mining concessions are sought indicate that China's mineral possibilities must be very great indeed. As regards the value of minerals produced, coal ranks easily first, and it is followed in order of their importance by antimony, tungsten, iron, tin, gold, zinc, mercury, copper, lead, alunite, manganese, magnesite, arsenic, talc, gypsum, asbestos, silver, petroleum, molybdenum. China is extraordinarily rich in limestone, and the various earths required for making porcelain and pottery ware.

In short, China has the advantage of an exceptional abundance of valuable minerals, and especially of coal, which are well distributed through the whole country and can be exploited easily and cheaply owing to their accessibility, the cheapness and abundance of labour, and the possibility of cheapening transport very greatly by the improvement of waterways and the building of railways. We cannot wonder that enterprising men of all nationalities have gone to China with a view to developing the resources of the country. The foremost financiers of the world have recognised the chances offered by China's mineral resources, and leading manufacturers and engineers have embarked upon mining, manufacturing, and the creation of railways, harbour works, electrical power stations, &c., in connection with the mines, which

are an asset of almost unmeasurable value. The Chinese market, with more than 400,000,000 thrifty, industrious, and shrewd inhabitants, is potentially the most valuable market in the world, and it offers unlimited opportunities to British trade and industry, provided the productive power of China is so developed as to enable the Chinese to pay for vastly increased foreign imports with equally greatly increased exports of their own. All trade is exchange, is barter. England has a most excellent chance of obtaining the foremost place in China's economic life by developing the mineral resources of the country. The exports thus created will pay for imports of English manufactures into China.

Politically and economically, the Chinese have been badly treated by many foreign nations. Among the Chinese England has the reputation of fair dealing. The Chinese hesitate to allow foreigners to exploit their huge latent mineral wealth because they are afraid of unfair dealing on the part of those who seek concessions, and who would monopolise all the wealth derived from them to China's hurt. In order to overcome that natural reluctance, English financiers, manufacturers, engineers, and traders will be wise to work hand in hand with leading and trustworthy Chinamen on a partnership basis. The Chinese are anxious for such co-operation. They have recently created a special organisation, the Sino-British Trade Association, which is financed and directed by some eminent Chinese domiciled in Hong Kong, Singapore, Rangoon, Kuala Lumpur, Penang, Amoy, &c., which aims at creating a community of interests between leading Chinese business men and those western business men who are interested in the development of their country. Western capital can hope to develop the mineral wealth of China only in partnership with the Chinese, and those who wish to open mines, factories, &c., in China will do well to avail themselves of the invitation extended to them by Chinese native organisations such as the one mentioned.

HOTEL AND RESTAURANT COMPANIES.

If the progress of an industry is measured by the payment of dividends to ordinary shareholders, the results of a representative group of English hotels and restaurants which are given below will convey a curious impression of what is often regarded by many people as a profitable industry. It may be that the business of hotel and restaurant management is one which lends itself more readily to private control than to the operations of an incorporated body. But if results achieved under limited liability are generally unsatisfactory from the shareholders' point of view, the profits of one important group of undertakings warns us against too sweeping a generalisation.

The following table gives the dividends distributed by these companies from 1912-13 onwards:—

	1912-3	1913-4	1914-5	1915-6	1916-7	1917-8	1918-9	1919-20	1920-21
Burlington Hotels	%	%	%	%	%	%	%	%	%
Carlton	8	6	nil	nil	nil	nil	nil	15	8
Frederick Hotels, ord.	2½	3	nil	nil	nil	nil	nil	nil	6½
Gordon Hotels	3	3	nil	nil	nil	nil	nil	nil	nil
Holborn and Frascati	11	11	8	2½	2½	8	11	11	15
Piccadilly Hotel	193½	50	25	75	135	150	150	135	nil
Romano's	10	10	nil	5	6*	7½*	7½*	nil	nil
Savoy Hotel	5	5	nil	2½	4	6	10	15	15
Short's, def. ord.	6	5	3½	2½	4	6	10	15	15
Smedley's Hydro	15	12½	17½	12½*	12½*	17½*	12½*	12½*	12½*
Strand Hotel, pref. ord.	9	9	9	9	9	9	10	10	11
Waldorf Hotel, 6% pref.	6	6	3	nil	nil	nil	6	13½	3½

* Free of tax. † Ordinary.

The high rate for the Piccadilly Hotel is explained by the method of capital finance adopted. The debenture capital amounts to £425,641, while the share capital is but £15,000. Thus a comparatively small surplus profit after paying debenture services is sufficient to pay a substantial rate of dividend. On the other hand, a slight fall in profits leaves little for shareholders. In our table, Holborn and Frascati, Short's, Smedley's, and the Strand show an excellent record of dividend distributions.

But in spite of the general trade boom, which naturally benefited the hotel and catering industry, ordinary shareholders only participated in earnings in a few cases, as

arrears of preference dividends absorbed profits to a considerable extent.

The next table shows profits for the past two years, and for purposes of comparison gross income and net profit for 1913-14 are given:—

Company.	1913-14.		1919-20.		1920-21.	
	Gross Income.	Net Profit.	Trading Profit.	Net Profit.	Trading Profit.	Net Profit.
Burlington Hotels	£ 44,285	£ 1,750	£ 27,559	£ 18,192	£ 24,885	£ 13,088
Carlton	75,797	35,441	117,864	85,665	80,601	46,964
Frederick Hotels	339,549	31,906	171,436	130,756	164,885	122,587
Gordon Hotels	161,665	81,690	204,121	124,244	138,682	48,012
Holborn and Frascati	171,068	39,348	309,947	91,942	322,062	66,411
Piccadilly Hotel	246,492	22,220	76,378	41,844	43,239	7,623
Romano's	245,460	5,065	34,402	9,278	24,065	Dr 2,319
Savoy Hotel	182,891	42,239	316,096	Dr 287,266	248,393	124,511
Short's	23,265	21,704	44,355	42,732	43,811	42,511
Smedley's Hydro	50,938	10,072	9,640	8,073	8,085	6,564
Strand Hotel	69,507	28,376	136,325	80,565	104,514	92,964
Waldorf Hotel	36,512	17,165	75,526	43,070	44,215	34,194

* Trading profit.

Net profits of the Burlington Hotels are down by over £5,000, but from this sum and the balance brought forward, 1½ years' arrears of preference dividends were paid, which absorbed £5,625, leaving £9,370 to be carried forward. Fortunately, the Carlton, with reduced profits, was not encumbered with the heavy arrears which had previously accumulated, as a year ago six years' dividends on preference shares were cleared off. Accounts of the Frederick Hotels do not include the final claim of the company against the Government for compensation over the occupation of the Hotel Great Central. Shareholders will, however, no doubt be pleased with the favourable result, announced on Thursday, of the Frederick Hotels' case in the War Compensation Court. Gordon Hotels' activities are not reflected in the accounts, as two big hotels could not show full-year workings. The Holborn and Frascati Company continues its successful career, and has yet a claim against the Government for dilapidations to be settled, the proceeds of which will help to reimburse the company for redecoration already carried out. The adverse year experienced by the Piccadilly is probably of more than passing significance; unfortunately, to what extent trading profits are lower through lessened takings is not revealed by the accounts. Romano's show a falling off in gross receipts. Figures for the Savoy are perhaps better understood if the trading profit is considered; for arrears of interest and dividends have been paid with spasmodic efforts, and a big balance in 1919 was brought forward for this purpose. Smedley's profits are slightly down, but the Strand Hotel records a substantial improvement; the actual profit of this latter company for the past year is shown as £104,314 after providing for "depreciation, redemption, and contingencies." The year before profits were £136,325, but out of this £42,000 was allocated for depreciation and £2,400 to redemption account. The Waldorf under the scheme approved by the Court has paid off arrears of preference dividends, and appears to be making satisfactory progress. Hotel Cecil figures are omitted from our group this year, the directors holding back accounts to enable them to include the award results of the War Compensation Court.

Balance-sheets, on the whole, reveal few striking changes. The Burlington, with total assets of £324,855, shows stocks, including wine, at £3,565. The Carlton, with assets of £1,282,890, gives stocks as £140,584. The Frederick Hotels include stocks and debtor balances in one item. The Gordon Hotels present informative accounts; with total assets of £4,612,781, stocks of wine, spirits, &c., are given, at cost or under, as £175,928, while linen, china, &c., appear as £50,808, valued in the same way. Holborn and Frascati, out of total assets of £1,012,247, values stocks of £342,725 at cost. This company possesses a reserve fund investment account. The Piccadilly includes stocks at £37,544 in total assets of £624,034; the most marked change in the balance-sheet of this company is the reduction of "cash" from £20,454 to £6,115. Romano's, with assets of £114,901, lists stocks at £29,963, which compares with stocks of £36,186 out of assets of £126,478 for the previous year. Smedley's balance-sheet is a model of lucidity, but the revenue account reveals a remarkably narrow margin of profits; gross receipts were £91,949, while working expenses absorbed £83,863. The financial affairs of the Savoy have already been referred to in the

Economist (see our issue for April 16, 1921, page 775). Short's records stocks at £116,202, and total assets at £591,515. But this undertaking, be it remembered, specialises in the sale of wines. The Strand Hotel, with assets of £1,238,459, shows stocks at £26,334, but gives investments at £99,754, without mentioning the basis of valuation; cash appears as £84,808. The Waldorf has assets amounting to £578,821, including stocks valued at £14,595, while furniture, plate, linen, and glass are shown separately from property as one item at £87,076. Figures of stocks have been dealt with at some length, because the extent to which the acquisition of these have been limited to a hand-to-mouth buying policy, and the amount by which they have been written down to market values, will influence future profits.

Notes of the Week.

The Naval Agreement.—Cables from Washington state that on Wednesday, at the fifth plenary session of the Conference, Mr Hughes announced the settlement of the Shantung controversy, reading the full text of the treaty under which the province is returned to China, and Mr Balfour stated that Great Britain was ready to return the leasehold of Wei-Hai-Wei. At the same meeting the delegates of the five Great Powers, the United States, Great Britain, Japan, France, and Italy, expressed the formal assent of their respective States to the naval treaty. It is to come into effect on the deposit of ratifications, and remain in force until December 31, 1936, or indefinitely beyond that date, unless and until one of the signatory Powers shall have given two years' notice of its intention to terminate it. In closing his speech, Mr Hughes said: "This treaty ends, it absolutely ends, the race in competitive naval armaments, but at the same time it leaves the relative security of the great naval Powers unimpaired. In this treaty we are talking of arms in the language of peace, and the best thing about the engagement we have made is the spirit which has made it possible, and which has been manifest throughout our deliberations. We are taking perhaps the greatest forward step to establish the reign of peace." The brief treaty embodying the declarations in regard to submarine and poison gas warfare was presented by Senator Elihu Root, and also assented to.

Security Values.—According to the calculations of the *Bankers' Magazine*, the aggregate value of 387 representative securities quoted on the London Stock Exchange rose between December 19, 1921, and January 18, 1922, by £113,751,000, or about 2 per cent., the aggregate total values at the two dates being £5,393,349,000 and £5,507,100,000 respectively. The list of securities on which this calculation is based has now been revised and brought up to date by the inclusion of war loans and other important issues of recent years. The list only covers about one-half of the total of Government loans, but in the Government loans included the rise on the month is well over £70 millions, or 2.4 per cent. One of the most important gains in the list is recorded by the ordinary stocks of British railways, which rose by 7.8 per cent. Home railway preference stocks advanced by 6.6 per cent. and the debentures by 3.5 per cent., while the rise in Colonial Government stocks was 3.6 per cent. The record of rubber and oil shares, which fell by 7.4 per cent. and 4.2 per cent. respectively, is dismal, but miscellaneous mining shares head the list of proportionate gains with a figure of 11.5 per cent.

Home Railway Dividends.—Activity in the Home railway market has recently been very pronounced, and prices of ordinary and fixed interest bearing stocks have advanced considerably in price. The upward movement has been assisted by the dividend declarations now being announced. The declarations made this week are shown in a table below:—

	Final Dividends.			Whole Year.			Price of Ord. Stock.	
	1919.	1920.	1921.	1919.	1920.	1921.	Feb. 3, 1921.	Feb. 3, 1922.
	Rate	% per Annum.	%	%	%	%		
Great Northern Def.	..	..	..	22	22	22	27½	28
Lancashire and York.	52	52	6	4½	4½	4½	53	55
London, Brighton, and	8	8	6	4½	4½	4½	54	56
ton, Brighton, and	11	11	3	4½	4½	4½	44	44½
Metropolitan Def.	11	11	3	4½	4½	4½	42	42½
Midland Def.	62	54	64	4½	4½	4½	45	45½
Taff Vale	4	4	5	4	4	4	43	45

The Great Northern, whose accounts have now appeared, transfers £80,000 from reserve and £127,264 from "Increased merchandise rates suspense account," net income having amounted to £2,173,958, as compared with £2,480,541 for 1920. The maintenance of the dividend on Brighton deferred came as a pleasant surprise to the market, and the announcement of an increase by the Metropolitan stimulated prices. The dividend for the full year on Midland deferred is the same as for 1920. The announcement states that £1,500,000 has been appropriated from the compensation payable by the Government under the Railways Act.

Stock Exchange and Pre-War Conditions.—A Stock Exchange correspondent writes:—The Stock Exchange Committee appointed a sub-committee of their members to consider proposals for making such various alterations as may be deemed desirable when the Stock Exchange reverts to its pre-war position of independence from Treasury control. This sub-committee has been hard-worked for the past six weeks, hearing evidence and views, and exploring a number of methods, some of them highly technical, which Stock Exchange business may follow as soon as the House is free. There remains a remnant of the pre-war account still unsettled, and this week the Stock Exchange Committee have received returns that enable a rough idea to be obtained of the extent of the open account. As the return embraced only such stocks and shares as those which were included in the pre-war "clearing-house lists," it is incomplete, and of service only as a guide to the present position. The Committee have appealed lately, and on several previous occasions, for every effort to be made in order to get this account liquidated, for until it is out of the way the hope of returning to pre-war conditions must be delayed. But the Stock Exchange Committee do not intend to let the grass grow under their feet, and on Wednesday and Thursday in this week two special meetings were held at which the report of the sub-committee has been considered. This report contains the recommendations of the sub-committee in regard to such matters as those relating to re-establishment of contangoes and all the mechanical sequelæ arising therefrom. Hours of business, Saturday closing, and matters of similar detail are discussed. Such novel suggestions as the provision of cover on clients' speculative transactions come under the sub-committee's purview. It now remains for the full Stock Exchange Committee to put before their fellow-members the official recommendations which, it was promised last November, should be published by the beginning of next month. The Stock Exchange financial year ends on March 24th, and a Committee election takes place on March 20th. The close proximity of the election to the date on which the Committee will lay their scheme before the Stock Exchange is likely to cause the forthcoming election to have for its central point of interest the proposals that the Committee put forward as desirable in the interests of the public, and of the Stock Exchange, for reversion to pre-war conditions with whatever modifications are considered to be desirable. The report of the sub-committee is to be regarded as nothing more than a guide, because the full Committee alone can initiate legislation, but the latter will be awaited with keen attention by everyone interested in Stock Exchange matters. The Committee of to-day take a broad and liberal-minded view of Stock Exchange obligations, mindful of the fact that House Rules and Regulations need to be drawn in such manner as will provide the public with the fullest protection, as well as facility of dealing, that is possible. The student of Stock Exchange matters may be forgiven an expression of opinion that, in the course of dealing with the momentous questions which face the Committee, a thorough overhauling of the Rules could not fail to have the effect of purging them from much that is redundant, anomalous, and unduly complicated.

The City Equitable.—Mr Bevan, chairman of the City Equitable, announced, in a paragraph which appeared in one of Thursday's newspapers, that bankers and insurance companies were working out a scheme to help the company over its difficulties. Whether he had any serious hope of persuading the public that the troubles of the company were being surmounted we do not know, for before the paragraph had appeared in print the first steps had already been taken for the company's liquidation. Hopes of salvage still remain, but the original expectation that other companies and banks would come in and carry the burden has been disappointed, for the farther matters were looked into the more serious the situation was seen to be. Shareholders of the City Equitable Associated are at last taking action and demanding a general meeting, with a view to appointing a committee of shareholders to investigate the position. It has been a current belief ever since the trouble of the company were first mentioned that a very large sum had been invested in a Brazilian ranch, and that unsaleable industrial shares had somehow taken the place of sound, reliable securities among the company's holdings. What happened to these sound securities will be a matter for close investigation, and it may prove that policyholders will recover a certain amount of salvage from those who lent too readily and without sufficient inquiries into the collateral's place of origin. With the City Equitable are closely bound up the Greater Britain, First National and another direct insurance company, all of which were controlled by the big concern, and are said to have paid dearly for a connection, which was supposed to add greatly to their strength. At the time of writing the exact legal position of these companies is not clear, but, in fact, though not in theory, at least one of them is under the direction of accountants, who have been examining its books, and little hope can be entertained. From the point of view of London as a centre of careful finance and insurance, the whole episode is deplorable. It illustrates the danger of allowing the funds of an insurance company to be the object of a speculative investment policy, and it may perhaps suggest to our insurance managers the possibility of carrying too far the modern fashion of re-insurance. The soundness of our old insurance offices is, of course, unquestionable, but re-insurance forges a chain that can be snapped at any of its links, to the great inconvenience of every one connected with it. It is to be hoped that the scrutiny of the conduct of this group of companies will be complete, and that adequate steps will be taken to protect the public against recklessness on the part of those who assume positions of public responsibility.

The Sun Life Office's Surplus.—Life policyholders have suffered so severely by the depreciation of their assurance companies' assets, and by the inevitable suspension of bonuses, that the valuation report of the Sun Life Assurance Society will come to them as a bright ray of sunshine through clouds. The Sun itself went into eclipse at the end of 1917, when it suspended bonus distributions. Now, upon a 3 per cent. valuation, it shows a divisible surplus for policyholders of £1,265,748 (in addition to the interim bonuses paid on claims of £177,138). The life assurance fund increased during last year by £637,026 to £12,009,991, after £31,616 had been written off for depreciation. The actuary, Mr Salmon, declares—actuaries, it may be noted, are a cautious folk—that "the character of the investments and other assets would appear to preclude the risk of material loss or depreciation for some years to come, and that the normal profit-earning power of the society has been recovered." We have indicated more than once during the past year those favourable factors, now in operation, which are tending to restore the profit-earning power of life offices. With the return of the Sun to the ranks of bonus distributors, policyholders generally in good life offices may reasonably contemplate the end of their winter of discontent. The actual amount of the Sun's surplus for policyholders is £1,265,748, against £843,306, divided ten years ago, and the actuary hints that the reversionary bonuses to which participating policyholders become entitled will be larger than those declared in 1912. They will, of course, be declared in respect of ten years for policies of that or of longer duration.

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Marine Insurance Losses.—It was expected that the marine underwriting year of 1920 would work out badly, and the reports of marine companies which are now coming out reveal how badly. The first is that of the Sea Insurance Company, which stands alone now among the leading offices in the market as a purely marine insurance company. The account of 1920, after £100,000 had been set aside to run off the liabilities, showed a loss of £1,672 on a premium income of £954,959. The account of 1919, with premiums of £986,074, showed a surplus of £67,397. An interesting feature is that the difference between these accounts, the difference which turned a surplus into a deficit, was due to the first year's claims. On 1920 they were £299,435, against £171,097 on 1919. The second year's claims were almost identical—£501,825 and £502,037—and the provision made for the future was twice as large for the 1919 account as for that of 1920. It was the heavy first year's claims for 1920 on a smaller premium income which caused the trouble. We see the same, or much the same, influence at work in the figures of the Indemnity Mutual Marine Company. Here the account of 1920 needs, apparently, the whole balance of the premium income of £2,297,340, and £200,000 taken from profit and loss to run off the liabilities. In other words, the estimated deficiency for 1920 is £200,000, as against a surplus of £119,114 on premiums of £2,150,219 for 1919. Just as with the Sea Company, the greatest difference between the two accounts was in the first year's claims—£453,742 for 1919 and £794,842 for 1920. Both companies show large reductions in premium incomes for 1921. The Sea has come down from £954,959 to £501,760, and the proportion of first year's claims for 1921 (£132,745) is lower than it was for 1920 (£299,435). With the Indemnity Mutual the premium income has dropped from £2,297,340 to £1,206,315, and the first year's claims for 1921 (£357,955) are also lower in proportion to premiums than were the first year's claims (£794,842) for 1920. Both these companies have been taking in sail, and have, it would appear, been of late making better weather of their passage through the storms of the market.

Dunlop Rubber.—The report of the Dunlop Rubber Company for the year ended August 31st last states that "the result for the year shows a net loss of £8,320,007." It appears, however, that this enormous deficit arises from the methods adopted in the two previous years, for the directors admit that in 1919-20 a large programme of expansion was entered upon, and when the fall in prices came "the company found itself over-bought to a large extent at most unfavourable prices." A comparison of results reads as follows:—

	August 31.	1914.	1918.	1919.	1920.	1921.
Net profit	£	£	£	£	£	£
Brought forward ..	381,919	649,503	1,368,432	2,163,896	Dr 8,820,007	1,700,324
	37,679	103,457	122,760	402,593		
	419,598	752,960	1,491,192	2,566,489	Dr 6,619,693	
Preference dividend	26,200	196,450	249,849	278,125		77,187
Written off	36,055	121,250	120,000			
Reserve	175,000		250,000	335,500		1,623,137
Ordinary dividend..	149,102	312,500	468,750	252,540		
	(15%)	(23½%)	(31½%)	(15%)		
Carried forward	33,441	122,760	402,593	1,700,324	Dr 8,820,007	

The amount required to reduce the cost price of stocks held by the company and by subsidiary and associated companies to market price at the date of the balance-sheet was £8,262,351, to which is added £616,171, "representing non-trading debits of an abnormal or non-recurring character, and losses on exchange." The profit and loss account shows that royalties, dividends on investments, &c., brought in £77,797, but interest required £197,392, and head office expenses, losses in subsidiary companies, depreciation on stocks, and other charges, "less profit on trading," figure at £8,200,411. The directors state that the turnover for the year shows a reduction as compared to the previous year, but not to the extent which might have been anticipated. Out of the balance brought forward, one quarterly dividend on the preference shares was paid, and the remainder, £1,623,137, is carried to reserve, which now amounts to £2,767,645. The report states that all depreciation in the value of raw materials in hand has now been dealt with, and that the reserve fund is sufficient to provide for losses on the balance of forward contracts outstanding on the basis of market prices at August 31st last. Below we set out the balance-sheet, together with the changes in comparison with last year:—

LIABILITIES.		ASSETS.	
Amount.	Compared with Aug. 31, 1920.	Amount.	Compared with Aug. 31, 1920.
Pref. shares.....	5,000,000 .. + 375,000	Land and plant 2,459,303 .. + 1,039,706	
Ord. shares.....	14,763,859 .. + 12,263,859	Debtors.....	4,328,140 .. - 1,975,698
8% deb. stock.....	5,000,000 .. + 3,000,000	Stock.....	2,913,992 .. - 1,531,326
Income stock.....	103,359 .. - 209,427	Investments at	
Reserve.....	2,767,645 .. - 4,396,855	or under cost 9,361,172 .. + 4,264,054	
Forfeited share		Cash and bills.....	173,025 .. - 112,026
account.....	4,125 .. + 4,125	Goodwill.....	350,417 .. + 10,417
Creditors.....	1,141,257 .. - 111,555	Ex's of new cap. 241,855 .. - 241,855	
Bank loans.....	1,367,665 .. + 1,367,665	Profit and loss 8,320,006 .. + 8,320,006	
Profit and loss ..	- 2,035,824		
Total.....	28,147,910 .. + 10,256,988	Total.....	28,147,910 .. + 10,256,988

Thus the paid-up ordinary capital has been increased from £2½ to £14½ millions, partly by the capitalisation of the reserve fund, which shows a net reduction of nearly £4½ millions. The £3 millions of new debenture stock has been deposited as collateral for the bank overdraft. The increase of £4½ millions in investments is chiefly due to the appearance for the first time of "American Company, including advances, £3,779,704." The rubber estates and investments in associated companies each show an increase of over £200,000. The reserve fund is already ear-marked against prospective losses on outstanding contracts, and shareholders will doubtless be anxious to know what relation this large item of over £9 millions of investments bear to current market values. The report and accounts are otherwise a candid admission of a state of affairs which results from bubble finance. The company is said to be in a position to meet "all competition of a normal character," but there will have to be some drastic reduction of capital if the present loss is to be written off.

"Kaffirs" and the Strike.—Our mining correspondent writes:—A phenomenon in connection with the labour trouble on the Witwatersrand has consisted in the firmness displayed by the share market. It is true that at the first shock quotations were marked down to a moderate extent, and on one or two occasions when the outlook appeared threatening dullness prevailed. But at no time was the market really weak, and any item of news capable of a favourable interpretation—even a vague rumour—resulted in a measure of recovery. The confident attitude of holders of Rand shares is due partly to the fact that quotations are now at a very low level, and partly to an inherent belief in the ultimate victory of economic forces. Although the details are somewhat technical, the broad position is perfectly simple. It is that on the basis of current costs and of the normal price of gold over one half of the 39 mines now in operation would be unpayable. Even in December fifteen properties showed losses, or profits of merely negligible proportions. No amount of "hot air" from extremists can make any impression upon these concrete facts. Very opportunely the Transvaal Chamber of Mines issued in December a statement with statistics as to the position of the gold

industry. Copies of the documents are now to hand; a few of the more striking figures are tabulated below:—

	1914.	1920.	Difference.
Tons of ore milled.....	21,943,700	22,592,700	+ 649,000
Working costs, per fine oz recovered.....	54/10	77/6	+ 22/8
Do per ton milled.....	17/1	25/8	+ 8/7
European salaries and wages ..	£7,170,960	£11,356,150	+ 58/4
Native and coloured wages....	£5,359,360	£6,014,428	+ 12/2
Stores.....	£10,219,300	£14,288,250	+ 39/8
Tons milled per European employed.....	1,205	1,079	- 126

It will be seen that a very large percentage increase in the expenses for 1920 as compared with 1914 has been accompanied by a decrease in efficiency. Amongst the tables prepared by the Chamber is one showing that in June last the wages of contractors ranged from 37s 11d to 79s 7d per shift. Such a scale of remuneration is obviously out of all proportion to the work performed. Even taking the white miners as a whole, the pay is more than 50 per cent. above the 1914 ratio, whereas the increase in the cost of living now stands barely 20 per cent. higher. As a basis upon which the industry can restart "with a reasonable prospect of prosperity both for the bulk of the mines and for the community dependent upon them," the Chamber's proposals are, briefly: (1) That the ratio of whites to natives on producing gold mines should be fixed at 2 to 11, but that the mines shall have the right to reorganise the work and to dismiss employees not required; (2) that the daily rate of pay shall be, until the end of June only, supplemented by one-half the present "cost of living" addition; and (3) that May Day and Dingaan's Day—which cost the industry £80,000 per annum in wages alone—be no longer paid holidays. At one of the meetings of the abortive conference recently held under the presidency of Judge Curlew's the Labour representatives cast reflections upon the statistics issued by the Chamber of Mines, and imputed bad faith; but they made no attempt to substantiate their assertions, and they refused to listen to any explanations. However, it is stated that despite all the efforts of the strike committee, colliers in the Tweefontein district are filtering back to work, and according to private cables received from Johannesburg, the gold miners are beginning to follow the same course. Hence the sharp rally in the share market.

Bawra's Operations.—In a report by the London directors on the first year's operations of the British Australian Wool Realisation Association no financial results are given, but these will doubtless appear in due course. All questions, some of them of a delicate and anxious character, which had arisen between the British and Dominion Governments out of the telegraphic agreements arrived at during the last two years of the war, were finally settled in the early part of the year, and by the distribution amongst the Australian Wool Growers of scrip for the £22 millions which constitute the capital of Bawra, the claims of the great majority of the interested parties have been fully satisfied. The third section of the programme in the constitution of Bawra was to enable the Wool Section of the Ministry of Munitions to be dissolved, and to provide "an appropriate commercial agency for conducting the sale of old wool" belonging to the British Government and to the Australian Wool Growers respectively. The stocks handed over at December 31, 1920, were 775,045 bales of New Zealand wool belonging to the British Government and 1,836,243 bales of Australian wool belonging in half shares to the Australian Wool Growers and the British Government. The disposal of the old wool is being executed to the best ability of the directors of Bawra, but not, of course, to the entire satisfaction of everybody. The problem is so complicated and the interests involved are so divergent that a certain amount of criticism has occurred and will inevitably continue." The directors further express the hope that "on a broad view the most instructed opinion will be that a fairly successful effort has been made to conduct this huge realisation business to the

best advantage of those immediately interested and with as little disturbance as possible to all other interests indirectly affected." During the past year 660,230 bales of Australian, 799,120 bales of New Zealand, and 2,329 bales of Falkland Islands wool were sold. Of the Australian wool sold, 484,031 bales was merino. This leaves wool still to be disposed of to the amount of 1,890,378 bales, of which, apart from 80,550 bales of South African wool, less than 423,000 bales is merino. Thanks to the vagaries of fashion the consumption of fine wools is seriously outstripping supply, while, on the other hand, the unremunerative prices for medium and coarse wools are tending to reduce production to a material extent. The directors estimate that the Bawra merinos available for sale in London will be totally disposed of by the end of July. There is, on the other hand, no intention of attempting to sell out the stocks of crossbred wool (nearly 1,400,000 bales) within any period arbitrarily fixed beforehand. "The Association will contentedly carry over into 1923 the remainder of its stocks of crossbreds, feeling quite confident that next year or early in 1924 the surplus will be readily absorbed and the position of crossbred wool will be completely rectified, and will cease to require any artificial support whatever." As regards the Association's selling policy, the directors maintain that, although wool buyers have shown a tendency to condemn Bawra for selling its wool too slowly, any greater pressure to sell Bawra wool would have excited violent opposition and resentment in Australia and New Zealand, and the directors "do not regret the consideration which, within the permissible limits, they have steadily endeavoured to show to the legitimate interests of the wool growers of the British Empire."

South Africa's Trade.—A cable from the Cape Town office of the National Bank of South Africa states that for the 11 months ended November, 1921, imports into South Africa declined by £38½ millions and exports by £20½ millions as compared with the corresponding period of 1920. Imports of cotton manufactures fell by £4½ millions, of woollen manufactures by £1¼ millions, of food and drink by £7½ millions, of motor-cars by £2 millions, and of hardware and cutlery by £2 millions. Machinery imports increased by £500,000. Shipping returns for the Union ports for the 11 months show that oversea cargoes landed were 715,573 tons below and cargoes shipped 819,978 tons above the corresponding period of 1920. What little improvement there was in general business conditions has been checked by the Rand strike.

The Japanese Budget.—In his financial statement to the Imperial Diet on January 21st, the Finance Minister of Japan said that, although the result of the accounts for 1921-22 were rather difficult to forecast, the receipts from the business tax, sugar excise, consumption tax on textile fabric, Customs duties, profits on monopolies were expected to show an increase, while the receipts from income-tax, stamp duty, and postal, telegraphic and telephone services were expected to show a decrease. The general revenue prospects, he said, were not satisfactory. The Budget policy for the coming year he described as "mainly based on the point that the expansion of administrative expenses should be checked.....and that the foundation of State finance should be placed in a more stable condition." The estimates for 1922-23 are as follows:—

REVENUE.		Yen.
Ordinary.....		1,244,000,000
Extraordinary.....		221,000,000
Surplus from preceding year.....		111,400,000
		1,465,000,000
EXPENDITURE.		
Ordinary.....		939,000,000
Extraordinary.....		526,000,000
		1,465,000,000

The naval estimates apparently reflect the results of the Washington Conference, for the ordinary navy vote is reduced by 22,500,000 yen and the extraordinary by 84,200,000 yen. It will be seen that 111,400,000 yen out of previous surpluses are taken into the revenue account to provide a balance. The estimate of loans and advances

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to be applied during 1922-23 to public works, &c., is 188,400,000 yen, the largest individual items being 80,000,000 yen for the construction and improvement of railways and 31,800,000 yen for telephone expansion. Of the total sum, 12,000,000 yen will be raised otherwise than by offer for public subscription. After reviewing effects of European unsettlement on world trade, the Finance Minister said:—"Japan cannot, also, stand out of this influence. What we consider to be the most urgent thing at this transitional period is to relinquish unnecessary extravagances and indulgence in luxury to which people have been accustomed during these several years of boom, to encourage the habit of thrift and saving, to make endeavours to readjust and reform the organisation and management of business, to cut down the cost of production, and to promote efficiency, in order to improve the real economic power of Japan."

Pekin Syndicate.—The report of the Pekin Syndicate, Limited, for the year ended June 30, 1921, records receipts "comprising interest on Chinese bonds and sundry investments" as £37,977, while expenditure amounted to £14,122 in London, £4,119 in Paris, and £14,960 in China. To these sums must be added a debit balance, representing difference in exchange, of £18,334 and sundry small items, making the total outgoings £52,771. This makes a loss of £14,793 on the year's working. But as appreciation of investments is valued at £5,339, the balance at credit of profit and loss account has only been reduced from £531,124 to £521,669 in the year. Total assets are £1,908,542, as against £1,927,004 a year ago. Cash is down from £359,887 to £297,886. Sundry debtors, including the Banque Industrielle de Chine, £19,282, amount to £136,280, as compared with £68,780 for 1919-20. But other items in the balance-sheet show no striking changes. In the informative lists of investments given, which total £308,199, the Banque Industrielle de Chine figures at £159,052, the same amount as a year ago. All share investments, amounting to £266,429, are taken at cost, while £41,751 of Chinese Government Tientsin-Pukow Railway Loan is taken at current value. The report states that "Negotiations in conjunction with the French Government are proceeding for the reorganisation of the" Banque Industrielle de Chine. The directors are apparently well satisfied with the development of the Li Feng coalfield. They state that "the coal, of which over 2,000,000 tons has now been opened out from the main shaft, is of excellent quality and hardness, and exists under conditions peculiarly suitable for economical production. For the purposes of the balance-sheet, it is interesting to observe that floating assets and liabilities in China and Paris have been taken at 2s 5½d to the dollar and 46.67½f to the pound respectively."

S.T.D. Motors.—S.T.D. Motors, Limited, was formerly the old Darracq Motor undertaking, which recently acquired control of the Sunbeam and Talbot factories and also absorbed two smaller companies. For the year ended September 30, 1920, profits amounted to £325,205, and dividends were paid on £2,700,000 of share capital,

at the rate of 20 per cent. on ordinary and 10 per cent. on preferred ordinary shares; £66,572 was brought into accounts as against £57,740 carried forward. For 1921 profits are recorded at £151,382, or approximately 5 per cent. on a paid-up share capital of £3,223,408. Taking into consideration the abnormal conditions, the directors consider this result satisfactory, and while proposing to pay a dividend of 7 per cent. on £1,829,800 preferred ordinary capital, have decided not to recommend payment of dividend on ordinary shares. The payment of preferred dividend leaves £76,220, which is carried forward to next year's account, including the balance brought forward. Total assets have increased from £3,624,258 to £4,008,784. Cash at bankers has fallen from £559,892 to £231,383, but loans to subsidiary companies have increased from £1,421,869 to £1,654,987, and shares in subsidiary companies have also increased from £1,472,573 to £1,995,981. All investments are valued at cost, including shares in subsidiary undertakings. In a footnote to the balance-sheet it is explained that fixed investments in France are taken at 25.20f to the pound. It would be well perhaps if the company specified the particular assets which were so taken into the accounts. Valuing assets at the normal rate of exchange is a practice followed by several British companies owning property abroad. It may perhaps be contended that fixed assets acquired in pre-war times—in France, for instance, where prices have considerably more than doubled—can be reasonably taken into accounts at 25.20f to the pound, providing fixed assets have not been revalued in accordance with post-war prices. But if it is to be applied to all fixed assets indiscriminately without regard to the date of acquisition, the practice is not commendable if we are to have a true picture of the position of affairs presented in such balance-sheets as these. The balance-sheet will be found analysed in our usual column. The directors state, in their report, that "the trade depression, continual and ever-increasing, of 1921 is a matter of common knowledge not only to our own shareholders, but to shareholders in all industrial undertakings in every country in the world, but in no country more pronounced than our own, and in our own country in no industry more than the motor industry." The last few words of this paragraph are significant, in view of the fact that it was considered in some quarters that the imposition of a tariff would place motor-car manufacturing companies in a favourable position.

Gas Light and Coke Results.—The directors of the Gas Light and Coke Company are able this year to present to the proprietors substantially improved accounts as the result of the year's working. Receipts, expenditure, and dividends are set out in the following table for the past seven years:—

	1915.	1916.	1917.	1918.	1919.	1920.	1921.
Gross revenue ..	£5,293,731	£6,052,366	£7,029,550	£7,740,844	£8,854,028	£12,790,821	£11,232,360
Expenses	4,059,378	5,021,438	6,000,370	6,690,745	8,008,164	11,877,286	10,134,881
	(77 %)	(83 %)	(85 %)	(86 %)	(91 %)	(93 %)	(90 %)
Net revenue ..	1,234,353	1,030,928	1,029,180	1,050,099	845,864	913,535	1,097,479
Int. sinking fund, pref. div., &c. ...	467,277	440,865	520,880	436,862	417,668	421,939	519,102
Balance	767,076	590,063	508,300	613,237	428,196	491,576	578,377
Ordinary dividend ..	686,372	685,169	608,765	483,531	488,969	488,970	760,618
Rate per cent. ...	84 1/4 %	84 1/4 %	83 1/4 %	82 1/4 %	83 1/4 %	83 1/4 %	84 1/4 %
Carried forward ..	80,704	95,106	100,465	129,700	56,773	2,627	182,241

It is satisfactory to find that expenses in relation to revenue have left the high-water mark, and have fallen from 93 to 90 per cent. The increase of ordinary dividend from £3 to £4 13s 4d per cent. will also be welcomed by stockholders. Sales of gas show a decrease of 5 per cent. This, the report observes, "is due to the coal dispute, to the general depression in trade, and to the extraordinarily fine weather prevailing throughout the year." It is estimated that the cost of the coal stoppage to the company "was not far short of £500,000," but it is stated that "neither the pressure nor the quality of the company's gas was interfered with during this period." Application is being made to the Board of Trade to authorise the acquisition of the Ilford Gas Company.

Postal Charges.—The Federation of British Industries has addressed a letter to the Postmaster-General laying stress on the importance of reducing current postal, telegraph, and telephone charges, which are a severe handicap to the revival of trade. They urge that particular attention should be given to a prompt reduction of the postcard and printed paper rates, which not only most seriously affect the printing industry as producers, but also affect every other industry as consumers. "In making this request, the Federation desire to support most emphatically the representations which have already been addressed to you on this subject on behalf of the printing trade. If, as they understand, the inland printed paper rate is not at present remunerative on account of the elaborate sorting which it entails, they consider that serious attention should be devoted without delay to the simplification of the regulations governing the postage of printed matter, in order that the expense of sorting may be reduced."

The 1921 Fish Harvest.—The returns of fish landed by British vessels at ports in England and Wales during 1921 show a marked falling off. The total of wet fish was 11,174,076 cwts, as compared with 14,584,413 cwts, a decrease of 3,410,337 cwts, equal to 23.3 per cent., and occurring under all the principal heads. The curtailment of operations during the three months of the coal stoppage, when bunkers were not available or could only be imported at exorbitant prices, is the leading factor in the adverse result, and the failure of the herring fisheries another. The landings of herrings amounted to only 2,835,924 cwts against 4,636,536 cwts in 1920, a decline of over 1,800,000 cwts. The total value of the wet fish is returned at £15,997,944 against £21,202,521, a decrease of £5,204,577, and of shellfish £556,706 against £615,949. The general average of the wet fish was 28s 7 1/2d per cwt, which is only slightly below the figure of 29s 1 1/2d in 1920, but 20 per cent. less than 1919, when it was 35s 10 1/2d. The following shows the average value of the principal kinds over the past three years:—

	1919.	1920.	1921.
Per Cwt.	Per Cwt.	Per Cwt.	Per Cwt.
Prime fish (soles, brill, turbot) ..	140 0 ..	107 6 ..	108 4 1/2
Plaice	81 1 ..	72 0 ..	71 6 1/2
Haddock	42 1 ..	30 8 ..	29 0 1/2
Codfish	47 7 ..	32 3 ..	32 8 1/2
Herrings	14 0 ..	11 10 ..	7 3 1/2
Average of all fish	35 10 1/2 ..	29 1 1/2 ..	28 7 1/2

Haddock, codfish, and herrings were, as usual, the most numerous, and contributed over seven million cwts to the aggregate. In addition to the foregoing there were landed at English and Welsh ports from foreign-owned fishing vessels 327,103 cwts of wet fish having a value of £680,929, the busiest months being during the summer, when the coal strike was in progress. The quantity in relation to the total landings by British vessels was equal to less than 3 per cent., and the value to 4 per cent., from which will be gathered the true measure of the competition the English industry has had to meet. Most of the foreign caught fish was brought in by small motor boats using a seine net, and their success and economical working have so impressed the fishing vessel owners at Hull and Grimsby that they are going in for this method of fishing on the North Sea grounds. Already two such vessels, of rather heavier build than the Danish boats, have been launched, and ten more are under construction. A vessel of this description is worked by eight or nine hands at the most, and stays out at sea on the average a week or less, and is eminently suited to summer fishing. The larger steam vessels are much more expensive to run, and the building of these has come to a full stop, not one being put into the water from the Humber shipyards last year, whereas ordinarily there would be 20 to 40 in a year. The heaviest type, of course, still go to Iceland and into the Arctic circle, several recently having returned from the Behring Sea to Hull and Grimsby with huge catches of plaice, realising £5,000 to £6,000 each cargo. The outlook for the fishing industry is considered fairly promising. All but about 12 or 15 per cent. of the fleets are now in commission, and there will be no lack of supplies. The

urgent need is pre-war facilities and rail rates in order to get the fish to the inland consumer quickly and at the lowest possible price.

MR EDGAR CRAMMOND will deliver an address to the National Union of Manufacturers on Monday, February 6th, at 2.30 p.m., on the Economic Problems before the British people.

Oversea Correspondence.

UNITED STATES. — FOREIGN TRADE FINANCING CORPORATION ABANDONED—WAGE REDUCTIONS.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 21.

EFFORTS to finance foreign trade by creating what was to be known as the Foreign Trade Financing Corporation, with a capitalisation of \$100,000,000 have been definitely abandoned. The official announcement to this effect by the committee which has been in charge of the organising work has occasioned no surprise in well-informed quarters, since it has been known for months that subscriptions to provide the necessary capital were coming in very slowly, and it became increasingly evident that the raising of such a large amount under existing conditions would be an impossibility. Many had thought that the corporation would actually be formed, though with a greatly reduced capital, but the general slump in business, together with the demoralisation in foreign exchanges, especially those of European countries with which the United States would have done business through the proposed corporation, prevented the carrying out of the plan even on a smaller scale. In its announcement the organisation committee expresses the belief that its efforts of the past year have been valuable; that ultimately they will bear fruit, and that extensions of long-term credit to foreign buyers of American goods will be made on a large scale. "It is with a great deal of satisfaction," the announcement reads, "that the committee contemplates the growing sentiment in favour of providing ample machinery to finance our foreign trade. Whether remedial measures will eventually take the form of more or less paternalism on the part of our Government, in co-operation with other Governments, remains to be seen, but we are hopeful that they will not, and that eventually the financial equipment will be supplied (as we firmly believe it ought to be) by the industrial and banking interests of the country, not alone in furnishing adequate capital, thus putting it outside the pale of political interference, but by giving it sufficient support to make it the success it ought to be."

The problem of further wage readjustments in an effort to reduce operating costs is receiving increasing attention. Textile mills in Connecticut announced rather extensive and additional cuts in wages this week, and the movement seems likely to spread to other textile mill centres in New England and elsewhere. The treasurer of one of the largest groups of mills in Massachusetts predicted this week that a more or less general downward revision in wages of textile operatives was inevitable, notwithstanding the American Woollen Company's recent assurance to its employees that their pay would not be further reduced this year. Railroads are holding conferences with different classes of their union labour over the proposed cuts in wages now paid to railway workers. As expected, no agreements are being reached, and indications are that the whole matter will be referred to the Railroad Labour Board for settlement. There appears to be a deadlock between employers and union miners in the bituminous coal industry over the question of lower wages, and in many quarters a general strike in unionised coal districts on April 1st is considered inevitable.

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FRANCE.—FOREIGN TRADE—BANQUE INDUSTRIELLE DE CHINE—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, January 31.

OFFICIAL figures showing the French trade returns for 1921 are now available, and speak eloquently as to the disastrous effect of the continued low price of the franc on French commercial exchanges. The falling off in the total volume of trade, as compared with that for 1920, was represented by a drop of over 26,356,000,000f in imports (out of a total for 1920 of, roughly speaking, 50,000,000,000f) and of over 5,341,000,000f (out of a total for 1920 of 26,894,000,000f) in exports. The detailed comparative figures, dissected into the chief categories of foreign trade, are as follows:—

	1920.	1921.	Difference in 1921.
IMPORTS.	Francs.	Francs.	Francs.
Foodstuffs	11,874,910,000	6,205,898,000	— 5,669,012,000
Raw materials	25,156,544,000	12,398,040,000	— 12,758,504,000
Manufactured goods ..	12,873,443,000	4,944,555,000	— 7,928,888,000
Total	49,904,897,000	23,548,473,000	— 26,356,424,000
EXPORTS.			
Foodstuffs	2,612,799,000	1,932,366,000	— 680,433,000
Raw materials	6,113,814,000	5,558,626,000	— 555,188,000
Manufactured goods ..	16,962,574,000	12,808,951,000	— 4,153,623,000
Postal parcels	1,205,751,000	1,253,158,000	+ 47,407,000
Total	26,894,938,000	21,553,101,000	— 5,341,837,000

It should be pointed out that the value of the imports and exports for 1921 are based on the valuation rates of 1919, while those for 1920 are based on the values then prevailing.

The comparative weights of the imports and exports for the two years, which afford another interesting subject of comparison, were as follows:—

	1920.	1921.	Difference in 1921.
IMPORTS BY WEIGHT.	Tons.	Tons.	Tons.
Foodstuffs	6,195,261	4,066,434	— 2,128,827
Raw materials	41,871,777	32,448,478	— 9,423,299
Manufactured goods	2,464,888	1,458,774	— 1,006,114
Totals	50,531,926	37,973,686	— 12,558,240
EXPORTS BY WEIGHT.			
Foodstuffs	1,257,615	1,227,133	— 30,482
Raw materials	9,709,081	12,858,481	+ 3,149,400
Manufactured goods	1,865,215	1,890,778	+ 25,563
Postal parcels	23,327	25,036	+ 1,709
Totals	12,855,238	16,001,428	+ 3,146,190

The balance of trade against this country during 1921, therefore, amounted to only about 2,000,000,000f, as compared with an adverse balance in 1920 of over 23,000,000,000f. It may also be mentioned that this excess of imports over exports began to be recorded only from September last, the first eight months of the year showing, roughly speaking, almost a level balance between exports and imports, there being, as a matter of fact, during six of the eight months, a surplus of exports. In 1913 imports into France had a value of 8,421,322,000f, with a tonnage of 44,220,386 tons, while exports for the same year were valued at 6,880,217,000f, with a weight of 22,074,513 tons.

The manner in which trade between France and the principal foreign countries was modified during 1921, as compared with 1920, is shown by the following figures:—

(In 1,000's of Francs.)

	1920.	1921.	Difference in 1921.
Imports into France from—			
Great Britain	10,318,193	3,166,585	— 7,151,608
Germany	2,667,963	2,476,446	— 191,517
Belgium	3,325,484	1,793,337	— 1,532,147
Switzerland	1,043,905	398,493	— 645,412
Spain	1,052,480	509,378	— 543,102
Italy	1,282,549	567,657	— 714,892
United States	10,866,102	3,581,789	— 7,284,313
Brazil	901,107	557,065	— 344,042
Argentina	2,991,686	832,875	— 2,158,811
Exports from France to—			
Great Britain	4,233,267	3,354,837	— 878,430
Germany	1,502,118	2,356,271	+ 854,153
Belgium	4,478,937	4,090,876	— 388,061
Switzerland	1,791,931	1,169,142	— 622,789
Spain	969,531	589,309	— 380,222
Italy	1,248,742	771,334	— 477,408
United States	2,256,515	2,039,711	— 216,804
Brazil	362,846	129,503	— 233,343
Argentina	445,323	249,285	— 196,038

The long-drawn-out Parliamentary controversy over the re-floating of the Banque Industrielle de Chine has been advanced another step nearer solution by the passing of a short Bill in the Chamber authorising the Government to negotiate with the Chinese Government with a view to an agreement being drawn up for the balance of the French share in what is known as the Boxer indemnity being devoted to placing the bank on its feet again. According to a report drawn up by M. Outrey, Deputy for Cochinchina, on behalf of the Colonial Commission of the Chamber, the amount of this balance now amounts to 391,000,000, which has been held in suspense for some years, but which, under a recent agreement, China should this year begin to pay off by annual instalments. In his report M. Outrey suggests that 70,000,000 of this amount should be utilised to reimburse the notes issued by the Banque Industrielle and cable transfers, and the balance to reimburse the small depositors in full, the larger depositors being reimbursed half in cash and half in shares in the reconstituted bank.

These suggestions, in view of the terms of the Bill passed last week, must obviously be left for future consideration. The object of the Chamber, the discussion showed, is to utilise the money in question in the best manner possible for the purpose of safeguarding the moral and material interests of France in the Far East. Whether the moribund bank will actually be re-floating remains to be seen, but the first step, apparently, is to repair the damage done to French credit through the failure of an institution whose collapse proved to be one of the underlying causes of the fall of the Briand Cabinet. The Chinese Government itself, on the foundation of the bank in 1913, subscribed 14,500,000, or one-third of its share capital, but a much more important fact, as is now admitted, is that at the time when the institution was hopelessly insolvent and on the verge of collapse French consular agents in the Far East regarded it as their duty to assure native depositors of its soundness. This fact may explain why M. Guernier, the *rapporteur* on behalf of the Foreign Affairs Commission of the Chamber, in urging the passing of the Bill, insisted that "France is now playing her last card in the Pacific," and appealed to the Chamber not to allow this "last chance" to escape it. M. Tardieu and other Deputies argued that public money should not be used for re-establishing an insolvent bank. M. Poincaré, in reply to other speeches, insisted that any agreement that would be arrived at would provide for France to participate in the future profits of the reconstituted bank, and that the money so received would be devoted to French educational and other organisations in the Far East.

The Bourse this week has remained calm and depressed, chiefly, if not entirely, because of the announcement of so many new capital issues. Thus the Crédit National is offering investors interest at 6½ per cent. free of all taxes and the chance of early repayment. Various industrial undertakings of approved value are also offering invest-

ments at 6 per cent. free of taxes, with the issue price standing well below par. Dividends declared recently have been satisfactory; but, unfortunately, from the immediate standpoint, they reflect rather the state of trade in 1920 than that in 1921, and it has to be expected that the depression of last year will continue to make itself severely felt. French Three per Cents. this week are rather stronger, the price quoted being 56.65 as against 55.90, but the price of War Loan has rather declined, owing to the market having absorbed the amounts required for the payment of war taxes. Foreign stocks have fluctuated, following for the most part the exchange markets. At the beginning of the week there was some activity in Russians, but these closed depressed. Banks have declined, Union Parisienne falling from 700 to 680, Banque de Paris from 1,240 to 1,205, Crédit Lyonnais from 1,425 to 1,400, and Crédit Foncier from 790 to 775.

CANADA.—INDUSTRIAL CONDITIONS—THE MERCHANTS' BANK—STOCK MARKETS—SALES OF CANADIAN BONDS—EXCHANGES AND THE TRADE BALANCE—NATIONAL DEBT AND REVENUE—MARKING REGULATIONS.

(FROM OUR CORRESPONDENT.)

OTTAWA, January 16.

A MORE optimistic spirit is beginning to prevail in the industrial world of Canada. At any rate, one hundred and fifty prominent Canadian manufacturers, who have reviewed the conditions and outlook for 1922 in *Industrial Canada*, the official organ of the Manufacturers' Association, profess a generally hopeful view of the situation. Most of them assert their confident belief that the worst of the depression has been surmounted, and that henceforward a slow but steady improvement can be anticipated. Estimates vary according to the line of industry as to when a resumption of normal activities can be expected. Some industries can show concrete evidence of the turn already having taken place; in others the turning-point is placed about March or April, but it is only a very limited number of pessimists who postpone the possible date of betterment till a new crop has been harvested next autumn. There is comparative unanimity that the two chief obstacles in the way of a more rapid trade recovery are high freight rates and the impaired purchasing power of the rural community due to the decline in prices for farm products.

The disaster to the Merchants' Bank is still attracting public attention, and some extraordinary evidence given at the inquiry into the bankruptcy of Thornton, Davidson and Co. has had a very disturbing effect. Under cross-examination both Sir Montagu Allan, the president of the Merchants' Bank, and Senator Lorne Webster, one of its directors, declared that at the time of the failure of that firm in 1920 they had no idea that it owed the bank about \$3,600,000. This evidence has left an unpleasant impression, and the *Financial Post*, of Toronto, declares that the present auditing system as laid down by the Bank Act is a farce. It joins the *Toronto Globe* in a demand for an inquiry by the Federal Government into the whole business, and, as confidence in the whole banking system has been badly shaken, the Government can scarcely avoid some action.

Stock markets have shown some activity since the turn of the year, but it has been chiefly confined to bonds and investment securities of acknowledged merit. Conditions are still unfavourable for the speculator. The *Monetary Times* estimates Canadian bond sales for 1921 at \$403,591,156, classified as follows:—

Governmental	160,746,400
Municipal	84,766,931
Railroad	96,733,000
Corporation	61,335,825

The total bond sales for 1920 amounted to \$324,914,667. But there has been a significant change in the relative source of the borrowings. In 1920 Canada sold 68 per cent. of her bond issues in the United States, but the exchange situation made the process burdensome, and

this last year only 45 per cent. of Canadian bond issues were placed in the United States, the balance, with the exception of \$12,151,000 sold in Britain, being absorbed at home.

This change has contributed to the great improvement in the Canadian exchange in New York. On December 31, 1920, the Canadian dollar stood there at 86½ cents, and on December 31, 1921, it had risen in value to 94½ cents. Another helpful factor has been the recent improvement in Canada's trade balances. During the months of October and November of 1921, thanks to heavy grain exports, the trade figures actually showed a favourable balance of \$42,000,000, and for the first 11 months of the calendar year the unfavourable balance had been reduced from 128 millions, the figures of the same period in 1920, to 23 millions.

Figures published by the Finance Department show that during the calendar year ended December 31st the net debt of Canada actually increased \$58,642,790, and now stands at \$2,366,861,252. The total revenue collected in the month of December was \$28,549,000, as compared with \$48,260,000 in the same month of 1920. The decline is partially accounted for by the fact that income-tax was collected in the early months of this fiscal year instead of being deferred till towards its close, as in 1920. There was some relative improvement in Customs returns during December, but the loss on them for the whole year will exceed \$70,000,000. As a revenue producer the tariff has now become comparatively unimportant. Mr Fielding will have a hard problem to balance his next Budget without some increase in direct taxation, and his one source of comfort must lie in the fact that the deficit on the national railway system, which exceeded \$70,000,000, will probably be reduced to less than \$50,000,000. Since 1919 there has been a substantial reduction in the amount of Government notes outstanding, but the position can hardly be said to have improved in light of the subjoined figures:—

	Government Notes Outstanding.	Gold Held.	%
March 31, 1914	114,000,000	92,000,000	81
" 1916	175,000,000	114,000,000	65
" 1919	329,000,000	118,000,000	39
" 1920	312,000,000	100,000,000	32
" 1921	278,000,000	80,000,000	29

British exporters will be interested to hear that the new Government has decided upon a suspension of the obnoxious marking regulations, and their ultimate repeal seems a certainty. The general expectation is that the Government which is committed by its programme to Tariff Reform will endeavour to leave the matter in abeyance for the present year. They have available the data collected by the Drayton Commission, which toured the country in the winter of 1920-21, but will probably desire to supplement it by a fresh inquiry.

POLAND.—PUBLIC FINANCES—FRENCH CAPITAL IN UPPER SILESIA—TEXTILE INDUSTRY—DANZIG—EXCHANGES IN 1921.

(FROM OUR CORRESPONDENT.)

WARSAW, January 25.

DR MICHALSKI last week made a statement to the Financial Committee of the Diet on the financial situation of the country. Since October a marked improvement may be noticed. While in September the advances of the Polish National Bank to the Government increased by 20 and in October by 20.5 milliards, the respective figures for November are 15½ and for December seven milliards. This reduction is principally due to a better working of the system of taxation. The amount of collected taxes, amounted to four milliard Polish marks in the first quarter, to eight milliards in the second, to 15 milliards in the third quarter. For the last quarter of 1921 the revenues are estimated at 20 milliards. At the same time, expenditure has been cut down.

According to reports published by the Press, Dr Michalski estimates the revenues for the current year at 450 milliards and the expenditure at 600 milliards, leaving a deficit of 150 milliards. To this 250 milliards for interest and amortisation due in payment of liabilities contracted

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JAMES FORREST, Manager. J. E. FANSHAW, Manager.

Every Description of Home and Foreign Banking Business transacted.

abroad must be added. Dr Michalski has undertaken steps for the reduction or postponement of certain of these liabilities. Probably in the middle of February the Diet will discuss the preliminary estimates for the current year.

Dr Benis, the delegate of the Polish Government, has returned from Paris after having concluded negotiations with French bankers relating to their co-operation in Upper Silesia. A Franco-Polish syndicate, with a capital of 500 million German marks, is to be established for taking over the coal mines which belonged to the Prussian State. One-half of the capital is to be contributed by French and the other half by Polish banks. There is also a plan for forming a bank for Upper Silesia, with a capital of 200 million German marks, to be subscribed by French and Polish undertakings. It is officially announced that the negotiations for the signature of a commercial Treaty with France have been brought to an end. The signature of the agreement, which has been delayed by the illness of the Polish Ambassador in Paris, is expected to take place in a few days.

The Polish textile industry, after a short crisis, is regaining its normal activity. The great factories of Lodz are working six days a week, and short time has been abandoned. This trade revival is especially due to orders received from Rumania and from the Eastern districts of Poland. For the first time a transport of cotton goods manufactured at Lodz has been sent to Palestine.

Statistics of the port of Danzig show that the shipping tonnage entered and cleared is steadily progressing, and that during the last two years it has been greater than before the war. As far as the nationality of the ships is concerned, a great change in comparison with pre-war conditions, when the bulk of goods was imported by German ships, has taken place. Now the Danish flag ranks first and the German second. During the last months of the year American shipping has lost ground in the movement of the port, while French shipping has made steady progress. In 1921 84,000 passengers have arrived and 56,000 have left the port. The respective figures for 1920 were 68,000 and 59,400. The passenger traffic with the United States is very important. In 1921 35,000 persons came from New York and 15,000 left Danzig for this destination.

Below are given the average quotations of foreign exchanges in Warsaw in the first and last months of 1921:—

	London.	Paris.	Munich.	Vienna.	Prague.	Berlin.	New York.
January, 1921 ..	3,000	53	130	125	10	12	800
December ..	12,750	235	590	50	38	15	2,950

The one favourable movement in 1921 has been the rise of the mark in comparison with the Austrian krone.

FINLAND.—FINANCES—BANKING—EXCHANGE—TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, January 22.

FINLAND'S population at the end of 1920 is officially reported as 3,367,542 persons, whereof 536,374 are in the towns. The birth rate of 25.3 in 1920 considerably exceeded that of 1919, and regained the pre-war level. The death rate fell to 15.9, being lower than in any year except 1914. The Social Insurance Commission has submitted to the Cabinet a Bill providing for compulsory sickness and pensions insurance.

The State ordinary estimates for 1922, as published in August, compare with the Budget of 1921 as follows:—

(In Finnmarks.)		
	1921.	1922.
Revenue	2,154,855,650	2,065,662,650
Expenditure	1,808,631,305	1,885,345,535

The Public Debt in November, 1921, was Fm. 1,935,927,838, details being:—Consolidated Foreign Debt, 535,979,365; Consolidated Home Debt, 955,785,400; Floating Foreign Debt, 149,172,073; Floating Home Debt, 294,991,000. The total debt at close of 1920 was Fm. 1,971,259,487. This decline is satisfactory, as in 1920 the debt increased by Fm. 485,376,198, of which increase, however, Fm. 350,000,000 represented an earlier loan contracted for strengthening the Bank of Finland's position. A supplementary Budget of half a milliard was presented in November, the largest item of which was for writing off claims upon Russia. At the close of last year was sanctioned a tax of 8 per cent. upon dividends and bank interest drawn by foreigners, to be remitted if the foreigner is an income-tax payer. The estimated yield is Fm. 6,000,000. The motive given for this tax is that the depressed Finnmark exchange has enabled foreigners to acquire stocks at below their value.

In view of the restored foreign trade balance, of a relatively stable price level, and of reduced monetary stringency, the Bank of Finland (without reducing its discount rate) was able to pursue a moderate deflation policy in the later part of the year. At the close of 1920 circulation totalled Fm. 1,341,000,000. It rose to Fm. 1,493,300,000 on March 15th, and ended the year at Fm. 1,346,400,000. Of any desire to deflate on a great scale there is no sign, and business interests oppose such suggestions, apparently with good reason. In December was submitted a Bill limiting the Bank's circulation to Fm. 1,500,000,000 more than the Bank's gold reserve, plus its claims upon its foreign correspondents, the circulation not secured in either of these ways to be covered with three months' bills or State bonds. The pressure for credit upon the private banks declined in the last few months. On January 31, 1921, the private banks' loans totalled Fm. 5,584,800,000, and deposits Fm. 3,657,900,000. The comparable figures for November 30th were:—Loans, Fm. 6,094,600,000, and deposits Fm. 3,732,700,000. The private banks' rediscounts increased from month to month, being Fm. 183,100,000 on January 31st, and Fm. 290,400,000 on November 30th. In the last months, the banks' net debt to abroad declined, being Fm. 954,200,000 on November 30th, against Fm. 999,500,000 on October 31st, and Fm. 1,050,400,000 on September 30th. This improvement is apparently in connection with the active trade balance established in the second part of the year.

As a result mainly of the heavy passive balance in early 1921, the Finnmark's exchange fell until September. The Helsingfors rate on London at beginning of the year was around 112, and on New York 32; on September 15th the quotations became 300 and 80½, after which there was a recovery to around 200 for London, with relative stability thereafter. The future of the Finnish mark depends upon maintenance of exports; but as the recent heavy exporting is due largely to the advantage over Sweden and Norway given by the present low mark, it seems likely that export would be threatened by a material exchange recovery. M. Frey, a bank director and good authority, expresses the view that complete stabilisation, on the basis of resumed gold payments, will not take place in less than 30 years. Stabilisation by means of a dollar loan is being discussed in the Finnish Press, but this would prove effective only if reversion to a passive trade balance can be prevented. The Helsingfors Bourse last year was reactionary, stocks quoted at Fm. 1,738,900,000 on December 30, 1920, being quoted on November 30th at Fm. 1,303,900,000. That Finland should so break the rule that a falling exchange means rising stock quotations can only be explained by local tightness of money. The price-level in 1921 was nearly stable. The index cost of living rose only from 1,103.2 in December, 1920, to 1,161.5 in November,

1921, and was lower in November than in October. The index price of imports (Customs Department's figures) fell in the same time from 1,387 to 1,344, while the index price of exports rose from 1,053 to 1,202. All these figures indicate greater stability than in 1920.

Towards end of 1920 the international demand fell off, and low exporting continued far into 1921, so that the first part of last year also showed heavy import surpluses. After that there was a great recovery, and, as a result, on the whole of 1921 the import surplus was relatively smaller than in any year since 1895. The trade figures for 1920 and 1921 compare as follows:—

	Imports.	Exports.	Import Surplus.
1920	3,620.3	2,906.6	713.9
1921	3,583	3,386	197.0

Germany has replaced England and the United States as chief seller, while England remains chief buyer.

The resumption of paper export to Russia, begun early last year, has been checked by the Karelia dispute. In December negotiations were begun for transport of 10,000 railway car loads of wood to Petrograd. The proposed definitive Customs tariff has not yet been worked out. The tariff for 1922 is provisional, with new basic rates, and with power to the Government, with the aim of controlling luxury and some other goods, and of negotiating freely with foreign countries, to quadruple certain rates, and to reduce others to half. The Government is also empowered to forbid imports of unnecessary goods. Export duties are still levied, but only for fiscal reasons. The Government has exercised its right to raise duties. The rates for luxury goods are very high, but for about a quarter of the scheduled classes are lower than last year.

Letters to the Editor.

"THE BANKERS DIAGNOSIS."

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your interesting article with the above title, which appeared in your issue of the 28th inst., you state, with reference to Sir Harry Goschen's argument against devaluation of our currency as equivalent to repudiation, that he did not "appreciate" the other horn of dilemma and deal with the argument that by lowering prices to a level which would permit return to the old gold parity, the country would be imposing upon itself the heavy burden of paying back to holders of the War Loan, both in principal and interest, a much greater amount of wealth than the equivalent of the original loan." The problem is difficult, as you point out, but if you will allow me to state so, I think the argument you refer to is a fallacious one. It is true that the restoration of the old gold parity and the re-establishment of the par of exchange with gold standard countries such as the United States of America will enable us to buy our raw cotton and food cheaper than before, and thus increase the wealth of the War Loan holder, but it will also benefit everybody else as well. The burden of repayment of debt will therefore not be increased but lightened by such a restoration, as the production of wealth will be stimulated by the reduced cost of production. Secondly, a resumption of specie payments by this country will, I believe, vastly improve British national credit, and an improvement in national credit, which will enable this country to refund a large part of the debt at 1 per cent. under the present rate of interest, will save the State about £50,000,000 in interest charge. This will still further lighten the burden. Finally, the lender of money to the State who has suffered from the depreciation of his capital and the rise in the cost of living which has resulted from inflation and unsound finance is entitled to participate along with the rest of the community in the benefits which may be expected to follow from the pursuit of a sound policy.

You write also as if the restoration of the old gold parity will mean a lowering of prices to the pre-war level. This does not follow by any means. Restoration in this country merely means establishing equilibrium between gold and

paper. Gold prices of nearly all commodities have risen. The world's production of gold is declining, and I do not anticipate that gold prices in many cases will fall to the pre-war level for some time to come. The restoration of the old gold parity will give, I believe, stability to prices.—I am, Sir, your obedient servant, D. M. MASON.

Chairman Executive Committee Sound Currency Association.

115 Cannon street, E.C. 4, January 30th, 1922.

THE RISE IN VALUE OF THE £ STERLING.

TO THE EDITOR OF THE ECONOMIST.

SIR,—On January 30th the rate of exchange between London and New York was quoted in both places as about 4.27 dollars to the pound, and as the gold in a sovereign is equivalent to the gold in 4.87 dollars (the par of exchange), this means that the British paper pound is now worth about 88 per cent. of the value of the gold in a sovereign. On the same date the gold, the export of which is permitted, sold in London at 97s per fine ounce—that is, at 4.85 pounds sterling; and, as a fine ounce of gold makes, with the alloy, 4.25 sovereigns, this quotation also makes the paper pound worth 88 per cent. of the gold in a sovereign. The sovereign contains 113 grains of fine gold, but the paper pound now buys only about 99 grains, either in London or New York. On February 1, 1921, the corresponding quotations were:—3.84 dollars to the pound and 107s 2d per ounce of fine gold in London. According to these quotations the pound sterling was then worth only about 79 per cent. of the gold in a sovereign—that is, about 89 grains of fine gold. It follows that, in the last twelve months, the value of the British paper pound, whether measured in American dollars or in fine gold, has risen by over 11 per cent.

One effect of this rise in the gold value of the paper pound is to enable the importer of goods from abroad to sell them in this country at a price in sterling about 11 per cent. less than he could have afforded to sell them had there been no such rise in the value of the pound. And if the paper pound were suddenly restored to the value of a sovereign, the present prices in this country of many imported articles would fall further by something like 12 per cent.

According to the currency note return, on January 25th the total quantity of currency notes outstanding was 303 million pounds, as compared with 340 on the same date last year, and this reduction of the supply of currency notes by over 11 per cent. is no doubt one of the reasons for the rise in the value of the paper pound. Further, this reduction in the supply of notes must have given the world generally a feeling of confidence in the continuance of the British currency policy. If the Government were to increase the issue of notes to any considerable extent, that confidence would be shaken, and the value of the pound (whether measured in gold or in commodities) would tend to fall, and prices in sterling would tend to rise.

Broadly speaking, a fall in prices is advantageous to consumers, as their money will buy more commodities, and their increased demand for commodities will in time tend to benefit trade and increase employment. But, on the other hand, a fall in prices, especially if it is rapid, causes loss to producers and manufacturers, and thus tends to discourage new production, and so to lessen employment. It is best for the community as a whole that prices should continue fairly stable, without any rapid rise or fall. At the same time, it must be borne in mind that prices can never be really stable until we have got our currency back to a gold basis, and that it is incumbent on this country to restore the British pound to the value of a sovereign, and thus to remedy the injury caused to so many people by the depreciation in its value, to pay the country's lawful debts, and to maintain British credit, on which the prosperity of our trade so largely depends. I, therefore, recommend that the British Government should now continue to make a slow but steady reduction in the quantity of paper currency outstanding, and a slow but steady building up of a gold reserve, until the relations between the quantity of paper currency and the gold reserve, and between the pound sterling and the United

States dollar make it possible to abolish all restrictions on the free export of gold (both sovereigns and bullion) without causing too sudden a fall in the prices of commodities in this country. If at any time the level of prices showed a tendency to rise, the process of reducing the quantity of currency outstanding should be accelerated.

J. WILSON.

Annieslea, Crieff, Scotland, January 31st, 1922.

BUSINESS HOURS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Whatever may be the experience of the Stock Exchange in the matter of the early closing of the London banks, to the general public it is a serious impediment to business. This is more especially the case in the big industrial centres, because in those cities customers must bank still earlier than in London if prompt clearing is required, and notices are posted in the provincial banks to that effect.

The London banks now close on Saturdays at noon; that is to say, two hours earlier than in pre-war days—not one hour earlier.

It must be admitted that the worst offenders from the point of view of example to other workers are some of the older insurance companies, with their hours of 10 to 4 and one hour for lunch. There are also the questions of early overtime and of the relief of the employees in financial houses of their personal income-tax burdens. These extravagant concessions are the cause of discontent in industrial quarters.

At least one Government Department excuses its three o'clock closing to the public by reference to the three o'clock closing of the London banks. Of that I have written confirmation, and it affords evidence of the force of bad example.

Bank holidays on the first of any month are exceedingly exasperating to those concerns who settle with their employees on a monthly basis.

Whether we like to admit it or not, the fact remains that the war has taught us nothing. We continue to require improved social conditions while possessing less love for work than formerly. In this respect all classes are equally at fault, and unfortunately those who are the better educated display the least imagination—of which the present banking hours are a visible manifestation. Pre-war conditions were our economic conditions, and unless and until we get back to those conditions, there is little hope of lasting improvement in the industrial situation; and certainly no hope whatever of social conditions permanently in advance of pre-war days.—Yours faithfully, G. O. PARSONS.

London, E.C. 4, February 1st, 1922.

Books and Publications.

REVIEWS.

"Economics for the Accountant." By Kemper Simpson, Ph.D. (New York and London) D. Appleton and Co. 8s 6d net.

THIS book is of interest both to the economist and to the accountant. The author feels, with good reason, that through his contact with accounting principles he has been able to present certain more or less important contributions to economic theory. It is true to say that the economist who gives consistent thought to accounting will find that he must be more careful in defining capital, interest, and profit. It cannot be claimed that this work throws much further light upon the vexed question, What is profit?; but the question is perhaps too wide. Profit, in its widest economic meaning, is service rendered by man and by capital in supplying all required for man's wants. It thus includes wages, interest, and rent. If the meaning is narrowed, difficulties begin. The real difficulty of defining profit arises from the fact that the word profit is generally used to indicate something much less than economic profit. It is commonly intended to mean the share of one particular co-operator, or class of co-operators, in co-operative industry. It is the share which goes to the entrepreneur or, better word, enter-

priser. It is easy to criticise; but the author has here dealt, in a simple and lucid manner, with a wide and complex subject. And it is safe to say that those interested—and they are many—will, if they get the book, read it through. They may not be wholly in agreement with the author's views, but the work will be found suggestive and interesting, and certainly does not need the apology which is modestly offered for its publication. We observe a new word—schematize—which we think has not yet reached us.

"American Corporations." By John J. Sullivan, A.M., LL.B., LL.D. (New York and London) D. Appleton and Co. 15s net.

This book is a revised edition, and contains a clear statement of the practical rules of American corporation law, and a discussion of its broader principles. The author points out that the changes in American corporation law have been many and fundamental; new federal laws, many new State laws, new judicial decisions and interpretations, and the coming into use of new practices. In this revised edition all these have been taken into account, and the book thus becomes the latest authority on the subject. Among the outstanding changes dealt with are such matters as the issue of shares without par value, bankruptcy proceedings, the obtaining of a charter, laws concerning foreign corporations, and the conception of the criminal responsibility of corporations. In regard to the practice of issuing shares of stock with no par value, it is interesting to note that many States have passed laws permitting the issue of such shares. The author thinks that probably most of the other States will do so within the next few years. This work forms a concise and valuable reference book on its subject. The index is, unfortunately, somewhat meagre.

BOOKS RECEIVED.

Investment Analysis. Fundamentals in the Analysis of Investment Securities. By Walter Edwards Lagerquist. (New York) The Macmillan Company.

Obtainable from Messrs Macmillan and Co., Limited, London. 30s net.

The Federal Reserve System—Its Purpose and Work. (Philadelphia) American Academy of Political and Social Science.

Common-Sense Economics. A Practical Elementary Book for Schools and General Readers. By L. Le Mesurier. (London) John Murray. 6s net.

Italy—Financial Statement Read to the Chamber of Deputies. December, 1921. (Rome) Printing Office of the Chamber of Deputies.

The Nineteenth Century. February, 1922. (London) Constable and Co., Limited. 4s.

Estimates of Area and Yield of Principal Crops in India, 1920-1921. (Calcutta) Department of Statistics.

Financial Review of 1921. By J. S. M. Ward and A. L. Please. (London) Federation of British Industries, 39 St James street, S.W. 1.

Review of the Insurance Share Market in 1921, with Tabular Statement of Highest and Lowest Prices and Dividends. (Stirling) Maclean and Henderson.

Three Months of Tariff Reform. By J. D. Kiley, M.P., and M. J. Landa. Working of the Safeguarding of Industries Act. (London) Westminster Gazette, Limited. 1d.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.
February 8.

ACCOUNT.
February 9.

Two main factors are governing the course of Stock Exchange markets at the present time. One of these is India, where the political developments proved sufficiently grave in the early part of the week to cause a good deal of uneasiness, to check the investment buying which has been taking place in gilt-edged stocks, and to bring in a fair amount of selling orders, especially, of course, in those stocks and shares connected with India. The second factor has been liquidation of one or two big accounts, and the selling broke out in various parts of the House, coming, as usual, at the time when markets were un-

willing to take much extra stock in view of the political tendencies abroad.

After the gilt-edged list had been put down somewhat sharply, a general rally occurred. For a steady stock like India Sevens to fall a couple of points in one day, and to advance 2½ points on that following, is something so unusual as to excite comment. The War Loan touched 92½ before it started to recover. Scrip stocks of the recently issued Colonial and Corporation loans lost a little of their premiums, and India Government stocks underwent a general fall of 2 to 3 points before reaction occurred that restored part of the loss. The end of the week found the Consol markets still rather disturbed. Business has suffered a check; in most markets of the Stock Exchange trade remained quiet during the week.

The foreign market is almost idle. Day-by-day movements are mostly confined to rises in Scandinavian bonds, in which there is, of course, comparatively meagre public interest. Brazilians and Chinese have been moving with irregularity and within a narrow compass. Neither French nor German descriptions attract any notice worth mentioning. Uruguay issues are better; the premium on the new Chile scrip dwindled under the pressure of stag sales.

The excellent dividend on the deferred stock announced by the Brighton Railway came as a tonic to Home Railway stocks as a whole, and brought about a sharp rise in Berthas, other Home Railways enjoying a moderate reflection of the strength. The Metropolitan's declaration added another pleasant surprise. Yesterday's announcement from the Midland Company excited quite as much attention. The Home Railway pre-ordinary stocks have halted in their upward stride, though prices are well maintained. In Canadian railways, the only feature is a decline in what are called the dollar stocks. Argentines have been steady, while Brazilian railways are dull, owing to the Brazilian President having vetoed the Budget. His right of veto is now being challenged.

The rubber market remains dormant, and amongst oil shares the principal interest of the moment centres upon the preliminary underwriting arrangements for 5,000,000 Shell 7 per cent. second preference shares, which, it is expected, will be offered to the public at 20s if the proprietors sanction at next Friday's meeting the proposal to create 10,000,000 of these shares. The oil market became heavy, on the proposals, and with a jump to conclusions, the Stock Exchange began to ask whether the Mexican Eagle Company may also follow the example of the Anglo-Persian, and of the Shell, with an increase of capital. Dunlops dropped to 5s sellers, on the dismal showing made by the report, and the debentures gave way from 99 to 92½. In both cases a partial recovery occurred. A long string of falls in the insurance group shows the apprehension aroused by the happenings in connection with the City Equitable Fire Company. Some people have been giving the latter shares away, with a few shillings per share, in order to escape the liability of 16s per share that attaches to them. Indian banking shares dropped sharply, on the events reported from India, and the tea share market became flat for the same reason. Tea shares have recently had such a dramatic rise that the reaction in their case is less surprising than it is in that of some of the other markets connected with Indian stocks.

Gas issues are better, it being expected that the next batch of dividends, six months hence, will show increases. Falls occurred in British Oil Cakes, on a disappointing dividend, and in textile shares, on the liquidation already mentioned. The shipping market is quiet, and the stages of African Steamship Debenture caused a slight discount to develop on the scrip as they pressed it for sale when the market opened. Harrods have weakened, and other stores shares are inclined to be dull. The drop in the dollar brought in British American Tobacco sellers; the price gave way to 3, influencing others in the same market, though the weakness did not last long. The United States buying of Radio Corporations has ceased, and prices reacted from the best, as British holders of the old American Marconis came in to take advantage of the unexplained advance in the new shares. The banking market, apart from the weakness of Indians, shows no particular feature, but the speeches of the chairmen at this week's meetings have been carefully studied, and are quoted widely throughout the Stock Exchange. The iron and steel market is inclined to be heavy. The various new electrical issues maintained their substantial premiums, and electricity supply shares are better in a number of cases.

South Africans, after being acutely flat on the strike news, hardened up noticeably upon unofficial cables reporting that the miners had begun to drift back to work in small numbers at a time. This brought about a complete change of sentiment. Gedulds stand out as one of the best features, owing to the developments recently reported by the company. Rhodesians and diamonds are neglected. Russians are quiet. Malayan tin shares show a slight inclination to recover, but no fresh support is forthcoming at present for Cornish or West African descriptions. Mexican mining shares developed a little activity, and greater firmness at the end of the week. Broken Hills are again lower.

To complete our record of new issues and summary of profit and loss accounts, company secretaries are requested to furnish us with copies of new prospectuses and report and accounts. Our readers can also assist by forwarding copies of prospectuses and company reports and accounts which may fall into their hands.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—				
Amount previously recorded	144,188,765			
TREASURY BONDS.				
Total receipts, 5-15 Year, 1925-35				1,062,317
5½% 1929 receipts to January 21, 1922				266,205,611
Week to January 28, 1922 (new series)				17,330,000
Receipts to date				283,435,611
5% 1927 receipts to January 28				1,170,000
NATIONAL SAVINGS CERTIFICATES.				
Net Receipts into the Exchequer Week ended January 28, 1922.				
April 1 to January 28, £11,880,000		1,950,000	1,950,000	
To the Public—				
Bengal Iron Co., Limited, £600,000				
7% First Debts (rep. at par, 1925-47), issued at 96%	600,000	576,000	30,000	546,000
Universal Business Agencies, Limited, 5,000 10% P.W. Cum. Pref. Shares, £1, at par	9,000	9,000	2,250	6,750
Do 9,000 Ord. Shares, £1, at par	9,000	9,000	2,250	6,750
Total offered to public		594,000	34,500	559,500
To Shareholders only—				
National Bank of Australasia, 100,000 Ord. Shares, £8 (£5 paid), at 85	800,000	600,000	150,000	450,000
Total offered to Shareholders only		600,000	150,000	450,000
Total offered for subscription to date				
in—				
1922	£165,732,765	1921	£388,978,203	
1921	24,572,949	1920	367,549,656	
1920	41,932,041	1919	1,036,059,951	
1919	234,364,917	1918	1,331,381,441	
1918	187,511,923	1917	1,318,596,010	
1917	21,317,806	1916	585,436,850	
1916	101,962,190	1915	685,236,326	
1915	10,840,096	1914	512,522,653	

Five per Cent. Treasury Bonds.—Issued at 99 per cent., payable on application. Repayable at par on February 1, 1927. Interest will be exempt from corporation profits tax. Full particulars of these bonds appeared in the *Economist* for January 28, 1922.

France.—Department of the Seine.—Issue at 95 per cent. of £3,000,000 7 per cent. 30-year Sterling Bonds to bearer. This loan will be redeemed by a cumulative sinking fund, to be applied by half-yearly drawings at par, beginning with the year ended July 1, 1925, and it is calculated that redemption will be completed in 1952. Repayment of principal and payment of interest are payable in London, free of all French taxation. The Department has power to repay the whole loan (but not a part) on January 1, 1935, or any interest date after, at 103 per cent. The Department of the Seine comprises the City of Paris and suburbs, and an official estimate made in 1910 places the value of land and buildings at 20,718,000,000, which the prospectus gives as £402,682,210, while the annual rentals are estimated at 1,471,507,000, or £28,600,719. As these figures are taken at the average rate of exchange prevailing on January 14, 1922, it will be noticed that the values are very moderately priced. The General Council of the Department is under statutory obligation to levy by taxation annually the amount necessary to maintain the service of this loan, and taxes for the payment of the service are collected "simultaneously with other Government and municipal taxes by Government tax collectors." Including this £3,000,000 and \$25,000,000 of a similar issue made in New York, the total outstanding debt of the Department amounts to £27,871,720, for which an annual service of £2,798,833. The proceeds of the New York and London issues will be devoted to extensions "of the newly-acquired transport systems." This is an excellent issue in its class, and worthy of the investor's attention.

The Bengal Iron Company.—Authorised share capital £2,500,000, of which £2,074,033 has been issued. This is an issue at 96 per cent. of £600,000 7 per cent. first debentures, forming part of a total authorised issue of £1,000,000. The company was formed in 1919 for the purpose of acquiring the Bengal Iron and Steel Company, Limited, which has been carried on since 1890 in Bengal. Profits are given from 1916, "subject to taxation," and show that debenture service charges are well covered on the basis of these figures, while net assets are valued at £2,310,565. These debentures are to be secured by a trust deed, constituting a first specific charge upon fixed properties of the company in India.

Although it is provided that the company shall not create charges ranking *pari passu* or in priority to these debentures, it will be noticed that the value of the property which is to be offered as specific security is not stated. The prospectus mentions that these debentures "will mature for repayment at par on July 1, 1947, and will also be repayable at the same price by means of a cumulative sinking fund of 2 per cent. per annum." The company has the option to redeem at 102 per cent. after July, 1931, on giving six months' notice. The issue has been underwritten for 2 per cent., with a "broker's fee" of ½ per cent. It may be that in the present mood of the investing public the issue will be well received, but the rate of interest offered is by no means excessive in view of the general political and economic situation in India.

The Universal Business Agencies, Limited.

Authorised capital £25,000, divided into 15,000 10 per cent. participating cumulative preference and 10,000 ordinary shares, all of £1 each. The participating rights are not clearly stated, but the secretary of the company informs us that it is the intention of the directors "that the preference and ordinary shareholders should participate equally in surplus profits." The company has been formed to acquire various small speculative undertakings. The details given of these concerns are voluminous, and though each one may have a profitable career in front of it, there is little to distinguish them from many similar ventures which have come to grief. It would be interesting to know if the object of printing the term "ex-service men" in black type in the prospectus is to attract a sympathetic attention beyond that which commercial prudence would otherwise be inclined to follow. In a slip attached to the prospectus it is stated that this is "an excellent opportunity for large and small investors to earn good dividend." The small investor would be unwise to risk his money in this undertaking, while large investors will be probably mainly actuated by philanthropic motives if they subscribe.

ACTIVE SECURITIES.

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.									
	Price	Week	Price	Week	Price	Week	Price	Week	Price
War 1914-15	91½	90½	Local Loans 3%	93	92	93	92	93	92
Loans 1915-16	88	87½	Aust. 5½% debts, 1922-25 ..	98	98	98	98	98	98
Loans 1916-17	93½	93	Canada 4½% 1920-25 ..	98	98	98	98	98	98
Loans 1917-18	98½	97½	India 3½% Stock	61	58½	61	58½	61	58½
Funding Loan 4%	79½	79	Do 7% Stock	105	103½	105	103½	105	103½
Victory Bonds 4%	84½	84	N.S.W. 5½% 1922-27 ..	98	98	98	98	98	98
Conversion Loan 3½% ..	69½	69	U.S.A. 4½% 1920-25 ..	97	97	97	97	97	97
Consols 2½%	52	51½	Victoria 5½% 1924-34 ..	97	97	97	97	97	97
Irish Land Stock 2½% ..	52½	52							
Banks.									
Barclays B. (£1, 1 p.d.) 2½% ..	2½	2½	Nat. Bank of Egypt (10)	19½	19	19	19	19	19
Lloyds (£5 with £1 pd.) 2½% ..	2½	2½	Nat. Bank of S. Africa (10)	11	10½	11	10½	11	10½
London Joint City & Midland (£12 with £2½ paid)	7½	7½	Nat. Prov. & Union of England (£20 with £4 paid)	9	9	9	9	9	9
London County & Parr's (£20 with £5 paid)	15½	15½	Standard of S. Africa (£20 with £5 paid) ..	10½	10½	10½	10½	10½	10½
Colonial and Foreign Railways.									
Antofagasta Cons.	45½	45	Grand Trunk 3rd Pref. ..	34	34	34	34	34	34
B. A. & Pacific	40	39	Leopoldina	27	27	27	27	27	27
B. A. Gt. Southern	60½	60	Mexican Railway	13½	13	13½	13	13½	13
Buenos Ayres West	57	56½	Do 1st Pref.	37	37	37	37	37	37
Canadian Pacific	145	142½	Do 2nd Pref.	14	14	14	14	14	14
Central Argentine	56	54	San Paulo	114	112	114	112	114	112
Grand Trunk Ord.	13	13	United Havana	45	47	45	47	45	47
Foreign Government Securities.									
Argentine 5%, 1886-7 ..	97	97	Italian 3½% Rentes ..	30½	30	30½	30	30½	30
Belgian 3%	63	63	Greek Monopoly 4% ..	106	104	106	104	106	104
Brazil 5% Fund, 1914 ..	68	67	Japanese 4½%	61	61	61	61	61	61
Chilian 4½%	67	67	Do 4%, 1910	62	61	62	61	62	61
Chinese 5%, 1913	67	67	Mexican Cons. 1899 ..	15	15	15	15	15	15
Egyptian 4%	64	64	Peruvian Corp. Pref. ..	14	14	14	14	14	14
French 5%	40	41	Russian 5%, 1906	14½	14	14½	14	14½	14
Do 4%	31	32½	Spanish 4%	70½	70	70½	70	70½	70
Telegraphs.									
Anglo-American "A" ..	19	19	Marconi Canada	14	14	14	14	14	14
Marconi Wireless	12	11½	Marconi Marine	14	14	14	14	14	14
British Railways.									
Great Central Pref. ..	94	101	L. & S. Western, Def. ..	22	22½	22	22½	22	22½
Great Eastern	24	24	Metropolitan	29	30	29	30	29	30
Great Northern Def. ..	27	28	Metropolitan District ..	23½	24	23½	24	23½	24
Great Western	40	40	Midland Deferred	48	50	48	50	48	50
London, Brighton, & South Coast ..	68	64	North British Def. ..	10½	10½	10½	10½	10½	10½
London & North Western ..	45	47	North-Eastern	74	74	74	74	74	74
Do 2nd Pref.	45	47	South-Eastern "A" ..	25½	27	25½	27	25½	27
L. & N.W. (New)	71	74							
American Railroads.									
Chesapeake & Ohio ..	65	64	Southern	21	21	21	21	21	21
Erie	10	10	Do Non-cum Pref. ..	56	56	56	56	56	56
Do 4½ 1st Pref.	15	14							
Mines.									
Brakpan (10)	24	24	Knights	13	13	13	13	13	13
Broken Hill Prop. (8) ..	17	17	Modderfontein (10) ..	34	34	34	34	34	34
Chartered (10)	17	17	Modderfontein "B" (5) ..	17	17	17	17	17	17
Cons. Gold Fields (10) ..	17	17	Modderfontein, Deep (5) ..	17	17	17	17	17	17
Crown Mines (10)	17	17	Premier Def. (20)	43	43	43	43	43	43
De Beers Def. (22)	10	10	Rand Mines (5)	17	17	17	17	17	17
East Rand Prop. (10) ..	17	17	Rio Tinto (25)	27½	27½	27½	27½	27½	27½
Geduld (10)	24	24	Spring Mines (10)	17	17	17	17	17	17
Gov. Gold Areas (10) ..	47	47							

COMPANY MEETINGS, &c.

LONDON COUNTY WESTMINSTER AND
PARR'S BANK, LIMITED.

MR WALTER LEAF ON TRADE POSITION AND PROSPECTS.

ULSTER BANK AND THE IRISH BOYCOTT.

NEED FOR RECOVERY OF OVERSEAS TRADE.

GERMANY'S DIMINISHING EXPORTS AND GOVERNMENT TARIFF POLICY.

The annual ordinary general meeting of the shareholders of the London County Westminster and Parr's Bank, Limited, was held, on Thursday, February 2, 1922, at the head office, 41 Lothbury, London, E.C.2, Mr Walter Leaf (the chairman) presiding.

The Chairman said: Ladies and gentlemen,—Twelve months ago I spoke to you of the year 1920 as a year of disillusion. What shall I say of 1921? It has been a year of crises, of acute contests, of heavy losses in many directions, of hope deferred; but I think we may fairly claim for it that it has been a year of courage. Facts have been boldly faced, formulae have been cast aside, principles have been fought out to the end; and in many directions we have good hope that peace is, if not actually won, at least well in sight. Peace is what the world needs more than any other boon. It is perhaps too soon to speak of a general spirit of peace, but it is a great deal that here and there, in regions of the highest importance, we should have won at least a partial peace. We have, I trust, won peace in that region which we can still fitly call by its old name of the Pacific. We hope, too, that peace has been won between England and Ireland; let us trust that it may be followed by peace between the two parts of Ireland itself.

BETTER LABOUR OUTLOOK.

And we have won some peace, for the moment at least, in those labour disputes which, to the mind of the social philosopher, 12 months ago presented the gloomiest point of a gloomy horizon. The outstanding event of the year in our internal economy has been the great coal stoppage. That happily ended, not in a complete victory for either side, but in an agreement to set on foot a system of profit-sharing which constitutes, I suppose, the greatest experiment in partnership between Capital and Labour that the world has yet seen. That system has, I believe, been honestly accepted by both partners with a determination to make it a success. It has been followed by a notable easing of the industrial strain in many other directions; and the labour outlook no longer overshadows all other problems in our own country.

THE INDUSTRIAL OUTLOOK.

Meantime, however, we are still in the midst of acute industrial depression, with its accompanying curse of unemployment; and though here and there we can see signs of a lifting of the clouds, the prospect of a return to conditions of active prosperity can hardly be described as immediate. The reason for this is plain. The past year has done little enough towards clearing up that large sector of the horizon which covers Central Europe, and of which the darkest point at the moment centres over Germany. Till that gloom is lightened we cannot say with any confidence that we are on the way to good times. It is in the export trade of the country that there is most need, and at the moment least prospect, of immediate recovery. Till we regain our export trade the outlook must remain far from cheering.

THE BANKING YEAR.

For the banks the year has been one of great anxiety, of diminished profits, and considerable losses, at home and abroad. All our own losses, whether realised or anticipated, we have, of course, amply provided for. They have been well within the limits which, considering the close and intimate connection between the banks and commerce and industry, we may regard as reasonable; indeed, it is not too much to say that a bank which has made no losses during the year would only prove that it had not done its duty in assisting the general cause. For the losses made in industry and commerce have been immense; it is fortunate that they have been, on the whole, so well borne, thanks mainly to the equally immense profits which were made during the preceding years. There have been no great disasters in Great Britain, and no sign of panic; we have all pulled together in the common interest, and we have good reason to hope that the worst of the storm is weathered.

THE BANK'S BALANCE SHEET.

It is a noteworthy feature of the year that the aggregate deposits in the banks, instead of decreasing, as one might expect, have

actually risen; in our own case the amount of £317,000,000 which we show at the end of the year is a record, exceeding by £12,000,000 the amount in our last annual balance-sheet. That is a measure of the real resources of the country; it largely consists of money placed on deposit awaiting investment, and cannot be taken as a sign of inflation, for there has been no increase in the total borrowing of the country, and the currency notes have, in fact, been materially reduced. And it has been accompanied by a marked fall in the demands for banking loans. Early in the year our advances to customers were about 45 per cent. of our liabilities to the public; this is, in our opinion, a safe and reasonable proportion. At the end of the year they represented only about 35 per cent., which is far less than we should like to see. The result is that we have been unable to use our resources in such advances, which represent the most profitable, and I venture to think the most useful, part of our business, and have been driven to employ our spare money in buying Treasury bills, which have shown only a bare margin of profit over the amount which we allow on deposits. The difference between 45 per cent. and 35 per cent. means for us about £32 millions, which we have had to put into Treasury bills, returning us at the end of 1921 barely over 3 per cent., instead of lending to our customers at rates averaging about 4 per cent. over Bank rate. We held in Treasury bills at the date of the balance-sheet no less than £77 millions, and that amount alone is quite sufficient to account for the fall in our profits. £35 millions more in advances and less in Treasury bills would bring in an additional 2 per cent., or at the rate of £700,000 a year, just about the amount by which our profits fall short of last year. That is the way in which the banks suffer from the general stagnation of trade. On the other hand, we benefit by the appreciation in the value of gilt-edged securities. Our internal fund to provide for the depreciation of investments shows a good credit balance, after valuing all our holdings in our balance-sheet at or under the prices at which they stood on December 31st, and further provisions for this purpose are no longer needed.

AFFILIATED BANKS.

It is not only at home that we have been suffering from the depression of trade. Our two affiliated institutions, the Foreign Bank and the Ulster Bank, have had much to suffer. Trade has been even worse than at home, and we have had to face some considerable losses. The Ulster Bank in particular has had a most trying time; and in our opinion it is highly to the credit of the management that they should have been able to make so good a showing as that contained in the balance-sheet and report which has been circulated. Trade in Belfast, like the shipbuilding and the linen industry, has been going through a severe crisis. In the linen trade there have been some short and transitory indications of revival; but no sooner has there been a promise of fresh orders than the manufacturers have found themselves faced by a shortage of flax; and it does not seem that the position can be thoroughly remedied till trade with Russia is re-established. Of this, the prospect is far from bright, as you know.

THE IRISH BOYCOTT.

But in addition to these trade troubles the Ulster Bank has had to suffer from the deplorable internal state of the country, which has recently led to a determined boycott of Belfast by the South. In many districts our customers have been forced, sorely against their will, to withdraw their accounts, by threats, by heavy fines, and even by actual violence. We have been in frequent communication with the Irish Office and have kept them advised of the facts. They have met us very sympathetically, but the matter has been subordinate to larger issues, and we can only hope that the new departure may bring about the peace which that sorely tried country so urgently needs. Meanwhile, the effects of the boycott are visible in the drop in deposits from £24,800,892 to £24,287,432—not a large amount in itself, but significant in comparison with the considerable increase, averaging about 10 per cent., which is found in the case of those Irish banks which have escaped the boycott. We await with hope the effects of the agree-

Miscellaneous.			
Price	Latest	Rise or	Fall.
Week.	Price.	Fall.	
Aerated Bread (11) ..	14/3	14/3	
Armstrong (S.W.G.) ..	14/3	14/3	
Ass. Pwd. Cement (11) 14/6	14/6	14/6	
Bham Small Arms (11) 7/6	7/6	7/6	
Brass Traction (100) 32s	32s	32s	
British-American Tobacco (11) ..	3s 3/4	3s 3/4	
Brit. & Arg. Meat (11) ..	1s 1/4	1s 1/4	
Burmah Oil (11) ..	5s 2 1/2	5s 2 1/2	
Castle (J. and P.) (11) ..	2s 2 1/2	2s 2 1/2	
Courtauld (11) ..	1s 1 1/2	1s 1 1/2	
Cunard (11) ..	1s 1 1/2	1s 1 1/2	
Dorman, Long (11) ..	1s 1 1/2	1s 1 1/2	
Dunlop Rubber (11) ..	1s 1 1/2	1s 1 1/2	
Fine Cotton Spinners (11) ..	1s 1 1/2	1s 1 1/2	
Forestral Land (11) ..	1s 1 1/2	1s 1 1/2	
Furness, Withy (11) ..	1s 1 1/2	1s 1 1/2	
Highlands and Lowlands Rubber (11) ..	1s 1 1/2	1s 1 1/2	
Hudson's Bay (11) ..	1s 1 1/2	1s 1 1/2	
Imperial Tobacco (11) ..	1s 1 1/2	1s 1 1/2	
International Paints (11) ..	1s 1 1/2	1s 1 1/2	
Linggi Plants (11) ..	1s 1 1/2	1s 1 1/2	

DIVIDEND ANNOUNCEMENTS.—Continued.

Oldham Spinning ..	16 p.s.	..	..	..
Preston Gas, "A" ..	5 %	..	..	..
Do "B" ..	3 1/2 %	..	..	..
Public Benefit Hoots, Delft ..	..	..	..	..
Richard Seed and Co. ..	5 %	..	..	..
Searborough Gas ..	2 1/2 %	Feb. 17	..	..
Scottish-American Investment ..	9 %	..	..	..
Scottish Assets ..	2 1/4 p.s.	..	..	..
Scottish Reversionary ..	..	..	..	..
Sellin Court and Sons ..	10 %	..	..	..
Smallbrook Spinning ..	16 p.s.	..	..	..
Smith, Garrett, and Co. ..	7 %	Feb. 12	..	..
South Metropolitan Gas ..	..	..	..	..
Standard Spinning ..	13 p.s.	..	..	..
State Spinning ..	13 p.s.	..	..	..
Sterling Trust ..	..	Feb. 14	..	..
Tottenham District Light, &c., "A" ..	7 1/2 %	..	..	..
Do "B" ..	5 1/2 %	..	..	..
Transvaal and Delagoa Bay ..	3 1/2 p.s.	..	..	..
United Varieties Syndicate ..	..	..	..	..
Wallingford Brewery ..	6 %	..	..	..
Westminster Electric Supply ..	12 1/2 %	..	..	..
Wm. Hollins & Co., Cum. Pref. ..	5 %	Feb. 20	..	..

(a) This dividend gives for the whole year: 4 per cent. on preferred converted ordinary stock, 6 per cent. on "B" stock, 2 1/2 per cent. on the deferred converted ordinary stock, and 2 1/2 per cent. on "A" stock.
(b) In addition, a capitalised bonus of 60 per cent. (d) Increased capital.
(e) 5 % tax free.
BURNELL AND Co. state that owing to loss disclosed in accounts for last year, they have resolved to pass preference dividend.
FARMER AND Co., Limited, recommend payment on February 28th, of a dividend for the past year on the preference shares of 5 per cent. (fixed rate), less income tax. They regret that the results of the year's trading do not permit of a dividend upon the ordinary shares.
S.T.D. MOTORS.—The half-year's dividend on the preferred ordinary shares at the rate of 7 per cent. per annum has been paid, making 7 per cent. for the year. The directors do not recommend a dividend on the ordinary shares for the past year as it is in the interests of the shareholders to conserve the cash resources of the company in order to meet the demands which will be made on the company by the improving conditions of trade in the motor industry.

MINING OUTPUT STATISTICS FOR DECEMBER, 1921.

Gold.	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Quartz Works.	Mill.	Quartz Works.		
Esperanza ..	2,010	..	..	..	8,688	\$899
Frontino and Bolivia ..	7,986	..	..	..	133,575	..
Malina Corporat'n, Canada ..	7,674	..	2,261 (gold)	10,441 (silver)	..	..
Quarter ended Dec. 31st—	..	..	..	..	..	..
City Deep ..	259,600	..	..	..	523,769	170,178
Consolidated Main Reef ..	149,800	..	..	..	262,146	37,618
Crown Mines ..	291,000	..	..	..	792,073	163,535
Durban Deep ..	80,000	..	..	..	130,816	1,794
East Rand Consolidated ..	380,500	..	..	..	473,202	4,802
Ferreira Deep ..	83,900	..	..	..	137,311	15,281
Geduld ..	138,500	..	..	..	256,529	101,112
Geldenhuis Deep ..	146,760	..	..	..	191,155	4,281
Knight Central ..	88,500	..	..	..	98,889	6,498
Modderfontein "B" ..	174,000	..	..	..	444,160	200,350
Modderfontein Deep ..	128,200	..	..	..	351,743	212,778
Modderfontein East ..	75,800	..	..	..	149,706	13,596
New Modderfontein ..	320,000	..	..	..	731,170	404,815
Nourse ..	136,100	..	..	..	222,858	15,219
Robinson Gold ..	118,300	..	..	..	122,452	23,630
Rose Deep ..	165,300	..	..	..	202,400	1,262
Transvaal G.M.E. ..	46,460	..	..	..	..	..
Village Deep ..	152,400	..	..	..	239,241	17,111

* Loss.

Tin.	Output.	Other Notes in Return.	
		Tons.	January return.
Mongu ..	502	..	First half January.
Renong ..	524	..	Shipped 12 tons.
South Bukuru ..	12	..	..
Coal.	..	..	..
Chinese Engineering ..	68,419	..	Week ended January 21st.
East Kent ..	2,688	..	Week ended Jan. 28th.
Miscellaneous.	..	..	..
New Vaal River Diamond ..	..	480 carats; value, £3,391.	..

BARCLAYS BANK LIMITED.

HEAD OFFICE: 54, LOMBARD STREET, LONDON, E.C.3.

And over 1,550 Branches in England and Wales.

AUTHORISED CAPITAL ...	£20,000,000
ISSUED AND PAID-UP CAPITAL ...	£15,592,372
RESERVE FUND ...	£8,250,000
DEPOSITS (31st Dec., 1921) ...	£330,942,300

EVERY DESCRIPTION OF BRITISH & FOREIGN BANKING BUSINESS TRANSACTED.

COMPANY NEWS.			
DIVIDEND ANNOUNCEMENTS.			
Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim div. or Final div.	Dividend for Whole Year.
Railways.			
Great Northern, Ord. (a) ..	6 %	..	Less tax
Great Northern (Ireland) ..	4 1/2 %	..	..
Great Southern and Western (Ireland) ..	4 1/2 %	..	..
Illinois Central ..	13 %	Mar. 1	Less tax
Ile of Wight, 1st Pref. ..	2 1/2 %	Feb. 8	Less tax
London and Blackwall ..	4 1/2 %	..	..
London, Brighton, and S.C., Undiv. Ord. ..	4 1/2 %	..	..
Do Pref. Ord. ..	4 %	..	..
Metropolitan ..	3 1/2 %	..	..
Midland, Def. ..	5 1/2 %	..	..
Pennsylvania ..	5 1/2 %	Feb. 28	Less tax
Taff Vale ..	2 1/2 %	..	..
Banks.			
Alliance Bank of Simla ..	14 %	..	Free of Indian tax
Bank of Victoria ..	9 %	Feb. 8	..
London and Liverpool of Com. ..	5 p.s.	..	..
London Merchant ..	7 p.s.	Feb. 18	Less tax
National of Greece ..	..	..	..
Insurance.			
Indemnity Mutual Marine ..	20 p.s. (bonus 5 %)	..	Less tax
Mining.			
Alaska Goldfields ..	10 p.s.	..	..
Compagnie Aramayo (Bolivia) ..	30 %	Feb. 8	..
Government G.M.A. ..	30 %	Feb. 9	..
Hollinger Consolidated ..	1 %	Jan. 28	Less tax
New United ..	5 %	..	..
Van Ryn Deep ..	30 %	Feb. 9	..
Witwatersrand Gold ..	15 %	Feb. 9	..
Tea and Rubber.			
Anglo-Ceylon and General ..	5 %	Feb. 4	Less tax
Wanarajah Tea ..	25 %	..	..
Other Companies.			
A. and S. Henry ..	12 %	..	..
Adwick Picture Theatre ..	1 p.s.	Feb. 24	Less tax
Birmingham Rly. Carriage, &c. ..	..	..	..
Blundell, Spence, and Co. ..	..	..	..
Brentford Gas, "A" Cons. ..	25/12	Mar. 1	Less tax
Do "B" Cons. ..	25/10	Mar. 1	Less tax
British and Allied Investments ..	10 %	Feb. 1	Less tax
British Land ..	5 %	..	..
British Oil and Oake Mills ..	5 %	Mar. 6	Less tax
Cardiff Gas-Light and Coke ..	16 p.s.	..	..
Cheatham's Spinning and Mfg. ..	7 p.s.	..	..
City Omces ..	15 %	..	..
City of London Brewery ..	13 p.s.	..	..
Crest Ring Spinning ..	13 p.s.	..	..
Cromer Ring Spinning ..	13 p.s.	..	..
Dalmellington Iron Ore ..	6 p.s.	..	..
Dublin (South) City Market ..	2 p.s.	..	..
Dublin United Tramways ..	7 %	..	..
English Velvet and Cord Dyers ..	10 %	..	..
Fleming, Reid ..	5 %	(bonus 2 p.s.)	Tax free
Folkstone Waterworks, Ord. ..	25/17/6	..	..
Do New Ord. ..	24/16/3	..	..
Forest Hill Brewery ..	15 %	..	..
Four Per Cent. Dwellings ..	4 %	..	..
Gas Light and Coke ..	2 1/2 %	..	..
Greenless and Sons ..	..	..	..
Hardy's Crown Brewery ..	2 1/2 p.s.	..	..
Holborn and Frascati ..	8 %	(and bonus 3 %)	..
Hellins Mill ..	..	..	..
Home and Colonial Stores ..	1 1/2 p.s.	(& bonus 2 p.s.)	..
Hongkong Tramway ..	1 7/8 p.s.	..	..
Hunter, B. & Co. ..	1 7/8 p.s.	..	..
Improved Industrial Dwellings ..	..	..	..
Ord. and Def. ..	2 1/2 %	(bonus 40 p.s.)	..
Improved Wood Pavement (110) ..	1 1/2 p.s.	..	..
J. and G. Walker ..	..	..	..
John Knight, Ltd. ..	7 %	Feb. 7	..
Johnston, Mooney, and O'Brien ..	..	..	..
Joseph Byrom and Sons ..	2 %	..	..
Lennards, Limited ..	6 1/2 %	Feb. 21	Tax free
Leibig's Extract of Meat, Old ..	6 1/2 %	Feb. 21	Tax free
Do New ..	3 1/2 %	..	..
Linen Thread ..	6 1/2 %	(& bonus 2 1/2 %)	Less tax
Liverpool Data Post ..	4 %	..	..
Liverpool Grain Storage ..	..	..	..
Maple Spinning ..	2 p.s.	..	..
Metropolitan Gas of Melbourne ..	6/6 p.s.	Feb. 1	..
Metrop. Ltn. Theatre of Varieties ..	..	..	..
Milrow Spinning ..	13 p.s.	..	..
Mona, Mical ..	6 p.s.	Mar. 3	Tax free
Osagon Brewery ..	7 %	..	..

ment which has been entered into between the North and the South of Ireland, and believe that the spirit in which it has been received on both sides is an excellent omen for the future.

SOUND POSITION.

Meanwhile, we are perfectly satisfied as to the soundness of the Ulster Bank. Losses have been liberally written off, and there is a good reserve in hand. I should like to add one remark. We have carefully watched the assets of the bank, and are satisfied that the valuation which we put upon the shares in our balance-sheet is justified by actual tangible assets, with a solid margin beyond, no account being taken of anything in the nature of goodwill, and in this our auditors concur. The directors are fully justified in maintaining their dividend, which has been well earned on the year's working, and on this we shall all congratulate them.

THE INTERNAL AFFAIRS OF THE BANK.

Of the internal history of the bank during the last 12 months there is little to say. The end of the year saw the retirement of Mr Barthorpe, of which I spoke to you at our last meeting. Alderman Barthorpe, as he now is, has our hearty congratulations on the important civic post to which he has been chosen, and our best wishes for his long life and health; and we part from him with grateful recognition of the services he has rendered to the bank in the past, from the day when he entered it as a boy to the last critical phase when it was his task to pilot our institution through the manifold troubles of the war. He has proved himself throughout a loyal and devoted upholder of the honour of the bank, and we offer him our hearty thanks. In Mr Rae, who succeeds him in the chief post, we have a most capable chief general manager, who commands the entire confidence alike of the board and of his colleagues, and who has already during the many difficulties of the year shown himself a complete master of the position. May he long hold it.

BECKETT AND CO.

Since January 1, 1921, as you know, we have been carrying on the business of Beckett and Co., in Yorkshire. We are happy to think that this amalgamation has fully answered our expectations, and we can congratulate our new colleagues on the excellent and thoroughly sound connection which they have handed over to us. The transition has been effected without friction, and we believe that nothing but good has come of it. Our position in Yorkshire is as well established as anywhere in the United Kingdom.

REBUILDING OF HEAD OFFICE.

The process of rebuilding our head office has begun. It will take a long time, and must be done in sections; the cost will be great, and we have thought it necessary to set aside this year, as we did in 1921, a sum of £200,000 to be held in reserve against future expenditure. We are also on the point of rebuilding the fine site we own in Threadneedle street, and the cost of this will also be chargeable to the rebuilding fund, as we have christened it. You may possibly have seen at the Royal Academy Exhibition the striking design which we chose in competition for the new head office. It will be, I hope, fully worthy of the site and the dignity of the bank; and we have entrusted the Threadneedle street designs to the same architects, Messrs Mewes and Davis.

NEW BRANCHES.

We have been also busy in extending our branches, of which we have opened 35 during the year. Most of these are in our own districts, where we can count on comparatively early success. Some of them, however, are in the nature of experiments on new ground, where we feel it necessary to be represented, as, for instance, at Lincoln and Newcastle-on-Tyne; but as a matter of general policy we do not consider it wise, at the present moment, to launch out into unlimited competition with our rivals. The expense of new branches and of necessary repairs and additions to old ones has been heavy, and we have taken from profits £250,000 to write off as a substantial portion of the cost of work, much of which has had to be paid for at very high prices.

PROSPECTS FOR 1922.

The other large item of our appropriations, namely, £500,000 to contingent fund, is a measure of precaution, in view of the uncertain prospect of the coming year. With trade in its present condition, we are bound to look forward to a lean year, and there may possibly be further losses in front of us, though on this point we are moderately hopeful. But it is hardly expected that the convalescence of our sick commerce can be rapid, though we trust it may be steady. Our attitude is, therefore, one of extreme caution, and while hoping for better things, we are bound to provide for eventualities. We frequently have appeals from our shareholders to increase the dividend. With all sympathy for the loss which they, like all the community, have to suffer in taxation and the decreased purchasing power of money—though the latter

difficulty is gradually curing itself—while recognising to the full the natural desire for increased income, the board strongly feel that their first duty is to ensure stability.

REPORTS FROM INDUSTRIAL CENTRES.

I should like to give you some idea of the reports we are receiving from the great industrial centres about the state of trade. They are unanimous as to the badness of trade during the year. Our Liverpool manager says:—"The trade depression in Liverpool during the past year has been of a nature more serious than in living memory.....while we are at least hopeful for some sort of improvement in 1922, we are far from expectant of great things. This improvement may well result from the failure, or partial failure, of the Gandhi boycott, as we look to India as our most important customer to much increase her takings of cotton piece-goods. Again, China is reported to have more or less digested what were large stocks, and will probably re-enter the market, if only upon a limited scale."

MANCHESTER.

Manchester reports are to the same effect:—"The whole conditions during the last 12 months have been of the most depressing nature. The few gleams of hope that have arisen have been short-lived, and the year closed with considerable anxiety. The outlook in the cotton and weaving trade presents a gleam of hope, but progress must of necessity be slow. The general opinion, however, is that we have seen the worst."

BRADFORD AND LEEDS.

Bradford reports:—"Top makers and spinners have work in hand for some months, but manufacturers and merchants are having a lean time, and the best that can be said at the moment is that there appears to be a better tone prevailing, and that a gradual improvement may be looked for." Leeds says of the wholesale clothing and woollen trades that they are "certainly showing signs of better times, and we hear hopeful views, but we are afraid that there is no very substantial ground for hope of any early revival. We hear of one or two mills working full time, but this is not yet typical."

NOTTINGHAM.

In textiles, in fact, the one bright spot appears to be the hosiery trade. We hear from Nottingham that in hosiery "the conditions improved in the home markets as the year progressed, and orders for all classes of heavy underwear enabled the factories to be worked on full time; a continuance of steady business is anticipated. Generally speaking, the prospects are bright, as business is being done to an increasing extent with the Dominions, Holland, Norway, and Sweden." In the lace trade the position is bad, but manufacturers are mostly optimistic, and are hoping for a moderate revival during the coming year.

COAL INDUSTRY.

In the coal industry reports vary. The South Yorkshire district is doing very well. From Doncaster we hear that all the collieries in the neighbourhood are working full time, that there is little or no distress, and very few failures. From Cardiff we are advised that the demand will show an expansion over last year, and that the output will be larger, with increased employment, but the supply will be ahead of the demand, and prices will be kept at low figures. In the poorer fields the prospect is not so good, and it is as much as the collieries can do to make both ends meet.

SHIPPING AND SHIPBUILDING.

The shipping and shipbuilding interests are the most depressed of all, and it is rare to find a gleam of hope. One of our managers quotes the reply of a large owner: "Prospects? There are none." From every port we hear of large tonnage laid up, and of excellent ships which are offered for sale at prices per ton at something like half the cost at which they can be built. It seems to be in this direction that recovery will be slowest, and that a large expansion in our overseas trade is most needed.

IRON TRADE.

In the iron trades we are told that inquiries are being made; but in the meantime, though some more furnaces have been put in blast, stocks of pig-iron appear to be accumulating. The output is very far below the normal, and competition from the Continent, notably from Belgium, is severe. On the other hand, Sheffield reports that the cutlery trade is fairly active, and that there are signs of a Colonial revival, and from Cardiff we hear that the tin-plate prospects are brighter.

ENGINEERING.

The engineering trade, though depressed, seems to be turning the corner; we have such answers as "Moderate employment, but few orders"; "Outlook doubtful, but it is believed foreign competition is being overcome"; "Work fairly plentiful, but dependent

on the locality"; "Trade stagnant, except textile machinery for export to France and India"; "Textile machinists very busy for export"; "More numerous inquiries, and shops kept going; it is believed that the bottom has been touched."

AGRICULTURE.

Finally, agriculture, our most important industry, though it has had a very bad year, seems also to have touched bottom. The farmers have borne their losses very well out of accumulated profits in the past; and with large reductions of wages, are probably able to make both ends meet. Dairy-farming in particular seems to be on a paying basis, and here, also, the spirit of hope is abroad. That is, I think, a fair summary of the position. The past year has been, I repeat, a year of courage in facing losses; and the coming year is likely to be a year of courage in recovering lost ground. The spirit of British enterprise has not been broken; and the "will to prosperity," if I may use a somewhat hackneyed formula, is no bad foundation for prosperity itself. But it is not a moment when one can be unduly sanguine. Recovery will come, but it will come slowly, and there may yet be troubles to face, and it behoves us to walk warily. That is why the board have decided to place a sum of £500,000 to the credit of our fund for future contingencies.

OVERSEAS TRADE.

The great need of the country is the recovery of our overseas trade, which has so seriously fallen off during the year. And when I speak of overseas trade, I mean imports as well as exports; for you cannot have one without the other. The great markets of the Far East are still in a far from healthy condition. Stocks in India show but little sign of reduction, largely from political reasons. In China, it is believed that they are being reduced, and have nearly reached the point at which fresh orders will be placed—the more so because it is being recognised that prices have approached the irreducible minimum, and that no further fall can be looked for. But what we need most is the restoration of the markets of Central Europe and Russia. Of Russia I fear I can say little that is hopeful; I should be sorry to stake much on any result that may come from the promised conference at Genoa. It is to Central Europe, and notably to Germany, that we must look for recovery. Germany before the war was our best customer outside the Empire. Until we recover our trade with her, we can have no hope of a commercial boom.

THE POSITION OF GERMANY.

For the last six months we have heard very little about German competition—and with good reason. Germany's external trade has fallen off in an extraordinary way. Although the latest figures seem to show that the corner has been turned, she has been importing far more than she can export. This in itself goes far to account for the great fall in the mark. Certain raw products and foodstuffs she must buy abroad; as she is unable to send her exports in exchange for them, she must buy her foreign currency by the issue of fresh paper marks; the value of the mark in exchange, therefore, cannot recover, and the sudden fluctuations in it have produced speculation in the mark on a most gigantic scale. Fortunes have been made, and fortunes to the same extent have been lost, both within and without Germany.

Within Germany itself national speculation has taken the form of the "fight from the mark." Everyone who possesses a paper mark has been eager to get rid of it in exchange for some manufactured article which will retain some value in utility whatever may happen to the mark—to keep ahead of the constant fall of the mark and the consequent rise in prices, which always lags a little behind. Hence the activity of the German factories, which are full of work in supplying the products required by their own people to an extent far beyond the normal and legitimate requirements of consumption.

FALSE PROSPERITY.

The appearance of prosperity which German factories are showing is thus a morbid and fallacious symptom, and must before long come to a disastrous end. It may well be that wealthy Germans are taking the opportunity to remove from Germany as large a portion of their capital as they can. If so, I fancy it is being put into raw materials for present use. At all events, we can find no evidence here that any large amount of German money is being held in London; perhaps neutral countries' capitals, such as Amsterdam, may have a different story to tell.

In speaking of the great falling off in the German exports, I am not depending on German statistics, which might be misleading; I take the figures of German exports to this country as given in our own Board of Trade returns. They are sufficiently eloquent. We will compare the figures of the second half of 1913, a year of booming trade; of 1920, when the effects of war were beginning to pass off; and of last year. They are roughly as follows:—1913, £41½ millions; 1920, £18½ millions; 1921, £8¾ millions. In the second half of last year we imported nearly £10 millions less

than in the same half of 1920, and just one-fifth of what we imported in a really good year.

EFFECT OF GERMANY'S TRADE LOSS.

What does this mean from our point of view? Clearly that Germany's purchasing power for our own products is almost annihilated. Germany must get her raw materials and foodstuffs which we do not supply; she is quite unable to purchase the manufactures which we want to send her. Think of the meaning in this aspect of the figures I have just given you. That her imports to Great Britain have fallen from £18½ millions to £8¾ millions, means that she has £10 millions less sterling at her command to use for the purchase of British goods. In other words, it is roughly true that Lancashire and Yorkshire have in the six months lost £10 millions worth of orders as compared with the same period of last year, to say nothing of the £32 millions lost as compared with 1913. Can we wonder at trade depression under such circumstances? Would not an extra £10 millions of orders in a single half-year have been of appreciable value in improving the condition of our manufactures? Until Germany recovers at least a large portion of that trade which she had in 1913 there seems to be little prospect of our return to normal prosperity.

GOVERNMENT'S UNSOUND TARIFF POLICY.

It would follow that our first policy should be to help Germany on to her legs again, to bring her nearer to the position of our best customer outside the Empire which she used to hold. Unfortunately, our legislature has seen fit to follow an exactly opposite course, and the Safeguarding of Industries Act is so designed as to diminish, so far as possible, what little purchasing power Germany has left—to deprive her of the possibility, either of buying our manufactures or of paying the reparations which we are all the time demanding. Moreover, we are driving her to compete all the more keenly with us in other markets. The latest German figures show that on the whole her exports increased during the last months of 1921, though her exports to Great Britain were less, as I have mentioned. That is to say, we are shutting her out from buying here, and making her a more formidable rival abroad. Is that the object at which reasonable men would aim?

NEED FOR PEACE.

I return again to the theme with which I started; that what we need is real peace. Of that peace international commerce is at once the sign and the stimulus. It can only be attained by free intercourse, untrammelled by any artificial restrictions. Our own country should lead the way. I am happy to think that saner views, though they have not yet expressed themselves in legislation, are growing apace among men of sense; we are all learning that the nations have need of one another, that none can stand by itself, and the free interchange of commodities is only the first step towards the realisation of that high aim which, however distant, we must never leave out of sight, the union of all countries for the common good.

Ladies and gentlemen,—I beg to move: "That the report be received and adopted."

Sir Montagu Cornish Turner (one of the deputy-chairmen) seconded the motion.

THE DISCUSSION.

Mr Deputy Millar Wilkinson thanked the chairman for his interesting survey of the position, and, speaking with regard to the principal banking institutions of the country, said that it was a matter of great satisfaction that they had never been in a sounder condition than they were at the present time.

Sir J. D. Rees, Bart., M.P., asked for an explanation of the items in the balance-sheet with reference to the notes in circulation in the Isle of Man. Reference had been made by the chairman to the fact that the hosiery trade of this country was prosperous as compared with the lace trade, but he had not indicated any methods of making the latter more prosperous. That, perhaps, would be outside the function of chairman, but he (the speaker) could indicate one cause which militated against not only a good lace trade in Nottingham, but good trade in almost any direction. That was the fact that at the present time, owing to our not having concluded, so long after the Armistice, a Treaty of Peace with Turkey, and owing to circumstances placing us in a condition of perpetual opposition to Mahomedans, the 100,000,000 Mahomedan subjects of the British Crown, and the Mahomedan world generally, were being estranged from us. As a result, our overseas trade was adversely affected to a vital extent.

Mr Edwards remarked that the last speaker seemed to have ignored the fact that Turkey was one of the Powers which fought against us in the late war, and asked whether anything had yet been done with regard to dealing with bogus banks.

Mr J. E. Allen said that, as the staff of the bank were being paid larger salaries than was the case prior to the war, he thought:

the shareholders should receive an increased dividend, or bonus, corresponding to the reduced purchasing power of money.

Mr Wood urged that the time had arrived when consideration should be given to the question of keeping the banks open to the public later than was the case at present.

REPLY TO QUESTIONS.

The Chairman, in reply, said that the Isle of Man was autonomous, and the Bank Act which controlled the private issue of notes did not extend to the Isle of Man. Consequently, when Parr's Bank went there in 1900 and took over a bank in the island, they had Government authority to issue notes under the provision that security was to be lodged to the amount of the note issue. With regard to the remarks of Sir J. D. Rees as to the treatment of Turkey and its effect on our trade, it was always a problem with a bank chairman how far he should embark on politics. Personally, it had been his endeavour to keep to the purely economic side of the question, as far as possible, and to leave politics to politicians. Of course, one had his own opinion, and they all regretted what they saw going on in India, and that there should be hostility between our Muslim fellow-subjects and the Government. No one regretted more than he did that peace had not been concluded between Great Britain and Turkey, but those were matters which, as chairman of the bank, he would not enter upon.

BOGUS BANKS.

In reference to the question put by Mr Edwards about bogus banks, as was stated by him (the chairman) last year, the banks had done all in their power to assist the Government, who, he believed, had drafted a Bill on the subject. Owing to the exigencies, he supposed, of public business, that Bill did not seem to make its appearance, although he believed it had been drafted for one, if not two, years. He had seen various drafts of it, and it had been very much altered. How it stood at present he did not know. The banks had heard nothing about it from the Board of Trade for some time past. It was clearly a matter which could only be dealt with by the Government, to whom the banks were always willing to give assistance when their advice was asked for, as it often had been.

STAFF PAY AND WORKING HOURS.

As to the staff, at present they were working, so far as the war bonus was concerned, on a system of a sliding scale which was suggested by the staff themselves, and was accepted by the directors in its entirety. He thought that system had worked very well. Mr Allen had spoken of a desire on the part of the shareholders for something in the nature of a bonus. He (the chairman) might venture to say that the directors might also put in a word there. They, he thought, were the only members of the staff who had not received a war bonus. With regard to banking hours, if it should become apparent that the course of trade in the country necessitated their returning to the former hours, they would have to do it. He did not think the banks could be urging everyone else to work on pre-war terms without being ready to do so themselves, if called upon. Up to the present, however, there did not appear to have been any very strong desire on the part of the public for an extension of the present banking hours.

The resolution was then put and carried unanimously.

Mr Robert H. Tennant (one of the deputy-chairmen) then proposed the re-election of the retiring directors—namely, Mr C. F. Parr, the Hon. Hugo Baring, Mr N. ff. Eckersley, Mr H. R. Arbutnot, Mr H. C. Hambro, and Mr E. Clifton Brown.

Mr H. P. Sturges seconded the motion, which was unanimously adopted, and the auditors were also reappointed.

VOTES OF THANKS TO THE CHAIRMAN AND DIRECTORS AND TO THE STAFF.

On the motion of Mr F. Tomkinson, seconded by Mr Lees, a cordial vote of thanks was passed to the chairman and directors for their services during the past year.

The Chairman, after acknowledging the compliment, proposed that the thanks of the meeting be presented to the officers and staff of the bank, who, he said, had carried out their duties to the entire satisfaction of the board. He had already spoken of Mr Barthorpe, and need make no further reference to his valuable work for the bank. That day, for the first time, the vote of thanks to the staff would be responded to by their valued colleague, Mr Rae, who was for many years in the service of Parr's Bank. He left them to take up an exalted position—that of treasurer to the Bank of Scotland—and he had now come back to this bank to "take up the reins." He could only say that Mr Rae had the entire and hearty confidence of the board, and that it was a great pleasure to them to be associated with him.

Mr Hargraves seconded the vote, which was unanimously accorded.

Mr John Rae (chief general manager) said:—I have to thank you, Mr Chairman, and Mr Hargraves for the resolution which

you have submitted, and for the appreciative terms in which you have spoken. For the cordial endorsement which your words have received from this representative gathering of the bank's shareholders my thanks are also due. I am sure that such words of commendation will be most warmly appreciated by our large and widely-spread staff. I could not find, nor could I hope to find, more efficient or congenial associates than my colleagues in the general management; and it is gratifying to record that the same spirit of friendly and loyal co-operation is evidenced in every section of the service. On behalf of the general managers, the assistant general managers, the superintendents, the chief accountant, the secretary, the branch managers, and the officers, one and all, who have contributed their best energies to the success of the bank, I tender to you their warmest thanks.

Mr W. H. Skeel proposed a cordial vote of thanks to the chairman for presiding, which was seconded by Mr Deputy Millar Wilkinson, and passed unanimously.

The proceedings then terminated.

EAST INDIA DISTILLERIES AND SUGAR FACTORIES, LIMITED.

SATISFACTORY YEAR—RESERVES INCREASE POLICY.

A meeting of the East India Distilleries and Sugar Factories, Limited, was held on the 31st ultimo, at 54 Old Broad street, London.

Mr E. S. Ormerod (the chairman) presided.

The Chairman, in moving the adoption of the report and accounts, said:—Gentlemen,—Profits on trading are £74,928 less than they were last year. On the other hand, we are relieved from the payment of excess profits tax for which, last year, we reserved £85,000. On the debit side we have made depreciation on buildings, plant, &c., of £23,649. I think it is sound policy that while we are making good profits, we should make heavy depreciation, but I do not think that in leaner years we should, in justice to our shareholders, consider ourselves bound to depreciate to a like extent. In the appropriation account we propose to place £6,000 to reserve, bringing that account to £50,000. We also propose to place £10,000 to contingency reserve fund, bringing that up to £25,000. Our reason for advising this is that we are paying a high rate of income-tax under our three years' average, our last two years having been, as this year, good ones, and though it may not be wanted for next year, we consider it a prudent course to adopt. In the balance-sheet you will notice that debenture stock has been redeemed to the amount of £87,000, while goodwill has been reduced by £10,000 to £75,000. The loan account is £4,420 higher than it was last year, but, on the other hand, stocks on hand are £14,332 higher. With regard to the obsolescence reserve fund of £20,000, we are endeavouring to obtain on this a rebate on what we paid last year for excess profits. We shall probably obtain something, but matters have not yet progressed far enough for me to be able even to guess at the amount.

The year under review has been an anxious one for your board. Throughout the year sugar prices steadily declined, and in the last two or three months of the year they fell heavily, but, as I told you last year, we were prepared, and I hope you will agree with us in being expected. Our anxiety has not been caused so much by the fall in sugar prices, as by the fact that we were not able at once to reduce the prices of our raw material in equal proportion. We cannot go on to the market and buy our material as we want it, or when prices are low, but have to buy our jaggery when it comes on to the local markets. We have now 1,200 acres of our own cane, and cultivated by our own labour, is independent of market fluctuations. Our Abkhari business has been quite satisfactory, and several expiring contracts have been renewed on satisfactory terms. Our three other concerns, carbonic acid gas, chemicals and confectionery have all done very well. The latter has been a very great success. Started at a fortunate time, we have been able to obtain a firm hold on the markets, where the good quality of our goods finds them a ready sale.

With regard to our light railway, which has lately only been "marking time" owing to the failure to commence the Tinnevely District Board Railway between Tinnevely and Trichendur, I am glad to say that the commencement of this line has been sanctioned by Government, and will shortly be begun. Our line is quite ready to link up with it, and when this is done I hope the new life will be given to the whole of our system.

Looking back over the history of the company to its inception in 1897, I think you will agree that very substantial progress has been made. Looking to all the factors in the case, your board have confidence that the progress already made will be maintained.

Mr A. J. Yorke seconded the motion, which was carried unanimously.

LLOYDS BANK, LIMITED.

SATISFACTORY RESULTS DESPITE DIFFICULTIES.

INTERNATIONAL ECONOMIC CONDITIONS.

IMPORTANCE OF FOREIGN TRADE TO THE NATION.

BRUSSELS CONFERENCE RESOLUTIONS IGNORED.

The sixty-fourth ordinary general meeting of the shareholders was held, on Wednesday, February 1st, at the Queen's Hotel, Birmingham. Sir Richard Vassar-Smith, Bart. (chairman of the bank), was unable to be present on account of indisposition, and the speech which he had prepared was read by the deputy-chairman, Mr J. Beaumont Pease, who presided.

CHAIRMAN'S SPEECH.

Sir Richard Vassar-Smith's speech was as follows:—

The past year has been one of great anxiety. The great fall in prices, unexampled since 1815, repudiation of contracts, difficulties in America, and other reasons, have caused severe losses to the manufacturer and trader, and rendered the position of bankers and dealers in credit dangerous. But I think we may claim that the manner in which these troubles have been met shows the soundness of our methods, both mercantile and banking, and that our credit at the close is sounder than at the commencement of the year. The forbearance shown by all—manufacturers, merchants, and bankers—has contributed to this result, and we must be thankful that no great commercial breakdown has occurred.

THE BALANCE-SHEET.

I will now give you the figures of the bank compared with last year, and will remind you at the beginning that the fall in rates during the year, while helpful in trading circles, decreases the earnings of the bank.

The current, deposit, and other accounts are £347,507,410, as compared with £345,028,984, an increase of £2,478,426. Acceptances, &c., £8,174,113, as compared with £17,867,529, a decrease of £9,693,416. Cash in hand and at the Bank of England, £39,821,416, as compared with £51,153,076, a decrease of £11,331,660. There is, however, a new line of £10,474,953—balances with, and cheques in course of collection on, other banks in the United Kingdom—which explains to some extent the difference. Money at call and short notice, £15,952,385, as compared with £14,747,688, an increase of £1,205,197. Bills of exchange, £90,619,462, as compared with £76,037,123, an increase of £14,582,339. War Loans and other British Government securities, £71,769,513, as compared with £64,041,038, an increase of £7,728,475. Indian and Colonial Government securities, &c., £1,584,619, as compared with £1,697,099, a decrease of £112,480. The total of these assets is £230,222,850, as compared with £207,676,026 in 1920.

There are increases, not large, in the number of shares held in the National Bank of Scotland and the London and River Plate Bank. There is no alteration in the holding of the Foreign Bank shares.

ADVANCES TO CUSTOMERS, &c.

The advances to customers, &c., amount to £130,847,130, as compared with £151,079,173, a decrease of £20,232,043. Bank premises, £4,552,347. This amount requires explanation. In 1920 the amount was £4,141,759, after writing off £250,000. The increase during 1921 was £1,660,588, made up as follows:—Fox, Fowler and Co. premises, £85,970; properties acquired for new branches, £577,245; cost of alterations and expenditure on buildings on existing sites, £290,272; properties acquired in connection with existing branches, £449,862; alterations, &c., £344,246. From this total must be deducted proceeds of sales of properties and other credits, £87,007, leaving £1,660,588, which, added to last year's figures, makes a total of £5,802,347. As stated in the report, £250,000 from the profits of the year has been placed to this account, and a special transfer has been made from the contingency account of £1,000,000 in further writing down, in view of the extensive outlay, at high prices, which has had to be incurred in London and elsewhere, reducing the amount to £4,552,347.

PROFIT AND LOSS.

If I may now refer to the report, to the paragraphs relating to the disposable balance of £3,072,088, £200,000 has been applied in writing off the bank purchase account, which is closed, and £200,000 to a reserve for income-tax. It is considered prudent to do this, by reason of an average of three years being taken to assess the amount on which we shall have to pay for the current year. A further £100,000 has been allocated to the widows and orphans fund, and £100,000 to the staff pensions fund. This is a new appropriation,

as hitherto the pensions have been paid annually out of the profit and loss account. It is, however, thought desirable to build up a special fund, and this amount is intended as a commencement.

The business of Messrs Fox, Fowler and Co. has been absorbed with satisfactory results.

THE STAFF.

I shall have an opportunity later on of referring to the work of the staff of the bank, and of expressing the board's appreciation of the way in which that work is done. I may just say here that it has been the desire of the directors throughout the year, as formerly, to uphold the reputation of the bank as a studiously fair and even generous employer, and to make all the conditions of service as satisfactory as possible.

The freely-elected Staff Representative Committee has direct access to the Board through myself, and every request or suggestion that it puts forward has our most careful and sympathetic consideration.

PENSIONERS.

The retired members of the staff have not been forgotten, a special allowance towards the increased cost of living having been made for some considerable time past to those whose pensions are of moderate amount.

WORLD LETTER OF CREDIT.

I would like to mention, before turning from our own domestic matters, that we made an interesting departure in August last in the issue of a new "World Letter of Credit." These letters of credit entitle our customers and others carrying them to facilities all over Great Britain and Ireland as well as in all foreign countries. They are easily bought, easily carried, and easily availed of, and they have been, and are, in large demand.

After the usual report upon the business and trade conditions of the country during 1921, Sir Richard's speech continued:—

NEED FOR CO-OPERATION BETWEEN CAPITAL AND LABOUR.

It is a sorry tale of disappointment and depression that has to be faced to-day. Serious as are the difficulties, and grave as is the depression, however, there is no doubt that the nation can successfully face them both provided that there is a united willingness to do so. This means that both capital and labour must recapture the spirit of co-operation engendered by the peril of war, but subsequently dissipated. Of late there have been welcome signs of endeavours to find again this desirable comradeship, and much will depend upon the result. The solidarity of the nation is a very real thing, and the application of the truth applies equally to capital and labour. With a sincere desire to secure cordial co-operation, the first step is taken towards the restoration of prosperity. Without it the situation can only get worse. I believe that sturdy, sound, British common sense will triumph over the reactionary and extremist. Coupled with hard work and a willingness on the part of all to practise economy, not only will the foundations for a return of prosperity be well and truly laid, but a substantial start will be made towards the erection of the actual framework of the edifice. I am glad to notice there are signs of improvement.

FOREIGN TRADE.

The total value of exports has been £703,196,282, or little more than half those for 1920. The total net imports amounted to £979,635,000. The aggregate visible excess imports for the twelve months are therefore £276,439,000. This figure is less than in 1920.

THE BRUSSELS CONFERENCE.

In my address to you a year ago I alluded to the International Conference at Brussels in the autumn of 1920, gave the composition of its members, all versed in financial and economic affairs, and representative of 39 countries whose inhabitants comprised three-quarters of the world's population. Ten resolutions proposed by the Committee on Public Finance were unanimously agreed to, and also other resolutions with regard to the restoration of industry and commerce. One would have thought that the advice of such an authority would have demanded immediate attention and action, but what do we find—despite the appeal by bankers of the United Kingdom in May, 1921, the appeal by merchants, manufacturers and shipowners of the United Kingdom in July, 1921, resolutions passed at a public meeting of business.

men at the Mansion House, London, in the same month, the same questions are being debated at recent meetings and conferences as if they were quite novel and only now demanding attention.

NECESSARY MEASURES.

But we must hope that the seriousness of them has come home to the Government, and that the necessary measures required from them to enable us to overcome our difficulties will be adopted. We all know what measures are required; the chief are:—

Curtailment of National expenditure.
Decreased taxation.
Cessation of State interference with commerce and industry.
Political differences between Continental countries have prevented the recovery to normal conditions of production and commerce. These required settlement. Outstanding international liabilities should be adjusted, national budgets should be balanced, currency inflation stopped by the scrapping of printing presses—the first steps towards the stabilisation of exchanges. When all this is accomplished, a system of credit might be set up to enable countries to obtain means of production recovery and a return to conditions of trading power.

TER MEULEN SYSTEM.

At the Brussels Conference one system of credit, the ter Meulen system, to which I alluded at some length last year, was discussed and recommended. It was adopted by the League of Nations, and Sir D. Drummond-Fraser appointed as organiser. The scheme has been approved by the National Association of American Bankers, by the International Chamber of Commerce at the London Conference of 1921, by the British bankers, as announced in the House of Commons by the Chancellor of the Exchequer in March, 1921, and by the British Government, who have framed their export credit plan so that it may dovetail into the ter Meulen plan if it comes into operation. At the recent meeting of the Association of British Chambers of Commerce the responsibility of making replies was left to individual Chambers of Commerce.

I may add that other schemes are being considered.

EXPORT TRADE REVIVAL.

With regard to the efforts made to revive and increase our foreign export trade, I should like to express my appreciation of the assistance given by the Government Department of Overseas Trade. It has obtained much valuable information from abroad, which has been of great help to manufacturers and merchants, and has watched carefully all legislation affecting business.

Nearly all I have said refers to the difficulties on the Continent, which prevent markets being opened there, but I must add that there are markets in our Dominions, in South America, &c., and other places, where trade really could be done if our cost of production were not so high. This fact must be recognised, and efforts made to enable us to meet our competitors.

DEPUTY-CHAIRMAN'S SPEECH.

The Deputy-Chairman said:—
I suppose not the least interesting part of an annual report and balance-sheet to the shareholders is the amount of profit earned. In this respect we have not such a satisfactory figure to present to you this year as we had last. I do not suppose, however, that this comes as a surprise. Trade showed a considerable falling off in 1921 as compared with 1920, the demand for loans and banking accommodation was much smaller, and the margin between the average deposit interest rate allowed and the average discount rate received was 12s 6d per cent. less. All things considered, therefore, our available profit of £3,072,988 cannot be considered as unsatisfactory, and it is interesting to remember that this is about three times the amount of our last pre-war figure.

TRANSFERS TO BANK PREMISES ACCOUNT.

A still more interesting part of our report, to my mind, and one which must be unique in our history, is the transfer from our internal resources of £1,000,000 to our bank premises account. This in effect means that future additions to our bank premises—and we have considerable operations in view under this head in the immediate future—can to this extent be made out of past profits. But the implications involved in this transfer are even more noteworthy than the transfer itself. It is a tradition generally in banking to treat a contingency account as a thing unmentionable, whether because of its extreme sanctity or because of the temptations it might present to the avaricious I will not stop to inquire, and I do not dispute that there is wisdom in a certain reticence on the subject. I do not, however, see why we should not get the credit of our internal strength, and I think I may without impropriety state that you would be justified in inferring that, if we can afford to make such an allocation from our contingency account, there must be many more pillars of similar size and strength left to increase the stability of our great edifice.

PRESTIGE OF ENGLISH BANKING.

It is an inference which I think is tacitly generally admitted, and it is a matter of legitimate pride to all our great banks that, throughout a period of great difficulty and danger, when in many countries banking troubles have been experienced, the prestige of English banking never stood higher, and in my opinion justly so. Not only is it a matter of legitimate pride to those who are responsible for the conduct of banking affairs, from the chairmen down to the newest recruits in the ranks, but it is a matter of thankfulness for the whole nation, for without a sound banking system neither the country nor the commerce of the country can prosper. Soundness and strength alone, however, are not sufficient. They are, it is true, essential, and a first essential; but we must also have enterprise and initiative in their proper degree, and a wise sympathy with the needs of trade and a sincere readiness to help in finding a solution, even though it may be only a slow solution, of the many new and complicated difficulties of present-day finance.

MOST URBAN COMMUNITY IN EXISTENCE.

Other nations have their own special difficulties, but in one respect we are almost unique. I remember reading some months ago an article in a review on last year's census returns. It was very suggestive and interesting, and I am going to take the liberty of making some quotations from it. It pointed out that four-fifths of our population live in towns. We are not only an urban community, but we are the most urban, and therefore the least agricultural and the least self-supporting, that has ever existed. By our own action in this respect we have given immense hostages to fortune. No other nation in the world is in anything like this position. None draws its means of subsistence from such varied and distant sources as we do. None lives as we do by what it exports. None has staked so much on the ability of its manufacturers and its merchants to hold their own against all rivals in all quarters of the globe. None, again, is anything like so dependent as we are on the smooth working of those processes of international trade by means of which, for instance, meat from New Zealand is paid for by the export of cotton goods to China.

IMPORTANCE OF OUR FOREIGN TRADE.

The loss of their foreign trade would be a blow to all countries, but to us it would be an irreparable disaster; for it is our chosen part to eat in these northern isles what has been grown thousands of miles away, and to turn into a finished product the raw material that has reached us from the other side of the world, and to settle the account by the goods we send abroad, the shipping services we render, and the capital we lend and invest in any land where capital can be profitably employed.

We took enormous risks—how great they were we realised during the war—but time has justified them. We sacrificed security in the matter of home-raised food for the sake of a world-wide trade; and but for that sacrifice hardly more than 15,000,000 people would be living in Great Britain to-day.

So far the gamble has come off, but it must never be forgotten that we stand or fall by the ability of our towns to sell their manufactures all over the world in rivalry with all other peoples. Anything that prevents us from exporting the products of our factories in payment for the food without which we should starve, and the raw material without which we cannot work, throws our entire economic system into disorder.

Other nations are more self-supporting, and do not depend for their food on distant lands. Other nations may suffer revolutions, privation, and anarchy, but their agricultural millions will save them eventually from any injury it is within the compass of their industrial hundreds to commit. In our case our life depends upon our capacity to sell our manufactured goods abroad in exchange for our daily bread; and the article concludes by saying that the census returns show exactly 42,767,530 reasons why we should have industrial peace at home and unrestricted trade with the world outside.

BANK'S ASSISTANCE IN BUILDING UP FOREIGN TRADE.

Banks can do much in assisting in building up and maintaining our foreign trade. This bank has made special efforts in that direction. We own practically all the shares of the National Bank of Scotland, 98 per cent. of the shares of the London and River Plate Bank, operating in South America, New York, Lisbon, Paris, and Antwerp. We are partners with the National Provincial and Union Bank of England in our Foreign Bank, with branches in France, Belgium, Switzerland, and Cologne, and, to mention some others, we have large interests in the Bank of British West Africa, the British Italian Corporation, and the National Bank of New Zealand. By our ownership in full or part of our affiliated or auxiliary banks operating abroad, we believe we are in a position to give as full facilities, and provide as ready and economical machinery for foreign trade, and to bring these islands into as intimate and close touch with the countries named as we

can devise. We hope, therefore, we are playing our part in conducting to our country's welfare, and that we shall continue to do so not without a reasonable profit to ourselves.

THE RESOLUTION.

I now beg to move: "That the report just taken as read be received and adopted, and that, in accordance with the recommendation of the directors therein, a dividend for the half-year ended December 31st last of 1s 8d per share, being at the rate of 16½ per cent. per annum on the paid-up capital of the company, be declared, such dividend to be payable on and after February 2nd, less income-tax.

The resolution was seconded and carried unanimously.

RE-ELECTION OF DIRECTORS AND AUDITORS.

The retiring directors, Sir Richard V. Vassar-Smith, Bt., D.L.,

Mr C. E. Barnett, Mr J. Howard Fox, Sir Austin E. Harris, K.B.E., Mr A. E. Pattinson, and the Right Hon. the Earl of Selborne, K.G., G.C.M.G., were re-elected, and Messrs Price, Waterhouse, and Co. were re-appointed auditors for the year 1922.

VOTES OF THANKS TO DEPUTY-CHAIRMAN, DIRECTORS, AND STAFF.

A vote of thanks to the deputy-chairman for presiding, and to the directors for their services during the past year, was carried unanimously. The Deputy-Chairman, in acknowledging the resolution, asked that a vote of thanks to the general managers and staff might be passed. This was cordially agreed to, and the proceedings then terminated.

THE MANCHESTER AND LIVERPOOL DISTRICT BANKING COMPANY, LIMITED.

WORLD CONDITIONS—FINANCIAL AND INDUSTRIAL PROBLEMS.

COST OF PRODUCTION—LABOUR'S SANER ATTITUDE.

RATES OF EXCHANGE AND THE GOLD STANDARD.

The annual meeting of the shareholders of the Manchester and Liverpool District Banking Company, Limited, was held at the head office, Spring gardens, Manchester, on January 27, 1922.

In the absence of the chairman, Sir E. Tootal Broadhurst, Bart., through indisposition, the deputy-chairman, Mr Angus A. G. Tulloch, D.L., presided.

CHAIRMAN'S SPEECH.

In moving the adoption of the report and balance-sheet, the Deputy-Chairman read the chairman's speech, as follows:—

I regret to report that during the past year we have lost by death Mr P. J. Ramsay, who was a director of the bank for 16 years, during nine of which he was a managing director. He was well known to the shareholders and to the customers of the bank, but he was known best as the former manager of our King street branch. He had won the affection of a wide circle of friends, and was ever ready to help where help was needed. His name will long be remembered in Manchester.

Mr J. F. Knott has felt compelled to resign his seat on the board owing to indifferent health. He joined the board of the bank in 1881.

Sir D. Drummond Fraser, who has since the early part of last year been engaged on important international work, has expressed a wish to be relieved of his duties as a managing director of the bank. In acknowledging the valuable services rendered by Sir D. Drummond Fraser as managing director, the directors are pleased to be able to announce that he will remain on the board. He has not spared himself in advocating and explaining the Ter Meulen scheme both here and abroad. Up to now one must say that neither the Ter Meulen nor any of the other schemes for the rehabilitation of European credit has received any general measure of material support; but whatever may be the direct result of the propaganda work conducted by Sir Drummond Fraser, the commercial community must gratefully recognise the great energy and ability with which he has discharged the duties imposed upon him.

The directors have elected Mr William Ralph Easterby to a seat on the board, and have appointed him a managing director.

WORLD CONDITIONS.

It may not be inopportune before dealing with what may be called the domestic affairs of the bank to consider for a moment the general world conditions as they present themselves to us to-day.

It is, I think, true to say that the year 1921 ended in a welcome reaction from what I might almost describe as a state of despair. After nearly three years of peace we had seemed further away than ever from the better conditions which it was universally assumed the cessation of hostilities would bring. We seemed to be slipping backwards. The Treaty of Versailles was not working in accordance with expectations. Russia was paralysed, Germany in a state of political uncertainty, and Austria bordering on financial collapse. Worse than all this, our relations with France, on a perfect understanding with whom it is not too much to say the peace of the world depends, were to all appearances very much strained. Something had to be done; some attempt at least made to get things on a better footing, and it was with feelings of intense relief that the civilised world followed the discussions at the Washington Conference, discussions based on a recognition of the broad fact that in a community of nations peace and good relations cannot be

maintained unless each is prepared to subordinate individual interests and aspirations to what appears to be for the good of all.

WASHINGTON CONFERENCE AND THE CANNES MEETING.

The hopeful results of Washington were followed by a momentous discussion at Cannes, at which a proposal was put forward by Great Britain for a definite defensive pact with France. It is earnestly to be hoped that the French people will ultimately consent to the general conditions on which the proposal was based, for such a treaty would seem to be the very foundation on which to reconstruct—so far as they can be reconstructed—the economic conditions of Europe. For if France is to stand alone, it cannot be expected that she can give the fullest acquiescence in the establishment of the conditions necessary to the economic reconstruction of her late enemy; but with the knowledge that Great Britain stands with her, that in any unprovoked attack upon her this country is by her side, then it may reasonably be anticipated that France, free from the menace of possible aggression in the future, may feel that the barriers to her acquiescence in the policy of economic reconstruction of her hereditary enemy have been removed.

ECONOMIC RECONSTRUCTION OF CENTRAL EUROPE.

Let us make no mistake about it; the trade of the world, the prosperity of this country, has been built up on a gradual commercial development of each nation, and we have to realise that the laws of economics are immutable—that if the world is to get back to anything like the old level of interchange of commodities the great nations must be in a position to deal freely in the world's markets. Reparations, where reparations are called for, there must be, within the limits which are reasonably possible, but a condition precedent to reparation is economic reconstruction, and until Central Europe is placed on a basis infinitely sounder than that which exists to-day it is idle to talk of reparations, idle to suppose that claims which we believe to be reasonable can be met, at all events met in full.

THE FUTURE.

The opening of the year 1922 is marked by a suggestion of optimism, by the assertion in many quarters that things are improving; indeed, that we may in certain departments of commerce expect, if not something in the nature of a boom, at all events greatly improved trade. It may be so, but I must say that I can so far see nothing which warrants any grounds for this view. Indeed, the general conditions are, I think, against any rapid revival in so far as this country is concerned. It is not that the rest of the world does not desire to purchase our goods; it is the unfortunate fact that the world cannot afford to pay for them, and that our export business is very greatly hampered by the chaotic state of the foreign exchanges.

FOREIGN EXCHANGES.

In considering the question of the foreign exchanges, one must go back to the original basis of commercial dealings, viz., barter of goods, which in course of time gave place to the exchange of goods for a commodity universally desired, that is to say, gold, which finally became the universal standard in which values of commodities were expressed. The gold content of the sovereign, the dollar, and the respective gold coinages of other countries

was fixed, so that the trader in this country, buying or selling in a foreign currency, knew, with small variations, in terms of sovereigns, what he would have to pay or receive. Of course, so far as he was concerned, there was no question of actually shipping gold; in order to pay for his purchases abroad he bought the currency of the country in question at the exchange rates of the day, and the exchange rates fluctuated within narrow margins for the reason that if, owing to the balance of trade being against a country, the exchange moved against that country beyond a certain point it would ship gold in discharge of its obligations. There was thus stability and certainty.

NEW CONDITIONS.

To-day there is no universal standard of value. Impoverished nations of Europe, in order to meet their internal obligations, have had recourse to the printing press, with the result, as there has been no relative increase in the commodities which such currency was designed to pay for, that there has been an enormous rise in prices in the countries concerned. The paper money thus created cannot be exchanged for gold, and it becomes necessary, therefore, for anyone who exports into these countries to fix his price (in the absence of payments here in sterling) on the basis of the currency of those countries. This currency, as we have seen, has fluctuated in the wildest manner. Now it is obvious that this instability of the exchanges presents the greatest hindrance to international trade, and we naturally ask ourselves what, if anything, can be done with a view to putting matters on a more satisfactory footing. We hear much talk of "stabilising the exchanges," and if by that expression is implied a suggestion that artificial means should be adopted we may brush it aside, for the position of the exchanges is but a symptom, a reflection of the internal conditions of the countries concerned.

THE GOLD BASIS.

It has been suggested, with a view to getting back to a universal standard of value—i.e., a gold standard—that the gold content of the standard coinages should be reduced so as to bring them into accord with the relative position of the exchanges. A sovereign, for example, should be made to contain the equivalent of the gold in 4.20 American dollars, the present rate of exchange with America. It may be that some of the European nations may be driven to that expedient, but no such experiment should be attempted without the most searching consideration. Such a change might have far-reaching results of a totally unexpected character, and, in any case, it is unthinkable that this country should even consider a course which would involve nothing more nor less than a debasement of our currency. It would seem that only through a slowing down in and ultimate cessation of the creation of credit by the nations of Europe can the situation be met, and to this end it is imperative that the necessity for the creation of credit should be obtained by drastic internal reforms which shall result in the balancing of the budgets of the nations concerned. I trust that at least it will be made a condition of any assistance, in the form of credits or otherwise, which this country may think it desirable to give directly or indirectly to any State in Europe, that there shall in that State be an absolute cessation of currency inflation. Sooner or later the world has to get back to a gold standard, for it is the only common standard upon which international trade can be based.

COST OF PRODUCTION.

There is no question that we are at a great disadvantage in the world's markets in relation to our prices, which are high relative to those of most of our competitors, and if we are to resume our position in those markets it is necessary that we should carefully examine and, where possible, eliminate the causes which tend to maintain the cost of the commodities which we have to offer or may in any way hamper our freedom of production or ability to produce. For if we are to have a large and possibly increasing number of unemployed, if we cannot get back to the position we once held, then our condition as a manufacturing community will indeed be desperate, for this country cannot support the bulk of its population unless we are in the position of being able, by means of our exports, to obtain from abroad the greater portion of the food we need.

LABOUR DEMANDS.

Much has been said during the past year with regard to the demands of labour in relation to the cost of production, and it is not too much to say that the future of this country depends upon the recognition of labour of the existence of the economic facts upon the basis of which alone commerce can be carried on. That labour should be entitled to its full share in the product of industry no sane man will deny, and to determine what that share is, it ought not to be necessary to resort to the suicidal procedure which, during past years, has been so much in evidence. It is of the greatest significance and is the happiest augury that in the past weeks

there has been a good deal of clear thinking and plain speaking on the part of responsible leaders. It is recognised that the cost of production must be reduced, and it is becoming recognised that if it be necessary in relation to such reduction that wages must come down, then wages must fall; it is also recognised that action by one section of labour, irrespective of the general interest of the rest, may cause great suffering and unemployment in other quarters, and that effect must be given in greater degree to considerations of common interest; it is realised that the aftermath of a stoppage in a vital industry is loss of trade and of markets, which can only be recovered with difficulty.

BURDEN OF TAXATION.

Another important point is taxation. It is scarcely necessary to say that the burden of taxation under which industry is staggering is most detrimental to the recovery of trade. It is necessary that this burden be lightened if industry is to have the means for its natural development, and it is imperative, therefore, that steps should be taken so to shape our policy, domestic and otherwise, as to allow of this being done. What can be done and what must be done at the least is to cut down those departments of State which experience has shown we can do without, and to rigorously examine all proposals, however desirable in themselves, which involve expenditure which we cannot as a nation afford. It is to be hoped that the report of the Geddes Committee on reduction of expenditure will be made public, so that public opinion can make itself felt in a demand that all necessary reductions shall be carried out. Public expenditure in the nature of doles and allowances has been carried to an extent which, unfortunately frees many from the necessity of making any real effort. This state of affairs is bad, and cannot be too strongly condemned; it not only imposes an additional burden upon industry, but it saps the virility of those it is intended to benefit, and in the long run must prove to be disastrous to all concerned.

FREEDOM OF TRADE.

As a last word on this matter of production, I must refer to the Safeguarding of Industries Act now in operation. The commerce of this country has been built up on the principle of freedom, and one would have thought that no measure in the nature of protection for this or that industry could have had any chance of being adopted. Yet it was considered by the Government that industries which are subject to what may be thought to be unfair competition owing to conditions of exchange, and so on, must be given a measure of protection, and such protection was, as you know, given by the Act passed some three months ago. The restrictions imposed on imports under the Act are vexatious in their application and harmful in their incidence and of necessity breed the evils which under any system of protection become apparent. It is to be hoped that instructed public opinion will, before long, make an end of restrictions which one must believe were only imposed as a matter of so-called political expediency.

EXPORT CREDITS.

A good deal has been heard lately on the subject of Government credits for the encouragement of exports from this country. The schemes in existence have been made use of to a relatively small extent only, and in the absence of the imposition of somewhat stringent conditions it is difficult to see how the export of goods under any such scheme can take us very far along the path of reconstruction. Not only should exports under such credits not be encouraged unless the country of import has ceased to inflate its currency or credit; they should only be sanctioned where the goods imported are destined, as in the case of railway material, to assist in the rehabilitation of the conditions necessary to set the wheels of commerce revolving in the country of import.

THE DIRECTORS' REPORT AND BALANCE-SHEET.

I now refer to the figures in our report and balance-sheet, which with your approval I will take as read.

The profit for the year, after a payment of all expenses, and after making provision for bad and doubtful debts, is £539,274. From the balance brought forward—viz., £264,152—there has been deducted the bonus to the staff—viz., £119,421—leaving a disposable balance of £684,005. After taking the dividend for the year, amounting to £347,600, there remains a balance of £336,405, and of this it is proposed to place £100,000 to our reserve fund, and to carry forward the balance of £236,405.

At this stage I may say that we have decided to pay dividends in future on February 1st and August 1st. We believe that the fixed dates will be welcomed by the shareholders generally.

As you know, rates in the money market had up to the end of the year been dropping steadily for some months, and we thought it prudent in order to get the best rates to purchase securities which would give us higher rates than those obtainable from Treasury Bills. We accordingly bought last year £4,200,000 3½ per cent. Conversion Loan and £3,060,000 5½ per cent. Treasury Bonds. These purchases were made at the most opportune time, their

present market value being substantially higher than the price we paid.

In view of the general appreciation of gilt-edged securities, we have not had to make any provision this year for depreciation of the bank's investments.

STAFF BONUS.

The bonus to the staff was due for revision on June 30th last, but was continued until December 31st. The increases to meet a rise in prices had always been made some months in arrears, and we considered it was only right that when a fall occurred we should agree to a certain amount of delay in the relative reduction of the bonus. I think I have on a previous occasion explained to you that a specially appointed committee of representative members of the staff gives careful attention to matters of this kind and makes representations to the board. It has now been decided that as from January 1st there shall be a reduction of the bonus by one quarter, and it is proposed that a further reduction be made in the second half of the year of a similar amount.

LIABILITIES.

Our current, deposit, and other accounts stand at £62,116,777, which is a larger amount than we have had at any previous balance. These increased credit balances represent, of course, in part the capital, which is at the present time unemployable in business. This, in spite of the fact that there has been a steady drain for investment in sound fixed interest bearing securities. This process in the absence of a marked revival of trade is likely to continue, and it will have the effect of causing a considerable fall in the rate at which the Government will be able to borrow, and to effect conversion of its floating debt. It is to be observed, however, that the process of investment by the public in fresh Government securities must have the effect of reducing the deposits in the banks so long as the Government are not, in fact, increasing the amount of their obligations, for the reason that money so found by the public and drawn from their deposits at the banks is used by the Government for the reduction of its short-dated obligations held by the banks; thus the result of the operation is a reduction in the deposits of the banks on the one hand, and, relatively, of their assets on the other hand.

The bank's Acceptances, standing at much the same level as a year ago, reflect the state of the cotton trade, having relation to the corresponding item of over five millions in our balance-sheet two years ago.

ASSETS.

Turning to the assets side of the balance-sheet, I may say that commercial bills form the smaller proportion of the amount of bills held. This, of course, is owing to the falling off of business and reduced prices.

Our advances, at £28,889,379, are less than the corresponding figure of last year, while our bank property stands at the figure at which it has remained for some years. It has been suggested to us that this figure should be brought into accord with something approximating to the real value of the bank property. On consideration we have thought it the sounder policy to leave the balance-sheet item very considerably below the real value. We have, in fact, continued during the year the process of adding to our new branches. Our adjoining property between this and Market street is now used entirely for bank purposes, and comprises, as you know, our Foreign Department. But however we may increase our accommodation, we are continually in want of further space, and with a view to future development we have purchased the block of property between the site of this bank and

Fountain street. That property, when developed in accordance with our requirements, should satisfy our needs for many years to come. I may say that if any of the shareholders would like to go over this and the adjoining building after the meeting, members of the staff will be only too ready to conduct them. There has, during the year, been a good deal of interesting alteration and improvement to the property.

STAFF WAR MEMORIAL.

On your way to this meeting you will have observed in the hall of the bank a bronze tablet on which is inscribed the names of the men of the district bank who fell in the war. Young as they were, they completed a great task; they have attained to their eternal rest in the noblest way of all. Their names are held in honour and perpetual remembrance.

The Deputy Chairman then moved the adoption of the report and balance-sheet. This was duly seconded, and carried.

The retiring directors were re-elected, and the auditors, Messrs Halliday Pearson and Co., reappointed.

After the usual votes of thanks, the meeting terminated.

MORTGAGE COMPANY OF THE RIVER PLATE, LIMITED.

SATISFACTORY RESULTS OF YEAR'S BUSINESS.

The thirty-fifth ordinary general meeting of the Mortgage Company of the River Plate, Limited, was held, on the 31st ultimo, at 52 Moorgate street, London.

Mr James Anderson (the chairman), who presided, in moving the adoption of the report and accounts, said that the accounts showed that their business had been fairly active during the past year. The loans on mortgage at the close of the year amounted to £950,216, an increase of £78,544 over the total of the preceding 12 months. The rates of interest during the year were also somewhat higher. These two favourable factors had enabled the company to show an increase in the revenue, notwithstanding the very low rates of exchange which prevailed during the greater part of the year. At the beginning of the year the rate was 50d, at the close it was slightly over 43d, having for a short time touched 41d. Were the present low rates likely to continue there would be some grounds for anxiety, but this was not likely to be the case. The products of the Argentine were such as all the world required, and exports would doubtless in time reach their previous volume, although war values might not be reached. There was every reason to hope, therefore, that with a little time the balance of trade would again swing round in favour of the Republic, and exchange rates improve accordingly.

As usual, he was able to report that the mortgage loans were well secured, and not likely to involve any loss either in capital or interest. The investments, totalling £762,924, of which £354,000 was represented by British Government securities, stood in the balance-sheet at their market value on December 31st. This was something to be thankful for in these days of heavy depreciation in all classes of stock, and there had been substantial advances in market prices since the valuation was made. The net profit showed an increase of £6,456, and was sufficient to provide the usual dividend of 15 per cent., with a surplus of £8,630, which had been added to the carry forward. Last year was one of stagnation and depression in the Argentine, and as yet there was little improvement to record. The economic position in the Republic would in time right itself.

Sir A. E. Bowen, Bart., seconded the motion, which was carried unanimously.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves
exceed £13,000,000

Head Office:

62, OLD BROAD STREET, LONDON, E.C.2.



AFFILIATIONS:

THE BRITISH BANK OF SOUTH AMERICA, LTD., and THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

CARRERAS, LIMITED.

SUCCESSFUL RESULTS UNDER DIFFICULT CONDITIONS.

The eighteenth annual general meeting of Carreras, Limited, was held, on the 31st ultimo, at Arcadia Works, City road, London, Mr Louis B. Baron presiding.

The Chairman, in moving the adoption of the report and accounts, said: The year under review has been one of great difficulties and depression, not only at home, but throughout the world. Last year the outlook for the future was not at all bright, and there were many obstacles in front of us. The results shown in the accounts will prove to you that we were able to overcome many of the obstacles, but that was only accomplished by the inauguration of a bold and aggressive policy. Owing to this policy, and the efficient organisation at our command, I think you will agree that we have come through very well. I am pleased to say that our well-known brands, particularly "Black Cat" and "Craven A" cigarettes, as well as "Craven Mixture" tobacco, are making continued and steady progress, and smokers are very appreciative of the fact that all our goods are of absolute purity, and that our guiding principle in manufacture is to give the highest quality possible and to maintain the goodwill of our customers rather than to make temporary big profits.

Since the commencement of the current financial year we have, at the request of the late Sir Arthur Pearson, taken charge of the manufacturing and distribution of "St Dunstan's" cigarettes. We were very desirous of helping that great institution—St Dunstan's—in every possible way; and although from a commercial point of view there were considerable risks in the proposition, we were persuaded to undertake the work for them, and I am pleased to say that, taking into consideration the short time the "St Dunstan's" cigarette has been on the market, it has met with a very satisfactory response from the public.

Our export trade during the past year has suffered considerably, as might have been expected, from the general world depression, but during the past month or two there have been signs of improvement in several overseas markets, and we have so organised our arrangements throughout the world and secured the co-operation of excellent agents and representatives that I think if, and when, there is an improvement in trade we may look forward to getting our full share of business in export markets.

Mr William J. Yapp, in seconding the resolution, congratulated the shareholders on receiving a very satisfactory dividend and an excellent balance-sheet.

The resolution was carried unanimously.

E. W. TARRY AND CO., LIMITED.

CHAIRMAN OPTIMISTIC OF THE FUTURE.

The annual general meeting of E. W. Tarry and Co., Limited, was held, on the 1st instant, at the Cannon street Hotel, London, Mr John Varley presiding in the absence, through indisposition, of Sir J. Fortescue Flannery, Bart., M.P. (chairman of the company).

The Chairman read the speech which had been prepared by Sir Fortescue Flannery, in the course of which he said:—

In South Africa financial difficulties have been very acute; many firms have been compelled to place large quantities of goods upon the market and to sell irrespective of cost, while, on the other hand, customers have been buying from hand-to-mouth while waiting for the expected continued reduction in prices. Selling prices of most of the articles in which this company deals have for many months past fallen in South Africa in far greater proportion than prices have fallen at home.

The old-established connection of this company and its high reputation throughout the whole of the Dominion has enabled your undertaking to come through these difficulties with comparatively much better fortune than many other firms.

Compared with the previous year's figures, the reductions in the year just passed have amounted as follows:—Gross profit, about 35 per cent.; net profit, about 75 per cent.; but this last figure is subject to adjustment of the excess profits duty, as there is a possibility of obtaining a considerable refund from the Government. There is a question which, you will remember, was referred to at the general meeting a year ago, of colonial income-tax, and the present position is that the High Court say that preference shareholders are not entitled to participate. Appeal has been made to the House of Lords, and until judgment is given, this company is holding back from preference shareholders any amount which might be payable. If the appeal should go in their favour the amount will be adjusted as between the preference and ordinary shareholders in due course after the judgment of the House of Lords has been given.

You will remember also that at the general meeting a year ago some observations were made about the reserve fund, and that the large amount of £15,000 was voted in 1917 to this fund, as well as

other amounts year by year, so that the directors have felt fully justified, in this year of exceptional difficulty, in withdrawing a small proportion of the total reserve fund and placing it to the credit of current account, so that a dividend even of reduced amount might be distributed.

Having dealt in detail with the accounts, Sir Fortescue Flannery concluded: "I am sorry not to have a better showing, but there is much consolation in the fact that we are no worse than our neighbours and much better than many of them, and that we have a sound business which we may, with confidence, believe will be as prosperous again in the not distant future as it has been in the past."

Mr M. Logan seconded the resolution, which was carried unanimously.

Orders for the publication in these columns of the reports at Company Meetings should be addressed to the Reporting Manager of the ECONOMIST, 3 Arundel street, Strand, London, W.C.2.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1921-22. (See Note.)	Total Receipts into the Exchequer from	Receipts	
		Apl. 1, 1921, to Jan. 28, 1922.	Apl. 1, 1920, to Jan. 29, 1921.	Week Ended Jan. 28, 1922.
				Week Ended Jan. 29, 1921.
Balances in Exchequer on 1st April:				
Bank of England	483,455	7,159,773	..	..
Bank of Ireland	..	2,806,324	..	..
REVENUE.				
Customs	136,800,000	108,931,000	111,855,000	2,910,000
Excise	198,300,000	184,660,000	165,596,000	1,130,000
Motor Vehicle Duties ..	9,000,000	5,416,000	6,225,000	625,000
Stamps, &c., Duties	48,000,000	40,987,000	39,242,000	1,025,000
Land Tax	21,000,000	13,405,000	21,041,000	450,000
House Duty	2,500,000	1,090,000	1,100,000	170,000
Property & Income Tax (including Super-Tax & Mineral Rights Duty)	410,500,000	219,681,000	206,371,000	10,622,000
Excess Profits Duties, &c.	120,000,000	23,714,000	178,423,000	14,595,000
Corporation Profits Tax	30,000,000	12,387,000	..	527,000
Post Office	60,000,000	44,000,000	39,450,000	1,000,000
Crown Lands	650,000	670,000	560,000	100,000
Interest on Sundry Loans	12,000,000	10,892,287	19,558,740	..
Miscellaneous	..	..	..	..
Ordinary Receipts	21,500,000	19,944,481	20,062,551	180,779
Special Receipts	158,500,000	111,305,515	215,006,141	8,788,862
Revenue	1,216,650,000	784,023,383	1,018,264,432	27,786,641
Total, Inc. Balance ..	..	787,097,889	1,027,633,529	27,851,057
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion	..	8,130,000	4,070,000	300,000
Interest on Exchequer Bonds under the Capital Expenditure Money Act (1904)	..	169,818	169,818	..
Under the Unemployment Insurance Acts, 1921	..	520,000	..	..
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Acts, 1913 to 1921	..	5,561,474	4,000,000	..
Under the Post Office (London) Railway Act, 1913	..	27,500	115,000	..
Under the Housing Act, 1914 ..	..	50,000	30,000	..
Under the Unemployment Insurance Acts, 1921	..	7,600,000	..	..
(b) For other Issues:—				
By Treasury Bills for Supply ..	3,298,348,000	3,484,937,000	65,954,000	64,591,000
By 4% Funding Loan, 1920-21 ..	..	270,552	..	..
By 4% Victory Bonds	..	769,061	..	..
By 5% Exchequer Bonds, 1922 ..	..	258,784	..	..
By National Savings Certificates—				
Under the War Loan Acts, 1914-1919	..	20,760,794	..	..
Under the Finance Act, 1920 ..	38,380,000	13,070,000	2,400,000	900,000
By National War Bonds	..	..	..	..
By Treasury Bonds—				
5-15 year, 1920-25	1,062,317	19,968,150	..	505,000
5%, 1927	283,435,611	..	17,230,000	..
By Other Debt created under the War Loan Acts, 1914 to 1919	1,170,000	..	1,170,000	..
..	..	10,961,454	42,272,536	..
(4) Ways and Means Advances ..	1,114,846,000	1,132,462,000	10,200,000	22,250,000
Anglo-Foreign Oil Company—				
Dividends on Shares acquired ..	..	5,010	4,996	..
Repayments:—				
In respect of Cunard Loan	130,000	130,000	..	..
Do East African Protectorate Loan	127,268	5,940	..	..
Do Issues under Civil Commissions Fund Act, 1919	7,250,000	..	..	..
Do Issues under Land Settlement (Facilities) Act, 1919	46,434	10,697	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920	13,490,960	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	426,340	..	104,807	..
Total	5,578,836,076	5,810,938,857	115,145,448	116,197,057

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1921-22. (See Note.)	Total Issues out of the Exchequer to meet Payments from	Issues	
		Apl. 1, 1921, to Jan. 28, 1922.	Apl. 1, 1920, to Jan. 29, 1921.	Week Ended Jan. 28, 1922.
				Week Ended Jan. 29, 1921.
EXPENDITURE.				
Permanent Charge of Debt	24,500,000	14,366,149	17,125,364	1,000,000
Interest, &c., on War Debt	320,500,000	269,575,681	280,362,815	2,256,906
Road Fund	8,400,000	5,282,000	2,966,689	..
Payments to Local Taxation Accounts, &c.	11,115,000	7,192,236	7,097,548	100,000
Payments to Northern Ireland Exchequer ..	..	650,000	..	..
Land Settlement	5,000,000	2,413,691	5,758,553	..
Other Consolidated Fund Services	1,757,000	1,686,101	1,611,926	25,157
Supply Services	774,851,000	544,297,608	611,957,748	13,951,342
Expenditure	1,146,123,000	845,463,466	926,880,643	16,722,259
OTHER ISSUES.				
Temporary Advances:—				
Bullion	..	8,450,000	4,100,000	350,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	..	169,818	169,818	..
Under the Unemployment Insurance Acts, 1921	..	10,060,000	..	610,000
Issues to Meet Capital Expenditure:—				
Under the Telegraph (Money) Acts, 1913 and 1921	..	5,561,474	4,700,000	..
Under the Post Office (London) Railway Act, 1913	..	27,500	144,000	..
Under the Housing Act, 1914 ..	..	50,000	38,500	8,500
Redemption of Unfunded Debt ..	3,379,201,000	3,444,704,000	78,480,000	80,050,000
Treasury Bills for Supply	..	..	..	..
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917	28,943,317	57,403,869	348,906	2,364,171
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (5) of the Finance Act, 1920	16,100,000	26,100,000	450,000	500,000
(b) Repaid otherwise	10,400,000	..	..	..
Principal of Exchequer Bonds paid off—				
1921-22	12,962,820	27,266,808	..	580,000
6%, 1920 ..	..	2,986,808	..	..
5%, 1920 ..	..	2,280,000	..	..
5%, 1921 ..	..	18,962,820	..	..
Other Debt under the War Loan Acts, 1914 to 1919	57,162,123	72,092,858	100	1,500,010
Principal of American Loan under the American Loan Act, 1915 ..	..	59,229,221	..	..
Ways and Means Advances Repaid ..	1,153,470,000	1,155,527,000	24,079,000	13,550,000
Depreciation Fund, under the Finance Act, 1917	25,440,201	24,940,201	1,000,000	1,000,000
Issues to National Debt Commissioners to Reduce Debt:—				
Cunard Loan Repayments	130,000	130,000	..	..
East Africa Protectorate Loan Repayments	127,268	5,940	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4) ..	15,390,000	3,675,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	212,450	257,766	..	60,000
Balances in Exchequer—				
Bank of England	5,575,221,437	5,807,365,624	118,547,917	116,484,940
Bank of Ireland	2,332,541	1,739,356	3,612,031	363,937
..	1,282,092	1,833,877	209,562	76,054
Total	3,614,633	3,573,233	3,402,469	287,883

NOTE.—Budget Estimate as in House of Commons, Paper No. 89 of 1921.

Treasury, January 30, 1922.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to Bankers.	Savings Bank.	Gold and Silver Bullion.	Bank of England Notes.	Ratio to Notes.	Governor's Security.	Balance at Bank of England.
1914.	£ 21,535	£ 6,302	£ 3,810	£ 600	£ 18,500	£ ..	48.1	9,924	11,423
Dec. 30	38,478	..	169	..	..	..	..	..	9,286
1915.	..	..	..	..	..	..	..	..	..
Dec. 29	103,125	729	159	249	28,500	..	27.6	54,621	20,536
1916.	..	..	..	..	..	..	..	..	..
Dec. 27	150,144	2,430	64	40	28,500	..	19.0	118,102	6,868
1917.	..	..	..	..	..	..	..	..	..
Dec. 26	212,782	8,554	39	675	28,500	..	13.4	186,637	5,486
1918.	..	..	..	..	..	..	..	..	..
Dec. 31	323,241	15,529	..	570	28,500	..	8.9	305,133	4,566
1919.	..	..	..	..	..	..	..	..	..
Dec. 31	356,152	17,182	250	245	28,500	4,000	9.1	337,537	2,802
1920.	..	..	..	..	..	..	..	..	..
June 30	357,356	16,700	..	190	28,500	13,400	11.7	331,660	305
Dec. 29	367,626	16,962	..	..	28,500	19,450	13.0	336,504	134
1921.	..	..	..	..	..	..	..	..	..
Mar. 30	343,826	15,599	..	..	28,500	19,450	13.9	311,334	141
June 29	323,884	14,965	..	..	28,500	19,450	14.8	287,750	150
Sept. 28	314,382	14,830	..	..	28,500	19,450	15.2	278,119	143
Dec. 28	325,584	14,658	..	..	28,500	19,450	14.7	289,131	161
1922.	..	..	..	..	..	..	..	..	..
Jan. 25	305,004	13,573	..	..	28,500	19,450	15.7	267,482	145
Feb. 2	304,306	13,919	..	..	28,500	19,450	15.7	267,145	130

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, and for 1922 at £309,388,400.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £35,000,000 in three months' Treasury Bills, dated from Monday to Saturday, Feb. 6th-Feb. 11th, were opened on Feb. 3rd, 1922, and the total amount applied for was £55,480,000. Tenders for Tuesday bills at £99 3s 10d and above in full, and Monday and Wednesday to Saturday bills at £99 3s 7d, about 49 per cent., and above in full. The average rate of discount was £3 6s 11²/₆d per cent.

The following table shows Treasury Bills by tender outstanding:—

Date of Bills.	Amount Offered.	Amount Applied for.	Average Rate of Discount.	Rate for Additional Bills.
1922.				
January 6	60,000,000	84,175,000	3 4 11 ² / ₃	27
January 13	60,000,000	78,545,000	3 13 10 ² / ₃	38
January 20	60,000,000	79,470,000	3 13 7 ² / ₆	38
January 27	35,000,000	47,925,000	3 9 0 ⁴ / ₃	34
February 3	35,000,000	55,480,000	3 6 11 ² / ₆	..

The amount to be offered next week will be £25,000,000.

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS - - - £7,472,880
CLAIMS PAID - - - £25,000,000

Accidents and illness, Fidelity Guarantees, Employers' Liability, Motor Cars, Public Liability, Fire and Burglary, Insurance of Boilers, Engines, Electrical Plant and Lifts, Executives and Trusteeships.

COMPARISON with PREVIOUS WEEK and a YEAR AGO.

	Amount, Feb. 1, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Reserve	£ 3,443,964	+ 26,736	+ 2,794
Public deposits	15,646,236	+ 1,121,972	+ 2,957,267
Other deposits	144,749,777	+ 23,820,925	+ 14,897,987
Government securities	74,203,686	+ 29,125,000	+ 3,822,220
Other securities	80,589,627	+ 3,077,861	+ 1,892,810
Reserve	23,615,620	+ 1,075,657	+ 6,473,625
Note circulation	125,586,655	+ 1,380,618	+ 458,877
Coin and bullion	128,762,275	+ 35,158	+ 34%
% of reserve to liabilities	14%	+ 3%	+ 34%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% to Liabilities.
1921.						
Nov. 9.....	128,480,853	124,403,190	122,906,825	118,135,305	22,467,663	18.5
16.....	128,433,196	123,587,030	126,548,806	126,548,806	23,582,450	18.5
23.....	128,438,365	123,595,915	129,684,230	133,885,916	23,582,450	18.5
30.....	128,442,340	123,612,960	144,160,001	140,172,509	21,779,380	18.5
Dec. 7.....	128,433,576	124,981,865	154,736,656	150,700,714	21,921,711	18.5
14.....	128,437,450	126,734,450	154,736,656	150,700,714	21,921,711	18.5
21.....	128,431,144	126,771,025	154,736,656	150,700,714	21,921,711	18.5
28.....	128,434,359	126,590,245	154,736,656	150,700,714	21,921,711	18.5
1922.						
an. 4.....	128,439,940	125,694,450	154,736,656	150,700,714	21,921,711	18.5
11.....	128,452,733	125,695,990	154,736,656	150,700,714	21,921,711	18.5
18.....	128,444,198	125,695,990	154,736,656	150,700,714	21,921,711	18.5
25.....	128,447,117	125,695,990	154,736,656	150,700,714	21,921,711	18.5
Feb. 1.....	128,752,275	125,586,655	160,596,003	154,736,656	23,615,620	14.2

TEN YEARS' RECORD.

At corresponding date with the present week.	Jan. 31, 1912.	May 27, 1914.	Feb. 4, 1920.	Feb. 2, 1921.	Feb. 1, 1922.
Circulation (excluding Bank post bills)	£ 28,257,495	£ 28,333,380	£ 89,323,045	£ 129,600,380	£ 123,586,655
Public deposits	17,983,571	19,014,809	18,689,896	18,603,513	15,646,236
Other deposits	41,412,704	41,248,964	42,560,686	42,821,796	144,749,777
Government securities	15,270,184	14,946,570	14,548,714	14,621,466	74,203,686
Other securities	33,615,335	41,461,280	40,451,421	38,696,717	80,589,627
Reserve of notes and coin	28,256,295	25,463,980	32,335,094	32,335,094	23,615,620
Coin and bullion	38,333,790	35,947,360	103,108,139	128,292,338	128,752,275
Proportion of reserve to liabilities	48%	42%	22%	11%	14%
Bank rate of discount	4%	3%	6%	7%	5%
Market rate, 3 months' bills	3 1/2	3 1/4	5 1/2	6 1/2	5 1/2
Price of Consols	79 1/2	74 1/2	82 1/2	84 1/2	81 1/2
Price of silver per oz.	33 1/2	33 1/2	33 1/2	33 1/2	33 1/2
Average price of wheat	25 1/2	25 1/2	25 1/2	25 1/2	25 1/2
Exchanges					
on New York	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2
on Amsterdam	20 1/2	20 1/2	20 1/2	20 1/2	20 1/2
on Berlin	20 1/2	20 1/2	20 1/2	20 1/2	20 1/2
Clearing-house return	546,654,000	199,913,000	858,167,000	830,973,000	765,075,000

BANKERS' CLEARING RETURNS.

Week Ending	Town Clearing.	Country Clearing.	Total.
1922.			
January 1—January 25	£ 2,553,028,000	£ 207,115,000	£ 2,760,143,000
February 1.....	714,228,000	50,847,000	765,075,000
Total to date 1922	3,267,256,000	257,962,000	3,525,218,000
Do 1921	3,207,285,000	338,028,000	3,545,313,000
Increase or decrease in 1922..	+ 60,021,000	- 70,066,000	- 10,045,000
	+ 1.8%	- 21.3%	- 0.2%
Total for 1921	31,928,380,000	3,002,179,000	34,930,559,000
Do 1920	34,946,683,000	4,072,220,000	39,018,903,000
Increase or decrease in 1921..	- 3,018,303,000	- 1,070,041,000	- 4,088,344,000
	- 8.6%	- 26.2%	- 10.4%

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Inc. or Dec.
Aggregate Totals to January 28.			
BIRMINGHAM	£ 14,994,100	£ 9,304,100	- 5,690,000
BRISTOL	6,926,000	5,972,000	- 954,000
DUBLIN	32,352,600	27,625,100	- 4,727,500
LIVERPOOL	5,720,100	5,984,415	+ 264,315
LEEDS	3,571,800	3,225,500	- 346,300
LIVERPOOL	52,936,600	53,542,000	+ 605,400
MANCHESTER	72,256,400	57,068,000	- 15,188,400
NEWCASTLE-ON-TYNE	9,652,700	5,935,200	- 3,717,500
NOTTINGHAM	3,258,900	2,775,600	- 483,300
SHEFFIELD	6,182,400	6,333,600	+ 151,200

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

(000's omitted.)

	Jan. 27, 1922.	Jan. 20, 1922.	Jan. 24, 1921.	Week's Movmt.
Resources.				
Total gold reserve	2,904,250	2,898,690	2,095,770	+ 5,560
Legal tender notes and silver reserve	154,610	152,810	203,480	+ 1,800
Bills discounted for member banks	450,170	913,820	2,483,030	- 463,650
Bills bought in open market	82,710	94,910	167,950	- 12,230
Government obligations owned	250,040	228,980	290,550	+ 23,060
All other resources	56,790	56,270	37,080	+ 520
LIABILITIES.				
Government deposits	95,920	77,730	39,600	+ 18,190
Other deposits	1,682,880	1,707,160	1,598,900	+ 24,260
Federal Reserve Notes in actual circulation	2,184,800	2,229,680	3,115,310	- 45,680
Federal Reserve Bank Notes in actual circulation	84,880	84,880	207,370	- 110
All other liabilities	15,290	15,400	26,880	- 110
Capital and surplus	318,470	318,420	302,000	+ 50
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	77.2%	76.0%	48.5%	+ 1.2%

STATEMENT OF CANADIAN BANKS.

	Oct. 31, 1921.	Sept. 30, 1921.	Oct. 31, 1920.
Assets.			
Cash and bank balances	509,229,101	480,457,342	594,793,585
Bank balances abroad	69,886,182	74,326,335	82,446,915
Call and short loans	277,875,321	290,030,026	367,481,462
Securities	395,281,086	360,823,142	367,481,462
Loans in Canada	1,456,531,554	1,343,445,512	1,497,774,351
Loans abroad	152,518,833	151,489,861	193,749,637
Other assets	102,306,236	101,970,661	117,668,033
LIABILITIES.			
Note circulation	193,546,363	186,797,822	246,305,707
Deposits—			
Government	136,868,833	126,180,510	185,078,150
Public in Canada	1,816,874,475	1,798,071,384	1,959,237,282
Foreign	284,264,860	285,574,501	336,555,938
Bank balances—			
Canadian	11,561,896	12,577,899	15,377,031
Foreign	39,048,200	47,444,013	59,870,460
Bills payable and acceptances	33,530,439	33,073,315	57,183,917
Other liabilities	3,213,425	2,866,834	5,556,090
Capital and rest	264,338,629	264,334,153	257,682,727

BANK OF FRANCE.

(000's omitted.)

	Feb. 2, 1922.	Jan. 26, 1922.	Feb. 3, 1921.	Week's Movement.	Position May 31, 1914.
Assets.					
Gold coin and bullion	5,524,830	5,524,723	5,501,941	+ 107	3,730,625
Of which held abroad	1,948,367	1,948,367	1,948,367	..	632,650
Silver coin and bullion	280,501	280,498	280,498	+ 3	2,377,775
Discount and advances	5,122,138	4,718,001	5,902,305	+ 404,137	5,811,875
LIABILITIES.					
Notes	36,606,704	36,432,843	38,205,387	+ 173,861	153,700
Government deposits	27,813	20,014	50,927	+ 7,799	845,850
Private deposits	2,601,966	2,371,750	3,619,531	+ 230,216	..

BANK OF SPAIN.

(000's omitted.)

	Jan. 28, 1922.	Jan. 21, 1922.	Jan. 14, 1922.	Jan. 29, 1921.	Week's Movement.	Position May 31, 1914.
Assets.						
Gold	2,515,542	2,515,171	2,514,661	2,462,840	+ 371	521,775
Silver	631,216	628,338	623,994	582,457	+ 2,878	728,600
Loans and debts	2,790,105	2,827,673	2,882,103	2,125,643	+ 37,568	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	..	344,475
Treasury bills	150,000	150,000	150,000	150,000	..	150,000
LIABILITIES.						
Circulation	4,200,877	4,239,714	4,286,831	4,299,285	+ 38,837	1,901,850
Deposits	1,092,815	1,090,516	1,082,160	1,170,680	+ 2,299	477,500

NATIONAL BANK OF GREECE.

	Dec. 28, 1921.	Dec. 13, 1921.	Dec. 28, 1920.	Previous Return, Dec. 28, 1920.	Last Year.
Assets.					
Gold and balances abroad	1,365,935,474	1,371,160,713	1,389,094,297	+ 5,230,239	- 23,163,623
Government loans and securities	2,171,155,856	2,170,115,354	1,165,111,285	+ 1,040,502	+ 1,060,044,631
Discounts and loans	708,539,792	687,446,212	652,383,734	+ 19,993,580	+ 54,156,058
LIABILITIES.					
Notes in circulation	2,130,045,605	2,121,777,700	1,491,915,839	+ 8,867,905	+ 638,129,766
Government deposits	154,015,469	152,116,879	185,344,715	+ 1,898,590	- 31,369,246
Private sight deposits	875,227,978	850,298,126	744,889,275	+ 24,929,852	+ 130,538,703
Private deposits at fixed dates	945,189,901	942,161,724	613,745,790	+ 3,028,177	+ 331,444,111

BANK OF JAPAN.

(000's omitted.)

	Dec. 24, 1921.	Dec. 17, 1921.	Dec. 10, 1921.	Dec. 25, 1920.	Movement Yen.	Position Yen, 30, 1914.
Assets.						
Gold and silver	1,264,636	1,264,733	1,265,542	1,234,894	+ 97	221,320
Discounts	153,553	72,351	79,339	109,233	+ 81,212	41,740
Advances	116,274	93,561	100,537	161,221	+ 22,713	70,540
LIABILITIES.						
Notes	1,351,123	1,205,338	1,167,186	1,311,234	+ 145,785	362,270
Govt. deposits	1,274,801	1,347,561	1,384,289	1,353,982	- 72,560	87,340
Private deposits	55,290	33,986	46,359	9,811	+ 21,304	11,440

IMPERIAL BANK OF GERMANY.

(000's omitted.)

	Jan. 23, 1922.	Jan. 14, 1922.	Jan. 21, 1921.	Week's Movement.	Position May 31, 1914.
Assets.					
Gold	995,391	995,392	1,091,554	- 1	1,313,940
Silver	13,515	11,693	6,752	+ 1,622	321,920
Treasury notes	5,235,173	3,940,304	22,669,879	+ 1,297,869	943,460
Bills discounted	119,272,003	124,608,539	48,499,388	+ 5,336,536	60,780
LIABILITIES.					
Notes in circulation	111,889,606	112,593,937	66,018,450	+ 704,331	2,013,860
Deposits	17,889,122	22,136,278	11,426,851	+ 4,247,156	842,340

BANK OF ITALY.

(000's omitted.)

	Dec. 20, 1921.	Dec. 10, 1921.	Dec. 20, 1920.	Movement.	Position May 31, 1914
Assets.	Lire.	Lire.	Lire.	Lire.	Lire.
Total cash	1,500,449	1,349,831	1,370,322	+ 150,618	1,221,875
Inland bills	3,597,652	3,569,932	2,874,496	+ 12,280	418,400
Foreign bills	9,435	9,429	27,693	+ 6	81,300
Advances to the Treasury	6,372,365	6,593,630	8,084,272	- 221,263	79,175
Other advances	2,478,467	2,530,318	1,888,456	- 51,851	79,175
Securities	413,101	415,095	213,790	+ 1,994	205,700
LIABILITIES.					
Note circulation	13,273,111	13,743,686	15,171,500	- 378,575	1,566,925
Deposits and drafts	1,727,174	1,497,217	1,758,071	+ 378,575	193,925

BANK OF ESTHONIA.

Assets.	Nov. 30, 1921.	Oct. 31, 1921.	Dec. 31, 1921.	Monthly Movement.
Total cash	342,493,106	307,256,714	66,743,939	+ 35,236,391
Discounts and loans	1,397,925,805	1,267,935,858	564,738,756	+ 130,639,946
LIABILITIES.				
Capital paid up	250,000,000	250,000,000	10,000,000	+ 1,000,000
Reserve	11,674,154	10,674,155	184,663	+ 100,000,000
Notes in circulation	350,000,000	250,000,000		+ 100,000,000
Deposits	1,021,017,110	976,595,597	565,448,243	+ 44,421,510

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

Assets.	Jan. 23, 1922.	Jan. 15, 1922.	Jan. 7, 1922.	Jan. 23, 1921.	Week's Movement.
Liabilities of the Austro-Hungarian Bank to the Banking Office	10,096,681	10,096,681	10,096,681	9,522,580	- 281,489
Discounts and advances	3,515,237	3,796,716	4,078,390	4,001,182	- 296,580
Gold, silver, foreign bills and balance abroad	1,341,139	1,044,559	1,113,525	985,104	+ 296,580
Other assets	882,581	1,011,637	1,168,500		+ 129,056
LIABILITIES.					
State notes in circulation	11,047,518	11,471,211	11,756,978	10,611,253	- 425,693
Deposits	2,191,071	1,978,422	2,181,905	1,697,062	+ 212,649
Other liabilities	2,597,039	2,499,367	2,518,213	2,200,551	+ 97,079

* Resulting from bank notes, current accounts, Exchequer bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENEES.

(000's omitted.)

Assets.	Jan. 15, 1922.	Jan. 8, 1922.	Dec. 31, 1921.	Dec. 22, 1921.	Week's Movement.
Gold	74,158	74,155	74,189	74,204	+ 3
Other coin and notes	19,435	19,220	19,165	19,065	+ 215
Foreign credits	303,961	302,273	307,999	311,876	+ 1,688
Bills	520,234	546,377	567,745	559,000	+ 26,143
Govt. advances	4,418,407	4,418,406	4,418,214	4,438,946	+ 1
LIABILITIES.					
Notes in circulation	4,642,665	4,667,034	4,688,464	4,598,051	- 24,369
State credits	334,273	334,273	334,273	370,100	- 35,827
Deposits	387,081	384,818	371,377	398,507	+ 2,623

LONDON RATES.

	Jan. 27, 1922.	Jan. 20, 1922.	Jan. 13, 1922.	Jan. 6, 1922.	Jan. 30, 1921.	Jan. 23, 1921.	Jan. 16, 1921.	Jan. 9, 1921.
Bank rate (reduced from 5½% Nov. 3, 1921)	5%	5%	5%	5%	5%	5%	5%	5%
Market rates of discount	3½%	3½%	3½%	3½%	3½%	3½%	3½%	3½%
60 days' bankers' drafts	3½%	3½%	3½%	3½%	3½%	3½%	3½%	3½%
3 months' do	3½%	3½%	3½%	3½%	3½%	3½%	3½%	3½%
4 months' do	3½%	3½%	3½%	3½%	3½%	3½%	3½%	3½%
6 months' do	3½%	3½%	3½%	3½%	3½%	3½%	3½%	3½%
Discount (Treasury Bills):—								
3 months'	3½%	3½%	3½%	3½%	3½%	3½%	3½%	3½%
Loans:—Day to day	3½%	3½%	3½%	3½%	3½%	3½%	3½%	3½%
Short	3½%	3½%	3½%	3½%	3½%	3½%	3½%	3½%
Deposit allowances Banks	3½%	3½%	3½%	3½%	3½%	3½%	3½%	3½%
Discount houses at call	3½%	3½%	3½%	3½%	3½%	3½%	3½%	3½%
At notice	3½%	3½%	3½%	3½%	3½%	3½%	3½%	3½%

† Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

		Bank Bills.			Trade Bills.		
Short Loans.		3 Months.	4 Months.	5 Months.	3 Months.	4 Months.	5 Months.
1921.	%	%	%	%	%	%	%
Nov. 18.....	4 1/2	4	4 1/2	4 1/2	4 1/2	5	5 1/2
25.....	4 1/2	4	4 1/2	4 1/2	4 1/2	5	5 1/2
Dec. 2.....	4 1/2	4	4 1/2	4 1/2	4 1/2	5	5 1/2
9.....	4 1/2	4	4 1/2	4 1/2	4 1/2	5	5 1/2
16.....	4 1/2	4	4 1/2	4 1/2	4 1/2	5	5 1/2
23.....	4 1/2	4	4 1/2	4 1/2	4 1/2	5	5 1/2
30.....	4 1/2	4	4 1/2	4 1/2	4 1/2	5	5 1/2
1922.	%	%	%	%	%	%	%
Jan. 6.....	4 1/2	4	4 1/2	4 1/2	4 1/2	5	5 1/2
13.....	4 1/2	4	4 1/2	4 1/2	4 1/2	5	5 1/2
20.....	4 1/2	4	4 1/2	4 1/2	4 1/2	5	5 1/2
27.....	4 1/2	4	4 1/2	4 1/2	4 1/2	5	5 1/2
Feb. 3.....	4 1/2	4	4 1/2	4 1/2	4 1/2	5	5 1/2

IRISH BANKS' RATE.

Discount	Present Rate.	Date Changed.	Previous Rate.	Date Changed.
Discount	2½%	July 21, 1921	2½%	June 23, 1921
Deposit	2½%	Nov. 4, 1921	2½%	June 23, 1921

OVERSEAS BANK RATES.

Bank Rate	Bank Rate
Changed.	Changed.
Amsterdam	July 1, 1915
Athens	May 15, 1920
Berlin	Dec. 23, 1914
Brussels	May 19, 1921
Bucharest	Sept. 4, 1920
Calcutta	Dec. 30, 1921
Christiana	July 5, 1921
Copenhagen	Nov. 5, 1921
Helsingfors	Nov. 8, 1921
Lisbon	Sept. 8, 1920
New York Federal Reserve	Nov. 2, 1921
Madrid	Nov. 4, 1920
Paris	July 28, 1921
Prague	Aug. 16, 1921
Rangoon	May 11, 1920
Sofia	June 14, 1921
Stockholm	Oct. 19, 1921
Swiss Bank	Aug. 11, 1921
Tokyo	Nov. 18, 1921
Vienna	Nov. 29, 1921
Warsaw	Sep. 1, 1921

RATES OF EXCHANGE.

London on	Usance	Par.	Feb. 4, 1922.	Jan. 27, 1922.	Feb. 3, 1922.
Paris	francs to £1	T.T.	25-22½	54-55-60	51-75-80
Berlin	marks to £1	T.T.	20-43	239-244	857-862
Vienna	krone to £1	T.T.	24-02	1350-1400	14500-16000
Prague	krone to £1	T.T.	24-02	300-305	215-220
Bucharest	leu to £1	T.T.	20-43	3000-3100	13500-14500
Bombay	rupee to £1	T.T.	25-22½	275-280	675-680
Calcutta	rupee to £1	T.T.	24-02	568-588	2900-3000
Constantinople	piastre to £1	T.T.	25-22½	280-300	630-665
Sofia	levas to £1	T.T.	25-22½	130-135	315-330
Belgrade	dinas to £1	T.T.	13-107	11-31-34	11-55-58
Amsterdam	florin to £1	T.T.	25-22½	51-95-52-05	54-08-13
Brussels	franc to £1	T.T.	18-159	20-92-97	27-02-07
Christiana	kroner to £1	T.T.	18-159	17-52-57	16-82-85
Stockholm	kroner to £1	T.T.	25-22½	20-30-30	21-25-30
Helsingfors	mark to £1	T.T.	25-22½	105-109	220-225
Copenhagen	drachme to £1	T.T.	25-22½	54-70-80	95-95½
Geneva	franc to £1	T.T.	25-22½	105½-106½	95½-96½
Italy	lire to £1	T.T.	25-22½	23-93-98	21-69-74
Switzerland	franc to £1	T.T.	25-22½	27-46-51	28-10-13
Madrid	pesetas to £1	T.T.	53-4	6-6½	4-4½
Lisbon	pence to escu.	T.T.	97½	97½-97½	97½-97½
Alexandria	piastre to £1	Sight	4-86½	4-86½	4-86½
New York	dollar to £1	Cable	4-86½	4-86½	4-86½
Montreal	dollar to £1	Cable	4-86½	4-86½	4-86½
Buenos Ayres	pence to dollar	T.T.	47-58½	49½-50½	44½-45½
Rio de Janeiro	pence to dollar	T.T.	16	16	16
Montevideo	pence to dollar	T.T.	51	49½-48½	42½-42½
Valparaiso	pence to dollar	T.T.	13-33	8½(a)	44-50½
Limá	Eng. to Per. £1	90 days	Par	7½ dis.	19½ prem.
Calcutta	ster. to rupee	T.T.	10 to 1s	48½-49½	1s 3½d-3½d
Bombay	ster. to rupee	T.T.	10 to 1s	48½-49½	1s 3½d-3½d
Madras	ster. to rupee	T.T.	10 to 1s	48½-49½	1s 3½d-3½d
Sov. Gov.	ster. to rupee	T.T.	10 to 1s	48½-49½	1s 3½d-3½d
Hong Kong	ster. to dollar	T.T.	2s	7d-7½d	2s 6½d-7½d
Shanghai	ster. to dollar	T.T.	2s	5d-5½d	2s 5½d-5½d
Singapore	ster. to dollar	T.T.	2s	5d-5½d	2s 5½d-5½d
Yokohama	ster. to yen	T.T.	24-58½	2s 6½d-5½d	2s 5½d-5½d
Manila	ster. to dollar	T.T.	24-06½	12s 3½d	12s 3½d
Mexico	pence to dollar	T.T.	25-22½	33½-36½	27½d-29½d

† Rate for previous day. (a) Pence to peso. (e) Sellers.

CURRENT RATES IN NEW YORK.

The Irving National Bank of New York cable the following money and exchange rates in New York:—

	Feb. 3, 1922.	Jan. 5, 1922.	Jan. 12, 1922.	Jan. 19, 1922.	Jan. 26, 1922.	Feb. 2, 1922.
Call money	9%	9%	9%	9%	9%	9%
Time money (30 days' mixed coll)	7%	5%	4½%	4½%	4½%	4½%
Bank acceptances:—						
Members—eligible, 90 days	6½%	4½%	4½%	4½%	4½%	4½%
Non-mem.—eligible, 90 days	6½%	4½%	4½%	4½%	4½%	4½%
Ineligible, 90 days	7½%	4½%	4½%	4½%	4½%	4½%
Commercial accept., 90 days	8½%	5%	5%	4½%	4½%	4½%

RATES OF EXCHANGE.

New York on—	Par Level.	Feb. 3, 1922.	Jan. 19, 1922.	Jan. 26, 1922.	Feb. 2, 1922.
London—					
60 days	Dollars for £1	4-8666	3-7825	4-17875	4-2525
Cable			4-85	4-2250	4-30125
Cheques			3-8425	4-22125	4-2975
Paris	Cents for 1 franc	19-30	7-03	8-19	8-33
Brussels	Cents for 1 franc	19-30	7-03	8-19	8-33
Switzerland	Cents for 1 franc	19-30	16-05	19-45	19-52
Italy	Cents for 1 lire	19-30	3-63	4-37	4-40
Berlin	Cents for 1 mark	23-83	1-60	0-5175	0-4875
Copenhagen	Cents for 1 krone	20-26	0-275	0-325	0-325
Madrid	Cents for 1 peseta	19-30	14-05	15-04	15-28
Amsterdam	Cents for 1 guilder	40-195	34-03	36-61	37-03
Copenhagen	Cents for 1 kroner	26-80	18-25	15-73	15-71
Stockholm	Cents for 1 krona	26-80	21-95	25-00	25-48
Athens	Cents for 1 drachma	19-30	7-18	4-45	4-50
Montreal	Cents for Can. \$1	100	89-25	94-87	95-32
Yokohama	Cents for 1 yen	49-85	48-35	47-40	47-35
Hong Kong	Cents for H. Kong \$	..	51-00	54-75	55-25
Shanghai	Cents for 1 Shing. tael	..	68-50	74-50	75-10
Calcutta	Cents for 1 rupee	27-00	27-00	27-75	27-95
Buenos Aires	Gold pesos for \$100	103-65	124-50	131-15	123-50
Rio de Janeiro	Cents for 1 milreis	32-42	15-25	12-40	12-58
Valparaiso	Cents for 1 peso	20-60	14-06	10-75	10-90

Note—The rates for acceptances quoted above are selling rates.

RATES OF EXCHANGE ON GERMANY.

	Par Level.	Feb. 3, 1922.	Jan. 19, 1922.	Jan. 26, 1922.	Feb. 2, 1922.
Amsterdam	Florins to 100 marks	59-28	4-80	1-43	1-119
Switzerland	Francs to 100 marks	123-45	10-05	2-714	2-50
Copenhagen	Kroner to 100 marks	88-88	8-50	2-63	2-40
Stockholm	Kroner to 100 marks	88-88	7-41	2-11	1-99
Christiana	Kroner to 100 marks	88-88	9-25	3-35	1-92

CENTRAL AMERICAN EXCHANGE RATES.

The Commercial Bank of Spanish America, Limited, quotes the following rates of exchange:—

Country.	Par Value.	Usance.	Year, 1922.	Rate.
Bonadon	Escudos to £1	10-00	Sight London	Jan. 28 17-40
Venezuela	Bolivares to £1	25-25	Jan. 28	23-75
Colombia (Bogota)	Dollars to £20	100	Jan. 31	97
Nicaragua	Colonias to £1	4-8665	Jan. 28	4-15
San Salvador	Colonias to £1	9-73	Jan. 25	8-50
Guatemala	Pesos to £1	90-23	Jan. 28	239-12
Costa Rica	Colonias to £1	10-45	Jan. 7	17-75
Bolivia	Pence to Boliviano	19-20	Dec. 16, 21	132

ESTHONIAN EXCHANGE RATES.

The Bank of Esthonia quote Reval exchange rates as below:—

Reval on	Jan. 7, 1922.	Jan. 14, 1922.	Jan. 21, 1922.
London (cheque)	£1	Selling. 1,525	Selling. 1,525
New York	100 Mk	205	215
Berlin	100 Fmk	685	675
Helsingfors	100 Kr	9,100	8,550
Stockholm	100 Kr	7,350	7,200
Copenhagen	100 Fr	2,925	2,950
Amsterdam	100 Hfl.	13,450	13,300
Riga	100 Lrbh	150	150
Prague	..	..	605

LATVIAN EXCHANGE RATES.

		Nov. 30, 1921.	Dec. 20, 1921.	Dec. 31, 1921.	
Riga on—		Buying.	Selling.	Buying.	Selling.
London.....	Latvian roubles for £1.....	1,000	1,020	1,000	1,020
New York.....	" " " \$1.....	2,494	2,552	236	242
Paris.....	" " " 100 frs.....	1,725	1,775	1,925	1,975
Stockholm.....	" " " 100 kr.....	5,900	6,000	5,925	6,025
Copenhagen.....	" " " 100 kr.....	4,675	4,775	4,995	5,025
Christiania.....	" " " 100 kr.....	3,550	3,650	3,675	3,775
Amsterdam.....	" " " 100 hfl.....	8,925	9,075	8,725	8,875
Berlin.....	" " " 100 rmk.....	84	94	123	133
Helsingfors.....	" " " 100 fmk.....	428	438	464	474
Heral.....	" " " 100 emk.....	65	70	65	70
Warsaw.....	" " " 100 pmk.....	9	10	10	10

NOTICES.

A branch of the Banque Française et Italienne pour l'Amérique du Sud (head office, Paris) has been opened at Valparaiso.

The National Provincial and Union Bank of England has opened branches at 4 West street, Havant—resident officer, Mr W. A. Bowler; at High street, Newham—resident officer, Mr F. D. Oldfield; and at 120A Lower Clapton road, E. 5, and at 5 and 7, Eastcheap, E.C. 3. A weekly agency of the bank is also now open on Thursdays at Madeley.

A branch of the Eastern Bank, Limited, was opened in Madras on February 1, 1922.

The London Joint City and Midland Bank, Limited, announce the opening of new branches at 398 High road, Lee, S.E. 12, and Fakenham (Norfolk), under the management of Mr W. W. Hill and Mr Herbert Lord respectively. New offices are also open in Jersey at 2 Bank place, St Aubin, and Old Bank House, Gorey Village.

The opening is announced of a branch of the London County Westminster and Parr's Bank, Limited, at 15 Seething lane, E.C. 3, under the management of Mr H. R. Horn.

Reports and Notices.

Mr Richard N. Salter, the business manager of Blades, East, and Blades, Limited, has been elected a director of the company, in the place of Mr Laurence H. Blades.

The offices of Messrs Lewis and Marks, Limited, have been removed from Threadneedle House, E.C. 2, to Stafford House, King William street, E.C. 4.

On and from January 30th, the offices of the following companies will be situated at Stafford House, 14 to 20 King William street, E.C. 4:—African and European Investment Company, Limited; Imperial Cold Storage and Supply Company, Limited; Lonely Reef Gold Mining Company, Limited; Vereeniging Estates, Limited; Cia do Nyassa; Nyassa Consolidated, Limited; East Rand Mining Estates, Limited; Rhodesia Gold Mining and Investment Company, Limited; South African Diamond Corporation, Limited; Swaziland Corporation, Limited.

Messrs Franklin, Wild, and Co., chartered accountants, announce that they have removed their offices from Broad street avenue to Orient House, New Broad street, London, E.C. 2.

Messrs William Jacks and Co. have removed to Winchester House, Old Broad street, London, E.C. 2.

Mr G. N. Foster and Mr L. A. Judd have been elected directors of Walter Judd, Limited, the financial and general advertising agents, of 97 Gresham street, London, E.C.

GOVERNMENT STOCKS, &c.

GUAYAQUIL AND QUITO RAILWAY.—Six per cent. Prior Lien Mortgage Bonds.—Tender of bonds for redemption.—The twenty-sixth amortisation of the above bonds took place this afternoon at the banking house of Messrs Glyn, Mills, Currie, and Co., by public tender, the amount to be applied being £16,530 12s 8d. Tenders amounted to £127,000 ranging from £194 to £205 15s per bond. Tenders at £199 10s and under were accepted in full.

GREEK DEBT.—The Council of Foreign Bondholders issues the following information, compiled from figures published by the International Financial Commission at Athens, with regard to the revenues assigned under the Law of Control for the service of the Greek debt from January 1st to November 30th (new style, January 14th to December 13th), 1921:—

	Monopolies, Tobacco, Stamps, Stamp Paper, Naxos Emery.	Piræus Customs.
Gross receipts, November, 1921 ..	Drachmæ. 6,392,332.19	Drachmæ. 8,520,070.60
Do do 1920 ..	5,294,190.19	4,255,134.15
Estimated receipts for eleven months (Law of Control)	26,491,666.67	9,808,333.33
Actual receipts for 1921, eleven months ..	67,625,219.18	65,634,539.25
Actual receipts for 1920, eleven months ..	60,116,467.25	52,408,561.20

NOTE.—Of the surplus over the estimated receipts from monopolies, tobacco, stamps, stamped paper, and naxos emery, 49½ per cent. is applied towards increasing the minimum rates of interest and sinking fund on the external gold loans of 1881 to 1893. The products of the sales of naxos emery have been paid in paper drachmæ since August, 1920. In the case of the Piræus Customs, the receipts in gold are included in the above statement at par.

BANKS.

ALLIANCE BANK OF SINGAPORE, LIMITED.—The net profits for the six months ended December 31, 1921, amount to Rs.5,73,757.12.2, to which is to be added the amount brought forward from last half-year, Rs.3,31,154.4.9, making a total of Rs.9,04,912.0.11. The directors propose to pay the usual interim dividend at the rate of 14 per cent. on the ordinary shares, and at the rate of 6 per cent. on the preference shares (both free of Indian income-tax), which will absorb Rs.4,07,039.1, leaving a balance of Rs.4,97,872.15.11 to be carried forward.

LONDON JOINT CITY AND MIDLAND BANK, LIMITED.—Average weekly position during January, 1922:—

	LIABILITIES.	£	ASSETS.	£	Ratio to Current Deposits & Other Acc'ts. %
Capital paid up	10,860,852		Coin, bank and currency notes, and balances with the Bank of England ..	56,059,141	150
Reserve fund	10,860,852		Balances with, and cheques in course of collection on, other banks in the United Kingdom ..	9,934,577	27
Current, deposit, and other accounts (including balance of profit and loss account)	373,945,386		Money at call and short notice ..	12,562,840	35
Acceptances and engagements on account of customers	19,499,636		Investments ..	57,680,949	155
			Bills discounted ..	75,647,759	202
			Advances to customers and other accounts ..	175,380,860	469
			Liabilities of customers for acceptances and engagements ..	19,499,636	
			Bank premises at head office and branches ..	4,942,299	
			Shares of the Belfast Banking Co., Ltd., and the Clydesdale Bank, Ltd.	3,258,665	
				415,166,726	415,166,726

SKANDINAVISKA KREDITAKTIEBOLAGET.—The net earnings of the Skandinaviska Kreditaktiebolaget for the year 1921 amount—after writing off on debts Kr19,711,202.39 and on shares Kr8,443,133.10—to Kr18,703,569.44, to which has to be added Kr3,893,950.98 brought forward from 1920, making a total of Kr22,597,520.42. Having set apart for taxes Kr3,300,000, the board of directors recommend a dividend of Kr25 per share (17.60 per cent.)—last year, Kr30 per share (21.13 per cent.)—leaving a balance of Kr3,947,520.42 to be carried forward to new account. On del credere account still remain Kr15,000,000.

RAILWAYS.

NORTH-WESTERN OF URUGUAY.—Information has been received by cable that, in reply to the company's claim, the Government of Uruguay have decided that the guaranteed period will extend to July 30, 1925.

MISCELLANEOUS.

LENNARD'S, LIMITED (BOOTS AND SHOES).—The twenty-fifth annual report for 1921 to be submitted to the shareholders on February 9th shows that the dividend for the year is 6 per cent. on the preference, and 12½ per cent. on the ordinary shares. £1,000 is given to the staff. The general reserve fund stands at £50,000, and the capital reserve fund at £150,000. £1,328 is carried forward to next account. Sir Thomas Lennard has retired as managing director, but retains his position as chairman. Percy Steadman, J.P., is appointed managing director, and the board nominate Major E. W. Lennard as a director. The report states that £97,809 has been written off the stock to reduce prices to present day values.

SOUTH METROPOLITAN GAS COMPANY.—We extract the following from the directors' report for the year ended December 31, 1921:—“As a result of the three months' stoppage in the coal industry, the company, while maintaining the quality and quantity of its gas supply throughout, was involved in an additional expenditure for coal of over £350,000. The price of gas, therefore, was increased by 1d per therm at midsummer, representing an additional revenue of about £150,000, and the balance has been charged to suspense account, to be liquidated during the current half-year. Under these circumstances the directors cannot recommend a higher dividend than at the basic rate of 5 per cent. per annum. There has been a decrease of 1.8 per cent in gas sales, whereas in the previous year there was an increase of 5.4 per cent. This is attributable in part to the exceptional weather conditions of the last six months, and in part to the general depression in trade and industry. The high price of gas (although the lowest in the London area) has also undoubtedly been a contributing factor, and it is for this reason that it is proposed to spread the exceptional charges due to the coal stoppage over two half-years. The falling cost of coal, materials, and labour must soon react in cheapening production, thereby enabling gas to be sold at a figure more within the spending power of the consumers. It is gratifying to report that consumers have increased in number by 3,386, and that 10,278 additional stoves, in addition to a large number of other appliances, have been sold or let on hire during the year. The copartnership has come triumphantly through a very difficult period, and it has to be placed on record that during the very disturbed labour conditions existing in the early part of the year the loyalty and devotion of the employees were never for a moment in question. It is unfortunate that they, like the shareholders, have to suffer from the effects of the coal stoppage, for the proposal not to pay any increment of dividend equally precludes them from receiving any increment of wages.”

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, January 25, 1922, amounted to 944 tons.

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Week Ended Jan. 29, 1922.			Aggregate 4 Weeks 1922.		
	Passengers, &c.	Goods, &c.	Total for Week.	Passengers, &c.	Goods, &c.	Total Receipts.
£	£	£	£	£	£	£
Brecon and Merthyr	60	850	3,729	4,579	3,765	15,446
Great Central (c)	6768	36,300	125,200	165,500	462,400	827,900
Do Joint Lines	1613	87,200	101,300	30,300		124,500
Great Eastern (c)	1,2072	72,800	148,700	221,500	375,700	597,200
Great Northern (c)	1,050	260,000	282,000	488,000	309,000	797,000
Great Western	2,964	206,000	282,000	488,000	309,000	797,000
Hull and Barnsley	92	724	23,032	33,756	2,697	75,767
Do Dock Receipts	2,633	294,000	433,000	727,000	1,179,000	1,906,000
London & N. Western	428	101,300	58,900	154,200	418,400	572,600
London & South Western	1,067	1,067	1,334	2,391	4,647	5,136
Maryport and Carlisle (c)	794	33,221	3,619	36,840	134,355	15,411
Midland (c)	1,5854	142,000	328,000	470,000	592,000	1,082,000
Midland & S. W. Jno.	63	1,147	1,319	2,466	4,354	5,820
North Eastern (c)	1,758	98,800	211,700	310,500	416,700	727,200
North London	16	5,240	10,110	21,523	38,995	60,518
Rhymney	51	2,558	8,972	11,835	35,898	47,733
Taff Vale	1249	6,896	26,370	27,166	33,009	60,175
Do Docks, &c.				192,358		175,704
Underground E.R. (c)				41,757		175,704
Lon. and Sub. Group (c)	1,097	49,800	95,400	145,200	237,400	382,600
Calverton	478	20,500	35,400	55,300	122,500	177,800
Glasgow and S. W. (c)	3362	6,760	8,489	15,130	29,770	44,900
Gt. North of Scotland (c)	492 (a)	9,061	121,900	167,900	309,500	477,400
Highland (c)	1,378	46,000	121,900	167,900	309,500	477,400
North British (c)	80	3,921	15,119	5,440	15,233	20,712
Belfast & County Down (b) ..	160	2,528	1,485	4,411	16,235	19,215
Dublin and S. Eastern (b) ..	538	13,546	14,867	28,813	43,503	72,316
Midland Gt. Western (b) ..						93,415

(a) Including 10 miles temporarily closed. (b) Week ended Jan. 20, 1922.
(c) Week ended Jan. 21, 1922.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1921-22.	+ or -	1921-22.	+ or -
				Rs.	Rs.	Rs.	Rs.
INDIAN.				2,10,119	7,471	64,25,583	18,00,218
Assam Bengal	39 weeks	Dec. 31	993	34,200	13,100	9,89,200	93,26
Bangal & Ry.	40 weeks	Jan. 7	118	3,46,650	1,24,815	69,27,386	5,63,855
Bombay & N. Western	15 weeks	Dec. 31	2,067	12,76,000	1,17,000	4,90,68,472	82,242
Bombay Nagpur	40 weeks	Jan. 7	2,697	19,36,000	1,77,000	3,04,10,000	10,34,000
Bombay, Bar. & C.L.	16 weeks	Jan. 21	2,871	6,44,299	33,471	2,23,55,066	12,81,960
Burma	39 weeks	Dec. 31	1,344	71,000	17,882	14,31,512	2,04,977
Delhi, Umballa & Kalka	15 weeks	Jan. 14	439	25,51,000	2,53,000	4,40,15,000	9,58,000
East Indian	16 weeks	Dec. 31	2,272	31,14,000	3,40,300	10,80,41,233	11,33,849
Madras & S. Mahr.	40 weeks	Jan. 31	3,028	13,18,000	49,728	50,14,93,049	15,42,484
Robt'f. & Kumaon	13 weeks	Dec. 31	259	48,316	7,498	6,19,124	4,090
Do Lucknow-Bredly	13 weeks	Dec. 31	302	66,871	13,643	7,47,937	1,00,394
South Indian	39 weeks	Dec. 31	1,852	8,01,424	40,266	3,29,85,825	17,08,297
State of Mysore (month) ..	6 mths	Sept. 30	717	6,94,146	2,94,599	47,56,562	5,90,482
Argentine (a).				\$	\$	\$	\$
Argentine N.R.	30 weeks	Jan. 28	759	8,600	3,000	334,400	22,920
Argentine Trans.	30 weeks	Jan. 28	111	2,690	888	57,675	19,830
B. A. and Pacific	30 weeks	Jan. 28	5,488	145,000	10,000	3,78,000	51,000
B. A. Gt. Southern	30 weeks	Jan. 28	5,981	180,000	20,000	4,56,000	84,000
B. A. Gt. Southern	30 weeks	Jan. 28	1,282	81,000	17,000	805,000	205,000
B. A. Western	30 weeks	Jan. 28	1,282	81,000	17,000	2,961,000	12,000
Buenos Ayres Cent.	5 mths	Nov. 30	190	42,821	4,881	245,583	16,000
Central Argentine	30 weeks	Jan. 28	3,205	195,000	20,000	5,58,000	761,000
Cordoba Central	30 weeks	Jan. 28	1,906	46,600	2,100	1,65,000	132,800
Entre Rios	30 weeks	Jan. 28	811	22,400	2,900	571,800	96,500
Brazilian (b).				Ma\$	Ma\$	Ma\$	Ma\$
Brazil Gt. Southern	12 mths	Dec. 31	1,005	15,800	1,600	55,700	13,500
Gt. West. of Brazil	4 weeks	Jan. 28	1,831	31,492	1,767	113,692	7,914
Leopoldina	4 weeks	Jan. 28	1,831	31,492	1,767	113,692	7,914
San Paulo	4 weeks	Jan. 28	1,831	31,492	1,767	113,692	7,914
State of Bahia, B.W.	11 mths	Nov. 30	54	Ma\$54,000	101,000	776,000	437,000
Chile and Peru.				\$	\$	\$	\$
Antofagasta	4 weeks	Jan. 28	838	18,755	13,065	63,910	68,135
Arauco	1 mth	Jan. 30	694	14,000	500		
Nitrato (2 weeks)	2 weeks	Jan. 31	366	11,302	10,204		17,408
Peruvian Corp.	6 mths	Dec. 31	1,059	81,366,820	37,780	7,540,630	578,135
Taita	6 mths	Dec. 31	172	9,135	21,413	57,579	117,803
Cuba.				\$	\$	\$	\$
Havana Central	29 weeks	Jan. 21	1,110	11,938	4,232	304,735	99,966
United of Havana	30 weeks	Jan. 21	1,110	11,938	4,232	1,690,604	1,403,572
Uruguayan.				\$	\$	\$	\$
Central Uruguay	30 weeks	Jan. 21	973	26,914	1,504	737,602	85,515
C. Urug. (East Rkt.)	30 weeks	Jan. 21	973	26,914	1,504	737,602	85,515
C. Urug. (North Rkt.)	30 weeks	Jan. 21	973	26,914	1,504	737,602	85,515
C. Urug. (West Rkt.)	30 weeks	Jan. 21	973	26,914	1,504	737,602	85,515
Midland Uruguay	5 mths	Nov. 30	319	17,021	1,288	72,619	14,662
North-West Urug.	4 mths	Nov. 30	123	9,574	3,154	34,314	4,168
Uruguay North	5 mths	Nov. 30	303	3,083	1,068	9,612	602
Other Foreign.				Ps	Ps	Ps	Ps
Alcoy and Gandia	4 weeks	Jan. 28	25	1,849	7,000	71,000	14,900
Bilbao	12 mths	Dec. 31	136	7,700	460	117,328	1,266
Bolivar	12 mths	Dec. 31	86	17,240	1,340	193,391	3,531
Colombian Nat. Rly.	10 mths	Oct. 31	190	18,065	3,306	90,137	31,220
Costa Rica	5 mths	Nov. 30	70	17,250	1,000	209,000	24,822
Dorado Extension	11 mths	Nov. 30	5594	114,663	1,071	305,639	88,121
Egyptian Delta	39 weeks	Dec. 31	104	Pe\$4,661	40,938	172,363	150,732
Gt. Southern of Spain	3 weeks	Jan. 21	104	Pe\$4,661	40,938	172,363	150,732
Internationale	12 mths	Dec. 31	423	13,192	7,327	301,761	17,260
Central America	12 mths	Dec. 31	423	13,192	7,327	301,761	17,260
La Guaira & Caracas	12 mths	Dec. 31	423	\$263,500	21,400	865,200	49,000
Mexican Railway	3 weeks	Jan. 21	403	\$1406,300	238,900	8,567,100	1,859,500
Do	6 mths	Dec. 31	104	\$303,700	500	1,368,500	53,500
Do	6 mths	Dec. 31	104	11,026	5,097	144,134	86,000
Mexico				\$	\$	\$	\$
Mexico Occidental	11 mths	Nov. 30	219	\$2,110	760	108,510	42,000
Mexico Occidental	11 mths	Nov. 30	219	\$2,110	760	108,510	42,000
Paraguay Central	29 weeks	Jan. 21	974	\$4,311,34	414,841	16,380,766	5,629,299
Pharos-Athens, &c.	9 mths	Feb. 28	25	5,000	1,000	56,000	4,000
Praterio Cabello, &c.	13 mths	Dec. 31	100	6,213	2,548	76,505	25,000
Salvador	30 weeks	Jan. 21	100	129,694	17,002	4,451,000	42,000
Santa Fe Province	1 mth	Dec. 31	31	5,460	2,451	110,010	42,000
Santiago & Santiago	12 mths	Dec. 31	119	(a) 15,945	4,008	171,739	17,000
Santa Fe Province	12 mths	Dec. 31	119	(a) 15,945	4,008	171,739	17,000

(a) Converted at par.
+ 10 Days. (b) at the current rate of exchange.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward	Net Profit.	Dividend.
					Prefce.	Ordinary.	Rate.				
		£	£	£	£	£	%	£	£	£	%
Banks.											
Lond. & Liverpl. Bnk. of Commerce	Dec. 31	18,646	18,894	37,540	..	16,800	4	..	20,740	17,807	4
Breweries.											
City of London	Dec. 31	27,482	172,326	199,808	27,500	117,934	20	20,000	34,374	188,216	25
Octagon	Dec. 31	7,675	23,340	21,015	2,000	3,500	10	7,220	8,295	12,243	10
Wallingford	Nov. 30	5,037	7,463	12,500	..	5,880	12	..	6,620	7,851	12
Financial, Land, &c.											
Alto Paraná Development	June 30	Dr 2,685	Dr 6,815	Dr 9,500	..	..	..	..	Dr 9,500	..	..
Gas.											
Brentford	Dec. 31	35,229	111,511	146,740	2,750	95,975	5½ A 5½ B	..	48,015	37,600	3 A 2½ B
Cardiff Gas Light and Coke	Dec. 31	..	45,507	45,507	4,338	25,090	5	8,485	7,594	..	3
Gas Light and Coke	Dec. 31	326,598	851,867	1,178,465	253,490	760,618	4½	20,000	144,357	722,335	3
Tottenham District	Dec. 31	13,174	55,097	68,271	1,310	48,698	7½ A 5½ B	..	18,263	33,678	3½ A 2½ B
Motor and Cycle.											
S. T. D. Motors	Sept. 30	57,740	151,382	209,122	132,902	..	..	..	76,220	325,205	20
Rubber, &c.											
Ampat (Sumatra)	Sept. 30	2,072	Dr 2,940	Dr 888	..	..	..	Dr 1,108	240	4,736	7½
Bila (Sumatra)	Aug. 31	10,722	Dr 7,953	2,763	..	..	..	..	2,763	6,784	..
Seychelles	June 30	2,888	Dr 2,591	297	..	..	..	..	297	Dr 162	..
Shops and Stores.											
Greenlees and Sons	Dec. 31	16,078	15,693	31,771	13,125	2,625	7½ 15	..	16,021	35,479	7½
Home and Colonial	Dec. 31	31,643	309,875	341,518	91,500	37,500	Cm. 0 25	65,987	46,531	126,217	11½
Lennards	Dec. 31	30,146	Dr 5,693	24,453	7,500	15,625	Ord. 12½	..	1,328	48,402	20
Public Benefit Boot	Dec. 31	53,683	21,669	75,352	14,330	11,200	8 Prf. 8 Df. Ord.	9,446	40,376	29,257	8 Prf. Ord. 12½ Df. Ord.
Shipping.											
Rowland and Marwood's	July 31	51,570	229,596	281,166	..	55,025	25	152,000	74,141	234,808	25
Textiles.											
Emmotts and Wallshaw	Dec. 31	17,741	Dr 10,000	7,741	1,925	3,500	10	..	2,316	6,076	20
English Velvet and Cord Dyers' ..	Dec. 31	26,656	64,438	91,094	10,594	34,810	8	20,000	25,690	96,581	10
Joseph Byrom and Sons	Dec. 28	1,430	55,860	57,290	..	22,050	4½	14,506	20,784	72,067	11½
Tramways											
Dublin United	Dec. 31	13,331	82,447	95,778	25,200	23,100	5	35,000	12,478	78,861	5½
Trust.											
British Investment	Jan. 1	128,314	162,538	290,852	42,000	84,000	15	..	164,852	166,870	15
London Property Investment ..	Dec. 31	2,199	7,060	9,259	..	5,517	6 A 5 B	286	3,456	6,056	6 A 5 B
Sterling Trust	Dec. 31	13,230	63,166	76,396	..	52,500	6	..	23,896	86,380	6
Other Companies.											
Dublin (South) City Market	Dec. 31*	3,230	3,046	6,276	..	2,000	2½	1,000	3,276	2,010	2½
Dunlop Rubber	Aug. 31	1,700,324	Dr 8,340,007	Dr 6,639,683	77,187	..	..	1,623,137	Dr 8,320,007	2,163,896	15
John Knight	Nov. 30	44,557	164,145	208,702	..	125,000	25 Prf.	..	62,702	119,975	25 Prf.
Johnston, Morney, and O'Brien ..	Dec. 31	12,478	10,060	22,538	3,000	7,500	30 Ord.	..	72,038	10,063	10 Ord.
Selincourt and Sons	Dec. 17	4,414	37,935	42,349	..	37,500	5	..	4,849	66,021	7½

* Half-year.

† Free of tax.

ANALYSIS OF BALANCE-SHEETS.

S.T.D. MOTORS, LIMITED.

(Formerly A. DARRACQ and Co. (1905), LIMITED.)

September, 30, 1921.

LIABILITIES.		ASSETS.	
Amount.	Compared with Sept. 30, 1920.	Amount.	Compared with Sept. 30, 1920.
Prefer. ord. shares, £1	1,393,800 .. + 29,800	Cash	231,383 .. - 328,509
Ord. shares, £1	1,393,608 .. + 493,608	Loans to subsidiary cos.	1,654,987 .. + 233,118
Share premium	224,357	Investments at cost	67,783 .. - 44,596
Reserve	250,000	Shares in other companies at cost	1,995,981 .. + 523,408
Capital reserve	59,337	Leasehold land, buildings, &c.	58,650 .. + 1,105
Investment depreciation acc.	35,000 .. + 15,000		
Sundry creditors	76,519 .. + 22,472		
Profit and loss	140,263 .. - 176,354		
Total	4,008,784 .. + 394,526	Total	4,008,784 .. + 394,526

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KABLE, STAN AND BRITISH DOMINIONS INSURANCE CO., LTD.,
41 THREADNEEDLE ST., LONDON, E.C.2.
ASSETS EXCEED £19,000,000.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Weather conditions have remained unsettled with further rains, though the additional moisture will benefit growing crops. Ploughing operations, however, were interrupted, but preparations for spring sowings are well forward. Supplies of native wheat were on a moderate scale at the principal Statute markets, and prices somewhat irregular, while steady here for good milling samples at 48s to 50s per 504 lbs, with inferior qualities down to 44s free on rail. Imported descriptions ruled firmer in sympathy with higher c.i.f. offers, but trading slow at the advance. No. 1 Northern Manitoba 59s, River Plate 62½ lbs 54s 6d, Rosafe 64 lbs 53s 6d to 54s, and Barusso 64 lbs 54s to 54s 6d, all ex ship to arrive, and Australian 54s to 54s 6d ex store per 496 lbs. A good business transpired in the floating and forward cargo market, both Australian and La Plata qualities being dealt in at firmer prices, owing to dearer foreign advices and increased purchases

GRAIN AND SEED TRADE.—The Editor of a leading agricultural journal wishes to get in touch with a gentleman thoroughly conversant with the home and foreign seed and corn trade, who would supply him weekly with reports on the Mark Lane market. Letters, which would be regarded as strictly confidential, should be addressed to "Editor," c/o Herbert Smith, Esq., Secretary of the Agricultural Seed Trade Association, 60, Mark Lane London, E.C.3.

by U.K., Continental, and Mediterranean countries. Cargoes of No. 2 hard winter February sold at about 52s 3d to Lisbon, Rosafe 64 lbs January 28th at 52s 6d to Italy, River Plate 78 kilos March-April 49s Continent, Australian February 12th 51s Continent. To U.K. Australian afloat 51s 6d to 52s, loading 51s 7½d, early February 51s 3d, Rosafe 64 lbs February 20th 50s 9d, last half February 50s 6d, early February 51s per 480 lbs. Parcels were also well supported at full to dearer prices. North American stocks show a moderate decrease, while U.K. arrivals continue small. Crop reports are maintained with regard to India, Australia, and Argentine, but the American hard winter crop is adversely reported. Flour quiet, but prices were advanced by 2s per sack for home milled. London standard straight run quoted at 45s, town households 42s, patents 47s. All English straight run 42s per sack delivered London district. All English country straights 37s to 38s free on rail London. Imported makes steady, while reservedly offered on the spot. Manitoba export patents 44s, straight 40s, Kansas patents 41s 6d per 280 lbs ex store. On c.i.f. terms, parcels of Canadian patents February seaboard quoted 40s, straight 39s, and Australian February 37s 6d per 280 lbs. Millers' offals firm. Broad bran quoted £9 5s to £9 10s, middlings £8 15s, ex mill. Fancy Plate middlings £9, and Dutch pollards £9 17s 6d ex ship, per ton. Barley quietly steady. English malt ranges from 43s 6d to 66s, and feeding sorts 37s to 42s per 448 lbs free on rail. Of imported, Morocco 30s to 31s, Plate 30s 6d, No. 4 Canada Western 34s all landed per 400 lbs, Irish 43s 6d, and Californian 36s to 50s ex quay per 448 lbs. Maize very firm and spot supplies in small compass. Yellow La Plata 39s, yellow round African 38s, white flat ditto 36s, all landed, and American mixed ex ship to arrive 31s 6d to 32s, landed 34s per 480 lbs. Cargo market firm, but quiet, and small sales include Plate steamers early February loading at 35s 9d, and No. 1 and No. 2 white flat Rhodesian arrived at 31s per 480 lbs. Oats also very firm, especially La Plata qualities, with a fair business passing. Native steady at 28s 6d to 33s 6d as to sample per 336 lbs. Of imported, Plate f.a.q. quoted 29s 6d, clipped 30s, Canada Western 30s to 31s, New Zealand 35s to 38s all landed terms per 320 lbs. Oatmeal quiet and occasionally easier. London made coarse pinhead £18 10s to £19 10s, medium cut and whole groats £18 to £19, other cuts £17 to £18, American £17 10s to £18 10s, ordinary Scottish £18 to £19 per ton. English beans firm, but quiet, Springs 56s to 60s, Winters new 49s to 52s per 532 lbs. Native pease in good request, especially seeding qualities. Duns quoted 55s to 62s, and Maples 75s to 84s as to quality per 504 lbs. Of imported, Tasmanian quoted 19s to 23s, and New Zealand blue 18s to 22s, Dutch ditto 22s to 28s per cwt ex quay. Lentils quiet. No. 1 split 32s to 33s, No. 2 27s to 28s, and Egyptian 27s 6d to 28s 6d per 100 lbs. Homeward freight markets quiet, and rates irregular. Heavy grain American Northern Range to Antwerp/Hamburg February done 15½ cents, ditto Denmark 24 cents, and to Greece 24 cents per 100 lbs. River Plate opened easier, but steadier since on renewed chartering. Up river to U.K./Cont. February roth done 33s 9d, March 10th 32s 6d, and April 25th 28s 6d ton heavy grain basis. Eastern markets steady. Bombay on dead weight paid 21s to 22s according to size U.K./Cont. Liner parcels of rice Saigon to Hamburg done 25s, and Madras Coast kernels 20s ton to usual Continental ports. Australia fairly active, and rates maintained, large tonnage being taken from Sydney prompt and February-March at 48s 9d, with handy sizes worth 1s 3d ton more money. Alexandria cottonseed is open at 9s per 60 cubic feet to Hull.

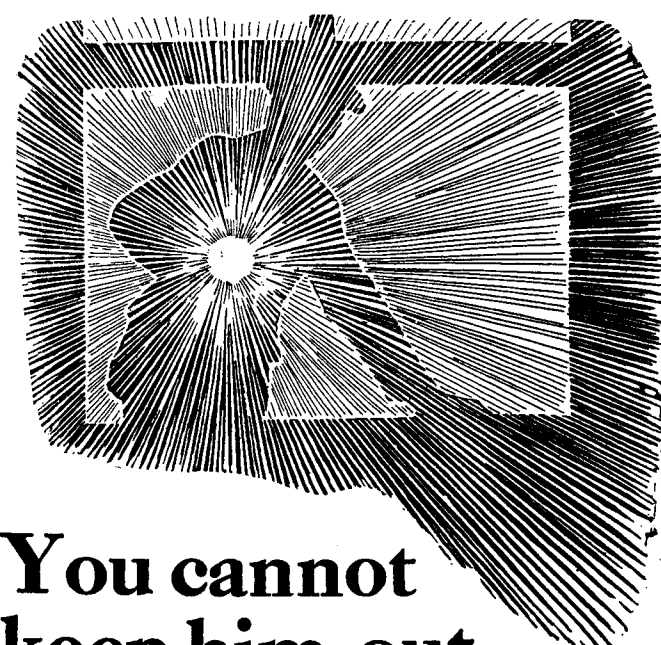
COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919.
Estimated sales of home-grown wheat—				
1 week to January 28	Cwts. 428,120	Cwts. 341,107	Cwts. 406,649	Cwts. 374,626
21 weeks to January 28	8,676,090	7,390,429	6,421,767	6,649,016
Average price of English wheat per quarter	s d 45 9	s d 85 4	s d 72 7	s d 72 8
— per cwt	10 8	19 11	16 11	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1918 to 1921:—

	QUANTITIES SOLD.			AVERAGE PRICES.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
Jan. 21	108,770 7	80,797 5	23,941 1	45 8	43 9	38 4
Jan. 28	99,894 5	68,163 7	21,739 1	45 9	43 1	39 0
1918	26,713 2	52,189 7	14,019 1	71 2	58 10	50 2
1919	27,412 6	71,288 3	15,010 2	72 8	62 4	49 7
1920	24,594 7	62,528 7	24,526 3	72 7	106 2	28 7
1921	79,696 1	108,522 5	24,526 3	85 4	70 11	43 11



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IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated February 2nd, is as follows:—Pig-iron: The home market for foundry pig-iron is still very unsatisfying. It is reported that 2,000 tons of Cleveland foundry iron have been sold to Germany—quite an unusual occurrence. At the same time, our foundry iron is meeting with but little success in home markets. Hematite is a better market, but in the event of more hematite furnaces being put in, the supply might easily exceed the demand. The present quotations are:—No. 3 Cleveland G.M.B. pig-iron, 90s per ton; East Coast mixed numbers hematite, 95s per ton. Manufactured iron and steel: The steel position is bad, and if orders do not come along soon it will mean steel works closing down again. Steel ship plates, home, £10 10s; steel ship angles, home, £10; iron bars, home, £12 10s; steel rails, home, £9 10s net. Iron ore: Very limited prompt business. Best Bilbao Rubio nominally 25s to 25s 6d per ton.

Our Sheffield correspondent writes:—Hopes of a substantial expansion of buying in the iron and steel trade have been disappointed, as the revival so far is slight and the development painfully slow. It is now certain that the present quarter's operations will not show much improvement on the closing quarter of last year. The rolling mills are working well, while the steel foundries have little to do. The crucible steel branch remains in the same moribund condition as obtained last year. The demand for heavy steel is rather more brisk, and quite a crop of promising inquiries are reported. Makers are cutting prices severely to obtain business. The bulk of the trade being done in mild steel at the moment is unremunerative, or even done at a loss. There is a fair demand from the Far East for low-grade quality steels. Orders for files and tools continue to arrive from Russia. A revival in Irish buying is anticipated shortly now that the various trade boycotts have been called off. Ireland is ordinarily one of our best markets for farm and general tools, cutlery, and plate, and the buyers there have remained loyal to their suppliers throughout the late troublous years. Last month there were reductions in the selling prices of all descriptions of tools, cutlery, and plate. Makers of hematite iron on the North-East Coast have made substantial reductions in their quotations lately, and mixed numbers can be bought delivered here at £5 5s, compared with £13 a year ago. The price of foundry iron delivered has dropped to £4 10s, or probably £4 9s 6d. The house coal department is exhibiting more stability than for a long time past, and there is a continuous demand for best qualities. Some of the London merchants are taking deliveries in excess of the quantities provided in their contracts. The steam coal market is also improving steadily, and further expansion in the near future is considered to be probable. An improvement in the export demand is being reflected in values. A marked improvement is noticeable in the demand for blast furnace coke, chiefly owing to export contracts, and prices are firmer. Quietude is the rule in small fuels.

Our Glasgow correspondent (writing on Thursday) says:—Conditions in the iron and steel trades, at least, as appears on the surface, have not improved during the week. At the same time, they cannot be regarded as worse, yet it is difficult to say positively. If anything, there is probably more business passing in steel circles, owing to the fact that the various large producers have again got their rolling mills set a-going, and are turning out fair quantities of tonnage, mainly ship and boiler plates. These outputs are mainly on account of old contracts, chiefly placed before the beginning of the year. There are no contracts of any consequence being given out, no orders that can last for a period of weeks, and the future of the position rests on the question of how long the bookings will hold out. It is affirmed in informed quarters that several good merchant-class orders are being held up, pending the issue of a new, a bottom, level of prices, at least, in Scotland, where it is admitted costs are a pound to two a ton higher than they are in the South. Here some steelmakers have this week lowered their home rate for ship plates to £9 10s a ton, and that for export business to £9 a ton, still leaving a disparity that should not exist. Quite a number of shipyards are still busy on the re-fitting and reconditioning of steamers, and it is through that way that a big proportion of the steel produced is finding an outlet. A fair volume of constructive work is in the hands of boilermakers, bolt, nut and rivet makers, especially tube makers, wire rope makers, motor builders, and general machinery makers. Foundries are the turn better, but they are draining supplies of pig-iron more freely from Cleveland—probably the cheapest iron presently in the market—than from Scottish furnaces. Only a paltry total of 220 tons of Scotch iron was shipped last week, 134 tons foreign, and the balance coastwise, and that though makers are credited with showing generous treatment to buyers. Last month's launches on the Clyde numbered 10 steamers of 58,614 tons. This constitutes the largest tonnage ever put into the river in one month, but the other side of the picture discloses a dispiriting array of additional empty berths and a big shrinkage of tonnage in hand.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—January 27, 1922.

Description,	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.			Same Period 1920.					
							Med	Good Med.	Fine.	Med.	Good Med.	Fine.			
American.															
Sea Island per lb.	d	d	d	d	d	d	d	d	d	d	d	d			
Florida ditto	d	d	d	d	d	d	d	d	d	d	d	d			
	Ord	G	O	L	M	M	G	M	F	G	O	L	M	G	M
American	6-31	7-06	8-31	9-26	10-01	11-56	6-39	7-89	10-54	22-81	25-76	30-56			
Brazilian.															
Pernambuco, &c.....	Mid	M	Fr.	G	M	Gd.	Fne	M	F	Fr.	Gd.	M	F	Fr.	Gd.
Paraiba	7-31	9-81	11-31	..	..	..	..	8-39	9-39	..	..	26-06	34-56	..	..
Maceio	7-31	9-81	11-31	..	..	..	..	8-39	9-39	..	..	26-06	34-56	..	..
Mossoro, &c.....	7-31	9-81	11-31	..	..	..	..	8-39	9-39	..	..	26-06	34-56	..	..
Ceara	7-31	9-81	11-31	..	..	..	..	8-39	9-39	..	..	26-06	34-56	..	..
Maranhã	7-31	9-81	11-31	..	..	..	..	8-39	9-39	..	..	26-06	34-56	..	..
Egyptian.															
Brown	..	..	11-00	12-50	15-00	16-75	..	13-00	19-00	..	..	26-06	34-56	..	..
Upper	..	..	10-75	11-75	13-75	14-75	..	11-00	15-00	..	..	26-06	34-56	..	..
West Indian—Sea Island ..	..	..	23-00	26-00	29-00	31-00	..	30-00	40-00	..	..	..	..	..	..
Peruvian—Rough	..	..	12-25	13-00	13-75	..	..	16-50	..	..	..	47-50	..	..	..
Ditto Mod. Rough	..	..	10-50	12-00	12-50	..	..	8-50	13-00	..	..	37-50	44-00	..	..
Ditto Smooth	7-56	10-81	12-06	12-56	13-56	..	5-39	10-39	13-39	35-80	38-80	44-30	..	..	..
Ditto Sea Island	..	..	..	..	..	..	..	..	..	..	..	64-50	66-50	..	..
African, East, &c.	6-25	7-25	9-25	10-25	11-25	12-25	5-00	11-00	15-00	35-00	38-00	47-00	..	..	..
East Indian.															
Surat—Mao. Ginned Surree	G	F	Far	Gd.	F	G	Fne	Gt'n	Far	Gd.	Fne	Far	Gd.	Fne	Gt'n
Broach	7-20	7-70	8-20	8-70	9-20	9-70	8-15	8-40	9-90	23-85	24-10	24-60	..	..	..
M. Ginned Bhownagar ..	5-85	6-60	7-35	7-85	8-35	8-85	6-19	6-69	7-44	19-54	20-29	21-29	..	..	..
M. Ginned Omra, No. 1 ..	5-95	6-70	7-45	7-95	8-45	8-95	6-25	6-75	7-50	19-60	20-35	21-35	..	..	..
M. Ginned Khandeshi ..	5-95	6-70	7-45	7-95	8-45	8-95	6-25	6-75	7-50	19-60	20-35	21-35	..	..	..
M. Ginned Comptah	7-65	8-15	8-65	9-15	9-65	10-15	7-15	7-65	8-15	22-60	23-10	23-60	..	..	..
M. Ginned Bengal	5-00	5-50	6-00	6-50	7-00	7-50	4-75	5-25	6-00	..	..	..	..	..	..
M. Ginned Soinda	4-90	5-40	5-90	6-40	6-90	7-40	4-63	5-13	5-88	16-50	17-25	18-25	..	..	..
Tinneivelly	3-70	4-20	4-70	..	..	..	3-15	3-40	..	24-60	24-85	..	..	..	..
Madras, Western	6-90	7-40	7-90	8-40	..	..	8-40	8-65	..	22-60	22-85	..	..	..	..
Madras, Northern	..	8-15	..	..	..	..	..	..	..	..	..	..	..	..	..
M. Ginned Coconada, Red ..	Fr.	7-75	..	..	..	..	8-40	..	..	21-35	..	..	..	..	..

MANCHESTER, February 2.

The conditions prevailing in the market have not been any worse than last week, and in certain quarters an increased inquiry has been experienced. The downward movement in raw cotton rates has been checked, and some buyers seem to be of opinion that now is the time to purchase manufactured articles, as there is less probability of any immediate further fall in values. In cloth for India inquiry has been on a larger scale, and some fair lines have been put through for Calcutta, but, of course, at prices which mean a loss to manufacturers. Occasional orders have also been booked for Bombay and Madras. Trade with China has not been at a standstill, and moderate contracts have been arranged in white fancies. Of the minor outlets, Constantinople has been a little better, and business has also been done for Egypt, but demand is slow in developing for South America. A slack feeling has prevailed in American and Egyptian yarns for home consumption, and prices have been very irregular when tested. Less activity continues to show itself in shipping yarns.

(1.) Comparative Statement of the Cotton Trade.

Description.	Price, Feb. 2, 1922.	Previous Weeks in 1921-22.					
		Price, Jan. 26, 1922.	Price, Jan. 19, 1922.	Price, Jan. 12, 1922.	Price, Jan. 5, 1922.	Price, Dec. 29, 1921.	Price, Dec. 22, 1921.
Raw Cotton—Fully Mid. American .. per lb.	d 9-70	d 10-07	d 10-46	d 11-06	d 11-64	d 12-81	d 12-81
—Sakellaridis Fully Good Fair ..	d 16-25	d 17-00	d 19-00	d 20-50	d 21-75	d 21-50	d 21-50
Yarns—32's twist	17	17 1/2	17 1/2	18 1/2	18 1/2	18 1/2	18 1/2
—40's twist	16 1/2	16 1/2	17 1/2	17 1/2	18 1/2	18 1/2	18 1/2
—60's twist (Egyptian)	27	28	29 1/2	31	33	33	33
32-in. Printers, 11 1/2 yds, 16 by 16, 32's and 50's ..	28 0	28 6	29 0	30 0	31 0	31 0	31 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	28 0	28 6	29 0	30 0	31 0	31 0	31 0
32-in. ditto, 38 yds, 18 by 18, 10 lbs ..	17 6	17 0	17 1/2	18 0	18 6	18 6	18 6
39-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs ..	16 6	17 0	17 1/2	18 0	18 6	18 6	18 6

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(II.) Compared with Previous Years.

Description.	Price, Feb. 2, 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American .. per lb.	d 9-70	d 9-16	d 28-65	d 18-00	d 23-74	d 10-53
—Sakellaridis Fully Good Fair ..	d 16-25	d 19-00	d 32-50	d 27-30	d 28-56	d 21-20
Yarns—32's twist	17	22	59 1/2	28	39 1/2	17
—40's twist	16 1/2	20 1/2	55	29	39	16 1/2
—60's twist (Egyptian)	27	28	130	60	45 1/2	36 1/2
32-in. Printers, 11 1/2 yds, 16 by 16, 32's and 50's ..	28 0	40 6	91 0	54 0	52 0	23 9
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	28 0	37 0	86 0	51 0	51 0	22 6
32-in. ditto, 38 yds, 18 by 18, 10 lbs ..	17 6	22 0	49 0	30 6	28 6	13 3
39-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs ..	16 6	20 0	43 0	25 0	25 6	11 8

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Reports from London this week indicate that values have sagged a bit, and apparently the auctions are closing with prices not quite up to the highest point touched during the series. The general demand, however, has been good throughout, and a considerable weight of wool has been lifted by home and foreign buyers. There is a good deal of doubt as to what is being done with the wool that has been purchased so freely in recent weeks both in this country and in the primary markets. Judging from the present state of the piece goods trade, the raw material is not being consumed in the looms, and it follows that the hosiery trade and the export markets are providing the principal outlets. There is every reason to believe that consumption has been considerably increased during the past few months, but it is doubtful if wool is being consumed as fast as it is bought. The probable explanation of the recent keen buying movement is that most firms have been carrying exceedingly light stocks, and they have been covering actual sales, and at the same time buying to stock. In other words, it is possible that there is an exaggerated idea of machinery consumption, but that much of the wool has been transferred from London to users' premises in the consuming centres. Top quotations are unchanged on the week, and for spot 64's, which are scarce, 4s 6d can still be made. A good 64's for delivery in March-April is obtainable at about 4s 3d to 4s. 4d per lb. Yarn prices are steady at late rates, and spinners are well employed on old orders. The piece goods trade does not show a great deal of improvement, though some firms report more inquiry, and even men's wear is attracting rather more attention. Stocks, however, are still heavy, and cut prices make it impossible to sell at replacement cost.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The auctions throughout have lacked nothing, both competition and the values ruling indicating a very strong situation. Though exact particulars are not available as this is being written, it will be found that the home trade has taken the lion's portion of the offerings, the Continent also being a large purchaser. Everybody has been very much impressed with the well-sustained demand for the raw material. There seems to be no end to the buying power of the trade, and on the whole the auctions have left nothing to be desired. One of the outstanding features of the series has been the offering of good wools grown in Queensland; but for the merinos from that State, the offerings would have been very much wanting. Queensland has sent along some of her best clips, and full justice has been done to them by home and Continental buyers, while occasionally America has purchased some of the lightest conditioned parcels. It almost looks as if United States buyers are preparing to extend the scope of their operations, and instead of concentrating their buying power upon the best Victorian grease, good wools from New South Wales and Queensland are likely to come in for a reasonable measure of support. Where a buyer wants quality he must look to Queensland to supply it, and with the present Australian clip being somewhat better grown, those requiring 70's will get their chief supply from the Northern State. Practically everything is finishing at the highest point of the series, and although slight halfbred lambs have not sold this week up to 10d, as was the case earlier in the series, the character of this class of wool catalogued has hardly been as good. All the same, the bulk of the wools have made excellent figures, and the opening advances are in evidence at the finish.

Cable news from Australia and New Zealand indicates a very strong market, with prices ruling practically on a parity with those current in Coleman Street to-day. At Brisbane this week an excellent sale has been experienced, and the same at Dunedin. The advances in both centres are in harmony with what had been seen previously at Sydney and Invercargill, and prices for both

merinos and crossbreds appear to be very firm. Judging from the values cabled as ruling for good crossbreds, it looks as if they are on a parity with those ruling in Coleman Street, and taking an impartial view of the future, we think crossbreds can be safely bought at to-day's prices. It is true there are big stocks of old wool still to liquidate, but all the same these must continue to go still more largely into consumption, and both the home and Continental trades will find a developing inquiry for both tops and yarns. Even reports from South America indicate stronger markets, with Germany an active buyer, and everything indicates a sound situation. We have been very much impressed with the more aggressive attitude of all Continental buyers, and the very fact that more have been in attendance this series is clear evidence of increasing interest in the sale of wool in Coleman Street on the part of countries which had to retire.

VEGETABLE OILS AND OILSEEDS.

(BY OUR HULL CORRESPONDENT.)

Following the sharp advance in linseed and linseed oil, consequent on "bullish" reports from Argentina, and small shipments of seed, there has been some reaction, though the undertone of the market still appears quite steady. Plate linseed on spot is now quoted 10s below the highest, recent arrivals having removed the pressure somewhat. For seed afloat and December-January shipment, £19 is asked, falling to £18 for February-March, but at these figures business is practically stopped in the absence of buyers. Crushers whose requirements against oil commitments were met last week at £17 10s to £18, are disinclined to follow the rise in view of the uncertainty as to the outlook. The oil product firmed up in sympathy after a good trade done at the lower levels, both on home and American account. The highest points reached for raw linseed oil on spot were £33 15s in London, and £32 5s ex Hull mill, since when prices have declined about 30s per ton. A fair business has been done for forward delivery at about 20s discount off spot prices. Egyptian cottonseed has been irregular, being affected by political news, and the fall in cotton. It has, however, apparently rallied again, but little business has been done at the advance. Cotton oils have recovered from the recent set-back, when as low as £30

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Condensed Statement, December 31, 1921

ASSETS	
Cash in hand, in Federal Reserve Bank and due from Banks and Bankers	\$141,209,002.62
U.S. Government Bonds and Certificates	28,097,470.74
Public Securities	31,080,048.53
Other Securities	22,558,892.62
Loans and Bills Purchased	296,528,218.14
Real Estate Bonds and Mortgages	2,668,396.67
Foreign Exchange	7,725,224.18
Credits granted on Acceptances	24,008,281.89
Real Estate	8,557,780.41
Accrued Interest and Accounts Receivable	15,879,235.47
	\$578,309,758.37
LIABILITIES	
Capital	\$25,000,000.00
Surplus Fund	15,000,000.00
Undivided Profits	2,258,398.56
	\$42,258,398.56
Accrued Interest Payable and Reserves for Taxes, Expenses, and other Liabilities	16,849,999.48
Acceptances—New York Office	15,959,826.89
Foreign Office	8,018,465.30
Outstanding Dividend Cheques	589,349.50
Outstanding Treasurer's Cheques	23,889,739.77
Deposits	470,916,979.07
	\$578,309,758.37

was accepted for February crude at Hull, present value now being £33. Refined is also firmer and somewhat dearer. A little interest has been shown in English crude soya bean oil and rape oil on Continental buying has advanced to £50. Other vegetable oils are dull, and prices nominally unchanged.

The shipments of linseed from Argentina in the first four weeks of the year ending January 28th are returned at 13,600 tons to the U.K., and 34,000 tons to the Continent, together 47,600 tons, against 59,375 tons same period last year; and those from India 11,525 tons to the U.K., and 4,250 tons Continent, together 15,775 tons, against 2,000 tons a year ago. The quantity of Plate linseed afloat is 25,500 tons to the U.K., and 61,900 tons Continent a total of 87,400 tons, against 91,900 tons last week, and is likely to still further decrease in view of the small shipments.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR CORRESPONDENT.)

The hide market was fairly steady in Bermondsey on Thursday, although best ox hides dropped ½d to ¼d. Heavies made from 7½d to 7½d, and lights from 6½d to 7d. Cows, best, advanced 6d-6½d, prices being ¾d to ¾d up, as against last quotations. Calf were slightly firmer, and advanced ¾d to ¾d. Wools were steady at last prices, hogs showing a decline of ¾d. It is feared the restriction of cattle slaughter, owing to the outbreak of foot and mouth disease, may cause a temporary shortage of hides, and tanners are nervous as to a probable advance just as values were settling down. In imported hides buying has been rather more active, especially on Continental account. Liebig Colons have sold at 12½d, landed weight, Liverpool, and a sale of 5,000 salted saladeros is reported to the Continent at 10½d, shipping weights. Dry hides are selling a little better, but there is no marked change in prices.

Reports as to the state of trade vary somewhat as regards leather; Bermondsey merchants are rather despondent, as the demand for bands has fallen off, whilst tanners are eager sellers, and are making large offers of bands at lower prices. There is, however, a fair trade doing in the provinces in small lots, which make up a good total, and prices are fairly well maintained. Upper leathers are quiet, and curriers in many places are talking of closing down, as the demand for wax kips and semi-chrome is very bad. Glacé kid is dragging, but there is quite a fair business passing in suede stock from 18d to 36d per foot.

The boot trade is rather slack, as retailers are only buying in small lots. The result of the ballot of the Shoe Operatives Union will be known this week, and if a strike is decided against, manufacturers will have more confidence in the position.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, February 3.

The markets for the chief part continued in a quiet state, buyers showing no disposition to depart from the hand-to-mouth policy followed for some considerable time past.

SUGAR.—General trade ruled quieter this week, but with only small quantities of refined available on the spot prices showed but little alteration on balance. Messrs Tate and Lyle's, 51s 6d to 52s 6d; granulated, 46s 9d to 47s 3d; caster, 48s 9d to 49s 3d; yellow crystals, 41s 3d; granulated, April-June, 46s 6d; pieces, 33s to 42s. West India crystallised, 39s 6d to 42s, as to sample; muscovado and syrups, 33s to 36s. American granulated, February, sold, 18s 6d to 18s 9d; ditto, February-March, 18s 6d, c.f. and i. terms, U.K.; white Natal, 44s 3d to 45s 6d, as to quality. Belgian crystals nominal. Czechoslovakian, ordinary granulated and crystals, prompt, 19s; cubes, 21s 6d, f.o.b., Hamburg. Dutch granulated, prompt, 19s 6d; cubes, 23s 6d, f.o.b., Amsterdam. Cuban basis, 96 per cent., February-March, 22s 3d, c.f. and i. terms, U.K. Terminal market, after ruling quiet, became steadier. Raw, August, sold, 13s; white, May, 18s 1½d to 18s 3½d; 18s 3d, 18s 7½d; August, 18s 3d to 18s 4½d, 18s 6d; Cuban basis, 79,900 tons, against 318,500 same time last year.

COFFEES.—The market ruled steady, with more support accorded Costa Rica descriptions, and fair quantities of this description were brought to auction during the week. Costa Rica, middling to good ditto, sold, 10s 6d to 11s 6d; bold, 10s 8d to 11s 3d; peaberry, up to 17s 6d. Uganda, bold greenish, sold, 9s; Nairobi, bold, 11s 6d to 11s 8s. Futures quiet. May sold, 51s.

COCOA.—In moderate request, and a steady tone ensued. Estate Ceylon sold, 97s to 100s. Butter steady, at 1s 8d per lb.

TEA.—Public sales of Indian embraced some 48,700 packages. With a quieter demand, prices in most cases manifested a weaker tendency. Larger quantities than of late were withdrawn, as some importers were not prepared to meet the market. 17,300 packages Ceylon were submitted, and, while all the finer qualities fetched steady prices, lower descriptions went in favour of the buyer.

RUBBER.—Only quiet trading resulted, but sellers required steady prices. Two Stars Rangoon, spot, sold, 14s 3d to 14s 6d; No. 1 arrive, 14s to 14s 6d. Bran quiet, and new crop Burma, to arrive,

quoted £6 per ton, ex ship terms. Beans quietly steady. Rangoon hand-picked, spot, 8s; Japanese peas, spot, 35s 6d.

SPICE.—After being steady, the pepper market assumed a quiet and easier tone. Fair black Singapore, spot, sellers, 3½d; ditto, March-May, steamer, sold, 3½d to 3½d; Aleppy, spot, 4d; Tellicherry, 4½d; white Singapore, spot, 7½d; ditto January, steamer, sold, 7d; Muntok, spot, 7½d; ditto March-May, sold, 7½d; Zanzibar cloves, spot, 1s 5d; ditto February-April, steamer, 1s 2d; pimento, spot, 2½d; flake tapioca, spot, 1½d, all per lb. Fair Penang seed pearl tapioca, spot, 18s; small sago, 24s to 25s 6d; sago flour, spot, 20s; January-March, 14s; February-April, 13s 9d. Desiccated coconut steady. Fine cut, spot, 40s; medium, 40s 6d; halves, March-April, sold, 39s 6d. Ginger quietly steady. Fair Japanese lime, spot, 45s.

FRUIT.—A quiet, steady tone governed the market for currants. Pyrgos, 55s; Amalia, 57s to 60s; Gulph, 62s to 73s; Vostizza, 72s to 84s. Valencia raisins slow. Half boxes, 115s to 120s; quarters, 130s to 145s. Sultanias quiet of sale. Smyrna, medium to good, 122s to 128s; fine to choice, 130s to 140s. Dates steady, quiet. Sial, 28s 6d.

JUTE.—Actual business was confined to a narrow compass, demand from spinners being merely for assorting purposes, and rates tended weaker. New crop, first grade, January, continental ports, £24 12s 6d; ditto, February-March, £24 7s 6d; March-April, £24 10s; new lightning grade, February-March, £20 10s; heart grade, £16 5s. Hessians steady but quiet. 10 oz, spot, 23s; 8 oz, 17s 6d; A twills, spot, 78s; B, 61s.

HEMP.—A dull and featureless market resulted. Of Manila, D grade, January-March, quoted £51; E, £48; F, £43 10s; G, £39; J, £38 10s; K, £37 10s; L, £37; M, £34; streaky threes, £39 10s. New Zealand high point fair, spot, £37; January-March, £35 10s; fair spot, £35 10s; January-March, £34. African sisal, No. 1 G.E.A., January-March, £38; B.E.A., ditto, £37.

SHELLAC. met with a fair inquiry, chiefly forward, and market ruled steady. Fair free T.N. standard, spot, sold, 330s; March, 310s to 315s; and May, 302s 6d to 300s.

COPRA.—Market rather irregular, and only a moderate amount of business was effected this week. F.M.S. Straits, January-March, Rotterdam, sold, £25 5s to £25 10s and £25; February-April, £25 10s to £25 2s 6d; March-May, £25 15s to £25 2s 6d. F.M. Straits, February-April, Marseilles, £25 to £24 5s. Ceylon, February-April, London, quoted £26; Cebu to Hamburg, £24 10s; South Sea Islands to London, £24. Palm kernels quietly steady. February-April, sold, £17 10s to £17 5s.

RUBBER.—Irregular movements characterised this market, though a fair volume of business resulted. Standard crepe and sheet, spot, sold, 8½d to 9½d, 8½d and 8½d; March, 8½d to 9½d, 8½d and 8½d; April-June, 9½d to 10½d, 9½d and 9½d; July-September, 9½d to 10½d, 9½d and 9½d. Fine hard Para, spot, 11½d; soft fine, 11½d; Caucho ball, 7d.

EGG PRODUCTS.—Market quietly steady. Prime liquid yolk, spot, 11s; April-June, 7s 5d per cwt. Albumen, spot, 2s 10½d; April-June, 2s 5½d; dried yolk, spot, 3½d to 4d; native dried whole egg, spot, 3d; and spray, 5d per lb.

MENTHOL.—Spot, 23s 6d; forward, 23s; Japanese peppermint oil, spot, 5s 3d; aniseed, 1s 1½d; slab camphor, spot, 3s 7d; crude, 3s 3d per lb. Japanese wax, spot, 95s per cwt.

OILS.—Linseed firmer, but irregular. Spot, net, naked, 34s; February-April, 32s 9d; May-August, 32s 9d. Rapeseed. Crude, spot, 50s; refined, 57s. Cotton dull. Crude Egyptian, 35s; Bombay, nominal; common edible, 42s. Chinawood: Hankow, spot (barrels), 61s 6d to 62s; and shipment, 58s 6d. Coconut quiet. Ceylon, spot, 44s; February-March, 40s 3d; Cochin, ditto, 44s. Soya quiet. Oriental, barrels, ditto, 33s. Japan fish quiet. January-February, cases, 21s. Cod quiet. English, spot, 29s. Groundnuts quiet. English crushed, naked, spot, 44s; deodorised, barrels, 56s. Turpentine in fair request at an irregular advance. American, spot, 73s; February-April, 73s 6d. Rosin quiet. American, grade B, 14s 6d; F, 14s 6d; G, 14s 6d; WW, 20s 6d, French, F/G, 14s 9d; WW, 18s; extra pale, nominal. Petroleum quiet. American standard white, 1s 4½d; and water-white, 1s 5d per gallon.

OILSEEDS.—Linseed: Market opened firmer, but unsettled. Calcutta, January, sold, £20 to £19 15s; January-February, sold, £19 10s to £19 5s, £19 10s. Plate, spot, Hull, quoted £19 5s; afloat, sold, £20 to £19; January-February, at £19 to £18 7s 6d to £18 15s. Rapeseed unsettled. Toria, January-February, £15 15s;

February-March, £15 10s; March-April, £15 7s 6d. Cottonseed steady. Egyptian black, February, quoted £11 15s; and white, sold, £11 2s 6d to £11 5s. Bombay, January-February, £8 17s 6d. Gingelly quiet. Chinese, January-February, Continent, £23 15s. Castor, Bombay, February-March, £14 10s. Groundnuts easier. Coromandel, machine-dried, January-February, Hull, £19; Continent, £19; paid Chinese decorticated, f.a.q., ditto, Continent, £20 10s per ton.

METALS.—Tin: The market exhibited activity, while firmer and irregular from time to time early in the week, when cash fluctuated up to £159 15s, and three months' to £162, while finally registered at £161 15s; selling pressure followed on Wednesday, and prices eased with dealing on a further large scale. Cash changed hands at £157 7s 6d to £158 5s, and three months' at £159 15s to £160 5s. At Thursday's meeting cash relapsed to £156 5s, and three months' to £157 15s. At Friday's session prices again relapsed. Cash changed hands at £155 5s to £154; late April, £156 10s; and three months' at £157 to £156. English ingots, £153 to £153 10s. Copper occupied good attention last Monday, with business in standard cash at £64 to £64 15s, and three months' £65 to £65 7s 6d. Values were lower until the middle of the week, when these dates settled down at £63 7s 6d and £64 5s respectively. On Thursday, cash declined to

£62 10s, and three months' to £63 7s 6d. At Friday's session standard cash eased to £61 15s, and three months' to £62 12s 6d. Electro, £69 to £71; best selected, £65 to £67; strong sheets, £64. Wire bars, £70 to £71. Lead easier at £21 5s. Spelter lower at £24 2s 6d to £24 12s 6d, according to position. Antimony: English regulus quoted at £34 to £37. Aluminium: Home delivery, £120. Export, £125.

METROPOLITAN CATTLE.—FEBRUARY 2.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.

Beasts—Herefords....	nominal	Sheep—Downs.....	9 4 to 10 8
Shortborns.....	7 0 to 7 8	Ewes.....	6 0 to 6 6
Devons.....	7 6 to 8 0	Crossbred.....	8 8 to 10 0
Northalls.....	7 6 to 8 0	Scottish.....	nominal
Scottish.....	nominal	Lamb—Downs.....	11 6 to 12 6
Irish.....	7 0 to 7 8		

LONDON POTATO MARKETS.—FEBRUARY 2.

Per Cwt.	Per Cwt.
King Edwards.....	10 6 to 11 6
British Queen.....	8 0 to 9 0
Evergoods.....	6 0 to 7 0
Blacklands.....	8 0 to 9 0

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.		DEUGS		INDIA RUBBER.—lb		PROVISIONS—		SPICES—Pepper, per lb	
0000A—Duty, British grown	50 11 8	Alcoa, fine R.L. p. wtd	1 10 0	Para, fine, hard, spot	0 11 8	Butter—per cwt.	nom	Singapore, fair white	0 71 8
50s foreign 40s. cwt.	50 11 8	Cape, good to fine	0 45 0	Plantation crepe	0 54 8	Irish creamery.....	nom	Black Singapore	0 34 8
Trinidad, per cwt.	50 11 8	Bahama Peru.....	7 6 0	INDIGO—per lb		Do factory.....	nom	White Siam	0 34 8
Granada.....	45 6 0	Capivi.....	8 0 0	Bengal, good and vio-		Argentine.....	120 0 184 0	Pimento	0 24 8
Ceylon, plantation.....	72 102 0	Camphor.....	4 9 0	let to fine.....	11 6 12 8	New Zealand.....	125 0 138 0	Onion—1st sort.....	1 1 0
Guayaquil.....	65 0 0	Cardamom, Ceylon.....	1 6 0	Mid. ord. vio. to good	7 6 10 8	Do 2nd.....	125 0 138 0	Do 3rd.....	0 8 0
Bahia, line 2000.....	65 0 0	Cardamom, India.....	0 0 0	Low to good ord.	7 6 8 0	Do 4th.....	125 0 138 0	Do 5th.....	0 8 0
COFFEES.—British grown		Cardamom, Java.....	0 0 0	Madras, fine to good	1 6 4 0	Danish.....	nom	Do 6th.....	0 8 0
50s foreign 40s. cwt.		Cardamom, Sumatra.....	0 0 0	Do low to ord.	1 6 4 0	Bacon, smd.—Irish.....	105 0 145 0	Do 7th.....	0 8 0
E. India Standard.....	0 118 8	Cardamom, Siam.....	0 0 0	Kurpahad, mid. to gd.	6 8 0 0	Danish.....	123 0 145 0	Do 8th.....	0 34 8
Do good to fine.....	0 118 8	Cardamom, Java.....	0 0 0	Low to mid.....	0 6 0 0	America.....	120 0 115 8	Do 9th.....	0 8 0
Costa Rica, ord. to mid.....	0 118 8	Cardamom, Sumatra.....	0 0 0			Hams—Irian.....	nom	Do 10th.....	0 8 0
Good to fine.....	0 118 8	Cardamom, Siam.....	0 0 0			Canadian.....	nom	Do 11th.....	0 8 0
Central American, gd.		Cardamom, Java.....	0 0 0			American.....	120 0 135 0	Do 12th.....	0 8 0
Ord. to mid.....	0 118 8	Cardamom, Sumatra.....	0 0 0			Lard—Irish blinder.....	80 0 80 0	Do 13th.....	0 8 0
Mid. to fine.....	0 118 8	Cardamom, Siam.....	0 0 0			American boxes, 54lb	66 0 67 0	Do 14th.....	0 8 0
Columbian, ordinary.....	0 118 8	Cardamom, Java.....	0 0 0			Pork—per 8 lbs	6 4 7 4	Do 15th.....	0 8 0
Do good to low mid.....	0 118 8	Cardamom, Sumatra.....	0 0 0			Do 16th.....	2 2 4 2	Do 16th.....	0 8 0
Do mid. to fine.....	0 118 8	Cardamom, Siam.....	0 0 0			Do 17th.....	2 2 4 2	Do 17th.....	0 8 0
CHEMICALS—		Cardamom, Java.....	0 0 0			Do 18th.....	2 2 4 2	Do 18th.....	0 8 0
Acid, citric.....	0 2 4 1	Cardamom, Sumatra.....	0 0 0			Do 19th.....	2 2 4 2	Do 19th.....	0 8 0
Do.....	0 2 4 1	Cardamom, Siam.....	0 0 0			Do 20th.....	2 2 4 2	Do 20th.....	0 8 0
Bile.....	0 8 0 0	Cardamom, Java.....	0 0 0			Do 21st.....	2 2 4 2	Do 21st.....	0 8 0
Oranle, net.....	0 8 0 0	Cardamom, Sumatra.....	0 0 0			Do 22nd.....	2 2 4 2	Do 22nd.....	0 8 0
Tartaric, English.....	1 34 1 32	Cardamom, Siam.....	0 0 0			Do 23rd.....	2 2 4 2	Do 23rd.....	0 8 0
Foreign.....	1 34 1 32	Cardamom, Java.....	0 0 0			Do 24th.....	2 2 4 2	Do 24th.....	0 8 0
Alum lump.....	17 0 0 17 0 0	Cardamom, Sumatra.....	0 0 0			Do 25th.....	2 2 4 2	Do 25th.....	0 8 0
Do ground.....	17 0 0 17 0 0	Cardamom, Siam.....	0 0 0			Do 26th.....	2 2 4 2	Do 26th.....	0 8 0
Ammonia, carb. 100.....	11 0 0 11 0 0	Cardamom, Java.....	0 0 0			Do 27th.....	2 2 4 2	Do 27th.....	0 8 0
Muriate, White, ton 65.....	0 70 0	Cardamom, Sumatra.....	0 0 0			Do 28th.....	2 2 4 2	Do 28th.....	0 8 0
Sulphate.....	0 20 0	Cardamom, Siam.....	0 0 0			Do 29th.....	2 2 4 2	Do 29th.....	0 8 0
Armenia, lump, per ton 70.....	0 75 0	Cardamom, Java.....	0 0 0			Do 30th.....	2 2 4 2	Do 30th.....	0 8 0
Powder.....	0 40 0	Cardamom, Sumatra.....	0 0 0			Do 31st.....	2 2 4 2	Do 31st.....	0 8 0
Ashes, pot.....	0 100 0	Cardamom, Siam.....	0 0 0			Do 32nd.....	2 2 4 2	Do 32nd.....	0 8 0
Pearl do.....	nom	Cardamom, Java.....	0 0 0			Do 33rd.....	2 2 4 2	Do 33rd.....	0 8 0
Bleaching pwr. ptn 160/0 17/0 0		Cardamom, Sumatra.....	0 0 0			Do 34th.....	2 2 4 2	Do 34th.....	0 8 0
Borax, crystals.....	0 31 0 0	Cardamom, Siam.....	0 0 0			Do 35th.....	2 2 4 2	Do 35th.....	0 8 0
Do powder.....	0 38 0 0	Cardamom, Java.....	0 0 0			Do 36th.....	2 2 4 2	Do 36th.....	0 8 0
Cream Tartar.....	0 125 0	Cardamom, Sumatra.....	0 0 0			Do 37th.....	2 2 4 2	Do 37th.....	0 8 0
53% powder.....	0 125 0	Cardamom, Siam.....	0 0 0			Do 38th.....	2 2 4 2	Do 38th.....	0 8 0
Oil, dry.....	0 11 0 0	Cardamom, Java.....	0 0 0			Do 39th.....	2 2 4 2	Do 39th.....	0 8 0
Nitrate of Soda, p. ton 15/0 16/0 0		Cardamom, Sumatra.....	0 0 0			Do 40th.....	2 2 4 2	Do 40th.....	0 8 0
Potash.....		Cardamom, Siam.....	0 0 0			Do 41st.....	2 2 4 2	Do 41st.....	0 8 0
Chlorate, net.....	0 5 0 0	Cardamom, Java.....	0 0 0			Do 42nd.....	2 2 4 2	Do 42nd.....	0 8 0
Do.....	0 24 1 3	Cardamom, Sumatra.....	0 0 0			Do 43rd.....	2 2 4 2	Do 43rd.....	0 8 0
Do Foreign.....	0 24 1 3	Cardamom, Siam.....	0 0 0			Do 44th.....	2 2 4 2	Do 44th.....	0 8 0
Sulphate.....	0 25 0 0	Cardamom, Java.....	0 0 0			Do 45th.....	2 2 4 2	Do 45th.....	0 8 0
Sulphate.....	0 11 0 0	Cardamom, Sumatra.....	0 0 0			Do 46th.....	2 2 4 2	Do 46th.....	0 8 0
Sulphate.....	0 75 0 0	Cardamom, Siam.....	0 0 0			Do 47th.....	2 2 4 2	Do 47th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 48th.....	2 2 4 2	Do 48th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 49th.....	2 2 4 2	Do 49th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 50th.....	2 2 4 2	Do 50th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 51st.....	2 2 4 2	Do 51st.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 52nd.....	2 2 4 2	Do 52nd.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 53rd.....	2 2 4 2	Do 53rd.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 54th.....	2 2 4 2	Do 54th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 55th.....	2 2 4 2	Do 55th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 56th.....	2 2 4 2	Do 56th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 57th.....	2 2 4 2	Do 57th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 58th.....	2 2 4 2	Do 58th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 59th.....	2 2 4 2	Do 59th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 60th.....	2 2 4 2	Do 60th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 61st.....	2 2 4 2	Do 61st.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 62nd.....	2 2 4 2	Do 62nd.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 63rd.....	2 2 4 2	Do 63rd.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 64th.....	2 2 4 2	Do 64th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 65th.....	2 2 4 2	Do 65th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 66th.....	2 2 4 2	Do 66th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 67th.....	2 2 4 2	Do 67th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 68th.....	2 2 4 2	Do 68th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 69th.....	2 2 4 2	Do 69th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 70th.....	2 2 4 2	Do 70th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 71st.....	2 2 4 2	Do 71st.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 72nd.....	2 2 4 2	Do 72nd.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 73rd.....	2 2 4 2	Do 73rd.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 74th.....	2 2 4 2	Do 74th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 75th.....	2 2 4 2	Do 75th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 76th.....	2 2 4 2	Do 76th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 77th.....	2 2 4 2	Do 77th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 78th.....	2 2 4 2	Do 78th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 79th.....	2 2 4 2	Do 79th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 80th.....	2 2 4 2	Do 80th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 81st.....	2 2 4 2	Do 81st.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 82nd.....	2 2 4 2	Do 82nd.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 83rd.....	2 2 4 2	Do 83rd.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 84th.....	2 2 4 2	Do 84th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 85th.....	2 2 4 2	Do 85th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 86th.....	2 2 4 2	Do 86th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 87th.....	2 2 4 2	Do 87th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 88th.....	2 2 4 2	Do 88th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 89th.....	2 2 4 2	Do 89th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 90th.....	2 2 4 2	Do 90th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 91st.....	2 2 4 2	Do 91st.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 92nd.....	2 2 4 2	Do 92nd.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 93rd.....	2 2 4 2	Do 93rd.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 94th.....	2 2 4 2	Do 94th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 95th.....	2 2 4 2	Do 95th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 96th.....	2 2 4 2	Do 96th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 97th.....	2 2 4 2	Do 97th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Siam.....	0 0 0			Do 98th.....	2 2 4 2	Do 98th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Java.....	0 0 0			Do 99th.....	2 2 4 2	Do 99th.....	0 8 0
Sulphate.....	0 20 0 0	Cardamom, Sumatra.....	0 0 0			Do 100th.....	2 2 4 2	Do 100th.....	0 8 0

The List of Applications will be closed on or before Wednesday, the 8th February, 1922.

DEPARTMENT OF THE SEINE

(COMPRISING THE CITY OF PARIS AND SUBURBS).

£3,000,000 7 PER CENT. 30 YEAR STERLING LOAN.

Authorised by Law of the French Republic dated 29th September, 1919, and by Decree of the President of the Republic rendered in Council of State dated 14th January, 1922.

Bonds will be to Bearer in denominations of £1,000, £500, £100 and £50, with interest payable 1st July and 1st January. Principal and interest are payable in London in sterling free from all French taxes or other French deductions, present or future.

The Loan will be redeemed by a cumulative sinking fund to be applied by half-yearly drawings at par, commencing with the half-year ending 1st July, 1925, and calculated to complete the redemption by 1st January, 1952, with power to the Department to repay the whole loan (but not a part) on 1st January, 1935, or any interest date thereafter at 103 per cent. on 90 days' notice.

HELBERT, WAGG & COMPANY, LIMITED,

37, Threadneedle Street, London, E.C.2,

offer the above Bonds for sale through

THE LONDON JOINT CITY AND MIDLAND BANK, LIMITED,

or any of its Branches, at the price of £95 per £100 Bond, payable:—

On Application	£10
On Acceptance	£25
On the 15th March, 1922...	£30
On the 20th April, 1922 ...	£30
	£95

Payment in full may be made on or before the 17th February, 1922, under discount at the rate of 5 per cent. per annum as at that date. Thereafter payment in full may be made at any time. In respect of prepayments between the 17th February, 1922, and the 15th March, 1922, inclusive, discount will be allowed at the rate of 5 per cent. per annum as at the 15th March, 1922.

Scrip Certificates to bearer will be issued on and after the 27th February, 1922, in exchange for Letters of Acceptance duly receipted at the Counting House of Helbert, Wagg & Company, Limited.

Fully paid Scrip Certificates will be exchangeable at the same place on or after the 15th June, 1922, for definitive bearer Bonds with coupons attached.

A coupon will be attached to the Scrip for 16s 8d per £100 nominal payable 1st May, 1922, representing interest at the rate of 7 per cent. per annum on the instalments paid up. The first coupon on the Bonds will be in respect of the period 1st May to 1st July, and will be payable 1st July, 1922.

The numbers of Bonds drawn for redemption in accordance with the provisions of the Sinking Fund will be published in "The Times" and two other English daily newspapers.

Notice of repayment of the loan under the power of anticipation reserved to the Department will be similarly published once a week for 12 successive weeks before the date of repayment.

All drawings will take place in London at least four weeks prior to the dates fixed for repayment, which will correspond with the dates of interest payment.

No interest will be paid on drawn Bonds after the day fixed for repayment.

All unmatured coupons must be attached to drawn Bonds, when presented for payment. The amount of any missing coupon will be deducted.

Application must be made on the form enclosed with the Prospectus, in multiples of £50, and forwarded to the LONDON JOINT CITY & MIDLAND BANK, LTD., Threadneedle Street, E.C.2; the CLYDESDALE BANK, LTD., Glasgow; the BELFAST BANKING COMPANY, LTD., Belfast; or their respective Branches, accompanied by 10 per cent. on the nominal amount applied for.

In the case of partial acceptance the balance of the amount paid on application will be applied towards the amount payable on acceptance. If there should be a surplus after making that payment, such surplus will be refunded by cheque.

Failure to pay any instalment on its due date will render all previous payments liable to forfeiture and the contract for sale to cancellation.

Interest at the rate of 8 per cent. per annum will be charged on instalments in arrear.

A brokerage of 1 per cent. will be allowed to Bankers and Stock-brokers on acceptances in respect of applications bearing their stamp.

Application will be made to the Committee of the London Stock Exchange for permission to deal, and an official quotation will be applied for in due course.

Prospectuses and forms of application can be obtained from HELBERT, WAGG & CO., LTD., 37, Threadneedle Street, E.C.2; the LONDON JOINT CITY & MIDLAND BANK, LTD., Threadneedle Street, E.C.2; the CLYDESDALE BANK, LTD., Glasgow; the BELFAST BANKING CO., LTD., Belfast; or their respective Branches; and from MULLEN, MARSHALL, STEER, LAW FORD & CO., 13, George Street, E.C.4.

LONDON, 6th February, 1922.

Under the above-mentioned decree of 14th January, 1922, an issue of \$25,000,000 7 per cent. 20 year Bonds of the Department has recently been made in New York by a group of Banks and Bankers headed by Kuhn Loeb & Co.

The following information has been supplied to Helbert, Wagg & Company, Limited, by the Prefect of the Seine under date of 15th January, 1922:—

The Department of the Seine is by far the greatest in point of wealth and population of the Departments of France, comprising as it does the City of Paris and its suburbs, as well as many important industrial districts.

The Population of the Department on 6th March, 1921, the date of the last census, was 4,411,691.

The latest official estimate—made in 1910—of the value of the lands and buildings situate in the Department was Frs 20,718,000,000 (£402,682,210), while the annual rental values of such properties (upon which the assessments for taxation are based) were then estimated at Frs 1,471,507,000 (£28,600,719). On present-day valuations these figures would be very considerably exceeded.

The estimated budget of the Department for the year ending December 31st, 1921, amounts to Frs 350,000,000 (£6,802,721), the Departmental Taxes for that year being Frs 44 (17s 1d) per head of the population.

The General Council of the Department is under a statutory obligation to levy annually by taxation such an amount as may be necessary to balance the yearly budget, in which will be incorporated the service of the present loan. These taxes are collected simultaneously with other Government and Municipal taxes by the Government Tax Collectors.

No money can be borrowed by the Department without the sanction of the French Government.

The outstanding debt of the Department as at December 31st, 1921, together with the £3,000,000 Loan sold in London and the \$25,000,000 Loan sold in New York (which constitute the only external debt of the Department) amounts to Frs 1,434,000,000 (£27,871,720).

The annual charges for interest and amortisation of this debt, including annuities for Frs 32,520,000 (£632,069), payable in respect of newly-acquired transport systems, will amount to Frs 144,000,000 (£2,798,833).

The proceeds of the present New York and London Loans are to be spent on betterment and extensions of the newly-acquired transport systems and will thus be utilised entirely for reproductive purposes.

N.B.—The sterling equivalents of the above figures supplied by the Prefect (which are all in round amounts) have been taken at the average rate of exchange ruling on January 14th, 1922.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCIV.

SATURDAY, FEBRUARY 11, 1922

No 4,094.

Andresens og Bergens Kreditbank A/S

(Foreningsbanken)

CHRISTIANIA & BERGEN

Capital and Reserve Fund - Kr. 112,000,000.00

LONDON AGENTS:

HAMBROS BANK, LIMITED.

BARCLAYS BANK, LIMITED.

MESSRS. COX & CO.

LONDON JOINT CITY & MIDLAND BANK, LIMITED.

LONDON COUNTY WESTMINSTER & PARR'S BANK, LIMITED.

Every description of Banking business transacted

BANCO NACIONAL ULTRAMARINO.

(National Overseas Bank.)

STATE BANK OF THE PORTUGUESE COLONIES.

Head Office: LISBON.

Established 1884.

Capital (paid up):
Esc. 24,000,000



Reserve Funds:
Esc. 26,000,000

Branches as Under.

22 offices in Portugal.
28 " " East and West Africa.
9 " " Brazil.
5 " " India and China.

Also branches in Azores, Madeira, Belgian Congo and Timor.
New York Office—88, Liberty street.
Paris Office—8, Rue du Helder.
London Office—27B, Throgmorton street.

BANCA COMMERCIALE ITALIANA.

Capital, Authorised Lire 400,000,000
Capital, Paid Up " 348,785,000
Reserve " 176,000,000
Deposits " 5,500,000,000

Head Office - MILAN.

BRANCHES THROUGHOUT ITALY.

Agenies in NEW YORK and CONSTANTINOPLE.

Auxiliares:

BANCA COMMERCIALE ITALIANA (France), Marseilles, Nice, &c.

BANCA COMMERCIALE ITALIANA & BULGARA, Sofia.

BANCA COMMERCIALE ITALIANA & RUMENA, Bucarest.

London Office - 30, THREADNEEDLE STREET, E.C.2.

Manager: E. CONSOLO.

Deputy Managers: G. COSTA, R. B. HANDLEY.

CORRESPONDENTS TO THE ROYAL ITALIAN TREASURY

Every description of Banking business transacted.

TABLE OF CONTENTS.

The Money Market	217	Books and Publications—	
Leading Articles—		The Strategy of Oil.....	237
The Perils of "Safeguarding" Industries	219	Precedents for Disarmament Agreements	237
A Solution of the Reparations Problem ..	220	Communist Theory and Practice	238
The Depression in the Iron and Steel Industry.....	221	Books Received	238
Nitrate Companies' Results	222	Stock Exchange News—	
Stock Exchange Contangoes	224	The Stock Markets	238
Decision	224	New Issues	240
Trade Depression and Costs of Production	224	Active Securities.....	241
Notes of the Week—		Company Meetings	242
The Air Conference	225	Government Returns—	
Trade Facilities	226	Public Income and Expenditure.....	252
The Gold Standard	226	Currency Notes Account ..	253
Supplementary Estimates ..	226	Treasury Bills by Public Tender	253
Taxation and the National Income	227	Bankers' Gazette—	
China's Problems	227	Bank of England	253
The Bank Statements	227	Monthly Statement of London Clearing Banks	254
The Western Railway Group	228	Clearing Returns	254
More Home Railway Dividends	228	Overseas Bank Returns....	254
The Underground Dividends	228	Loan and Discount Rates..	256
The Insurance Share Market	228	Overseas Bank Rates.....	256
Baldwins-Sperling Dispute ..	228	Rates of Exchange	256
The Situation on the Rand	229	Indian Treasury Bills	257
Empire Cotton Growing Corporation	229	Bullion	257
Agricultural Conditions ..	229	Imports and Exports of Gold	257
Imperial Tobacco Company	230	Gold and Silver Prices	258
National Provident Institution	230	Company News—	
Bovril Report	230	Mining Output Statistics ..	241
Australia's Trade Balance ..	230	Oil Outputs	241
Japanese Trade & Finance	230	Analysis of Balance-Sheets	258
Valuation of Gold Imports and Exports.....	230	Dividend Announcements..	258
Overseas Correspondence—		Reports and Notices	259
United States	231	Railway & Tramway Traffic	260
France	231	Profit and Loss Accounts ..	261
Australia	233	Commercial Reports—	
Switzerland	233	Corn Trade	259
Denmark	234	Iron and Coal Trade	261
Greece	234	Cotton Trade	262
Letters to the Editor—		Wool Trade	262
"The Bankers' Diagnosis" ..	235	Vegetable Oil and Oilseeds	263
China's Mineral Possibilities	236	Hides and Leather Trades ..	263
		Overseas Produce Markets ..	263
		Price Current	264

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Quarterly, 14s 6d; Half-yearly, £1 9s 6d; Yearly, £3 18s 6d. Colonies and Abroad, £3 15s 6d per Annum. Single Copies, One Shilling.

Cheques and Post-office Orders to be made payable to the Proprietors of the "Economist." Office: Granville House, Arundel street, Strand, London, W.C. 2. Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's, 37 Avenue de l'Opera. New York: Economist Office, 20 Broad street (Room 1,704).

THE MONEY MARKET.

THE Bank Return showed that the Government had not been able to repay the money borrowed at the beginning of the month. Since the amount of Treasury bills offered was so much less than the maturities, even an excess of tax receipts over expenditure would not have prevented money being easy. Nor did it, for the average cost of loans was hardly 3½ per cent., and surplus balances were available each afternoon down to 1 per cent. On Thursday ease was so pronounced that a fair amount of the 5 per cent. Treasury bonds "on tap" seems to have been

taken. But even this knowledge did not serve to maintain the discount rate, which fell to $3\frac{1}{4}$ per cent. owing to the further increase in the banks' need for bills and the smallness of the supply. Bank rate remains unchanged, in spite of the arguments put forward in some quarters that the present rate is not only a tax on industry, but is a factor in the rise of the dollar exchange at a rate too rapid to enable the price levels between the two countries to be adjusted.

	Feb. 10, 1922.	Feb. 3, 1922.	Jan. 27, 1922.	Jan. 20, 1922.	Previous Rate and Date Changed.
Bank Rate	5%	5%	5%	5%	5% (Nov. 3, '21)
Banks Deposit Rate	3	3	3	3	3% (Nov. 3, '21)
Discount Call	3	3	3	3	3% (Nov. 3, '21)
Houses Notice	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$ (Nov. 3, '21)
Treasury Bills, 3 months ..	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$ (Nov. 3, '21)
Market rate (3 months' bill)	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	..

* Additional to those offered by tender the preceding week.

The Bank return showed a reduction of £3,900 in the stock of gold and of £919,900 in the circulation, the Reserve being thus £916,000 higher. Government securities were £8,020,000 higher, but other securities fell by £164,100, so that deposits were £8,739,200 higher, Public being reduced by £924,900, while Other rose by £9,664,100. The circulation of currency notes was reduced by £143,200 to £304,162,800, which includes £1,693,600 of notes called in but not cancelled. The fiduciary issue is £254,519,200, or £55,469,200 below the maximum.

THE STOCK MARKETS.

All other movements in the stock markets have been overshadowed this week by the strength and activity of gilt-edged stocks. British Government securities have improved day by day, while Colonial and Corporation stocks have generally advanced, Indian stocks, owing to the disquieting cables, being the exception. The strength of the gilt-edged section was not broken by the absence of a reduction in Bank rate, which the House had been inclined to expect. The Home Railway market developed activity on the favourable dividend announcements. Insurance shares remain heavy. Rubber shares remain a dead market, while interest in the oil market centred on the early dealings in the scrip of the new Anglo-Persian issues, both of which went to a quick premium. The favourable reception of the Department of the Seine loan, the lists for which were closed by lunch-time on Monday, should assist the political discussions with France. The Stock Exchange Committee has issued its proposals for the future system of dealings, and these are discussed on a later page.

COMMODITY MARKETS.

The tone of the cotton markets is no worse, and in some lines rather more business inquiry has been noted, but in Lancashire weaving towns curtailment of production is increasing. The easier tendency in wool values continues. Spinners are not booking much in the way of new orders, but in the dress goods trade business is fairly good. A problem of the moment in the woollen industry is the inadequacy of the output of tops. The demand for pig-iron has shown no sensible improvement, but such change as there is in the general position of the iron and steel trade is in the direction of improvement, and our Sheffield correspondent is optimistic as to an approaching revival. There appears to be a definite improvement in the demand for Welsh export coal, but prices remain unchanged. Speculative dealings produced some excitement in the vegetable oil and oilseed markets. Although higher prices were expected at the Bermondsey leather auctions owing to the outbreak of foot and mouth disease, no changes, other than a slight decline in values, are recorded in the hide and leather trades. Detailed reports from special correspondents will be found on later pages.

FOREIGN EXCHANGES.

With the impetus of a rising dollar rate the foreign exchange market has been far more active than for some time past, but it is doubtful whether this outburst of energy will continue. The chief feature was, of course, the dollar, which rose steadily from \$4.32 $\frac{3}{4}$ on the 4th to over \$4.38 at one time on Thursday. After that there was some unsteadiness, and by Friday morning there was a reaction to \$4.36 $\frac{1}{2}$. There was no doubt that the upward movement had been too rapid to last, but it is not very likely that the reaction will go far, and, for reasons that have already been discussed here, we may probably still look for a further appreciation in the value of sterling, but at a more sober pace than during the last few weeks. Dollars one month ahead are at present quoted on a parity with spot, two months $\frac{1}{8}$ cent. over spot, and three months $\frac{1}{4}$ over spot. The Paris rate for the time being is very puzzling, and its tendency towards recovery is probably due more to the sentimental effect of the absence of expected political complications than to anything else. The rate for futures is at present on a parity with spot. After climbing up to 880 during the railway strike the Berlin rate fell on Thursday to 840 as compared with 872 on the 4th, but there was a reaction again yesterday morning to 855. Future quotations are at present 2 marks per month below spot. Italy at 88 $\frac{1}{2}$ shows a good recovery, and there are signs that the lira is working down definitely to a lower level. On the whole, it would appear that in spite of the Banca di Sconto troubles the position has considerably improved, and that the temper of labour is much better. Among the neutral exchanges Amsterdam continues to go in our favour, and has now climbed up to 11.70. Switzerland also is moving upwards more rapidly than for some time past. On the other hand, Madrid and the three Scandinavian exchanges have all moved somewhat against us. In Central Europe Vienna has reacted, but less than might have been expected, to the news that Great Britain is to make an advance of £2,000,000, the Inlandskrone rate being now round about 30,000 as compared with about 33,000. The Auslandskrone (London rate), however, shows little change at about 13,500. Warsaw has remained steady, Budapest has recovered a little. Prague, on the other hand, has moved up slightly, perhaps owing to the delay in any announcement as to the reported foreign loan. Belgrade and Bucharest remain very dead at about the same levels, and Athens also is unchanged. In the East, India is slightly cheaper at 15 3 21-32d, and Yokohama has again fallen away a little. The silver market has been weak, owing to sales by China and the United States, and there has been little demand from India. Hongkong and Shanghai rates are both lower. In South America, Buenos Ayres, after falling away, is up again to 45 $\frac{1}{2}$ d. Valparaiso has gone somewhat against us, and Montevideo has risen rather sharply to 43 $\frac{1}{2}$ d.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 4, 1922:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	35,249	Supply Services	12,633
		Interest on Debt	14,457
		Sundries	340
		Reduction of Debt	7,688
		Added to Exchequer balances ..	137
	35,249		35,249

These operations reduced the National Debt by the sum of £7,681,902, and caused the following changes:—

	Min. £		Min. £
Treasury Bonds	+ 3,245	Treasury Bills	- 26,509
National Savings Certificates ..	+ 1,300	Surrenders of Bonds, &c.	- 502
Bank of England Advances ..	+ 17,750	Exchequer Bonds repaid	- 23,818
Public Department Advances ..	+ 19,800	Depreciation Fund	- 500
Unemployment Insurance	+ 1,340		
Sundries	+ 112		
	+ 43,647		- 51,329

Property and Income-tax yielded £17,166,000, Customs and Excise £3,589,000, Estate Duties, &c., £1,101,000, and Special Receipts £7,608,394. The floating debt was increased by £11,175,000 to £1,165,611,000. Sales of 5 per cent. Treasury Bonds amounted to £3,245,000. Exchequer Bonds amounting to £23,818,313 were repaid during the week.

FINANCIAL YEAR, 1921-22 (TO DATE) APRIL 1 TO FEBRUARY 4, 1922.			
Total spent	872,893,419	Raised by revenue ..	819,272,365
Inc. in balances	677,254	Net borrowings	54,298,308
Total	873,570,673	Total	873,570,673

ESTIMATES FOR YEAR 1921-22.			
Ordinary Receipts ..	1,058,150,000	Ordinary Expenditure	974,023,000
Special Receipts ..	158,500,000	Special Expenditure	65,705,000
Total	1,216,650,000	Total	1,039,728,000
		Surplus	176,922,000

* Owing to liabilities which could not be precisely calculated, it was estimated that the final balance would not exceed about £80,000,000.

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1915.	Mar. 31, 1916.	Dec. 31, 1916.	Mar. 31, 1917.	Dec. 31, 1917.	Mar. 31, 1918.	Dec. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Dec. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Feb. 4, 1922.
Funded Debt	588	318	318	315	315	315	315	315	315	315	315	315	315	315	315
Term Annuities	30	22	22	20	19	18	17	17	17	17	17	17	17	17	17
4% War Stock	..	22	22	20	19	18	17	17	17	17	17	17	17	17	17
4% War Stock	..	16	14	13	13	13	13	13	13	13	13	13	13	13	13
4 & 5% War Stock	..	2,091	2,068	2,047	2,040	2,008	1,996	1,966	1,950	1,950	1,950	1,950	1,950	1,950	1,950
National War Bonds	..	649	1,636	1,509	1,476	1,441	1,413	1,201	1,201	1,201	1,201	1,201	1,201	1,201	1,201
4% Funding Loan	..	..	..	409	409	407	405	405	405	405	405	405	405	405	405
4% Victory Bonds	..	..	..	360	367	368	348	346	346	346	346	346	346	346	346
3% Conversion L.A.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
5-15 year Treas. Bonds	..	..	..	..	..	..	18	23	26	26	26	26	26	26	26
5% Treasury Bonds	..	..	..	..	..	..	..	273	280	280	280	280	280	280	280
5% Treasury Bonds	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Treasury Bills	15	961	967	1,107	1,107	1,102	1,121	1,060	1,012	1,012	1,012	1,012	1,012	1,012	1,012
Exchequer Bonds	80	392	394	323	319	292	289	218	194	194	194	194	194	194	194
Natal Savings Certs.	..	138	227	267	274	279	285	294	301	301	301	301	301	301	301
War Expend. Certs.	..	23	..	..	..	..	..	..	..	..	..	..	..	..	..
Other Debt	..	944	1,541	1,306	1,181	1,164	1,132	1,097	1,091	1,091	1,091	1,091	1,091	1,091	1,091
American Loan	..	51	51	51	51	51	51	51	51	51	51	51	51	51	51
(Temporary Advances)	1	204	455	243	205	306	154	200	153	153	153	153	153	153	153
Other Capital Liabilities	654	5,872	7,435	8,033	7,829	7,785	7,574	7,748	7,735	7,735	7,735	7,735	7,735	7,735	7,735
Total Liabilities	711	5,921	7,481	8,079	7,876	7,877	7,623	7,799	7,786	7,786	7,786	7,786	7,786	7,786	7,786

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.

	Temporary Advances Out- standing—	Feb. 5, '21.	Mar. 31, '21.	Feb. 4, '22.	Movement week ended Feb. 4, '22.
Advances by Bank of England ..	38,500,000	..	..	17,750,000	+17,750,000
Advances by Public Departments ..	210,572,000	154,489,000	135,765,000	19,300,000	+19,300,000
Treasury Bills outstanding	1,131,829,000	1,120,841,000	1,012,096,000	26,475,000	-26,475,000
Total Floating Debt	1,381,901,000	1,275,330,000	1,165,611,000	11,175,000	-11,175,000

THE PERILS OF "SAFEGUARDING" INDUSTRIES.

THE King's Speech at the opening of Parliament on Tuesday contained no surprises, and was scanned unsuccessfully by old political hands for further evidence as to the probable date of the General Election. Economy, Ireland, and Lords' Reform are the chief dishes on the Parliamentary menu, and the insistence which the Royal Speech laid on the first marks out finance as *par excellence* the controversial subject of the session. The Geddes Report has been published to-day, and will be hotly debated in both Houses, while some light on the Government's hopes of reducing taxation may be expected from the Chancellor's reply to the deputation of the Federation of British Industries, which is to wait upon him next week. There is, however, one subject not mentioned in the King's Speech which is likely to evoke before the session is old a certain Parliamentary liveliness. We refer to the farcical results of attempts to administer that futile and haphazard attempt at Protection, which masquerades under the entirely misleading title of the Safeguarding of Industries Act. Now that Parliament is again in session, and we are reaching the stage when Orders "safeguarding" certain minor industries are likely to be presented to the House for approval in terms of the Act of last year, it is important to examine the procedure, and to estimate the judicial value of the inquiries which are now being held. A good many of the minor trades have, we understand, made application to the Board of Trade to be considered worthy of protection under Part II. of the Act. Several applications have been rejected, others have been referred

to committees, others are in suspense. Let us take those which have been referred to committees of inquiry: they relate to aluminium and enamelled hollow-ware, to gold and aluminium (bronze) powders, to fabric gloves and glove materials, to domestic, illuminating, and mounting glassware, to gold leaf, and to toys. The great trawl of the Act has so far yielded only these poor little fishes.

The committees have sat in public; we have seen them at work. We may say at once that the Board of Trade has shown sound judgment in choosing able men to serve. These committees would have been of great value in sifting applications had their hands not been tied. But their terms of reference were so narrowed by the Act itself, and their procedure has been so restricted by the Board of Trade, that as courts of judicial inquiry they have been almost derisory. They have not been permitted by the terms of the Act to examine the real case for or against applications for 33 $\frac{1}{3}$ per cent. duty on competing imports from Germany of toys, aluminium saucepans, fabric gloves, and the other great staple products of British industry which are being inquired into; but have been limited to the following points: (1) Whether the goods in question are being offered for sale in the United Kingdom at prices which, by reason of depreciation in the value in relation to sterling of the currency of the country in which the goods are manufactured are below the prices at which similar goods can be profitably manufactured in the United Kingdom, and whether by reason thereof employment in any industry in the United Kingdom is being, or is likely to be, seriously affected; (2) the effect which the imposition of a duty under Part II. of the Act on goods of the class or description covered by the complaint would exert on employment in any other industry, being an industry using goods of that type or description as material; and (3) whether production in the industry manufacturing similar goods in the United Kingdom is being carried on with reasonable efficiency and economy. No opposition to any application for a tariff is allowed except from industries which "use" as "material" the goods which are under consideration. The real consumer, the miserable man in the street, has no *locus standi* before the committees.

Then, again, most of the evidence is on paper and is not revealed. Applicants fill up the minds of the committee with *ex parte* statements which are not disclosed to their opponents. The paper case of the opponents is not disclosed to the applicants. Counsel are allowed to appear, but are not allowed by the regulations of the Board of Trade to cross-examine. No one, except members of the committee, is permitted to sift the evidence, and these committeemen are, by the Act itself, compelled to be gentlemen who have no special familiarity with the industries under inquiry. We are not surprised to find one of the chairmen, Sir William Acworth, complaining this week that the embargo on cross-examination by counsel is a great disadvantage to the inquiries. Over and over again one has seen statements pass at these public inquiries which a properly instructed counsel could have torn to pieces. The Board of Trade has not packed the committees, but—we are sure quite unintentionally—it has made their inquiries almost farcical. Without rules of evidence, and without skilled cross-examination, no

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Reserve Fund ..	10,880,852
Deposits (Dec. 31st, 1921) ..	375,117,082

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statements by applicants or opponents are worth the reams of paper on which they are typewritten.

So far we have dealt with these inquiries generally. We will now take a particular case which reveals with what disastrous absurdity inquiries so conducted operate in practice. It is the case of fabric gloves imported from Germany. The inquiry has been closed, and the committee, of which Sir Henry Rew is the chairman, is considering its report. In this case, under the limitations of the terms of reference, the applicants have shown that German gloves are being sold in this country at prices with which the immature British industry cannot compete, and have also shown that many workers in British fabric glove works have, in consequence, been thrown out of employment. There was no opposition within the terms of reference, since no industry in this country "uses" fabric gloves as a "material." The users are the public, who are not heard at all. It seems, therefore, practically certain that the committee will report in favour of the application of a duty of 33½ per cent. on German fabric gloves imported into this country.

And yet if the Board of Trade, in the exercise of its permissive powers—it is not compelled to make an Order—should in this case make an Order for submission to the House of Commons, the fat would be in a very hot fire. For the committee, happily, though quite irregularly, allowed evidence to appear to the effect that German fabric gloves, made in Saxony and sold all over the world, are manufactured from yarn spun in Lancashire mills. All the fine yarn for these German gloves, or nearly all, comes from Bolton, and its manufacture is an important part of Lancashire's export trade in fine cotton spinning. So in order to protect a mushroom British industry, which employs some 2,000 people, and never has employed more than 10,000, a blow would be struck at the great staple industry of Lancashire, which is already suffering from most serious depression.

Lancashire's case against a tariff on German fabric gloves is unanswerable. Germany cannot buy Bolton's fine yarn unless it can pay for it by selling fabric gloves in Great Britain. The British industry in fabric gloves is in no condition to take Germany's place as a buyer of Lancashire's yarn. It is a product of the war, and as yet a feeble, undeveloped product. Protectionists may say: Ignore Lancashire; but no Government—especially one dependent upon Lancashire Unionist support—can ignore Lancashire. This is an admirably example of how good an *ex parte* case for a tariff may appear until its implications are set forth, and the certain loss to the country is balanced with the problematical gain.

Lancashire is marshalling its forces, and if the committee report in favour of a duty, and an Order be made imposing a duty of 33½ per cent. on German fabric gloves, there will be a first-class excitement in the House of Commons. No Order can take effect, the House being in Session, until the Commons have confirmed it by resolution. Confirmation in the teeth of Lancashire is unthinkable. And yet, if the Act cannot be made to operate in a case like this—an exceptionally good case from the point of view of the Act—it might just as well be consigned at once to the oblivion it deserves.

A SOLUTION OF THE REPARATIONS PROBLEM.

EVERY road we explore in pursuit of a solution of the world's economic difficulties leads us into the jungle of the Reparations problem. The Genoa Conference is shorn of its main purpose by the natural refusal of France to have the question discussed by all the Powers of Europe, while discussions of our own internal difficulties run up against the dislocation of external trade traceable to the same cause. It is, therefore, of first importance to concentrate upon finding a way through the maze. To this end the proposals of the author of "The Economic Consequences of the Peace" must clearly be carefully studied by adherents and opponents alike. By calling his latest volume* a sequel, Mr Keynes frankly recognises

* "A Revision of the Treaty." By J. M. Keynes. Published by Macmillan and Co., St Martin's street, London.

that it is impossible for him or for any other writer on this subject to repeat the feat, achieved by a combination of rare talent and favourable opportunity, of swaying and diverting opinion in all parts of the world away from the illusions of the Peace Conference in Paris to the realities of the aftermath of the war. But if Mr Keynes had not been the author of the former work, "A Revision of the Treaty" would have put him in the front rank of economic writers, for the present volume, which sets out in convenient and lucid form the history of the Reparations question from the beginning of 1920 until the present time, with occasional essays on subsidiary issues, such as the economic effects of payment in kind, the effect of endeavouring to control the direction of German exports, or the effect on national wealth and production of receiving indemnities, is written with an exceptional gift for succinct exposition illuminated by philosophical comment and by glimpses of great depth of feeling.

But the positive contribution of this book to the present difficult *impasse* is contained in the chapter on "The revision of the treaty," in which Mr Keynes sets out his definite proposal both for a revised total and for its distribution among the Allies. Recognising that the ability of Germany to pay cannot yet be determined, Mr Keynes proposes to adopt a figure based on his contention that the conditions on which Germany agreed to the Armistice preclude the Allies from including pensions in the total chargeable to Germany. After giving grounds for reducing the Reparation Commission's total of 132 milliards of gold marks to 110 milliards by reason of overvaluation of damages, he deducts from the latter figure 74 milliards in respect of pensions and allowances, leaving 36 milliards as the definite sum payable under his interpretation of the rights of the Allies. If an abatement below this figure proves advisable, it could be made by the parties directly concerned. But this is, in Mr Keynes' view, the sum to which the Allies are strictly entitled. This sum is, in his view, distributable as follows:—

	Damage.	Belgian Debt.	Total.
British Empire	9	2	11
France	16	2	18
Belgium	3	..	3
Italy	1	..	1
United States	..	2	2
Others	1	..	..
	30	6	36

He adds, however, that "the payment by Germany of 5 per cent. interest and 1 per cent. sinking fund on this total sum is not, in my judgment, theoretically impossible. But it could only be done by stimulating her export industries in a manner injurious and irritating to Great Britain, and by imposing on her Treasury a financial problem of such difficulty that it would tend to unsound finance and to weak, unstable Governments. Even though this payment is theoretically possible, I do not think that it is practically obtainable over a period of 30 years."

He therefore proposes that Great Britain should waive the whole of her claim except the milliard to be lent to Austria (whose reparation debts should be cancelled) and to Poland to enable her to restore her currency. Great Britain should also square the claims of Italy and minor claimants by cancelling their debt to her, leaving Germany to pay 18 milliards to France and Belgium. Mr Keynes considers that 5 per cent. interest and 1 per cent. sinking fund could be paid on this sum, either in goods or cash, without hurting anyone, provided an arrangement were made that in the event of a rise or fall in the value of gold the payments should be adjusted by an impartial authority. The scheme would be completed by terminating the occupation and waiving all rights of occupation. But, in return, Great Britain and U.S.A. should guarantee to France and Belgium all reasonable assistance short of warfare (though presumably including an economic boycott) to enforce these reduced claims, while Germany should consent to the demilitarisation of the Rhine.

In considering what inducement France has to accept this proposal, Mr Keynes points out that under the London settlement the French share under the current arrangement is between 1.85 and 2.39 milliards of marks, according to the state of Germany's exports; whereas 5 per cent. interest and 1 per cent. sinking fund on her debts to Great Britain and U.S.A. amounts to 1.48 milliard gold marks per annum—leaving France a net .91 milliard gold marks under the most favourable assumption as to Germany's export trade. If the inter-Allied debts are cancelled, and the revised scheme adopted, "she would not only be entitled to a greater sum, namely 1.08 milliard gold marks (£54,000,000) per annum; but, inasmuch as she will be accorded a priority on Germany's available resources, and as the total charge is within Germany's capacity, she may reasonably expect to be paid." Mr Keynes is able to show that Belgium and Italy would also benefit from this arrangement.

On these proposals, which have many attractive features, the following comments suggest themselves. Opinion in this country to-day generally recognises that the representatives of Great Britain blundered badly in forcing pensions into the Reparation Bill, as by so doing they swelled the treaty figures to unworkable dimensions, which, if enforced, would be prejudicial to British interests—have, in fact, by encouraging unrealistic hopes, produced the present divergence of view between ourselves and France. Moreover, we agree with Mr Keynes in his interpretation of the negotiations which led up to the Armistice. We are equally convinced that the basis of the current figures of inter-Allied indebtedness is without any rational justification whatever. Indeed, we believe that very few would be prepared to argue that France, which did not provoke the war, but yet paid far the heaviest tax, not merely in the devastating of her territory, but in man power, morally owes to Great Britain and the United States the great indemnities which she legally owes us. Frankly, however, we despair of being able to write off the slate the history of the last three years and reopen this question *de novo*. Claims against Germany, of which the pensions item forms a very large part, have been accepted by the various German Governments which have held power since the Armistice. Even Dr Simons' offer through America to the Allies in April, 1921, implicitly includes something for this item. To challenge the whole basis of the Treaty of Versailles, though it might be in the ultimate interests of humanity, would postpone the question indefinitely during the present generation. To the French and the Belgian voter the sums fixed last May in London is a definite debt, and to secure a change of mind on this question would be as impossible as for Mr Keynes to explain to them his economic argument as to the means by which international payments can be made. Moreover, a reopening of the debt question as a matter of principle would mean very lengthy discussion with America, who is unlikely to accept the point of view indicated above for many years to come.

In our opinion there is more prospect of attaining a radical modification of the impossible payments demanded from Germany by means of negotiation. For if Great Britain is prepared, as we believe she is, to waive a great part of the reparations due to her, and if, as is possible, France is prepared to accept as a matter of principle the setting off of inter-Allied debt against her reparations claim, the reparation figures can be reduced, if not exactly to Mr Keynes' figures, to something of that order of magnitude.

A bargain of this kind must start from the London settlement of May, 1921, and be based upon the annual payments under that agreement. In practice these will substantially whittle down the total fixed by the Reparations Commission; for the postponement of the issue of the "C" bonds until the annual sums from Germany are sufficient for their service in effect reduces the total to the present value of the annual payments—whatever these may prove to be. The extent of this reduction cannot exactly be calculated because the payments depend upon Germany's exports. But in the most favourable conditions as to Germany's export surplus, the annuity cannot be expected to attain 5 milliards of gold marks, of which the French share would be 2½ milliards. The interest and

sinking fund on the French debt to the Allies is equivalent of about 1½ milliards of gold marks. The difference between these two sums is a figure which, if British reparation claims were almost entirely waived, would bring the problem within bounds of practicability, and at the same time would hold out to France the prospect of a revenue substantially in excess of the net amount she could obtain if her debts as well as her claims were paid. Such a plan would give her revenue without calling for any further sacrifice of her specific claims, while she would have the further satisfaction of feeling that she had not had her debts cancelled by her Allies out of charity, but had set them off against her definite assets.

The recent manifesto of the members of the Association France-Grande Bretagne, appealing for a fuller understanding of the view points of the two nations confirms us in the conviction that this is the sound line of approach. The co-operation of the United States in such a settlement is an essential condition which we by no means despair of attaining in the near future.

THE DEPRESSION IN THE IRON AND STEEL INDUSTRY.

THE statistics of iron and steel production in 1921—viz., 2,611,000 tons of pig-iron (the lowest total since 1850) and 3,626,000 tons of steel—have already been published in the *Economist*, and, indeed, the severity of the depression in the industry, which with the closely associated industries of mining, shipbuilding, and engineering is responsible for half the unemployment in the country, is now well understood. A survey of the markets which the industry serves will, however, serve to throw some light not only on the prospects of the industry itself, but also on the general situation.

In the home market no measurement of the depression in demand is possible except in the case of the shipbuilding industry. One ton of iron or steel is required for every 2.1 tons of gross shipping tonnage. Hence it is not surprising that the fall in the total tonnage of vessels commenced during 1921 to 568,438 tons compared with 2,396,819 tons in the previous year was accompanied by a fall in the sale of plates in Great Britain from 1,611,700 tons in 1920 to 648,600 tons in 1921.

But the iron and steel industry is essentially an export one. In 1913 5 million tons of iron and steel were exported, in addition to the more highly finished products of the engineering and electrical industries. In 1921 only 1,700,000 tons were exported. The year 1920 was a year of high demand, and had the output been available, exports, which, in fact, only amounted to 3½ million tons, might have approached the record of 1913. Production was, however, checked by difficulties with regard to coke supply and transport, and by the miners' strike in the autumn. The trade was also encouraged by the Government to supply home consumers first, so that the tonnage of iron and steel exported was only 65 per cent. of that of 1913. Prices naturally "soared," but as soon as the congestion of goods in distant markets began to shake faith in the continuance of the boom, and the reconstructed works of France and Belgium began to put their products on the market, the bubble burst. All our export markets fell away, but the market that suffered most was the European market. Excluding Germany, Europe took in 1920 practically as much iron and steel as in 1913—France and Belgium actually buying more than in 1913 for reconstruction purposes. But when the turn of the tide came, the high prices of English material, coupled with the depreciated currencies, made a most formidable barrier to export trade with the Continent. Of the main classes of iron and steel, Belgium took 46,364 tons in 1921, compared with 201,936 tons in 1920; France, 32,923 tons, compared with 170,317 tons; and Italy, 21,864 tons, as against 104,676 tons.

It is unfortunate that complete details as to our foreign markets are not available until 10 or 11 months after the end of the year, but with the aid of the December trade

accounts we have estimated the 1921 exports in the following table:—

EXPORTS OF IRON AND STEEL IN 1913, 1920, AND 1921.

	1913. Tons.	1920. Tons.	1921. Tons. (Estimated).
To European foreign countries ..	1,308,000	1,118,000	240,000
To non-European foreign countries ..	1,352,000	723,000	360,000
To British possessions ..	2,309,000	1,410,000	1,100,000
Total ..	4,969,000	3,251,000	1,700,000

The table brings out the fact that our European market suffered most, exports to European countries amounting to less than 20 per cent. of the exports in 1913. Non-European markets were also severely hit, and amounted to 27 per cent. of pre-war, while the British possessions, which were the least affected, took somewhat less than half the quantity they bought immediately before the war.

Outside of Europe our best foreign markets for iron and steel were the Argentine, Japan, Brazil, and the United States of America; in all these the United States obtained a firmer hold during the war, so that in 1920 our exports to foreign countries outside Europe were only 53 per cent. of the volume in 1913; in 1921 exports fell still further, and of certain products Japan took only 88,406 tons, compared with 149,715 tons in 1920; the United States, 17,123 tons, compared with 77,500 tons; Brazil, 1,934 tons, compared with 6,573 tons; and the Argentine, 72,725 tons, against 85,440 tons. In the last-named market we are now again meeting America's competition successfully. To a lesser extent foreign competition was felt in certain Colonial markets, and, coupled with decreased purchasing power and with the expanding home production in the case of India, Australia, South Africa, and Canada, led to South Africa taking 73,052 tons of certain iron and steel products in 1921, as against 131,754 tons in 1920; India (including the East Indies), 384,541 tons, as compared with 560,441 tons; and Australia, 138,904 tons, compared with 184,743 tons.

Comparing 1920 and 1921, the following are the variations in production and export of the chief product of the steel industry:—

PRODUCTION AND EXPORT OF PLATES, RAILS, &c., 1920 AND 1921.

	1920.				1921.			
	Production.	Export.	Import.	Home Consumption.	Production.	Export.	Import.	Home Consumption.
Plates	1,069,700	198,800	155,800	1,611,700	670,000	131,000	109,800	648,800
Rails—Trans.	35,300	3,500	10,000	42,800	29,400	6,500	21,600	44,500
Rails—Baltic	534,200	130,700	4,400	407,400	388,900	176,400	25,000	237,500
Timber, &c.	608,500	389,200	..	219,300	291,000	240,600	..	50,400
Galvanised	460,300	410,800	..	49,400	297,200	211,600	..	85,600
Sheets	261,000	..	54,900	315,900	83,200	..	25,100	58,100
Wire rods ..	..	..	..	..	..	..	..	..
Hoops and Strips ..	252,800	66,500	32,900	229,200	120,200	22,800	31,800	129,200

Although both in France and Belgium production and imports of iron and steel were less in 1921 than in 1920, the restricted home demand enabled both countries, as well as Germany, not only to enter into competition with our export trade, but also to invade our home market, and we imported during the year no less than 681,955 tons of pig-iron, most of which was of Continental origin; in 1913 imports of pig-iron had been only 216,700 tons.

The following statement compares the exports of iron and steel from the United Kingdom, France, Belgium, Germany, and the United States respectively in 1913, 1920, and 1921:—

EXPORTS OF IRON AND STEEL FROM UNITED KINGDOM, FRANCE, BELGIUM, GERMANY, AND UNITED STATES OF AMERICA, 1913, 1920, AND 1921.

(In Tons of 2,240 lbs.)

	United Kingdom.	France.	Belgium.	Germany.	United States.
1913	4,969,235	619,800	1,546,400	6,202,400	2,906,500
1920	3,251,225	930,000	894,000	1,723,200	4,706,700
1921	1,700,497	not complete	not complete	not complete	not complete
January	332,400	89,300	..	..	540,200
February	165,900	125,800	294,000	..	353,300
March	498,700	122,700	..	..	226,200
April	169,100	117,400	..	127,800	138,100
May	29,500	66,900	241,300	159,700	115,300
June	64,900	109,400	..	175,000	85,300
July	74,000	87,600	192,300	236,500	73,600
August	75,500	123,500	..	221,900	92,900
September	133,100	171,300	..	242,500	102,700
October	126,800	188,300	..	230,800	122,900
November	291,200	..	..	..	..
December	261,200	..	..	..	..

* No returns published.

These figures show a definite recovery in British exports in a more marked degree than is yet appreciable in the exports of any of our leading competitors. Further, we had occasion to refer last week to the fact that sales of galvanised sheets of pig-iron, and even of shipbuilding material, are now being made in Belgium and Germany. At present these sales are, of course, in very small quantities, but they indicate that the enormous disparity of prices between British and foreign products which existed a year ago has been almost bridged in, in the case at all events of Belgium and France, by the very large reductions made in Great Britain. The price of Cleveland pig-iron has fallen from 225s per ton in December, 1920, to 90s per ton. Steel rails have fallen from £25 per ton to £9 10s per ton, and considerably less has been accepted for export orders. Steel plates have fallen from £25 per ton to £10, and other products in similar proportions. In fact, prices are now only 30 to 50 per cent. above pre-war. Manufacturers have been helped in these reductions by reductions in the cost of fuel (e.g., blast furnace coke is now less than 25s per ton, as against 62s early in 1921) and by the loyal way in which the iron and steel workers have accepted the reductions in wages under the sliding scales, which have fallen more severely than the fall in the cost of living. When we contrast our position with that on the Continent, we find that the index numbers of retail prices (comparisons of which are only possible at present up to the end of October, 1921) show that whereas British prices fell between January, 1921, and October, 1921, by 24 per cent., French prices fell only 18 per cent. and Belgian prices only 9 per cent. In neither country is there machinery comparable with our sliding scale, and wage changes have, therefore, to be separately negotiated, the cost of living playing the dominant part. Similarly, while British prices of coke fell 60 per cent., French prices in sterling equivalent fell 52 per cent. and Belgian prices fell 25 per cent. On the other hand, German steel prices when converted into world currencies are still some way below British figures, but they are rising rapidly in marks, and production is held up by many internal difficulties. Purchasers of German material cannot, therefore, rapidly get delivery, and are disposed to turn back once more to the British market.

These considerations, together with the fact that during the last year of reduced output stocks abroad have been steadily used up, are the grounds on which opinion in the iron and steel industry believes that the bottom of the depression has been reached, and that in certain lines we may look for a slow but steady recovery.

NITRATE COMPANIES' RESULTS.

THE year 1920 was a fairly good one for producers of nitrate, for after the severe dislocation which the industry experienced at the close of the war and throughout the year 1919 there were signs of a return to more normal conditions and of a substantial revival in agricultural consumption. Although the highest hopes were not realised, the profits of companies whose financial year coincided with the calendar year earned considerably better profits in 1920 than in the previous year, as we were able to show in an article on the subject six months ago. But something in the nature of a crisis developed in the early months of 1921. Production quickly outstripped consumption, and prices began to fall rapidly. During the year the price of nitrate of soda has fallen from 18s 6d to 13s per cwt. According to Messrs Aikman (London), Limited's, annual figures, production in Chile in the year ended June 30th last amounted to 2,140,000 tons, as against 1,927,000 tons in 1919-20, while the total supply in sight on December 31st last was 2,615,500 tons, of which 1,441,000 tons consisted of stocks in Chile. This compares with 2,235,000 tons a year ago and 1,685,000 tons at December 31, 1913. The same authority states that negotiations between the holders of the heavy stocks carried over in Europe and America at June 30th last and the Nitrate

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Producers' Association continued during the first half of the year, and that an agreement was finally reached on October 12th by which the association was released by the buyers from the pledge given in January that prices up to March, 1922, would not be fixed at less than 14s per quintal. As a compensation the buyers were given an indemnity of a minimum of £1,500,000, to be collected by a levy on all new sales made by the association of 1s 8d per quintal up to March, 1922, 1s on April-June shipments, and 4d per quintal on all further shipments up to June 30, 1923. Prices up to June 30th next were fixed as follows:—October, 10s 6d per quintal; November to April, 1922, inclusive, 11s; May, 10s 9d; and June, 10s 3d. Production during the year was reduced to 30 per cent. of the normal, and at the beginning of the current year only 34 oficinas were in operation, and most of these at less than half their capacity. In these circumstances it is not surprising to find that nitrate-producing companies whose financial year ended on June 30th last do not make a very brave showing. In the table below will be found the profits and distributions of six of these companies for each of the past two years:—

Name of Company.	Net Profits.		Dividends, Ord. and Pref.		To Reserve, &c.		Carry Forward.	
	1919-20.	1920-21.	1919-20.	1920-21.	1919-20.	1920-21.	1919-20.	1920-21.
Amelia	25,982	11,651	34,300	13,920	16,584	15,054	52,176	49,907
Lagunas Synd.	16,584	15,054	..	..	..	..	..	..
Liverpl. Nitrate	126,997	113,843	90,720	51,748	..	..	42,344	96,771
London Nitrate	19,183	22,554	15,000	15,000	7,610	7,144	13,175	20,730
Pan de Azucar	1,698	29,846	11,000	11,550	7,144	21,136	3,088	..
Santa Catalina	25,085	30,879	15,800	15,800	10,272	10,000	1,590	6,669
	287,535	223,627	166,720	107,418	34,466	32,198	130,421	206,165

The Liverpool Company absorbed the San Lorenzo Nitrate Company in 1920, and the accounts of the latter are now incorporated with the Liverpool Company's figures. Every report but one speaks of closed oficinas, while that of the Amelia, whose profits show a very heavy decline, states that no sales were made for delivery after January, 1921. The London Company, which earned higher profits, states that a cancellation of lucrative sales, owing to congestion on the Nitrate Railways system, resulted in a direct loss of profit of over £35,000. The Pan de Azucar Company's profits represent sales of 231,000 quintals as against 374,000 quintals for the previous year. The average price obtained, however, was 16s 0½d per quintal, against 10s 4d for 1919-20. The report states that since June 30th 110,000 quintals have been shipped and paid for at 16s per quintal. The Santa Catalina Company sold 143,243 quintals as against 318,756 quintals. As will be seen from a later table, the Amelia and Liverpool Companies have reduced their rates of dividend, the London and Santa Catalina Companies pay the same rate and the Pan de Azucar increases the rate from 10 per cent., free of tax, to 15 per cent., less tax. Reserve appropriations have not been increased, but substantial additions have been made to the balances carried forward, except by the Amelia Company, where a slight

reduction is made. The next table shows the principal balance-sheet items:—

Name of Company.	LIABILITIES.			ASSETS.			
	Share Capital.	Debs. and Loans.	Re-serves.	Pro-perties.	Stocks.	Cash & Bills.	
	1919-20	1920-21	1919-20	1920-21	1919-20	1920-21	1919-20
Amelia	206,000	206,000	182,256	94,869	206,502	275,942	46,713
Lagunas Syndicate	550,000	550,000	69,867	794,401	121,582	122,502	69,587
Liverpool Nitrate	75,000	75,000	335,256	460,013	27,475	231,102	93,858
London Nitrate	200,000	200,000	192,000	475,373	66,044	105,907	67,969
Pan de Azucar	110,000	110,000	58,604	92,371	99,680	114,814	110,965
Santa Catalina	79,000	79,000	20,000	42,029	39,813	25,338	9,516

The values of stocks in hand show, with two exceptions, a substantial increase, but cash is very much lower, though two of the companies show largely increased holdings of bills. The Liverpool Company's balance-sheet includes, as already mentioned, the San Lorenzo Company's figures, and this accounts for an increase in the property item of the Liverpool Company from £322,600 to £460,000. In view of the violent fluctuations to which the industry is liable the reserve funds do not in some cases seem adequate.

The final table gives dividends, share prices, and yields:—

Name of Company.	Am't of Share.	Dividends.			Prices of 1921.		Price Feb. 5, 1922.	Present Yield.
		1918-19.	1919-20.	1920-21.	High'st.	Lowest.		
Amelia	10	2	20	7	..	..	..	..
Lagunas Synd.	1	nil	nil	nil	..	..	..	..
Liverpool	5	140+	140+	100	34	28	28	9 1 9
London	1	5+	7+	7+	14	14	14	8 19 0
Pan de Azucar	1	10+	10+	15	24	18	18	15 0 6
Santa Catalina	1	20	20	20	17	17	17	17 15 6

† Paid free of income-tax.

Present quotations are considerably below the highest of last year, but show some recovery from the lowest. Yields show a strange divergence, an exceptionally high return being obtainable on Santa Catalina shares, which has a good dividend record.

As regards the immediate outlook, Aikman (London), Limited's, report points out that the usual purchases in September and October were delayed by the negotiations to which we have already referred, and consumption in 1921-22 may prove less than it would otherwise have been. On the other hand, sulphate of ammonia is in short supply and at high price, and consequently competition from this material, which was acute a year ago, will be less keen. But there are large stocks of nitrate still to be liquidated, and until these are exhausted it is unlikely that prices will be fixed at a low figure. When production starts again costs should show a substantial reduction, it being estimated that nitrate could be produced to-day at from 6s to 7s 6d per quintal. During the year 1921 the Chilean exchange, an important item in the cost of production for these companies, dropped from 9½d to 6d. While prospects for the next six months are somewhat uncertain, there seems no reason to doubt that when surplus stocks have been absorbed and production restarted, the companies will again be able to show a normal earning capacity.

STOCK EXCHANGE CONTANGOES DECISION.

(BY A STOCK EXCHANGE CORRESPONDENT.)

THREE weeks in advance of the date at which the Stock Exchange Committee had promised to lay before their members their considered views on the manner in which Stock Exchange business shall be carried on when the Treasury removes what temporary regulations still remain, the House authorities have announced their preliminary intentions in the following official statement:—

The Committee for General Purposes have carefully considered the suggestions as to the conditions under which business is to be conducted on the removal of the Temporary Regulations, which members have submitted in response to the committee's invitation of November 8th last.

The principles on which the committee's proposals for any alterations to the Rules are based will be as follows:—

1. The resumption of fortnightly accounts with contango business, except that in view of the state of foreign exchanges dealings for foreign clients resident abroad and foreign arbitrage business will for the present be only allowed for cash.

2. The prohibition of options for a longer period than three months, the present disability beyond the third ensuing account from the date of the bargain being maintained.

3. The retention of the present method of settling bargains in new issues, which will involve the abolition of special settlements.

4. The resumption of the Rules under the heading "Failures."

5. The re-establishment of the Settlement Department, to which all members dealing as brokers or dealers in securities undertaken by the department must belong.

Rules to carry these principles into effect will be posted in the House prior to confirmation.

Minor alterations will be made in the Rules relating to:—

The method of the election of members, the fixing of account days, hours of business, the delivery of bearer securities, buying-in and selling-out, requirements for official quotations, marking of bargains, and failures.

The importance of the Committee's announcement will be the better appreciated when it is remembered that all the provincial stock exchanges of the country will most probably follow the example set by London in the matter of reverting to such pre-war practices as the London Stock Exchange Committee deem desirable. After the controversy that has raged around the question of the desirability of re-introducing carrying-over, it is useful to have the official view of the question so plainly set forth as it is in the above statement. Opinions have been sharply divided on the point. Time after time since the outbreak of war the Stock Exchange has been saved from financial catastrophe and disaster by the fact of dealings being for cash only. This regulation prevented the building up of those rickety bull accounts which in days gone by proved too often a veritable sieve through which the profits of Stock Exchange members poured like water when days of panic caught men unprepared to pay differences on larger amounts of stock than they ought to have opened. The lessons of the war are hardly likely to be forgotten, however, by the Stock Exchange, and the practice of dealing for cash during 6½ years has proved of what sterling value the practice is for re-establishing credit and building up the good name of the House as a whole. But the Committee have done their work with the utmost circumspection, and it is clear that, in their judgment, the system of cantangoes can be reinstituted without detriment to the House.

The London Stock Exchange has received the proposals with singular lack of excitement and singularly little opposition. Unless the rules that arise out of these principles should appear to differ from the latter in any pronounced manner, it is hardly too much to say that the odds are heavily in favour of the principles being confirmed. Stock Exchange criticism is directed to some of the minor points—the limitation, for instance, which will still restrict entire freedom of action in connection with arbitrage business, and also to that which is imposed upon lengthy options. Some amongst the jobbers are anxious to see the marking of bargains made a purely voluntary matter, and they would not be dissatisfied if the present Supplementary Stock Exchange official list were to be given up. Other minor points arouse opposition, and possibly the forthcoming Stock Exchange Committee election, which will take place next month, may be utilised as the rallying-ground around which various debatable points will be fought.

As to how soon new rules can be put into force is a separate question altogether. Were the Treasury to remove at once the insistence upon cash dealings, it is not

improbable that the Stock Exchange Committee would find a way for setting up the new state of affairs without waiting until the end of August this year, the latest date upon which all pre-war liabilities will have to be discharged. The average member of the Stock Exchange may be said to regard the suggestions with favour. While he does not expect them to have the immediate effect of bringing about a greatly increased volume of business, he looks for increased activity as a result of the new rules to be passed. Moreover, he is thankful that the time draws near when the Stock Exchange will once more be a free agent, untrammelled by Treasury regulations, imposed as a war measure, and irksome in their operation now that the war-necessity for them is no longer imperative.

TRADE DEPRESSION AND COSTS OF PRODUCTION.

THE Federation of British Industries has issued an illuminating report by a sub-committee on the subject of "Earnings of Labour and Costs of Production Before the War." The report covers a great deal more ground than its title might suggest, goes deeply into an analysis of the causes of the trade depression, traces the path of this country through inflation to boom and down into stagnation, tells hard economic truths to Governments, and refutes economic fallacies that are still unfortunately entertained among the rank and file of the industrial army. Space forbids us to follow the committee through the numerous points of a survey closely packed with fact and argument, but we commend to the attention of our readers the full report, of which we have summarised the section containing an exposition of the situation in the last few years.

At the outbreak of the war, three-quarters of our imports consisted of foodstuffs and raw materials. We were normally importing three-quarters of our wheat supply and approximately half of our aggregate cereal and meat supply, as well as all those tropical and semi-tropical foods which furnish so large a part of the ordinary comforts of all classes. This food, upon which depended not only the standard of living of the people of this country, but its national existence, could only be obtained by exporting an ever-increasing volume of commodities and services. Almost the whole of the commodities exported consisted of manufactured goods.

There were some who maintained that the working classes were not receiving their fair share of the national wealth, and that somewhere there lay concealed a great surplus of wealth which might be employed to increase that share. That this surplus did not exist can be demonstrated by reference to Professor Bowley's "Division of the Product of Industry." The standard of living before the war represented a very great advance on that which prevailed during the early part of the last century. This progress was mainly due to:—(1) The great improvement during this period in the methods of production due to the application of capital to the development of machinery. (2) The very rapid development of the food production of the world through the opening up of new countries. (3) The consequent development of our export trade. The prosperity of no other great nation depended to so great an extent upon export trade. In short, our standard of living had only been obtained by developing high production at low cost and by the large share which we had secured of the world's international commerce.

How has the war affected the situation? In the first place there has been no substantial reduction in our dependence on foreign countries for our food and essential raw materials. On the contrary, this has to some extent been increased, and our position relative to the other countries with which we exchange our products adversely affected by the following factors:—(a) Certain of the world's sources of raw materials and food have been disorganised by the war—e.g., Russia and Central Europe. (b) We have been compelled to sell the bulk of our foreign investments, the interest on which was an important means of securing additional purchasing power abroad. (c) A tendency had become evident in the years immediately preceding the war for food to become dear relatively to industrial products. (d) At the same time there

has, since the war, been a reduced demand from such countries as Russia and Central Europe for the manufactured products which we used to exchange for food and raw materials, while many countries which were formerly our customers have, as a result of the war, learned either to do without the goods which we formerly sent to them or to produce them for themselves. These developments must tend to make it more difficult for us to secure food and materials in exchange for the products of our manufacturing industries, and therefore more difficult to maintain our previous standard of living.

The reaction of these influences has, however, to a large extent been postponed by the extraordinary effects of the post-war boom. At the beginning of 1920 there were more workers engaged in production than ever before in the history of the country, but these workers were working shorter hours and on the whole producing less per hour than they had done before the war. None the less, they were able to maintain, and in some cases even to improve upon, the standard of living to which they had attained during the war. The explanation is that although there was considerable delay in the resumption of the normal flow of orders for manufactured goods after the war, the demand was more than the capacity of the manufacturing countries, hampered and reduced as it was by the effects of the war, could supply. At the end of 1918 a boom in manufactured goods was experienced in Japan, which passed to the United States, and later, in turn, to Great Britain, to France, and Belgium, and finally to Germany. In these circumstances, and with Central Europe very largely unable to import at all, Great Britain was in a relatively fortunate position for obtaining imports of food and raw materials. In 1919 the necessary foreign credit was secured in the first few months by a continued borrowing abroad and subsequently to a large extent by the very high earnings of our shipping and the abnormal prices we were able to secure for our coal exports. In 1920 the demand for our manufactured goods was so intense that though the tonnage exported was small compared with 1913, the total value was very much larger, the average price being nearly four times the average pre-war price.

In times of rapidly rising prices it is usually anticipated that profits will increase more rapidly than wages. But in the boom of 1920 this result was prevented by exceptionally heavy taxation, which was largely disbursed in the form of pensions, army gratuities, out of work donations, and subsidies. These two points, viz., the fact that we were able to secure the necessary food supplies on favourable terms, and the unusual measures taken to maintain distribution in favour of the employed classes, are responsible for the fact that the standard of living was improved in Great Britain up till the autumn of 1920, in spite of an actual diminution in our productivity.

But this artificial state of things could not last indefinitely. In Japan and in the United States depression followed hard upon the heels of over-speculation, and as soon as France and Belgium, who had hitherto been occupied in restoring their destroyed factories, began to place goods on the market at lower prices than ourselves, it became evident that the world's effective demand was, in fact, still far below normal. These developments were accentuated by the fact that many countries had heavy accumulated stocks of raw materials which they were unable to realise, as these were largely materials normally taken by the Central Empires and other countries which were still out of the market. These countries in turn were unable to buy the manufactured goods they required, and the normal circle of commerce was interrupted. The effect was immediately to prick the bubble of prices. Purchasers all over the world ceased to buy our goods, and as prices fell tended to defer purchasing altogether until they could see some sign that prices had touched bottom. On the one hand, therefore, manufacturers were left with high-priced goods for which the demand had suddenly ceased, while, on the other hand, there were heavy accumulations of unsold agricultural products and raw materials in the hands of potential buyers in distant parts of the world. Mention must also be made of the disturbing factor of the International War Debts and Indemnities, which mean that many nations are under obligations to discharge liabilities by a large

export of goods without corresponding imports. There is also the very serious factor of unsound Government finance in many countries.

The three great underlying causes of the present world depression are therefore as follows:—(1) Lack of balance in the world's markets with consequent general under-production, (2) unsound Government finance resulting in chaotic exchanges; and (3) in certain countries the low ratio of output to wages, which means that at present relative values the individual is producing less than he consumes.

On the first point, Governments can do little in a positive way except by assisting the credit of distressed countries. But they can do much in a negative way, for example, by modifying the reparation payments in such a way as to make the least possible disturbance of the world's trade, and by removing hampering restrictions upon commerce. On the second point expenditure on armaments must be reduced, Government activities curtailed to the minimum, international pressure brought to bear to secure the balancing of budgets, and a currency policy adopted which would aim at stabilising prices.

As regards the third problem, its solution is a necessary preliminary to the restoration of normal trade conditions. This involves the raising of output per head in the United Kingdom to a level at least as satisfactory as that attained on the Continent of Europe, and can only be secured by better concentration on the part of workpeople and improved organisation on the part of their employers.

When financial equilibrium is once again secured it is obvious that we shall only compete successfully if our real costs are comparable with those of producers abroad. In the meantime, and while abnormal conditions continue, we must go further and call upon the community to work for less than a normal return whether in the form of wages or profits in order to tide over this crisis in our affairs. Indeed, in the absence of an improvement in the exchanges, the only direction in which we can in any way help to increase employment is by reduction in prices.

Notes of the Week.

The Air Conference.—The Air Conference that was held at the Guildhall on Tuesday and Wednesday fell at a moment when a new chapter is opening in the history of aviation. The vast battle fleets of the air have been largely disbanded, and civil aviation, still in its embryo stage, is the cynosure of expert attention. The features of the conference were the announcement by Lord Gorell of the decision to form a Civil Aviation Advisory Board, and the cautious view of the Air Secretary, Captain Guest, as regards the development of commercial aviation. As regards general aircraft traffic, Captain Guest sees little or no hope of a real commercial success being obtained in Europe. "England," he said (see *Times* of February 8th), "in the last few years had shown herself to be so well railroaded as to render it unattractive, and certainly unprofitable, to develop aircraft from the commercial point of view." This he thought was true of Europe also—a view supported by Lord Weir in an interesting speech on Wednesday—and in a lesser degree of America, and, in his opinion, primary attention should be turned to spanning the great distances separating different parts of the British Empire. In accordance with this policy, the cost and practicability of an Imperial air-mail service is to be the first problem for the consideration of the new Advisory Board. Naturally enough, the limitations imposed by the official view came in for severe criticism from various speakers. Much was said of the large sums being spent by France and other countries in subsidising civil aviation, and comparisons drawn with Government policy here. For our part, we welcome Captain Guest's refusal to countenance large and costly experiments at the present juncture. Apart from the powerful reasons for retrenchment in public expenditure, support for a cautious policy may be found in Lord Gorell's hint that French opinion was not satisfied that value was being obtained for the 184½ million francs of subsidy. We cannot afford to overlook the potentialities of the air—an argument which Colonel Armstrong, President of the Federation of British Industries, advanced

from the commercial point of view. Equally we cannot afford to waste money on fruitless experiment and unproductive enterprise. Lord Gorell defended at great length the Government policy of closing down the airship service, of concentrating upon research, and of confining subsidised commercial experiment to the London-Paris route; while Major Scott put in a plea for airships, which will doubtless receive the careful attention of the new Advisory Board. The necessity for research was dwelt upon in papers read by Major Green, Lieut.-Colonel Bristow, and Brigadier-General Bagnall-Wild, among the problems discussed being the substitution of metal for wood in aeroplanes, safe landing, alighting on water, engine development, and improvements in navigation. After describing the scope and method of State research work, Major Green said:—"The work carried out at the National Physical Laboratory, the Royal Aircraft Establishment, and the Testing Stations of the Royal Air Force could not possibly be done by private enterprise, and it is by the information gained and the standard set by this work that the industry is enabled to produce aeroplanes which cannot be rivalled in any other country. It is the opinion of the writer that help of this kind is of greater value than direct subsidy." Civil aviation can only be run at a loss at present. This fact will remain until demand from the public for air transport greatly increases, and there is much force in the contention of Lieut.-Colonel Bristow that flying must not only be made safe, but must also be made to look and feel safe. Not until then, and not until charges are greatly reduced, will the public be attracted in sufficient numbers to make their carriage by air a paying proposition. Air transport has the advantage over land and sea transport in the matter of speed. Its development obviously depends upon the power to compete in the matters of safety and cost.

Trade Facilities.—The Committee, composed of Sir Robert Kindersley, Sir William Plender, and Colonel George Schuster, appointed to advise the Government under the Trade Facilities Act, have now been at work for about ten weeks, during which time they have examined over five hundred proposals. The progress report points out that the committee have had to steer a line between applications from companies who were in such a strong financial position that they could raise the necessary money on their own credit without a Government guarantee, and, on the other hand, those companies which were in so weak a financial position as to involve an excessive risk. Apart from this, as everyone with business experience will recognise, when once a proposition has been selected for serious consideration, the whole matter has to be studied very thoroughly, and lengthy negotiations have to be gone through before all the material conditions are agreed. The committee have made it their aim in every case to obtain for the Government a good commercial security, and this has not always been forthcoming. In many cases necessary formalities, such as the obtaining of the requisite borrowing powers by the applicants, have involved considerable delay. Further, as regards applications from sound undertakings, the difficulty in many cases is not so much in raising the money on reasonable terms, as in carrying out the construction work at the present high level of prices for a figure which will show a reasonable return on the capital invested. In such cases what has really been required by the applicant has not been so much a Government guarantee as a Government subsidy, which the committee have no power to recommend. In spite of these difficulties, however, the Committee have made the following progress:—

(1) Amount for which guarantees have been passed ...	2,100,000
(2) Amount of applications as regards which the Committee is prepared to recommend a guarantee after having examined the propositions with great care; but in respect of which there are technical, Parliamentary, or other difficulties which the applicants have not in every case surmounted	14,000,000
(3) Other serious applications as to which the Committee have stated generally the terms on which they could be prepared to recommend a guarantee	10,000,000
(4) Further serious propositions still under discussion (chiefly Foreign Government loans)	7,500,000

The Committee is, of course, limited under the Act to recommending guarantees for a total sum of £25,000,000, but they are proceeding with the investigation of all serious applications which they have received so as to be able to forward their recommendations in those cases which are the first to be brought to a head. The serious propositions before the Committee cover work to be carried out in the United Kingdom, Ireland, India, four Continental European Countries, and Africa. If the work is carried out outside the United Kingdom, the amount guaranteed will be determined by the sum which is to be expended on labour and materials in this country.

The Gold Standard.—In a written reply to a question in Thursday's Parliamentary papers, the Chancellor of the Exchequer makes the following statement as regards the Government's currency policy:—"It is the intention of his Majesty's Government to permit the re-establishment of an unrestricted market for gold in London at the earliest date at which the state of the exchanges renders this course possible and desirable. The question whether, and to what extent, the public will then return to the use of gold coins in place of notes for ordinary purposes of currency is one which must ultimately depend mainly on the action of the community itself." If we may read into this answer the intention to restore the free gold market at pre-war par, the statement is a reiteration of what is generally understood to be the Government's policy. Whether it would be wise to restore the free gold market at the first occasion on which the dollar-exchange touches or comes near to touching par, is one on which varied opinions have been expressed even by those who definitely support a return to a gold basis at the old par rate. The terms of the answer quoted above suggest, however, that this is the intention of the Treasury. This point is one which may become of practical importance in view of the fairly widespread opinion that the dollar exchange may touch par during the present summer. The policy, as announced by the Chancellor, is in accord with the memorandum issued this week by the Sound Currency Association, which says:—"This country should aim at the early restoration of the old equivalence between the pound sterling and 123½ grains of standard gold. Such restoration would tend to give stability to prices and encourage countries with still more depreciated currencies to take the necessary steps to stabilise them in relation to gold and so cause a gradual resumption of steadiness in international trade. The resumption of gold specie payments in this country would immediately have a beneficial effect on British national credit. An improvement in national credit which would enable this country to refund the National Debt would save the State many millions per annum in interest charges." The Association, however, recognise that it will be impossible for some countries to return to pre-war parity, and that a "fresh parity may have to be established."

Supplementary Estimates.—On Thursday a number of supplementary estimates were issued, the demands reaching a total of £6,724,104. The principal items in these estimates are as follows:—Board of Trade, £601,200, for services arising out of the war, principally in connection with Australian zinc concentrates; £1,130,000 under the heading "grant in aid of miscellaneous services to be administered by the Provisional Government" in Ireland; Royal Irish Constabulary, £1,474,370; Middle Eastern Services, £1,737,600, of which more than half represents "the deficit on Civil Administration account before the independent Irak Government came into existence"; superannuation and retired allowances, £455,000; payment of land purchase annuities, £265,024; miscellaneous war services (Foreign Office), £465,868, of which £300,000 is required for maintenance of Russian refugees; and "criminal injuries (Ireland) compensation," £215,000. Some of the estimates disclose savings under different sub-heads, which prevent the supplementary demands from reaching larger totals. But the 50-page White Paper (No. 1, price 1s. net) presents opportunity for the close scrutiny by Members of Parliament, especially, perhaps, in connection with the activities of the Colonial Office in Mesopotamia and Arabia.

Taxation and the National Income.—In an address before the National Union of Manufacturers on Monday last, Mr Edgar Crammond, with whose general views we are in sympathy, made an estimate of the national income for 1921, which he put at from 2,700 to 2,800 millions sterling, as compared with an estimated national income in 1913 of 2,400 millions. From this estimate Mr Crammond concluded that, after deducting 345 millions for interest on the National Debt, presumably on the ground that the payment of interest out of taxation on that portion of the National Debt which is held at home is merely transferring wealth from one section of the public to another, the burden of State expenditure in the past year on Imperial and local services (942 millions) amounts to 34 per cent. of the total national income. We are, however, of opinion that in making this estimate Mr Crammond has gravely overstated his case by under-estimating the total of the national income in 1921. He has arrived at his conclusion by examining three indices of production, viz., the volume of foreign trade, the statistics of production of those industries for which output statistics are available, and the carriage of goods by rail. It happens, however, that these particular aspects of economic activity are those which contracted most severely during the depression, and are, therefore, least representative of the reduction in the volume of goods and services produced during the year. This is evident in regard to the first two indices, while in the case of tonnage of goods carried by rail the reduction compared with 1913 is chiefly due to the use of road transport for short distance traffic. We venture to guess that the total national production of goods and services can hardly have fallen more than 25 per cent. under the pre-war level, even when full allowance is made for the industrial effects of the coal strike. In view of the level of wholesale and retail prices, cost of transport, cost of postal services, rating for local services, &c., it would be an under-estimate to assume that the average level of values was as low as 100 per cent. above 1913. On Mr Crammond's estimate of the pre-war income this would bring the figure for 1921 up to 3,600 millions, and it is probable that more exact methods of estimation would bring the figure up to 4,000 millions. Adequate statistics for estimating the national income by direct addition are not yet in existence, but we believe it will be found that the wages bill, which must have exceeded 2,000 millions sterling in 1920 by a substantial amount, fell last year by between 25 per cent. and 30 per cent. The large item of salaries and earnings other than wages is unlikely to have fallen so much as the wages bill, and there are large spheres of national economic activity, and forms of income, the totals of which will show for the year hardly any contraction at all. If our figures of the national income were correct, Mr Crammond's estimate of the burden of taxation would be reduced to 23½ per cent. This we believe to be nearer the truth than Mr Crammond's figure. Indeed, we are convinced that it is not a practicable proposition for any Government (with the assistance of local authorities all over the country) to abstract from the nation 34 per cent. of its total income, plus an additional 12 per cent. transferred from the taxpayers to investors in the National Debt. Our own estimate of a 23½ per cent. burden, plus 8½ per cent. transferred from one set of the people to another in the form of interest on debt, is a sufficiently alarming figure compared with pre-war standards. The case is weakened rather than strengthened by over-statement.

China's Problems.—As was expected by experienced observers of Chinese politics, the Peking Government has partially surmounted the political and financial difficulties which lately threatened it with collapse. Liang Shih-Yi, the reactionary Premier set up in December by Chang Tso-Lin, the military Governor of Manchuria, has resigned under pressure from Wu Pei Fu, the military chief in control of Hupeh, Honan, and Shansi, and has thus averted a fresh civil war. The most urgent financial difficulties of his Ministry have been met by borrowing locally at 40 per cent., and most of the proceeds have gone to the troops. An attempt has been made to meet other creditors by a financial operation

involving a loan on the security of the salt surplus, by converting short-term obligations into 8 per cent. bonds to be given in payment of claims already secured on that sum. These bonds, according to the *Times* Peking correspondent, are of the nominal value of \$96,000,000, or about £12,000,000, and are issued at 90, the bankers receiving 6 per cent. commission, so that the actual rate of interest on them is about 9½ per cent. They are said to be readily accepted by the creditors, many of whom are Japanese. Meanwhile the salaries of many officials, including the foreigners employed in the Customs and Salt administrations, are still several months in arrear, and it seems possible that prior claims on the salt surplus may prevent the loan from going through. The resignation of Chang Hu, the Finance Minister, announced on Wednesday, still awaits explanation. The outlook, however, appears to be more hopeful, provided that the contending factions can come to terms. The Shanghai market, we are informed, is improving; the increase of Customs duties, sanctioned by the Powers, may become effective about three months hence, and the settlements effected by and through the Washington Conference bid fair to free China from any recurrence of that danger of partition which was acute at the end of the last century, and from that of Japanese domination which was indicated by the presentation of the notorious "twenty-one demands" in 1915. The most extravagant of these, requiring the employment of Japanese advisers and police, the concession to Japan of the right to supply munitions and to construct certain railways, and preference for Japanese capital, were then postponed and are now formally abandoned, and the Shantung question has been settled by direct negotiations between Japan and China; but we understand that the treaty, though read at the Conference, will not be published at present in Europe. The treaties and conventions agreed to at Washington aim at establishing "the open door" for all foreign enterprise, and provide an authority to keep it open in the shape of a Board of Reference; at averting any approach to partition, and at enabling China to emerge from her financial difficulties, and to secure her independence. It remains to be seen from a study of their text whether any loopholes are left for the frustration of these aims in the future. But it seems clear that such loopholes cannot be taken advantage of unless China herself remains distracted and divided through the fault of her political leaders or the ambition of her military chiefs.

The Bank Statements.—From the monthly statement of average weekly balances of the London clearing banks for January, reproduced in detail in another column, we have compiled the following comparative table, which gives the totals for the nine English banks:—

	March, 1921.	June, 1921.	Sept., 1921.	Dec., 1921.	Jan., 1922.
Capital and reserves	115.6	115.9	115.9	115.9	115.9
Acceptances	69.4	57.7	47.2	65.3	63.6
Deposits (incl. undivided profits, &c.)	1,715.0	1,768.4	1,771.4	1,818.6	1,826.0
Total liabilities	1,900.0	1,942.0	1,934.5	1,999.8	2,005.5
Coin, notes, balance at bank, and cheques in course of collection	244.8	265.1	250.4	273.5	254.5
Money at call	82.6	98.0	98.9	105.7	114.1
Investments	336.1	335.9	332.7	343.3	357.0
Discounts	282.1	346.2	394.3	424.3	439.6
Loans and advances	862.6	815.4	786.2	762.3	752.0
Cover for acceptances, premises, &c.	91.8	81.4	72.0	90.7	88.3
Total assets	1,900.0	1,942.0	1,934.5	1,999.8	2,005.5

Deposits have reached the highest total recorded since these monthly statements were published, and are also higher than the total shown in the balance-sheet dated December 31st last. It may be assumed that the increase is due almost entirely to activity in the Stock Exchange and new issue markets. On the assets side there has been a further increase in bills discounted, presumably as a result of larger holdings of Treasury bills, but advances have dropped by another £10 millions. Cash is down by £19 millions, and the ratio to deposit liabilities is now 13.9 as against 15 per cent. for the December averages, and 16.3 per cent. for December 31, 1921. Money at call has risen by £8½ millions, and investments are over £13½ millions higher, which may be accounted for by

purchases of $5\frac{1}{2}$ per cent. Treasury Bonds. As compared with the averages for January, 1921, deposits are £16 millions higher, acceptances £25 millions lower, money at call £15 millions, investments £16 millions, and discounts £68 millions higher, and advances £93 millions lower.

The Western Railway Group.—A preliminary scheme for the amalgamation with the Great Western Railway Company of the Cambrian, the Cardiff, the Rhymney Railway Companies, and the Alexandra (Newport and South Wales) Docks and Railway Company is to be submitted for the approval of the proprietors of the Great Western Company at a special meeting to be held on February 23rd. The scheme provides for the issue of stock of the Great Western Company in exchange for the securities of the several companies on the following basis:—

CAMBRIAN RAILWAYS COMPANY.

For each		
£100 4% "A" Db. Stk.	£100 4% Deb. Stk.	
£100 4% "B" Db. Stk.	£87 10s 4% Deb. Stk.	
£100 4% "C" Db. Stk.	£70 5% Con. Pl. Stk.	
£100 4% "D" Db. Stk.	£60 5% Con. Pl. Stk.	
£100 No. 1 4% Pl. Stk.	£28.57 Con. Ord. Stk.	
£100 No. 2 4% Pl. Stk.	£21.454 Con. Ord. Stk. Dfd. Certs. to bear	
	Dividend as on and from Jan. 1, 1923.	
£100 No. 3 4% Pl. Stk.	£9.297 do.	
£100 No. 4 4% Pl. Stk.	£7.865 do.	
£100 Ordinary Con. No. 1	£2.86 do.	
£100 Coast Con. Ord. Stk.	£2.86 do.	

CARDIFF RAILWAY COMPANY.

For each		
£100 3% Deb. Stk.	£75 4% Deb. Stk.	
£100 First 4% Pl. Share.	£80 5% Con. Pl. Stk.	
£100 Second 4% Pl. Share.	£80 5% Con. Pl. Stk.	
£100 4% Pfd. Ord. Stk.	£80 5% Con. Pl. Stk.	
£100 3% Sec. Pfd. Ord. Stk.	£45 Con. Ord. Stk.	
For £445,200 and £547,656 Loans and	£100,000 4% Deb. Stk.; £420,000 5%	
£2,600,000 Ordinary (£100) Shares.	Con. Pl. Stk. and £268,000 Con. Ord. Stk.	

RHYMNEY RAILWAY COMPANY.

For each		
£100 4% Deb. Stk.	£100 4% Deb. Stk.	
£100 4% Pl. Stk.	£80 5% Con. Pl. Stk.	
£100 Undivided Ord. Stk.	£80 5% Con. Pl. Stk. and	
	£80 Con. Ord. Stk.	
£100 Pfd. Ord. Stk.	£80 5% Con. Pl. Stk.	
£100 Dfd. Ord. Stk.	£80 Con. Ord. Stk.	

TAFF VALE RAILWAY COMPANY.

For each		
£100 3% Deb. Stk.	£75 4% Deb. Stk.	
£100 4% Pl. Stk.	£80 5% Con. Pref. Stk.	
£100 Ord. Stk.	£80 Con. Ord. Stk.	

ALEXANDRA (NEWPORT and SOUTH WALES) DOCKS and RAILWAY COMPANY.

For each		
£100 4% Deb. Stk.	£100 4% Deb. Stk.	
£100 4% Redeemable Deb. Stk.	£100 4% Deb. Stk.	
£100 4% First Pl. Con. Stk. "A"	£90 5% Con. Pl. Stk.	
£100 4% Second Pl. Con. Stk. "B"	£45 5% Con. Pl. Stk. and	
£100 Con. Ord. Stk.	£45 Con. Ord. Stk.	

If the stockholders of any of these companies fail to approve the scheme, the latter is to be modified so as to provide for the amalgamation of the remaining companies.

More Home Railway Dividends.—A further batch of home railway dividends have been announced this week, and are set out in the following table:—

	Final Dividends.			Whole Year.			Price of Ord. Stock.	
	1919.	1920.	1921.	1919.	1920.	1921.	Jan. 31, 1921.	Feb. 8, 1922.
	Rate % per Ann.			%				
Great Central, 5% 1894 Pref.	4	4	4	3	3	2	29	36
Great Eastern	4	4	4	2	2	2	29	30
Great North of Scotland	1	1	1	1	1	1	12	11
Highland	1	1	1	2	2	2	20	23
London and North-Western	9	9	10	7	7	7	7	7
London & S. Western, Ord.	8	8	8	6	6	6	61	68
Do Def.	8	8	8	2	2	2	21	23
London Chatham, 4½ 2nd								
Pref.				4	3	4	28	35
North British, Def.				1	1	1	11	10
North-Eastern	8	8	9	7	7	7	7	81
North London	6	6	7	5	5	5	51	64
South-Eastern, Def.				2	2	2	25	26

Two increases have been made, the London Chatham paying the full rate on the $4\frac{1}{2}$ per cent. second preference stock as against 3 per cent. a year ago, and the North London increasing the rate from $5\frac{1}{2}$ to 6 per cent. Other distributions are at the same rate as last year, with the exception of the North British and Great Central. The directors of the former are postponing declaration of dividends on stocks after the 1884 preference until all disputes with the Government are settled.

The Underground Dividends.—The Underground Railway dividends for 1921 were announced on Thursday evening. The following table shows how the dividends compare with those for 1920, and the amounts carried forward in the past three years:—

	Final Dividends.		Dividend for Whole Year.		Carried Forward.		
	1920.	1921.	1920.	1921.	1919.	1920.	1921.
Central London (Def. Stock)	..	..	1	4	£	£	£
London Electric (£10)	2	3	1	3	11,762	15,161	59,600
City and South London	2	2	1	3	20,912	22,350	39,700
London General Omnibus	10	7	5	8	19,750	18,820	25,000
Met. District, Ord.	..	..	nil	1	59,726	58,843	67,900
Do 5% 2nd Pref.	3	5	3	5	22,098	20,537	60,550
Underground, 6% Inc. Bonds	2	4	2	4	34,000	20,137	26,600

† Paid free of income-tax.

Most of the distributions for the full year compare favourably with those for 1920. The dividend on Metropolitan District ordinary stock of 1 per cent. is the first since 1882, when $\frac{1}{8}$ per cent. was distributed. This company places £65,000 to reserve as against £45,000, and carries forward £40,000 more. The London Electric also increases its reserve allocation by £20,000 to £65,000, and carries forward £17,000 more. The City and South London reserves £36,000 as against £25,000, and increases the carry forward by £6,000, while the London General Omnibus Company reserves £335,000, or £50,000 more, and carries forward £67,900 as against £58,800 brought in. The 6 per cent. Underground Electric income bonds receive 4 per cent., free of income-tax, the carry forward being increased by £6,000.

The Insurance Share Market.—We have received the interesting review of the insurance share market which is prepared every year by Messrs Maclean and Henderson, of Stirling. This review covers 1921, and, of course, misses the collapse of the City Equitable group. It is maintained by the authors that insurance shares are a more attractive investment to-day than ever they were. At the close of 1920 the shares were at a lower level than they had been since 1918, but during the early part of last year a gradual recovery took place, which, in spite of setbacks brought the general level of values in December last higher than it had been since March, 1920. An important point made is that the strong offices are less than ever dependent upon underwriting profits for their dividends. Ten years ago about one-third of the money needed for dividends came from the trading accounts, but last year the interest receipts upon invested funds more than provided for the whole of the increased payments in dividends. Millions have been written off the book value of securities held, so that any improvement in market prices of the assets adds to the hidden reserves of the companies. Taxation has been very heavy, but, after all, the big insurance offices—other than the purely life companies—benefited greatly from the war, and were fit subjects for war taxation.

The Baldwins-Sperling Dispute.—The evidence given in the action by certain shareholders in Baldwins, Limited, for specific performance by Messrs Sperling and Co. of the undertaking entered into in 1920 to buy at £3 their shares, which are now worth 17s, has given a somewhat unpleasant impression of the haphazard way in which business deals of enormous magnitude were carried out during the riotous times of the recent boom. Our readers will remember that at the beginning of 1920 there were many people foolish enough to suppose that the acute shortage of steel plates which then existed was likely to get steadily worse, ignoring entirely the fact that on the one hand some of the largest plate mills in the world (commenced during the war) were only beginning to come into operation, and, on the other hand, that the conditions causing the scarcity of shipping tonnage were obviously transitory, and would soon be overtaken by the enormous tonnage of ships under construction throughout the world. Some of the optimists endeavoured to place ships-plate orders for two or more years ahead, while others, like those associated with Sir Edward Edgar, endeavoured to make their position secure by buying up steel works. In 1919 and early in 1920 Sir Edward

Edgar was occupied in building up a great industrial organisation, the apex of which was a series of large shipyards. The securing of the blast furnaces, steel works, and plate mills at Port Talbot was one of the foundations of the scheme, and an offer was made in February, 1920, in the name of Messrs Sperling and Co. to buy the ordinary shares of Baldwins, which in that month varied between $2\frac{1}{8}$ and $2\frac{1}{4}$, for 60s a share. Shortly afterwards, however, Sir Edward Edgar changed his mind, owing to the increase in excess profits duty and possibly also influenced by a changed opinion as to the course of trade. Messrs Sperling and Co., accordingly, indicated their unwillingness to complete the deal, and after some litigation a considerable number of Baldwins shareholders agreed to release the purchasers from their undertaking on payment of damages of 5s per share. This arrangement was accepted by most of the shareholders concerned. Certain of them, however, insisted upon the sale being carried out, and Mr Justice Coleridge, sitting in the Court of the King's Bench, has confirmed their claim. Fortunately for Messrs Sperling, there are believed to be less than 300,000 shares to which the judgment, if upheld on appeal, is applicable, and as the difference between the price in the contract and the present price of the shares is just over £2 per share, the total amount involved, though very large, is much less than has been suggested at times in the Press. The case turned to some extent on the conflict between the recollections of Sir Charles Wright, managing director of Baldwins, and Sir Edward Edgar as to the terms of the agreement, the latter maintaining that though no mention of conditions was made in the written contract, there was a verbal understanding between him and Sir Charles Wright that the basis of the deal was that the excess profits duty would be repealed in the Budget of 1920 and that the profits of Baldwins would increase to two millions in 1921. These contentions were dismissed by the judge as unproven, and his review of the evidence on these points, and, indeed, his judgment as a whole, seem to us unquestionable. We also agree with the comments which he was moved to express on the business method which the case revealed. It is true that an enormous volume of business not only in the City of London, but also in commercial and industrial circles throughout the country, is done by means of the spoken word, and it is the pride of British commerce that the bargain is practically never repudiated. But verbal deals are commonly recorded within a few hours, and, in a case of this description, where the principal actors were negotiating in the capacity of trustees for a large body of shareholders, we can only concur with the judge in his criticism of the giants of finance who "transact business with each other involving millions in the most unbusinesslike way."

The Situation on the Rand.—Our mining correspondent writes:—It is much to be regretted that no progress can be reported in the direction of a settlement of the disastrous labour trouble on the Witwatersrand. Early in the week an interview was arranged between General Smuts and representatives of the Industrial Federation. The conference broke up without result. Subsequently the Chamber of Mines offered to limit the abolition of the *status quo* agreement to those mines whose cost of production has exceeded 85s per ounce, postponing the general application of the change pending the outcome of further inquiry. As the majority of the poor mines are already working at a low ratio of whites to natives this offer represented a very substantial concession; it was, however, ignored, and has since, apparently, been withdrawn. Meantime the repatriation of the natives continues, and some of the mines are flooding. Much expense will be entailed in the resumption of operations, even should a *modus vivendi* be arrived at without further delay. A hopeful sign is that on several of the mines the strikers are manifesting a disposition to return to work. The question was raised a week or so ago whether the companies would actually distribute the dividends declared in respect of the past half-year. However, two of the more important groups—the Rand Mines and the Johannesburg Consolidated—duly sent out their warrants. The date of payment on the part of one of the smaller

groups has not yet been announced, and what course will be followed remains to be seen. It may be noted that the Simmer and Jack has just notified that its dividend will be deferred owing to the position on the Rand. No return in respect of the nine days worked during January will be made either by the Chamber of Mines or by the individual companies.

Empire Cotton Growing Corporation.—The Empire Cotton Growing Corporation has just completed the first year of its existence. The Administrative Council, in its report, says that the agreement with the Board of Trade relating to the Government grant, set out as a schedule to the Charter has been duly sealed and the sum of £978,715 has been received. Pending the formation of a finance committee, the sum has been placed on deposit at the British Overseas Bank, less the sum of £3,000 allocated by the Council to meet expenses incurred up to the date of the first general meeting. The Liverpool and Manchester Cotton Associations began the collection of the levy from spinners on September 1, 1921. In the first four months the sum thus collected amounted to £15,067, and the Liverpool and Manchester Cotton Associations have decided not to put into force the power taken by them under their by-laws to deduct from the sum collected the expenses incurred by administration. Considerable difficulty was experienced early last year in disposing of the West Indian crop of Sea Island cotton. Prices fell considerably, and, owing to the lack of demand, it seems probable that at the end of the present picking a large proportion will have to remain on the growers' hands. The prospects of the successful growing of cotton in the Tanganyika territory appear to be very considerable. The Governor feared that private individuals would not be able to buy this year's crop, and that if this year's crop was not purchased from the natives they would be discouraged from planting any cotton next season. He therefore asked the Colonial Office to obtain permission from the Treasury for part of his grant in aid to be advanced for the purchase of the cotton, provided that the Empire Cotton Growing Corporation would take over responsibility for repayment. This the Empire Cotton Growing Committee promised to recommend to the consideration of the Corporation if the Treasury would agree to Government purchase up to date. The Treasury decided that they could not give the Governor permission to employ his grant in aid in this manner unless the Empire Cotton Growing Corporation agreed to accept this responsibility. In anticipation of this support by the Corporation, this decision was cabled to the Governor and the mind of the native grower set at rest. Interesting reports have recently been published with regard to the prospects for cotton growing in Nigeria and Nyasaland. As regards the Sudan, the position from the point of view of practical cotton growing, is described as of special and immediate promise. The committee have awarded from the grant made to them by the Board of Trade certain studentships to enable graduates to undertake advanced study and research on subjects connected with cotton growing.

Agricultural Conditions.—The monthly report of the Ministry of Agriculture and Fisheries for January states that owing to wintry conditions field work was delayed, but crops have benefited as a rule, as winter corn was very forward and will be better for the check. Water supplies have improved, and few farmers are now short of water for their stock. Autumn-sown wheat is almost always a good, healthy plant, though the rains of January have caused some loss of colour on the wettest lands, and late-sown crops do not look very well in some districts. Oats also are very promising, and beans are strong and healthy, though in some districts they are rather backward. Lambing prospects are considered favourable, and early lambs are vigorous. Most of the Dorset Horn flocks have now finished lambing, the fall of lambs being about average. The ewes are giving a good supply of milk, and the lambs are consequently doing well. Reports as to the number of breeding ewes vary; in the North and in Wales there seem to be quite as many as last year, but in other parts of the country it is reported that there are rather less. The frosts and snows of January have made it necessary to feed larger

quantities of fodder to livestock, but in most districts it is anticipated that stocks of hay and straw will be sufficient for the rest of the winter. Turnips are now practically finished in many districts, and feeding sheep are being put on the market quickly in consequence. Both cattle and sheep have done well during January, and are in healthy condition, apart from the effects of the serious outbreak of foot and mouth disease.

Imperial Tobacco Company.—The accounts of the Imperial Tobacco Company (of Great Britain and Ireland) for the year ended October 31st last show that this enormous concern is passing apparently unscathed through the vicissitudes of trade stagnation and oppression, and in whatever light the steady increase in profits may be viewed by the consumer (who has seen no reduction in prices), shareholders can feel nothing but gratification at the company's highly successful record:—

Oct. 31.	1913.	1916.	1917.	1918.	1919.	1920.	1921.
Balance forward.....	£160,518	£143,771	£22,024	£92,558	£284,036	£280,660	£39,848
Net trading profit.....	3,354,476	3,312,686	3,538,539	3,826,191	4,665,109	6,659,791	6,927,641
Fees, depreciation, &c.	3,514,994	4,056,457	3,560,563	3,918,749	4,949,145	6,940,451	6,967,489
General reserve.....	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	500,000
Amount to be divided	2,193,419	2,454,107	2,510,563	2,818,749	3,749,145	5,740,451	5,867,489
5% cum. pref.	272,758	272,759	272,759	272,759	272,759	272,759	272,759
6% non-cum. pref.	315,628	315,628	315,628	315,628	315,628	315,628	315,628
10% n-c. "A" def. ord.	263,822	263,822	263,822	263,822	263,822	263,822	263,822
"B" def. ord.	974,050	1,253,352	1,253,352	1,358,480	2,089,105	3,932,473	3,932,715
Bonus to customers, first half-year	103,326	129,075	133,348	141,353	194,420	338,097	352,908
Balance.....	263,835	219,571	271,025	466,708	613,411	617,672	729,657
Less bonus to customers second half-year ..	130,867	197,547	178,467	182,672	332,751	577,824	..
Carried forward.....	132,968	22,024	92,558	284,036	280,660	39,848	..

* New ordinary shares. † Now "C" 10% non-cum. pref. shares. ‡ Free of income-tax.

The appropriation of profits is practically the same as last year, £100,000 going to pensions fund, £500,000 to additional depreciation, and £500,000 to general reserve. Changes in the balance-sheet are increases of £1,310,000 in creditors, of £1,063,600 in cash, and of £883,400 in stocks, which stand at the high figure of £32,722,000, and are taken "at or under cost, less amounts set aside to meet fluctuations in the value of leaf tobacco." Goodwill and patent rights remain unchanged at £9,422,600. Information given in the report is scanty, but it is stated that a large outlay has again been necessary, both in this country and America, upon buildings and factory equipment, to meet the requirements of the business. The property item shows an increase of £1,366,300 at £4,190,600.

National Provident Institution.—In the report of this institution for the year ended November 20th we find much what is to be expected now in the reports of high-class life offices. We see some falling off in new business from the "record" figures of 1920, a steady advance in the net yield from interest and an exceedingly favourable mortality experience. The last factor is one which must have great influence on the profit-earning power of our life assurance offices. The amount paid in death claims last year by the National Provident, including bonuses, was only 66 per cent. of the amount expected under the tables used. The advance in the net rate of interest is also a favourable factor. The net rate three or four years ago was about 3½ per cent.; last year it was nearly 4½ per cent. The ratio of expenses to premiums at 13½ per cent. is favourable under present-day circumstances. The new assurances were £897,445 net, and the funds advance by £225,378 to £7,799,178. Altogether, an encouraging report for those policyholders who will be looking for bonuses at the end of this year.

Bovril Report.—Beyond a statement to the effect that the figures of the sales of Bovril exceeded all previous records the company's report for the year ended December 31, 1921, gives no information as to the year's trading operations. The accounts, however, show that the trade depression has scarcely touched this concern, for gross trading profits, including receipts from associated companies, are nearly £30,000 higher at

£708,000, while expenses, including advertising, were £2,000 less at £430,100. Results for the past seven years are set out below:—

	1915.	1916.	1917.	1918.	1919.	1920.	1921.
Gross profit.....	£371,468	£341,405	£349,164	£384,087	£512,016	£609,709	£650,274
Associated cos., &c.	33,161	44,931	70,358	80,417	67,304	69,793	58,168
	404,629	386,336	419,522	464,504	579,320	679,502	708,442
Net profit.....	146,296	147,809	152,298	158,558	216,895	179,239	208,606
Reserve.....	22,500	35,000	35,000	35,000	55,000	50,000	40,000
Preference dividend ..	27,500	27,500	27,500	27,500	27,500	27,500	36,250
Ordinary div. (7%) ..	52,500	52,500	52,500	52,500	52,500	52,500	56,625
Deferred dividend ..	25,961	36,290	40,000	43,860	60,000	60,000	67,500
	(3%)	(3½%)	(4%)	(4½%)	(8%)	(8%)	(9%)
Carried forward.....	+17,835	-3,482	-2,702	-301	+21,895	-10,761	+8,231

* 7½ per cent.

With the exception of 1919 the past year's profits are the highest recorded. Debenture interest absorbs £22,500, and interest on the 6 per cent. five-year notes £18,000. The dividend on the cumulative ordinary shares has been raised from 7 to 7½ per cent., the distribution for the past year being 7½ per cent. The deferred dividend is raised from 8 to 9 per cent., and £28,400 is carried forward. The balance-sheet, an analysis of which will be found in the usual column, shows that the reserve amounts to £500,000, and that the property item, which includes goodwill, trade marks, &c., has been increased by £126,900 to £2,787,450. Creditors show a reduction of £297,800 at £444,700, and stocks are £176,800 lower, £875,778, being taken "at or below cost." Debtors are £73,200 higher, while cash at £72,500 is £12,900 lower. The £300,000 of 6 per cent. notes mature on May 1, 1924, but may be redeemed early at 102½ on six months' notice from the company.

Australia's Trade Balance.—In recent months Australia has returned to an export balance on her overseas trade. The latest figures available, for November and December, are as follows:—

	Imports.	Exports.	Export Balance.
1921.			
November	7,656,363	10,629,169	2,972,806
December	8,809,579	12,004,393	3,195,314

For the calendar year 1919 Australia's export balance was £47,603,583; but this changed to an import excess of £12,949,558 in 1920. This swing of the pendulum continued, and the figures for the twelve months ended June 30, 1921, show an import excess of no less than £31,408,386. Now again, as is shown by the latest trade figures set out above, the pendulum is swinging back. This change of the trade balance in favour of Australia explains the announcement by the Associated Australian Banks in London of a reduction to 3 per cent. in their charges for sight bills on Australia and New Zealand. The re-establishment of an export balance eases the position with regard to remittances, and the reduction in rates mentioned denotes a movement favourable to exporters of goods to the Australian market.

Japanese Trade and Finance.—Cabled advices from Tokyo state that towards the end of January the money market developed great stringency on account of the coincidence of the demand for money for the monthly settlement and for the lunar calendar settlement in the Western provinces. The rate for day-to-day loans rose to 10½ per cent., while the discount rate went to 9½ per cent. In general trade conditions no improvement is reported. The cotton yarn market is weak on the disappearance of demand for the textile districts, the rice market is amply stocked and dull, and the silk yarn market very quiet. The stock markets are uncertain and price movements narrow.

Valuation of Gold Imports and Exports.—The Board of Trade announce that the average values of imports and exports of gold bullion during 1921 have been as follows:—Imports of gold bullion, unrefined, 82s 7d per ounce troy; refined, 108s per ounce troy. Exports of gold bullion, refined, 106s per ounce troy. In Volume II. of the Annual Statement of Trade for 1920 (Cmd. 1504) both the quantities and values of the imports and exports of gold coin and bullion are given in detail, and these

show what is the general practice of record. Imports and exports of all gold, except British coin, are entered at the market value returned by the importers and exporters, who are responsible for the correctness of their entries, and the averages resulting from a comparison of the declared weights and values correspond with sufficient precision to the means of the market quotations to demonstrate that the general practice is, in fact, in accordance with the official regulations.

THE International Labour Office announces that the British Government has nominated Mr Neville Chamberlain, M.P., and Sir Lynden Macassey, K.B.E., K.C., as "Assessors for Labour Cases" for the Permanent Court of International Justice, which has just been inaugurated at the Hague. The representation of Great Britain is now complete, the governing body having already nominated Mr J. H. Thomas, M.P., for the workers, and Sir Alexander Rae Duncan, vice-president of the Shipbuilding Employers' Federation, for the employers.

Oversea Correspondence.

UNITED STATES.—BANKING POSITION STRONGER—BOND MARKET QUIETER—NEW FRENCH ISSUE.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 28.

SINCE the turn of the year the general banking position in this country has shown further marked improvement. For the entire Federal Reserve system the ratio of reserve to note and deposit liabilities now stands at 77.2 per cent., the highest point reached since the United States entered the war against Germany. The New York Federal Reserve Bank's ratio this week, namely, 89.6 per cent., is also higher than at any time during that period. The improvement has been due to heavy reductions in outstanding note circulation and in rediscounts, rather than to increases in gold reserve; the latter, in fact, has shown relatively small increases in recent weeks. Note circulation is now \$259,000,000 less than it was at the end of last year, and \$1,650,000,000 less than it was a year ago, while rediscounts have been reduced by \$329,000,000 since the beginning of this year, and are \$906,000,000 below the total at this time in 1921. Notwithstanding that the Federal Reserve banks have greatly strengthened their position in the past few weeks, money rates have continued about as firm as they were a fortnight or so ago. For the shorter periods fixed date funds command 4½ to 5 per cent., and the longer maturities 4½ per cent. Since the beginning of January there have been expectations of a further cut in rediscount rates by the central reserve institutions. While no action in that direction has thus far been taken, it is believed in many quarters that next month will see a more or less general lowering of such rates, which will be followed, if not preceded, by some relaxation in money from present levels.

The fact that greater easiness in money has not developed is considered partly responsible for the lessened activity in the bond market. Investment demand for outstanding bonds is not so broad or vigorous as it was a week or two ago, and the advancing tendency has been checked lately by considerable liquidation after each rise. Demand for new securities also is not quite so brisk, possibly because the market has been flooded with many offerings which it will take time to digest. The recent liquidation is believed to have been largely for the account of mercantile houses and others who have use for funds at present, or who, for income-tax reasons, deferred the taking of profits until after the end of last year. Furthermore, the knowledge that a large amount of additional new issues is likely to be brought out in the near future may have caused many investors to hold off. The present lull in buying is also accounted for in a measure by the fact that the January reinvestment demand has now been pretty well filled. Still another factor, which may become more of an influence in the bond market later on, is the prospect of soldier bonus legislation being enacted by Congress, which contemplates a large new Government

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President

JAMES S. ALEXANDER

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bond issue. Such an offering, it is thought in some quarters, would tend to depress outstanding Government issues, notably the Liberty bonds and Victory notes, much depending, of course, upon the interest rate and terms of any new offering.

One of the largest foreign issues brought out here for some time past consists of \$25,000,000 Department of the Seine 20-year 7 per cent. external gold bonds, which were offered this week by a banking syndicate headed by Kuhn, Loeb and Co. The bonds, which are the direct general obligation of the Department, are redeemable as a whole upon 90 days' notice at the option of the Department, on January 1, 1932, at 105 per cent. and accrued interest, or on January 1st of any subsequent year at 105 per cent., less ½ per cent. per annum for each year after 1932. They were offered for subscription at 90½ per cent. and accrued interest to date of delivery, to yield 7.95 per cent. to maturity; if redeemed before maturity the yield increases gradually to a maximum of 8½ per cent., if redeemed on January 1, 1932, which is the first redemption date. It is understood that this offering has met with a very good response from investors.

FRANCE.—BANQUE INDUSTRIELLE DE CHINE—DEVASTATION STATISTICS—WIESBADEN AGREEMENT—COMMERCIAL TREATY WITH POLAND—PRIVATE BANK SUSPENSION—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, February 8.

Discussion by the Finance Commission of the Senate of the Bill authorising the Government to draw up proposals for re-floating the Banque Industrielle de Chine (which measure has already been passed by the Chamber), shows that the Upper House is by no means of the same opinion as the Chamber on this question. The Chamber, in principle, has agreed that the moribund bank should be re-floating, and that the balance of the Boxer indemnity,

due by the Chinese Government to France, should be used to reimburse depositors, and thereby help to restore French influence in the Far East. The Senate, on the other hand, judging from the opinion of its Finance Commission, takes the view that it would be useless to place the bank on its feet again, and that all that should be done is to utilise the balance of the indemnity, so far as it will go, for the purpose of recouping the money lost by the depositors, beginning with the smallest of them. It is understood that the available money, if used in this way, will be insufficient to repay more than about 50 per cent. of those who had deposits in the bank. The significance of this conflict of opinion between the two Houses is that in the Senate the Radical Socialist Party commands a majority, which may possibly be utilised against the Poincaré Ministry. The Senate, in a word, is Radical, while the Chamber is Nationalist. The Radical and Radical Socialist (or Socialistic Radical) Parties, which form the Left of the Chamber, refused M. Poincaré's offer to occupy any Ministerial post in the new Cabinet, and intimated that, although they would give him general support on questions of foreign policy, they would follow their own line in internal problems. It is unnecessary to emphasise what serious repercussions such a situation as now exists in the two Chambers may have upon French foreign policy, and consequently upon the whole European economic and political situation.

In the course of the discussion of the Budget for the devastated regions (the special budget of expenditure recoverable from Germany) which is now proceeding in the Chamber, M. Loucheur has this week given some interesting figures in regard to the amount of damage done to industrial property by the war. The total amount of damage of an industrial character, the former Minister for the Liberated Regions stated, was 6,500,000,000f, estimated according to the values of 1914. If an average coefficient of from 3.5 to 4 is applied, for the purpose of arriving at present-day values, it would be found that between 24,000,000,000f and 25,000,000,000f will be required to make good the losses incurred. Of this amount the sum of 11,200,000,000f, or 45 per cent. of the whole, had been advanced to sufferers, 6,000,000,000f being in the form of payments in kind through the intermediary of the Central Purchasing Agency (Comptoir Central d'Achats). These figures, it should be explained, do not include damage done to mining property or railways.

Striking figures indicating the slow but steady progress of the work of restoring the devastated areas were given during the same debate by M. Reibel, the new Minister for Reparations. The number of houses that had been destroyed at the date of the Armistice was 280,147, while 422,736 had been more or less seriously damaged. Of the latter, 278,834 had been repaired by January 1, 1921, and 335,479 by January 1, 1922. Of the 53,976 kilometres of road that had been destroyed, 27,740 had been reconstructed by January 1, 1921, and 31,965 by October 1st last. Of the 4,677 bridges, embankments, &c., destroyed, 2,653 had been reconstructed on January 1, 1921, and 3,175 on October 1st last. The 1,112 kilometres of waterways destroyed have now all been reconstituted. Of the 4,484 industrial establishments (employing a minimum of 20 persons) that were destroyed, 3,543, or 79 per cent., were again under exploitation on January 1, 1921, and on November 1st last 3,986, or over 80 per cent., the persons occupied in them numbering 423,744, or one-half of the number employed before the war. Agricultural land to the extent of 3,337,000 hectares was rendered uncultivable by the war, and of this amount 2,900,593 hectares had been reconstituted on January 1st this year, while 1,500,000 hectares were again under culture.

The question of the Wiesbaden agreements is again exciting interest, but these agreements between France and Germany for the payment of a proportion of the indemnity in kind cannot, of course, come into operation until they have been formally ratified by the Chamber, and that ratification is apparently, as matters stand at present, subject to their acceptance by the Allies as a whole. French opinion in general (with the exception, perhaps, of a section of the commercial world) is distinctly in favour of these agreements being applied. It is realised that if Germany does not, or cannot, pay in cash, it will be in

every way advisable for France to accept payment in kind. Whether or no part of this payment will be in the form of labour is not yet clear. The question has arisen more than once in the Chamber, without any definite solution being suggested. At present a great deal of unskilled labour, principally for agricultural work, is being imported into France from Belgium, Italy, Czechoslovakia and Poland, and circumstances are such that it is evident this policy must continue. France also suffers from a serious shortage of skilled labour, however, and this shortage will become acute when financial and other considerations render it possible for the work of reconstitution to be taken up on a larger scale. M. Reibel expressed the opinion in the Chamber a day or two ago, when questioned on the matter, that German labour ought to be accepted, at any rate, in the more deserted areas and in places where no objection was raised by the inhabitants. In any case, he said, the wages of these men would not be paid by France, and would be charged to the Special Budget.

The first practical step in the direction of new commercial agreements was taken by the French Government on Monday, when a commercial convention was signed in Paris between this country and Poland. It will be remembered that all existing commercial treaties were denounced by the French and other Governments as the result of the war, leaving the ground clear for entirely fresh accords, of which the one between France and Poland is the first to reach completion. This agreement will come into operation, it is announced by the French Minister of Commerce, a week after its ratification by the Polish Parliament is notified to the French Government. Under the new convention France obtains the benefit of a most-favoured-nation clause, and the minimum tariff for her exports to Poland. Similar benefits are given to this country in regard to certain products not of direct French origin, such as colonial foodstuffs, that are exported to Poland through French or Polish firms. A large number of French products, including wines, liqueurs, jewellery, machinery, yarns and piece goods, will be admitted to Poland at reduced rates, which in some cases amount to 50 per cent. in favour of French exporters. On the other hand, a certain number of Polish products (notably agricultural produce and mineral oils and their derivatives) benefit by the French minimum tariff, while some 40 categories of goods included in List C of the French tariff will be admitted at rates that are fixed between the minimum and the general tariff, the percentage of difference varying from 25 per cent. to 75 per cent. The agreement provides further for the creation of certificates of origin, or of verification, designed to ensure to the products of the two countries the exclusive benefits of the new accord. Other clauses concern commercial travellers, emigration, and goods in transit through Poland.

The suspension of payment by the private bank known officially as the bank of M. Claude Lafontaine, and unofficially as the Comptoir de Charleville, has been received in Paris not with consternation, but with very deep regret. For months past it has been known that the bank in question was in a difficult situation, partly because of loans that had been extended to customers and partly because of the very difficult financial and industrial position that exists here to-day. The fall of the bank is deplored, particularly because it means the disappearance of one more link with the financial history of France. Claude Lafontaine's bank was established some 75 years ago, and is one of the oldest existing private banks here. It has been regarded in financial circles for some months past that a catastrophe was inevitable, but the actual immediate closure of the bank was due, so far as I can learn, from the action of a single depositor in withdrawing a large balance. The disappearance of Claude Lafontaine's bank, if it does disappear, deserves attention as indicating a further encroachment of joint-stock company banking, and on sentimental grounds provokes regret, because Lafontaine's bank had all the charm and cachet of a counting-house of old world times as we conceive the counting-houses to have been, looking at them with the kindly perspective of a hundred years of time. The deficit is stated to amount to 15 million francs, but there is a hope that when assets are liquidated the depositors may be paid in full.

The Bourse, as was to be expected this week, has been poorly sustained, owing fundamentally to the high rate of interest paid on Government securities. French Three per cents. have dropped from 56.65 to 56.50, while the war stock has been weaker owing to there being no special reason for the maintenance of the artificial demand. Foreign Government stock has not been in great demand and the tendency has been backwards, the exception being in Russians that have shown more vitality, and that on an irregular market ended better than they started, the Consolidated rising from 23.35 to 23.75 and others moving correspondingly. Banks have been dull without, however, there being any very marked general decline, Union Parisienne falling from 680 to fluctuate between 640 and 653, Crédit Mobilier dropping from 397 to 390 and Crédit Foncier recovering from 760 to 770. Transports are dull, P.L.M. receding from 821 to 812, Nord from 914 to 909, and Orléans from 105 to 891. Shipping is equally depressed, Chargeurs Réunis standing at 445, Transatlantique at 190, and Messageries at 192. Suez is also back to 5,800 as against 5,820. Electrical undertakings have followed the general fashion, Thomson having started at 744 to fluctuate between 728 and 744, and Compagnie Générale d'Electricité having begun at 820 to conclude between 784 and 797.

AUSTRALIA.—COMMONWEALTH AND STATE FINANCES—WOOL AND WHEAT.

(FROM OUR CORRESPONDENT.)

MELBOURNE, December 31.

The public accounts of the Commonwealth and the six States for the year ended June 30, 1921, have been issued during the last few months. Owing to transactions between the Commonwealth and the States there are some duplications of figures, but setting this aside the net result may be shown as follows:—

	Revenue.	Ordinary Expenditure.	Loan Expenditure.	Debt, June 30, 1921.
	£	£	£	£
New South Wales	34,031,396	34,476,892	16,916,441	168,577,927
Victoria	18,522,534	18,522,534	11,099,694	97,317,830
Queensland	12,601,031	12,591,201	4,251,248	80,382,051
South Australia	7,151,366	7,543,640	4,238,520	48,556,552
West Australia	6,789,565	7,476,290	2,586,404	49,039,667
Tasmania	2,105,448	2,189,156	2,717,452	18,776,305
Six States	81,201,340	82,799,713	41,809,759	462,650,332
Commonwealth	57,766,195	56,872,674	12,326,371	401,720,024
Total	138,967,535	139,672,387	54,136,130	864,370,356

* Including expenditure under Surplus Revenue Act.
† Deducting £56,121,076 for duplications, the net total debt is £808,249,280.

The ordinary expenditure for 1920-21 charged against revenue, £139,672,387, compares with £114,676,033 in 1919-20 and £96,580,742 in 1918-19, the growth being due to higher wages and expenses in the railways and other branches of the public services, and to the increase in the annual interest on public debts (owing partly to fresh borrowings and partly to the higher rates of interest at which loans had to be issued for the redemption of older loans at relatively low rates as the latter mature), in addition to matters of Government policy involving expenditure. The loan expenditure, £54,136,130, includes £8,448,459 for war purposes by the Commonwealth in addition to a considerable amount for repatriation purposes, the disbursement of which is in the hands of the States out of loans raised by the Commonwealth.

Out of the total revenue of £138,967,535 taxation amounts to £70,318,921, against £55,328,307 for 1919-20 and £44,305,501 for 1918-19. The estimates for 1921-22 show total revenue for the Commonwealth and States (after allowing for duplications) £139,629,511, and expenditure £143,614,434, the estimated revenue including about 66 millions from taxation.

Exchange on London has recently been somewhat easier, favourable factors being the steady progress of wool sales and exports, the good wheat harvest, and the liberal exports of butter in point of quantity, together with the proceeds of loans issued in London by various

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Australian Governments. On the other hand, the value of wheat and butter exports will be much lower than for last season, owing to the decline in prices, whilst the value of frozen meat and metals can only be moderate for some time to come. In addition there has been a tendency for importers to order with more freedom after the restriction necessitated by the over-importation of a year ago, though against this there is the set-off that fresh ordering is at lower prices, so that the aggregate value should not be nearly so heavy in future months as in the first half of 1921.

The production and exports of wool for the 1920-21 season, according to the annual review of Dalgety and Co., Limited, compare with those for the previous season as follows:—

	Production.		Exports.	
	1919-20.	1920-21.	1919-20.	1920-21.
	Bales.	Bales.	Bales.	Bales.
Australia	2,046,912	1,635,086	2,146,345	1,401,565
New Zealand	580,093	520,000	518,933	472,686
	2,626,005	2,155,086	2,665,278	1,874,251

Exports during the 1920-21 season include a considerable quantity previously paid for by the British Government. The quantity sold in Australia during the twelve months was 791,409 bales, and in New Zealand 198,641 bales, together 990,050 bales, at an average of £15 12s 7d per bale. So far as the value of the whole clip is concerned, this average is subject to further realisations made since June 30, 1921. In 1919-20 the average under the British Government purchase was £22 15s 7d per bale. In 1913-14 the average at the Australian and New Zealand sales was £13 4s 11d. After the decline of 410,826 bales in Australian production last season the 1921-22 clip shows a recovery, being estimated by Dalgety and Co. at 1,913,000 bales, or an increase of 278,000 bales.

The Australian wheat harvest is expected to yield about 130,000,000 bushels, which will leave an exportable surplus of about 90,000,000 bushels after providing for local requirements. Purchases of new crop wheat for January shipment to India have been of fair extent, and owing to this reason the market in Australia has not yet settled down to United Kingdom parity. During the past season the exports of wheat from Australia, including flour reduced to the equivalent in wheat, have amounted to 2,885,000 tons, including 2,673,000 tons to Europe, 184,000 tons to India, and smaller quantities to South Africa and the East.

SWITZERLAND.—GOVERNMENT LOAN OVER-SUBSCRIBED—AGRICULTURAL TROUBLES—UNEMPLOYMENT.

(FROM OUR CORRESPONDENT.)

GENEVA, February 7.

THE 5½ per cent. loan of the Federal Government was a success in so far as instead of the 100 millions asked for no less than 300 millions was subscribed. There is now controversy in the Swiss financial Press as to whether the Federal Government should accept only the sum for which it asked. Those who hold the latter opinion state that there are sufficient public bodies in the country who need to issue loans, and, furthermore, the interest of 5½ per cent. is far too high for the present conditions of the money market. If the Federal Government were to accept only 100 million francs the Stock Exchange quotation of the new loan would immediately rise above par, so that the subsequent loans, especially the loan which the Federal Railways are preparing for April or May, could be issued at the rate of 5 per cent. This argument is very strongly supported by the organs of the Peasants'

Union, which is beginning a campaign against high mortgage rates of interest. A substantial fall in prices of Swiss agricultural products is inevitable, and only a considerable reduction in mortgage interest can compensate the peasants for the sacrifices they must make. These sacrifices are the consequence of the Protectionist system against imports of foreign foodstuffs applied during recent years by the Swiss Government. Under such conditions prices of agricultural land were increased by the artificial maintenance of prices of products. Now the crisis in the Swiss export of cheese and condensed milk has made the Swiss agricultural producer in an indirect way dependent on the fluctuations of the world market, and a collapse in prices is imminent. Therefore the political leaders of the Peasants' League, which is the most important factor in Parliament, are asking for drastic measures for the reduction of mortgage interest.

Unemployment during the month of January was still increasing. Only last week considerable numbers of workmen were dismissed from the chocolate factories. In the cigar industry 28 per cent. of the workers are on short time, and 14 per cent. actually out of work. In the tanning industry one-fifth are on short time, and in boot-making only 50 per cent. are working. The prospects in the cabinet-making trade are very bad. In the silk clothing industry 35.5 per cent. are working short time, and 10 per cent. completely unemployed. In the silk ribbon industry all hands are employed, but in the cotton industry unemployment has slightly increased to 19.2 per cent. The situation in the embroidery industry is so bad that it is practically impossible for the Federal statistician to find shops that are working. In the woollen industry 22 per cent. are on short time as against 28 per cent. last month, and export shows a slight recovery. In the knitting trade 40 per cent. are working short time and 5 per cent. totally unemployed. The straw hat industry, which has important exports, is fully employed, and hopes to keep so at least up to the end of the season, namely, the end of March. There are still 40 per cent. on short time in the paper industry. The legal measures for financial assistance to watch manufacturers have not yet had any effect in reducing the very heavy unemployment.

DENMARK.—THE BANKING SITUATION.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, February 6.

AN example of the difficulties of the financial and economic situation was afforded a few days ago, when one of the main Danish banks, the Copenhagen Diskonto and Revisions Bank, was forced to call a meeting of the heads of the leading banks to consider the question of complete reconstruction. On the other hand, the fact that this arrangement was successfully accomplished is a proof of the presence of important active financial forces in the Danish banking world. The reconstruction of the Diskonto and Revisions Bank was carried through in the course of a single day, the share capital of 48 million kroner being cut down to 22 million kroner. The National Bank have expressed their readiness to take over new shares to the amount of 14 million kroner. In addition to this, the leading banks have agreed to grant a loan of 20 million kroner, at one-half per cent. below the National Bank rate (at present 5½ per cent.), to be repaid in instalments of four million kroner annually. When this arrangement—which means a complete rehabilitation of the Bank—has been approved by the shareholders, the Copenhagen Diskonto and Revisions Bank will possess a share capital of 36 million kroner and a reserve fund of 2 million kroner.

For the sake of comparison, it may be added that at the close of last year the share capital and reserve fund of the Danish Landmands Bank were 100 and 50 million kroner respectively; of the Privat Bank, 60 and 20 million kroner; and of the Handels Bank, 50 and 28 million kroner respectively. In conjunction with the National Bank, the 14 Copenhagen banks showed total assets of roughly four milliard kroner, of which 3.6 milliards fell to the credit of the five leading banks (of which, again, 342 million kroner came from the Diskonto

and Revisions Bank) and 430 millions from the nine other banks. The aggregate deposit accounts of the five main banks at the end of last year amounted to 2,432 million kroner, as compared with 2,729 million kroner a year ago. The pace of this decline slowed down somewhat, however, as the year advanced, the fall from January to July reaching some 218 million kroner, and during the second half of the year barely touching 80 million kroner. The mainstay of the Danish banking world at present is the National Bank. At the close of last year the National Bank was in possession of a gold supply of 228 million kroner—or slightly more than at the close of 1920. At the same time, however, the issue of paper money was considerably reduced, viz., from 557 to 471 million kroner, compared with 156 million kroner in July, 1914.

News is just to hand concerning an important bank fusion which has taken place in Copenhagen. The largest Danish bank, Den Danske Landmandsbank—whose most important figures are mentioned above—has made an agreement to take over the Copenhagen Private Laanebank. For Landmandsbanken this fusion will mean an important extension of its scope of activity. The Laanebank, which has been taken over, was founded in 1854, and is thus the oldest private banking institution in Copenhagen. Its share capital is 12 million kroner, and its total assets 100 million kroner. Two years ago this bank took over the savings bank Danske Arbejderbank. The Landmandsbanken does not intend to increase its share capital.

GREECE.—SERVICE OF THE DEBT—REVENUE INCREASE.

(FROM OUR CORRESPONDENT.)

ATHENS, January 29.

FOR the first 11 months of 1921 the gross receipts of the revenues assigned for the service of that part of the Greek Debt, which is under the control of the International Financial Commission, show the following increases over those for the corresponding period of 1920:—

(In Million Drachmæ.)				
Receipts from—	1920.	1921.	Increase.	
Monopolies.....	35	46	11	
Stamped paper.....	23	23	..	
Tobacco.....	36	45	9	
Customs.....	97	118	21	
Totals.....	191	232	41	

The steady increase in the yield of these revenues is shown in the following table:—

(In Million Drachmæ.)					
	1916.	1917.*	1918.	1919.	1920.
Receipts from—					
Monopolies.....	16	14	13	26	39
Stamped paper.....	10	11	15	19	25
Tobacco.....	14	14	16	30	39
Customs.....	46	27	46	83	106
Totals.....	86	66	90	158	209
Service of the Debt and expenses of the I.F.C. and the Monopolies Co.	51	48	53	63	96
Balance handed to the Greek Govt.	35	18	37	95	113

* Blockade of Greece by the Allies.

Gross receipts for 1921 are estimated at 260 million drachmæ, or an increase of 50 millions, as compared with 1920. Receipts from Customs for the whole year are estimated at about 133 millions, as against 106 millions in 1920. On the other hand, receipts from the same sources in the new territories (not including Thrace) and from Custom houses not controlled by the I.F.C. yielded 80 millions drachmæ for the first 10 months of 1921, while the total yield for the year is put at 100 millions. These revenues constitute an income for the Government free of any lien. During the current year Custom duties will amount to about 180 millions. If, however, the ratio of gold to the paper drachma—now fixed as low as 1 to 2.50—should be raised, the revenue from Customs would increase accordingly. The system of levying Custom duties in gold on all imported goods has been adopted in order to secure the service of the debt in gold,

and annual receipts from Customs and payments for the service of the debt in gold are roughly equal. If we deduct from the gross receipts from the assigned revenues for 1921 the yield of Customs for the same period, and reduce further the balance by the amount required for the service of the debt in drachmæ effected by the I.C.F. (some 7 million dr), there remains a sum of 120 millions, which, together with the estimated yield of the revenues above referred to (which are free of any lien), make a total of 220 million drachmæ available for the service of new loans. This figure may even be considerably higher for the current year.

Letters to the Editor.

"THE BANKER'S DIAGNOSIS."

TO THE EDITOR OF THE ECONOMIST.

SIR,—In connection with the important leader in your issue of 28th instant, I ask you to allow me to point out (1) that not one of our eminent bankers has alluded to the fall in the price of silver from 89d to 39d as a contributing cause of the trade depression which immediately followed it and has continued ever since.

From the time the two metals—gold and silver—were harnessed together when Sir Isaac Newton was Master of the Mint, to the time when they were unharnessed by Robert Lowe's Currency Act of the year 1870, the two metals ran together as one joint standard of value. During that period the Mint valuation prevented any greater fluctuations between gold and silver exchanges than between two gold exchanges. It is the unharnessing of the two metals that has left each one free to take its own course to the confusion of international trade.

In the year 1919 the world was hungry for manufactures which we were ready to supply, and there was booming prosperity until the silver exchanges fell and created chaos in trade. It is now being said that our merchants wildly shipped more goods than could find customers; but the fact is that the disorganisation of the currency threw importers and exporters in the Far East into a chaotic tangle, as much to their detriment as to that of our merchants; and it is clear to me that the fall in the price of silver was the overmastering cause of the trade depression which immediately followed it. Business negotiation was blocked, and our manufacturers and merchants have not yet recovered from their disasters.

(2) The first step now requisite is to coin silver at our Mint as unlimited legal tender at the old ratio of 15½ to 1. The Mint would make large profits at first, which should be applied to redemption of Treasury notes. If the old rates were restored before all the notes were redeemed a loan would be required to redeem the balance; and if silver did not come to the Mint to fill the currency vacuum, gold would do so and make the joint standard a working standard not only for ourselves, but for the trade of the world.

(3) The joint standard is necessary. "The exploded fallacy of forty years ago has become the economic necessity of to-day."* It is wanted to prevent recurrence of disaster; but it cannot remove existing difficulties. The £450 million per annum for fifty years, imposed on us for interest and charges on our National Debt, is more than the industrial enterprise of the country can stand without a gradual flitting of capital to escape it. The moral is: distribute that debt *pro rata* among us. If the joint standard does not prevent any unfair enhancement in the weight of the debt at the old rates it will have to be altered. A not improbable demand in Asia might make a ratio of 10 to 1 expedient.

(4) To understand our position since the Armistice, it must be borne in mind that during the war the Government obtained resources chiefly from moneylenders looking for an investment; so that financing was smooth. The money has been paid away. It is irretrievably spent. The method above indicated of distributing the debt equally *pro rata* among us, to let each man manage his share and write it off at his convenience, is the sane business

* The Times, July 15th, and The Times Trade Supplement, July 16, 1921.

ness way of dealing with bad debt. But, instead of that, the Government two years ago proclaimed their programme of getting all the spent money out of our pockets again by taxation of incomes—by forced *instant* levies on income—which are so heavy as to be crushing the spirit of enterprise in the country. Again I say—and I shall continue to repeat the assertion—that is mad finance. It is a deliberate creation of fifty years of financial trouble which has no reasonable *raison d'être*. If any banker managed his accounts in such a manner he would soon find himself liable to twenty years of penal servitude; and, in fact, the magnitude of the iniquity is greater in our national accounts than in those of any banker.—I am, Sir, your obedient servant,

WM. LEIGHTON JORDAN.

Royal Societies Club, January 31st, 1922.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr Mason seeks to disprove your statement that a fall in prices adds to the burden of debt, on the grounds that low prices stimulate production, and that, with improved credit, the rate of interest will fall. It is difficult to imagine that the absolute level of prices can have any influence whatever on production, for it makes no difference to the quantities of different articles which exchange for one another. We know by bitter experience that rapidly falling prices check production, so that the creditor class takes a larger absolute amount out of a diminished flow of goods. The rate of interest will come down as capital accumulates, whatever the price level may be.

It is becoming recognised that the need of trade is a reliable standard of value. There is no such thing as a general rise or fall in values; if coal rises in value as compared with wheat, wheat falls as compared with coal. Therefore a reliable money should be such that the mean of the ratios of change of the prices of all important commodities (weighted according to importance), from any one time to any other, should always be 1.

The problem which faces the world to-day is to provide each country with a reliable unit of value, and to fix the ratios of exchange between these units. The piecemeal re-adoption of the gold standard without any co-ordination would increase the monetary demand for gold on a falling gold production, and would bring about a fall in prices like that produced by similar conditions in the 'seventies.

The wide movements in the purchasing power of gold since 1914 show the degree in which this is affected by monetary policy. The value of gold measured in goods depends upon the supply, and upon the demand (a) for the arts, and (b) for money. The demand for monetary purposes depends on the volume of trade, and also upon the degree in which the use of gold is economised by the use of fiduciary money and cheques. Suppose for a moment the world was one unit, the monetary demand for gold could be controlled by regulating the proportion of fiduciary money, bank deposits, &c., to gold. Thus the price level could be controlled, within a lower limit at which the dwindling output of gold from the mines would be absorbed by industry, and an upper limit at which all fiduciary money would have been withdrawn from circulation. That is, the value of gold could be regulated within far wider limits than is actually necessary. Any one country under a gold standard with a free gold market cannot have a different price level from other gold standard countries (except so far as the movement of goods is obstructed by tariffs). Therefore Professor Gustav Cassel's proposal to regulate the monetary demand for gold by international agreement seems to offer the only satisfactory solution of the monetary problem, if we are not yet advanced enough to drop the gold standard altogether.

The necessary steps would be:

(1) To fix the purchasing power of gold to be maintained throughout the world by regulating the circulation of fiduciary and bank currency, by the guidance of price index numbers calculated on a uniform plan.

(2) The fixing of gold equivalents of each national currency unit, and the general adoption of a free market in gold.

(3) The loan of gold by richer to poorer countries on condition that budgets were balanced. Thus the richer countries would have to be content with a smaller percentage of gold reserves, in order to give the poorer countries gold reserves without forcing down the price level.

The great commercial need of steady exchanges with Asiatic countries tempts me to carry the speculation further, and to suggest that the possibility of a general adoption of a joint standard should be explored. Probably the purchasing power of both silver and gold could be regulated internationally. The snag seems to be that if silver were much over-valued a great strain would be imposed on Governments and banks in contracting fiduciary currency in order to counteract the increasing circulation of silver certificates.—Your obedient servant,
C. CRAIES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I agree with your correspondent, Mr D. M. Mason, that the consideration that the burden of the National Debt as expressed in goods would be thereby somewhat increased is not a sufficient reason against deflation. On the question of fairness, I would ask what proportion of the total indebtedness was borrowed in a depreciated currency? Inflation of currency and rise in prices did not become marked till a fairly late period in the war. Even of the 1917 and later loans a large proportion was conversion of earlier loans, or even of Consols, and this applies to post-war borrowings. Can it really be contended that justice requires that, lest the lenders of the limited amount of new money lent after, say, 1916 should get back, in effect, a little more than they advanced, all holders of Consols and other pre-war securities, all pre-war debenture stockholders, mortgagees, and owners of ground rents are to continue indefinitely to be robbed? See Mill's article on the currency juggle dealing with the similar situation that arose after the Napoleonic wars. And what is the alternative? Are we ever to get back to the gold standard or are we not?

As Mr Mason points out, possessors of pre-war securities or other fixed incomes do not ask to be secured against any and every rise on pre-war prices. All they ask is to be restored against rise of prices due to Government tampering, as expressed in the dollar exchange or the premium on gold.—I am, &c.,

A. A. MITCHELL.

7 Huntly gardens, Glasgow, February 7th, 1922.

[The answer to our correspondent's enquiry is of some interest in this discussion, and we therefore set out the net increase in the National Debt in each financial year since the outbreak of war, and place beside it the variation in prices as shown by our Index Number:—

Debt.	Index	Debt.	Index
In Million £.	No.	In Million £.	No.
1914	710 .. 100	1917-18	+ 1,499 .. 220
Aug. '14 to Mar. '15 ..	390 .. 113	1918-19	+ 1,344 .. 237
1915-16	519 .. 139	1919-20	+ 549 .. 270
1916-17	+ 1,623 .. 184	1920-21	- 216 .. 272

—Ep., *Economist*.]

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr Wilson and Mr Mason, who speaks for the Sound Currency Association, both look at only one side of the currency question, the effect on imports. They overlook that our exports are just as much affected as our imports, but in an adverse sense. The improvement in the value of the pound sterling certainly cheapens our imports, and enables us to that extent to export more cheaply. But unfortunately it does not reduce our war-borrowings; on the contrary, as the creditors of these huge liabilities can claim a larger proportion of the national production, the effect of the rise in the pound sterling is to make it more difficult than ever for our merchants and manufacturers to compete with America. Our national debt now amounts to £7,700 millions, and we have to reserve nearly £350 millions per annum for the service of that debt, plus £100 millions for pensions, plus £100 millions for out-of-work doles, out of a national income which, according to Mr Crammond, was no more

than £2,400 millions in 1913, and which to-day he estimates to be only 65 per cent. of this amount, although at present values it would work out at £2,700 to £2,800 millions.

It is evident that industry cannot carry the burden of such a payment on a gold basis, and, in truth, it cannot even carry the modified burden of to-day with the sovereign at 18s. This is proved by the extraordinary decline in our production and by the excessive amount of unemployment. In terms of 1913 values we exported only half the amount in 1921 that we exported in 1913. Even if we cut down wages to pre-war figures, industry would be unable to face the burden, for the simple reason that we cannot get a quart out of a pint pot, and the larger the proportion of the national production that is reserved for the service of the National Debt, the worse it will be for trade and employment.

A wealthy nation can set aside its profits from industry to pay its debts, and can thus improve the value of the currency, in the same sense that a wealthy individual can improve his credit by this means. But this can only be done out of earning power, and the first consideration must be to get the industries of Great Britain into such a condition of activity that a surplus will be available for the payment of debt. Monetary deflation is quite ineffective when there is no reduction in the national liabilities, which are the real cause of inflation. This is proved by the fact that the currency and bank deposits show very little shrinkage, although values have fallen 54 per cent. since 1920. A further effort to write up our liabilities to a higher value in terms of commodities at a time when everyone is groaning under the excessive burden of taxation might surely be postponed to a more seasonable time, especially as the vast bulk of these liabilities was borrowed in a currency of much lower value than we have to-day.—Yours faithfully,

FREDERICK WIGGLESWORTH.

82 Fenchurch street, London, E.C. 3,

February 9th, 1922.

CHINA'S MINERAL POSSIBILITIES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your issue of the 4th you have an article under the above heading, which gives an exceedingly optimistic account of the position. I have spent years in China and have come in touch with a great many Western and Chinese business men, engineers, &c., and I am afraid that the figures and estimates supplied will not find unanimous approval. With regard to Chinese mineral possibilities there are optimists and pessimists. All those who have acquired concessions give glowing accounts as to the mineral wealth of the country, while all those who wish to prevent the exploitation of minerals and those who have not succeeded in obtaining the concessions which they have sought tell us that China's mineral possibilities have been grossly exaggerated. Many eminent Chinese are afraid that the working of their mines will lead to the economic and political enslavement of the country. Hence patriotic Chinese administrators, politicians, and private men will proclaim that China's mineral wealth exists chiefly in the imagination of concession hunters. It is difficult to form even a vague estimate as to China's mineral riches. Iron, copper, petroleum, &c., have been produced in considerable quantities for thousands of years. However, the ill-constructed workings have fallen in or have become water-logged. Hence scientific exploration is difficult. Besides, superstition and the fear of foreign penetration have largely prevented the opening of the ground. However, both European and Chinese geologists who have no axe to grind are convinced that China's mineral wealth is gigantic. The mere fact that coal is found in every part of the country is of the very greatest importance, especially as Chinese coal is of the highest quality.

Towards the end of the article it is urged that the time calls for the co-operation of English and American business men on the basis of equality, and partnerships between English and Chinese business men are recommended. I have before me the second volume of the Commercial Handbook of China, published by the United States Department of Commerce in 1920. Under

the heading "Suggestions to American Manufacturers" I read the following:—

"If there is to be international co-operation in China let that co-operation be of the most natural character, a co-operation between American merchants and those of the country in which they seek to do business. The Chinese welcome such co-operation.....No people would be as welcome to the Chinese in co-operative enterprise as Americans. There are numerous industrial development opportunities of a very inviting character which offer splendid inducements to American capital in conjunction with Chinese participation. The opportunities in manufacturing enterprises are particularly inviting."

Further on, under the heading "Methods of Strengthening American Position," it is urged: "Joint Chinese-American enterprise in China should be encouraged."

Not only the American representatives in China, but the representatives of many other nations, have urged the co-operation of Europeans and Chinese. A great deal has already been done on these lines, but far more may still be done. I trust that English business men will read the signs of the times correctly, and that they will not fail to work hand in hand with the Chinese. Otherwise a great deal of English business may be lost to those nations who are willing to work in partnership with the keen but fair-minded business men of the East.—I am, Sir, your obedient servant,

L. E. HAYNES,

Secretary, the Sino-British Trade Association.

February 6th, 1922.

Books and Publications.

THE STRATEGY OF OIL.

"Oil: Its Influence on Politics." By Francis Delaisi. Translated from the French by C. Leonard Leese. The Labour Publishing Company, and George Allen and Unwin, Limited. 1922.

ALTHOUGH it is nearly eighteen months since M. Delaisi's "Le Pétrole" was published in Paris in *Le Producteur*—and his subject is one on which one can quickly get out of date—we commend this translation to our readers. Written for Frenchmen with typically French clarity of statement, interspersed with reflections drawn from a realistic and at times even cynical philosophy, M. Delaisi has given in very short compass a survey of the expansion and consolidation since the war of British oil interests, the awakening of America to the possibility of finding herself shut out from new fields when her own resources begin to dwindle in the near future, and the part which France played between the two great parties in the drama. Although a few of the chief documents are appended, it would be wise to wait for a more authentic and complete history of these important events before passing judgment; but in the meantime this book is an illuminating example of the attitude of a brilliant Frenchman towards current commercial politics.

Of his own country his complaint is that her leaders have not guided the country in the direction of industrial development, but have always been content with the traditional policy of supplying the capital and leaving other nations to take the responsibility. He complains that at San Remo, when France, instead of taking advantage of Anglo-American rivalry to build up an independent oil group of her own, went into partnership with Great Britain, she suffered great industrial defeat. For bankers the compact offered lucrative commissions, for stock-brokers the chance of profitable speculation, and for the middle classes the opportunity of investment in the high-yielding shares of the British trust. "But who among those in high places gives a thought to our workshops and our manufacturers?.....it is a pernicious and often denounced policy which by the divorce of banking and industry turns aside the nation's capital from national enterprise.....In this important matter of oil they have followed the line of least resistance: an association of investors and men of action in which the latter should have the work and the risks, and also the power; the former a modest profit without trouble or exertion." This indictment is completed by a vigorous exposure of the anti-social results of

the tariff which protects the home market of the French oil-distributing companies.

To point his moral the author throws into sharp contrast the policy of Great Britain, which in a few short months created what he calls an "oil empire." "Ten years ago France and Great Britain were in exactly the same position as regards petroleum. Each had a few millions invested in distant enterprises.....Suddenly it was noticed that a technical invention, the introduction of oil fuel in the furnaces of ships, was about to give the United States the power to make all other nations its tributaries. At once a few British business men, technical experts, and diplomatists joined forces. They decided to wrest from America the mastery of this new force. Why? To gain money or honours? No! Sir Marcus Samuel and Lord Cowdray count their wealth in millions; Lord Curzon is at the height of his diplomatic career; Sir John Cadman still remains a University professor.....But in Britain, as in America, there is a tradition that a successful business man has obligations towards the society in which he has amassed his millions. He must make a personal contribution to its greatness.....The Empire is an undertaking whose prosperity and development he wishes to ensure, even though he reaps no personal benefit therefrom. Beyond a certain degree of wealth money is for him not an end, but a means.....Very probably the Lord Cowdrays and Lord Curzons are not animated by love of humanity, or even by love of country. These same leaders who hazard their repose or their fortunes for an impersonal dream of greatness are capable of allowing the men who drive their machines or navigate their ships to rot of tuberculosis or alcoholism in the slums of Liverpool and Glasgow. To ensure success to their vast designs they are capable of fomenting revolutions in Mexico or sowing civil war in Asia. From this point of view their imperialism is a universal danger. But since it is neither cowardly nor purely egotistic, it does not lack a certain greatness. And though their efforts may cause widespread harm, they do, at least, tend to develop to the utmost an economic equipment which may be turned one day to the profit of the masses of mankind.

"The French business man does not understand this kind of idealism. As soon as he has reached a position of sufficient importance in his own industry he has only one preoccupation: to come to an understanding with his colleagues in order to put an end to all competition in the home market (that is the only kind of association he is able to conceive), then to obtain from the Government a protective tariff so that he may be free of all foreign competition.....At the bottom of his heart he believes that the proper function of the country is to defend his capital. He has no idea that his capital may have duties towards the country."

The general thesis that British commercial expansion is subject to conscious and unified direction ruthless and unswerving in pursuing its objective—which is illustrated by M. Delaisi in other fields of industry—is nearer the truth in the case of oil than in any other direction. But even in this case it is only a part of the truth. The author entirely failed to find among the French or British delegates of the International Chamber of Commerce any sympathy for the American view that "free opportunity should be given to all people to explore for this useful product, and that all Government restrictions be removed, and that Governments, and particularly democratic Governments, should not join in business enterprises, creating privileges by combination or otherwise to their own citizens." But if our author had looked more deeply he would have seen that this point of view is an essential ingredient in British psychology, and has not only coloured the subsequent history of the oil question, but has been a governing influence of British policy at the Washington Conference.

PRECEDENTS FOR DISARMAMENT AGREEMENTS.

"A League of Nations." Vol. IV. No. 5. October, 1921. Published bi-monthly by the World Peace Foundation, 40 Mt. Vernon street, Boston, U.S.A. 5 cents per copy; 25 cents per year.

THE importance of the international agreements reached at Washington for restriction of armaments appears to have led many people to overlook the fact that international agreements similar in nature, if not in scope,

have been made before. This little magazine refreshes the short memory of the public by recalling certain precedents that have their place in history. The most important of these precedents, perhaps, is the agreement between Britain and the United States, which has resulted in the maintenance for over 100 years of an unfortified frontier between the latter and Canada. After the war of 1812 the United States wished to withdraw her armed vessels from the Great Lakes for reasons of economy, while Britain proposed to increase her naval strength there in view of possible recurrence of trouble. President Madison therefore instructed Mr Adams, the American Ambassador in London, to discuss the matter with the British Government. Negotiations began with an interview between Mr Adams and Lord Castlereagh in January, 1816. Subsequently discussions were opened between Mr Bagot, British Minister at Washington and Secretary of State, afterwards President, Monroe, and an Anglo-American agreement restricting armaments on the lakes to small police vessels was signed in April, 1817. The agreement was sanctioned by the United States Senate and the Prince Regent, and "for more than a century has in practice precluded war between two neighbours, which have had a fair amount of provocation for friction, and which have the largest continuous boundary line in the world."

An interesting precedent for international naval agreement is provided by the convention for a limitation of fleets between Argentina and Chile, which was reached through ordinary diplomatic channels in a short space of time, and was signed in May, 1902, but was varied before ratification in the autumn of that year. Of land disarmament agreements in which Washington this year was unfortunately unable to achieve results, except in the case of fortifications on Pacific islands—there are some notable instances. In 1894 Great Britain and China in agreeing on the demarcation of the boundaries of Burma and Tibet engaged "neither to construct nor to maintain within 10 English miles from the nearest point of the common frontier.....any fortifications or permanent camps, beyond such posts as are necessary for preserving peace and good order in the frontier districts." Of greater importance is the clause in the Treaty dissolving the union between Sweden and Norway in 1905, which provided for an unfortified neutral zone between the two countries. The Washington agreements are therefore by no means without precedent, but they are apparently unique in that they are the first armament restriction agreements of first-rate importance to proceed from a spectacular international conference.

COMMUNISTIC THEORY AND PRACTICE.

"The Economics of Communism, with Special Reference to Russia's Experiment." By Leo Pasvolksy. (New York) The Macmillan Company. 1921. 12s 6d.

THIS book is of special value inasmuch as the materials upon which it is based are in a large degree the official publications and statistics of the Soviet Government. Mr Pasvolksy does not believe in Communism. He expounds in brief (and not altogether intelligibly) the theory which he understands to lie behind the Russian Soviet system; and illustrates fully how, and with what results, the Unified Economic Plan has been applied to agriculture, to industry, to trade, and to transport. Especially with regard to the organisation of agriculture and the remuneration of labour have the Communists been obliged to make serious departures from principle. Mr Pasvolksy admits that the task of the Soviet leaders has been made very much harder by the frequent invasions of their richest territories by foreign and domestic enemies, and by the fact that even before the Revolution the economic system of Russia was far gone in decay. We gather that he thinks that the Soviet leaders no longer deny the appalling state of Russian conditions, that they are zealously planning for the rebuilding of the country, but that the execution of these plans will in effect involve the surrender of the most fundamental principles of Communism.

BOOKS RECEIVED.

Garcke and Fells: Factory Accounts in Principle and Practice. A Handbook for Accountants and Manufacturers. Seventh Edition. Revised and brought up to date, with Foreword by J. M. Fells, C.B.E. (London) Crosby, Lockwood and Son. 15s net.

Moody's Analyses of Investments. Governments and Municipalities, 1921. (New York) Moody's Investor Service.

The Cotton Control Board. By Hubert D. Henderson. (Oxford) Clarendon Press.

Published on behalf of the Carnegie Endowment for International Peace, being one of the British Series of Economic and Social History of the World War.

The Economic Problems Before the British People. Address delivered by Edgar Crammond, F.S.S., to the National Union of Manufacturers, February 6, 1922. (London) Thomas de la Rue and Co., Limited.

The Foundation of Imperial Policy. By Michel Pavlovitch. (London) The Labour Publishing Company, Limited, 3s 6d.

Compound Interest: As Exemplified in the Calculation of Annuities, Immediate and Deferred, Present Values and Amounts, Insurance Premiums, Repayment of Loans, Capitalisation of Rentals and Incomes, &c. By A. Skene Smith. Second and Enlarged Edition. (London) Effingham Wilson. 1s 6d net.

Europe in Asia Minor. The Real Significance of the Near East Question. By Felix Valyi. Second Edition. (London) Thomas Murby and Co. 1s 6d.

Economica. January, 1922. Issued terminally by the London School of Economics and Political Science. (London) T. Fisher Unwin, Limited. 2s 6d net.

The Productivity of Socialist Labour as Tested by Results. The History of Socialist Failures. (London) Liberty and Property Defence League, 25 Victoria street, Westminster.

Information for Investors in British Government Securities. (Manchester) The Manchester and Liverpool District Banking Company, Limited.

Chart of Money and Discount Rates on London during the Year 1921. (London) Page and Gwyther, 17 Gracechurch street, E.C. 3.

Our Co-Partnership. A Lecture by John H. Boraston. (London) South Suburban Gas Company.

Canada as a Field for British Branch Industries. (Ottawa) Department of Trade and Commerce.

The Patriot. No. 1, Volume 1. (London) Boswell Printing and Publishing Company, Limited, 2 Whitefriars street, E.C. 4. 6d.

L'Année, 1921. (Winterthur) Union de Banques Suisses.

BANK CIRCULARS.

Monthly Review. January 31, 1922. (London) London Joint City and Midland Bank, Limited.

Monthly Review. February, 1922. (London) Barclays Bank, Limited.

Mail Advice from Branches. February 7, 1922. (London) British Bank of South America, Limited.

Commerce Monthly. February, 1922. (New York) National Bank of Commerce.

The Chase Economic Bulletin. January, 1922. (New York) Chase National Bank.

The Index. January, 1922. (New York) New York Trust Company.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.
February 22.

ACCOUNT.
February 23.

The other Stock Exchange markets are overshadowed by the strength and activity prevailing in the department for gilt-edged stocks, where prices are strong. Each day this week has witnessed improvements in the list of British Government, Colonial, Corporation, and similar issues. The only securities in this group that have hung back are, not unnaturally, those of India, the news from the Dependency being read as serious, while definition of the exact security of India loans is hard to come by with exactitude.

The Stock Exchange was rather expecting that the Bank rate might be reduced on Thursday, and, the announcement

DISCOUNT CORPORATION OF NEW YORK

This Corporation discounts and resells Bank and Bankers Acceptances and approved Bank endorsed Trade Acceptances, deals in United States Treasury Certificates of Indebtedness and Notes, and arranges for the investment of funds in time or demand loans secured by Acceptances, Treasury Certificates and Notes.

Statement of Condition, December 31, 1921.

ASSETS

Acceptances:			
On Hand and in Transit	...	\$5,096,169.62	
Pledged as Collateral for Loans	...	6,076,673.54	
Sold under Re-purchase Agreements	...	22,291,614.02	
Re-discounted and Sold with Endorsement	...	37,228,685.19	70,693,142.37
United States Certificates of Indebtedness at par:			
On Hand	...	125,500.00	
Pledged as Collateral for Loans	...	9,118,000.00	
Sold under Re-purchase Agreements	...	5,016,000.00	14,259,500.00
United States Liberty Loan Bonds—Par Value \$295,350., at Cost	...		270,315.75
Cash on Hand and in Banks	...		1,484,450.28
Deposit with New York State Banking Department:			
New York State Bond, Par Value \$1,000., at Cost	...		985.00
Sundry Debits	...		251,070.88
			<u>\$86,959,464.28</u>

LIABILITIES

Capital Stock:			
Authorized and Issued - 50,000 Shares of \$100., each	...	\$5,000,000.00	
Surplus	...		1,000,000.00
Undivided Profits:			
Balance as at December 31, 1920	...	625,294.39	
Add Net Profit for Year ended December 31, 1921	...	634,332.32	
		1,259,626.71	
Less Dividends	...	250,000.00	1,009,626.71
			<u>7,009,626.71</u>
Unearned Discount	...		292,191.76
Loans Payable:			
Secured by Acceptances Pledged	...	5,755,000.00	
Secured by United States Certificates of Indebtedness Pledged	...	9,050,000.00	14,805,000.00
Re-purchase Agreements, per contra:			
Acceptances	...	22,291,614.02	
United States Certificates of Indebtedness	...	5,016,000.00	27,307,614.02
Due to Banks and Customers	...		109,876.18
Acceptances Re-discounted and Sold with endorsement, per contra	...		37,228,685.19
Dividends Payable January 3, 1922	...		100,000.00
Accrued Expense and Interest Payable	...		24,470.00
Reserve for Taxes—Estimated	...		82,000.42
			<u>\$86,959,464.28</u>

We have made an examination of the affairs of the Discount Corporation of New York as at the close of business on December 31, 1921, and hereby certify that, in our opinion, the foregoing Statement of Condition correctly represents the financial position of the Corporation as at that date and is in accordance with the books.

MARWICK, MITCHELL & CO., 79, Wall Street, New York.

DIRECTORS

GEO. W. DAVISON - President Central Union Trust Company
FRANCIS L. HINE - President First National Bank
GATES W. MCGARRAH - President Mechanics & Metals National Bank
JOHN McHUGH
CHARLESE MITCHELL - President National City Bank

J. P. MORGAN - J. P. Morgan & Co.
JAMES H. PERKINS - President Farmers Loan & Trust Company
SEWARD PROSSER - President Bankers Trust Company
CHARLES H. SABIN - Chairman of the Board Guaranty Trust Company
A. H. WIGGIN - President Chase National Bank

OFFICERS

JOHN McHUGH - President
E. C. WAGNER - Vice-President
JEROME THRALLS - Secretary and Treasurer

DUDLEY H. MILLS - Assistant Secretary
M. GREACEN BRIGGS - Assistant Secretary

DISCOUNT CORPORATION OF NEW YORK

TELEPHONE, HANOVER 9734

OFFICES, FIFTY-TWO WALL STREET

Forward rates and special offerings on request

Foreign Branch: 168, Fenchurch Street, E.C.3.

The Kaffir market is hoping for an early settlement of the Transvaal strike, and deduction of dividends from about 15 various shares in the list brought in a little scattered support, the Cape also contributing buying orders in Randfontein and Gedulds. But South Africans are out of favour, and there is nothing of real interest passing in this market. Colombian Minings were a good spot, on the hope of what the company may be able to do when its new plant gets into operation. Another fall in the price of tin depressed shares connected with the metal, and Broken Hills, together with various Indian mining shares, gave way for want of support. Copper shares are also lower on the week.

Orange River Asbestos Mines, Limited.—Incorporated under Isle of Man laws. Authorised capital £100,000, divided into 95,000 10 per cent. participating preference shares of £1 each, of which 25,000, it is stated, have already been allotted.

Hudson's Bay (\$1) ..	175	-	-	98	Vallambrosa (24)	175	-	-	98
Imperial Tobacco (\$1)	54	6	+ 7	8	Vickers (\$1) ..	175	-	-	98
Litigri Plantas. (\$1)..	1	1	..	..	Watney Del. Stk.....	240	136	..	..
Lipton (\$1)	1	1	..	..					

SULPHIDE CORPORATION LIMITED.—During the four weeks ended January 26, 1922, 10,324 tons of ore and 1,526 tons of slimes were milled at the Central mine, producing 2,101 tons of lead concentrates (including 177 tons from the desledding plant), which assayed 48 ozs silver, 69 per cent. lead, together with 5,353 tons slimes containing 1,000 ozs silver, 10.5 per cent. lead, and 1,000 tons of zinc concentrates, assaying 12 ozs silver, 7 per cent. lead, 47 per cent. zinc. The concentrates, 2,101 tons of lead concentrates and 1,000 tons of zinc concentrates were smelted, Cockle Creek 2,658 tons of lead concentrates and 1,000 tons of zinc concentrates were refined, producing 1,604 tons lead bullion for treatment in the refinery. The refinery products for the same period were 1,249 tons soft lead, 81,515 ozs silver, and 347 csa

Orders for the publication in these columns of the reports at Company Meetings should be addressed to the Reporting Manager.

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COMPANY MEETINGS, &c.

THE PEKIN SYNDICATE, LIMITED.

CHAIRMAN ON SYNDICATE'S POSITION AND PROSPECTS.

BANQUE INDUSTRIELLE AND THE SYNDICATE.

RECONSTRUCTION OF THE BOARD.

The ordinary general meeting of the Pekin Syndicate, Limited, was held at the Cannon street Hotel, London, on the 6th inst., Colonel Brinsley J. H. FitzGerald, C.B., presiding.

The assistant secretary (Mr Charles Price) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and Gentlemen,—It is scarcely necessary for me to tell you that those representing the interests of your company have been passing through a period of tense and extreme anxiety, but I have been fortunate in having with me throughout these negotiations your Agent-General in China, Mr John P. Kenrick, than whom I can assert no company could have a more faithful and loyal officer in their employ, and in connection with these matters it would be unfair if I were to omit to mention the name of M. Mater, our legal adviser in France, who has given us the very greatest assistance.

He then dealt with the accounts, and, continuing, said: It will be in your recollection that at our last meeting, in answer to a shareholder, I stated that the board had no objection whatever to sending a copy of Mr Hassam's report, when received, to all shareholders. When this report was in course of preparation certain events occurred which made it extremely likely that the policy outlined in that report would be materially modified. The report was, therefore, held back. The new policy has actually been adopted, a measure which, in my opinion, will be of very material benefit to the company.

FU CHUNG CORPORATION'S COAL SALES.

Regarding the Fu Chung Corporation, the coal sales effected by them during their financial year ended March 31st last, though only 970,075 tons, as compared with 1,057,197 tons for the corresponding period last year, a decrease of 87,122 tons, can, I think, be considered satisfactory when we take into account the great difficulties with which the corporation have had to contend. The main factors that have delayed the expansion of the coal sales are the famine in China, military disturbances and occupation of the railways, and the shortage of railway coal wagons, the latter difficulty restricting the sales by limiting the transportation of the coal to the corporation's various depôts and marts, which are spread over a wide area.

TIENTSIN WHARF AND GODOWN CO., LIMITED.

With regard to our interest in the Tientsin Wharf and Godown Co., Limited, I am glad to say our purchase of additional shares in this company has been fully justified. Since we obtained control in 1919 the company has made excellent progress, and, to enable the directors to continue their progressive policy, further land adjoining the property has been purchased. The results achieved in respect of the company's financial year ended June 30th last are satisfactory.

After paying for the additional land, writing off depreciation, and placing certain amounts to reserve, there remained a balance available at profit and loss account sufficient to enable the directors of the Tientsin Wharf and Godown Co., Limited, to pay a dividend of 8 per cent. on the shares of the company.

BANQUE INDUSTRIELLE DE CHINE.

Having dealt with these more or less formal matters, I will revert to what you have no doubt realised was in my mind when I began addressing you, and to what is no doubt uppermost in your minds, and that is our position as regards the Banque Industrielle de Chine.

It is perhaps needless for me to remind you that the Banque Industrielle de Chine was formed in 1913. The Pekin Syndicate, together with the Chinese and a French group, were responsible for the formation of this bank. From that time on your company and the bank were linked together by the closest ties, and it became the fixed policy of your company to work in association with the bank. This policy may now be attacked as having been a bad policy, and not perhaps without reason; but it was the policy of your board, and whether some of its members did not quite agree or not makes no difference. The whole board is responsible. All the reports received from time to time were most favourable as regards the bank's business, and to show you how utterly unexpected was any trouble in this quarter, I cannot do better than

quote from our chairman's speech at our meeting of September 13, 1920. He said:—

"The Banque Industrielle de Chine continues to make excellent progress. They have now 22 branches open, including 10 in China, one in Eastern Siberia, one in Japan, three in Indo-China, one in the Straits, three in France, one each in England, Belgium, and America. To give you an idea of the progress made, I cannot do better than quote in round figures from their report on the financial year of 1919. The total of their balance-sheet was:—

	Frs.
On December 31, 1914	98,000,000
" " 1915	100,000,000
" " 1916	162,000,000
" " 1917	247,000,000
" " 1918	380,000,000
" " 1919	1,089,000,000

The current and deposit accounts ran from 124 in 1914, representing 1,148,000f, to 20,000 in 1919, representing 675,000,000f, the bills receivable account from 45,000f in 1914 to 235,000,000f in 1919, advances on goods account from 31,000,000f in 1914 to 282,000,000f in 1919. The reserves and profits carried forward increased from 16,000f in 1914 to 16,000,000f in 1919. The capital of the bank has since been increased to 150,000,000f, the new issue being a great success."

DISQUIETING RUMOURS.

In December of that year some very disquieting rumours reached us, owing to which the board called for a full statement from Mr A. Berthelot, who was our managing director and chairman of the Banque Industrielle. Mr Berthelot confirmed that the banque had found itself in temporary difficulties, but laid the utmost stress on his contention that this had been caused by a combined attack by interested parties, and that these temporary financial difficulties were such as could easily occur in the case of any bank.

He said that the position had been taken over by a group of banks in Paris of the very highest standing, and gave us the names. This I had confirmed through an independent source.

You will have noticed that I did not touch on all this at our last general meeting. I saw no good purpose to be served by doing so, and, on the other hand, I saw the possibility of doing much harm.

There was not the slightest reason to think that with the assistance of such powerful banks, and with the active support of the French Government, the bank would not quickly recover from its difficulties. It is even now hard to understand what may have militated against the successful carrying out of the project, but we are having a most careful scrutiny made into this part of the transaction.

CORRECTION IN THE REPORT.

I want here to correct two words in the directors' report which may easily be misleading, and which, I confess, escaped my notice when I looked over the proof. Page 4, eighth line of last paragraph—"To what extent, if any, the syndicate's financial position will be affected." When the words "if any" were inserted, we had been shown a scheme under which the syndicate should recover all the money on deposit, though repayment of part would have been spread over a period of years. But it has been pointed out that these words are tantamount to an expression of opinion by the board that no money will be lost; if that is so, I wish at once to correct that impression.

PRESENT POSITION.

Now I come to the immediate. As you are no doubt aware, the Banque Industrielle was granted a "règlement transactionnel" on July 25th of last year. Now, a "règlement transactionnel" does not imply bankruptcy, it is more in the nature of a moratorium, and meanwhile negotiations with the French Government have been moving in the right direction. M. Briand obtained a large majority in the Chamber on December 27th in favour of allowing the Government to carry out a scheme which would mean the reconstruction of the bank, and M. Poincaré, head of the new French Government, has since then brought the question of re-establishing French credit in the East before the Chamber in connection with the Banque Industrielle failure, but in a more guarded form, and again a large majority voted in favour of the Government negotiating with the Chinese in order to enable what is due of the

"Boxer" indemnity to be used for that purpose. The Government proposals, when put into concrete form, will have to be again submitted to the Chamber.

SITUATION HOPEFUL.

On the whole, then, I think we may consider the position as regards the bank as fairly hopeful, or rather more hopeful than in July last. I might here mention that I am taking every step personally, through our lawyers and our auditors, that our interests will be safeguarded, and am getting in these negotiations the active support of our French colleagues. We are to all intents in partnership with the Chinese in this matter.

But I prefer to look at the worst side of things, and assume that you lost the whole of the money, either on deposit or invested in the Banque Industrielle, what is going to happen? My answer is—and this answer I make with a due sense of the very serious responsibility which I assume—that we are solvent, and in a perfectly sound position to carry on our legitimate business.

Outside the coalfields we have already obtained concessions which are of value, and negotiations for others are far advanced.

FAILURE OF NEGOTIATIONS WITH EASTERN PIONEER COMPANY.

At our annual general meeting, held on December 17, 1918, the chairman congratulated the shareholders on working arrangements having been made, after protracted negotiations, with the Eastern Pioneer Company, Limited, for dealing with that company's concession in the Szechuan Province of China. This statement was challenged on the following day by those responsible for the administration of the Eastern Pioneer Company's affairs, and although negotiations were renewed some 18 months afterwards, those negotiations came to nothing, and at a subsequent annual meeting it was announced by the chairman that negotiations had been actually broken off. It would be idle to pretend that the failure to come to terms with the Eastern Pioneer Company did not give us disappointment, if not actual annoyance.

AGREEMENT WITH YANG-TSE CORPORATION.

However, many things have happened since then, and during the past 12 months the whole of the interests owned by the Eastern Pioneer Company have been taken over by the Yang-tse Corporation, Limited, and it is with no little gratification that I am now able to announce the successful conclusion of arrangements which will ensure the active co-operation by the Pekin Syndicate and the Yang-tse Corporation in the development, modernisation, and expansion of Chinese industries under some of the rights conferred by the concession lately owned by the Eastern Pioneer Company. The methods by which these very important interests will be turned to account differ materially from those adopted by the administration of the Eastern Pioneer Company. In view of the prominence of Chinese matters in the minds of the most intelligent and far-sighted commercial men throughout the world, and the energy now being devoted, and likely to be devoted, to the expansion of Chinese enterprise during the next decade, we regard the conclusion of these arrangements as most opportune. It is a great satisfaction to me, and it will doubtless be to yourselves, that at last we have an opportunity, working in conjunction with the Chinese, of developing, at any rate, part of the resources of perhaps one of the richest provinces in that wonderful country.

RECONSTRUCTION OF BOARD AND FUTURE POLICY.

Now we come to the future policy and the reconstruction of the board, and with me this has become rather a personal matter, as it is the reason which induced me at the time to remain on the board; for it is scarcely necessary for me to remind you that directors' emoluments, after deduction of income-tax, could not be considered sufficient return for retaining a position on this board, which, it was as clear as daylight, was going to require an endless amount of time and cause an endless amount of worry. Soon after I joined the board, I formed the opinion, rightly or wrongly, that what I looked on as certain obligations by the company to our Foreign Office had not been carried out, and ever since then what I might describe as three-cornered negotiations have been going on between the Foreign Office, the French group, and myself, and you should here remember that the Pekin Syndicate, though an English company, was actually under French management, which was an entirely anomalous position.

CONSTRUCTION OF THE NEW BOARD.

It is needless for me to trouble you with the details of the negotiations. I will merely give you the result which was arrived at last October; and in connection with this, I wish particularly to pay tribute to the assistance received from, and the courtesy shown by, my French colleagues, and also to the support given me by a large number of English shareholders, as represented by Mr Percy Heybourn.

The arrangement arrived at is as follows:—

There are in future to be an equal number of English and French directors; the chairman is to be British, with a casting vote; the managing director is to be British; and there is to be a French official representing the majority of French shareholders.

I consider this arrangement as permanently binding on our company *qua* the Foreign Office, and therefore, also permanently binding as between the English and French shareholders.

I am happy to tell you that the Foreign Office are now satisfied with this arrangement.

This has enabled us to effect economies in administration in Europe and China.

M. Berthelot has already resigned as manager and director, and of the two directors who retire by rotation, Comte G. du Chaylard and M. H. Lejeune, Comte du Chaylard does not offer himself for re-election. Mr Kenrick, our Agent-General, has been appointed manager, and comes up for election as director, and to his name I would propose to add that of Mr Percy F. Heybourn to fill the vacancies on the board created by the retirement of M. Berthelot and Comte du Chaylard.

Mr Barson, in order to enable all English directors to record their vote, and as his absence in China precludes him from doing this, has resigned, but I am happy to say we retain his services in China and his full application to the company's interests, which he has so much at heart.

THE NEW CHAIRMAN.

Then comes the question of a chairman. I might mention that Mr Barson has pressed me on several occasions during the last three years to relieve him of this responsibility, but I do not see my way to accepting this position, even if you were kind enough to invite me to do so. I will certainly carry on temporarily, but, as a matter of fact, negotiations are already on foot to secure you a chairman, who, from a banking point of view, might be of immense assistance to your company.

Close association with one or other of the powerful banks is most desirable, as from time to time we shall require financing for the carrying out of the work offered to us under Government concessions, but for our ordinary requirements I am glad to say we are quite independent.

FUTURE PROSPECTS.

Ladies and Gentlemen,—I hope you will be satisfied from what you will hear that the prospects of increased revenue from the collieries are excellent, and when the time is opportune, personally, I am confident we can use the excellent organisation of the Fu Chung Corporation to much greater extent—half the capital being held by us and half by the Chinese—and they are well established for internal trading in a great many centres north of the Yangtse River.

Some interesting figures have been given lately about the enormous possibilities of trade in China. I see no reason why working in close conjunction with our Chinese friends we should not get our full share of any favourable development. We congratulate ourselves on our relations with the Chinese, and we trust sincerely that they have the same feelings towards us.

With the goodwill of the Chinese, the support of our Foreign Office, and, I trust, also that of the French Government, to whom we are prepared to give our loyal support in their effort to re-establish French credit in the East, and this we can do by assisting in every way the reconstruction of the Banque Industrielle, I see no reason why we should have to encounter such troublous times again.

Before closing, I would like to remind you of the services of Mr R. R. Brown, resident engineer at the collieries, and of Mr E. W. Fitchford, general manager of the Fu Chung Corporation, and their staffs, both European and Chinese, whose loyal devotion to the interests of your company deserve your sincere thanks. I will now call on Mr Kenrick to address the meeting.

Mr John P. Kenrick: As the position at the collieries is fully described in Mr Hassam's report, there is no necessity for me to go over the ground again; therefore I will, with your permission, confine my remarks to the reasons for the change of policy which has recently been adopted to the general situation and to the prospects for the immediate future.

With regard to the first, it will be necessary to give a brief outline of our methods of disposing of the coal. You will no doubt remember that, under the terms of the agreement of May, 1915, the Fu Chung Corporation was formed to open markets and sell the coal produced by the two concerns—the Chung Yuan Company, and ourselves—and, to all intents and purposes, act as a sales agency. This corporation, which is managed by a board comprising three representatives of the syndicate and three of the Chung Yuan Company, requisitions the coal it requires from the two companies in agreed proportions, and takes delivery of it at the pits at prices fixed by the two companies. The corporation's sales may be divided into two main divisions—land sales and rail sales. The former consists of coal sold at the pits to consumers and small dealers in the district, and the latter, which is the far greater proportion, is conveyed by rail to the numerous depôts and sub-agencies which have been established by the corporation at every available point along the railways and navigable water-

ways in the provinces of Honan, Hupeh, Kiangsi, Anhui, and parts of Chihli and Shantung, where it is sold to the consumer and small retailer at prices fixed by the corporation, which vary according to the cost of transport, local conditions, and other considerations. In addition to these interior sub-agencies, the corporation has established depots at Hankow, Shanghai, Tientsin, and other centres, from which a considerable business in the better-class grades of coal is done.

The land sales, which consist entirely of dust and inferior grades of mixed coal, are limited by the distance the coal can be carried by cart or barrow, which is not very great, but now that the independent native pits that have been operating in the district in contravention of the terms of the agreement have been stopped, the whole of the trade will pass to the corporation, and although it is not a very remunerative one, the increased tonnage that will be disposed of by the elimination of the competition will be beneficial to the mines, inasmuch as it will necessitate a corresponding increase in the output, and consequently a reduction in the cost of production.

QUESTION OF TRANSPORT.

On the other hand, the rail sales, which include practically the whole of our production of the better-class grades, are limited only to the ability of the railways to haul the coal from the pits to the depots and sub-agencies, for there undoubtedly is a very much larger market awaiting it than we have as yet been able to tap, not only in the interior, but also at Hankow, Shanghai, and along the Yangtze River between those points, and I am quite confident that, in addition, were we able to guarantee delivery of regular supplies, we could secure a large coast and overseas trade at remunerative rates.

So long, however, as the present unsettled conditions in the country, the frequent interference with the railways by the military of one political faction or another, and shortage of rolling stock on all the lines—conditions which have very seriously impeded the commercial development of the country practically ever since the establishment of the Republic—are permitted to continue, I am afraid we cannot look for any appreciable expansion in the sales, at any rate not an expansion that would justify the retention of the collieries on the production basis they had reached, and therefore it was considered advisable to adjust the position to meet those conditions by suspending the operations at Jameisen. Fortunately the advanced stage of the developments at Li-Feng enabled us to do this with considerable advantage, for although the suspension of the operations at Jameisen must necessarily result in the loss of certain small areas of unworked coal by the permanent closing down of our No. 4 pit, and the lying idle for a time of a large part of our winding and other equipment, the net gain will be very great, for not only do we effect a considerable saving by the stoppage of the pumping operations, but, by producing all our requirements from the Li-Feng area, we obtain a higher-priced coal at a lower cost. Therefore, provided there is no greater disturbance in the economic conditions of the country than has occurred during the last 20 years, the collieries, even under the present restrictions on transport, will from now forward do very well, and any possible extension of the markets which can be very easily dealt with from Li-Feng, will be so much to the good.

I should like to say here that the credit of successfully carrying out the suspension operations is entirely due to Mr R. R. Brown, the resident engineer, and the members of his staff, who ably and loyally assisted him. Owing to the presence of the large bodies of water, part of the work had to be done under extremely difficult conditions, and the fact that it was completed without loss of life and without the loss of a single unit of plant speaks very highly for all concerned in the operations.

NEW MARKETS.

The prospects, however, of extending the sales are by no means discouraging. The Kin-Han Railways, on which we are very largely dependent, had, before I left China, obtained an additional 500 40-ton wagons, and had ordered 35 more locomotives, which were to be delivered at the end of last year and the beginning of this. Other railways had also placed large orders for additional rolling stock. Then the extension of the Lung-Hai railway from Hsu Chow to Hai Chow, which is under construction, and the extension of the Tao-Ching Railway westward, the survey of which has now been completed, will bring us new markets. That an improvement is already taking place is indicated by the latest reports I have received from the Fu Chung Corporation, which show that the sales for the months of November and December—November 141,000 tons, December 144,000 tons—were a considerable increase on those for the corresponding months for last year—November 114,000 tons, December 97,000 tons—and Mr Fitchford, the joint general manager of the corporation, expects very good sales during the next four months. Therefore, provided that no serious political trouble occurs—a contingency which, unfortunately, in the existing disturbed state of the country must always be taken into account

—there is every reason to hope that a gradual and increasing improvement may be anticipated in the sales from now onwards.

FU CHUNG CORPORATION—GENERAL TRADING.

In addition to selling coal, Fu Chung Corporation has set up a general trading department, but, owing to lack of the necessary capital, together with the depressed conditions of trade generally, this part of its business has not been developed, and has now been restricted to a few paying lines only. The following extract from a letter I have recently received from Mr Fitchford in this connection may be of interest:—

"Sugar is going very well this year, and I have cut down the commission to our agents to 2 per cent., which increases the commission to us 3 per cent., instead of 2 per cent. as formerly. We sold more than 30 20-ton car loads last month—almost 10,000 piculs; we ought to make \$20,000 from this line alone this year. Last month our commission and earnings on this line was pretty nearly \$4,000. Since arriving I have also completed arrangements with the Texas Company for handling their kerosene oil south of the Yellow River, and up from Hankow. We have stocks out and started sales a week or so ago, and now we are competitors of the Asiatic and Standard Oil Company. I think we should make another \$20,000 a year out of this without any risk. The godown at Hankow will soon pay for itself; we are now making about \$1,500 per month out of this, and it only cost us 6,000 taels odd. I am reorganising the Shanghai office, and we have engaged Mr Brooke, of the California Packers' Corporation, who is about the best salesman we know of in China. I am rather confident we shall get another account, the trade for which is tremendous. There are also one or two other things on the tapis. Whatever we do, however, are all lines without risk and without need for capital expenditure."

The corporation possesses facilities for trading in the interior of China which are unequalled by any other firm in the Far East, and there is no doubt that, with adequate financial support and an efficient staff, a very large and remunerative business could be done. This is a matter which I propose to take up on my return, with Mr Barson and our Chinese associates, with a view to the formation of a separate Sino-British organisation for its further development in conjunction with the corporation.

OTHER ACTIVITIES.

With regard to some of our other activities, we have been carrying on negotiations with the Chinese authorities for the establishment and development of certain industrial enterprises on joint Sino-British financial and working arrangements. When these negotiations are satisfactorily completed—and they have now reached a stage when they may reasonably be anticipated within the immediate future—our interests in the country will be very considerably extended.

We also propose to continue the negotiations which we have been carrying on with the Honan authorities for the development of the industrial resources of that province on joint account, an arrangement which, if it be possible to effect, would be mutually beneficial, having regard to our large interests in the province. The survey for the extension of the Tao-Ching Railway to Huaiking fu has, as I have previously stated, been completed, and we are now considering arrangements to finance its construction under the terms of the agreement with the Chinese Government, and, when that is done, we propose to approach the Chinese Government with regard to the extension to Ping Yang fu in Shansi, which concession was granted to us in 1916. This latter is for a line of some 100 miles in extent, through a country offering great mining and industrial possibilities.

ECONOMIES FROM REARRANGEMENT IN ADMINISTRATION.

The rearrangement in the administration referred to by the chairman will enable us to effect considerable economies in this respect, both here and in China, which I estimate will not be less than £10,000 a year. Some of these economies have already been effected, and the others will be carried out immediately. The rearrangement will also very materially strengthen the management, centralise control and generally increase the efficiency of the company.

The syndicate has established a position in China for itself which possesses great potential value, and, with the support that the new Administration is now assured of receiving from the Foreign Office, we may look forward to the future with absolute confidence.

DIVIDEND OUTLOOK.

We are practically certain of earning a substantial profit on the collieries as they are at present constituted, even should the economic conditions of the country become no better than they have been during the last few years, and our prospects of securing other business of a constructional, industrial, and financial character, on joint account with the Chinese Government or provincial authorities, are extremely promising.

We are, therefore, well on the way to a dividend-paying point, and, once that point is reached, most of the difficulties we have had to contend with in our negotiations with the Chinese in the past will be materially lessened.

In conclusion, I wish to record my thanks to the assistant secretary and our staff in London for the assistance they have rendered me during my visit here, and also to the resident engineer at the mines, the joint general managers of the Fu Chung Corporation and the members of their staffs, both European and Chinese, for the loyal and able support I have never failed to receive from them. (Applause.)

Comte de Seguier seconded the resolution, and the Chairman having replied to questions, it was carried unanimously.

The Chairman next proposed the re-election of M. Henri Lejeune as a director of the syndicate.

Comte de Férol seconded the motion, which was unanimously adopted.

M. René de Cèrenville moved that Mr John P. Kenrick and Mr Percy F. Heybourn be elected directors of the syndicate, which was seconded by Comte de Seguier and carried unanimously.

On the proposition of Mr Hobbs, seconded by Mr Bristow, Messrs Cooper Brothers and Co. were reappointed auditors.

The proceedings then terminated.

DORADA EXTENSION RAILWAY, LIMITED.

TEN YEARS' DIVIDEND RECORD.

INCREASED BORROWING POWERS.

Presiding at an extraordinary general meeting of the Dorada Extension Railway, Limited, held on the 10th inst., Mr Nathaniel Geach Burch (chairman), in moving the resolution sanctioning an increase of the borrowing powers by the amount of £50,000, said that during recent years the company had been able to provide out of revenue a large amount of new rolling stock and to effect considerable improvements in the railway, without, at the same time, encroaching on the dividend distributions. These, in fact, as well as the appropriations for reserves, had been substantially increased during the past ten years. The time, he thought, had now come to make such provision as would enable the board to devote their revenue to what really should be its proper purpose, namely, the payment of dividends.

CONTINUED PROGRESS OF THE LINE.

Dealing with the continued progress of the line during the past 10 years, he stated in 1912 their traffic receipts amounted to £89,044. That year there were sums expended on new works, rolling stock, &c., and transferred to reserve account amounting to £21,000 out of an available appropriation of £38,717. In 1917 their traffic receipts rose to £106,949, and in 1920 they amounted to £198,800. In the latter year the expenditure on improvements and reserves amounted to £34,968 out of an available amount of £55,200 after providing for first and second mortgage debenture interest, the dividend having in the last two years been increased to 5 per cent. Last year their receipts continued to expand, and they had expended on new works and improvements over £25,000 out of an expected available balance, subject to final audit, of £75,000, after making the usual provision for the first and second mortgage debenture interest. During the past 10 years their profits amounted to £445,000, after deducting first mortgage debenture interest, income-tax, and corporation profits tax, while their expenditure on the works and improvements, &c., absorbed £206,773. He thought, therefore, they were justified in saying that the company had been placed on a permanent dividend-paying basis.

THE DORADA RAILWAY ROPEWAY EXTENSION.

The Dorada Railway Ropeway Extension, in which they had a large interest, was now completed. This was 45 miles long, and connected the town of Manizales, which is situated in a large coffee-growing district, with their company's system. During 1921, when only 37 miles were in operation, the traffic interchanged with their railway amounted to approximately 18,000 tons—the gross revenue thereon being about £50,000. Now that the line had been completed he felt sure the present traffic figures would be materially increased.

THE REPUBLIC OF COLOMBIA.

The Republic of Colombia, in which their property was situated, had an area of about 461,606 square miles and a population of

approximately 5½ millions. As was well known, the country abounded in mineral wealth. Large portions of the soil yielded abundant crops of coffee, cotton, bananas, tobacco, &c. For many years past the conservatism of its Government and the care with which its finances had been managed had been in striking contrast with several of the other South American States, it having since 1910 redeemed £1,123,000 of its 3 per cent. consolidated external debt, or nearly 42 per cent. of the principal of its foreign indebtedness. The United States of America and Colombia had at long last come to an arrangement of the Panama question, with the result that Colombia would receive from the United States £1,000,000 per annum for the next five years. This would prove a valuable addition to Colombia's own revenue for the development of its vast natural resources. The country, therefore, possessed enormous prospects, and its development would make unto gain for their line, which was on the main route from the coast to Bogota, the capital and commercial centre of the country.

Arrangements were being made for the issue of £250,000 of second mortgage debenture stock. The proceeds of the issue would be utilised in making provision for the discharge of the present second mortgage debentures maturing next year and for the general purposes of the company.

The resolution was unanimously adopted.

SOUTH METROPOLITAN GAS COMPANY.

COAL STRIKE—THERM SYSTEM TO STAY.

The ordinary general meeting of the South Metropolitan Gas Company was held, on the 8th inst., at the Cannon street Hotel, London, Dr Charles Carpenter, M.Inst. C.E., the president of the company, in the chair.

The Chairman, in moving the adoption of the report and accounts, said that in the beginning of April in the year under review the country was engaged in the greatest industrial struggle it had ever had to face, for during three months the whole of the coal-mining industry was at a standstill. To meet it they had taken the most complete steps. They had bought all the coal that could be obtained, actually putting into stock about a third of a million tons, and as it became apparent that the strike would be extended they had imported coal in large quantities from abroad. The price that had to be paid was heavy, but they had fulfilled their duties as a statutory undertaking, since they had given full pressure and quality throughout the period of the struggle.

How the cost was to be met was a matter of policy. The board could have provided the money by raising the price of gas by 2d per therm for the half-year, or they could have reduced the figure by one-half and spread the increase over double that period. The latter course had been chosen, and was the explanation of £150,000 of the extra cost being paid during the period under review, payment of the balance being deferred until the current half-year. He thought stockholders would understand why the board could not see their way to recommend a higher dividend than the basic rate of 5 per cent. Had the coal stoppage not occurred there was no doubt but they would have been able to pay a dividend little, if any, short of the pre-war rate. It was, however, no small achievement to have substantially held their business, as was proved by the fact that they had experienced a lower reduction of output than any of their neighbours. They would, moreover, certainly reap benefit from the consideration they had shown to the company's consumers. We might say that nothing that had happened reflected detrimentally in any way upon the company's changed Parliamentary powers.

PRICE OF GAS.

As to the present price of gas, no one with an understanding of the business of gas supply would express any other opinion than that the price was to-day too high. In their own interests, as well as those of the public, they must strive by every means to bring it down quickly and substantially, but that would take time. Stocks of coal purchased at a much higher figure had still to be liquidated. The attitude of the company's consumers was, on the whole, very favourable. They were increasing in number, and the figure of the increase in sales stated in the report was very satisfactory. It showed that the public's faith in gas was by no means a diminishing quantity, and in that connection he might say that the method of selling gas according to its thermal value, which had certainly come to stay, had been conceived wholly in the interests of the consumers. Town gas might have very different thermal or heating values, according to its method of production. To-day it was the thermal value which counted, whether the problems were to light a room or street with incandescent mantles,

or to cook a dinner or warm a room. Fortunately, thermal value was much more easily tested than was illuminating value when gas was supplied as being the equivalent of so many candles. The Therm system put all supplies of town gas upon one uniform and comparable basis. On the water gas question the company was able to take an absolutely impartial view, for they had never, except experimentally a very great many years ago, made any water gas. He would say that statistics had proved that the fears of wholesale trouble arising from its presence in some town gas supplies were, at any rate as far as Great Britain was concerned, unfounded. In their own South London district they had not had a fatal accident due to gas poisoning for over 20 years, and they were ever seeking to improve the purity of the gas.

THE GAS LIGHT AND COKE COMPANY.

CHEAPER GAS: THE TURN OF THE TIDE.

NO GROUNDS FOR ALARM AS TO DANGER FROM GAS.

The two hundred and fifteenth ordinary general meeting of the proprietors of the Gas Light and Coke Company was held, on the 10th inst., at Horseferry road, Westminster, London. Mr D. Milne Watson (the governor of the company) presided.

The secretary, Mr W. L. Galbraith, read the notice convening the meeting.

The Chairman said: Before I deal with the accounts I wish to refer to the loss which the board has sustained in the past year by the death of two directors. Mr Miles had been associated with the company since 1898, during which time he acted as deputy-governor for three years, then as governor for two years in succession to the late Sir Corbet Woodall. In 1918 he resigned the governorship owing to failing health, but remained a director until the time of his death. Mr Waterlow had been a director since 1906, and acted as deputy-governor for six years. These two gentlemen were most able directors, and their extensive knowledge of business affairs was of great value to the board. They were both most pleasant colleagues to work with; they are very much missed, and their loss is deeply regretted.

The vacancies thus caused were filled by the appointment of the Hon. Clive Bigham, whose acquaintance with public affairs will be of much service to the board; and of Mr Goulden, who has been chief engineer since 1904, and whose great knowledge of the company's business will be most useful.

The year that has just closed has been one of the most anxious and extraordinary in the annals of the company. As I told you at our meeting in February last, owing to the unprecedented slump in residuals, the company found itself in a position of difficulty, and I explained to you at the time why an advance in the price of gas had become absolutely necessary. We knew then that a bad time awaited us, but it was not long before our troubles were still further accentuated by the stoppage in the coal mining industry, which occurred at the beginning of April, and lasted until the end of June. Fortunately at the beginning of the stoppage we had good stocks of coal and oil, but after two months our stock of coal became exhausted, and we were therefore forced to purchase large quantities of Continental and American coal in order to keep going. The directors determined that so long as coal could be obtained, whatever the price might be, it was their clear duty to keep London supplied with gas without any diminution of quality or pressure, and it is with a considerable amount of pride that we are able to record the fact that the company continued to supply its gas throughout the whole period without any interruption whatsoever.

THE COST OF THE COAL DISPUTE.

The cost to the company of doing its duty was, however, very serious. We not only had to pay a high price for the foreign coal, but owing to its inferior quality we had to bear the additional expense of purchasing almost a double quantity. The result was that we lost nearly £500,000, without reckoning the loss of business which was a direct consequence of the restrictions placed upon the consumption of gas. The after effects of the coal dispute, moreover, were almost as bad as the dispute itself, and the trade of the country was so dislocated that for a long time afterwards we suffered from serious decreases in consumption. Fortunately, however, some financial relief came with a gradual fall in the prices of coal and oil, and this enabled the company to end the year without such a heavy loss as was at one time anticipated.

You will see that the company has spent a considerable sum of money on the capital account—namely £315,000; of this £185,000 was spent upon new mains, meters and stoves, business getting and revenue earning expenditure, and the balance of £130,000 was spent mainly upon the completion of the payments for the company's fleet of steamers.

CO-PARTNERSHIP SCHEME.

After dealing at some length with the question of residuals and foreign competition, in conclusion, the Chairman referred to the company's co-partnership scheme, remarking that while its bonds might be truly described, in Burke's words, as light as air, they had certainly proved strong as iron in binding together the interests of employers and employees. They might hope that a wider application of the principles of co-partnership would set capital and labour generally in the light with which for over 30 years they had been regarded by that company.

Mr Frank H. Jones, M.Inst.C.E. (the vice-president), seconded the motion, which was carried unanimously.

A STRONG FINANCIAL POSITION.

When it is considered that we have passed through the greatest coal dispute that has ever afflicted this country, the result of the year's working, as shown in the revenue account, is one of which the company has no reason to be ashamed, and is good evidence of its strong financial position generally. Under the altogether abnormal circumstances which attended our working during the year comparative detailed figures are of small value. You will see, however, that we paid less for coal. This is partly due to the fact that we used less coal—1,800,000 tons instead of 2,279,000—and also to the fact that during the second half of the year the price of coal dropped considerably. The figure for oil has more than doubled, due to the larger quantity used, especially during the period of the coal stoppage.

The sale of gas during last year shows a decrease of 5 per cent. While this is much to be regretted, it is not a matter to be wondered at, and is due to three principal causes—first of all, the coal stoppage and the necessity for strict economy in the consumption of gas; secondly, the depressed state of trade during the whole of the year, accentuated as it was by the coal dispute; and, thirdly, the extraordinary weather which we experienced during 1921.

FALLING REVENUE FROM RESIDUAL PRODUCTS.

The outstanding adverse feature of the accounts is the falling off in the revenue from the company's by-products. The revenue from these has fallen from £4,839,000 to £2,498,000, a decrease of £2,341,000 in the year, and had it not been for the exercise of the greatest care in every direction the results would have been less satisfactory. This decrease in the revenue from residuals was anticipated by me at our last meeting, and this anticipation has unfortunately come true.

NO CAUSE FOR PESSIMISM.

There is no occasion, however, for pessimism. There is no doubt in my mind that as far as the company's business is concerned we have turned the corner, and that we as a company have seen the worst. The prices of our principal raw materials, coal and oil, have, as I have already pointed out, fallen considerably, and we have, I am glad to say, come to an arrangement with the principal unions concerned by which the wages of our employees are regulated on a sliding scale on the basis of the cost of living.

As you are probably aware, the company had to give up the hiring out of stoves during the war owing to the large capital cost involved. We have, however, resumed our usual practice, and I am happy to say that the result has been most satisfactory, leading to a very great demand for gas apparatus of all kinds.

REDUCTION IN THE PRICE OF GAS.

Towards the end of the year the general position of the company was such that the directors felt justified in announcing a reduction in the price of gas to 1s 1d per therm as from the taking of the meter indices at Christmas. This will mean a saving to the consumers of £600,000 a year. The announcement of this reduction in price, together with the resumption of hiring facilities, has produced an increased demand for gas, which is most encouraging.

The prospects of the company are, I consider, excellent. The increase of 4,981 in the number of consumers shows that the basis of our business is ever growing, and the increase of 39,065 in gas stoves sold and let on hire indicates that there undoubtedly is among the existing consumers a large field in which to extend our business.

The internal position of the company is also very satisfactory. We have now a large fleet of steamers carrying coal from the North, which is a continuing source of economy to the company.

The works, I am glad to say, are being rapidly brought back to the pre-war standard of efficiency, and the company generally is in a healthy position, and eagerly awaiting a revival in trade.

THE NEED FOR NATIONAL ECONOMY.

Many chairmen have recently, when dealing with the affairs of their companies, pointed out the necessity for national economy in expenditure in order to relieve the burden of taxation upon industry, and I should like to add my appeal to the Government upon this subject. It used to be the pride of this country that it was one of the least taxed; to-day our taxes are amongst the highest, and, if ever this country is to regain its prosperity, it is absolutely essential that there should be a great reduction in the national expenditure.

It is proposed now that public utility companies should in future be subject to the corporation tax, and I desire to protest in the strongest possible way against this proposal, as putting an additional burden on the gas consumers.

THE ALLEGED INCREASED DANGER OF GAS.

I dare say you have noticed that there has been a great deal of prominence given in the Press recently to the composition and quality of the gas supplied in this country generally, and a suggestion has been made that the gas now being supplied is a danger to the public. Ladies and gentlemen, there is absolutely no ground for this suggestion. Not only in the interests of the shareholders in gas undertakings throughout the country, but also for the purpose of restoring the confidence of any consumers of gas who may possibly be alarmed by the comments which have appeared in the Press, I feel it my duty to place on record the true position.

AN INDEPENDENT INQUIRY.

Gas companies have never been under any restriction with regard to the proportion of carbon monoxide which the gas supplied by them should contain, and as recently as six months ago the question was reviewed in all its bearings by a Committee appointed by the Board of Trade, under the chairmanship of Sir William Pearce, M.P. As a result of a thorough and careful hearing and consideration of full evidence, both for and against restriction, this Committee, composed as it was of responsible and independent scientific men, decided that it was neither necessary nor desirable to impose any restriction on the gas industry in respect of the percentage of carbon monoxide in the gas supplied.

Unfortunately, many of the statements which have appeared in the Press recently have been incorrect, and I would like to draw attention to the following facts which can be established beyond all doubt:—

NO CHANGE IN MANUFACTURE.

1. This company has been supplying a mixture of coal gas and carburetted water gas for many years past, and, indeed, was the first gas undertaking in this country to do so. No change in our methods of manufacture has been made since the passing of the Gas Regulation Act, and all suggestions to the contrary and all fears based on these suggestions are unfounded.

2. The percentage of carbon monoxide in the gas now being supplied by the company is practically the same as was supplied in 1914 and previously, and it is quite untrue to say that the recent accidents have been due to any alteration in the composition of gas.

CARBON MONOXIDE IN AMERICA.

In this connection you will be interested to hear that throughout the United States of America carburetted water gas alone, without any admixture of coal gas, is very largely distributed. In Washington, the capital and seat of the Government and one of the principal residential cities, carburetted water gas alone has been distributed for many years past, and in an official memorandum from the Bureau of the Public Health Service of the U.S.A. it is expressly stated that the presence of carbon monoxide up to 30 per cent. is not considered to be prejudicial. The most recent analysis of the gas distributed in Washington showed the presence of 28.7 per cent. of carbon monoxide, which is approximately double the percentage distributed in this company's area.

3. The accidents due to the escape of gas are lower now in proportion to the number of users of gas than they have ever been before. I would like to draw your attention to the following facts:—

Fatalities due to gas do not exceed two per annum per million of the population.

Fatalities due to railways are 22 per annum per million of the population.

Fatalities due to street accidents in London are 100 per annum per million of the population of that city.

I think you will agree that these figures alone show very clearly that there is no possible cause for alarm.

NO ODOURLESS GAS SUPPLIED.

4. It has been suggested that many accidents are caused by reason of the gas supplied being odourless. This is absolutely incorrect. It is true that pure carbon monoxide may be odourless in itself, but pure carbon monoxide is not, and could not possibly, be supplied by gas undertakings by itself, as it is mixed with several times its volume of other gas of considerable pungency, from which it cannot be separated in the process of distribution. It is inconceivable, therefore, that an escape of gas with its unmistakable smell could avoid detection. Any suggestion to the contrary is absurd, but it is one that has been repeatedly made in recent letters and statements written on the subject.

NO CAUSE FOR ALARM.

Speaking as I do with a full sense of my responsibility as governor of the largest gas company in this country, I assert with the utmost confidence that there is nothing in the composition of the gas now being supplied which need give the slightest cause for fear.

There is one other matter of public interest to which I should like to refer, and that is the attitude of the gas industry to what is called low temperature carbonisation.

LOW TEMPERATURE CARBONISATION.

To those who are not familiar with the subject, I should like to say that gas undertakings generally now produce gas by what is known as high temperature carbonisation, that is by carbonising coal at a temperature of 2,000 deg. to 2,200 deg. Fahr., as against a temperature of 1,000 deg. Fahr. used in low temperature carbonisation. Gas undertakings are constantly being attacked because they do not carbonise coal at a low temperature, and it is assumed by the advocates of the latter method that gas undertakings are antagonistic to low temperature carbonisation. Nothing is further from the fact. The gas industry as a whole is not antagonistic to any particular method of production of gas, and I can safely say that there is no prejudice against low temperature carbonisation as such. It is no doubt an excellent method of obtaining an increased production of liquid by-products, and I can well believe that in some cases it might be useful in dealing with coal at the pit heads, where there are large quantities of shale and small coal available. The public are led to believe that the reason why gas undertakings do not adopt low temperature carbonisation is because they are unduly conservative. I think it would be well if I gave a few reasons why we do not adopt this method.

The principal reason is that it is not an economical gas-making proposition, but a process that has for its objects first the production of increased quantities of tar oils and free burning coke, gas being the residual of manufacture. This is essentially different from our own process, which is for the purpose of obtaining the maximum quantity of gas from the coal. The high temperature process produces 70 therms per ton of coal, while the low temperature production of therms is rarely more than 40. To compensate for the decreased efficiency of gas production by the low temperature process, we should, were it adopted, throughout our works need to purchase nearly double the amount of coal we now carbonise, which is about two million tons per annum. New carbonising plant would be required to replace that now in use, carbonising plant would be required to replace that now in use, necessitating the expenditure of very large sums of money. The low temperature gas is also in practice entirely unsuitable for use in ordinary gas appliances by itself owing to its excessively high calorific value. It is for these reasons that we in this company do not consider that the adoption of low temperature carbonisation would be in the best interests of either the shareholders or the consumers.

As I told you at the beginning, the directors have elected Mr Goulden to a seat on the board. I should just like to say a word or two about Mr Goulden and his splendid services to the company in the past. He entered the company's service 38 years ago, and has occupied a position of great responsibility as chief engineer for the last 18 years, during which time the company's business has increased almost by 50 per cent. He has had great responsibility, and has carried out his duties in an admirable manner. We felt sure that his services ought to be retained, and had great pleasure in electing him as one of our colleagues. I am certain that the company will benefit largely by his great knowledge and long experience.

We have, we believe, found an excellent successor to the great office of chief engineer in Mr Thomas Hardie, who came to us with a reputation already made in Newcastle. He has already proved that we have in him a valuable officer, in whose charge the engineering interests of this company will be fully maintained.

With regard to the staff generally, I cannot speak too highly of their work. They are ably backing up the directors in their great and earnest endeavour to carry the company through the difficult times in which we find ourselves.

THE DIVIDENDS RECOMMENDED.

In conclusion, the result of the company's working for the year, after paying the statutory dividends in respect of the June half-year, is that there remains a balance of £661,000, out of which the directors recommend the payment of the full statutory dividends on the preference, maximum and ordinary stocks, viz., 4 per cent., 3½ per cent., and £4 13s 4d per cent. per annum respectively. This, with £10,000 to the redemption fund, will absorb £517,000 and leave £144,000 to be carried forward to the credit of the current year, as against £326,000 at this time last year. You will see that the dividend that will be paid for the whole year on the maximum stock will be at the rate of 3½ per cent. cent., as against £2 12s 6d for 1920, and the dividend on the ordinary stock will be at the rate of £4 13s 4d, instead of 3 per cent., to which we were restricted under an Act of Parliament that has now been superseded by the Gas Regulation Act. As you will see, we have made a start again with the redemption fund, which was created for the purpose of getting rid of this company's obsolete capital. A sum of £20,000 in all—viz., £10,000 set aside in June and £10,000 contributed for the December half-year, will be available for the purchase and cancellation of ordinary stock.

HOPE OF CHEAPER GAS.

With regard to the future, ladies and gentlemen, I believe we have seen the worst, but the price of gas is still too high to be good for business, and it is the hope of the directors that during the present year the lower prices of coal and oil and the reductions in working expenses will enable us to reduce the price below 1s 1d per therm, to which we reduced it in December. I feel assured, as I said earlier in my speech, that the tide has turned and that we have every reason for confidence in the company's future.

The report and accounts were adopted.

LONDON AND LIVERPOOL BANK OF COMMERCE, LIMITED.

YEAR'S RESULTS—PRE-WAR DEBTS.

The ordinary general meeting of the London and Liverpool Bank of Commerce, Limited, was held, on the 9th inst., at the offices of the bank, 34 Old Broad Street, London, the Lord Ritchie of Dundee (chairman of the bank) presiding.

The Chairman, in moving the adoption of the report and accounts, said:—

You will remember that I indicated last year that it would be necessary eventually to make some provision from reserve fund against pre-war debts. It is not possible to speak with certainty, but having very carefully considered all the circumstances connected with every debt which still remains unpaid, we have come to the conclusion that the sum of £70,000, which, as explained in the report, we have transferred from reserve fund to contingencies, will provide amply for all bad and doubtful accounts. The liquidation of German debts has been slow, not so much owing to delays on the part of individual debtors, but mainly through the obstacles which are constantly being raised by the German Clearing Office. The transfer of £70,000 from reserve fund still leaves the substantial sum of £100,000 at the credit of that account.

ACCEPTANCES.

Our acceptances, including advances under the Government Scheme of 1914—£1,403,000—show a slight decline compared with last year, but in reality our current acceptances are higher and the advances lower. Our acceptances are the barometer of our business, and these figures indicate that we are not very active. Indeed, we are like every other institution or individual engaged in any branch of finance and trade, and we have suffered from the general depression. I indicated last year that we were exercising great caution in view of the crisis through which the trade of the world was passing. We have followed that policy throughout the year, and all the transactions which our acceptances represent receive the approval of the board only after the most careful consideration.

ASSETS.

On the assets side we have cash in hand and at bankers £55,284, bills receivable and bills discounted £47,444, and money at call and short notice, including amount deposited with the Bank of England, £441,230. This last item perhaps requires some explanation. Last year I explained that there was included amongst accounts current important sums which we had from time to time paid into the Bank of England as a set-off against pre-war debts. Further payments on the same account have been made during the past year, and we thought it appropriate that they should now appear more prominently in the balance-sheet, in view of the fact that the advances from the Bank of England under the Government Scheme of 1914 are due for repayment in August next. We understand that the Bank of England is prepared to give favourable consideration to applications for the extension of the time for re-

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payment, but, as stated in the report, we could, if the necessity arose and we were called upon to do so, liquidate all our indebtedness to the bank to-day.

Investments amount to £259,877, of which British Government securities account for £218,359. It will be remembered that during the last few years our investments in British Government securities have been taken at cost, whereas market values were considerably lower, especially at the end of 1920. They now appear in the balance-sheet at or below market prices on December 31st, since which date they have appreciated. Current accounts and other securities are in the main the contra to our liabilities under acceptances on the other side, and it is here that we have made provision for bad and doubtful accounts by the transfer of £70,000 from reserve fund.

RESULTS OF YEAR'S WORKING.

The results of the year's working show a net profit of £18,894, an increase of rather more than £1,000 as compared with the previous year, which is more than accounted for by a reduction of about £1,500 in expenses. We paid an interim dividend of 3s per share in July, and we now recommend a final dividend of 5s per share, making a total distribution for the year of 4 per cent. and leaving £20,739 to be carried forward.

Bearing in mind the very difficult conditions which have ruled throughout the year, and the burden of the pre-war debts which still remain unsettled, I hope the shareholders will agree that the results are not unsatisfactory. Conditions are not quite so bad as they were a few months ago, but I am afraid that is the best that can be said at the moment. A return to anything like normal conditions is not even within sight, and cannot be expected so long as some hundreds of millions of people in Eastern and South-Eastern Europe are, for all practical purposes, out of the world's markets. In the meantime let us console ourselves with the reflection that there has been some improvement, and that we have left the worst of the depression behind us.

The resolution was carried, and the usual formal business having been transacted the proceedings terminated.

THE BRITISH INVESTMENT TRUST, LIMITED.

A SATISFACTORY YEAR.

EXCHANGES AND TAXATION.

The thirty-third annual general meeting of the British Investment Trust, Limited, was held in the Princes Street Station Hotel, Edinburgh, on Monday, February 6th, Mr John Cowan, W.S., chairman of the company, presiding.

The secretary having read the notice convening the meeting and the auditors' report,

The Chairman said: I do not think I need go into details of the report which has been before you for some time. It is as good as we can expect in these times. I propose to move the adoption of the report and the following motion, and to ask Mr Fleming to second the resolution and make some remarks about the report. I beg to move: "That the report and accounts for the year ending January 1, 1922, as audited and circulated among the shareholders, be adopted, and that the following dividends be declared—namely, a final dividend of £2 10s per cent., to be paid, less income-tax, on £1,200,000 preferred stock (making, with the interim dividend, £5 per cent. for the year), and a final dividend of £8 10s per cent., to be paid, less income-tax, on £800,000 deferred stock (making, with the interim dividend, £15 per cent. for the year)."

REVENUE AND CAPITAL.

Mr Robert Fleming, in seconding the motion, said: Any remarks on the annual report of the directors of an investment trust—if one is not to expand on national and international financial conditions as to which the Press has of late provided enough mental pabulum, especially in the speeches of the leading London bankers—must run in the usual lines:—The revenue and the capital of the trust: How they stand.

Well, as to capital; the chief change for the year is in its geographical distribution—the further selling of United States securities and their reinvestment in securities on this side of the Atlantic, mainly of a preferential character. During the year we have further reduced our holdings in America by £243,461. We expect to continue in the same direction to a considerably further extent. New York prices during the year have risen very much,

and, had it not been that exchange had gone the other way, our total market value would have shown an increase. We must face the consideration of both elements, of course.

EXCHANGE CONDITIONS.

A year ago I felt fairly confident that bond prices in New York would improve, but I did not anticipate that exchange would rise as much as it has done during 1921. Taking the whole 312 securities together, and taking the New York exchange of January 1st, the market value is practically the same as a year ago. I hope it may prove that we have got to the end of the down grade. But whether we have or have not does not matter so very much. It always will be going up or down.

As you know, the main thing is the divisible revenue which these securities yield. A year ago I said it would probably be less for 1921 than for 1920. I was wrong. It is this year, deducting corporation tax from each year, a little more for 1921, viz., £2,761 more. But I am not inclined to do more than postpone the date for some falling off. The ½ per cent. from the Government on deposited securities has stopped, and exchange will probably not be as favourable as the average of 1921.

DISTRIBUTION OF RISKS.

Besides these elements, I do not see how we can expect to go through 1922, with trade the world over as it now is, without being hit here and there. One of the main objects of the trust was distribution of risks and the comparative steadiness of income that results. The directors might have adjusted receipts quite legitimately so as to increase that steadiness, but they have preferred that each year should show the actual cash receipts of that year, knowing that we must look for variation from year to year.

THE FUTURE.

All this does not mean that we do not expect to have a fair surplus for 1922 over the 15 per cent. dividend, but it will not reach the surplus of 6 per cent. or more which we have had during each of the last two years, thanks largely to profit on exchange. That is my personal view, but I hope I may be wrong in it as I was in my estimate for 1921. I am quite sure the directors will do what they can to put me in the wrong, and I will co-operate myself.

THE CORPORATION TAX.

As you see from the accounts, the corporation tax has taken away nearly the equivalent of 1 per cent. dividend. If there is to be

any reduction in taxation, it should begin with the abolition of that tax. Corporations, as a class, are the most active industrial, commercial, and financial forces of the country, and that they should be specially singled out for a super income-tax is as unwise in policy as it is unfair in its methods of application.

Gentlemen, with these remarks I beg to second the motion which has been made by the chairman.

The resolution was carried unanimously, and after the re-election of the auditor the meeting closed with a vote of thanks to the chairman.

STERLING TRUST, LIMITED.

TRUST'S AMERICAN RAILWAY INVESTMENTS.

The fifth ordinary general meeting of the Sterling Trust, Limited, was held, on the 7th instant, at Winchester House, London, Baron Emile B. d'Erlanger presiding.

The Chairman, in moving the adoption of the report and accounts, after apologising for the absence of Mr Fleming and Mr Macrae, said that the Sterling Trust differed from the usual company of the kind, because about two-thirds only of their total investments were spread over the wide field that a trust company generally strove for, the remaining one-third being represented by American Railroad holdings which descended to them from the company under its old name. This fact was brought home to them by the results for the past year, which showed a considerably reduced income as compared with that of the previous year. After the close of 1920 the position and outlook in America were such that the boards of the railroads in which the trust was interested decided that they had no option but to conserve their resources and defer for later consideration the question of dividends, which, if then paid as usual, would have formed part of the income of the trust for 1921.

POSITION DURING 1921.

For the six months January to June, 1921, conditions were so bad and expenses so high that the railroads were at one stage failing to earn these expenses and the fixed charges, with the result that any interim dividends for that six months seemed out of the question, and a further deficiency in the income of the trust for the year became a probability. Dividends from these sources in 1920 amounted to some £50,000, and it appeared in the circumstances that this receipt for 1921 would be entirely absent. In the latter part of 1921, however, an improvement was perceptible, and

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+ BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.
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a steady reduction in expenses month by month became apparent. Net earnings were such, and the situation had so improved in November and December, that the railroad boards found it possible to release funds sufficient to pay dividends for the second half of 1920 on the common stock of the Alabama and Vicksburg and the preferred stock of the Vicksburg, Shreveport and Pacific, and almost immediately afterwards to pay a half-year's dividend on the former in respect of 1921.

In consequence the trust received during 1921 these three dividends, amounting to some £23,000, in mitigation of the expected deficiency of £50,000. It was a little difficult to express an opinion as to the prospect of receipts from these railroads during the current year, but, as far as could be foreseen, the trust would certainly do no worse than they had done in 1921, and there was reasonable prospect of their doing better. What he had said with regard to the American dividends explained a reduction of some £27,000 in their income for the year from that source, and this amount, as a matter of fact, represented very nearly the aggregate decrease in their income from all sources, apart from tax adjustments of one sort or another, thus indicating that, in spite of reductions arising in consequence of the improvement in exchange and the non-receipt of dividends from a number of companies which, owing to depression and bad trade, were either unable to release the necessary funds or had not even made the necessary profit, their aggregate income from sources other than the railroads was practically maintained. The actual figures of the revenue account showed a decrease only of £23,257, the difference between this and the £27,000 mentioned being accounted for by the tax adjustments referred to. In the balance-sheet their investments stood at £3,897,192, after deducting contingent fund, which included profits on sales of securities, and so on.

RESULTS OF VALUATION.

A valuation at December 31, 1921, taking, as last year, the Alabama and Vicksburg and Vicksburg, Shreveport and Pacific holdings at their book value, showed a depreciation of 5½ per cent., or £221,197, against which they had the reserve fund of £100,000, leaving a balance of £121,197. Last year he had to refer to a depreciation of 7½ per cent., or £200,000, after allowing for the reserve fund of £100,000, so it would be seen that some considerable part of the improvement then anticipated had already taken place. Apart from the American railways and British Government securities, over 27 per cent. of the investments were represented by bonds, debentures, debenture stocks and notes; and, if Government securities were added, the percentage was increased to over 54 per cent. Their American railway holdings represented over 30 per cent. of the investments. As regarded the revenue account balance of £76,396, the directors were proposing a dividend of 6 per cent. on the consolidated stock, the same as last year, carrying forward £23,896, which he hoped would be acceptable to the stockholders.

Mr John Varley seconded the resolution, which was carried unanimously.

The retiring director (Mr John Varley) was reappointed, as also were the auditors (Messrs Price, Waterhouse and Co.).

The proceedings then terminated.

DUNLOP RUBBER COMPANY, LIMITED.

YEAR'S RESULTS—CAUSES FOR LOSS.

CHAIRMAN OPTIMISTIC OF THE FUTURE.

The twenty-third ordinary general meeting of the members of the Dunlop Rubber Company, Limited, was held, at the Hotel Cecil, Strand, London, on the 10th instant, Mr F. A. Szarvasy presiding.

The Chairman, in the course of moving the adoption of the report and accounts, said: It has fallen to my lot to present to you both the best and the worst balance-sheet in the history of your company, and whilst your present board can neither take the credit for the one nor, indeed, the blame for the other, I can confidently say, based on a close study of your company's affairs now extending over nearly 16 months, that given reasonable care in the management of the business, it is inconceivable that such a disastrous report should again be presented; while, on the other hand, granted a general restoration of the world's trade and continued development of road traction, there does not seem to be any reason why the substantial profits earned by the company in the past should not be reached again.

It would be idle for me to conceal the fact that the past 12 months have been full of anxiety and difficulty. The truly appalling loss which is shown as a result of the past year's operation—arising from those obligations, to which I referred in my speech last year, having come to maturity subsequently in a period of worse depression than could possibly have been foreseen—must not in fairness be attributed to that year's trading; far less can it be taken as an index of the company's prospects as a whole; it is due in the main, as is pointed out in the directors' report, to the

unprecedented depreciation in the stocks of raw materials carried by the company and contracted for in 1919-20 for a period of years in advance.

I have no reason to vary what I said to you last year, viz., that the policy of over-expansion adopted by the company in 1918, 1919, and 1920 was a serious error of judgment, but I think the time has now arrived to look into these matters a little further. No responsibility is disclaimed by the permanent officials for the adoption of that policy so far as a share of the responsibility can properly be attributed to them; but you must bear in mind that the business policy of a company is dictated by its board as a whole.

Those of you who listened to my remarks a year ago will remember that I outlined the position of the company as it then appeared to me, which was that hard upon a record year's trading an utter collapse of trade followed, which left the company high and dry with colossal stocks and large capital commitments without adequate provisions for finance. Our first duty, therefore, was to provide the necessary funds to enable the company to continue its trade undisturbed, and this was accomplished by the issue of £3,000,000 debentures, and by the provision of adequate banking facilities. The Dunlop Company has met all commitments promptly and without a moment's delay, and has thus maintained its credit unimpaired.

Our next task lay in curtailing the widely extended and much varied activities of the company. This must necessarily be a slow process if it is to be done without inflicting permanent injury to the organisation and prospects of the business; it is not yet completed, but is gradually being proceeded with. Under this head come also matters regarding the internal reorganisation of the company, effecting of economies in all directions, and a general harmonising of all departments.

REMUNERATION OF BOARD CURTAILED.

The remuneration of the new board (I am not alluding to the ex-officio members) was cut a year ago by 64 per cent., as compared with that of the old board, and your managing director, Mr Rergin, had already sacrificed 70 per cent. of an amount of commission due to him for past services, and other important officials of the company also freely consented to substantial reductions in their remuneration with a view to assisting the company through these difficult times.

The third problem was to retain for the Dunlop Company that premier position in the trade which it has always occupied, and which was so much in danger through the affairs of the company having been freely discussed in public.

We have proceeded far in all these directions, but I cannot say that we are as yet absolutely satisfied that we have accomplished everything we set out to do. I trust, however, that by the end of our next financial year we shall be in a position to say to you that all is safe and sound, and that, granted a revival in trade conditions generally, you need have no fear of the future.

The Chairman then dealt with the accounts in detail, and analysed the position of each of the subsidiary companies. In the course of his remarks he said that stocks, &c., stood at £2,900,000, and showed a reduction of £1,500,000, as compared with last year, but the stocks of raw materials this year were far greater in quantity than last year, so that this reduction was no real indication of the heavy writing down which took place. In the item of stock is to be found the explanation of the losses which the company has suffered. The company had, in spite of the greatest difficulties, made a trading profit which, in itself, was satisfactory. The position of the company on January 31st last, five months after the date of the balance-sheet, was only altered so far as the bank loan was concerned, by an increase of about £1,000,000, and, on the other hand, the investment in the American company was up by about £560,000; the balance of £440,000 was accounted for mainly by additions to freehold land and buildings contracted for some two years since, and payments for raw materials.

PROSPECTS.

The Chairman continued: I know you will naturally expect me to say a few words as to the future, but though I am reluctant to indulge in prophecy, I think I can make a few observations which will help you to form your own opinion as to the prospects of this great undertaking.

You know that you have first-class works capable of cheap and economical production. Your management assure me that all the manufacturing difficulties incident to the starting of new works and the production of new models have now been overcome; and that the quality of the new Dunlop cord tyres is beyond reproach. What the user thinks he has expressed, and that in very definite terms. During the last few months the company has received most gratifying testimony to the merits of the Dunlop cord tyre from the great leaders of the British motor industry—and others prominent in the motor world—as those of you who have followed our publicity will have observed.

You possess magnificent cotton mills and fine rubber estates,

and though both rubber and cotton may be under a cloud just now, in the long run these two assets will ensure to you the raw materials at lowest market prices. Then you have a sales organisation all over the world which should find the best market for Dunlop tyres.

Starting with these advantages, backed by capable management and a proper policy dictated by your board, and raw materials written down to a conservative figure, I think you will probably agree that the company is in a strong position to meet competition, and that, granted any reasonable revival in trade, it can look forward with confidence to an early restoration of its earning power.

During the last eight months we have worked out and put into practice a completely new costing system, and we are now able to gauge the profit or loss on trading much more quickly. I am glad to say the results of the first three months' trading are encouraging.

QUESTION OF DIVIDENDS.

Now that you are fully conversant with the accounts, the value of your assets, and as far as is possible, with the future prospects of the company, it is obvious that what must be most prominent in your minds is the question of dividends. But how can dividends be distributed so long as a debit balance so formidable is obstructing the way? This naturally brings me to the question as to whether a re-organisation of the company's capital should be undertaken, and if so, on what lines, and when.

Your board has given very careful consideration to this question, and is of the unanimous opinion that to attempt a reorganisation at the present moment, based on the balance-sheet which is before you, would neither be right nor fair, nor indeed possible, and that therefore the question of a rearrangement of the capital account must be left over to such a time, not necessarily very far distant, when it can be carried through with a more certain knowledge of future prospects, and a better understanding of the value of the assets with which we have to deal.

REORGANISATION OF CAPITAL.

The necessity for reorganisation of capital can be viewed from various angles; and according to the view taken and the particular circumstances which may prevail, the advisability or otherwise of such a measure must be decided. There are companies which are brought into being at a time of inflation, or which have passed through the hands of the promoter, and see the light with a balance-sheet representing assets obviously not worth the capital which figures against them. Such companies at their very inception have the hall-mark of reconstruction stamped on them. Other companies, whose capital account is in perfectly good shape, may make heavy losses on stocks, but these losses may be of a temporary nature only, and thus only represent abnormal and temporary depressions in trade conditions. There is a hope, therefore, in such a case, that with the re-establishment of normal conditions, the capital account will right itself. Again, there is the company whose assets stand at a normal figure when the reserves against them are considered, but become inflated during a period of an exceptional trade boom through the distribution of such reserves by way of bonus shares. In this case, as values again reach normal, and the period of deflation is progressing, the capital account should be readjusted, unless, of course, exceptionally large trading profits justify such a permanently increased capitalisation. A wise management provides against contingencies in such a case by putting a large proportion of the profits to reserve, and restricting distributions of dividends until the proper balance is once more re-established.

I cannot say that the problem we are faced with in the Dunlop Company comes, strictly speaking, under any one of the foregoing categories, but of necessity it represents a combination of nearly all of them, and the question, therefore, of reconstruction must be considered with exceptional care. I doubt whether it is possible to come to any well-balanced decision unless world conditions in general are also taken into account. What, then, are these conditions to-day? Surely values all over the world have changed completely during the last 18 months, and all standards—including the very standard which is accepted as measure of values, viz., gold—have changed.

Everything is still in the melting pot, therefore to-day's values of commodities cannot in fairness be taken as a measure or standard in justification of a permanent rearrangement of a company's capital. It is quite possible that commodity values will experience a further fall; it seems almost certain that wages and salaries, as a measure of services, will also come down concurrently with a reduction in the cost of living, and an increase in the purchasing power of money as in turn expressed in goods and services, so that a further period of probably six to eight months should elapse during which it will be possible to more closely gauge the ultimate level upon which values are likely to settle down, or when they might show a little more stability, before recommendations are made for a permanent rearrangement of

your capital which a reorganisation would involve. We have therefore come to the conclusion to advise you to wait until the balance-sheet at August 31st next is available before you ask us to put before you any scheme of reorganisation.

COMPANY'S ASSETS.

I think that the properties of the company (apart, of course, from the American investment, which presents special features with which I have already dealt) represent as a whole fair values at the figures at which they stand in the books, if regarded in the light of a valuation as a going concern, which is the more justified by the brighter prospects and possible good profits later on, when conditions once more turn to normal. Sufficient time has not yet elapsed since the big "collapse" occurred in the fortunes of your company, and we are not yet near enough to normal condition, in which, with a complete rearrangement of the internal organisation, which is now in process, the real earning power of your company can make itself felt. In the opinion of your board, as I have already said, a reorganisation of the Dunlop Company's capital should only take place when the value of all your assets can be ascertained with a fair amount of certainty, and when the prospects of all the subsidiary and allied undertakings can be properly gauged, and world conditions are more settled and the reorganisation of your internal affairs is complete. I do not hesitate to say that time has not yet arrived, and therefore we have presented no scheme of reorganisation to-day.

QUESTION OF CRITICISM.

Before I resume my seat there is one further matter in some sense personal to the board to which I wish to refer. It is not unnatural that such a report as it has been our duty to present to this meeting should occasion more than the usual criticism. It would be remarkable if it were otherwise, but I regret that recently criticism has reached me which not only affects those responsible for the management in past years, but even extends much further. I am not prepared, nor do I think it would be wise to discuss the various matters which have formed the subject of this criticism, but I think, as a result of my further experience during the last twelve months in the conduct of the company's business, and here I speak for the whole board, that it is in the interest of the company, as well as of the shareholders, that all questions of doubt should be either brought to the light of day or else buried once and for all.

INDEPENDENT INVESTIGATION.

Having carefully considered the matter, I would strongly urge that some eminent accountant, such as Mr William Cash, Sir William Plender, or Sir Arthur Whinney, should be invited to undertake this investigation. All of these gentlemen are entirely independent. The matter has not been mentioned to them so far, but if one of them, or someone of equally high standing, will undertake it, I consider that the terms of reference should be of the widest, and that all information and documents should be placed before them for consideration, and that any shareholder should be permitted to suggest any subject fit for inquiry.

I want to feel that I have this meeting with me on that proposal. If it is your view that this inquiry should be conducted by one of these gentlemen, then the board will arrange the appointment, and you can, if you desire, appoint a committee of, say, three of your number to act with him. The result of the inquiry may, as I have said, produce tangible results, but in any case it would clear the air and dispose of rumours and gossip, which is harmful to the company.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 240,000,000.00
Deposits and Cheque Accounts
(31/5/21) - Fmk. 1,200,000,000.00

123 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

After considerable discussion, it was unanimously resolved that the report and accounts be received and adopted, on the terms only that the board should appoint an eminent accountant for the purpose of making an inquiry into the circumstances under which the present loss on trading of £8,320,000 had been incurred, and the present position of the company had been brought about, such investigation to be conducted with a small committee, consisting of Mr James M. Thompson, Sir Josiah Stamp and Mr F. Sobey.

S.T.D. MOTORS, LIMITED.

"IMPROVEMENT IN CONDITION OF MOTOR TRADE."

The sixteenth annual ordinary general meeting of S.T.D. Motors, Limited—formerly A. Darracq and Co. (1905), Limited—was held, on the 7th instant, at Winchester House, London, Mr James Todd, J.P., F.C.A., chairman of the company, presiding.

The Secretary (Mr A. A. Yeatman, F.C.A.) having read the notice convening the meeting and the report of the auditors,

The Chairman said that whilst the results shown for the past year were not what they all hoped for a year ago, he thought the shareholders would agree with him, after he had further explained some of the difficulties they had had to contend with, that they were, nevertheless, as satisfactory as could have been expected, having regard to the prolonged period of trade depression, unprecedented in the motor industry, through which they had passed. When they met 12 months ago, he pointed out that the board fully realised the extremely difficult period ahead of them, and they took every precaution which experience had taught them to meet the difficulties in front of them. He would not dwell on the extent of those difficulties, but he could assure them that they had passed through many months of extreme tension and anxiety, as for a long time it seemed impossible to judge as to when, if ever, the slump was going to end, but there was now reason to hope that the worst had passed, and they were now seeing a slow but certain improvement in the conditions of their trade.

The two concerns in which they held practically all the shares (whose activities were not solely confined to the motor industry, namely, Messrs. Heenan and Froude, Limited, engineers, of Worcester and Manchester, and Messrs. Jonas Woodhead and Sons, Limited, spring makers, of Leeds) had had results during the past year—despite the general trade depression prevailing—which were satisfactory, and with the orders already on their books, they were looking forward to the continuation of a satisfactory year's trading.

Their company always carried a large stock, which was necessary to maintain their output. Thus stock stood at the aggregate value of over £1,000,000 at the stocktaking in August, 1920, and when it was considered that the depreciation necessary to be written off in order to arrive at the now existing values amounted to over £200,000, it would be seen from those figures that it was hardly possible to show a net profit under the circumstances. Sales in France were also in excess of anything previously experienced. The larger the demand the more necessity there was to conserve their resources in order to finance the huge programme of manufacture which they had embarked upon.

The report and accounts were unanimously adopted.

HOME AND COLONIAL STORES, LIMITED.

RECORD RESULTS.

The twenty-seventh ordinary general meeting of the Home and Colonial Stores, Limited, was held, on the 9th inst., at the offices, 2 and 4 Paul street, Finsbury, London. Sir Charles E. G. Philipps, Bart. (the chairman), presided.

The secretary (Mr George J. Faro) read the notice convening the meeting.

The Chairman said that it was particularly gratifying to the directors to present a report of such a satisfactory nature as that now submitted, marking, as it did, a further improvement on the results of any previous year in the history of the company. The net profit for the year was £309,875, and with the amount of £31,643 brought forward from the previous account, there was a total available of £341,518. They had placed to reserve, as usual, 10 per cent. of the net profits, namely, £30,987, and the reserve fund now stood at the substantial figure of £532,689. They recommended the payment of a final dividend of 1s 9d per share on the 400,000 ordinary shares, making, with the interim dividend, 15 per cent. for the year, and also a special bonus of 2s per share. They were adding £10,000 to the benevolent fund and setting aside £25,000 to provide for income-tax, leaving £46,531 to be carried forward. It was a matter for congratulation that the valuation which had been made of the company's plant, machinery, fixtures, fittings, and freehold and leasehold properties largely exceeded the present book values. It was not proposed to utilise the excess either as capitalisation or in payment of dividends on the share capital, as the weight of legal opinion was against either method,

but by writing down the item of goodwill. According to the *Times* review of the year, food prices fell from 178 per cent. to 95 per cent. above the pre-war level. In a business such as theirs, with nearly a thousand branches, each branch of necessity carried a certain amount of the various commodities they sold, which, at a minimum, must in the aggregate amount to a very considerable item. Taking these conditions by themselves, falling markets were not calculated to benefit the shareholders, especially as the directors had never departed from their policy of giving to the company's customers the full and immediate benefit of any fall in prices. But it was just by means, and as a result, of that policy, coupled with the high standard of quality which characterised the goods sold by the company, that they had attracted an ever-increasing number of customers, with the further result that they were able to record a large increase in the volume of their trade and, as a direct consequence, a satisfactory increase in the profit realised.

Mr T. W. Davidson seconded the resolution, which was carried unanimously.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1921-22. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1921, to Feb. 4, 1922.	Total Receipts into the Exchequer from Apr. 1, 1921, to Feb. 5, 1922.	Week Ended Feb. 4, 1922.	Week Ended Feb. 5, 1922.
Balances in Exchequer on 1st April:—					
Bank of England.....	2,591,051	7,158,773	7,158,773	..	..
Bank of Ireland.....	483,455	5,203,394	5,203,394	..	..
REVENUE.....	3,074,508	9,362,097	9,362,097	..	..
Customs.....	136,800,000	111,105,000	113,785,000	2,174,000	1,930,000
Excise.....	196,200,000	156,075,000	167,190,000	1,415,000	1,585,000
Motor Vehicle Duties ..	9,000,000	9,531,000	9,531,000	3,115,000	..
Stamps.....	48,000,000	42,028,000	39,971,000	1,101,000	729,000
Land Tax.....	21,000,000	13,445,000	21,139,000	40,000	98,000
House Duty.....	2,500,000	1,260,000	1,270,000	170,000	170,000
Property and Income Tax (including Super-Tax & Mineral Rights Duty)	410,500,000	236,797,000	227,368,000	17,116,000	20,997,000
Excess Profits Duties, &c.	120,000,000	29,714,000	183,115,000	4,692,000	..
Corporation Profits Tax	30,000,000	13,020,000	..	643,000	..
Post Office.....	60,000,000	45,250,000	40,450,000	1,250,000	1,000,000
Crown Lands.....	650,000	670,000	560,000	..	..
Loans.....	12,000,000	10,958,875	19,558,740	66,588	..
Miscellaneous.....	21,500,000	20,494,481	20,553,249	550,000	490,698
Ordinary Receipts.....	158,500,000	118,914,009	215,660,714	7,608,394	654,573
Special Receipts.....	1,216,650,000	819,272,365	1,050,620,703	35,248,982	32,356,871
Revenue.....	..	822,346,871	1,059,989,800	..	..
Total, Inc. Balance ..	..	..	..	..	..
OTHER RECEIPTS.....	..	..	..	..	..
Temporary Advances Repaid:—	..	..	..	..	..
Bullion.....	..	8,530,000	4,220,000	400,000	150,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	..	520,000	..	..	..
Money Raised by Creation of Debts:—	..	..	..	..	..
(a) For Capital Expenditure Issues:—	..	..	..	..	..
Under the Telegraph (Money) Act, 1913.....	..	5,561,474	4,000,000	..	..
Under the Post Office (London) Railway Act, 1913.....	..	27,500	115,000	..	..
Under the Housing Act, 1914.....	..	50,000	30,000	..	..
Under the Unemployment Insurance Act, 1921.....	..	9,540,000	..	1,940,000	..
(b) For other Issues:—	..	..	..	..	..
By Treasury Bills for Supply ..	..	3,340,434,000	3,558,475,000	42,086,000	73,538,000
By 4% Funding Loan, 1920-21.....	..	..	270,552	..	..
By 4% Victory Bonds.....	..	..	769,061	..	..
By 5% Exchequer Bonds, 1925.....	..	..	266,784	..	..
By National Savings Certificates.....	..	..	..	..	..
Under the War Loan Act, 1914-1919.....	..	..	20,760,794	..	..
Under the Finance Act, 1920.....	..	40,430,000	14,020,000	2,050,000	950,000
By National War Bonds.....	..	..	..	..	..
By Treasury Bonds:—	..	..	..	..	..
5-15 year, 1925-35.....	..	1,062,317	30,323,150	..	355,000
5%.....	..	283,435,611	..	..	..
5%.....	..	4,415,000	..	3,245,000	1,509,314
By Other Debt created under the War Loan Act, 1914 to 1919.....	..	10,961,454	43,781,850	..	..
(d) Ways and Means Advances.....	..	1,164,546,000	1,219,512,000	49,700,000	27,050,000
Anglo-Persian Oil Company—	..	..	..	..	..
Dividends on Shares acquired	..	5,010	4,996	..	..
Repayments:—	..	..	..	..	..
In respect of Suez Canal Drawn Shares.....	..	7,111	7,853	7,111	7,853
Do Channel Loan.....	..	130,000	130,000	..	..
Do East African Protectorate Loan.....	..	127,268	5,940	..	..
Do Issues under Civil Contingencies Fund Act, 1915.....	..	7,350,000	..	..	..
Do Issues under Land Settlement (Facilities) Act, 1913.....	..	51,617	13,770	6,183	3,073
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	13,490,950	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	426,340	..	..	..
Total.....	..	5,713,518,346	5,946,354,386	134,682,376	135,518,511

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1921-22, including Supplementary Grants.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1921, to Feb. 4, 1922.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1921, to Feb. 5, 1922.	Week Ended Feb. 4, 1922.	Week Ended Feb. 5, 1922.
EXPENDITURE.....	..	..	..	..	..
Permanent Charge of Debt.....	24,500,000	22,366,149	18,356,398	8,000,000	1,231,034
Interest, &c., on War Debt.....	320,500,000	276,032,668	287,473,729	6,456,987	7,110,914
Road Fund.....	8,400,000	5,282,000	2,966,689	..	..
Payments to Local Taxation Accounts, &c.....	11,115,000	7,461,982	7,107,928	269,746	10,380
Payments to Northern Irish Exchequer.....	..	650,000	5,973,573	11,830	215,020
Land Settlement.....	5,000,000	2,425,521	..	..	..
Other Consolidated Fund Services.....	1,757,000	1,744,353	1,671,138	58,252	59,212
Supply Services.....	774,851,000	556,930,746	622,194,319	12,633,138	10,236,571
Expenditure.....	1,146,123,000	872,893,419	945,743,774	27,429,953	18,863,131
OTHER ISSUES.....	..	..	..	..	..
Temporary Advances:—	..	8,750,000	4,250,000	300,000	150,000
Bullion.....	..	..	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	..	10,660,000	..	600,000	..
Issues to Meet Capital Expenditure:—	..	..	..	..	..
Under the Telegraph (Money) Act, 1913 and 1921.....	..	5,561,474	4,700,000	..	..
Under the Post Office (London) Railway Act, 1913.....	..	27,500	144,000	..	..
Under the Housing Act, 1914.....	..	50,000	38,500	..	..
Redemption of Unfunded Debt:—	..	..	..	..	..
Treasury Bills for Supply ..	..	3,447,796,000	3,529,664,000	68,595,000	84,960,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917.....	..	29,345,200	58,936,542	501,883	1,532,673
Principal of National Savings Certificates:—	..	..	..	..	..
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920.....	..	16,850,000	26,650,000	750,000	550,000
(b) Repaid otherwise.....	..	10,400,000	..	..	..
Principal of Exchequer Bonds paid off 5% 1921.....	..	42,781,133	27,416,808	23,818,313	150,000
5% 1922, £31,818,313; less: paid off by the National Debt Commissioners, £8,000,000. 23,818,313	..	..	..	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	..	57,162,123	79,568,027	..	7,475,169
Principal of American Loan under the American Loan Act, 1915.....	..	..	59,229,221	..	..
Ways and Means Advances Repaid	..	1,165,520,000	1,175,327,000	12,050,000	19,800,000
Depreciation Fund, under the Finance Act, 1917.....	..	25,940,201	25,440,201	500,000	500,000
Issues to National Debt Commissioners to Reduce Debt:—	..	..	..	..	..
Channel Loan Repayments.....	..	130,000	130,000	..	..
East Africa Protectorate Loan Repayments.....	..	127,268	5,940	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	..	15,390,000	4,425,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	..	212,450	257,766	..	750,000
Balances in Exchequer:—	..	..	..	..	..
Bank of England.....	..	5,709,766,586	5,942,096,597	134,545,149	134,730,973
Bank of Ireland.....	..	1,990,775	1,998,243	341,766	258,887
Bank of Ireland.....	..	1,760,985	2,763,528	478,893	925,651
Total.....	..	3,751,760	4,761,771	137,127	1,188,538

NOTE.—Budget Estimate as in House of Commons, Paper No. 89 of 1921.

Treasury, February 6, 1922.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to Bankers.	Savings Banks.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
1914.....	£ 21,535	£ 6,302	£ 3,810	£ 18,500	£ 18,500	£ 18,500	48.1	9,924	11,423
Aug. 26.....	38,478	169	600	249	28,500	28,500	27.6	5,621	20,536
Dec. 29.....	103,125	729	159	64	28,500	28,500	19.0	118,102	6,868
1915.....	150,144	2,430	64	675	28,500	28,500	13.4	186,637	5,486
Dec. 27.....	212,782	8,554	39	675	28,500	28,500	8.9	305,133	4,566
1916.....	323,241	15,529	..	570	28,500	28,500	9.1	337,537	2,802
Dec. 31.....	356,152	17,182	250	245	28,500	28,500	11.7	331,680	305
1917.....	357,626	16,962	..	190	28,500	28,500	13.0	336,504	134
June 30.....	343,826	15,599	..	..	28,500	28,500	13.9	311,334	141
Dec. 29.....	323,884	14,965	..	..	28,500	28,500	14.8	287,750	150
1918.....	314,362	14,830	..	..	28,500	28,500	15.2	278,119	143
Sept. 28.....	335,584	14,658	..	..	28,500	28,500	14.7	289,131	161
Dec. 1922.....	304,306	13,919	..	..	28,500	28,500	15.7	267,146	130
Feb. 2.....	304,163	13,657	..	..	28,500	28,500	15.7	266,753	137

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, and for 1922 at £309,988,400.

DEPRECIATION IN INDUSTRIAL INVESTMENTS

can best be covered by a Limited Payment Policy in the

SCOTTISH PROVIDENT INSTITUTION

HEAD OFFICE:

6, St. Andrew-square, Edinburgh.
London: 3, Lombard-street, E.C.3.
West End: 17, Pall Mall, S.W.1.

ACCUMULATED FUNDS - £17,000,000

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £25,000,000 in three months' Treasury Bills, dated from Monday to Saturday, Feb. 13th-Feb. 18th, were opened on Feb. 10th, 1922, and the total amount applied for was £41,440,000. Tenders for Tuesday bills at £99 5s 3d and above in full, and Monday and Wednesday to Saturday bills at £99 5s 0d, about 4 per cent., and above in full. The average rate of discount was £3 1s 0.77d per cent.

The following table shows Treasury Bills by tender outstanding:—

Date of Bills.	Amount Offered.	Amount Applied for.	Average Rate of Discount.	Rate for Additional Bills.
1922.	£	£	£ s d	
January 13	60,000,000	78,545,000	3 13 10.73	3 13 10.73
January 20	60,000,000	79,470,000	3 13 7.62	3 13 7.62
January 27	35,000,000	47,325,000	3 9 0.43	3 9 0.43
February 3	35,000,000	55,480,000	3 6 11.26	3 6 11.26
February 10	25,000,000	41,440,000	3 1 0.77	3 1 0.77

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances. January, 1922.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	London Joint City and Midland Bank, Limited.	London County Westm'r and Parr's Bank, Limited.	National Provin- cial and Union Bank of Eng'nd, Limited.	National Bank, Limited.	Willm's Deacons Bank, Limited.	Total
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ...	8,006	36,932	1,372	2,339	35,133	56,059	32,348	31,631	3,890	5,012	212,722
Balances with and cheques in course of collection on other banks in the United Kingdom	1,945	6,815	427	1,000	7,937	9,935	9,477	7,049	139	1,075	45,799
Items in transit	8,258	22,219	3,526	9,336	13,930	12,563	18,671	20,315	9,023	5,328	123,169
Money at call and short notice	9,421	83,078	2,809	561	96,909	75,648	102,602	62,543	3,156	6,025	442,752
Bills discounted	12,401	60,274	4,705	9,821	78,814	57,881	56,647	45,928	16,926	6,433	349,830
Investments	40,677	132,969	7,755	6,671	128,522	175,380	114,918	126,982	18,180	18,090	770,144
Advances to customers and other accounts Liabilities of customers for acceptances, endorsements, &c.	5,611	6,296	196	1,666	8,256	19,499	17,334	3,556	500	1,171	64,085
Bank premises account	1,394	4,599	346	370	4,590	4,942	3,933	3,891	560	649	25,274
Investments in affiliated banks	..	8,012	..	..	7,654	3,259	2,991	2,240	..	..	24,156
LIABILITIES.	87,713	361,194	21,136	31,764	381,745	415,166	358,921	304,135	52,374	43,783	2,057,931
Ratio of cash to current, deposit, and other accounts	10.21	11.15	7.09	8.22	10.06	14.99	9.99	11.20	8.38	12.64	11.36
Capital paid up	2,348	15,592	800	1,000	14,373	10,861	9,004	9,309	1,500	1,875	66,662
Reserve fund	1,400	8,250	800	500	10,000	10,861	9,004	8,878	980	1,100	51,773
Current, deposit, and other accounts	78,354	331,056	19,340	28,445	349,116	373,945	323,562	282,392	46,383	39,637	1,872,230
Acceptances, endorsements, &c.	5,611	6,296	196	1,666	8,256	19,499	17,334	3,556	500	1,171	64,085
Notes in circulation	..	..	..	..	..	..	..	..	..	..	153
Reduction of bank premises account	..	..	..	..	..	..	..	..	..	..	..
	87,713	361,194	21,136	31,764	381,745	415,166	358,921	304,135	52,374	43,783	2,057,931

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Depart- ment.	Reserve.	Ratio of Reserve to Liabilities.
1921.	£	£	£	£	£	%
Nov. 18.....	128,433,196	123,587,030	126,104,853	120,546,806	23,296,166	18.5
20.....	128,433,365	123,506,915	126,104,853	120,546,806	23,296,166	18.5
23.....	128,433,365	123,506,915	126,104,853	120,546,806	23,296,166	18.5
30.....	128,433,365	123,506,915	126,104,853	120,546,806	23,296,166	18.5
Dec. 7.....	128,433,365	123,506,915	126,104,853	120,546,806	23,296,166	18.5
14.....	128,433,365	123,506,915	126,104,853	120,546,806	23,296,166	18.5
21.....	128,433,365	123,506,915	126,104,853	120,546,806	23,296,166	18.5
28.....	128,433,365	123,506,915	126,104,853	120,546,806	23,296,166	18.5
1922.	£	£	£	£	£	%
Jan. 4.....	128,433,365	123,506,915	126,104,853	120,546,806	23,296,166	18.5
11.....	128,433,365	123,506,915	126,104,853	120,546,806	23,296,166	18.5
18.....	128,433,365	123,506,915	126,104,853	120,546,806	23,296,166	18.5
25.....	128,433,365	123,506,915	126,104,853	120,546,806	23,296,166	18.5
Feb. 1.....	128,433,365	123,506,915	126,104,853	120,546,806	23,296,166	18.5
8.....	128,433,365	123,506,915	126,104,853	120,546,806	23,296,166	18.5

TEN YEARS' RECORD.

At corresponding date with the present week.	Feb. 7, 1912.	May 27, 1914.	Feb. 11, 1920.	Feb. 9, 1921.	Feb. 8, 1922.
Circulation (excluding Bank post bills)	27,939,205	28,933,390	89,976,685	128,989,548	128,748,360
Public deposits	18,223,964	19,014,809	22,012,395	20,176,592	14,721,329
Other deposits	37,303,767	41,248,964	132,766,047	106,331,532	154,413,877
Government securities	14,870,184	11,046,570	53,947,714	50,202,016	82,223,688
Other securities	29,327,784	41,461,280	83,838,233	76,588,152	80,425,481
Reserve of notes and coin	29,402,701	25,463,980	34,650,588	17,743,539	24,531,605
Coin and bullion	38,891,906	36,947,360	106,027,343	128,283,084	128,748,360
Proportion of reserve to liabilities	53%	42%	22%	7%	14%
Bank rate of discount	3%	3%	6%	14%	3%
Market rate, 3 months' bills	3 1/2	3 1/2	5 1/2	4 1/2	3 1/2
Price of Consols	78 1/2	74 1/2	89 1/2	87 1/2	83 1/2
Price of silver per oz.	27 1/2	33 1/2	72 1/2	84 1/2	45 1/2
Average price of wheat	25 3/8	25 1/2	48 5/8	54 0/8	50 2/5
Exchanges	12 1/2	12 1/2	8 1/2	8 1/2	8 1/2
Clearing house return	310,819,000	199,913,000	824,972,000	692,869,000	711,407,000

BANKERS' CLEARING RETURNS.

Week Ending	Town Clearing.	Country Clearing.	Total.
1922.	£	£	£
January 1—February 1	3,267,256,000	257,962,000	3,525,218,000
February 2	647,958,000	63,449,000	711,407,000
Total to date 1922	3,915,214,000	321,411,000	4,236,625,000
Do 1921	3,820,112,000	428,020,000	4,248,132,000
Do 1920	3,504,000,000	849,000,000	4,353,000,000
Increase or decrease in 1922	2%	21%	0%
Total for 1921	31,928,380,000	3,302,179,000	34,930,559,000
Do 1920	34,946,683,000	4,072,200,000	39,018,883,000
Do 1919	30,183,303,000	1,070,041,000	31,253,344,000
Increase or decrease in 1921	8%	26%	10%

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Inc. or Dec.
Aggregate Totals to February 4.	£	£	%
BIRMINGHAM	19,331,000	12,078,700	- 37.5
BRIGHTON	8,656,000	7,499,000	- 13.3
DUBLIN	39,950,000	34,317,900	- 14.0
HULL	7,320,500	5,706,300	- 22.0
LEEDS	4,296,200	4,052,300	- 5.6
LIVERPOOL	61,925,600	41,777,700	- 32.5
MANCHESTER	92,804,100	74,446,000	- 19.7
NEWCASTLE-ON-TYNE	12,939,600	8,111,700	- 37.3
NOTTINGHAM	4,102,600	3,542,000	- 13.6
SHEFFIELD	8,747,900	4,929,100	- 43.6

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

(000's omitted.)

	Feb. 3, 1922.	Jan. 27, 1922.	Jan. 31, 1921.	Week's Movmt.
Total gold reserve	2,911,530	2,904,250	2,106,140	+ 7,280
Legal tender notes and silver reserve	149,990	154,610	213,940	+ 4,620
Bills discounted for member banks	837,820	850,170	2,456,480	- 15,360
Bills bought in open market	90,030	82,710	165,060	- 7,320
Government obligations owned	305,410	260,040	287,320	+ 55,370
All other resources	58,720	56,790	37,800	+ 1,930
LIABILITIES.				
Government deposits	114,740	95,920	52,140	+ 18,820
Other deposits	1,725,730	1,682,880	1,591,080	+ 42,850
Federal Reserve Notes in actual circulation	2,178,050	2,184,000	3,090,750	- 5,950
Federal Reserve Bank Notes in actual cir- culation	83,890	84,980	202,170	- 990
All other liabilities	15,190	15,290	28,310	- 100
Capital and surplus	318,690	318,470	302,180	+ 120
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	76.2%	77.2%	49.0%	+ 1.0%

STATEMENT OF CANADIAN BANKS.

	Sept. 30, 1921.	Oct. 31, 1921.	Oct. 31, 1920.
Assets.	£	£	£
Cash and bank balances	480,497,342	509,699,101	594,793,585
Bank balances abroad	74,325,335	69,886,192	82,446,915
Call and short loans	290,020,026	277,375,321	301,503,321
Securities	360,873,142	346,581,096	367,481,462
Loans in Canada	1,343,145,512	1,346,581,564	1,497,774,291
Loans abroad	151,489,861	156,518,933	193,749,857
Other assets	101,970,661	102,306,236	117,652,033
LIABILITIES.			
Note circulation	186,797,922	193,546,363	249,165,707
Deposits— Government	136,180,510	136,968,833	185,072,150
Public in Canada	1,798,271,304	1,816,974,475	1,958,927,532
Foreign	295,574,501	284,254,860	339,955,233
Bank balances— Canadian	12,577,625	11,561,996	15,377,431
Foreign	47,444,013	39,048,800	59,275,460
Bills payable and acceptances	33,073,315	33,504,339	57,183,917
Other liabilities	2,865,834	3,214,402	3,556,099
Capital and rest	264,334,153	264,338,629	257,682,757

BANK OF FRANCE.

(000's omitted.)

	Feb. 9, 1922.	Feb. 2, 1922.	Feb. 10, 1921.	Week's Movmt.	Position May 28, 1914.
Assets.	Francs.	Francs.	Francs.	Francs.	Francs.
Gold coin and bullion	5,524,965	5,524,830	5,502,269	+ 135	3,730,625
Of which held abroad	1,948,367	1,948,367	1,948,367	..	632,650
Silver coin and bullion	280,709	280,501	266,628	+ 278	237,775
Discounts and advances	4,772,740	5,122,138	5,652,558	- 349,398	..
LIABILITIES.					
Notes	36,704,223	36,606,704	38,272,306	+ 97,519	5,811,875
Government deposits	47,813	47,813	51,047	- 3,234	183,700
Private deposits	2,366,389	2,601,966	3,366,081	- 245,577	246,950

BANK OF SPAIN.

(000's omitted.)

	Feb. 4, 1922.	Jan. 28, 1922.	Jan. 21, 1922.	Feb. 5, 1921.	Week's Movement.	Position May 30, 1914.
Assets.	Pesetas.	Pesetas.	Pesetas.	Pesetas.	Pesetas.	Pesetas.
Gold	2,516,000	2,515,502	2,515,171	2,464,826	+ 498	521,775
Silver	628,608	631,216	628,338	578,976	+ 2,558	728,600
Loans and discounts	2,773,768	2,790,105	2,827,673	2,118,216	+ 16,337	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	..	344,475
Treasury bills	150,000	150,000	150,000	150,000	..	150,000
LIABILITIES.						
Circulation	4,224,887	4,200,877	4,239,714	4,320,523	+ 24,010	1,901,550
Deposits	1,635,242	1,092,815	1,090,516	1,144,285	- 29,291	477,500

NATIONAL BANK OF GREECE.

	Dec. 28, 1921.	Dec. 13, 1921.	Dec. 28, 1920.	Previous Return.	Last Year.
ASSETS.	Drachmæ.	Drachmæ.	Drachmæ.	Drachmæ.	Drachmæ.
Gold and balances abroad	1,365,935,474	1,371,160,713	1,389,094,297	5,230,239	- 23,163,823
Government loans and securities	2,171,155,856	2,170,115,354	1,165,111,225	+ 1,040,502	+ 10,604,463
Discounts and loans LIABILITIES.	706,539,792	687,446,212	652,383,734	+ 19,993,580	+ 54,156,058
Notes in circulation	2,130,045,606	2,121,177,700	1,491,915,839	+ 8,867,905	+ 638,129,766
Government deposits	154,015,466	152,116,879	185,347,715	+ 1,898,590	- 31,369,246
Private sight deposits	85,227,978	850,298,126	744,889,275	+ 24,929,652	+ 130,338,703
Private deposits at fixed dates	945,189,901	942,161,724	613,745,790	+ 3,028,177	+ 331,444,111

BANK OF FINLAND.

(000's omitted.)

Assets.	Dec. 31, 1921.	Dec. 31, 1921.	Dec. 31, 1921.	Movement.	Position
F. mk.	F. mk.	F. mk.	F. mk.		May 30, 1921.
Gold	42,625	42,625	42,625	..	35,091
Balance abroad and foreign bills	224,833	411,460	233,000	- 186,627	80,379
Finland and Foreign Government securities	838,621	891,168	1,065,487	+ 52,547	81,826
Discounts and loans	657,076	516,197	255,355	+ 140,879	106,151
LIABILITIES.					
Notes in circulation	1,356,108	1,346,366	1,341,042	+ 9,742	183,941
Deposits at notice	186,418	148,667	79,203	+ 37,751	21,226

BANK OF PORTUGAL.

(000's omitted.)

Assets.	Dec. 28, 1921.	Dec. 21, 1921.	Dec. 14, 1921.	Dec. 29, 1921.	Week's Movement.
Escudos.	Escudos.	Escudos.	Escudos.	Escudos.	
Coin and bullion	27,355	27,376	27,592	27,550	- 21
Of which gold	8,577	8,577	8,577	8,577	..
Balance abroad	13,057	14,080	14,647	9,844	- 1,023
Discounts	131,032	121,475	121,063	142,713	+ 9,557
Government loans	620,109	620,109	620,109	498,120	..
LIABILITIES.					
Notes in circulation	722,754	712,405	707,214	605,491	+ 10,349
Deposits	59,868	59,302	55,970	29,089	+ 564

NATIONAL BANK OF BULGARIA.

(000's omitted.)

Assets.	Nov. 14, 1921.	April 30, 1921.	Mar. 31, 1921.	Feb. 28, 1921.	Jan. 31, 1921.	Dec. 31, 1920.
Levs.	Levs.	Levs.	Levs.	Levs.	Levs.	Levs.
Gold	63,239	37,461	37,244	37,150	37,092	37,075
Silver	..	24,396	20,723	16,876	16,890	16,910
Treasury notes	..	216,700	244,535	258,899	263,735	268,671
Discounts	..	7,002	7,034	7,088	7,185	7,246
LIABILITIES.						
Notes in circulation	3,592,379	3,193,777	3,216,879	3,248,315	3,274,338	3,354,139
Deposits	..	1,426,138	1,361,737	1,367,468	1,329,258	1,236,438

POLISH NATIONAL BANK.

(000's omitted.)

Assets.	Dec. 31, 1921.	Nov. 30, 1921.	Oct. 31, 1921.	Sept. 30, 1921.	Month's Movement.
Polish Marks.	Polish Marks.	Polish Marks.	Polish Marks.	Polish Marks.	
Gold	24,900	22,500	20,200	19,400	+ 2,400
Silver	42,600	42,200	41,800	41,200	+ 400
Foreign coin	94,500	76,700	65,300	37,200	+ 17,800
Foreign banks	13,115,100	7,446,100	2,747,200	1,623,400	+ 5,669,000
Advances to the Govt.	221,000,000	214,000,000	198,500,000	178,000,000	+ 7,000,000
Private loans and discounts	24,624,400	29,491,400	21,551,800	16,115,800	+ 5,133,000
Other assets	27,145,600	25,137,200	19,813,200	18,120,200	+ 2,008,400
LIABILITIES.					
Notes in circulation	229,537,600	207,091,000	182,777,300	152,800,000	+ 22,508,500
Government accounts	28,440,100	34,484,800	30,255,500	23,764,000	+ 5,044,700
Other accounts	19,573,900	19,034,800	14,793,700	16,330,000	+ 532,100
Reserve	2,867,700	68,900	68,900	68,900	+ 2,798,800
Other liabilities	15,872,800	17,210,700	16,977,300	22,710,200	- 1,339,100

THE STATE SAVINGS AND CREDIT BANK OF LATVIA.

Assets.	December 16, 1921.	December 1, 1921.	November 16, 1921.	Fortnight's Movement.
Latvian Rbls.	Latvian Rbls.	Latvian Rbls.	Latvian Rbls.	
Total cash	120,445,955	123,118,634	91,198,494	- 2,672,779
Foreign bank	321,901,646	381,916,720	374,315,188	- 60,015,074
Discounts and loans	165,161,575	370,873,394	391,498,306	+ 205,711,819
Other assets	..	74,335,921	169,953,318	+ 212,471,192
LIABILITIES.				
Capital	286,808,113	300,000,000	300,000,000	..
Reserve	295,116,253	341,892,031	410,949,503	+ 46,775,838
Deposits	292,201,036	308,353,578	316,115,773	- 9,152,542
Other liabilities	..	..	..	..

BANK OF ESTHONIA.

Assets.	Nov. 30, 1921.	Oct. 31, 1921.	Dec. 31, 1920.	Monthly Movement.
E. Marks.	E. Marks.	E. Marks.	E. Marks.	
Total cash	342,493,106	307,255,714	66,743,339	+ 55,236,391
Discounts and loans	1,397,925,805	1,267,295,858	564,738,756	+ 130,629,946
LIABILITIES.				
Capital paid up	11,674,154	10,674,155	184,663	+ 1,000,000
Reserve	350,000,000	250,000,000	..	+ 100,000,000
Notes in circulation	1,021,017,110	976,595,597	565,448,243	+ 44,421,510
Deposits	..	..	..	..

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

Assets.	Jan. 23, 1922.	Jan. 15, 1922.	Jan. 8, 1922.	Dec. 31, 1921.	Week's Movement.
Cs. K.	Cs. K.	Cs. K.	Cs. K.	Cs. K.	
Liabilities of the Austro-Hungarian Bank to the Banking Office	10,096,681	10,096,681	9,522,580	10,096,681	- 281,489
Discounts and advances	3,515,227	3,796,716	4,001,182	4,078,390	- 405
Gold, silver, foreign bills and balance abroad	1,341,139	1,044,559	1,113,525	1,113,525	+ 296,580
Other assets	882,681	1,011,637	985,104	1,168,500	- 129,656
LIABILITIES.					
State notes in circulation	11,047,618	11,771,211	10,611,253	11,756,978	- 423,693
Deposits	2,191,071	1,978,422	1,697,064	2,181,905	+ 212,649
Other liabilities	2,597,039	2,499,367	2,400,551	2,518,213	- 97,979

* Resulting from bank notes, current accounts, Exchequer bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENEES.

(000's omitted.)

Assets.	Jan. 22, 1922.	Jan. 15, 1922.	Jan. 8, 1922.	Dec. 31, 1921.	Week's Movement.
Dinars.	Dinars.	Dinars.	Dinars.	Dinars.	
Gold	74,146	74,158	74,155	74,189	- 12
Other coin and notes	19,840	19,435	19,280	19,165	+ 405
Foreign credits	307,200	303,261	302,273	307,999	- 3,345
Bills	502,493	520,234	546,377	557,745	- 17,741
Govt. advances	4,418,407	4,418,407	4,418,406	4,418,214	..
LIABILITIES.					
Notes in circulation	4,593,827	4,642,665	4,667,034	4,688,464	- 48,838
State credits	334,273	334,273	334,273	334,273	..
Deposits	419,555	387,081	384,818	371,377	+ 32,674

LONDON RATES.

	Feb. 10, 1922.	Feb. 9, 1922.	Feb. 8, 1922.	Feb. 7, 1922.	Feb. 6, 1922.	Feb. 5, 1922.	Feb. 4, 1922.	Feb. 3, 1922.	Feb. 2, 1922.	Feb. 1, 1922.
Bank rate (reduced from 5½% Nov. 3, 1921)	5	5	5	5	5	5	5	5	5	5
Market rates of discount—										
3 months' bankers' drafts	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½
4 months' do	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½
6 months' do	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½
8 months' do	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½
Discount (Treasury Bills):—										
3 months'	3	3	3	3	3	3	3	3	3	3
Loans:—Day to day	3	3	3	3	3	3	3	3	3	3
Short	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½
Deposit allowances: Banks	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½
Discount houses at call	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½
At notice	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½

† Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

Comparison with the previous weeks:—									
	Short Loans.	Bank Bills.			Trade Bills.				
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.		
1921.	%	%	%	%	%	%	%	%	%
Nov. 25.....	5	5	5	5	5	5	5	5	5
Dec. 2.....	5	5	5	5	5	5	5	5	5
9.....	5	5	5	5	5	5	5	5	5
16.....	5	5	5	5	5	5	5	5	5
22.....	5	5	5	5	5	5	5	5	5
30.....	5	5	5	5	5	5	5	5	5
1922.									
Jan. 6.....	5	5	5	5	5	5	5	5	5
13.....	5	5	5	5	5	5	5	5	5
20.....	5	5	5	5	5	5	5	5	5
27.....	5	5	5	5	5	5	5	5	5
Feb. 3.....	5	5	5	5	5	5	5	5	5
10.....	5	5	5	5	5	5	5	5	5

IRISH BANKS' RATE.

	Present Rate.	Date Changed.	Previous Rate.	Date Changed.
Discount	2½	July 21, 1921	3	June 23, 1921
Deposit	2½	Nov. 4, 1921	3	June 23, 1921

OVERSEAS BANK RATES.

	Bank Rate.	Bank Rate.	Bank Rate.	Bank Rate.	Bank Rate.	Bank Rate.	Bank Rate.	Bank Rate.	Bank Rate.	Bank Rate.
Amsterdam	July 1, 1921	4½	Madrid	Nov. 4, 1920	5					
Athens	May 15, 1920	6½	Paris	July 28, 1921	5½					
Bahia	Dec. 23, 1921	6	Brussels	Aug. 15, 1921	5½					
Bombay	May 11, 1920	5	Buenos Aires	May 11, 1920	5					
Bucharest	Sept. 4, 1920	6	Sofia	June 14, 1919	6½					
Calcutta	Dec. 30, 1921	7	Stockholm	Oct. 19, 1921	5					
Christiana	Jan. 25, 1922	6	Swiss Bank	Aug. 11, 1921	5					
Copenhagen	Nov. 5, 1921	5½	placet	Nov. 18, 1919	7					
Helsingfors	Nov. 8, 1920	9	Tokio	Nov. 29, 1921	7					
Lisbon	Sept. 3, 1920	7	Vienna	Nov. 29, 1921	7					
New York	Nov. 2, 1921	4½	Warsaw	Sept. 1, 1921	7					

RATES OF EXCHANGE.

London on	Usance	Par.	Feb. 11, 1922.	Feb. 3, 1922.	Feb. 10, 1922.
Paris	francs to £1	T.T.	25-22½	53-63-68	51-45-50
Berlin	marks to £1	T.T.	20-43	228-231	875-881
Vienna	krone to £1	T.T.	24-03	1500-1550	1300-1400
Prague	krone to £1	T.T.	24-03	302-307	220-225
Warsaw	P. marks to £1	T.T.	20-43	2800-2950	13500-14500
Bucharest	lei to £1	T.T.	25-22½	282-287	590-600
Bombay	Rs. to £1	T.T.	24-02	110	573-593
Constantinople	liras to £1	T.T.	25-22½	325-350	630-660
Belgrade	dinas to £1	T.T.	25-22½	130-135	630
Amsterdam	florin to £1	T.T.	25-22½	11-59-61	11-59-61
Brussels	francs to £1	T.T.	25-22½	51-32-35	53-82-87
Stockholm	kroner to £1	T.T.	18-159	21-47-52	26-92-97
Copenhagen	kroner to £1	T.T.	18-159	20-80-85	16-82-85
Helsingfors	F. marks to £1	T.T.	25-22½	113-118	21-17-22
Greece	drachmas to £1	T.T.	25-22½	54-54½	96-97
Italy	lire to £1	T.T.	25-22½	106½-106½	82½-82½
Switzerland	francs to £1	T.T.	25-22½	23-88-93	21-98-22-03
Madrid	pesetas to £1	T.T.	25-22½	27-62-67	27-67-72
Lisbon	pence to escu.	T.T.	25-22½	68-68	4-4
Alexandria	piastres to £1	T.T.	25-22½	97½-97½	97½-97½
New York	dollars to £1	Cable	4-86½	3-89½-89½	4-30½
Montreal	dollars to £1	Cable	4-86½	4-42-43	4-42-43
Buenos Aires	pence to do.	T.T.	47-58½	49½-49½	45-45½
Rio de Janeiro	pence to do.	T.T.	47-58½	49½-49½	45-45½
Montevideo	pence to do.	T.T.	47-58½	49½-49½	45-45½
Valparaiso	pence to do.	T.T.	47-58½	49½-49½	45-45½

INDIAN CURRENCY RETURNS.
(In Lacs of Rupees.)

	Jan. 15, 1922.	Jan. 22, 1922.	Jan. 31, 1922.
Notes in circulation	17,291	17,287	17,440
Silver coin and bullion in India ..	7,335	7,332	7,484
Silver coin and bullion out of India ..	2,432	2,431	2,432
Gold coin and bullion in India ..	6,939	6,939	6,939
Gold coin and bullion out of India ..	585	585	585

The silver coinage during the week ending 31st ultimo amounted to 9 lacs of rupees. The stock in Shanghai on the 4th instant consisted of about 35,400,000 ounces in sycee, 22,000,000 dollars, and 1,320 silver bars, as compared with about 34,900,000 ounces in sycee, 22,000,000 dollars, and 840 silver bars on the 28th ultimo.

GOLD AND SILVER PRICES.

The price of gold and cash and forward prices of bar silver during this week and in previous years are as below:—

1922.	Gold.		Silver.		Date.	Silver.	
	Per Ounce.	Cash, Per Ounce.	Forward, Per Ounce.			Cash, Per Ounce.	
Feb. 4 ..	95 8	34½	34½		Feb. 17, 1916	d	
6 ..	95 5	34½	34½		16, 1917	38½	
7 ..	95 0	34½	34		15, 1918	42½	
8 ..	94 9	34½	33½		15, 1919	47½	
9 ..	95 1	34½	33½		13, 1920	84½	
10 ..	95 1	34½	33½		11, 1921	36½	

NOTICES.

The directors of the London Joint City and Midland Bank, Limited, announce that Mr Alexander H. Goschen has retired from the office of deputy-chairman, and that Mr Stanley Christopherson (director) has been elected a deputy-chairman in his stead. Mr Goschen retains his seat on the board. A new branch is being opened at 23 High street, Malmesbury, Wilts, under the management of Mr W. McClure.

The National Provincial and Union Bank of England has opened a branch at 4 and 5 South parade, Melton Mowbray, the resident officer being Mr A. W. Tattersall.

ANALYSIS OF BALANCE-SHEETS.

IMPERIAL TOBACCO COMPANY (OF GREAT BRITAIN AND IRELAND).

October 31, 1921.

LIABILITIES.		Compared with Oct. 31, 1920.	ASSETS.		Compared with Oct. 31, 1920.
Amount.	£		Amount.	£	
"A" cum. pref. shares ..	4,959,249	..	Land, &c.	4,190,642	+ 1,366,276
"B" non-cum. pref. shares ..	5,260,469	..	Goodwill, &c.	9,422,582	..
"C" 10% non-cum. pref. shares ..	2,638,218	..	Investments ..	5,538,319	+ 660,339
Ordinary ..	22,472,658	..	Stock in trade ..	32,721,996	+ 883,376
Creditors, &c.	10,547,072	+ 1,310,045	Debtors ..	6,142,604	..
Bills payable, &c.	2,000	..	Payments in advance ..	1,094,736	..
Prov. for pensions, &c.	1,410,368	+ 104,522	Bills receivable ..	265	..
Prem. on issue of ord. shares in 1920 ..	5,595,446	..	Investments ..	845,667	..
Gen. reserve ..	6,178,877	+ 500,000	loans, &c.	200,000	..
Profit and loss ..	4,317,752	+ 126,796	Corporation loans ..	3,223,298	+ 1,063,573
Total	63,380,109	+ 2,039,363	Total	63,380,109	+ 2,039,363

MAPLE AND CO.

December 31, 1921.

LIABILITIES.		Inc. or Dec.	ASSETS.		Inc. or Dec.
Amount.	£		Amount.	£	
Ord. shares ..	1,000,000	..	Cash	290,673	+ 87,203
Management shares ..	200	..	Bills, &c.	10,000	..
Ord. shares ..	1,800,000	..	Sundry debts ..	1,779,145	..
3½% deb. stock ..	500,000	..	Stocks, &c.	1,764,648	..
4% deb. stock ..	500,000	..	Freeholds ..	1,073,138	+ 12,816
Reserve ..	583,000	..	Leaseholds ..	50,584	..
Trade creditors ..	83,000	..	Horses, vans, &c.	37,022	..
Sundry creditors ..	270,972	..	Plant, &c.	37,022	..
Reserve for excess profits, &c.	330,000	..	Investments ..	153,778	..
Profit and loss ..	101,816	..	Total	5,158,988	..
Total	5,158,988	..	Total	5,158,988	..

BOVRIL, LIMITED.

December 31, 1921.

LIABILITIES.		Compared with Dec. 31, 1920.	ASSETS.		Compared with Dec. 31, 1920.
Amount.	£		Amount.	£	
Ord. shares ..	750,000	..	Goodwill, &c.	2,787,450	+ 126,948
Ord. shares ..	810,000	..	Plant & furniture ..	36,492	..
Deferred shares ..	750,000	..	Stock in hand ..	875,778	..
Debenture stock ..	500,000	..	Trade debtors, &c.	417,991	..
5% 5-year notes ..	300,000	..	Cash in hand ..	72,520	..
Sundry creditors ..	444,654	..	Commission and stamp duty on issue of shares ..	54,750	..
Reserve ..	500,000	..	Total	4,944,982	..
Profit and loss ..	1,509	..	Total	4,944,982	..
Total	4,944,982	..	Total	4,944,982	..

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated as Cash. * Interim div.	Date of Payment.	Method of Payment.	Dividend for Whole Year.	
				Last Year.	Pre-vious.
Railways.					
Bengal and North-Western ..	6%+	Feb. 24	Less tax 3/6 in £	11	11
Brecon and Merthyr, Pref. ..	4	..	..	4	4
British Columbia Electric, Defd. ..	£2/14/2	..	Tax free	6/14/2	25/4/0
Cardiff ..	..	..	..	1	1
Central London, Undiv. Ord. ..	2%+	..	..	4	2
Do Defd. ..	..	..	..	1	2
City and South London ..	11%+	..	..	3	3
Cleator and Workington ..	2½%+	..	..	3	3
Clonakilly Extension ..	4	..	..	3	3
Cork, Bandon, and South Coast ..	4	..	..	3	3
Edinburgh and Bathgate ..	5	..	Less tax	7	7
Forth and Clyde ..	..	..	..	22	22
Great Eastern ..	2½%+	..	..	19	19
Great North of Scotland, Def. ..	..	..	..	2	2
Highland ..	..	..	..	4	4
Humber Commercial Railway and Dock ..	..	..	..	4	4
London, Chatham, and Dover, Second Pref.	..	..	..	44	3
London Electric ..	13%+	..	..	31	13
London General Omnibus ..	3½%+	..	Tax free	5	5
London and South-Western, Ord. ..	4%+	Mar. 4	..	6	6
Do Defd. ..	..	..	..	2	2
Maryport and Carlisle ..	6	..	..	32	13
Metropolitan District ..	..	..	..	3	nil
Midland Gt. Western (Ireland) ..	2%+	..	..	1	3
North-Eastern (Consols) ..	4½%+	..	..	7	7
North London ..	3½%+	..	..	6	6
Rhymney ..	5	..	..	4	4
S.E. and Chatham, Undiv. Ord. ..	3½%+	..	..	24	24
Do Defd. ..	..	..	..	14	14
Southern Punjab ..	9%+	..	Less tax 3/1 in £	14	16
Taff Vale ..	2½%+	..	..	4	4
Banks.					
Bank of New South Wales ..	10*	Feb. 24	..	10	..
Den Danske L. N. Handelsbank ..	11/ p.s.	..	..	20	..
Handelsbank of Copenhagen ..	..	..	..	10	12
Insurance.					
Liverpool Mortgage ..	5/6 p.s.	..	..	8/ p.s.	..
Midland Employers' Mutual ..	..	..	..	10	..
New Zealand ..	8 p.s.	Feb. 9	..	..	..
Mining.					
Great Boulder Proprietary ..	16 p.s.	Mar. 21	Tax free	..	..
Jupiter Gold (in liquidation) ..	1/9 p.s.	Mar. 2	..	..	..
Tea and Rubber.					
British Darjeeling Tea ..	3%*	..	Less tax	..	..
Other Companies.					
Arthur Guinness, Son, and Co. ..	9%*	Mar. 1	Tax free	5	(b) 17½
Ashton Brothers ..	6	Mar. 2	Tax free	..	..
Barnsley Brewery ..	3%*	..	Tax free	..	..
Bass, Ratcliff, and Gretton ..	2½%+	..	..	..	..
Belfast Ropeworks ..	7½	Feb. 8	Less tax	..	..
Bovril, Limited ..	7½%+	..	Less tax	12	12
Do Defd. ..	..	..	..	12	12
Bradbury, Greatorex, and Co. ..	8	Feb. 15	Less tax	..	..
Investment, Defd. ..	..	..	..	5	..
British Gas ..	10	..	Less tax	5	..
British Land Company ..	5	..	..	10	10
Bristol & S. Wales Ry. Wagon ..	10	..	..	5	5
Buenos Ayres Tramways ..	1/3 p.s.	..	Less tax	..	..
Clarkson's Old Brewery ..	10/ p.s.	..	Tax free	..	..
Commercial Gas, 4% Stock ..	24/3/4	..	Less tax	..	..
Do 3½% stock ..	£3/16/8	..	Less tax	10	9
Eastbourne Pier ..	5%+	..	Less tax	10	20
Emmott and Wallshaw ..	7½%+	..	Tax free	10	12½
Fife Coal ..	1/6 p.s.	..	Less tax	10	8
Forster, Porter, and Co. ..	4%+	..	Less tax	5	4½
General Hydraulic Power ..	2½	..	..	5	..
Grand Canal Co.	2½	..	..	5	..
Grantham Gas ..	2½	..	..	5	..
Grantham Waterworks ..	2½	..	..	5	..
Greenwood and Batley ..	2½	Feb. 10	..	7½	7½
Guardian Investments Trust, Ltd. ..	2½	Feb. 23	..	15	20
Harrison Barber ..	12%+	..	..	6	8
Hart and Levy ..	12%+	..	..	17½	17½
Horace Cory and Co. ..	12	..	..	10	17½
H. Williams and Co.	12	..	..	10	17½
Imperial Tobacco ..	12	..	..	10	17½
J. Grayson, Lowndes, and Co. ..	6½%+	..	..	10	17½
Kingston-on-Thames Gas ..	6½%+	..	..	10	17½
Lancashire Shipping ..	6½%+	..	..	10	17½
Lancashire and Yorkshire ..	8/ p.s.	..	..	6	11
Lincoln Thread Company ..	3½%+	..	Tax free	..	..
London Pavilion ..	3½%+	..	Less tax	..	..
London Property Investment, "A" ..	3½%+	..	..	6	6
Do "B" ..	2½%+	..	Less tax	..	..
London and Suburban Traction, Cum. Pref.	3½%+	..	..	5	5
Madstone Gas, 5% Stock ..	3½%+	..	..	..	..
Manchester Corn, &c., Exchange ..	3½%+	..	..	..	..
Manchester Safe Deposit ..	..	..	..	..	..
Manchester Ship Canal, Pref. ..	..	..	..	..	..
Do Ord. ..	..	..	..	..	..
Mercantile Investment & General Merchants' Trust ..	5½%+	..	..	..	..
Metropolitan Elect. Trams, 5% Cum. Pref.	7%+	..	..	..	..
Mond Nickel ..	6 p.s.	Mar. 3	Tax free	..	..
Moss Empires ..	10	..	Less tax	..	..
National Gas Engine ..	1/ p.s.	..	Less tax	..	..
N. Metropolitan Electric Power ..	..	..	..	..	..
N. Metropolitan Electric Power ..	..	..	..	..	..
N. Metropolitan Trams ..	..	..	..	..	..
Old Albion Brewery ..	2/6 p.s.	..	Less tax	..	..
Owen and Robinson ..	..	..	Tax free	..	..
Pan de Azucar Nitrate ..	..	..	..	..	..
Pennsylvania Water ..	..	..	..	..	..
Regent's Canal and Dock ..	..	..	..	..	..
Royal Exchange Co. (Leeds) ..	4½%+	..	Less tax	..	..
Rylands and Sons ..	..	..	Less tax	..	..
Scottish Northern Investment ..	10%+	..	..	..	..
Scottish Wagon ..	..	..	Tax free	..	..
Do Bonus ..	1/ p.s.	..	Tax free	..	..

DIVIDEND ANNOUNCEMENTS.—Continued.

Name of Company.	Rate % per Annum, except where marked % or stated as Cash. * Interim div.	Date of Payment.	Method of Payment.	Dividend for Whole Year.	
				Last Year.	Pre-vious.
Sheffield Brick ..	2/ p.s.	Feb. 22	Less tax	3/ p.s.	..
South of England Dairies ..	4*	..	Tax free	..	..
South Hutton Coal ..	5/ p.s.	..	Tax free	..	..
South Suburban Gas, 5% Ord. ..	5½	..	Less tax	5½	3½
South Staffordshire Water ..	5½	Mar. 1	Less tax	4½	4½
St. James' and Pall Mall Electric ..	8/6 p.s.	..	..	12	12
Stanton District Water ..	10	..	..	..	..
Temperance Billiard Halls ..	7½%+	..	Less tax	12½	..
Tenched House (Sheffield) ..	15/ p.s.	..	Tax free	19/ p.s.	19/ p.s.
Tredgare Iron and Coal, "A" ..	..	..	..	..	..
and "B" ..	5%*	..	Tax free	..	..
Trowbridge Water, 1873 ..	£3/5	Mar. 1	..	..	..
Do 1878 ..	£2/5/6	Mar. 1	..	..	..
Tyneside Tramways, &c.	2½	..	Less tax	2½	4
United States & Gen. Trust, Defd. ..	5%+	..	..	8	7½
Walker and Walsend Union Gas, Ord. 3½ ..	23%+	..	Less tax	..	..
Do, Ord. 5 ..	3½%+	..	Less tax	..	..
Watney, Combe, Reid, Def. ..	7½	Feb. 17	..	..	..
Whitby Waterworks (Original) ..	5½	Feb. 17	..	..	..
Do (New) ..	5½	..	..	..	..
Wm. France, Fenwick ..	5%+	Mar. 1	Less tax	10	(a) 15
York Gas Co.	2½%+	Feb. 14	Less tax	4½	..

(a) Also capitalised bonus of 25%. (b) Also capitalised bonus of 100%.
(c) 7½ per cent. tax free.

ASSOCIATED EQUIPMENT.—Trading results for the year do not justify the directors in recommending the payment of a dividend on the ordinary shares. For the previous year the dividend was 14 per cent.
COOK, SON, AND CO. (ST. PAUL'S).—Report for year 1921 shows a loss of £400,282 and regret that it is impossible to declare a dividend, but feel that more normal conditions have now been reached, and look forward to the future with every confidence.
SOUTH STAFFORDSHIRE MINE (Power and Heating) Company regret that owing to the depression in trade throughout the year, the disastrous effects of the coal strike, and the continued fall in prices of residuals, there is a serious loss on the year's working, and that the payment of the dividend on the preference shares for the past year will have to be deferred.
UNDERGROUND ELECTRIC RAILWAYS OF LONDON.—Full interest on six per cent. first cumulative income debenture stock, and 2 per cent., free of income-tax, on six per cent. income bonds of 1918 for the half-year.

Reports and Notices.

Messrs Ford, Rhodes, and Ford, chartered accountants, 4B Frederick's place, Old Jewry, E.C. 2, have admitted into partnership Mr William H. Percival, A.C.A., A.S.A.A., who has been associated with them for many years.

The Johannesburg Consolidated Investment Company, Limited, announces that owing to the miners' strike there will be no publication of the ordinary mining output returns for the month of January.

Cable advice from New York states that Mr James Sheldon will shortly retire from active business relationship with Messrs Lee, Higginson, and Co., whose New York office he opened 15 years ago.

At an extraordinary meeting of Alexanders Discount Company, Limited, the resolution to increase the authorised capital to £1,250,000 was confirmed.

GOVERNMENT STOCKS, &c.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.

Name.	Period.	Ending.	Receipts for Week or Month.	Inc. or Dec.	Aggregate Receipts.	Inc. or Dec.	
Algonia Cent. & Hudson Bay	5 months	Nov. 30	Gross	+ \$164,977	- 187,432	804,594	- 618,892
Canadian N.W.	2 weeks	Jan. 31	Gross	\$61,101,400	- 510,890	3,805,000	- 1,289,100
Canadian N.W.	11 months	Nov. 30	Gross	\$6,977,300	- 635,400	63,619,930	- 4,676,400
Canadian Pac.	4 weeks	Jan. 31	(Gross	\$15,767,000	- 4,867,000	11,065,000	- 3,619,000
Canadian Pac.	12 months	Dec. 31	Net	\$2,222,000	- 304,000	34,200,000	- 1,944,000
Grand Trunk.	4 weeks	Jan. 31	(Gross	\$511,179	+ 70,807	1,508,037	+ 129,400
Grand Trunk.	3 months	Mar. 31	Gross	\$1,978,700	+ 95,900	3,772,500	- 583,800
Temiscouate	1 month	Dec. 31	Net	\$122,900	+ 68,400	91,400	+ 306,800
			Gross	\$23,168	..	..	..

* Net earnings before deducting taxes. † Railway and Steamship receipts.
|| Ten days.

OTHER BRITISH OVERSEAS RAILWAYS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1920-21.	or -	1920-21.	or -
Beira and Mashonaland.	1. mth	Oct. 31	810	103,174	£ 17,950	£	£
Mid. of W. Aust.	6 mths	Dec. 31	877	13, 49	216	62,212	4,653
New Cape Central.	2 weeks	Jan. 14	205	2,598	85	4,914	254
Rhodesia Railways.	1. mth	Oct. 31	1,397	143,829	14,932		

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1921-22.	+ or -	1921-22.	+ or -
Anglo-Argentine	5 weeks	Feb. 4	329	\$21,194	+ 3,098	407,287	+ 5,96
Burnley Corporation	1 week	Feb. 4	11	\$3,269	210	..	..
Calcutta Tramways	5 weeks	Feb. 4	354	Ru1,07,78	+ 99,719	..	+ 134,800
Chatham & District	4 weeks	Jan. 26	15	\$1,373	- 255	5,252	- 1,16
Egyptian Markets	5 weeks	Feb. 4	..	\$1,890	- 493	8,982	- 3,12
Glasgow Corporation	..	..	..	..	..	..	..
Tramways	36 weeks	Feb. 4	99	\$43,585	- 3,841	1,610,525	+ 8,200
Isle of Thanet	18 weeks	1	..	\$538	+ 21	11,131	+ 1,200
Lancashire United	4 weeks	Jan. 31	39	\$3,156	- 637	13,191	- 3,503
Liverpool Corporation	..	..	..	..	..	..	..
tion Tramways	5 weeks	Feb. 4	124	\$28,228	+ 1,610	144,344	+ 9,411
L.C.C. Tramways	45 weeks	Feb. 9	155	\$88,751	- 8,778	4,400,910	- 219,050
Madras Elect. (2 wks)	2 weeks	Jan. 31	..	Ru54,330	..	1,050,219	+ 67,04
Pernambuco Trams	5 weeks	Feb. 5	..	3,961	- 1,052	18,877	- 5,850
Singapore Electric	52 weeks	Dec. 31	..	\$12,845	+ 2,876	697,228	- 317,705

TRAMWAY & OTHER MONTHLY GROSS & NET RECEIPTS.

Name.	Period.	Ending.	Present Mileage	Receipts for Month.		Total Receipts.	
				1920-21.	+ or -	1920-21.	+ or -
Alabama Power..	1 mth	June 30	(Gross Net	\$359,059 + \$130,812 +	88,481 22,750	..	..
Barcelona Trac. ropts. in pssas.	12 mths	Dec. 31	(Gross Net	\$320,393 + \$561,712 +	672,604 519,072	37,709,430 +	5,622,200 +
Brazilian Trac. repts. in mil.	11 mths	30	(Gross Net	\$4,820,000 + \$8,200,000 +	356,000 2,996,000	24,023,337 +	3,224,750 +
Brisbane Electric Brit. Columbia	1 mth	Jan. 31	(Gross Net	\$48,790 + \$940,113 +	2,510 22,449	85,751,000 +	2,144,300 +
Electric, &c., Buena Vista	6 mths	31	(Gross Net	\$286,547 + \$61,198 +	665 87	1,592,915 +	175,540 +
Cross Trams	7 mths	Jan. 31	51 1/2	\$51,194 +	3,713	..	..
Burmah Electric Trwys. & Lghs.	5 mths	Dec. 31	(Gross Net	\$37,865 + \$13,900 +	..	..	..
Cape Elec. Trams	1 mth	31	(Gross Net	\$37,865 + \$13,900 +	..	..	..
Canadian -Wetzn. Natural Gas ..	2 mths	Nov. 30	Gross	\$91,266 -	2,324	169,056 +	1,310 +
Carhagens and Horrelias Trams	1 mth	Jan. 31	12	\$3,075 -	805	..	..
Catalinas Wareh.	1 mth	Dec. 31	(Gross Net	\$20,900 - \$1,170,300 -	4,170	..	..
Cities Service Co.	12 mths	Nov. 30	(Gross Net	\$1,170,300 - \$1,143,849 -	766,337	14,024,814 -	105,343 -
Cordoba Light &c.	9 mths	Dec. 30	(Gross Net	\$22,624 + \$25,137 +	3,342	207,992 +	29,510 +
Ellec. Sup. of Vico.	32 weeks	Nov. 6	22	\$55,137 +	377	35,522 +	2,550 +
Havana Elec. Rly.	11 mths	30	(Gross Net	\$1,124,168 + \$632,331 +	104,816	1,734,328 +	1,568,212 +
Light & Power In a National	6 mths	Dec. 31	(Gross Net	\$21,923 + \$5,477 +	427	129,860 +	2,310 +
Light & Power Kalgoolie Elec.	11 mths	Nov. 30	(Gross Net	\$21,923 + \$2,419 +	1,534	37,194 +	6,200 +
Tramways ..	11 mths	Nov. 30	(Gross Net	\$2,419 + \$164,371 +	..	24,944	..
Keystone Tele. ..	12 mths	Dec. 31	(Gross Net	\$74,661 + \$6,631 +	1,739,013 3,62,337	..	..
La Guaira Harb.	1 mth	Jan. 31	..	\$6,631 +	1,300	..	..
La Plata Electric	1 mth	31	..	\$6,723 +	216	..	..
Lima Light & Pwr	11 mths	Nov. 30	(Gross Net	\$61,949 + \$21,716 +	7,718	684,436 +	62,600 +
Light & Power Manila Electric	12 mths	Dec. 31	(Gross Net	\$31,467 + \$127,945 +	706	190,833 -	39,950 -
Railroad, &c.,	12 mths	Dec. 31	(Gross Net	\$31,467 + \$127,945 +	868	3,681,011 +	282,616 +
Pars Electric	1 mth	31	(Gross Net	\$22,624 + \$2,419 +	1,593	1,448,962 +	920,330 +
Rangoon Electric	11 mths	Nov. 30	(Gross Net	\$3,351,150 + \$1,640,400 +	52,316	32,18,876 +	4,691,000 +
Shanghai Electric	1 mth	Jan. 31	Max.	\$180,645 +	29,930	16,37,596 +	6,120 +
Toronto Rly. &c.,	7 mths	July 31	(Gross Net	\$1,229,483 + \$336,837 +	40,168	8,777,669 +	64,270 +
United Electric T. of Montevideo	3 mths	Jan. 51	Gross	\$32,634 -	18,249	132,190 -	11,400 -
Victoria Falls & Transvaal Pwr.	Quarter	Sept. 30	Net	\$206,846 -	..	..	..
Winnipeg Electric	11 mths	Nov. 30	(Gross Net	\$477,808 + \$147,200 +	77	4,910,971 +	156,000 +

† 4 weeks return.

§ Approximate receipts

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.						Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.	
					Prefer- ence.	Ordinary.						
						Amount.	Amount.					Rate.
		£	£	£	£	£	%	£	£	£	%	
Banks.												
London Merchant	Dec. 31	67,588	46,195	113,783	..	45,000	6	50,000	18,783	60,044	6	
Financial, Land &c.												
City and Westminster Properties..	Dec. 31	2,128	42,794	44,922	..	26,250	7½	10,000	8,672	23,870	7½	
Gas.												
Commercial	Dec. 31	26,701	84,261	110,962	..	86,032	4½ 3½ 15 A 12 B & C 5 D 10 E	..	24,930	40,418	3 2½ 10 A 7 B & C 5 D 7 E	
Croydon	Dec. 31*	..	42,044	42,044	4,500	26,924	..	2,000	8,620	31,292	5 (b) 3½ 6½ 5½ 3	
South Staffordshire Mond	Dec. 31	35,471	Dr 81,929	3,542	..	..	5½	Dr 1,396	3,542	27,016	5 (b)	
South Suburban	Dec. 31	8,950	47,669	56,619	..	58,015	5½	..	..	40,713	3½	
Walker and Wallsend Union	Dec. 31	4,418	Dr 858	3,565	1,422	5,077	5½	Dr 6,961	4,027	368	6½	
York	Dec. 31	15,163	3,144	18,307	1,400	10,878	3½ 4½	..	6,029	12,929	5½ 3	
Nitrate.												
Pan De Azucar	June 30	21,136	22,502	43,638	..	11,550	15	..	32,088	14,155	10½	
Rubber, &c.												
United Serdang (Sumatra)	Aug. 31	83,353	Dr 64,427	18,926	..	..	..	829	18,097	98,225	5	
Shipping.												
Wm. France, Penwick, and Co. ..	Dec. 31	13,333	84,441	97,774	8,250	75,000	10	..	14,524	149,697	15½	
Shops and Stores.												
Maple and Co.	Dec. 31	10,982	95,834	106,816	60,000	135,000	7½	Dr 100,000	11,816	447,195	17½	
R. and J. Dick	Aug. 31	19,390	Dr 213,595	Dr 194,205	..	..	..	Dr 254,989	60,784	..	..	
Textiles.												
Ashton Brothers and Co.	Dec. 31	61,528	Dr 46,327	15,201	3,780	10,800	5½	..	621	92,542	17½	
Linen Thread	Sept. 30	255,392	158,937	414,329	121,000	79,063	6½	..	214,266	293,088	11½	
Rylands and Sons	Dec. 31*	193,123	65,038	258,161	42,000	70,000	10	..	146,161	Dr 109,677	10	
Tramways.												
British Columbia Electric	June 30	12,646	289,046	301,692	72,000	88,446 (1) 117,246	4½ 6½	..	24,000	279,988	14½ 16½	
City of Buenos Ayres	Dec. 31	3,941	67,399	71,340	..	62,000	5	2,000	7,340	68,803	5	
Tyneside	Dec. 31*	140	2,891	3,031	601	1,339	2	500	591	2,088	3	
Yorkshire (West Riding)	Dec. 31	..	33,072	33,072	9,715	..	..	19,126	4,231	28,676	..	
Trust.												
Charter Trust and Agency	Nov. 30	5,156	37,711	42,867	25,000	12,250	3½	..	5,617	29,537	3½	
Guardian Investment	Jan. 20	9,295	33,406	42,701	9,765	16,275	7½	6,661	10,000	34,930	7½	
United States and General	Dec. 31	17,416	31,514	48,930	14,994	11,206	8	..	22,730	27,349	7½	
Waterworks.												
South Staffordshire	Dec. 31	9,884	55,330	65,214	17,752	34,868	4½	2,000	10,594	55,285	4½	
Sutton District	Dec. 31*	362	7,909	8,271	3,594	3,000	10	1,000	677	4,963	7½	
Whitby	Dec. 31*	1,521	1,146	2,667	210	598	7½ 5½	..	1,859	1,589	7½ 5½	
Other Companies.												
Bovril	Dec. 31	20,212	208,606	228,818	36,250	56,625 (7) 67,500	7½ 9 D	40,000	28,443	179,239	7 (7 Ord 8 Def	
Bradbury, Greatorex, and Co.	Jan. 6	33,958	57,962	91,920	12,962	43,542	12	..	35,416	58,492	12	
Burnell and Co.	Dec. 31	..	Dr 51,206	Dr 51,206	(t) 2,399	..	..	Dr 40,00	Dr 13,605	..	..	
Cook, Son, and Co. (St. Paul's) ..	Dec. 31	153,344	Dr 410,232	Dr 246,888	(t) 28,438	..	..	..	Dr 275,326	376,565	7	
Foster, Porter, and Co.	Dec. 31	93,758	23,719	117,477	..	30,000	10	Dr 14,00	101,477	51,544	12½	
George Outram and Co.	Dec. 31	964	99,075	100,039	..	33,600	10	47,500	18,939	68,353	8	
Hart and Levy	Dec. 31	34,568	22,811	57,378	10,800	33,750	15	2,000	10,828	69,256	20	
Horace Cory and Co.	Dec. 31	2,458	7,874	10,332	2,750	6,000	6	..	1,582	15,381	8	
Imperial Tobacco	Oct. 31	39,848	6,574,733	6,614,581	852,209	3,932,715	17½	1,100,000	729,657	6,321,694	17½	
Manchester Corn, Grocery, &c.	Dec. 31	7,841	15,946	23,787	..	7,329	6	..	16,458	9,960	6	
National Gas Engine	Dec. 31	55,923	42,258	98,181	12,000	52,500	8½	..	33,681	92,062	11½	
National Match (Venezuela)	Aug. 31	..	Dr 2,287	Dr 2,287	..	..	..	Dr 2,287	987	1,503	6	
Royal Exchange (Leeds)	Dec. 31	429	2,378	2,807	..	1,820	6½	..	987	19,078	8	
Scottish Wagon	Dec. 31	1,134	19,621	20,755	..	15,876	9	4,000	879	..	..	

* Half-year † Free of tax.

in 5% debenture stock.

(t) For half-year.

(k) Pref. Ord

(1) Def. Ord

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to February 4	421,865	345,718	415,067	391,933
22 weeks to February 4	9,097,955	7,636,147	6,836,834	7,040,949
Average price of English wheat per quarter	s d	s d	s d	s d
1 week to February 4	45 10	84 2	72 6	72 1
22 weeks to February 4	10 8	19 73	16 11	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1918 to 1921:—

		QUANTITIES SOLD.						AVERAGE PRICES.					
		Wheat.		Barley.		Oats.		Wheat.		Barley.		Oats.	
		qrs	bush	qrs	bush	qrs	bush	s	d	s	d	s	d
Jan. 22	.....	99,894	5	69,153	7	21,799	1	45	9	43	1	29	0
Feb. 4	.....	98,435	2	68,860	4	22,413	4	45	10	43	6	29	1
1918	.....	82,007	1	49,750	3	17,685	5	72	0	59	0	50	6
1919	.....	91,461	1	77,821	7	18,110	0	72	7	62	3	49	2
1920	.....	96,849	0	53,689	2	23,152	0	72	6	103	9	58	9
1921	.....	80,667	6	87,901	7	21,056	2	84	2	68	3	41	10

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated February 9th, is as follows:—Pig-iron: The demand for pig-iron has not sensibly improved, and is barely sufficient to absorb the present restricted output of both Cleveland foundry and hematite pig-iron. Prices have undergone no change this week, and remain at 90s per ton for No. 3 Cleveland foundry pig-iron, and 92s 6d per ton for mixed numbers East Coast hematite pig-iron. Manufactured iron and steel: With only about one-third of the steel works in the country at work, and orders still very hard to get, the steel position is a very difficult one. Makers assert they are selling below cost now. Steel ship plates, home, £10 10s; steel ship angles, £10; iron bars, £12; steel rails, £9 10s net. Iron ore: A few prompt orders for ore cargoes are passing. Best rubio is quoted at 26s 6d to 26s per ton.

Our Sheffield correspondent writes :—The general position of the steel trade has not altered much since last week, but such change as there is is undoubtedly towards improvement, and a substantial revival is now believed to be imminent. A number of unemployed have been set on again at certain works, but this gain has been more than balanced by further discharges. The unemployment roll is now larger than at the end of last year.

	Price, Feb. 9 1922.	Previous Weeks in 1922.				
		Price, Feb. 2.	Price, Jan. 26.	Price, Jan. 19.	Price, Jan. 12.	Price, Jan. 5.
Raw Cotton—Fully Mid. American . . . per lb	9-99	9-70	10-07	10-46	11-06	11-64
— Sakellaridis Fully Good Fair Egyptian per lb	16-25	16-25	17-00	17-00	20-50	21-75
Yarns—30's twist per lb	17	17	17 1/2	19-10	18-41	18 1/2
— 40's worst per lb	15 1/2	15 1/2	16 1/2	17 1/2	17 1/2	18
— 50's twist (Egyptian) per lb	27	27	28	29 1/2	31	33
36-in. Printers, 118 yds, 18 by 16, 32's and 50's	22	22	22	22	22	22
36-in. Shirts, 78 yds, 18 by 18, 32's and 40's	22	22	22	22	22	22
36-in. Shirts, 38 yds, 18 by 16, 10 lbs	17	17	17	17	17	17
36-in. Shirts, 27 yds, 18 by 17 1/2, 8 1/2 lbs	16 1/2	16 1/2	17	17	17	17

	Price, Feb. 9, 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American .. per lb.	9 69	8 93	30 63	17 76	23 55	10 98
— Sakellaridis Fully Good Fair ..						
— Egyptian .. per lb.	16 25	17 50	90 00	37 09	28 38	11 70
Yarns—32's twist .. per lb.	17	21	61	37 4	38 1	14 1
— 40's twist .. per lb.	16 4	20	56 4	36	34	14 1
— 60's twist (Egyptian) .. per lb.	27	27	137	68	45 1	35
32-in. Printers, 116 lbs, 18 by 18, 32's and 50's ..	28	0	32	93	0	28
32-in. Shirtings, 75 lbs, 19 by 19, 32's and 40's ..	28	0	36	88	0	58
38-in. discos, 34 lbs, 18 by 18, 10 lbs ..	17	8	24	50	8	30
39-in. discos, 37 1/2 lbs, 18 by 18, 10 lbs ..	16	8	24	0	44	6

Our Bradford correspondent, writing on Thursday, says:—The easier tendency in wool values noted during the last week of the recent sales in London has been confirmed by the auction in Liverpool to-day, and this is tending to restrict business in tops. It is probable that most firms will be prepared to hold off the market for a time in order to see how values move, and many may wait for the re-opening of the London sales. In the meantime, even spot lots of merino tops can be bought on more advantageous terms than those obtainable a week ago, while for future delivery most firms are quoting from 1d to 2d less than a week ago. Of course, the restricted supplies of fine tops is affecting values, and many traders think that the inadequate output from the combs will tend to maintain top quotations, even though wool is cheaper. Unfortunately, spinners are not booking much new business, and it is asserted that current prices of yarn are definitely checking development in the piece goods trade. Worsteds spinners are still well employed, but the outlook after March-April is at present anything but promising. In the manufacturing section fairly good business is being done in dress goods, the fine soft-handling fabrics still being preferred. Some good orders have been booked on Japanese account, and firms engaged on this class of trade are well occupied; but the fact remains that something like one-half of the looms in the West Riding are idle. It is hoped that the proposed scheme for the relief of distributing houses will be carried through, and it is thought in well-informed quarters that financial assistance such as that proposed under the scheme will help to restore confidence and place merchanting houses in a position to resume business on something approaching normal lines.

The last London sales closed with prices somewhat under the highest point, a good 5 per cent. being lost on most descriptions during the last few days. Buyers had apparently got all they needed, but good combing merinos were practically 15 per cent. above December prices, this advance applying to 56's quality and upwards. For anything below 56's the advance ranged from 5 to 10 per cent. Throughout the series a very good buying spirit prevailed, and all things considered, there is evidence that the wool industry is at last getting on to its feet. Consumption must be considerable, otherwise there would not have been such strong competition. There is a good deal of truth in what Sir Arthur Goldfinch has repeatedly stated—namely, that at the present rate of offering and absorption the stock of merino wool will be entirely cleared by the end of July, which suggests the question as to whether the trade can absorb prospective offerings of wool without values suffering.

Messrs Dalgety and Co. have received the following cable from their Auckland branch, dated February 8th:—"At the sale held on the 8th instant the attendance of buyers was good, and competition very animated. 10,000 bales were offered, and 95 per cent. were sold. Southern prices were maintained. The following is the range of prices realised:—Fine crossbred, 46/48, good to super, 10d-12d; ditto, low to medium, 8d-10d; crossbred, 44/46, good to super, 8½d-9d; ditto, low to medium, 6½d-8½d; crossbred, 40/44, good to super, 6d-7d; ditto, low to medium, 4d-6d."

Markets for both linseed and the oil product have been all the week in a state of keen excitement, and largely in the hands of speculators. The continued strength of Argentine options has had a marked influence on this side, and Plate linseed has been dealt in up to £20 5s for January-February shipment to Hull, with £19 paid for March-April, and £19 10s April-May. Seed on spot, meanwhile has firmed up to £21, and £20 10s asked for afloat. More attention has been given to Indian linseed, up to £21 10s being paid for Bombay to Hull, and the same figure to London January-February loading.

With regard to raw linseed oil, it advanced strongly in sympathy, £35 10s being recorded at Hull and £37 10s in London for spot and "near," since when there has been an easier tendency both for prompt and forward oil. Linseed oil has thus advanced 90s per ton on the week, but even at the higher level it is barely more than its intrinsic value, and leaves crushers but a small margin of profit.

Cottonseed, after a fair trade done, Egyptian is steady at £12 on firmer advices from Alexandria. Bombay is inactive, and quoted rather higher. Cotton oils have been in better request, and are somewhat dearer, crude having moved up to £34 10s, and edible refined to £40, ex Hull mill. Soya bean oil is firmer and slightly more money, as is also ground nut oil. Rape oil is still scarce on spot, and is quoted £50, and about £8 below this for forward delivery. Palm kernel and castor oils dull and unchanged in value. Coconut oil quiet at late prices.

Owing to the small "crush" of late linseed, cakes are in small supply, and are dearer at £16, ex Hull mill. Cotton cakes are, however, a slow trade and easier. Meals appear to be in rather more active demand.

(BY OUR OWN CORRESPONDENT.)

It was rather expected that hides would have advanced in price this week, owing to the restrictions placed upon slaughter of cattle by the outbreak of foot and mouth disease; this, however, has not happened, and at Thursday's Remondsey auctions values were steady to a slight weakness. Best heavy ox at 7½d to 7½d showed no change; light were unsold, whilst best cows showed a decline of ¼d at 6½d per lb. Heavy calf showed slight declines, whilst in lights the changes were quite unimportant. There has been a slight improvement in imported hides, but the market is not active. Argentine frigorifics have been sold at 10½d ex store, and sellers are offering at 10½d, with tanners holding off. This week's cables from the U.S.A. report the hide position as weaker, with values nominally unchanged, with the exception of light cows which show a decline of a cent.

The demand for sole leather is patchy, but on the whole tanners are finding trade a shade better. Repairers have been in the market for suitable bends owing to the spell of bad weather, but with the wide divergence in values, shoe manufacturers are not at all inclined to book forward. Rough dressing leather is still very quiet, and curriers of split hides seem badly affected by the quiet state of the motor industry. The demand for upper stock is not good, and curriers are either still curtailing or closing down altogether. Suede and patent are the only lines moving with freedom, and both being very active.

The boot trade is only moderately well employed, but now that the prospect of a strike is over, manufacturers are hopeful of a revival in business.

Mincing Lane, Friday, February 10.
A generally quiet tone pervaded the markets, demand, particularly for raw materials, being measured by wants of immediate necessity, and a featureless condition of affairs prevailed.

800AR.—Business in spot parcels of refined was on a moderate scale, and prices on the week are mostly 6d per cwt lower. Messrs Tate and Lyle's cubes sold, 51s to 52s, as to quality; granulated, 46s 3d to 46s 9d; caster, 48s 3d to 48s 9d; crushed, 48s 3d; yellow crystals, 49s 9d. Granulated, April-June, held for 46s 3d. West India crystallised quiet, with small sales at 39s to 41s 6d, as to sample. American granulated, afloat, sold 18s 6d; February-March, steamer, at 18s 1½d, c.f. and i. terms, U.K. White Natal, spot, sold, 44s 3d; white Mauritius, 44s; ditto, afloat, 20s, c.f. and i. terms, London. Czecho-Slovakian ordinary granulated and crystals, prompt, 19s; cubes, 21s 6d, f.o.b., Hamburg. Dutch granulated, prompt, 19s 6d; cubes, 23s, f.o.b., Amsterdam. Belgian crystals nominal. Terminal market steady, quiet. May sold, 18s 3d to 18s 4½d, 18s 1½d; August, 18s 1½d to 18s 4½d, 18s 3d. Of raw kinds, Brazilian basis 80 per cent., March-April shipment, sold, 9s, c.f. and i., U.K. Cuban stock, 770,000 tons, against 351,300 at same time last year.

COFFEE.—With an improved demand for the better qualities the market disclosed a firmer tendency. Nairobi, bold sizes, sold, 1225 to 1285 6d; Uganda ditto, 845 6d to 955; Costa Rica, 1035 to 1335 6d. Futures in quiet support, but market steady. December, sold, 535.

COCOA.—There was no new feature to note in this market, business being conducted quietly with but little change in prices. Butter steady at 1s 84d per lb.

TEA.—Supplies of Indian brought to auction this week amounted to 44,100 packages, which met with fair competition at rather irregular rates. Good medium to fine qualities denoted a firm tendency, but common to medium experienced a slow market. 17,400 packages Ceylon aroused increased support, and a very steady tone governed the auctions.

RICE—Market steady, though actual business was on a small scale. Two stars, Rangoon, spot, sold, 145 3d; ditto, new crop, February, steamer, held for 145 6d. Broken kinds slow of sale. Bran steady, quiet. New crop Burma, February-March, sellers, £15 7s 6d per ton, ex ship terms. Beans steady, with Rangoon hand-picked, on spot, held for 8s. Japanese peas firm, and spot quoted 38s. Dutch peas quiet at about 20s.

SPICE.—A steady tone prevailed in the pepper market, and fair black Singapore, spot, sold, 4d; March-May, steamer, 3½d; Aleppy, spot, 4½d; Tellicherry, 4½d; white Singapore, 7½d; Munok, ditto, 7½d; ditto, March-May, at 7½d. Zanzibar cloves, spot, 15 ¼d; ditto, February-April, 15 ¼d, c f and i. Pimento, spot, sold, 2½d. Flake tapioca, spot, sellers, 1½d per lb. Fair Penang seed pearl tapioca, spot, 17s. Sagó flour, January-March, 14s; February-April, 13s 6d. Desiccated coconut, fine cut, spot, 40s; medium, 40s.

FRUIT.—The market for currants remained slow, at unaltered prices. Sultanais and also Valencia raisins were dealt in quietly, at rates showing no material alteration.

JUTE.—A steady but quiet tone predominated, demand from spinners manifesting little or no revival. New crop, first grade, February-March, Hamburg, sold, £24 5s; ditto, March-April, £24 5s to £24 7s 6d; and lightning grade, February-March, £20 7s 6d. Hessians quiet. 10 oz, spot, 22s 9d; 8 oz, ditto, 17s 6d. A twills, spot, 26s; R 58s.

HEMP.—Manila in slow request, and quotations for the chief part nominal. C grade, January-March, £53; D, £50 10s; E, £47; F, £43 10s; G, £38; J, £38 10s; K, £37 10s; L, £36 10s; M, £33 15s. streaky, ones, £43; twos, £41; threes, £39. New Zealand idle. Fair, January-March, quoted, £34. African sisal dull. No. 1 G.E.A. and No. 2 F.E.A. January-March, £38.

also B.E.A., January-March, £30.

Correspondence solicited.

ALEXANDERS DISCOUNT Co., LTD.,
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The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCIV.

SATURDAY, FEBRUARY 18, 1922.

No. 4,095.

SHELLAC quiet. Fair T.N., spot, 330s; March, sold, 315s to 320s; May, 300s to 310s.

COPRA—Only quiet trading ensued, and the market at times proved rather unsettled. F.M.S. Straits, January-March, Rotterdam, sold, 24 1/2 to 25 1/2; February-April, 24 1/2 to 25 1/2; March-May, 25 1/2 to 26 1/2; F.M. Straits, February-March, to Marseilles, sold, 24 1/2 to 25 1/2; Ceylon, February-April, Hamburg, done, 25 1/2 to 26 1/2; South Sea Islands, to London, quoted, 24 1/2; and Cebu, to Hamburg, 24 1/2. Palm kernels quiet. February-April, Liverpool, sold, 17 1/2 to 17 3/4.

MENHOL—Spot, 23s 6d. Japanese peppermint oil, spot, 5s 3d. Aniseed, 2s. Slab camphor, 3s 10d; crude, 3s 3d to 3s 4d per lb. Japanese wax, spot, 90s per cwt.

RUBBER—There was a moderate trade doing at slightly irregular rates. Standard crepe and sheet, spot and also February delivery, sold, 8 1/2, 9d, and 8 1/4; March, 9d to 9 1/4; April-June, 9 1/4 to 9 1/2; July-September, 10d to 9 1/2; October-December, 10 1/2 to 10 1/4. Wild dull. Fine hard Para, spot, 11 1/4; soft fine, 11d; Caucho ball, 7d.

OILS—Lineded firmer, but irregular. Spot, net, naked, 38s 6d; February-April, 36s 6d; May-August, 36s. Rape nominal. Crude, spot, 51s; refined, 58s. Cotton dull. Crude Egyptian, 35s; Bombay, nominal; comm n edible, 41s. Chinawood: Hankow, spot (barrels), 61s 6d to 62s; and shipment, 58s 6d. Coconut quiet. Ceylon, spot, 43s 6d; February-March, 40s; Cochin, ditto, 44s. Soya quiet. Oriental, barrels, ditto, 33s. Japan fish quiet. January-February, cases, 21s. Cod quiet. English, spot, 29s. Groundnuts quiet. English crushed, naked, spot, 44s; deodorised, barrels, 56s. Turpentine quiet and easier. American, spot, 69s 6d; March-April, 69s. Rosin quiet. American, grade B, 14s 6d; F, 14s 6d; G, 14s 6d; WW, 20s 6d. French, F/G, 14s 3d; WW, 18s; extra pale, nominal. Petroleum quiet. American standard white, 1s 4 1/4; and water-white, 1s 5d per gallon.

OLSEEDS—Lineded market active, and prices advanced sharply at first, but subsequently a quieter tone prevailed and values irregular. Bold Bombay, afloat, sold up to 21 1/2; February 15th, 21 1/2; January-February, 21 to 21 1/2; April-May, 20 Plate, January-February, 20; February-March, 19 1/2; April-May, 19 1/2 to 18 1/2; 6d and 6d. Chinese, prompt, 18 1/2; 6d; February-March, 18 1/2 to 18 1/2; 6d. Rapeseed firmer. Toria, January-February, quoted 16 1/2; February-March, 15 1/2 to 16; March-April, 15 1/2 to 16. Cottonseed firmer. Egyptian black, February, quoted 12 1/2; and white, 11 1/2 to 12 1/2. Bombay, January-February, 9 1/2. Gingly steady. Chinese, January-February, 9 1/2. Continent, 23 1/2. Castor, Bombay, February-March, 14 1/2 to 15. Groundnuts steady. Coromandel, machine-dried, January-February, Hull, 19; Continent, 19; Chinese decorticated, f.a.q., ditto, Continent, 20 1/2 to 21 per ton.

METALS—Tin occupied good attention until the middle of the week, when cash fluctuated to £158, settling down at £157 10s, and three months' to £159 15s, while finally registered at £159 5s. The tendency was easier on Thursday on a fair amount of selling. Cash changed hands at £156 5s down to £154 10s, and three months' at £158 down to £156. At Friday's session values eased on free selling. Cash fluctuated down to £153, late April sold at £154 15s to £154, and three months' from £155 to £154, while finally registered at £154 15s. English ingots, £152. Copper in steady demand, being rather dearer until last Wednesday, cash moving up to £61 12s 6d, and three months' to £62 12s 6d. Little change occurred at Thursday's market, business being on a moderate scale. Standard cash sold at £61 5s, while three months' settled down at £62 2s 6d. At Friday's meeting rates tended rather dearer. Standard cash sold at £61 12s 6d, late April £62 5s, and three months' chiefly at £62 10s. Lead easier at £20 15s to £20 12s 6d. Spelter steady at £24 to £24 15s, according to position. Antimony: English regulus, £34 to £37. Aluminium: Home delivery, £120; export, £125.

TALLOW—Messrs Colchesters and Woolner write as follows on February 8th:—The tallow market was fairly active during the week, and prices are mostly 6d dearer. The better kinds are receiving a little more attention, while inferior sorts continue to find ready buyers. At auction to-day 2,317 casks tallow were offered, and 1,507 were sold. Quotations are:—Australian mutton: Fine, 42s; good to fair, 40s 6d to 39s; dull to dark, 35s to 33s 6d; hard, 41s 6d. Australian beef: Fine, 41s; good to fair, 40s to 38s; dull to dark, 34s 6d to 33s; sweet, 42s. Present shipment from Australasia: Mutton, fair coloured, 48 degs., 40s; and mixed, 43 1/2 c.i.f. London, 39s. The market letter is unchanged for tallow, stuff is dearer. Town tallow, 33s 6d per cwt. Rough fat, per 8 lbs, 4d; melted stuff, 23s per cwt. Quotations are:—Town: 33s 6d net cash, naked, ex works. Country: Frail casks, 33s; home melted, shipping casks, net f.o.b., good coloured, none; fair to dull, 34s 6d to 32s. Bone fat: White, none; pale, none; benzine, 29s; melted stuff, 29s, f.o.b.

METROPOLITAN CATTLE.—FEBRUARY 9

British Beasts, per stone of 8 lbs to sink the calf. Sheep, per stone.

	s	d	s	d			s	d	s	d
Beasts—Heralds....			nominal		Sheep—Downs.....		10	8	to	12
Shortbreds.....			nominal		Ewes.....		7	6	8	0
Derbys.....	8	4	to	9	Crossbred.....		10	0	11	4
Norfolks.....	8	4	9	0	Scottish.....				nominal	
Scottish.....			nominal		Lamb—Downs.....		12	0	12	6
Irish.....			nominal							

LONDON POTATO MARKETS.—FEBRUARY 9.

	Per Cwt.					Per Cwt.					
	s	d	s	d		s	d	s	d		
King Edwards.....	10	6	to	11	6	Evergoods	6	0	to	7	0
British Queen	8	0		9	0	Blacklands	8	0		9	0

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.		INDIA RUBBER—lb—		PROVISIONS—		SPICES—Pepper, per lb—	
00000—Duty, British grown	4 1/2	Alcoa, fine E.L., p. ewt 150	11 1/2	Butter—per cwt	nom	Black Pepper, per lb	7 1/2
1st foreign fine, cwt	4 1/2	Alcoa, fine E.L., p. ewt 150	11 1/2	Do factory	nom	White Pepper, per lb	7 1/2
Trinidad, per cwt	4 1/2	Baleum Peru per lb	7 1/2	Australian	11 1/2	Pimento	2 1/2
Granada	4 1/2	Capivi	8 1/2	Argentine	11 1/2	Do small	2 1/2
Oeylon, plantation	7 1/2	Campor	8 1/2	New Zealand	11 1/2	Do 1st	2 1/2
Guaymasol	56 to 57 1/2	Cassia, red	8 1/2	Do 2nd	11 1/2	Do 3rd	2 1/2
Bahia, spot	56 to 57 1/2	Cassia, white	8 1/2	Do 4th	11 1/2	Do 4th	2 1/2
COFFEES—British grown		Cassia, yellow	8 1/2	Do 5th	11 1/2	Do 5th	2 1/2
1st foreign fine, cwt	70 to 71 1/2	Cassia, orange	8 1/2	Do 6th	11 1/2	Do 6th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 7th	11 1/2	Do 7th	2 1/2
Do good to fine mid	110 to 115 1/2	Cassia, brown	8 1/2	Do 8th	11 1/2	Do 8th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 9th	11 1/2	Do 9th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 10th	11 1/2	Do 10th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, white	8 1/2	Do 11th	11 1/2	Do 11th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, orange	8 1/2	Do 12th	11 1/2	Do 12th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 13th	11 1/2	Do 13th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, brown	8 1/2	Do 14th	11 1/2	Do 14th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 15th	11 1/2	Do 15th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 16th	11 1/2	Do 16th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, white	8 1/2	Do 17th	11 1/2	Do 17th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, orange	8 1/2	Do 18th	11 1/2	Do 18th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 19th	11 1/2	Do 19th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, brown	8 1/2	Do 20th	11 1/2	Do 20th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 21st	11 1/2	Do 21st	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 22nd	11 1/2	Do 22nd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, white	8 1/2	Do 23rd	11 1/2	Do 23rd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, orange	8 1/2	Do 24th	11 1/2	Do 24th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 25th	11 1/2	Do 25th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, brown	8 1/2	Do 26th	11 1/2	Do 26th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 27th	11 1/2	Do 27th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 28th	11 1/2	Do 28th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, white	8 1/2	Do 29th	11 1/2	Do 29th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, orange	8 1/2	Do 30th	11 1/2	Do 30th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 31st	11 1/2	Do 31st	2 1/2
Do good to fine	110 to 115 1/2	Cassia, brown	8 1/2	Do 32nd	11 1/2	Do 32nd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 33rd	11 1/2	Do 33rd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 34th	11 1/2	Do 34th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, white	8 1/2	Do 35th	11 1/2	Do 35th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, orange	8 1/2	Do 36th	11 1/2	Do 36th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 37th	11 1/2	Do 37th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, brown	8 1/2	Do 38th	11 1/2	Do 38th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 39th	11 1/2	Do 39th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 40th	11 1/2	Do 40th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, white	8 1/2	Do 41st	11 1/2	Do 41st	2 1/2
Do good to fine	110 to 115 1/2	Cassia, orange	8 1/2	Do 42nd	11 1/2	Do 42nd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 43rd	11 1/2	Do 43rd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, brown	8 1/2	Do 44th	11 1/2	Do 44th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 45th	11 1/2	Do 45th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 46th	11 1/2	Do 46th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, white	8 1/2	Do 47th	11 1/2	Do 47th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, orange	8 1/2	Do 48th	11 1/2	Do 48th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 49th	11 1/2	Do 49th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, brown	8 1/2	Do 50th	11 1/2	Do 50th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 51st	11 1/2	Do 51st	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 52nd	11 1/2	Do 52nd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, white	8 1/2	Do 53rd	11 1/2	Do 53rd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, orange	8 1/2	Do 54th	11 1/2	Do 54th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 55th	11 1/2	Do 55th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, brown	8 1/2	Do 56th	11 1/2	Do 56th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 57th	11 1/2	Do 57th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 58th	11 1/2	Do 58th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, white	8 1/2	Do 59th	11 1/2	Do 59th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, orange	8 1/2	Do 60th	11 1/2	Do 60th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 61st	11 1/2	Do 61st	2 1/2
Do good to fine	110 to 115 1/2	Cassia, brown	8 1/2	Do 62nd	11 1/2	Do 62nd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 63rd	11 1/2	Do 63rd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 64th	11 1/2	Do 64th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, white	8 1/2	Do 65th	11 1/2	Do 65th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, orange	8 1/2	Do 66th	11 1/2	Do 66th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 67th	11 1/2	Do 67th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, brown	8 1/2	Do 68th	11 1/2	Do 68th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 69th	11 1/2	Do 69th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 70th	11 1/2	Do 70th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, white	8 1/2	Do 71st	11 1/2	Do 71st	2 1/2
Do good to fine	110 to 115 1/2	Cassia, orange	8 1/2	Do 72nd	11 1/2	Do 72nd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 73rd	11 1/2	Do 73rd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, brown	8 1/2	Do 74th	11 1/2	Do 74th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 75th	11 1/2	Do 75th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 76th	11 1/2	Do 76th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, white	8 1/2	Do 77th	11 1/2	Do 77th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, orange	8 1/2	Do 78th	11 1/2	Do 78th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 79th	11 1/2	Do 79th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, brown	8 1/2	Do 80th	11 1/2	Do 80th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 81st	11 1/2	Do 81st	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 82nd	11 1/2	Do 82nd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, white	8 1/2	Do 83rd	11 1/2	Do 83rd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, orange	8 1/2	Do 84th	11 1/2	Do 84th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 85th	11 1/2	Do 85th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, brown	8 1/2	Do 86th	11 1/2	Do 86th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 87th	11 1/2	Do 87th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 88th	11 1/2	Do 88th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, white	8 1/2	Do 89th	11 1/2	Do 89th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, orange	8 1/2	Do 90th	11 1/2	Do 90th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 91st	11 1/2	Do 91st	2 1/2
Do good to fine	110 to 115 1/2	Cassia, brown	8 1/2	Do 92nd	11 1/2	Do 92nd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 93rd	11 1/2	Do 93rd	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 94th	11 1/2	Do 94th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, white	8 1/2	Do 95th	11 1/2	Do 95th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, orange	8 1/2	Do 96th	11 1/2	Do 96th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, black	8 1/2	Do 97th	11 1/2	Do 97th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, brown	8 1/2	Do 98th	11 1/2	Do 98th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, green	8 1/2	Do 99th	11 1/2	Do 99th	2 1/2
Do good to fine	110 to 115 1/2	Cassia, red	8 1/2	Do 100th	11 1/2	Do 100th	2 1/2

go on with the policy of reducing the amount of Treasury bills outstanding, and the general view is that unless fresh borrowing of some other sort is renewed this will not be possible for long. The pressure of money had been causing a demand, which is in some quarters regarded as too widespread, for Treasury and National War Bonds, and an increase in the supply of Treasury bills should help to remedy this, while the reduction in bankers' deposit rates may stimulate the necessary investment buying. Commercial bills seem better in quality, but not in quantity, and the rate, therefore, after being $3\frac{1}{2}$ per cent., fell to 3 per cent. after the reduction in the Bank rate. Yesterday conditions were not quite so easy, thanks largely to the payment of Treasury Bond money, and the market rate recovered.

	Feb. 17, 1922.	Feb. 10, 1922.	Feb. 3, 1922.	Jan. 27, 1922.	Previous Rate and Date Changed.
Bank Rate	4%	5%	5%	5%	5 (Feb. 16, '22)
Bankers Deposit Rate	2%	3%	3%	3%	3 (Feb. 16, '22)
Discount on Call	2%	3%	3%	3%	3 (Feb. 16, '22)
Household Notice	2%	3%	3%	3%	3 (Feb. 16, '22)
Treasury Bills, 3 months ..	2%	2%	3%	3%	3 (Feb. 16, '22)
Market rate (3 months' bills)	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	..

* Additional to those offered by tender the preceding week.

Repayment of Government borrowings to the Bank was indicated in Thursday's return, Government securities being £17,798,100 lower. Other securities were increased by £140,400. The Reserve was £928,400 higher, thanks to a decline of £914,300 in the circulation, and deposits were thus £16,761,800 lower, more than the whole of which came off Other. The circulation of currency notes was reduced by £1,760,400 to £302,402,400, which includes £1,687,400 of notes called in but not yet cancelled. The fiduciary issue is £252,765,700, or £57,222,700 below the maximum.

THE STOCK MARKETS.

The suspension of the sale of 5 per cent. Treasury bonds and the reduction in Bank rate have brought a large volume of buying orders to the gilt-edged market, and prices have gone ahead rapidly as the supply of stock diminished. War Loan, Funding Loan, and Victory Bonds have been over their issue price, and there has been a keen demand for Conversion Loan. Strength in British Government stocks spread to other investment markets, but in the speculative sections business has been very quiet. Home Rails have maintained their recent rises, but the volume of dealings has dwindled. The Shell, Swansea, and Siam issues were rapidly oversubscribed, while last week's issue of Seine Department bonds has risen to 3 premium.

COMMODITY MARKETS.

Conditions in the cotton market during the past week have been slightly better, the tendency of raw cotton rates to harden stimulating inquiry for yarn and cloth. The weakness which recently developed in raw wool values has apparently not yet been checked, prices recorded at the Hull wool auctions showing a general decline when compared with the sale at Liverpool in the previous week. No change is recorded in the price of Cleveland pig-iron, although owing to the small output it is rather scarce, and it is possible that more furnaces may be started. In the iron and steel trades there is no improvement, but it is stated that orders have been placed for several new ships. The demand for Welsh steam coal has improved, the price of best Admiralty increasing from 24s 9d to 25s 6d per ton. The wheat market was firm, and prices hardened, but buyers were inclined to hold back. Raw linseed oil fell from 20s to 40s per ton after the heavy American buying of the previous week. In the hide market prices were steady, and no changes are recorded. The shoe trade is reported as a little better. Further particulars of market news and movements from our special trade correspondents will be found on later pages.

FOREIGN EXCHANGES.

As was suggested a week ago, the last seven days have shown a reaction from the recent outburst of activity, and business has been very much quieter. On the 11th the dollar receded, even more sharply than had been expected, to 4.32 $\frac{1}{2}$, and though it had risen again by Tuesday to 4.36 $\frac{1}{2}$, there was still a feeling of uncertainty with unsteady movements, and the rate of 4.35 $\frac{1}{2}$ yesterday morning was again somewhat lower. Apart, however, from the influence of incalculable political factors, there would seem no reason to expect a violent reaction, and a slow appreciation would appear more probable. The general level of prices in the States continues to show a quiet upward movement; on the January trade figures the export surplus was again heavily reduced, and there is no belief in America as yet in a revival of export trade. The rate for one and two months forward is on a parity with spot, three months being about $\frac{1}{8}$ cents. From the sudden jerk upwards to 51.07 $\frac{1}{2}$ on the 11th, the Paris rate has moved downwards to 50.10 yesterday, and there would seem, on the whole, to be a slightly stronger feeling of confidence, a confidence hardly justified at least by the Budget position. Francs one month ahead are quoted at one centime under spot. Brussels has moved, as usual, with Paris, but the spread between the two rates is slightly wider than before. Italy this week has been irregular, but ends rather better than before. Among neutral exchanges Amsterdam, after moving rather sharply against us, has gone up again, but is still below the best of the week before. Switzerland has gone in our favour, while the peseta has appreciated slightly. Among the Scandinavian countries Christiania shows a distinct recovery, and both Stockholm and Copenhagen have moved downwards a little. Helsingfors at about 220 shows little change. Berlin, after some irregularities, owing largely to uncertainties as to the position of the Government, has ended much the same as before. In Central Europe, Vienna, strangely enough, after appreciating on the news of credits from Czechoslovakia and England, and promises from France and Italy, has risen again, the inland rate at 30,000 being the same as the previous week and the Auslands rate at 14,500, some 1,500 higher, this latter movement being only one more illustration of the utter artificiality of the Auslandskrone. Warsaw, after a longish period of steadiness, has also begun to move up again, and is now back at 15,250. Budapest is steady, and little more than nominal. Prague also has kept close to 230. Belgrade and Bucharest are a little higher. Athens has slightly improved, but Constantinople is again somewhat higher. India is just slightly better at 1s 3 $\frac{1}{2}$ d on more reassuring news of the Gandhist movement. The yen, on the other hand, has again slightly depreciated. Silver has been very quiet indeed, and only kept up by bear covering. Some selling by China brought the price down later, and the market does not seem at all firm. Hong Kong and Shanghai are both lower. In South America Rio is a little cheaper, Buenos Ayres about the same as last week, but Montevideo and Valparaiso are both dearer.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 11, 1922:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	35,295	Supply Services	5,746
		Interest on Debt	3,689
		Road Fund	3,948
		Sundries	380
		Reduction of Debt	18,990
		Added to Exchequer balances ..	142
	35,295		35,295

These operations reduced the National Debt by the sum of £18,990,108, and caused the following changes:—

	Min. £		Min. £
5% Treasury Bonds	+ 4,075	Treasury Bills	- 21,945
National Savings Certificates ..	+ 1,850	Surrenders of Bonds, &c.	- 345
5% Treasury Bonds	+ 1,062	Depreciation Fund	- 660
Public Department Advances ..	+ 8,350	Unemployment Insurance	- 570
		Sundries	- 687
		Bank of England Advances ..	- 9,750
	+ 14,337		- 33,377

Property and Income-tax yielded £21,500,000, Customs and Excise £4,341,000, Estate Duties, &c., £790,000, and Special Receipts £4,940,728. The floating debt was

reduced by £23,320,000 to £1,142,291,000. Sales of 5 per cent. Treasury Bonds amounted to £4,975,000.

FINANCIAL YEAR, 1921-22 (TO DATE) APRIL 1 TO FEBRUARY 11, 1922.

Total spent	889,055,731	Raised by revenue ..	854,566,972
Inc. in balances	819,441	Net borrowings	35,308,200
Total	889,875,172	Total	889,875,172
ESTIMATES FOR YEAR 1921-22.			
Ordinary Receipts ..	1,058,150,000	Ordinary Expenditure ..	974,023,000
Special Receipts ..	158,500,000	Special Expenditure ..	65,705,000
Total	1,216,650,000	Total	1,039,728,000
		Surplus*	176,922,000

* Owing to liabilities which could not be precisely calculated, it was estimated that the final balance would not exceed about £80,000,000.

NATIONAL DEBT. (Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Dec. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Feb. 11, 1922.
Funded Debt	588	318	318	315	315	315	315	315	315
Term Annuities	30	22	22	20	19	18	17	17	17
4% War Stock	15	15	15	13	13	13	13	13	13
4½% War Stock	2,091	2,068	2,047	2,040	2,008	1,996	1,956	1,949	1,949
4½% National War Bonds ..	649	1,636	1,509	1,476	1,441	1,413	1,201	1,201	1,201
4% Funding Loan	..	..	409	409	407	405	405	405	405
4% Victory Bonds	..	..	360	367	358	348	346	346	346
3½% Conversion L'n.	..	..	..	..	18	23	24	24	24
5-15 year Treas. Bonds ..	..	..	..	..	..	..	273	280	280
5% Treasury Bonds	..	..	..	..	..	..	..	..	..
5% Treasury Bills	15	961	937	1,107	1,102	1,121	1,060	990	990
Exchequer Bonds	20	392	384	323	319	292	289	218	194
Nat'l Savings Certs.	..	138	227	267	274	279	285	294	303
War Expend. Certs.	..	23	..	..	..	..	..	..	..
Other Debt	..	944	1,241	1,306	1,181	1,164	1,132	1,097	1,091
American Loan	..	51	51	51	51	54	200	152	152
Temporary Advances	1	304	455	243	308	308	..	..	..
Other Capital Liabilities ..	654	5,872	7,435	8,033	7,829	7,785	7,574	7,748	7,717
Total Liabilities	711	5,921	7,481	8,079	7,876	7,832	7,623	7,799	7,768

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.

	Temporary Advances Out- standing—	Feb. 12, '21.	Mar. 31, '21.	Feb. 11, '22.	Feb. 11, '22.
Advances by Bank of England ..	29,750,000 ..	..	..	8,000,000 ..	9,750,000
Advances by Public Departments ..	201,472,000 ..	154,489,000 ..	144,115,000 ..	..	8,350,000
Treasury Bills outstanding	1,127,674,000 ..	1,120,841,000 ..	990,176,000 ..	..	21,920,000
Total Floating Debt	1,358,896,000 ..	1,275,330,000 ..	1,142,291,000 ..	..	23,320,000

THE GEDDES REPORT.

We have much sympathy with the argument voiced by Mr Asquith in the debate last Tuesday that the submission of the estimates to an external body before they are approved by the Government and submitted to the House must tend to weaken the responsibility of the Cabinet for financial policy, and therefore for policy in general, and to trench upon the prerogative of Parliament. But in present circumstances we share in the general satisfaction that these considerations have been disregarded, and that the Government has given an opportunity for the pressure of public opinion to become effective before finally making up its mind on its financial plans for next year. The Report of the Geddes Committee is a document without parallel in our recollection in the realm of financial literature. The Budget statements and speeches of the year are always a subject of interest, and occasionally become a great political document. But estimate statements and speeches are always dull and a matter of indifference except to those immediately concerned and to a handful of experts. This attitude is due partly to the fact that the estimates do not see the light until all the important decisions have been taken, and partly that they are never surveyed as a whole, and therefore their bearing upon the general financial position is only remotely discerned. On the present occasion, by the appointment of the Committee and the publication of its report, the Government have made it possible for the public to focus the situation in advance, and has furnished the critics of expenditure with more effective weapons than have ever before been at their disposal. The experiment may have a far-reaching influence on subsequent financial procedure.

A more deep-seated reason for the widespread interest in the Report is the public recognition of the imperative need for curtailing expenditure. So far as we are able to judge, this interest seems to be much more vigorous than in any other country. The reason for this in

our opinion is that both the richer and the poorer classes in Great Britain have for some years past borne a heavier burden of taxation than in any other country, and that with the fall in prices, wages, profits, and income generally, the demand for some relief is rising to an irresistible flood. At the same time, British opinion is fully alive to the evil results to a country of living beyond its means or of indulging in inflation, and we have seen no serious evidence of a tendency to push the Government into the policy of relieving taxation by borrowing. Indeed, the country is proud of the fact that it began last year to repay its war obligations. The desperate anxiety for lower taxation has therefore rightly concentrated upon the expenditure side of the national accounts.

The Report itself is of an unusual kind. Concise, and at times almost telegraphic in style, it bears on every page the stamp of the mentality of its signatories. These are business men who not only had risen to high distinction in their various spheres, but have also had considerable experience, and in the case of the chairman a very varied experience of departmental administration during and since the war. This gave them a very great advantage in probing into the detailed proposals of the various services. But they resisted the temptation to go into matters of minor importance, and have been very successful in seeing the problem all the time in a large way. The Report is, therefore, one of the most readable of Government documents we have ever had occasion to study.

The problem of the Committee was to take the preliminary estimates for 1922-3 which the departments, in response to pressure from the Chancellor, had already reduced from 603 millions to 528 millions (or 510 millions if figures for the Irish Department are omitted), and to suggest further cuts amounting to 100 millions. The Committee observe, however, that the reductions proposed by the departments were, in many cases, automatic, being due to the fall of wages or prices, to windfalls, or to the cessation of special war expenditure. The Committee had the more difficult task of recommending savings arising out of the "curtailment of activity or of economical administration, and this point cannot be too clearly borne in mind." This phrase is indeed a significant one; but the Committee itself does not appear to have altogether grasped the distinction between the two kinds of saving mentioned. If the Government desires a service to be performed and pays an unnecessarily high price for it, that is waste. If the Government carries on with reasonably efficient administration a service which the nation cannot afford—that is to say, a service whose value to the country is less than the alternative uses to which the money would be put if left in the pocket of the taxpayer—that is extravagance. We might add that if the Government for electoral reasons curtails economically administered services which add to or are needed to maintain the industrial and intellectual resources of the country, that is folly. The Geddes Report would have been an even more valuable document if these categories had been more clearly in mind.

The two reports now published cover departments whose total estimates amount to 408 millions out of the 510 millions referred to. The cuts proposed by the Committee in the main items are as follows:—

LONDON JOINT CITY AND MIDLAND BANK LIMITED

CHAIRMAN:
The Right Hon. R. McKENNA
JOINT MANAGING DIRECTORS:
F. HYDE E. W. WOOLLEY

Subscribed Capital ..	£38,117,103
Paid-up Capital ..	10,860,852
Reserve Fund ..	10,860,852
Deposits (Dec. 31st, 1921) ..	£37,117,092

HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C.2.
OVER 1,600 OFFICES IN ENGLAND AND WALES
OVERSEAS BRANCH: 65 & 66, OLD BROAD STREET, LONDON, E.C.2.

AFFILIATED BANKS:
BELFAST BANKING CO. LTD. THE CLYDESDALE BANK LTD.
OVER 110 OFFICES IN IRELAND OVER 160 OFFICES IN SCOTLAND

	Provisional Estimates. (Min. £).	Pro- posed Cuts. (Min. £).		Provisional Estimates. (Min. £).	Pro- posed Cuts. (Min. £).
Navy	81	21	Trade group	21	5
Army	78	20	Exports credits	10	5
Air Force	13	5.5	Agricultural group	30	9
Education	60½	18	Police and Prisons	10½	1
Health	24½	2.5	General group	16	1.6
War Pensions	56½	3.3	Pension and University grants		1.2*

* This represents fresh reductions made by the Pensions Ministry and the Board of Education, after allowing an increase of a million as the result of unemployment.

It will be observed that the proportionate reductions vary very greatly, but before any inference is drawn in this connection, two qualifications are needed. In the first place, the estimates for the Navy include 11 millions for new capital ship construction, which will not now be required owing to the Washington Agreement. The true comparison for the Navy is with an estimate of 70 millions, on which a cut of 21 millions—or 30 per cent.—is proposed. The other point is that the figure given for education refers only to expenditure out of taxation. If we add expenditure provided out of the rates it is estimated that the total public expenditure on education for the year would be 104 millions. The proposals of the Geddes Committee contemplate that 3.7 millions of expenditure from local rates could be saved, making the total cut 21.7 millions, or 21 per cent. The total cost of the Police is also more than twice the charge on the Exchequer.

These reductions raise in almost every case very far-reaching questions of policy, for we venture to think that the real cases of waste, as we have defined it, account for the smaller part of the proposed cuts, and in most cases the discussion will turn upon the relative advantages of the service under discussion. It could not be expected that the Committee's proposals should in all respects be proof against criticism, and, in any case, the Government must make up its own mind on the principles involved. We therefore propose to take the major problems and discuss them individually.

In the meantime, we may repeat that, assuming the Committee succeeds in proposing cuts amounting in all to 100 millions, and that the Government accepts these or alternative proposals, we are far from being assured of a reduction of taxation in the coming Budget. It is doubtful if more than half the Geddes cuts could become effective in the next financial year. A reduction of 50 millions in addition to the 75 millions proposed by the departments would bring the estimate of an expenditure of 1,146 millions in the current year to 1,021 millions, to which must be added something for interest on the war debt to the U.S.A.—which would amount to nearly 50 millions in a full year. The current revenue, estimated at 1,216 millions, is not likely to bring in more than 1,120 millions, and maybe substantially less than this. Next year the receipts from direct taxes will be lower, as the three years' average for income-tax will include one bad year. Arrears of E.P.D. are not likely to make a better showing than in the current year, and receipts from war sales, which have been a most important factor in producing last year's surplus, and in balancing this year's accounts, will certainly dwindle rapidly. Even with the full Geddes cuts, a margin for tax reduction is not yet in sight.

ECONOMY AND ARMAMENTS.

FIFTEEN months ago the financial representatives of forty countries, who met at the Brussels Conference, declared emphatically that one of the most important conditions of any improvement in the international situation was a drastic reduction of expenditure upon armaments. They pointed out that the statements presented to the Conference show "that on an average some 20 per cent. of the national expenditure (of the countries represented) is still being devoted to the maintenance of armaments and to preparations for war. The Conference desires to affirm with the utmost emphasis that the world cannot afford this expenditure." This demand has since been echoed by financiers and business men at various national and international financial gatherings, and it was therefore to be expected that the main attack of the Geddes Committee would be concentrated upon this particular stronghold of extravagance. It may be noted in passing that the figure of 20 per cent. quoted in the Brussels Report was, and remains during the current year, approxi-

mately true for Great Britain. But from the point of view of possible reductions the two important items of interest on war debt and war pensions are at present only susceptible of minor cuts. If we deduct these two items from the total estimates of expenditure for the current year the remaining supply services only amount to about 500 millions. Of this amount, military and naval expenditure accounts for over 200 millions or, say, 40 per cent. The truculent and regrettable memorandum of the Admiralty, which followed hard upon the heels of the Geddes Report, is perhaps to be explained by the fact that the senior service appreciates the gathering forces of public opinion in this matter. Of our two main fighting services the task to be performed by the Navy has been much more definitely curtailed by the result of the war than is the case with the Army. On sea we were formerly struggling to maintain our world supremacy against keenest competition. As regards land forces, we were satisfied to stand altogether outside the competition in armaments, and this tradition is doubtless responsible for the comparatively sympathetic attitude of the Army which may be traced in the chapters on the land and sea forces respectively. However justified the Admiralty may be in their detailed criticisms of the Committee's Report, which are described as based upon "a serious misconception of the character and requirements of our naval organisation, and the effect upon these requirements of our experience in the late war," and embodying "every possible error in the series of calculations leading them to the conclusion that only 86,600 men were required for the services of the fleet," the intervention of the department is unseemly, and will undoubtedly prejudice the public against it.

The discussion of the problem of armaments and of defence in relation to economy falls under three heads, namely—

(1) The man power and administrative machinery required to secure and to maintain a given offensive or defensive war strength.

(2) The possibility of economy by considering this war strength, not merely in terms of naval, military, or air strength separately, but by regarding these three spheres as a unity, and treating the problem as a whole.

(3) The degree of war power which this country needs to maintain, in view of the new conditions created by the world-war.

As regards man power, the Committee devoted a good deal of their detailed analysis to criticising the establishments maintained by all three arms. Of the Navy they state:—

That the Estimates for 1922-23 provide for man power on a lavish scale, and that without in any way interfering either with the manning of the fighting ships of the Navy, from capital ships to submarines, as laid down by the Admiralty, there is an excess of over 33,000 officers and men in the Navy which, having regard to our recommendations in paragraph 8 respecting officers' servants class, would justify a reduction of 35,000 officers and men.

That the Admiralty, with a smaller Navy, are maintaining far larger shore establishments, both naval and civilian, than they did before the war, and we think that there are many ways in which economies could be effected by employing the naval ratings and marines held for mobilisation on the work now done for the Admiralty by civilians and Metropolitan Police.

In regard to the Army, they conclude:—

That man power has been estimated on a lavish scale for 1922-23, and that a reduction of 50,000 officers and men could be made, without in any way reducing the forces employed by the War Office on foreign service.

That there has been an increase in all the ancillary and auxiliary services of the Army, which the country cannot afford, and in which drastic economies should be made.

In regard to the Air Force, they observe that, "although we have no pre-war figure with which to compare the staffing of the Air Ministry and its establishments, considerable room for economy exists, both in administration and in policy."

The Committee, however, go further and lay great stress upon the point to which we recently called atten-

tion in the special case of tanks, namely, that new weapons and forms of warfare have greatly increased the military strength of a given unit. In so far as many of our imperial liabilities are concerned with countries where these advantages are not available to possible enemies, the size of our forces can be reduced without diminishing their military effectiveness for the purposes they have to undertake. On this point the Committee states that "the introduction of new arms and corps, and of the Air Force, which have been created with the object of increasing the fighting efficiency of the defence forces of the Empire, is not reflected in corresponding reductions in other directions, and that savings could be made on that account." Further, the very special knowledge which the chairman possesses of the provision and transport of stores and equipment for both the Army and Navy has enabled the Committee to make some very trenchant comments on these questions. They call attention, for example, to the very heavy expenditure proposed by the Government for the manufacture of shells for the larger guns of capital ships in order to complete a reserve "outfit" on shore of this type of shell in addition to the complete "outfit" held on board. "Apart from this new type of shell, it is proposed to spend £1,000,000 on other ammunition, and we think that this is susceptible of great reduction in view of the large surplus stocks of ammunition which are held in excess of the authorised reserves. We are informed that in the four years of the war the Navy fired only half an outfit out of the three outfits which were then authorised. At this rate of expenditure, the two and a-half outfits which remain are equivalent to 20 years' consumption on the basis of the late war, and yet it is proposed next year to spend close on £2,000,000 on ammunition alone." Similar comments are made upon the standard of provision of stores of all kinds for the Army.

On this question the Committee might have added the further criticism that such large reserves, involving man power in maintenance and replacement, are unnecessary, both because the country has acquired a knowledge of war production which for the next 10 or 20 years would make the mobilisation of industrial resources much easier than in 1914, and also for the reason that as the Government is basing its policy on the assumption "that no great war was to be anticipated within the next ten years," the weapons required, if and when war comes, will be quite different from those which the forces are now hoarding.

A conclusion of more far-reaching importance is that in regard to the overlapping of the three services.

In our opinion full economy in the fighting services cannot be realised under existing conditions. There is overlapping and duplication throughout. In order to fully realise these economies, the three forces must be brought together by the creation of a co-ordinating authority, or a Ministry of Defence responsible for seeing that each force plays its part and is allotted appropriate responsibility for carrying out various functions. The theory of such a Ministry in embryo appears already to exist in the Committee of Imperial Defence. With the creation of a co-ordinating authority or Ministry of this description it would be possible to ensure that corresponding reductions in expenditure were realised when either of the older services was relieved or assisted, and no additional expense or extra Ministerial appointment need, in our opinion, be involved, as the Minister and his staff could all be drawn from existing organisations. All the arguments of an economic character which have been urged for the absorption of the Air Force into the two older Services apply, in our opinion, also to the fusion of all three Services under one Minister. Complete co-ordination in supply, transport, education, medical, and other services would then be possible.

The development of new means of carrying on war will, in our opinion, make this recommendation of increasing importance, even if, as Mr Chamberlain stated on Thursday, it cannot be carried out forthwith. In our opinion this reform is primarily necessary in the interests of war power, or as we prefer to say, of policing power, for it is imperative that some co-ordinating authority

should be instituted to maintain unity of command among the various military arms, in view of the technical and tactical changes in methods of war which are certain to occur. But the suggestion is obviously of importance also in regard to administration and supply. It would be in the highest degree discreditable for the country ever to find itself again in the position of having its various fighting services competing for supplies or establishing three or more separate organisations for dealing with all these economic problems which war involves.

There remains the most far-reaching problem of all, viz., the question as to the war power which this country needs. In this connection it cannot be too much insisted that the cuts proposed by the committee were suggested without reference to the Washington Conference decisions. These agreements are commonly assumed to have involved the cancellation of the 11 millions sterling proposed for new expenditure upon capital ships during the present year. We must not, however, forget that the Washington Agreement permits Great Britain to build two new ships not exceeding 35,000 tons. The Government has not declared its intention on this matter, but Parliamentary and public opinion are making it quite clear to the Government that until the financial situation is very much improved there must be no question of commencing either of these ships at present.

Mr Balfour, however, reminds us that the Washington Conference failed to come to any arrangement upon the subjects of land armaments and submarines. In regard to land forces, the Committee has gone so far as to outline possible reductions of our overseas liabilities as shown in the following table:—

	Cavalry Regiments (including 3 of Household Cavalry).			Infantry Battalions (including 10 of Foot Guards, 9 in 1914).		
	1914	1922- 1923.	Com'ttee's Sug'stions.	1914	1922- 1923	Committee's Suggestions.
Indian Establishment	9	8	8	51	45	45
Foreign and Colonial Establishment—						
Aden	..	..	..	1	1	1
Mesopotamia	..	1	1	..	2	2
Palestine	..	3	2	..	2	1
Egypt	1	1	1	5	7	6
Constantinople	..	1	..	..	2	2
Gibraltar	..	..	..	2	2	1 (Guards)
Malta	..	..	..	5	4	2
South Africa	2	..	..	4½	..	..
Mauritius	..	..	..	1	..	..
Bermuda	..	..	..	1	..	..
Jamaica	..	..	..	..	1	..
Ceylon	..	..	..	..	1	..
Singapore	..	..	..	1	2	..
Hong Kong	..	..	..	1	1	..
North China	..	..	..	2	2	..
Total, Foreign and Colonial	3	6	4	23	27	18
Total abroad (in- cluding India) ..	12	14	12	74	72	63 (3 guards)
Home Establishment—						
Germany	..	1	1	..	8	..
United Kingdom ..	19	12	6	83	78	67 (7 guards)
Total Units	31	27	19	157	158	130
			Reduction 8 Regiments.			Reduction 28 Battalions.

In regard to the home forces, the present necessity for the Cardwell system of "linked battalions" is questioned. We are told that "the War Office hold the view that this is the most economical way of providing for the alternation of foreign service and home service, and on the assumption that the number of units which this system gives at home is needed either at home, or as an Expeditionary Force, that may be so. But if there is no real necessity for the full number of units at home, the system cannot, in our opinion, be an economical one, and so far as our information goes, there is no need for six divisions, complete in all arms and services, to be held either for the maintenance of order in this country or for an emergency abroad which is likely to arise in the next few years."

Finally, the Committee draws special attention to the

very heavy expenditure which is being incurred on forces in Constantinople, Egypt, and Palestine, in regard to which the following provision is made in Army Estimates for the present year:—

Constantinople	£ 3,117,000
Egypt	5,944,000
Palestine	4,219,000
Total	13,280,000

"Apart from an estimated reduction in the cost of the force in Palestine to about £2,750,000 in 1922-23, it does not appear that any substantial reduction in the other items of this expenditure is anticipated. The only force which was maintained in these areas before the war was one cavalry regiment and five infantry battalions in Egypt, the provision for which at present day costs would not, we understand, have exceeded £1,450,000." Thus is it emphasised once more that expenditure is linked up with policy.

FOREIGN TRADE IN JANUARY.

THE trade returns for January confirm the view previously expressed in these columns that the fundamental conditions of British industry are to-day more favourable for a slow but steady recovery than has been the case for some time past. The three features of the trade figures for the past month are the reduction of the import surplus to a figure far below the normal pre-war condition, the steady inflow of raw materials at a rate equal to that which prevailed in 1920, but at enormously reduced prices, and finally a satisfactory recovery in the volume of our exports compared not merely with the last few months, but with January, 1921.

As regards the import surplus, the figures for the month show a balance against this country of less than £5 millions, which compares with an average per month of from £10 to £15 millions in the years preceding the war:—

MONTH OF JANUARY.

	1921.	1922.	Decrease in 1922.
Imports	£ 117,041,115	£ 76,488,231	£ 40,552,884 — 34.6
British exports	92,756,094	63,146,949	29,609,145 — 31.9
Re-exports	9,955,119	8,458,866	1,496,253 — 14.9
Total exports	102,711,213	71,605,815	31,105,398 — 30.2
Excess of imports over total exports	14,329,902	4,882,416	9,447,486 — 66.0

The corresponding balances which averaged £31 millions in 1920, and £23 millions in 1921, have shown the following variations during the year:—

	Import Surplus in Million £.	Import Surplus in Million £.
January, 1921	14.3	28.2
February, "	20.7	27.2
March, "	18.1	23.3
April, "	21.5	12.1
May, "	36.0	16.5
June, "	42.8	16.8

This figure is by no means the only influence on the course of the foreign exchanges, but the value of the dollar has in the past 12 months fluctuated fairly closely with the variations in the monthly trade surplus. The recent appreciation in sterling coincides with the marked fall in the balance since Michaelmas.

As regards raw materials, the figures for a single month are less indicative of the trade situation than almost any other section of the return owing to the substantial variations of stocks in hand. Thus in the present instance the importation of iron ore, for which at the moment there is practically no market, and of raw cotton, are both much less than in January, 1920, and in the case of ore much less even than in 1921. Iron ore is, however, always a variable import during the winter, and the only point of interest that can be drawn from the figures is that, whereas the average import value both in January, 1920, and in January, 1921, was about 47s, the average import value last month was less than 29s. Similarly the average value of raw cotton has fallen from over £23 per cental in 1920, and a little under £9 in 1921, to £6

last month. In the case of wood and timber, the quantity imported was approximately equal to 1920, and was substantially better than 1921. The minor textile materials were imported in even smaller quantities than 1921, but on the whole the general tendency in the other trades of the country is a definite increase on the figures for January, 1921, but a lower total than in January, 1920.

When we turn to exports we find that the exports of coal have recovered practically to pre-war level. In iron and steel the figures are nearly up to the 1920 level, but still substantially below the pre-war figure. Cotton goods have made a definite recovery, and other textiles are moving in the same direction. The actual figures of these main trades are as follows:—

	Jan., 1913.	Jan., 1920.	Jan., 1921.	Jan., 1922.
Coal (thousand tons)	6.07	3.36	1.70	4.02
Iron and steel (thousand tons) ..	437	257	232	253
Non-ferrous metals (thousand tons)	141	161	81	121
Cotton piece goods (milln. sq yds) ..	649	415	249	339
Cotton yarn (million lbs)	19	161	7.2	14.8
Paper (thousand cwt)	323	158	221	147
Jute piece goods (million sq yds) ..	15.7	15.6	5.1	8.6
Linen piece goods (milln. sq yds) ..	20.8	14.5	2.3	7.8
Woolen tissues (million sq yds) ..	11.6	18.5	9.8	8.9
Worsted do. (million sq yds)	8.1	5.9	4.0	6.7

Compared with these figures, however, some of the minor industries show less satisfactory results. Exports of boots and shoes, leather goods, hats and hosiery, are still dwindling. The same is true of paper, hardware, tools, watches, and other similar trades. As regards machinery, the comparison is vitiated by the low level in January, 1920, as a result of the moulder's strike, but compared with 1921 exports are substantially down, with the single exception of textile and electrical machinery.

The returns show that the most substantial progress compared with a year ago has been made in those trades where wages reductions have been made on the basis of the ability of the industry to pay, or in those industries such as the cotton trade, where British labour cost is a small item in the total value of the finished product. In the engineering trade reduction of wages has been less rapid, and the same would probably be found to be the case in other industries, such as boots and shoes, and hosiery, which cater more for the home market rather than for foreign trade.

MONTH OF JANUARY.

	Imports.	Imports.	British Exports.	British Exports.
	1921.	1922.	1921.	1922.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	11,241,837	5,825,732	187,748	139,192
B. Feeding-stuffs for animals ..	802,215	511,449	69,705	143,337
C. Meat	11,783,625	6,787,857	72,565	99,134
D. Animals, living, for food ..	..	85,954	3,988	1,381
E. Other food and drink, non-dutiable	15,817,499	11,513,226	..	..
F. Other food & drink, dutiable ..	7,634,664	7,542,968	2,971,823	2,046,169
G. Tobacco	1,868,688	1,704,860	546,128	431,923
Total, Class I.	49,148,528	33,972,046	3,851,957	2,861,036
II.—Raw Materials and Articles				
A. Coal	571	..	5,555,708	4,783,539
B. Other non-metallic mining and quarry products and the like ..	935,516	434,713	84,307	114,608
C. Iron ore and scrap	1,661,713	328,668	10,420	40,070
D. Non-ferrous metalliferous ores and scrap	1,002,722	453,168	..	..
E. Wood and timber	4,036,221	2,476,299	121,421	656,508
F. Raw cotton and cotton waste ..	11,588,338	8,611,348	40,216	14,469
G. Wool, raw, and waste, and woolen rags	6,238,777	4,488,953	73,703	69,166
H. Silk, raw, knurbs and noils ..	101,241	219,983	350,823	358,412
I. Other textile materials	2,046,400	726,822	532	1,953
J. Oil seeds, nuts, oils, fats, resins, and gums	4,177,266	2,613,760	16,077	67,338
K. Hides and skins, undressed ..	1,112,707	1,761,045	652,985	378,408
L. Paper-making materials	1,412,289	898,616	132,813	196,768
M. Rubber	1,570,015	812,260	66,907	104,255
N. Miscellaneous raw materials and articles mainly unmanufactured	1,121,268	739,154	18,498	15,375
Total, Class II.	37,005,044	24,564,789	543,445	234,588
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel ..	500	2,593	585,200	322,792
B. Earthenware, glass, abrasives, &c.	796,705	578,289	1,663,754	1,056,995
C. Iron and steel and manufactures thereof	3,558,453	1,062,157	10,691,569	5,859,716
D. Non-ferrous metals and manufactures thereof	2,081,901	1,815,221	1,496,795	1,098,383
E. Outlets, hardware, implements, and instruments ..	632,368	428,449	1,256,727	570,188
F. Electrical goods & apparatus ..	242,643	111,710	1,294,896	802,209
G. Machinery	1,569,615	522,398	8,060,264	5,799,894

	Imports.	Imports.	British Exports.	British Exports.
	1921.	1922.	1921.	1922.
H. Manufactures of wood and timber	803,969	296,124	218,260	105,099
I. Cotton yarns and manufactures ..	523,732	478,315	23,972,572	16,813,416
J. Woolen and worsted yarns and manufactures	655,635	590,886	7,901,562	5,010,512
K. Silk and silk manufactures	1,754,477	1,738,511	300,098	199,792
L. Manufactures of other textile materials	879,866	800,154	2,191,979	1,967,169
M. Apparel	636,651	868,553	3,061,490	1,590,252
N. Chemicals, drugs, dyes, and colours	2,343,541	764,482	3,386,148	2,014,794
O. Oils, fats, and resins manufactured	8,951,414	3,493,898	535,931	495,357
P. Leather and manufactures thereof	550,618	699,334	464,007	409,462
Q. Paper and cardboard	1,006,141	822,613	1,417,784	581,481
R. Vehicles (including locomotives, ships, and aircraft) ..	1,234,692	540,905	7,024,148	4,754,821
S. Rubber manufactures	398,143	316,862	755,572	379,944
T. Miscellaneous articles, mainly or wholly manufactured ..	1,856,020	1,778,529	3,466,748	2,007,877
Total, Class III.	30,467,084	17,709,981	79,745,506	51,824,083
IV.—Animals, not for food	46,032	11,543	384,732	153,469
V.—Parcels Post, non-dutiable articles	374,427	229,872	1,106,044	1,275,914
Total	117,041,115	76,488,231	92,756,094	63,146,949

LESSONS OF THE CITY EQUITABLE.

ONCE again Mr H. G. Wells has proved his genius for anticipating history. In his novel "Tono-Bungay" he made the great financier whose schemes had fallen to ruin leave the country by aircraft and come to rest in Spain. Mr Bevan, chairman of the City Equitable, is now reported to be in France, now in Brazil, now in Spain, but wherever he may be it is certain that, following the precedent of Mr Wells' Ponderevo, he left this country unexpectedly and by aircraft.

Much still remains to be disclosed in connection with this extraordinary failure. The company itself and two of its subsidiaries are in process of liquidation, while Messrs Ellis and Co., Mr Bevan's firm, filed their petition in bankruptcy on Wednesday, but so far there has been no official story of the disaster, and probably no one, not even the accountants, have yet got all the facts in their proper order and perspective. But enough is known to indicate a grave scandal, a scandal probably more serious than this generation of insurance men has ever believed to be possible. The City Equitable itself made up its balance-sheet as at February 28th, and at that date last year it showed the following imposing list of securities:—

British, Government, and Treasury Bills	£ 783,717
Indian and Colonial and Foreign Government ..	55,749
U.S.A. Government Municipal and Railway	160,831

Some of the other securities were less attractive in appearance:—

Insurance companies' shares	£ 150,764
Miscellaneous securities, debentures, &c.	686,926
Loans	514,633

These items have a rather vague look about them, and it will be interesting to discover exactly what the loans and miscellaneous securities consisted of, but the auditors' certificate was emphatic and satisfactory:—

"We certify that in our belief the assets set forth in the balance-sheet are in the aggregate fully of the value as stated therein."

In face of these figures and this certificate how comes it that within so short a time the assets are exhausted or unrealisable, and the company in liquidation? The answer appears to be that the securities of which the company had control through its own holdings and those of its subsidiaries were used for purposes that were, to say the least, unjustified, and that good realisable assets had their place taken by rapidly depreciating industrial shares. Government securities belonging to subsidiary companies were borrowed by concerns in which the chairman had an interest, and employed in a manner which in course of time will doubtless be revealed, while the most extraordinary banking arrangements were entered into for the convenience of anyone but the policyholders. The result is that those subsidiary companies which, unlike the City Equitable, were direct insurers and issued their

policies to the public, instead of being strengthened as they were supposed to be by the new connection, had their resources drained and were rapidly involved in the common disaster. The details of the story cannot yet be filled in, but these are the broad facts, and we may trace the failures directly to a most regrettable connection between insurance finance and an altogether unsound industrial boom. In these operations Messrs Ellis and Co. as brokers, were heavily involved, holding money and good securities that had been borrowed from the insurance companies, and giving in return shares of inferior quality, some of which are believed now to be worth less than nothing. Hence their failure.

In fact, the most obvious lesson of this collapse is the danger of leaving the control of an insurance company's assets and the direction of its investment policy to men who are heavily interested in any speculative form of finance. It may be desirable to have on the board men with financial experience and connection who can help the company to make sound investments not obvious to the general public, but rather than have clever financial directors with heavy commitments of their own, and with axes of their own that will constantly need to be ground, a company had better be content with a few commonsense men who think of nothing but security, and are content with a humdrum investment policy that leads to no brilliant results, but can never impair the company's safety.

Another moral that may be drawn from the City Equitable concerns the habit of re-insurance, especially treaty re-insurance, which has grown considerably in the past 20 or 30 years. During this period it has become more and more common for companies to accept big lines on individual risks with no intention of keeping the whole or even half of the lines themselves, but in order to re-insure the bulk of the risk with others and run only a tiny fraction in their own books. By effecting re-insurance "treaties" with these other companies, they give themselves the right to pass over or "cede" to them any part of the risks that they have accepted at rates lower by a considerable percentage than those they get from their own clients. This percentage represents their profit on the deal, and they are really acting as brokers or business getters on behalf of their fellows. They have the expense of securing the order, and they must provide the public with security good enough to be generally attractive, and in return for this they get from the company to whom the risk is ceded, which is probably less well known and less stable than themselves, a turn on the transaction.

Where the credit of the original company is unshakable (and the credit of all the leading British companies happily is) its re-insurance arrangements are not of any interest to the public, for whether it retains or cedes, the policyholders will be paid in the event of loss. But carry the system of re-insurance beyond a certain point and it becomes impossible to tell from the published figures whether a company of the second class is really strong or weak. If, for example, such a company publishes, as most companies do, only the figures of net premium income, i.e., the premium income after deduction of the sums paid away in re-insurance, the picture given in the accounts of the scope and nature of the business may be altogether misleading. Assume, for example, a company which retains an average of 20 per cent. of what it writes and cedes 80 per cent. to other concerns, it will have a real premium income of £500,000, but show in its accounts a net income of only £100,000. The figures might run on these lines:—

Marine insurance fund, £	Claims paid and outstanding	£
1920 150,000	 60,000	
Premiums net 100,000	Expenses and commission	20,000
	Marine insurance fund,	
	1921 170,000	

These figures look beautifully strong and successful, but they deal only with one-fifth of the income and one-fifth of the claims. The remaining four-fifths relate to the re-insuring companies, and if they were to collapse, our hypothetical company would be unable to meet its liabilities and would go down with them. What we really want to know from the company is not "What assets and

reserves have you got?" but "What assets and reserves have your re-insuring companies got?" In other words, the insurance accounts and the balance-sheet tell us very little, for everything turns on the strength of the re-insurers who are running four-fifths of the risk. To get at the true position we should need to examine not one balance-sheet but 20 or 30 balance-sheets, testing each link of the chain before we can tell the strength of the whole.

Of the troubles that the insurance market has gone through recently—the failure of the Norske Lloyd, the Essex Union, and other companies of the same or lesser standing—many can be traced directly to re-insurance treaties. In Norway, which supplied a good many links in the re-insurance chain, there has been a veritable cataclysm of credit, much, if not all, of it arising from reckless underwriting in one London office, which radiated bad underpaid risks through a whole circle of re-insurers, and so not merely brought them down, but embarrassed our more careful companies who had placed their re-insurance treaties in the same quarter. The ramifications were so elaborate and the give and take of risks here, there, and everywhere so confusing, that no single man could, while the system was working, have calculated its strength or its weakness; but when the liquidator is called in and begins to examine the books, the extent of the connection and the hold that each of the companies gives to the others to make or mar it becomes apparent. A list of the re-insurance contracts placed by some of the companies, especially by the not quite first-class companies, is as good as a lesson in geography.

It should perhaps be repeated that the first-class British offices have built up for themselves so strong a position that the failure of a few re-insurers can leave scarcely a ripple on the surface, but it might not be a bad thing if the habit of treaty re-insurances became less popular everywhere, and a larger proportion of the risks remained where they were originally placed.

THE UNDERGROUND GROUP.

THE results of the operations of the five companies comprising the Underground Railway group show a substantial increase in net receipts for the year 1921, which accounts for the very satisfactory dividend announcements made at the end of last week, and summarised in our last issue. Traffic receipts were £12,498,600, and expenditure £10,425,900, leaving net receipts of £2,072,700. In consequence of Government control of the Metropolitan District Railway in 1920, the traffic receipts and expenditure for that year are not comparable with those for 1921. The net receipts and appropriations for 1920 and 1921 for the five companies are given below:—

	1920.	1921.	Inc. or Dec.
Net receipts	£ 1,222,381	£ 2,072,711	+ 850,330
Miscellaneous receipts (net)	693,999	586,916	- 107,083
Total net income	1,916,380	2,659,627	+ 743,247
Deduct—			
Interest, rentals, & fixed charges	825,911	867,628	+ 41,717
Appropriations to reserves	420,000	530,000	+ 110,000
Dividends on guaranteed and preference stocks	360,077	389,477	+ 29,400
Total deductions	1,605,988	1,787,105	+ 181,117
Balance	310,392	872,522	+ 562,130
Add balances from last year's accounts	134,278	135,711	+ 1,433
Total amount available for dividends on ordinary stocks and shares for other purposes ..	444,670	1,008,233	+ 563,563
Amount paid in dividends on ordinary stocks and shares representing an average rate of 3.92 per cent. in 1921 and 1.66 per cent. in 1920	308,959	755,091	+ 446,132
Balance carried forward to next year's accounts	135,711	253,142	+ 117,431

During the first half of the year 1921 the dividend on the second preference stock of the Metropolitan District Railway Company, amounting to £36,750, was met out of

that company's share in the common fund. If this amount is added to the balance shown above, namely, £872,522, the total represents the common fund for the year 1921. How the common fund was divided among the five members may be seen from the following comparative table:—

	1919.		1920.		1921.	
	%	£	%	£	%	£
Central London	21	99,278	20	70,898	18	164,483
City and South London	6	29,783	6	21,270	6	54,556
London Electric	30	148,916	30	106,348	35½	320,552
Metropolitan District	12	59,566	12	42,539	12	109,113
London General Omnibus	32	158,844	32	113,437	28½	260,568
	100	496,387	100	354,492	100	909,272

Since July last the agreement in respect of the division of the common fund has been modified, and the dividend upon the second preference stock of the Metropolitan District Railway Company, hitherto payable out of that company's share in the common fund, is now deducted by that company from its revenue before payment into the common fund, or if its revenue should be insufficient for the purpose is met out of the common fund before distribution.

Each of the companies shows a substantial expansion in net receipts, owing partly, it is to be presumed, to the increase in fares. We give below a comparison of the revenue, expenditure, and fixed charges of the four railway companies, the figures of the Omnibus Company being shown on a later page.

	Revenue.		Expenditure.		Fixed Charges.	
	1921.	Inc. or Dec.	1921.	Inc. or Dec.	1921.	Inc. or Dec.
Central London	£ 729,551	+ 131,151	£ 468,428	- 16,704	£ 48,039	- 8,032
City and South London	481,308	+ 103,895	301,441	- 70,470	46,811	- 2,808
London Electric	2,176,804	+ 325,392	1,368,771	- 18,523	255,544	+ 9,278
Metropolitan District	2,013,760	..	1,351,308	..	326,760	- 611

The Metropolitan District was under Government control, but Government responsibility for net revenue ceased on September 26, 1920, when the new scheme of fares came into operation. Its receipts from the common fund, thanks to the modification mentioned above, have been substantially increased, and it is able to make the first distribution on its ordinary stock since 1882.

The next table shows net income, preference, and ordinary dividends:—

	Net Income Less Charges.		Pref. Dividend.		Ord. Dividend.	
	1921.	Inc. or Dec.	1921.	Inc. or Dec.	1920.	1921.
Central London	£ 215,083	+ 102,585	£ 21,600	..	£ 67,500	2½
City and S. London	133,056	+ 44,286	42,500	..	22,200	1½
London Electric	512,499	+ 234,204	126,947	..	104,938	1½
Metropolitan Dist.	335,793	+ 123,324	198,430	+ 29,400	nil	..

After payment of dividends, each of the companies is able to carry forward a substantially larger amount, the aggregate increase for the four railway companies being £108,300. The number of passengers carried by the five companies in 1921 was 1,099.9 millions, of which the L.G.O. Company was responsible for 761.3 millions. The total shows a decrease of 71.8 millions in comparison with 1920, the London Electric showing a decline of 31.6 millions, the Metropolitan District of 17.4 millions, and the L.G.O. of 6.7 millions. The net amount spent by the railway companies on improvements and additions during the year was £837,000, of which £707,000 was for additional rolling stock for the Metropolitan District.

Our final table shows the movements in the securities of the Underground railways:—

Name.	Year 1913.		Year 1921.		Price Feb. 9, 1921.	Price Feb. 15, 1922.
	Highest	Lowest	Highest	Lowest		
Central London, Def. Stock	86	72½	32½	17½	17½	37½
Do Pref.	..	..	42½	27½	27½	43½
City and South London 5% Pref., 1903	110½	94½	60½	50½	52½	68½
London Electric, Ord. (£10)	80½	70½	5½	44½	48	34
Do 4% Pref. Stock	44½	27½	22½	12½	16	23½
Metropolitan District Ord. Stock	..	..	..	..	..	..
Underground Electric Income Bonds, red. 1948*	96½	87½	83½	60½	67½	72½

* Dividend free of tax.

In common with other railway securities, there has been a substantial advance in quotations in the last two months, an additional stimulus being given by the announcement of the increased dividends.

ECONOMY—A LABOUR VIEW.

(FROM A LABOUR CORRESPONDENT.)

THE Geddes Report has been received with both wild approbation and qualified criticism, but in no quarter has it met with general condemnation. The attitude of Labour is one of qualified criticism. From the Labour point of view the problem of national economy cannot be divorced from the wider question of national policy. Behind the Geddes Report lie Versailles and a series of abortive or virtually futile conferences. National economy is not an alternative to a final solution of the question of reparations, the cancellation of inter-Allied debts, substantial assistance to Russia, and to other action essential to the restoration of the world's normal economic life. The international situation remains the root economic problem, and drastic cuts in the public services do not provide even the semblance of a sticking plaster to cover the gaping wounds of the world. The various mistaken military enterprises in which Britain has been engaged since 1918 are, of course, partially responsible for the present state of the national finances; but there need be no similar adventures in the future, and it is no use crying over spilt milk. The international situation, however, remains, and it can be neither obscured nor substantially mended merely by the economies of a chastened Government.

Perhaps the two most appalling examples of waste today are to be found in the spectacles of twenty million Russian people starving to death, and nearly two million British workers unemployed. A 10 per cent. cut on the Budget—and it is doubtful whether that will be achieved—will not appreciably relieve starvation in Russia and privation amongst the unemployed at home. Indeed the immediate effect of the proposed economies will be to swell the army of the unemployed. Unemployment is too subtle a disease to be cured by taking a shilling off the income tax, though ultimately it may be that reduced taxation would lead to the enlargement of production. The firm conviction of the Labour Movement is that whilst economy is essential, the stimulation of industry and commerce is even more essential, and that whilst the former may contribute to the latter, the restoration of production is the main problem. The policy of economy aims at reducing public expenditure; the policy of production, which is bound up with the international situation, aims at the enlargement of the national income which provides the public revenue.

These wider considerations are, unfortunately, being forced temporarily into the background, but they are ever present in the mind of organised Labour. On the narrower question of national economy there can be no two opinions. Certain newspapers have attempted an obviously stupid classification of the public into two categories—the economisers and the wasters. The former include a number of prominent people whose scale of personal expenditure is in direct contradiction to their views on national expenditure; whilst the so-called "wasters"—a synonym for the Labour Movement—have been unflinching opponents of waste. Their crime appears to be that they discriminate between different forms of public expenditure. Broadly speaking, Labour welcomes reductions in expenditure on the fighting services, and supports such other restrictions as can be carried out without injury to the public services; but it opposes "cuts" on the education, public health and similar social services. The attack on education is regarded with the gravest misgiving. It is not denied that there may be directions in which expenditure could be diminished, but it is urged that a "cut" of over £16,000,000 on State grants on education in England and Wales strikes at the foundations of the educational system. What the proposals amount to is turning the children under six out of the schools, increasing the size of classes in elementary schools, and discouraging the development of secondary

and higher education. That, in Labour's view, is a suicidal policy. It is not economy; it is the maddest sort of short-sighted extravagance.

Labour parts company with the economisers at the point where the latter threaten those public services which minister to the education, health and amenities of the people, and the provision made for the non-abled-bodied section of the community. It appears probable that there will be a great struggle over certain of the items of the "economy budget." It must be remembered that the passage of the estimates will not end the matter. If the Government adopts the proposals of the Geddes Committee regarding the raising of the age of entry to public elementary schools, and the reorganisation of the system of education grants, legislation will be necessary, and the necessary measures will be fought by those who are opposed to "making the children pay."

The view is growing that the Government's economy policy will end in smoke, or that, at the most, the reductions will be far smaller than was contemplated. The Government has put the Geddes Report into cold storage, so far as the public is concerned, for a couple of months. It has not yet declared its own policy, nor does it appear likely that it will until it actually presents its Budget, by which time we shall be on the threshold of the new financial year. Certain minor restrictions may be made in the interim, but it is pretty certain that the various Departments will not show any marked eagerness to forestall the Budget. Once the Budget is introduced, and such legislation as is necessary is passed, it will clearly take some time to carry the various proposals into effect, and it may well be that a quarter or even a half of the financial year may have rolled by before there is any real relief to the public purse. In consequence, either there will be a deficit at the end of the financial year, or the savings will be on a smaller scale than the whole-hoggers have demanded. Moreover, the Government may very well find on reflection that certain of the Geddes proposals are impracticable, and that as regards other suggestions public opinion is too strong for it to accept them; in either case, the total "cut" which the Government encouraged the country to expect will not materialise. On the whole, therefore, it appears that the economisers will be disappointed; the practical limit of restriction of expenditure will be reached sooner than was anticipated.

The moral is that the improvement of the national situation does not depend so much on a substantially reduced Budget as on a revival of trade, which will enable the community to face a heavy national expenditure. The Labour Party would take the view that the income-taxpayer is now reaping the results of his opposition to the "capital levy," which would have reduced the annual national expenditure by an amount larger than the economisers are likely to achieve. It is still true that the reduction of the National Debt is a more hopeful line of approach than clumsy cuts at education and other socially productive services.

There is another aspect of the question of economy to which reference must be made. The rank and file of trade unionists are hardly likely to be impressed by the urgent need for reducing expenditure on what the Geddes Committee call the "social services" whilst the rich betake themselves to St. Moritz, and the ladies of Mayfair spend extravagantly on dresses (no doubt in the belief that it is "making work" for the poor), whilst luxury still flourishes and large sums are expended directly and indirectly on a forthcoming Royal wedding. It is true that if all money spent in these various ways was saved, the total would be relatively small; but the psychological effect of such forms of expenditure is important. Why should the education of a single elementary school child suffer in any way whilst extravagance reigns amongst the well-to-do? The question demands an answer. In "Labour and the New Social Order," the pamphlet containing the Labour Party's reconstruction policy, it is suggested that no one should have cake until everybody had bread. That point of view will have to be reckoned with if those economisers who receive no direct benefit from the social services insist upon depriving those who do of the full value of them.

Notes of the Week.

The Debate on India.—Mr Gandhi's sudden suspension of the non-co-operative movement enabled Ministers to take the spirit out of the ultra-Conservative attack on them in Tuesday's debate. But the attack was futile from the first, for it exhibited the limitations alike of the narrowest type of politician and of the least instructed reader of history. The mover and seconder of the amendment to the Address, which was essentially a vote of censure, concentrated on the outstanding personages in the contest, and totally ignored the political and historical conditions which have generated the existing situation. The Indian Secretary and the Prime Minister had a ready and overwhelming reply. In the 87 years since Macaulay secured that the lines of Indian education should be European, the intellectual and social conditions of British India have inevitably prepared the way for self-government. That part of the Indian sub-continent cannot be governed, as Sir William Joynson-Hicks seems to desire, after the autocratic fashion of the Native States. The progress towards self-government under British tutelage has been hastened by the education of Indians in England, by India's share in the war, by the call for "self-determination," and by the race-consciousness fostered by the recognition of the rights of nationality in Europe. The process must be carried out gradually, without compromising its necessary condition, the sovereignty of Great Britain symbolised by the Emperor-King. On the other hand, political and economic conditions, beyond the control of any British Ministry, have generated unrest. The beginnings of industrialisation have set up labour disputes, embittered, as elsewhere during similar transitions, by inexperience on both sides and the weakness of the labour unions. Two years of agrarian scarcity have been followed by the impoverishment due to the war; taxation is heavy, and is increasing, and, as Mr Lloyd George pointed out, the Report of the Commission on Indian Railways alone shows how much has still to be done by new lines and new rolling stock to facilitate production and traffic. The evils of the transitional stage are resented by idealists in India, as elsewhere, and Mr Gandhi has drifted from legitimate social reform to illegal and unjustifiable resistance. Resentment at the Turkish peace terms—which are now certain to be revised—has estranged the Mohammedans, and the hindrances to Indian immigration into the Dominions and East Africa have intensified Indian impatience with British rule. And Bolshevism cannot be kept out of India any more than out of Irak or Glasgow, but its efforts have not been very successful. In India, as in Irak in 1920, the Moderates have been thoroughly alarmed by the vista of anarchy opened up by the extremists whom Mr Gandhi cannot control. He has admitted the danger by his "postponement" of non-co-operation and by proclaiming a fast in atonement for the riots at Chauri Chaura. To arrest him now would make him a martyr, and lead to worse disturbance. The situation is improving, but India is too large in any case for a combination of the forces of disorder, and the masses are unarmed. Both sides must patiently aid in developing a real combined Indian people, capable of working an effective native government, and must expect incidental friction and occasional and temporary loss of efficiency in the administrative machine.

Financial Aid for Austria.—An important decision has been taken by the British Government in regard to the problem of giving financial assistance to the Austrian Government. In reply to a question in the House, the Financial Secretary of the Treasury stated on Wednesday last:—"The Austrian Government, in co-operation with the Financial Committee of the League of Nations, has proposed a scheme for the grant of private credits to Austria, the execution of which is delayed because the liens on Austrian assets in respect of reparation and relief credits have not yet been released by the Governments concerned. In order to enable Austria in the meanwhile to continue its programme of financial reconstruction with an assurance of reasonable stability for the exchange value of the krone, his Majesty's Government have agreed to make an advance of £2,000,000 to Austria. By agreement with the Austrian Government the expenditure from the loan is

to be controlled in Vienna by Mr G. M. Young on behalf of the British Treasury. It is understood that the Italian Government are considering the grant of a credit to Austria and that the French Government are asking the French Parliament to vote the funds required for an advance of 50,000,000 francs to Austria with a similar object, and that the Czecho-Slovak Government propose to make an advance of 500,000,000 Czech crowns. The Finance Committee of the League of Nations will be meeting very shortly to consider the situation created by the grant of these new credits." In reply to further questions, Mr Hilton Young added that the duties of Mr G. M. Young, who has for some time past been attached to the commercial side of the Austrian Embassy, would be not merely an adviser, but in effect a "substantial controller." Clearly no Government would in present circumstances be prepared to make an important loan to the Austrian Government without requiring some assurance not merely that the money advanced is properly spent, but also that the Government is proceeding with an internal financial policy calculated to restore stability to the exchanges and a return to a more normal condition of commercial affairs. But it is equally clear that a number of countries could not appoint separate Controllers for bringing pressure of this kind to bear upon the Austrian Government, and the statement outlined above obviously points to an early understanding between the lending Governments concerned in regard to Austria's internal policy. Indeed, we understand that it is the British Government's intention to co-operate with other lending Governments to put into substantial effect the scheme developed by the Financial Committee of the League of Nations, in which assistance to Austria was made contingent upon certain undertakings, such as the ultimate balancing of the Austrian Budget, with financial equilibrium maintained in the meantime by an internal loan, in respect of which the Government were prepared to give a second mortgage of 2 per cent. on all real estate, and the surrender of the right of further note issue, which would be transferred to a new and independent Central Bank. It is hoped that the formal surrender of the liens upon Austrian resources by creditor Governments may, in fact, be concluded very shortly, and that the way will then be clear for putting into effect the scheme of the League with such minor administrative changes as recent experience may have shown to be desirable. In spite of the deplorable condition of the exchange, the Austrian Government has made extremely laudable efforts to put into effect the principles laid down by the Finance Committee, and the assurance of definite advances will now give added stimulus to these efforts.

The Mine Owners and the Mines Act.—It is of the greatest importance that employers should not abuse the power in dealing with labour which the desperate state of trade has temporarily placed in their hands. We therefore regret the somewhat high-handed tone in which the Mining Association of Great Britain inform the Government that "the fullest measure of co-operation between employers and workers consistent with the proper and efficient management of the mines.....will not be secured by compelling the industry by Act of Parliament to adopt a particular scheme of administration," and that "the Mining Association, speaking as representative of the colliery owners of the United Kingdom, desire to make it clear beyond any possible doubt that in no circumstances will the colliery owners operate Part II. of the Act." This is strong language to use to the Government in regard to an Act of Parliament. But Mr Bridgeman's report to Parliament upon the matter makes it clear that there is more to be said for the owners than appeared from their letter, and that the undignified position in which the House is placed is due to the lack of conviction in Government policy two years ago. Part II. of the Act, setting up Pit and District Committees, with functions and procedure to be prescribed in the regulations, was regarded as the Government alternative to nationalisation, but as the miners would not at that time accept the Government scheme Parliament made these provisions of the Act permissive by inserting the following clause:—"If at the expiration of one year from the passing of this Act it appears to the Board of Trade

that the scheme of this part of the Act has been rendered abortive by reason of the failure on the part of those entitled to appoint representatives as members of the Pit and District Committees, Area Boards, and the National Board to avail themselves of such right, the Board of Trade shall issue a report of the circumstances, and that report shall be laid before Parliament, and at the expiration of 30 days during the session of Parliament from the date when it is so laid all the provisions of this part of this Act shall cease to have effect unless in the meantime a resolution to the contrary is passed by both Houses of Parliament." For various reasons, the issue of the regulations was delayed until after the coal strike, when the miners informed the Government of their willingness to work the Act. The owners, however, raised objection, urging that their voluntary arrangements were securing the object desired. Mr Bridgeman admitted this argument in regard to the fixation of wages according to profit, and to district settlements of wages, but failed to see that it dealt adequately with the question of Pit and District Committees. In any case, he was bound by the Act to issue regulations which appeared last month, and provoked the categorical negative to which we have referred. This attitude is based above all upon the determination to end any Government control over wages and allied questions, and the fear that the Department will be drawn into disputes. The matter is one to which Parliament must give consideration. The circumstances have radically changed, and if the Mines Department is not to be left in a false position the House must adjust its attitude to the new circumstances.

Foot and Mouth Disease.—An agricultural correspondent writes:—"Contagious diseases which invade the country without warning, and sweep across it apparently unchecked, excite, and most deservedly, the sympathy of the nation for all who suffer from what often appears to be a mysterious scourge. The disease thus far has led to the slaughter direct and precautionary of .2 per cent. of our cattle, .015 per cent. of our sheep, and of .22 per cent. of our pigs, but these official figures create an undue effect, seeing that if there had been no disease, the animals would have gone to the butchers in a large majority of instances. When, however, we come to the indirect effects of the outbreak there is nothing that admits of being minimised. Most unfortunately it occurs at a time when liberality in spending is all but impossible on the part of the Executive, otherwise this very real danger could be met, coarsely but quite effectively, by paying the farmer for slaughtered animals on a really liberal scale. In that case he would not be "put off feeding stock" because of their slaughter in "an unfinished condition." What butchers call "finishing" does not always pay, and "sure money is sure money." If the disease should unfortunately escape from the control, which at the moment of going to Press seems firmly established, a private subscription to supplement what the State can allow might have its advantages, and reassure the farmer. Fears for pedigree animals are not grave. The disease can be fought if isolation and treatment are warranted by the value of the animal itself. Nor need great regret be felt at the cancellation of the various spring shows of animals. The purse of the public is so depleted that their success as business propositions was by no means assured. The most serious danger of all is with respect to the future. Agriculturists will be tempted to reduce their risks, and especially is it feared by those who study the economics of the countryside that horses and sheep, which are largely immune, and pigs, the value of which is small, will gain greatly on the average mixed farm at the expense of cattle where the loss on a dozen animals slaughtered may "run into three figures," while the unconsumed stores left on the farmer's hands may also be considerable. Ministers and public men are perhaps a little too pessimistic over the probability of keeping contagion out of the country. Anarchy in Ireland must not be accepted as itself endemic, and the normal Irishman has a keen eye to the main chance. We may look forward to North and South agreeing at least on one thing, that a clean bill of health is vital to the island. Then there are our troops occupying Continental places from Silesia to the

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Rhine, and with every granting of leave bringing the chance of infection from areas where disease is chronic and rampant. This danger in turn will pass. Straw and other articles imported can be disinfected, or, at the worst, dispensed with. A determined and systematic campaign against imported disease was successful when the nation was roused over rabies; it should be so with foot and mouth disease. One economic effect of the outbreak is hardly to be accounted an evil; the incessant moving of cattle up and down the country is largely a waste of time, energy, and money, in ordinary times. Hopes of a little more money at one place than another lead to these shiftings of live stock, which, when once disease has broken out, are so difficult to follow up. It is not improbable that those who move cattle about on the whole fulfil the old saying about "going farther and faring worse," the ultimate higher price on the final sale being as a rule more than eaten up by the costs incurred. Hope, however, "springs eternal," and we are still some way from the day of the butcher-farmer, who will kill and cut up his meat on the farm, and send it in a jacketed, chambered, lorry into the town where the consumer awaits it. In the meanwhile, we shall lose little by the Ministerial orders forbidding the constant road and rail migrations of live animals up and down the country.

The Stock Exchange Programme.—Were it not for the boom in gilt-edged stocks and the amount of business which this is bringing to a good part of Stock Exchange membership, there would certainly be more discussion than there is at the present time of the principles for returning to pre-war business on the part of the House. We published the Committee's decision last week (page 224), and members of all the stock exchanges now await the first definite step that shall put the principles into practice. To begin with, writes a Stock Exchange correspondent, it will be necessary for the Treasury to intimate some date at which the Temporary Regulations will cease to operate. The Stock Exchange Committee could not introduce a rule providing for periodical accounts and contingencies if, at the same time, there were left remaining the Treasury's fiat that dealings must be for cash only. Nevertheless, the House is being set in order for a return to normal times. Carpenters are busy in the settling room underneath the Stock Exchange, where, in pre-war days, a good deal of the business of the Stock Exchange Clearing House used to be conducted, and the re-establishment of the Clearing House is a necessary adjunct to starting carry-over business. In the Consol market the dealers there refuse to have anything to do with contango business. In the old days, the number of stocks in which they were accustomed to deal extended over a list exceedingly short, as compared with the long catalogue of stocks dealt in by the Consol market at the present time. The dealers declare that it would be a physical impossibility to cope with the work involved by fortnightly settlements if these were to become the rule, or if the market were to go back to its pre-war system of a Consol account once a month. Dates of this Consol account are still officially fixed, it may be incidentally observed, and possibly there is still stock open which remains as the legacy of the pre-war position. A good many brokers are advocating that there shall be no such contango account opened as existed before the war on behalf of people who put up no cash,

and against whose commitments brokers had no security. It is maintained, with a fair share of reason, that banks make themselves amply secure before they will lend money to a man, either for stocks, shares, or anything else, and the pertinent question is asked whether stock-brokers should not take similar steps to protect themselves against the dishonesty of a certain class of client whose business undertaken by the broker, through stress of competition, usually ended in loss to the House. The Committee have the matter under consideration, but there are obvious difficulties in the way of asking for cover, or margin, from those who have been in the habit of dealing without giving such security. The hours of business are another matter which engage no little public attention. It may be stated that the Stock Exchange Committee are alive to the necessity for setting an example to the community at large in the matter of attention to business, and the same principle will be applied to the question of keeping the House open later than is done at present, when these particular subjects come up to be reviewed for inclusion into the new rules. It is remarked as singular that the Committee should not put forward suggestions for altering the scale of commission at present returnable to agents by stock-brokers, the 50 per cent. gross commission being regarded as an unduly large proportion to pay away, considering that the broker's expenses eat up so substantial a proportion of his remaining moiety. The banks, which are probably the recipients of more half-commission than other agents, are known to acquiesce in the argument that 50 per cent. gross is too heavy a percentage for them to be credited with, especially as it tends to lead to somewhat discreditable practices in country districts, where competition for Stock Exchange business is particularly keen. The present time would seem to be appropriate for bringing about a reform which deserves a prominent place amongst others which figure in the programme of the Stock Exchange Committee this month.

Conditions in Czecho-Slovakia.—Information supplied to the Department of Overseas Trade shows that Czecho-Slovakia had an export surplus in 1920 of 3,156½ million kronen, while the trade returns for 1921, which are not yet available, are expected to be even better. On the other hand, while 1921 was a favourable year for trade, it is stated that since December the sudden rise of the Czech krone has created a situation which is not without grave danger, and many experts in Czecho-Slovakia are now predicting that 1922 will bring in its train the most serious crises which Czecho-Slovakia has yet undergone. The jubilant optimism regarding the rise of the krone appears already to have been dropped. The Minister of Finance appears to consider that the krone has now reached a point beyond which any further advance would be dangerous to the country's trade. Hopes are entertained that the krone may be maintained at its present level for at least six months, in order that the Government may be enabled to adjust wages and the cost of living to the new situation. It remains to be seen, however, how far the limited means which this country can employ will be sufficient to present further speculation.

Coal, Iron, and Steel Output.—The production of coal from the mines of Great Britain continues to expand, the total for the week ended February 4th amounting to 4,803,100 tons, as compared with 4,738,700 tons in the previous week. In the corresponding week of last year the figure was 4,418,200 tons. Statistics published by the National Federation of Iron and Steel Manufacturers show that the pig-iron output for January was 288,000 tons, as against 275,000 tons in December, and a monthly average of 669,500 in 1920. The production of steel ingots and castings fell from 381,000 tons in December to 327,500 tons in January. The monthly average in 1920 was 755,600. As these figures coincide with an improvement in export, it would appear that home consumption is very stagnant. In particular the consumption of plates by the shipbuilding industry is deplorably low.

French Coal Production.—His Majesty's Consul at Lille has forwarded to the Department of Overseas Trade figures showing the production during the year 1921, as compared with that for 1920 and 1913, of those coal mines in the Lille district which were, during the occupation, in the hands of the Germans, and were subsequently damaged by them:—

	Production per Annum—			Percentage of Group Production for 1921 in relation to 1913 Production.
	1913.	1920.	1921.	
North Mines	6,814,801	1,965,920	3,538,881	52
Pas-de-Calais Mines	11,847,766	482,033	1,826,381	15
Total for Nord & Pas-de-Calais Mines	18,662,567	2,447,953	5,365,262	29

It will be seen that the total production has not yet quite reached one-third of pre-war production.

Swedish Iron and Steel Industry.—The annual report issued by the Swedish Iron Works Commercial Association shows that 1921 has been an extremely bad year for the Swedish iron and steel industry. Iron ore mines and steel works have to a large extent been entirely closed down, or have only been working part time. At the end of 1921 only 22 blast furnaces out of a total of 133 were working; of Lancashire hearths, 37 out of 201 were working, and of Martin furnaces 15 out of 80. The year's production of pig-iron was 308,600 tons, which is only 42 per cent. of the 1913 figure. The production of blooms, bars, and ingots amounted to 230,900 tons, which is 31 per cent. of the production in 1913, and the production of rolled and forged iron and steel was in 1921 122,900 tons, which is 30 per cent. of the 1913 production. The export during 1921 amounted to only 147,600 tons, as compared with 502,600 during 1913. Sales on the home market were even more inconsiderable, owing to the fact that the small requirements were filled from abroad. In spite of heavy cutting of all prices, countries with a depreciated exchange had been able to undersell as long as high quality was not essential. Iron ore production figures are not yet available, but the export for the year only amounted to 4,330,000 tons, compared with 6,440,000 tons in 1913. The present figure is substantially lower than the war level, and is due not only to the depression in the British and other markets, but also to the depreciation in the mark which makes Germany turn increasingly to her own meagre resources of ore.

Manchester Ship Canal.—The state of trade and the coal stoppage had a marked effect upon the traffic of the Manchester Ship Canal for the year 1921. Sea-borne traffic declined by 981,857 tons, and total traffic by 1,093,693 tons. Receipts from canal tolls, dues, &c., dropped from £1,461,900 to £1,197,100. The following table shows traffic and receipts since 1910:—

Year.	Sea Borne Traffic. Tons.	Barge Traffic. Tons.	Total Tons.	Ship Canal Tolls, Ship Dues, and Miscellaneous Receipts.	
				Tons.	£
1910 ..	4,618,070	319,561	4,937,631	555,735	
1911 ..	4,894,670	323,142	5,217,812	580,841	
1912 ..	5,021,691	318,193	5,339,884	605,179	
1913 ..	5,457,218	322,943	5,780,161	654,937	
1914 ..	5,109,285	315,447	5,424,732	656,237	
1915 ..	5,115,954	318,092	5,434,046	757,268	
1916 ..	4,540,167	318,582	4,858,749	831,684	
1917 ..	3,843,324	309,430	4,152,754	861,996	
1918 ..	3,229,293	268,702	3,497,995	990,923	
1919 ..	3,313,620	275,423	3,589,043	1,203,361	
1920 ..	4,099,326	288,037	4,387,363	1,461,909	
1921 ..	3,117,469	176,201	3,293,670	1,197,075	

Gross receipts from the whole undertaking, including the Bridgewater Canal and the railways, amounted to £1,861,100, as against £2,448,800 in 1920, and expenditure at £1,324,500, compared with £1,659,000, so that net revenue amounted to £536,600, as against £789,800. After payment of rentals and other fixed charges, there was an available balance of £247,800, including £44,300 brought forward. The 3½ per cent. dividend on the corporation preference stock requires £37,100, the preference dividend is reduced from 10s to 6s per share, and absorbs £120,000, and £56,300 goes in payment of an

ordinary dividend of 3s per share, as against 10s last year, leaving £34,400 to be carried forward. In the following table we show highest and lowest prices of the ordinary and preference shares since 1910, the pre-war price and present price and yield:—

	Prices 1910-1921.		Price July 30, 1914.	Present Price.	Div. for 1921.	Yield.
	Highest.	Lowest.				
Manchester Ship Canal, Ord. £10 Do Pref. £10	7½	4½	1½	4½	5%	3 s 8 d 6 5 2 0

War conditions brought prosperity to the canal, and the resumption of dividend payments after an interval of some 14 years had a pronounced effect on the prices of the stocks. In recent months quotations have remained fairly steady.

Cotton Cloth Trade in China.—Our Manchester correspondent writes:—By the China mail just to hand some particulars have been received relating to trade in cotton piece goods during last year. It is stated that in 1921 the imports amounted to 8,630,782 pieces, against 13,365,412 pieces in 1920, 10,158,737 pieces in 1919, and 7,784,625 pieces in 1918. The stocks at the beginning of last year amounted to 4,274,156 pieces, and on December 31st supplies totalled to 3,347,164 pieces, consisting of 2,276,879 pieces of English goods, 804,028 pieces Japanese, and 266,257 pieces American cloths. Last year the offtake in Shanghai amounted to 12,152,723 pieces, against 11,528,462 pieces in 1920, 10,657,509 pieces in 1919 and 10,753,377 pieces in 1918. These statistics indicate that the China market is not over supplied, and it is of interest to mention that in Manchester this week shippers to China have bought more freely than for some time back.

The London General Omnibus.—The accounts of the London General Omnibus Company for the year ended December 31st last show traffic receipts, "after the operation of the common fund" of the Underground group, reference to which is made in a leading article. The total of these was £7,500,572, which compares with £6,934,331 for the previous year. After payment of expenses, which represent 95 per cent. of total receipts, as against 98.5 per cent. a year ago, there is a balance of £386,260. A summary of accounts in the past few years is appended:—

	1913.	1916.	1917.	1918.	1919.	1920.	1921.
Total receipts ..	£ 3,258,198	£ 3,092,736	£ 3,401,708	£ 3,979,799	£ 5,924,905	£ 7,066,137	£ 7,657,342
Expenses—							
Administration ..	124,905	190,534	237,500	237,920	295,785	346,120	628,116
Traffic ..	1,542,703	1,603,178	1,769,322	2,246,832	3,569,076	4,407,232	4,235,419
Maintenance ..	1,102,219	895,068	751,387	971,492	1,593,207	1,899,365	2,048,767
Depreciation, &c. ..	191,614	198,330	197,339	307,629	307,516	307,520	358,780
Total	2,961,441	2,887,109	3,186,148	3,763,873	5,765,584	6,960,238	7,271,082
% of receipts ..	91.0	93.3	93.6	94.5	97.3	98.5	95.0
Balance	297,757	205,627	215,560	215,926	159,321	105,899	386,260
Add interest, &c. ..	38,912	73,993	93,325	94,626	107,935	116,122	28,782
Brought forward ..	11,061	23,237	21,418	38,548	60,930	59,728	58,843
Deb. Int. &c.	346,730	301,557	330,303	349,100	328,186	281,747	471,885
Ordinary div.	105,446	116,490	142,377	108,412	108,412	108,584	152,474
(8%)	(8%)	(7%)	(7%)	(7%)	(7%)	(5%)	(8%)
Card. fwd.	34,197	21,418	38,548	60,930	59,726	58,843	67,928

† Paid free of income-tax.

The amount available for distribution is over £190,000 higher at £471,885. Debenture interest and sinking fund require £105,000. Expenses in connection with new issues amounting to £9,412, are written off, and loss on realisation and depreciation of investments absorbs £37,816. Maintenance expenses on rolling stock, tyres, &c., amounted to £2,008,198, as against £1,861,355 in 1920, and £335,000, as compared with £285,000, has been set aside to reserve, "having regard to the increased cost of new motor omnibuses and equipment." The company spent £1,465,000 on improvements and additions during the year, of which £1,186,000 was for new 'buses and equipment, and £204,000 on the new repair works at Chiswick. The latter is an interesting innovation, and centralises the work of overhaul and repairs hitherto carried out at garages in various parts of London. At the new works the annual overhaul required by the police regulations can be carried out in four days instead of the

16 days previously required in the local garages. The report states that on December 1st 1d fares were reintroduced on all the company's 'buses, but that "it is too early to indicate what the result will be."

Home Railway Dividends.—The remaining dividend announcements made this week, which complete the list, are set out below:—

	Final Dividends.			Whole Year.			Price of Ord. Stocks.	
	1919.	1920.	1921.	1919.	1920.	1921.	Jan. 31, 1921.	Feb. 15, 1922.
	Rate % per Ann.			%	%	%		
Caledonian, Ord.	4½	4½	7	3½	3½	3½	36	35
Do Def.	3	3	2	2½	2½	2½	7	7
Glasgow & S.W., Def. Ord.	3	3	2	2½	2½	2½	21½	18½
Great Western	9½	9½	9½	7½	7½	7½	73	73
Hull and Barnsley	6	6	5½	4½	4½	4½	47½	45

The Great Western maintains the 1920 rate of 7½ per cent., but the two Scottish lines and the Hull and Barnsley reduce their distributions. We hope to examine the annual accounts of the home railway companies next week, but may here mention that they have all drawn upon the amounts paid by the Government as compensation in January to pay dividends, the proportion of the compensation money used for this purpose varying from 39 per cent. in the case of the Lancashire and Yorkshire, and 37 per cent. by the London, Chatham and Dover, to 4 per cent. by the Great Western.

Selfridges' Report.—A falling off in profits is shown in the accounts of Selfridges, Limited, for the year ended January 31st last, but the decrease is considerably smaller than might have been expected in a period such as the past year. Net profits have fallen from £375,000 to £342,600, but the latter figure includes part of a reserve of £90,000 allocated for excess profits duty a year ago and not now required. The following table shows the record of profits and appropriations:—

	Net Profits.	Deb. Int.	Pref. Div.	Ord. Div.	Pref. Ord. and Staff Part. Shares.	Balance
	£	£	£	£	£	£
1909-10	14,984	19,310	23,998	..	..	Dr 88,824
1910-11	36,261	17,099	23,998	..	..	Dr 4,836
1911-12	50,247	19,810	23,998	..	..	6,439
1912-13	104,029	19,668	24,000	..	..	60,361
1913-14	131,547	19,151	24,000	25,000	..	63,396
1914-15	134,791	18,960	32,337	25,000	..	58,494
1915-16	150,222	18,627	42,000	30,000	..	59,595
1916-17	225,137	18,175	42,000	35,000	..	129,962
1917-18	258,763	17,932	42,000	35,000	..	163,831
1918-19	322,825	17,130	42,000	35,000	..	228,695
1919-20	372,479	16,744	63,360	50,000	..	242,376
1920-21	375,031	16,210	77,882	50,000	25,899	207,040
1921-22	342,665	15,943	78,000	50,000	104,996	93,726

† 10½ months. * Not including £28,500 contributed by Mr Selfridge.

The report states that the volume of business has been as satisfactory as could reasonably be expected. In spite of drastic reductions made in stock values in 1920, in the first six months of 1921 further serious reductions had to be made owing to the continual drop in market values. Out of the past year's profits, £15,000 is allowed for depreciation of fixtures, investments are written down by £25,000, and the reserve fund again receives £25,000, which raises it to £200,000. The staff participating shares receive a dividend of 12 per cent., while the dividend on the preferred ordinary shares, one million of which now rank for dividend, accounts for £99,470. The principal changes in the balance-sheet, analysed elsewhere, include a decline of £103,500 in the E.P.D. reserve, an increase of £370,800 in the property item, and a reduction of £475,100 in cash. If the whole of the £103,500 by which the E.P.D. reserve has fallen has gone to profits, the decline in the year's earnings was much more severe than would have been gathered from the profit statement.

Rand Derelicts.—Our mining correspondent writes:—One effect of the prolongation of the labour dispute on the Witwatersrand takes the shape of the premature closing down of a number of properties which might

otherwise have continued in operation for several years—thereby providing a large amount of employment, and possibly some small dividends. In the recently published report for the quarter ended December 31st, the directors of the Roodepoort United announced their decision to close down. The news can scarcely have come as a surprise to the shareholders, the concern having had a struggle to keep its head above water for some time past. The company being heavily in debt to its sponsor, the General Mining and Finance Corporation, there can be no question of any winding-up return to the general body of shareholders. Another mine of the same group—the New Goch—which has been in a somewhat similar position from a mining standpoint, is also expected to throw up the sponge. This company has cash resources which, in conjunction with the proceeds from the sale of the plant, &c., might be calculated to provide liquidation distributions in excess of the present price of the shares. Whether the directors will recommend an early winding-up remains to be seen. Then during the week the board of the Luipaards Vlei Company has issued a notification to the effect that owing to the general position on the Rand it has determined upon the suspension of operations; in certain contingencies work may be resumed on a portion of the property. In the event of winding-up the shareholders would receive little, there being a debenture issue of £56,000. Finally, the management of the Robinson Gold Mining Company intimate that when work is resumed after the strike it will be on the greatly reduced basis of milling 12,000 tons per month. This will exhaust the reserves of better-grade material in about six months. One factor in the case is a fall of rock, but the main point is that the considerable tonnage of low-grade material remaining in the mine cannot be profitably worked under prevailing conditions. The Robinson, of course, ranks among the richest gold mines of the Rand—indeed, of the world—having distributed to date something like £12,000,000 in dividends. Liquidation should provide more than sufficient to cover the present market price, the surplus cash assets shown by the last balance-sheet representing 6s 3d per share, irrespective of what may be fetched by the leasehold property, plant, &c. As regards the strike, the latest advices are to the effect that work is being resumed on a partial scale at a number of the principal properties.

The Norske Lloyd.—On Thursday the Official Receiver presided over a meeting of creditors of the Norske Lloyd Insurance Co., Limited, and explained that the English liabilities amounted already to about £500,000, with more claims to follow. The assets consist of £20,000 deposited with the Board of Trade, a small sum in cash, and money due from re-insurance companies, some of which are unable to meet their obligations. The position of the Norwegian company is not yet known in England beyond the fact that the company is also in liquidation, and that optimistic views of its recovery are expressed in Norway. The American policyholders are secured, but there will probably be no balance out of the American funds to pay European creditors. No dividend can be expected for at least a year, and it does not seem likely that any considerable dividend will ever be paid. The Essex Union, which was written for by the same underwriter as the Norske Lloyd, is also in difficulties, but the meeting of creditors has not yet been held, though there is a hope of a 12s 6d in the £ dividend.

THE eighth British Industries Fair organised by the Department of Overseas Trade, which is to be held from February 27th to March 10th next, will again consist of two sections, one for engineering stock, hardware, tools, &c., at Castle Bromwich Aerodrome, Birmingham, and the other for lighter goods, at the White City, London.

A PUBLIC meeting on the questions of the Genoa Conference, the relations of this country and France, reparations and Russia, will be held by the Fight the Famine and European Reconstruction Council, in the Central Hall, Westminster, on the evening of March 3rd. The speakers will include Lord Beauchamp, Mr J. M. Keynes, Mr Clynes, and Mr Brailsford. Lord Parmoor will be in the chair.

Oversea Correspondence.

UNITED STATES.—STEEL CORPORATION'S EARNINGS—AUTOMOBILE PRICE-CUTTING—NEW GOVERNMENT AND CORPORATE SECURITIES—RECORD BUSINESS FAILURES.

(FROM OUR CORRESPONDENT.)

NEW YORK, February 6.

FOR the fourth quarter of last year net earnings of the United States Steel Corporation amounted to \$19,612,033, as compared with \$18,918,058 in the preceding quarter, and \$43,877,862 in the corresponding period of 1920; with the exception of the third quarter of 1921, they were smaller than for any three months since the first quarter of 1915. It is quite evident that the lower prices which then prevailed for steel products largely offset the increased production in the fall and early winter. Perhaps the most noteworthy feature of the corporation's report is the progressive monthly decline in profits, which fell from \$8,204,358 in October to \$6,440,438 in November, and to \$4,967,237 in December. The decrease in earnings may be regarded as seasonal, since it reflected the usual year-end falling off in demand; other factors partly responsible for the poor showing were the drop in railroad profits due to the cessation of the ore movement and the smaller revenue derived from cement, one of the corporation's by-products. The surplus available for dividends for the fourth quarter, after adding year-end adjustments, was \$7,377,801, equivalent, after the preferred dividend, to only 21 cents a share on the 5,083,025 shares of common stock outstanding, as against \$5,693,196 surplus, equivalent to \$1.58 a share on the preferred stock in the third quarter of last year, and \$27,140,148, or \$4.09 a share on the common stock in the fourth quarter of 1920. The fact that something was earned for the common shareholders in the last quarter is regarded as encouraging, although most of the common dividend will have to be paid out of accumulated surplus. In the third quarter the corporation earned nothing for the common stock, and even had to draw on its surplus to some extent to meet the preferred dividend payments. For the complete calendar year the Steel Corporation's net earnings amounted to \$92,708,829. After all charges, adjustments, and other deductions, and after preferred dividends, the balance available for common stock dividends was equal to \$2.24 a share, as against \$16.62 per share earned in 1920. Earnings for the 12 months ending December 31, 1921, as compiled from the quarterly reports and compared with 1920, are shown below:—

	1920.		1921.
Net earnings	176,686,898	.....	92,708,829
Dep., sinking fund, &c.	46,684,364	.....	36,729,707
Net income	130,002,534	.....	55,979,122
Int. U.S.S. bonds, &c.	20,940,892	.....	20,427,042
Balance	109,061,642	.....	35,552,079
Adjustment credit	632,585	.....	1,081,555
Total	109,694,227	.....	36,633,634
Preferred dividends	25,219,677	.....	25,219,677
Common dividends	25,415,125	.....	25,415,125
Deficit	*59,059,425	.....	14,001,168
Appropriations	†30,000,000	.....	..

Deficit

* Surplus. † Appropriated for account of expenditures made on authorised appropriations for additional property and construction.

Because of the marked shrinkage in unfilled orders on the books of the corporation since last autumn, and the heavy decrease in earnings in December, it is interesting to note that lately there has been a decided increase in demand for steel, and that the corporation's plants are now working on the average at about 46 per cent. of capacity, as against 40 per cent. a few weeks ago.

Probably none of the leading industries in this country has suffered more—if as much—from the general depression and "hard times" of the past year or so than has the automobile industry. In their competition for

business leading companies have made drastic reductions in prices during the past year and a half, the cuts ranging from 13 per cent. to as much as 42 per cent. on standard makes of automobiles, the average amounting to about 25 per cent. Some manufacturers have made five different reductions in that period, while numerous concerns have made two or three. Strange to say, the greatest cuts have been on the comparatively low-priced cars. In some quarters the opinion is expressed that the price-cutting war is about over, and that the spring selling season will witness a recovery. Much depends, however, on the extent of the demand. Unless business revives a further slashing of prices may be expected.

A vast amount of new securities has been floated here during the past week, consisting of both Government and corporate issues, and to some extent foreign bonds, and additional offerings are now being made. The largest issue was the Government's offering of \$400,000,000 Treasury 4½ per cent. three-year non-callable notes, and at the same time an additional \$200,000,000 for which subscribers were allowed to tender payment in Victory notes of the 4½ and 3½ per cent. issues. Total subscriptions exceeded \$1,200,000,000, and of the \$601,599,500 allotted (including the \$200,000,000 exchanged for Victory notes) the New York Federal Reserve district received \$254,213,300, or much more than any of the other districts throughout the country. The offer to exchange the new notes for Victory notes was a part of the Government's refunding plan, the purpose being to retire as many as possible of the outstanding Victory notes before maturity. The response to that offer, however, was apparently not up to the Government's expectations, since the time within which Federal Reserve banks may purchase Victory notes at par and accrued interest from holders up to an aggregate amount not exceeding \$100,000,000 has been extended to February 16. Another big offering, of a semi-Governmental character, is now being made. It consists of a new issue of \$75,000,000 of Federal Land Bank 10-20-year 5 per cent. bonds, which are being handled by banking syndicates in all the principal financial centres of the United States. The bonds, which are exempt from all Federal, State, municipal and local taxation, are dated November 1, 1921, are due November 1, 1941, and are not redeemable before November 1, 1931. Interest is payable semi-annually at any Federal Land Bank or Federal Reserve Bank, the principal being payable at the bank of issue. They are offered to investors at 102½ and interest, netting about 4.70 per cent. to the redeemable date (1931), and 5 per cent. thereafter to redemption or maturity. The United States Supreme Court has held that the 12 Federal Land Banks were legally created as part of this country's banking system, and that the bonds issued by them are instrumentalities of the United States Government which owns over \$5,500,000 of their capital stock, while the Treasury has purchased more than \$183,000,000 of Federal Land Bank bonds. The latter are acceptable by the Treasury as security for Government deposits, and are lawful investments for all fiduciary and trust funds under the jurisdiction of the Government, and for all public and private funds in many States. On December 31, 1921, after 3½ years of active operation, those banks had a combined capital of \$28,707,170, reserves of \$1,690,000, undivided profits of \$2,499,108, and total assets of \$473,799,410. Naturally the floating of such large issues as the \$600,000,000 Treasury notes and the present issue of \$75,000,000 of Land Bank bonds has checked temporarily the offering of many new short-term securities. It has not interfered, however, with the output of new long-term bonds. Following their offering last week of \$30,000,000 Chicago, Burlington, and Quincy Railroad first and refunding series "A" 5 per cent. bonds due in 1971, at 97, to yield 5.17 per cent., J. P. Morgan and Co., the First National Bank of New York, and the National City Company are now receiving subscriptions for \$30,000,000 Great Northern Railway Company general mortgage 5½ per cent. gold bonds, series "B," dated January 1, 1922, and due January 1, 1952. The price to investors is 96½ and interest, to yield approximately 5.75 per cent. One of the first foreign industrial concerns to seek funds in this market is the

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Melbourne Electric Supply Company, Limited, of Melbourne, Australia. An issue of \$2,500,000 7½ per cent. 24-year first and general mortgage of that company was recently offered here at 101, to yield 7.40 per cent., and was well taken. The Province of Ontario also entered this market with an issue of \$1,500,000 15-year 5½ per cent. gold bonds, maturing in 1937, which were offered at par.

The total of business failures for January broke all records as to number, while the aggregate of liabilities was second only to the largest on record. According to Bradstreet's, the total number was 2,705, which exceeded the previous record of December, 1921, by 278, or 11.4 per cent. The liabilities for January were \$115,301,371, an increase of 42 per cent. over last December, and of 76 per cent. over January a year ago. Commenting on this showing, the authority mentioned says that both the number of failures and the liabilities represent what has come to be known as the annual clean-up totals following a time of stress, while the liabilities undoubtedly include many crippled concerns hitherto carried along in hopes of final restoration to business health. Compared with January a year ago, the South reports 203 more failures, the West 163 more, and the middle group 167 more, while other groups report smaller increases. The total of failures for the calendar year 1921 are given as 20,014, which exceeded by 979, or slightly over 5 per cent., the hitherto record calendar year of 1915. The liabilities for 1921 are placed at \$755,777,685, or 17 per cent. greater than the previous high record in 1920; they were more than double the aggregate of 1914, and nearly double the totals for the panic years of 1893 and 1907.

FRANCE.—BANQUE INDUSTRIELLE DE CHINE—INCOME-TAX—WAGES AND PRICES—THE BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, February 14.

FINANCE has bulked largely in both the Chamber and the Senate this week. In the Upper House the vexed question of the Banque Industrielle de Chine has been the subject of discussion by the Senatorial Finance Commission, which has heard statements from both M. Poincaré and the Finance Minister, M. de Lasteyrie, as to the negotiations in progress with the Chinese Government with a view to applying the unpaid balance of the Boxer indemnity to reimbursing depositors in the moribund bank. It was stated that the total amount to be thus reimbursed will be about 400,000,000f, of which 310,000,000f are due to depositors in China and 90,000,000f to those in France. The distribution of the money, the Finance Minister asserts, will not be made by the French Treasury, but by a new consortium, the basis of which has not yet been decided. It is understood that the shareholders are to be called on to pay the outstanding balance of their subscriptions, amounting to 50 per cent. of the share capital, and that every effort is to be made to bring home responsibility to those persons to whom the failure of the bank was due. Whether the concern will actually be refloat or not is not yet clear, but, in any case, M. Poincaré announced, the French Govern-

ment regards itself as bound by the cables emanating from the Quai d'Orsay at the moment when the position of the Bank became critical (and which were the direct cause of the resignation of M. Philippe Berthelot, the Permanent Secretary at the French Foreign Office). In reply to questions, M. Poincaré also stated that the Washington agreements have placed all nations on an equal footing in China, but that he did not anticipate this would be likely to cause difficulty, unless some other organisation were substituted for the Banque Industrielle de Chine.

In the Chamber, the Finance Commission has been occupied with the examination of supplementary credits, not provided for in the Budget for the current year, and amounting to a total of about 1,500,000,000f. Three of these additional credits are especially interesting. The most important is one for 332,000,000f in respect of the interest payments at the rate of 6 per cent. on the issue of two-year Treasury bonds. This issue has yielded a total of 5,500,000,000f odd. Another Supplementary Credit asked for is of 127,000,000f, to meet interest and sinking fund charges on the loan of \$100,000,000 contracted last year in the United States, and on the issue in that country of two-year Treasury bonds. These two operations were carried out in June last year, but it was not until some months later that the results were definitely made known, by which time it was too late for these new charges to be provided for under the Budget for 1921, which was passed in April last. The third important credit, amounting to 190,000,000f, is in respect of the cost of the mobilisation of the French 1919 class, in support of the last ultimatum to Germany. It was the intention of the French Government to hold the German Empire responsible for the payment of this amount, and it was accordingly proposed that it should be included in the Budget of Expenditure Recoverable from Germany. Considerable sensation was caused in the Finance Commission when it was disclosed that strong opposition to this proposal had been shown by the other Allied Powers, who insisted that as France had undertaken alone the responsibility for mobilising the class in question, she must pay the money from her own resources. The 190,000,000f have accordingly been included in the list of Supplementary Credits.

It will be remembered that during the progress of the last Budget Bill through Parliament it was decided that, instead of imposing fresh taxation for the purpose of meeting the estimated deficit, systematic steps should be taken to ensure a better yield from the existing taxes. It was disclosed, among other things, that at present there are more people in France paying taxation in respect of touring motor-cars than there are income-tax payers, which obviously is due to defective methods of collection. The Finance Minister, M. de Lasteyrie, has now, in furtherance of the policy laid down by Parliament, issued an important circular to the officials of the inland revenue service, urging greater energy in detecting persons who are defrauding the revenue by non-compliance with the law, and advocating the imposition of severe penalties against all who are found guilty of such offences.

In view of the Finance Minister's circular, it is interesting to note that revised official figures have this week been issued, showing the amount of income-tax levied for during 1921 and the total sum collected in respect thereof during the same period. (These figures correct and complete the approximate figures issued a few weeks ago.) During 1921 demand notes were issued for income-tax amounting to 2,792,257,500f, to which must be added 28,160,400f for the three departments of Alsace-Lorraine. In 1921 the total yield from income-tax in France proper (exclusive of Alsace-Lorraine) was 1,150,356,500f, out of the total of 2,792,000,000f levied for. Of these 2,792,000,000f levied for, 2,127,957,400f was in respect of income-tax in respect of the current year, the balance being for sums unpaid during the previous five years (3,624,200f for 1916, 8,726,800f for 1917, 39,208,700f for 1918, 73,844,200f for 1919, and 537,896,200f for 1920).

French manufacturers and others interested in national commercial affairs are complaining seriously as to the extraordinarily high scale of wages that continues to rule in the various public services of the country. At present all Government employees, as well as those engaged on

the railways and other public services, receive, in addition to their ordinary scale of wages, a special allowance of 720f a year in respect of the high cost of living. Attempts were made during the last Budget debates to bring about the suppression of this extra allowance, in view of the recently substantial decrease in the cost of necessities, but for various reasons it was decided for the time being to leave matters as they stand. It is now argued that, even if this extra allowance were suppressed, the employees of the State and in the various public services would still be very much better paid than workers employed in private industry, where wages have in many cases been brought down consistently with the fall in commodity prices. An exhaustive inquiry into the wages paid respectively to unskilled workers on the railways and men of the corresponding category in the metallurgical and mechanical industries shows that the former are in a very much more favourable position. The inquiry shows that workmen employed by private firms are paid a wage of from 10f to 14f, as against from 20f to 22f received by the railway worker. These comparative figures do not take into account the extra allowance of 750f a year paid to the public service worker, but not to the employee in private industry, but does include the various accessory advantages enjoyed by the railway men and other public service employees (such as payment for periods of illness, pension contributions equal to 15 per cent. of the normal wages, and other payments by employers, amounting to a further 5 per cent. of the wage paid). Complaint is being made in many quarters that private industry is now faced with a serious shortage of labour, owing to the natural tendency of unskilled labour to seek employment in the highly paid public services.

The district Commission d'Etudes relative to the cost of living in Paris at its meeting on January 12th maintained at the same level for the fourth quarter of 1921 the Index figures established for the preceding quarter, except in the category relating to rents, which were raised from 121 to 133. This confirms the universally recognised fact that rentals, which were maintained at pre-war figures down to the first three months in 1921, are now rapidly increasing in respect of all kinds of tenancies. The following table, based on an Index figure of 100 in respect of the first half of 1914, shows the variations quarter by quarter since then in principal categories of expenditure:—

	Food.	Light and Heat.	Rent.	Clothes.	Sundries.	Mean Total.
1st half, 1914	100	100	100	100	100	100
Do 1919	260	164	100	296	228	238
1st quarter, 1920....	306	200	100	405	356	295
2nd do 1920....	344	296	100	485	444	341
3rd do 1920....	358	349	100	518	510	363
4th do 1920....	389	349	100	445	510	370
1st do 1921....	350	319	100	398	510	338
2nd do 1921....	323	308	110	353	400	307
3rd do 1921....	310	306	121	318	400	295
4th do 1921....	310	306	133	318	400	297

The Bourse continues to be weak largely owing to holders of stock realising with a view of taking up the 6½ Crdit National loan which, being free of interest, has naturally offered a great attraction to investors. French 3 per cents., however, have been stronger, the 3 per cents. standing at 57.90, as against 56.50. Foreign State funds have been depressed, the Argentine 4 per cents., for instance, being at 127 as against 129.60, and the Japanese 1905 4 per cents. at 168 as against 172. Banks have shared in the movement, Union Parisienne dropping from 653 to 627, Banque de Paris from 1,205 to 1,175, Crdit Lyonnais from 1,390 to 1,375, and Crdit Mobilier from 390 to 388. Crdit Foncier de France, however, is stronger at 800, having risen from 770. Railways have shown no uniform tendency, P.L.M., for instance, being at 821 as against 812, Nord at 911 as against 909, and Orlans at 886 as against 891. Shipping has fallen back, Chargeurs Runis quoting 385 as against 445, Transatlantique at 183 as against 190, and Messageries at 185 as against 192. Suez is unchanged at 5,800. Electrical undertakings have shared in the general depression, Thomson dropping from 745 to 733, Compagnie Gnrale d'Electricit from 797 to 785, L'Electricit et Gaz du Nord from 298 to 283 and Tlphones from 608 to 582. Metal-

lurgical undertakings are similar, Thomson being typical in falling from 745 to 733, and Tlphones in declining from 608 to 582. Metallurgical undertakings are also weak, Longwy dropping back from 995 to 975 and Creusot from 2,140 to 2,090. Mines have been heavy, Tintos declining at 1,285 and Utah dropping from 800 to 733.

GERMANY.—POLITICS—BUDGET—EXCHANGE AND BOURSE—IRON AND COAL—INDUSTRY—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, February 6.

THE appointment of Dr. Rathenau as Foreign Minister, though in general well regarded, has not improved the prospects either of financial reform or of the reconstruction of the Wirth Cabinet on a broader basis. The German People's Party, which had consented to the amended financial reform, the chief feature being the forced loan of one milliard gold marks, which was ready in principle to re-enter the Cabinet, held that no Cabinet appointments should be made without its consent, and it reacted to Dr Rathenau's nomination by declaring that in tax questions it again claims a free hand. It is not likely that the forced loan plan will be prejudiced by this action. A partial railway strike, aggravated by a strike of Berlin municipal employees, has continued for some days. The strike was decided on by a small majority in only one Labour organisation, and is against the majority of Labour and Socialist opinion. The Cabinet has proclaimed that State officials have no right to strike, and if it holds firm the success of the strikers is unlikely.

The Forced Loan Bill has not yet been submitted. A condition of the agreement concerning the loan is that it shall be assessed according to the Emergency Levy of 1919; but probably there will be an entirely new valuation of property. The Emergency Levy (that is the unpaid part) is to be dropped, as was provided for in Dr. Wirth's plan of financial reform before the Forced Loan proposal came up. This reform provided for replacement of the levy by a permanent, triennially assessed and collected property tax (*vermögenssteuer*), with rates varying from ¼ to 10 per mille. To compensate for the lost levy to these rates during the first 15 years were to be added 300 per cent. supplements. As a condition of the Forced Loan compromise, the supplements are reduced to 200 per cent. The proposed Post-War (1919-1921) Increment of Property Tax, also a feature of Dr. Wirth's reform, is to be let drop. The expected yield was only 3 milliards. No difficulty in financing the Forced Loan, which is estimated at 40-50 milliard paper marks, is expected; but financing may take the form of presentation for rediscount to the Reichsbank of part of the 138 milliards of Treasury bills in circulation, and in so far as this is done, the total State indebtedness would not be reduced, but only converted from floating into funded debt. The deposits in all private banks at end of 1920 were 84 milliards; the total to-day is much greater.

The Budget for 1922 differs only slightly in totals from the forecast lately sent to the *Economist*. For the first time are three separate revenue and expenditure budgets—(1) General Administration, (2) State Undertakings (Posts and Railways), and (3) Reparations, officially called "For Execution of the Peace Treaty." Each in turn falls into an ordinary and extraordinary budget. No. 1, Ordinary Budget shows revenue of 103.21 milliards, expenditure of 86.71 milliards, surplus of 16.5 milliards. Of this revenue, 68.2 milliards come from continuing taxes on property and business, the greatest items being 23 milliards Income-tax and 24 milliards Sales Tax. Customs and taxes on consumption yield 25.5 milliards (where among the Coal Tax, now at 40 per cent., yields 10 milliards). To the States and Municipalities go 22.5 milliards, of which 15.5 milliards are compensation for the abolished State and Municipal Income-taxes. No. 2, Ordinary Budget balances, Posts and Telegraphs, with 16½ milliards, and Railways with 72 milliards, but No. 2 Extraordinary Budget requires subsidies of 2½ milliards for Posts and 6.8 milliards for Railways. These subsidies are booked in No. 1 as Extraordinary Expenditure. No. 3, Ordinary Budget expenditure totals 147.7 milliards, extraordinary 39.8 mil-

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liards, in all 187½ milliards. As revenue against the last sum is booked the 16½ milliards surplus of the General Administration Ordinary Budget, leaving here a deficit of 171 milliards, which is to be covered by loan. "Loan" here means the 40-50 milliards Forced Loan, the yield of a possible further voluntary home loan, and lastly, increase of the Floating Debt. Budget No. 3 is a fiction, because the raising of this vast sum in paper marks would not make it possible really to cover the 187½ milliards expenditure which is largely a gold liability. The whole deficit on all three Budgets is over 183 milliards, consisting of 171 milliards deficit on the Reparations account, 9.2 milliards on State undertakings, and a further sum of 3.1, the deficit on Budget No. 1, Extraordinary. The Budget cannot be considered definitive. It depends on future price-level conditioned by mark exchange movements, which cannot be foreseen, and also upon the definitive amount of Reparations payable before March 31, 1923.

The floating debt of discounted Treasury bills in the second ten days period of January increased by 4,188,010,000 marks, in the third period (11 days) by a further 2,241,020,000 marks. As in early 1921, the early weeks of this year showed a decline in circulation (in the first three weeks of 2,063 millions), due to money market conditions; but the Reichsbank's report for January 31st shows an increase over the preceding week of 3,520.2 millions, and a large increase in discounted Treasury bills. The Reichswirtschaftsrat has passed a resolution in favour of abolition of the so-called "deposit compulsion" (Law of 24.10.19), under which coupons and dividend warrants are redeemable only at banks where the bonds or scrip have been deposited. This measure was one of several directed against tax evasion. The Berlin Bourse has since February 1st been opened five days a week. The reversion to daily bourses (Saturdays excepted) is due to the decline in activity which followed the mark exchange recovery of November-December. Stocks have moved very little in the past fortnight, one exception being (as reported from here on January 23rd) potash stocks, and another, in the last week, Silesian papers—in this case the activity and rising quotations are ascribed to growing participation of foreign capital. The Osram Electric Lamp Company, which is a creation of the General Electricity Company and of Siemens and Halske, has issued a new kind of variable-interest bond, the minimum interest being 5 per cent., to which a supplementary rate of ½ per cent. is added for every 1 per cent. exceeding 10 per cent. of dividend paid on the two latter companies' ordinary stocks, the maximum supplement being 5 per cent., and therefore maximum interest 10 per cent. This bond, of which 300 millions have been issued, is an attempt to provide the usual security of bonds without the disadvantage caused by fall in the buying power of the currency to holders of fixed-interest papers. Prices of leading stocks on February 3rd were:—

Dresdner Bank	320	Hoesch Iron	1,040
Deutsche Bank	474.50	Hohenlohe	835
Disconto	410	Howaldt	670
Hamburg America	401	Aschersleben Potash	909
Norddeutsche	284.75	Kattowitz	1,331
General Electricity	643	Laurahütte	1,230
Angsb. Nurnb. Mahines	1,190	Linke Hoffman	890
Badische Anilin	599	Mannesman Tubes	1,280
Bochum Cast Steel	940	Nordd. Wool-Combng	901
Concordia Chemicals	1,750	Phenix	948
Deutsche Motoren	485	Rhen. Steelworks	1,047
Deutsche Mineral Oil	1,865	Rosenthal Porcelain	1,725
Dynamite Nobel	663	Sartori Chocals	1,100
Gelsenkirchen	860	Siemens and Halske	770
Harpener Mining	1,488	Vereln. Glanzstoffe	2,149

Coal prices have again been raised, and as a result, partly also as result of a new 30 per cent. increase of railway freight rates on February 1st, the prices of pig-iron, steel, and rolling mill materials have also been put up. The coal price for standard Ruhe (*Fettförderkohle*) has been raised by 50m a metric ton, which, together with 80m additional brought by the doubling of the coal tax from 20 to 40 per cent., and by the increase of the sales tax from 1½ to 2 per cent., makes an addition of 130m in all. This brings the coal mentioned to 535m a metric ton, as against 13.75 in 1914. Brown coal and briquette prices are correspondingly raised. The new and pre-war iron and steel prices (pig-iron prices being compulsory maxima, all others "guiding prices") in marks per metric ton are:—

	New.	1914.		New.	1914.
Hemetite	3,979	79½	Slabs	4,785	97.50
Foundry iron I.	3,447	75½	Construct. forms	5,440	110
Do III.	3,371	70½	Bar-iron	5,550	97.99
Siegerland steel-iron ..	3,064	79	Bands	6,130	105
Spiegelisen	3,186	75	Wire rods	6,000	117½
Ingots	4,210	82.50	Thick sheets	6,220	105
Blooms	4,550	87.50	Medium sheets	7,100	110
Billets	4,680	95	Thin sheets	7,400	125

The State railway receipts in December totalled 4,329 million marks, against 1,441 million marks in December, 1920; the receipts for April-December inclusive were 24,329 millions, against 12,279 millions in the same months of 1920, the receipts from passenger traffic having increased 51 per cent., and from goods traffic 117.3 per cent. The condition of industry is good, but partly on the basis of old orders; and unemployment is slowly increasing. Of 6,075,755 members of trades unions, 97,689, or 1.6 per cent., were unemployed on December 31st, as against 1.4 per cent. and 1.2 per cent. at end of November and October respectively. The November rate is lower than was reached in any of the seven last pre-war years. In 1913 the lowest rate for any month was 2.3 per cent., and the December rate was 4.6, or three times that of last December. Despite the relative exchange stability, prices are on the whole rising, and, as result of the reduction of bread subsidies and higher charges for State services, the cost of living is rising. This upward movement has caused consumers in many branches, particularly metals, to resume buying, so that the effect of the relatively favourable exchange movements has been partly nullified; and with rising prices, or fear of rising prices, trade activity has been encouraged. The Prussian Ministry of Trade's monthly report states, however, that certain classes of producers show reserve, as they fear a collapse in the public's buying power. The December trade report shows, for the first time, a surplus of exports (in values), which is due to a large fall in quantity of imports, as result of which the value of imports remained practically unchanged, while exports, changing little in quantity, rose in value considerably. The figures and balances since May (January-April not yet reported) in double-centners of one-tenth metric tons, and in millions of marks, are:—

	Quantity.			Value.		
	Imports.	Exports.	Import Surplus.	Imports.	Exports.	Import Surplus.
May	15,340	11,452	3,888	5,486	4,558	928
June	18,746	15,091	3,145	6,409	5,433	976
July	19,245	15,582	3,662	7,580	6,208	1,372
August	21,109	18,277	2,832	9,418	6,584	2,734
September	25,326	18,707	6,619	10,668	7,519	3,149
October	30,048	19,731	10,317	13,875	9,711	4,164
November	25,300	19,100	6,200	12,300	11,900	400
December	20,900	19,300	1,600	13,700	14,600	900

The main declines in imports in December, as compared with November, were:—Food from 947,500 metric tons to 633,500 metric tons; and minerals and mineral oils from 1,425,800 metric tons to 1,281,200 metric tons. Exports of chemicals and dyes increased from 185,300 metric tons to 200,600 metric tons, and of machines and vehicles from 42,800 metric tons to 55,600 metric tons.

CANADA.—TRADE RETURNS—AN INTERESTING LAWSUIT—GRAIN MARKETING PROBLEM—CATTLE EMBARGO—FINANCES OF QUEBEC—ST LAWRENCE DEEP WATERWAY—MORATORIUM LEGISLATION IN THE WEST—THE MERCHANTS' BANK DISASTER—DEMAND FOR INQUIRY—LA BANQUE NATIONALE—THE FEDERAL FINANCES.

(FROM OUR CORRESPONDENT.)

OTTAWA, January 30.

The depression experienced by both rural and urban industry in Canada is reflected in the trade returns just issued for the calendar year 1921. Canadian imports for consumption in that period were valued at \$799,394,598, as compared with \$1,336,921,021 for 1920, and \$941,013,613 for 1919. Exports from Canada for 1921 reached a value of \$802,699,820, as compared with \$1,272,657,442 for 1920, and \$1,240,995,606 for 1919. Each monthly return showed a steady decline, and the only encouraging feature is the slightly larger volume of exports than imports, as compared with the substantial adverse balance of trade in 1920. In the later months of the year there was a marked betterment in the ratio of exports, but the earlier date of the harvest in some districts was partially responsible for this, and on the other hand, the slump in manufacturing industry produced a decline in the volume of raw materials imported. The United States are still easily Canada's best customer, but Great Britain is a good second, and in her case the balance of trade is very favourable from the Canadian point of view, for exports to the mother country totalled \$308,866,848, as against imports valued at \$123,149,009.

The Saskatchewan courts have just given a decision that will be of great interest and importance to British holders of Canadian bonds. In January, 1920, the City Council of Regina decided to pay interest coupons on its sterling bonds at the current rate of exchange rather than at the par rate of \$4.86 per £. The bonds amounted to £710,904, and are expressed in terms of sterling. Each coupon attached to a bond was for £2 10s, payable in Canada or London. When sterling fell large numbers of these and similar bonds were brought back to Canada, and \$4.86½ was demanded for each £ by the holders. But the construction of the Regina Solicitor meant that in January, 1920, when the exchange rate was \$3.50, each coupon only brought \$8.75. The Toronto General Trusts, acting for certain bondholders, had recourse to a legal action to enforce par exchange for the coupons, and their counsel contended successfully that by the terms of the Canadian Currency Act \$4.86½ of the currency of Canada should be the equivalent of £1 sterling. It is probable that the case will be appealed to the Supreme Court of Canada, and eventually to the Privy Council, but if the verdict is sustained, hundreds of British bondholders will profit because many cities issued bonds in London on exactly the same terms as Regina.

The recent Convention of the United Farmers of Manitoba discussed the question of the British embargo upon Canadian cattle, and following the example of the Western Livestock Union, passed a resolution urging the Government to press for permission to ship Canadian cattle to the inland cities of Britain for immediate slaughter, which is some recession from the demand for a complete removal of the embargo. The farmers also asked that the Canadian Merchant Marine be used for the cattle trade, with a view to forcing a reduction in ocean freight rates, which were denounced as exorbitant. Quebec is to-day in much the happiest financial position of all the Canadian provinces. Mr Nicol, the new Treasurer, was recently able to announce a financial surplus for 1921 of \$1,230,433, the revenue being \$15,914,521, and the expenditure \$14,624,088. The Treasury of the province has profited greatly by the decision to remain outside the "Dry belt" in respect to the sale of alcoholic liquors.

The International Joint Commission, to which is entrusted the settlement of all problems concerning the boundaries and joint waterways of Canada and the United States, has, after hearing a large volume of evidence, and examining various plans, reported favourably upon the project for a deep waterway along the St Lawrence route, which would allow ocean-going steamers free access to the Great Lakes. It favours a scheme which will give a

25-foot waterway at an estimated cost of \$252,000,000, and at the same time could be made to generate at least 1,800,000 hydro-electric power. Canada's recent expenditure on the improvement of the Welland Canal would be taken into account, and while she would receive a smaller share of the power made available, she would have to bear a slightly lesser part of the cost. The publication of the report has opened up a violent controversy in the United States. President Harding has given the project his blessing, and a Bill to further it has been introduced at Washington. It is reported that the U.S. Government intend to open up negotiations with Canada on the question; their object is partly political, as they want to placate the Western agricultural bloc in Congress, whose representatives all favour the waterway as a means of lowering freight rates. On the other hand, very strong opposition to the scheme has developed in New York and other Eastern cities, which fear the impairment of their commercial position. The New Yorkers declare that if a better waterway is needed a large new ship canal should be constructed from Oswego on L. Ontario to the Hudson River, near Albany, where navigation to New York is simple. This is an old route, freely used a century ago. In view of the serious agricultural depression, and the inability of thousands of farmers to meet their obligations, a demand has arisen in the Western Provinces for the enforcement of a temporary moratorium on certain classes of debts. It is unlikely that the provincial governments will accede to this request, but they are seeking by conferences to induce the banks, mortgage companies, and implement firms to suspend any rigid enforcement of their claims. Many British investors have been seriously inconvenienced by the working of the various Moratorium Acts passed during the war, which practically suspended all legal procedure on pre-war mortgages and real estate contracts. A group of shareholders of the semi-defunct Merchants' Bank have asked the Federal Cabinet to hold an investigation of the circumstances surrounding the disaster which forced their institution to seek amalgamation with the Bank of Montreal, but no definite reply has been given. There has been some uneasiness about the position of La Banque Nationale of Quebec. But it is now understood that generous support, which will enable it to tide over its difficulties, has been forthcoming, and the directorate has been reorganised and strengthened by the accession of four figures of high standing in the financial world. Meanwhile, criticism of the banking system of Canada does not abate, and the United Farmers of Alberta, at their recent convention, set up a vigorous demand for the establishment of a State bank in which the provincial government of Alberta would hold most of the stock.

The National Debt of Canada has for the first time in recent years shown an actual decrease during the month of December; the decline was very small, only \$1,925,893, but it was encouraging to the new Government. The net debt of Canada stood at \$2,366,861,252 on December 31st, an increase of \$58,642,790 over the figure for December 31, 1920, which was \$2,308,518,462. The revenue for the nine months of the fiscal year ending December 31, 1921, shows a decline of over 15 per cent. in receipts, and the comparative figures for the two periods are as follows:—

	NINE MONTHS ending DECEMBER 31.	
	1920.	1921.
Customs	134,807,860	77,174,599
Excise	28,788,467	28,566,149
War-tax—Inland Revenue	57,477,323	56,259,516
Business profits tax	25,723,276	16,934,714
Income-tax	19,736,286	72,636,727
Other war revenue tax	1,148,081	1,528,599
Post Office	16,500,000	17,100,000
Other revenue accounts ..	23,743,628	23,151,056
Total	344,354,675	294,270,639

The Customs duties for the nine months showed a decline of 42½ per cent., but in December the fall was only 18 per cent., as compared with December, 1920, and it seems probable that the returns will henceforward increase. It is noticeable that income-tax, which Sir Thomas White, the late Finance Minister, declared in 1915 was impossible to apply in Canada, now yields almost one-fourth of the total revenue.

ITALY.—CABINET RESIGNATION—POLITICAL CRISIS—BANCA ITALIANA DI SCONTO.

(FROM OUR CORRESPONDENT.)

TURIN, February 11.

H.M. THE KING has invited the Premier, Signor Bonomi, and the Cabinet to obtain an open vote from the House of Deputies. This was the end of an extraordinary performance of the numerically strongest party in the House, the democratic party, which, at the eve of the reopening of Parliament, due for February 2nd, declared by a sudden caucus vote a want of confidence in the Cabinet. Out of a total of 535, the democratic party number about 150 votes, the popular (Catholic) party 110, the Liberal (Conservatives, Nationalists, and Fascisti) party about 70, while the Socialists are 125, the Communists 15, and the other little parties (Agrarian, Social Democrats, &c.) about 65. No Cabinet can live without a coalition between Democratic, Popular, and Liberal parties, or Democratic, Popular, and Socialist, yet no one party is willing to submit to the necessity of a compromise with other parties.

The move of the Democratic party against Signor Bonomi's Cabinet was engineered, as it appears, by Signor Giolitti's followers. But, when Signor Bonomi resigned, the Popular (Catholic) party, which were greatly incensed by the rupture of the alliance, pronounced against a Giolitti Cabinet. So it happened that neither Giolitti, nor De Nicola, Speaker of the House, nor Orlando and Meda, have dared to form a new Cabinet. In the end, the King was obliged to refuse the resignation of the Bonomi Cabinet, so that the House can, by an open vote, express its wishes and opinions. General elections would not mend the matter, as the existing proportional system of election does not allow sudden changes in the composition of the House; and the swing of the pendulum is almost without effect.

Discontent against Bonomi's Cabinet had manifold origins. The conclusions of the Cannes Conference were displeasing to a section of Italian public opinion, which appeared to think that Italy was ignored when Great Britain and France were concluding a pact of alliance between themselves.

Irritation against the popular (Catholic) party, which has obtained the introduction of a Bill purporting to establish the so-called freedom of education, but in reality giving to the private (Catholic) schools the right to be the legal centre of final examination in secondary education. Last, but not least, the Banca di Sconto moratorium. Newspapers and political circles are, after December 29, 1921, full of stories about the cause of the fall of the Banca di Sconto, and the inability of the Government to come to the rescue. The Government has done all in its power to bring the affair to a satisfactory conclusion. The judicial commissioners have circulated a scheme on the following lines:—The Banca Italiana di Sconto is to go into liquidation. A new Banca Nazionale di Sconto is to be formed with a capital of 270 millions lire, of which 150 millions are to be subscribed by creditors of the old Banca di Sconto with 7 per cent. of their credits, and 120 millions by the ex-directors. The capital may be successively raised to 420 millions with an option to creditors to subscribe the increase.

Deposits will be repaid to creditors on the following basis:—(1) Creditors up to 1,000 lire will be fully repaid after a month; (2) creditors between 1,001 and 5,000 lire will receive 70 per cent. of their credits not later than December 31, 1922; (3) creditors of upwards of 5,000 lire will receive 60 per cent. in instalments up to December 31, 1923. For the unpaid 30 or 40 per cent., a scrip will be given to creditors, which gives a right to the distribution of the assets of the old Banca eventually remaining after payment of the above instalments. The creditors' representatives are not satisfied with the scheme, and claim the aid of the Government. Political parties, un mindful of the public interest, have caught up the problem as a weapon against the Government.

But how the creditors of the Banca di Sconto can be given more than the above scheme proposes to give, i.e., all that can be realised from a winding-up of the assets, without laying an unjust burden on taxpayers, is difficult to see. It is, therefore, to be hoped that the Government, which will be formed after the vote of the House on February 16th, will do nothing prejudicial to the public exchequer.

Letters to the Editor.

THE BANKERS' DIAGNOSIS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr Craies well states in your issue of the 11th inst. "that the need of trade is a reliable standard of value." No one contends that gold is absolutely stable in value, but I think it will be admitted that over a long period of time it has proved to be the most stable and most suitable standard for the purpose. What is more, mankind desire it, and mean to have it. I entirely disagree with your correspondent's statement that "Professor Gustav Cassel's proposal to regulate the monetary demand for gold by international agreement seems to offer the only satisfactory solution of the monetary problem," and regret very much that this gentleman has been described by the present Prime Minister as, if I remember rightly, the most brilliant economist of the day. The description is an indication of the Prime Minister's knowledge of economics. Adam Smith demonstrated, and history has confirmed it, that when inconvertible paper money issues are controlled by a set of men, or by a Government, the control is invariably abused, and the same applies to the proposal to regulate the demand for gold by international agreement. Through the courtesy of the Lord Mayor, the annual meeting of the Sound Currency Association will take place at the Mansion House, on Tuesday, March 7th, and I have every confidence that British bankers will there declare for a free market in gold in this country as soon as it is practicable to have it.

I thank Mr A. A. Mitchell for his support, and you, Sir, for the interesting table you supply of increase in National Debt and Index Number, at the end of his letter. If you had added the increase in inconvertible paper money or Treasury notes, it would have been complete, and would have shown, as Lord D'Abernon showed in these admirable papers issued by the Board of Trade, that an increase or inflation of the currency coincided, or was followed by, a rise in the prices of commodities.

Mr Wigglesworth thinks that I look at only one side of the question—i.e., "the effect on imports." I can assure him that that is not the case. If we can secure cheap imports, exports will, I believe, take care of themselves. British cheapness and durability will command the markets of the world in the future, as they did in the past, and anything which legitimately helps to reduce the cost of production should surely receive our support. In conclusion, may I emphasise the fallacy of the argument that we will increase our liabilities, or the burden of our National Debt, by reverting to an effective gold standard? On the contrary, to state it thus is to look at only one side of the question, as the advantages which I endeavoured to indicate in my first letter far more than outweigh anything that can be advanced by those who support such an argument.—I am, Sir, your obedient servant,

D. M. MASON
(Chairman Executive Committee Sound
Currency Association).

115 Cannon street, E.C. 4, February 13th, 1922.

Books and Publications.

THE SOCIALIST IDEAL.*

THIS is a study of Socialism not in its political and economic aspects, but as an ideal of life. Somewhat strangely, the author does not explain what his conception of the Socialist ideal is, but leaves us to piece this together in the course of our reading. We learn, for example, that Socialism regards theology and metaphysics as a branch of anthropology; that it "proposes to make life entirely a matter of the present"; and that "it rejects history when it is not in harmony with Socialist ideas, but adopts it willingly when it promises to be of any use." Moreover, "it is one of the limitations of Socialism that in its economism it knows no such thing as independent spirituality, or treats it merely as an appendage of the material"—in other words, it is materialistic. We fancy that the author will secure for himself a smaller measure of agreement in regard to his conception of what the Socialist ideal is than in his criticism of Socialism as he sees it. The influence of Karl Marx has doubtless persisted to a large extent, especially in Germany, and the author's strictures on Marxian crudities are no doubt largely justified; but there is a large and growing school of Socialist thought which has thrown over materialism, advocating nationalisation of the means of production for the purpose of enabling life to be freed from the obsession of merely economic considerations. The author seems hardly to recognise the existence of this body of opinion. In general, his view is that while the Socialist ideal will remove many evils, and effect many improvements, promote education, and mitigate the crudities and injustices of the existing order, its tendency to treat the spiritual substance of life as a means to advance the welfare of men is very injurious. "It overlooks the depths and complexities of human nature, and its action could affect only part of the surface of life."

The book is stimulating, and contains many arresting passages, while the style even in translation retains the eloquence and force which one would expect from an author who has received the Nobel Prize for literature.

* "Socialism: An Analysis." By Rudolf Eucken. (London) T. Fisher Unwin. 9s net.

CRISES AND THEIR CAUSE.*

THIS work, by a professor in the Polytechnic School at Tiflis, was translated into German, and reviewed at some length in these columns, as long ago as 1908. It elaborately describes various kinds of limited crises—monetary, industrial, agricultural, and others—and assigns their causes, but its most important portion deals with the general crisis which results from the over-capitalisation of industry, and is the culmination of a periodic cycle. This over-capitalisation arises from the desire of individuals to provide for their future, or increase their command of commodities, by saving; it leads to over-production, followed by "decapitalisation" and a fall in prices, and the remedy for it is the more intelligent and more general consumption which would be facilitated by a better distribution of wealth, for the over-investment comes mainly not from wages or salaries, but from profits and rent. The book is an exhaustive examination of its subject, designed for economic specialists, and the extremely abstract treatment occasionally gives point to Auguste Comte's attack on the "scholasticism" of economic theorists, but it has a sound and wide historical basis, and incidentally throws interesting sidelights on Protectionism, the mercantile system, and other aberrations of economic policy.

* "Les Crises Economiques." Par Mentor Bouniatian. Paris: Marcel Giard. 1922.

COPARTNERSHIP.*

MR WALLS believes in idealism, symmetry, and mathematical formulæ. To him the solution of the industrial problem lies along the lines of settling the distribution of the proceeds of industry in consonance with the last two principles, and in the spirit of the first. The first charges on a business should be the payment of a bare subsistence

wage to "human capital," and a bare minimum interest to "material capital." All the divisible profit then remaining is to be shared between these two kinds of capital (a valuation of the amount of human capital embodied in a firm's labour force having been scientifically calculated) at the same rate per cent. In this way wages and "wage slavery" will recede in importance before the more dignified payment known as profits. Profit-sharing, however, is not co-partnership. Mr Walls anticipates great development of co-partners' councils, though he indicates quite definitely what matters of "control" are, and must be, the exclusive concern of "the management." The book is enriched by detailed accounts of important co-partnership schemes of the present and past, and by Mr Walls' great practical knowledge of his subject. The author writes, however, rather as one who clings to his faith in spite of circumstances, and somewhat also in spite of himself.

* "Progressive Co-Partnership." By Ernest Walls. Nisbet and Co., Limited. 1921. 12s 6d.

BANK CLEARING HOUSES.*

THIS little volume, apparently intended as the first of a series of economic handbooks, elaborately describes the mechanism of bankers' clearing houses in London, Paris, the United States, Canada, Germany, and elsewhere. It aims ostensibly at promoting the establishment of similar arrangements in Spain; the only approach to them at present is in Barcelona. Credit instruments are fully described, and interesting particulars are given of the rise of banking in Spain and elsewhere. Details of existing clearing-house arrangements are very fully given, with translations of the banking laws of various countries, and even a plan of a clearing house. More might perhaps be said of the bearings of the British and American systems on the national banking reserves. In its present dress the book can hardly appeal to students outside Spain and Spanish-America, but it deserves commendation as a sign of Spanish enterprise in the modernisation of the machinery of the national commerce and finance.

* "Cámaras de Compensacion Bancaria." Por Mariano Cagigal. (Madrid) Graficas Rennidas, S.A. 1921. Pp. 175.

BOOKS RECEIVED.

- The Companies Acts, 1908 to 1917, with Explanatory Notes and References to Decided Cases.* By D. G. Hemmant. Seventh Edition. (London) Jordan and Sons, Limited. 10s net.
- Comprehensive Tables of Compound Interest on £1, £5, £25, £50, £75, and £100.* By John Wilhelm. (London) Effingham Wilson, 16 Cophall avenue, E.C.
- Les Banques d'Affaires en France depuis 1900.* Par Edmond Baldy. (Paris) Librairie Générale de Droit et de Jurisprudence. 25 francs.
- The Truisms of Statecraft.* By the Hon. Bruce Smith, K.C. (London) Longmans, Green, and Co. 7s 6d net.
- Prices and Wages in India.* Thirty-sixth issue. (Calcutta) Department of Statistics. Rupees 2.
- Wages, Prices, and Profits.* A Report prepared by the Labour Research Department. Preface by Sydney Webb. (London) The Labour Publishing Company, Limited.
- Guide Book for Investors in Government of India Securities.* Issued by authority of the Government. Second Edition. (Calcutta) Government Printing Office. 2 as.
- The Building Guild in London.* Incorporating the First Annual Report and Balance-sheet for the year ending March 31, 1921. (London) The Guild of Builders (London), Limited. 6d.
- The Anglo-Italian Review.* February, 1922. (London) British Italian Commercial Association. 1s net.
- The Economic Review.* February 10, 1922. (London) Greycoat Buildings, 99A-101 Horseferry road, S.W. 1s.

This review appears this week in an improved form. It now comprises three sections. In the first section current information upon economic questions in foreign countries is given. The second section contains special articles on international economics and finance, contributed by, or quoted from, prominent economists. Statistical information is grouped together in the third section.

Banks. A Note on a Matter of Some Commercial Importance. (London) Walter Judd, Limited.

The Labour Monthly. A Magazine of International Labour. February 15, 1922. (London) The Labour Publishing Company, Limited, 6 Tavistock square, W.C.1. 1s.

BANK CIRCULARS.

Monthly Survey. February, 1922. (London) Lloyds Bank, Limited.

Monthly Circular. February 15, 1922. (Liverpool) Bank of Liverpool and Martins, Limited.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.
February 22.

ACCOUNT.
February 23.

The Consol market of the Stock Exchange has almost been swept off its legs by the extraordinary volume of business induced by the strength of prices in British funds, Corporation stocks, Colonials, and other gilt-edged securities outside those of India. The fall in the Bank rate was heralded by the suspension of the Treasury bonds which were on offer at 99, and the gilt-edged market responded to the announcement of the latter with a vigorous movement upwards.

The War Loan yesterday touched 96, National War Bonds, the Funding Loan, Victory Bonds, and practically everything in this category went up with a rush under the stimulus of buying of stock by the fifty and hundred thousand pounds at a time. Small investors are eagerly laying in further supplies of stock, and, with the prospect of money remaining cheap for some time to come, holders will not sell unless they are obliged to do so. This limits the amount of supply available for the buyers, and every day has seen a remarkable diminution of the amount of stock which dealers have been able to offer.

As one striking illustration, it may be observed that in a list of gas companies' preference stocks issued by a well-known firm of Stock Exchange jobbers, there is no single instance of any being obtainable at the present time, while the amount of debenture stocks in the shipping market, for instance, is strikingly meagre. In these circumstances, it is scarcely necessary to add that the speculative and gambling markets have relapsed into quiescence, the public paying so little heed to them that the markets may be said to have become practically the hunting grounds of semi-professionalism. This does not apply, of course, to the pre-ordinary shares and stocks, because the public are not only willing, but eager, to acquire any good issues offering a fair rate of interest, the idea being that such are bound to improve in price as time goes on.

The strength of British Government stocks became reflected to a minor degree in the list of India issues, although the news from the country continued grave. Indian banking shares are also better, and there has been a mild recovery in some of the mining shares. Mexicans, on the other hand, are dull, in consequence of the statement in the House of Commons to the effect that nothing definite had yet been done in regard to recognition of Mexico by this country, which is evidently waiting upon a lead from the United States.

The foreign market is being searched for investments likely to improve in value, and the 7 per cent. Seine Department Bonds rose from $\frac{1}{2}$ discount to 3 premium. The Siamese offer of 7 per cent. bonds at 100 was over-subscribed in less than a quarter of an hour, and the lists immediately closed. Swansea Corporation was equally successful. The newly issued City of Sydney 6 per cents. started in the market at $1\frac{1}{2}$ premium, and the price quickly doubled. German bonds have been a little firmer, and amongst South Americans the new Chile $7\frac{1}{2}$ per cent. scrip rose to $1\frac{1}{2}$ premium. There has been good inquiry, too, for Chinese, and some of the Japanese bonds are better.

The Home Railway market is disappointing to holders, inasmuch as it fails to attract support from outside. Recent rises are well maintained, but there has been little fresh attention. The chairmen's speeches, following upon the issue of the reports, have not galvanised interest on the part of the

public, and the market is quiet. Mexican Railway stocks are easier, owing to the House of Commons answer mentioned above. Argentine railways move erratically. Grand Trunks are a little lower.

Rubber has again receded, and rubber shares are dormant. The Shell company secured immediate success with its issue of five million pounds 7 per cent. second preference shares at 20s, but the ordinary shares are quiet, although it is known that the Shell pool has just completed the sale of 143,000 shares taken over last November from the Public Trustee, at 4½ cum dividend. Mexican Eagles have been a better market: there are hints of a possible new issue from this company, following the example of the other leaders. Burmahs, after being depressed by realisation of a big account, recovered when the selling pressure relaxed, and the Trinidad group stiffened a trifle. City Equitable Associated preference have fallen to a florin, and other insurance shares are on the dull side, though the banking market is better, various London shares advancing owing to the boom in gilt-edged stocks. Shipping debentures are in favour, and P. and O. deferred rose sharply. Several of the outside gas companies' stocks were marked up liberally, Croydon "A," for instance, gaining 35 points in a day, and the "B" stock adding 25 points simultaneously. The iron and steel market is steady but neglected. Dunlops and other gambling counters aroused little attention from a public which is buying investment stocks with both hands. Stores shares are firmer, though the reduction of the dividend on Harrods caused dulness in the price of the ordinary. The textile market derived a little liveliness from erratic movements in Courtaulds. Tobacco shares have fluctuated narrowly, and, in the cable group, Radio Corporations responded to renewal of buying orders from America.

South Africans cannot escape from the effect of the protracted Transvaal strike, still unsettled. Yet diamond shares are firm, on statements that there is some revival of demand in America for the gems. Tin is a trifle below £150 per ton, which depresses shares in tin companies. Animation accompanied a brisk jump in Esperanza and Columbian Mining shares. Russo-Asiatics, with other Russians, are neglected. Indian mines, as already noted, have strengthened after their earlier weakness.

We are officially informed that Mr Gerard Lee Bevan, Mr Harold Holcombe Gordon, Mr Neville Forth O'Brien, Mr Frederick Edward Owen Tootal, the Hon. Reginald Ailwyn Fellowes, Mr Donald Johnson Pirie (Ellis and Co.) have ceased to be members of the Stock Exchange.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—				
Amount previously recorded ..	174,887,430			

TREASURY BONDS.

5½% 1922 receipts to January 28, 1922 ..	283,435,611
Further receipts ..	62,499
Total receipts 5½% ..	283,498,110
5% 1927 receipts to February 4, 1922 ..	4,415,000
Week to February 11, 1922 ..	4,075,000
Total receipts to date ..	8,490,000

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED FEBRUARY 11, 1922.	
April 1 to February 11, £15,030,000 ..	1,850,000 .. 1,850,000

To the Public—				
Royal Siamese Government, £2,000,000 7½% Sterling Loan, (rep. at par 1928-62), issued at par (Feb. 15) ..	2,000,000	2,000,000	100,000	1,900,000
Swansea Corporation, £850,000 5½% Red. Stk. (red. at par 1935-45), iss. at 98% (Feb. 13) ..	850,000	833,000	42,500	790,500
"Shell" Transport and Trading Co., 5,000,000 7½% 2nd Pref. Shares, £1, at par (Feb. 13) ..	5,000,000	5,000,000	625,000	4,375,000
Theatre Royal Cinema (Manchester), 145,000 12½% Cum. Pfg. Pref., £1, at par ..	145,000	145,000	18,125	126,875
Do 36,250 Ord. Shares, 1s, at par (Feb. 13) ..	1,813	1,813	1,813	..
Sea Bank Hotel and Hydro, £22,000 8% First Mt. Deb., at 95% red. at 105%, on or before Dec. 31, 1934 (Feb. 13) ..	22,000	20,900	2,200	18,700
British International Film Corp., 100,000 10% Cum. Pfg. Pref. Shares, £1, at par (Feb. 15) ..	100,000	100,000	..	100,000
Apollo Player and Piano Co., Limited, 130,000 Shares, £1, at par (Feb. 13) ..	130,000	130,000	13,000	117,000
"Big Four" Pari-Mutuel, 80,000 Ord., £1, at par (Feb. 15) ..	80,000	80,000	8,000	72,000
Yorkshire Amalgamated Products, £120,000 First Mort. 8% Reg. Debts. (red. at 105% 1924-42), issued at 95% ..	120,000	114,000	12,000	102,000
Total offered to Public ..	8,424,713	822,638	7,602,075	

To Shareholders only—				
Akim Alluvial, &c., 25,000 10% (tax free) Cum. Pref. Shares, £1, at par ..	25,000	25,000	6,250	18,750
Total offered to Shareholders only ..	25,000	25,000	6,250	18,750
Total offered for subscription to date ..				
1922 ..	£189,324,642	1921 ..	£388,978,203	
1923 ..	29,360,673	1920 ..	367,549,656	
1924 ..	63,442,838	1919 ..	1,036,059,951	
1925 ..	248,706,231	1918 ..	1,393,361,441	
1926 ..	209,135,485	1917 ..	1,512,586,010	
1927 ..	350,355,831	1916 ..	1,686,436,850	
1928 ..	112,100,799	1915 ..	685,236,336	
1929 ..	10,840,096	1914 ..	612,522,633	

Swansea Corporation 5½% per Cent. Redeemable Stock, 1935-1945.—Issue of £850,000 stock at 98 per cent. The prospectus states: "If not previously redeemed, the stock must be redeemed at par on March 31, 1945," the corporation having the option to redeem at par on giving three months' notice on or after March 31, 1935. The proceeds of the issue will be used for repayment of existing loans amounting to £200,000, for housing, extension of electricity and water undertakings, and other purposes. The debt of the borough, after deducting sinking funds in hand, was £3,087,198, of which £1,926,131 represented liabilities for "reproductive works." Properties and other assets are valued at £2,875,000. The rateable value of the borough is estimated at £800,000, and a penny rate produces £3,150. The prospectus would have been more informative if the nature of the sinking fund and the annual amount required for debt services had been stated. A trustee security, which was quickly absorbed when offered.

Royal Siamese Government 7 per Cent. Sterling Loan of 1922.—This is an issue of £2,000,000, issued at £100 per cent. The loan "will be repayable" at par within 40 years from March 1, 1922, by drawings beginning in 1928. But the Government has the option to redeem at par at any time on or after March 1, 1932, on giving three months' notice. The loan is exempt from Siamese taxation. On September 30, 1921, the total national debt of Siam amounted to £7,312,560. The Government undertakes that if any special security shall be given for any other foreign loan such security shall also be "concurrently applicable to the present loan." The proceeds of the loan will be devoted to the further extension of the Government railway system, which at March 31, 1920, extended to 2,215 kilometres, also for irrigation and other purposes. Although the yield may not be considered on the excessive side, Siam, if small, is a progressive State. The issue was quickly oversubscribed.

The "Shell" Transport and Trading Company, Limited.—Share capital £43,000,000, divided into 300,000 5 per cent. first preference shares of £10 each, of which 200,000 are issued, 10,000,000 7 per cent. second preference shares of £1 each, of which there are now offered 5,000,000 shares at par, and 30,000,000 ordinary shares of £1 each, of which 19,365,144 are issued. The company has no debentures outstanding or authorised, but the decision for such an issue would, of course, rest with ordinary shareholders, who easily outnumber the other shareholders in voting power. The undertaking was founded in 1897, and has participated actively in the development of the oil industry. It holds a 40 per cent. interest in the Royal Dutch-Shell group of concerns, and is now entirely a holding company. Profits are given from 1913, and it is stated that dividend distributions from this date have been at the rate of 35 per cent. per annum. No statement of assets and liabilities is given. The shares were underwritten at the rate of 2½ per cent. on the par value. The shares form a good industrial risk, and were subscribed for by 11.15 of the morning of issue.

Scottish Power Company, Limited.—Authorised share capital divided into 125,000 ordinary shares of £1 each, £125,000 ordinary stock, and 250,000 8 per cent. cumulative preference shares of £1 each. All the ordinary stock and 200,000 preference shares have been issued. The borrowing powers of the company are limited to the amount of the issued capital. An issue of £50,000 debenture stock, part of £120,000 authorised, was made in July, 1918, at 95 per cent. This stock is secured by a trust deed, which provides for redemption by means of a sinking fund. The company was incorporated in 1909, and owns the issued share and loan capital of three Scottish electricity supply companies. A scheme of reorganisation was approved by the Court and carried into effect in 1916. Net revenue is shown for the three years to December 31, 1920. The ordinary capital received a 4 per cent. distribution in 1919 and 6 per cent. in 1920. This information is extracted from a published statement made to comply with the regulations of the Stock Exchange and may probably show steady progress.

The Apollo Player and Piano Company, Limited.—Authorised share capital £250,000, in shares of £1 each. This is an issue of 150,000 shares, of which 130,000 are now offered to the public at par. The company has been formed to acquire the assets, goodwill, patents, &c., of the Apollo Piano

Company, Limited, and to develop the New Apollo piano-player. The past financial history of this company is, however, meagre. The purchase price has been fixed at £28,325, of which £8,326 is payable in cash and the balance in shares. An independent valuation is submitted. Net profits are estimated at £33,500 for the first year. A speculative industrial risk.

Sea Bank Hotel and Hydro, Limited.—Authorised share capital £50,000, in ordinary shares of £1 each, of which 34,500 has been issued. The authorised loan capital is £22,000, and this is an issue of this amount in 8 per cent. first mortgage redeemable debenture stock at £95 per cent. The stock will be secured by a trust deed, and constitutes a specific charge on the fixed assets, and the company undertakes not to make any charge in priority to or *pari passu* with the present issue. Debentures are repayable at £105 on or before December 31, 1934, by annual drawings beginning in 1923. The company was formed in September, 1919, to take over an hotel in Glamorgan, and it is stated that £36,200 has been expended upon it. An independent valuation of £48,000 has been made of the hotel and contents. The prospectus is a clear statement of affairs, but regard should be paid to the narrow market for so small an issue.

Theatre Royal Cinema (Manchester), Limited.—Authorised capital £160,000, divided into 154,000 12½ per cent. cumulative participating preference shares of £1 each and 120,000 ordinary shares of 1s each. This is an issue of 145,000 participating preference and 36,250 ordinary shares, at par. Application for ordinary shares only will not be considered, but applicants for participating preference shares have the right to demand one ordinary share "for each four preference shares applied for." After both classes of shares have received a dividend of 12½ per cent., holders of participating preference shares are entitled to 50 per cent. of profits. The company has been formed to acquire a 99 years' lease of the Theatre Royal, Manchester, "which is now being converted" into a cinema theatre. The promoters have had considerable experience in this kind of undertaking, and they have agreed to underwrite the present issue of preference shares at 7½ per cent. The profit accruing to them as vendors, it is stated, amounts to £8,587. Preliminary expenses amount to £12,000, and are payable by the company. Even though the promoters have "never yet been associated with a cinema hall that has not been a success," and estimated net profits are stated at a sum which is over one-third of the share capital, the shrewd investor will no doubt have considered the highly speculative nature of companies engaged in the entertainment industry.

The "Big Four" Pari Mutuel, Limited.—Authorised capital £100,000, divided into ordinary shares of £1 each, of which 80,000 shares are offered to the public at par. The company has been formed to acquire and develop a business of betting on the Pari-Mutuel system for £20,000, payable in shares, of which £17,000 is for goodwill. Preliminary expenses are estimated at £5,000, and will be paid by the company. The prospectus states that "this offer of shares is made to the public not with the object of acquiring capital, but to increase the company's clientele." The minimum subscription on which the directors may proceed to allotment is 50,000 shares. A novel feature about this issue is that the directors jointly and severally guarantee, if called upon, to do so within three months after the first annual general meeting of the company, to purchase any shares of this issue at the price of the amount paid up on such shares. This is an unusual offer, and not devoid of merit, if subscribers consider the guarantee by itself sufficient security. The legal position of betting as a business being so uncertain, the issue will only appeal to confirmed optimists in this direction. It has, we understand, been oversubscribed.

The British International Film Corporation, Limited.—Authorised capital £150,000, divided into 135,000 10 per cent. cumulative participating preference shares of £1 each and 300,000 ordinary shares of 1s each. Participating rights consist of one-half of surplus profits after payment of 10 per cent. per annum on both classes of shares. All ordinary and 31,000 preference shares have been allotted, and 100,000 preference shares are now issued at par. The company was formed to take over the business of Windlesora Films, Limited. It acquires the share interest in Windsor Films, Limited, and other companies. Surplus assets are valued at £57,030, of which negative and positive films and rights are stated at £43,451, while studio valuation, made by independent people, is given as £23,112. Goodwill—Lionel Phillips business—appears separately at £5,000. It would be interesting to have a separate valuation of film rights. The net turnover and gross profits of the Lionel Phillips Company are given for two years. Other figures are given of investments in a United States and Canadian company. The shrewd investor is more concerned to know the definite net profits made by the company in the last two years from its gross assets, now valued at £79,014, than general statistics about the film industry and estimated profits of £93,400, which may and may not accrue in the future.

Yorkshire Amalgamated Products, Limited.—Authorised share capital £300,000, of which £230,432 has been issued. This is an offer for sale of £120,000 first mortgage 8 per cent. registered debentures at 95 per cent. They are "to be redeemed" in January, 1942, at 105 per cent., but the company has the right to redeem at 105 per cent. at any date in or after 1925. The company was formed with the object of amalgamating businesses "operating mineral deposits" in demand in the iron, steel, building, and glass trades. Profits are shown for the past four years, but before charging depreciation and many other outgoings. The debentures will be secured by a trust deed constituting a specific first mortgage on the company's fixed assets. These fixed assets were valued in February, 1920, at £285,578 by an independent valuer, but it is difficult to understand the statement in this "offer for sale" that the value of these "has depreciated very little (if at all) during the interim." Other fixed assets acquired since this date bring the total value up to £412,164. Thus there appears to be a fair margin of security upon the figures given. Under the title of Sand, Glass and Foundry Materials (Amalgamated), Limited, in our issue of June 26, 1920, we reviewed the prospectus of what is apparently the same company. We then pointed out that the statement of past profits of the companies to be acquired was weak, and that there was not sufficient information to attract the careful investor. In this "offer for sale" no mention is made as to Stock Exchange quotation for these debentures, nor can we find the price paid by the present vendors for the issue.

ACTIVE SECURITIES.

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.

	Price	Week	Latest	Price	Week	Latest
War (3½% 1925-28) ..	97 1/2	98	97 1/2	98	97 1/2	98
Loans (4½% 1929-47) ..	97 1/2	98	97 1/2	98	97 1/2	98
Conversion Loan 3½% ..	97 1/2	98	97 1/2	98	97 1/2	98
Consols 2½% ..	97 1/2	98	97 1/2	98	97 1/2	98
Irish Land Stock 2½% ..	97 1/2	98	97 1/2	98	97 1/2	98
Local Loans 3% ..	97 1/2	98	97 1/2	98	97 1/2	98
Aust. 5½% debts. 1922-7 ..	97 1/2	98	97 1/2	98	97 1/2	98
Canada 4½% 1920-25 ..	97 1/2	98	97 1/2	98	97 1/2	98
India 3½% Stock ..	97 1/2	98	97 1/2	98	97 1/2	98
Do 7½% Stock ..	97 1/2	98	97 1/2	98	97 1/2	98
N.B.W. 5½% 1920-25 ..	97 1/2	98	97 1/2	98	97 1/2	98
U.S.A. 4½% 1920-25 ..	97 1/2	98	97 1/2	98	97 1/2	98
Victoria 5½% 1924-34 ..	97 1/2	98	97 1/2	98	97 1/2	98

Banks.

Barclays B. (£1. f.p.d.) 2½% ..	2½	2½	2½	2½
Lloyds (£5 with £1 p.d.) 2½% ..	2½	2½	2½	2½
London Joint City & Midland (£12 with £2½ paid) ..	7½	7½	7½	7½
London County West- minster and Parr's (£20 with £5 paid) ..	15½	15½	15½	15½
Nat. Bank of Egypt (£10) ..	19	19	19	19
Nat. Bank of S. Africa (£10) ..	10½	10½	10½	10½
Nat. Prov. & Union of England (£20 with £4 paid) ..	9½	9½	9½	9½
Standard of S. Africa (£20 with £5 paid) ..	11	11	11	11

Colonial and Foreign Railways.

Anfoagasta Cons.	44	44	44	44
B. A. & Pacific ..	39½	39½	39½	39½
B. A. Gt. Southern ..	63½	63½	63½	63½
Buenos Ayres West. ..	57	57	57	57
Canadian Pacific ..	144	149	149	149
Central Argentine ..	54½	55½	55½	55½
Grand Trunk Ord. ..	1½	1½	1½	1½
Grand Trunk 3rd Pref. ..	4	4	4	4
Leopoldina ..	24	24	24	24
Mexican Railway ..	13	13	13	13
Do 1st Pref. ..	33	33	33	33
Do 2nd Pref. ..	23	23	23	23
San Paulo ..	113	113	113	113
United Havana ..	53½	53½	53½	53½

Foreign Government Securities.

Argentine 5%, 1886-7 ..	97	97	97	97
Belgian 3% ..	62	62	62	62
Brazil 5% Fund, 1914 ..	65	65	65	65
Chilian 4½%, 1895 ..	67	67	67	67
Chinese 5%, 1912 ..	64	64	64	64
Egyptian 7% ..	41½	40½	40½	40½
French 5% ..	32½	33	33	33
Do 4% ..	32½	33	33	33
Italian 5½% Rentes ..	22	22	22	22
Greek Monopoly 4% ..	30½	31	31	31
Japanese 4% ..	102	102	102	102
Do 4%, 1910 ..	61	61	61	61
Mexican Cons. 1895 ..	62	62	62	62
Peruvian Corp. Pref. ..	15½	15½	15½	15½
Russian 5%, 1906 ..	11½	11½	11½	11½
Spanish 4% ..	74	74	74	74

British Railways.

Great Central Pref. ..	11½	9½	9½	13½
Great Eastern ..	29½	29½	29½	29½
Great Northern Def. ..	28	28	28	28
Great Western ..	80	85½	85½	85½
London, Brighton, & South Coast ..	44½	46	46	46
London, Chatham, & Dover ..	7½	6½	6½	6½
Do Arth. Pref. ..	51	51	51	51
Do N. W. (New) ..	77½	78½	78½	78½
L. & S. Western, Def. ..	22½	23	23	23
Metropolitan ..	31	32	32	32
Metropolitan District ..	25	25	25	25
Midland Deferred ..	104	104	104	104
North British Def. ..	82½	83	83	83
North-Eastern ..	26½	26½	26½	26½

American Railroads.

Chesapeake & Ohio ..	65	65	65	65
Erie ..	12	12	12	12
Do 4% 1st Pref. ..	18	19	19	19
Southern ..	21	21	21	21
Do Non-cum Pref. ..	69	68	68	68

Miscellaneous.

Aerated Bread (£1)	18	18			Do 8% Cmp A Prf (£1)	18	18	+	+
Armstrong (Sir W. G.)	14	13½	—	76	Do 20% Cmp POrd (5)	18	18	+	+
and Co. (£1)	14	13½	—	73	Lister (£1)	18	18	+	+
Ass. Pind. Cement (£1)	7½	7½			Lothian Oilfields (£1)	18	18	+	+
B'ham Small Arms (£1)	34½	35	—	3	Lyons (J.) & Co. (£1)	18	18	+	+
Brazil Tracoll American					Magadi Bds. (£1 Ord.)	18	18	+	+
British Tobacco (£1)	3½	3½			Mexican Eagle (£1)	18	18	+	+
Brit. & Arg. Meat (£1)	1½	1½			Nat'l Russian (100)	18	18	+	+
Burmah Oil (£1)	5½	5½	—	76	Pekin (2) Russian (100)	18	18	+	+
Coats (J. and P.) (£1)	2½	2½			Rubber Plantations	18	18	+	+
Courtaulds (£1)	1½	1½			Investment (£1)	18	18	+	+
Gunard (£1)	1½	1½			Shell Transport (£1)	18	18	+	+
Dorman, Long (£1)	1½	1½			Smithfield & Argentine	18	18	+	+
Dunlop Rubber (£1)	3½	3½	—	30	Meat (£1)	18	18	+	+
Fine Cotton Spinners					Underground Electric	18	18	+	+
(£1)	18½	18½	—	30	Do "A" (1)	18	18	+	+
Forestal Land (£1)	1½	1½			Do Inc. Bds. (£100)	73	76		
Furness, Withy (£1)	1½	1½			United Serladg (2)	18	18	+	+
Highlands and Low-					United Tobacco (£1)	18	18	+	+
lands Rubber (£1)	1½	1½			Vallambrosa (2)	18	18	+	+
Hudson's Bay (£1)	6	5½	—	70	Vickers (£1)	18	18	+	+
Imperial Tobacco (£1)	2½	2½	—	70	Watney Def. Suk.	136½	136½		
Langi Plantations (£1)	1	1							
Lipton (£1)	1	1	—	30					

Telegraphs.							
Price	Week	Price	Week	Price	Week	Price	Week
Anglo-American "A" 19	19	19	19	Marconi Canada	19	19	19
Marconi Wireless	19	19	19	Marconi Marine	19	19	19

Mines.							
Price	Week	Price	Week	Price	Week	Price	Week
Broken Hill Prop. (8)	19	19	19	Knights	19	19	19
Chartered (11)	19	19	19	Modderfontein (10)	19	19	19
Cons. Gold Fields (11)	19	19	19	Modderfontein "B" (5)	19	19	19
Crown Mines (10)	19	19	19	Modderfontein Deep (5)	19	19	19
De Beers Def. (24)	19	19	19	Premier Def. (24)	19	19	19
East Rand Prop. (11)	19	19	19	Rand Mines (5)	19	19	19
Eduld (11)	19	19	19	Rio Tinto (25)	19	19	19
Gov. Gold Areas (11)	19	19	19	Spring Mines (11)	19	19	19

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim div. + Final div.	Method of Payment.	Dividend for Whole Year.	Lat. Pre-vious.
Railways.					
Alexandra Docks, &c.	5%	April 1	Less tax	10	10
Barry	5%	April 1	Less tax	10	10
Canadian Pacific	2 1/2%	April 1	Less tax	4 1/2	4 1/2
Cleator and Workington	5%	April 1	Less tax	10	10
Cookermouth, Keswick, and Penrith	5%	April 1	Less tax	10	10
Dublin and South-Eastern	5%	April 1	Less tax	10	10
Glasgow and S. Western, Def.	5%	April 1	Less tax	10	10
Great Central, 5% Pref.	5%	April 1	Less tax	10	10
Great Western	4 1/2%	April 1	Less tax	9 1/2	9 1/2
Hull and Barnsley	2 1/2%	April 1	Less tax	4 1/2	4 1/2
Jersey Eastern	5%	April 1	Less tax	10	10
Jersey Railways and Tramways	5%	April 1	Less tax	10	10
Lancashire and Yorkshire	5%	April 1	Less tax	10	10
Liverpool Overhead, Pref.	5%	April 1	Less tax	10	10
London and North-Western	5%	April 1	Less tax	10	10
Londonderry and Lough Swilly	5%	April 1	Less tax	10	10
Maryport and Carlisle	5%	April 1	Less tax	10	10
North-Eastern	5%	April 1	Less tax	10	10
North Staffordshire	5%	April 1	Less tax	10	10
Nottingham and Grantham	5%	April 1	Less tax	10	10
Penarth Harbour, &c.	5%	April 1	Less tax	10	10
Port Talbot	5%	April 1	Less tax	10	10
Ross and Monmouth	5%	April 1	Less tax	10	10
Salisbury, &c.	5%	April 1	Less tax	10	10
Shakard (Delhi) Saharanpur	5%	April 1	Less tax	10	10
Vale of Glamorgan	5%	April 1	Less tax	10	10
West Somerset	5%	April 1	Less tax	10	10
Other Companies.					
Banco Nacional Ultramarino	6%	Feb. 17	Less tax 6/ in £	20	20
Bank of India (Bombay)	8%	Feb. 17	Less tax 6/ in £	20	20
Bank of Anvers	10%	Feb. 17	Less tax 6/ in £	20	20
Industrial of Japan	14%	Feb. 17	Less tax 6/ in £	20	20
Standard of South Africa	14%	Feb. 17	Less tax 6/ in £	20	20
Insurance.					
National Reins.	20/ p.s.	Feb. 17	Less tax 6/ in £	20	20
Scottish Temperance	20/ p.s.	Feb. 17	Less tax 6/ in £	20	20
Mining.					
Consolidated Langlaagte	7 1/2%	Mar. 7	Less tax 5/8 in £	10	10
Gold Mines Investment	7 1/2%	Mar. 7	Less tax 5/8 in £	10	10
Langlaagte Estate	7 1/2%	Mar. 7	Less tax 5/8 in £	10	10
New Kleinfontein	5%	Feb. 16	Less tax 6/ in £	10	10
New Primrose Gold	5%	Feb. 16	Less tax 6/ in £	10	10
Witbank Colliery	10%	April 3	Subject to tax	10	10
Tea and Rubber.					
Bukit Panjong	2 1/2%	Feb. 24	Less tax	10	10
Doloo Tea	2 1/2%	Feb. 24	Less tax	10	10
Jorehaut Tea	5%	Feb. 24	Less tax	10	10
Other Companies.					
Antrim Iron Ore	2/ p.s.	Feb. 24	Less tax	10	10
Arncliffe Coal	4/ p.s.	Feb. 24	Less tax	10	10
Arncliffe and Co., Dublin	4/ p.s.	Feb. 24	Less tax	10	10
Assets Co.	6 1/2%	Mar. 10	Less tax	10	10
Atlantic & Rental Trust	2 1/2%	Mar. 10	Less tax	10	10
Australian Agricultural	2 1/2%	Mar. 10	Less tax	10	10
Average Trust	15%	Mar. 10	Less tax	10	10
Bent's Brewery	5%	Mar. 10	Less tax	10	10
Birmingham Railway Wagon, &c.	1/ p.s.	Mar. 10	Less tax	10	10
Boddington's Breweries	1/ p.s.	Mar. 10	Less tax	10	10
Bradford Dyers	1/ p.s.	Mar. 10	Less tax	10	10
Bournemouth and Poole Elec.	7 1/2%	Mar. 10	Less tax	10	10
Bournemouth Gas and Water	7 1/2%	Mar. 10	Less tax	10	10
Do (Original)	7 1/2%	Mar. 10	Less tax	10	10
Bristol Gas	7 1/2%	Mar. 10	Less tax	10	10
British-American Tobacco	4 1/2%	Mar. 31	Less tax	10	10
British Assets Trust	10%	Mar. 31	Less tax	10	10
British Land	10%	Mar. 31	Less tax	10	10
Charing Cross, West End, & City	6/ p.s.	Feb. 28	Less tax	10	10
City Offices	7/ p.s.	Feb. 28	Less tax	10	10
City of London Electric	15/6 p.s.	Feb. 27	Less tax	10	10
City of Westminster Properties	3 1/2%	Feb. 27	Less tax	10	10
City Property Investment, Def.	20/	Feb. 27	Less tax	10	10
Crossington Steamship	15/6	Feb. 27	Less tax	10	10
Croydon Gas, "A"	12	Feb. 27	Less tax	10	10
Do "B" and "C"	5	Feb. 27	Less tax	10	10
Do "D"	10	Feb. 27	Less tax	10	10
Do "E"	11	Feb. 27	Less tax	10	10
County of London Electric	15/6	Feb. 27	Less tax	10	10
Court Line	3 1/2%	Feb. 24	Less tax	10	10
Derby Gas Light and Coke	3 1/2%	Feb. 24	Less tax	10	10
Devon Estates	10/	Feb. 24	Less tax	10	10
Devon, Routledge, and Co.	10/	Feb. 24	Less tax	10	10
Dickens and Jones	10/	Feb. 24	Less tax	10	10
Eastman Kodak of New Jersey	10%	April 1	Less tax	10	10
East Worcesterhire Water	3 1/2%	April 1	Less tax	10	10
Edinburgh Reversion	5%	Mar. 2	Less tax	10	10
Frederick Braby and Co.	5%	Mar. 2	Less tax	10	10
Glasgow Royal Exchange	12 1/2%	Mar. 15	Less tax	10	10
Hancock and Co. (N.Z.)	12 1/2%	Mar. 15	Less tax	10	10
Harrison, Barber, and Co.	12 1/2%	Mar. 15	Less tax	10	10
Hargreave & Co.	12 1/2%	Mar. 15	Less tax	10	10
Horne Bay Water Works	10%	Feb. 16	Less tax	10	10
Herrburger Brooks	10%	Feb. 16	Less tax	10	10
H. B. Randall	15/	Feb. 16	Less tax	10	10
Halt Brewery	15/	Feb. 16	Less tax	10	10
Imperial Hydro, Blackpool	10% (& bonus 10/ p.s.)	Feb. 16	Less tax	10	10

DIVIDEND ANNOUNCEMENTS.—Continued.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim div. + Final div.	Method of Payment.	Dividend for Whole Year.	Lat. Pre-vious.
Insoles	5%	Mar. 1	Less tax	10	10
International Invest. Trust, Def.	7 1/2%	Mar. 31	Less tax	10	10
Isaac Holden and Sons	9 p.s.	Mar. 31	Less tax	10	10
J. and P. Coats	9 p.s.	Mar. 31	Less tax	10	10
J. Gerrard and Sons	13/	Mar. 31	Less tax	10	10
Jeremiah Rotherham	13/	Mar. 31	Less tax	10	10
John Anderson's Royal Polytechnic	7 1/2%	Mar. 31	Less tax	10	10
John Gray and Co.	7 1/2%	Mar. 31	Less tax	10	10
Kelsall and Kemp, Pref.	7 1/2%	Mar. 31	Less tax	10	10
Kensington and Knightsbridge	6 1/2%	Mar. 31	Less tax	10	10
Electric	6 1/2%	Mar. 31	Less tax	10	10
Langham Hotel	5%	Mar. 31	Less tax	10	10
Liverpool Grain Storage, &c.	4 1/2%	Mar. 31	Less tax	10	10
London Electric Supply	4 1/2%	Mar. 31	Less tax	10	10
London Necropolis	4 1/2%	Mar. 31	Less tax	10	10
London Produce Clearing House	7 1/2%	Mar. 31	Less tax	10	10
Mather and Platt	7 1/2%	Mar. 31	Less tax	10	10
Mercantile Invest. and General	2 1/2%	Mar. 31	Less tax	10	10
Newcastle/Tyne Gateshead Gas	10 1/2%	Mar. 31	Less tax	10	10
New Tamarugal Nitrate	10 1/2%	Mar. 31	Less tax	10	10
Paisley District Tramway	5%	Mar. 31	Less tax	10	10
Parson's Marine Steam Turbine	5%	Mar. 31	Less tax	10	10
Pawsons and Leas	6 p.s.	Mar. 31	Less tax	10	10
Perry and Co., Pref.	4 1/2%	Mar. 31	Less tax	10	10
Premier Investment Company	4 1/2%	Mar. 31	Less tax	10	10
Ritz Hotel, Paris	10%	Mar. 31	Less tax	10	10
Rochdale Canal	10%	Mar. 31	Less tax	10	10
Ropner Shipbuilding	10%	Mar. 31	Less tax	10	10
Scottish Standard Reversionary	10%	Mar. 31	Less tax	10	10
Selfridge and Co.	10%	Mar. 31	Less tax	10	10
Sheffield Billposting	10%	Mar. 31	Less tax	10	10
Smithfield Markets Electric	10%	Mar. 31	Less tax	10	10
Southend Gas, Original and New	5%	Mar. 31	Less tax	10	10
Do New "B"	5%	Mar. 31	Less tax	10	10
South Shields Gas, Cons. & New	5%	Mar. 31	Less tax	10	10
Do Ord.	5%	Mar. 31	Less tax	10	10
Telegraph Construction	7 1/2%	Mar. 31	Less tax	10	10
Thomas McKenzie and Sons	8%	Mar. 31	Less tax	10	10
Tunbridge Wells Gas, Cons. Ord.	7 1/2%	Mar. 31	Less tax	10	10
Do "B"	7 1/2%	Mar. 31	Less tax	10	10
Do "C" and "D"	7 1/2%	Mar. 31	Less tax	10	10
Union Commercial Investment	3 1/2%	Mar. 31	Less tax	10	10
Walturdaw Company	3 1/2%	Mar. 31	Less tax	10	10
Wharfedale Dwellings, Def.	3 1/2%	Mar. 31	Less tax	10	10
West Cheshire Water	16%	Mar. 31	Less tax	10	10
Western and Hawaiian Invest.	16%	Mar. 31	Less tax	10	10
Weston-Super-Mare Gas	6 1/2%	Mar. 31	Less tax	10	10
West Surrey Water (1877, 1888, 1901)	5 1/2%	Mar. 31	Less tax	10	10
Do (1869)	7 1/2%	Mar. 31	Less tax	10	10
Wigan Coal and Iron	7 1/2%	Mar. 31	Less tax	10	10
William Griffiths and Co.	7 1/2%	Mar. 31	Less tax	10	10
William M'Laren	7 1/2%	Mar. 31	Less tax	10	10
W. T. Henley's Telegraph	2/ p.s.	Mar. 31	Less tax	10	10
Yorkshire Electric Power	5 1/2%	Mar. 31	Less tax	10	10

ARIZONA COPPER COMPANY'S report for year to Sept. 30, 1921, discloses a debit profit and loss account of \$344,090. The company received from the Phelps-Dodge Corporation a payment equal to \$11,918, subject to British taxes, but this sum is not sufficient to cover a dividend to the ordinary shareholders.

WINDSOR STEAM COAL have decided not to pay interim dividend on the 6 per cent. or 10 per cent. preference shares.

ANALYSIS OF BALANCE-SHEETS.

MANCHESTER SHIP CANAL.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1920.	Amount.	Compared with Dec. 31, 1920.
Temporary loan..	147,668 .. + 110,000	Capital acct. bal. at debit..	365,701 .. + 314,780
Unpaid interest..	95,583 .. + 5,634	Cash in hand..	176,599 .. + 328,243
Amount due to railway clearing-house..	143,233 .. + 1,814	Stock & materials	85,389 .. + 19,420
Accounts payable	166,221 .. + 13,157	Traffic accounts..	293,237 .. + 41,103
Liabilities a/cru'd	34,924 .. + 2,654	Accounts receivable	71,990 .. + 24,247
Miscellaneous accounts	171,084 .. + 35,665	Miscellaneous accounts	47,445 .. + 15,017
Deferred main-tenance..	58,210 .. + 58,210	Suspense acc'ts..	15,936 .. + 2,269
Insurance fund..	1,811 .. + 271	Shares vested in trustees	73,081 .. + ..
Reserve for contingencies	63,483 .. + 7,000		
Balance for dividends..	247,821 .. + 236,172		
Total..	1,129,438 .. + 80,947	Total..	1,129,438 .. + 80,947

SELFIDGE AND CO.

LIABILITIES.		ASSETS.	
Amount.	Inc. or Dec.	Amount.	Inc. or Dec.
Ord. shares ..	500,000 ..	Purchase con-sideration, &c.	2,544,682 .. + 370,802
Prof. shares ..	53,515 .. + 8,292	Fixtures, &c.	132,216 .. + 4,080
10% pref. ord.	1,000,000 ..	Vans, &c.	54,452 .. + 5,105
Debentures	318,400 ..	Stocks	593,617 .. + 36,781
Int. on deb.	5,273 ..	Debtors	363,632 .. + 1,956
Reserve fund..	200,000 .. + 25,000	Investments in subsidiary companies	541,596 .. + 118,756
Mortgages	209,939 ..	Current and loan account	153,074 .. + 8,789
Creditors and loans	560,045 .. + 41,008	Payments in advance	9,874 .. + 774
Reserve for ex-cess profit	81,500 .. + 103,500	Deposit, Port-man estate ..	10,000 .. + 475,080
Accrued div. on pref.	63,583 .. + 14,935	Cash	80,580 .. + ..
Div. on ord. sh.	50,000 ..		
Profit	143,468 .. + 2,225		
Total ..	4,483,723 .. + 19,176	Total ..	4,483,723 .. + 19,176

The Economist

COMMERCIAL HISTORY OF 1921.

Vol. XCIV.

SATURDAY, FEBRUARY 18, 1922.

No. 4,095.

CREDITO ITALIANO

Capital, Fully Paid Lire 300,000,000
Reserve Lire 80,000,000

Deposits and Current Accounts at 31st October, 1921,
Lire 4,836,445,670

HEAD OFFICE OF THE BANK: MILAN.

BRANCHES:

ACIREALE	CHIAVARI	MODENA	SASSARI
AREZZO	CHIETI	MOLFETTA	



ALLIANCE

ASSURANCE COMPANY, LIMITED.

ESTABLISHED IN 1824.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.

Assets exceed £25,000,000.

DIRECTORS:

THE HON. N. CHARLES ROTHSCHILD, *President.*

CHARLES EDWARD BARNETT, Esq., *Chairman.*

BRIG.-GENERAL H. W. DRUMMOND, C.M.G., *Deputy-Chairman.*

SIR IAN HEATHCOAT AMORY, BART., C.B.E.

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MAJOR GERALD M. A. ELLIS.

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RIGHT HON. THE VISCOUNT PORTMAN.

H. MELVILL SIMONS, Esq.

HENRY ALEXANDER TROTTER, Esq.

RIGHT HON. THE EARL OF VERULAM.

The following are amongst the classes of Insurance Business transacted by the Company:—

LIFE (with and without Profits). Special **Estate Duties Policies**.
Children's Deferred Assurances and Educational
Endowment Policies. Annuities.

SINKING FUND and CAPITAL REDEMPTION.

FIRE.

MARINE.

BURGLARY and THEFT.

ACCIDENT, including Personal Accident and Disease, Motor Car,
Motor Cycle, Third Party, Drivers' Risks, Lift, Plate Glass
and Workmen's Compensation, with Special Policies for
Domestic Servants.

FIDELITY GUARANTEE.

COMPREHENSIVE POLICIES FOR HOUSEHOLDERS ARE GRANTED.
THE COMPANY IS EMPOWERED TO ACT AS EXECUTOR AND TRUSTEE.

Particulars of any of the above will be sent on request.

O. Morgan Owen, General Manager.

The Economist

COMMERCIAL HISTORY & REVIEW

OF 1921.

Being the Fifty-Ninth of the Series, which Commenced in 1863.

Vol. XCIV.

SATURDAY, FEBRUARY 18, 1922.

[No. 4,095.]

BROWN, SHIPLEY

& COMPANY,

LONDON.

FOUNDERS COURT, LOTHBURY, E.C.2.

OFFICE FOR TRAVELLERS:

123, PALL MALL, S.W.1.

ESTABLISHED 1810.

COMMERCIAL CREDITS
& CONSIGNMENTS.

FOREIGN EXCHANGE.

CABLE TRANSFERS.

FOREIGN COLLECTIONS.

TRAVELLING CREDITS.

INVESTMENT SECURITIES.

DIVIDENDS COLLECTED.

COUPONS and DRAWN BONDS
PURCHASED.

DEPOSIT and CURRENT
ACCOUNTS OPENED.

AGENTS and CORRESPONDENTS
ALL OVER THE WORLD.

BROWN BROTHERS

& COMPANY,

NEW YORK.

59, Wall Street.

PHILADELPHIA.
4th and Chestnut Streets.

BOSTON.
60, State Street.

BALTIMORE.
(Alex. Brown & Sons.)

ESTABLISHED 1800.

CONTENTS.

The Past Year	289	Minor Metals—	
Overseas Trade	290	Silver	321
Home Trade	291	Copper	323
Commodity Prices	292	Lead	324
The Money Market	294	Spelter	324
Foreign Exchanges	294	Tin and Tinplate	324
New Capital Issues	295	Engineering Trades	327
Gold Production	295	VI.—SHIPBUILDING &	
The Stock Exchange	296	SHIPPING	328
The Agricultural Year	296	MISCELLANEOUS.	
Employment, Wages, and		Building Trade	330
Disputes	297	Furniture Trades	332
Trade Reports—		Pottery Trades	332
The Corn Trade	298	Brush Making	332
Fruit and Vegetables	299	VII.—TEXTILES.	
Livestock	299	The Cotton Trade	334
		Woolen and Worsted	
II.—COLONIAL AND		Trades	336
FOREIGN PRODUCE.		Jute Trade	339
Tea	300	Linen During 1921	340
Coffee	301	Appendix—	
Cocoa	302	(A) Wholesale Prices of Com-	
Sugar	302	modities—Selected Dates,	
Frozen Meat Trade	304	1914-1920—and Monthly,	
Tobacco	305	1921	341
Rubber	306	(B) Wholesale Prices (Mainly	
III.—BEER, WINES &		in London and Manchester)	
SPIRITS	307	1904-1921	345
IV.—RAW MATERIALS.		(B) Index Numbers of Whole-	
Cotton	308	sale Prices in Other	
Wool	308	Countries	346
Jute, Flax, and Hemp ..	310	(C) Rates of Exchange on Lon-	
Hides and Leather	311	don—Selected Dates, 1914-	
Chemicals	312	1920—Monthly, 1921, and	
Vegetable Oils & Oilseeds	314	Highest and Lowest of	
Timber	315	1920 and 1921	347
Silk	316	(D) The Foreign Trade of the	
V.—METAL AND COAL		United Kingdom	348
TRADES.		(E) Analysis of Capital Appli-	
The Coal Trade	316	cations on London Money	
Iron and Steel	318	Market	348
		(F) Daily Average Money	
		Rates in Past Five Years	348
		(G) Stock Market Prices in	
		1921	348

THE PAST YEAR.

For Great Britain, 1921 has been one of the worst years of depression since the industrial revolution. The rapid fall in prices, the shrinkage and, in very many cases, the complete disappearance of profit, and the unprecedented contraction of production were accompanied by the unemployment of nearly two millions of the industrial population, and in the last half of the year by a drastic reduction in wages which, in many cases, far outran the fall in the cost of living. Fortunately, the deplorable social effects which might have been expected to follow from so drastic a decline in earning power have, to a large extent, been mitigated partly by the individual and corporate savings which the working classes had accumulated during the war and the subsequent boom, but still more by the national scheme of unemployment insurance, supplemented by local relief works, and finally outdoor relief from the Poor Law Guardians. The troubles of the year were made more severe than they otherwise might have been by the complete stoppage in the coal industry, which lasted for three months—from the beginning of April until the end of June.

But, disastrous as this stoppage undoubtedly was,

it was only an aggravation, and not the cause of the year's depression. In January and February there was a very prevalent opinion that the economic situation would improve in the spring, and several public forecasts were made that trade revival would commence by April or May. This reading of the situation had, however, not taken sufficient account of the ephemeral nature of the post-war boom, and of the difficulty there would be in restoring Central and Eastern Europe to their normal position in the world circle of trade. The low level to which production had fallen all over the world, and the lack of co-ordination between production and consumption, as evidenced by the accumulation of unsaleable raw materials in distant parts of the world, and of unused manufacturing capacity in European and American industrial centres, were factors masked from general observation by the high level of prices, which made it appear that the turnover of trade was greater than ever during the boom, whereas, in fact, it was quite subnormal. Early in the year a blow to confidence was given when it appeared that even a small recovery in Continental production was sufficient to undermine the level of prices and to cause buyers to retire from the market. In the middle period of the year, when British industry was at a standstill on account of the coal strike, world prices were in a state of the greatest uncertainty, mainly because it was not yet clear how far cost of production in the countries with depreciated exchanges would govern the market, and set up a new price standard. But as internal prices and the exchanges tended to adjust themselves, and the difficulty of importation of materials by countries with low exchange became apparent, it seemed that some sort of equilibrium might be established. In September, however, a further check was received as a result of the disastrous collapse in the mark, which for 12 months had shown signs of steadying itself in the neighbourhood of 240 marks to the £. This slump was accompanied in Germany by one of the most phenomenal short-lived booms of recent years. But the moment the depreciation ended the internal boom based on speculation collapsed as quickly as it arose, and foreign buyers, who had purchased in Germany at ridiculously low sterling prices, were unable to get delivery, and orders began to return once more to Great Britain and other competing countries.

The year ended on a more hopeful note. For some the only reason for this optimism was the feeling that it was impossible to repeat the record of so disastrous a year. But there were, in fact, more substantial grounds for encouragement. In the first place the congestion of stocks all over the world had been appreciably relieved, a typical example being the case of Australia, whose trade position now shows a substantial balance of exports. Again, in spite of many disappointments there have been notable improvements in the political situation. The Washington Conference has removed, for the present, at all events, the overhanging fear of trouble in the Pacific, and has relieved us from the threat of a new competition in Naval Armaments. The Irish settlement has rendered highly improbable the necessity for this country to engage in a further long period of guerilla warfare, while the events of the last four months of 1921 made it clear to the most hardened believer in an enormous indemnity that the question of reparation must be reconsidered in the light of the economic position of other industrial countries. Finally in the industries of Great Britain the lax methods of the war and of the post-war boom have had to be given up, and managers have devoted themselves, with the assistance of the cost sheet, to increasing productivity. Wages are being reduced—very irregularly, it is true—but it is significant that in two of our most important export industries, namely coal and steel, rates of wages are now definitely fixed upon the basis of what the industry can afford to pay, and this is greatly assisting producers in meeting the prices of their foreign competitors. The futile provisions of the Safeguarding of Industries Act have fortunately not yet had any influence upon the prices of food, and our Free Trade system has therefore been once more a powerful factor in permitting the cost of living in Great Britain to fall

to the lowest level which world conditions permit. These considerations are responsible for the fact that the new year opens with a few though significant reports of orders placed in Great Britain in open competition with foreign countries.

As regards finance, a noteworthy feature is the unshaken stability in a period of unexampled strain of our great banking institutions. Nor have there been any failures of any commercial or industrial firms of the first rank. Not only stockholders, but banks and insurance companies have had their position strengthened by the remarkable appreciation in the value of gilt-edged securities during the year. Industrial securities, on the other hand, have continued the depreciation which started in 1920.

The circumstances of the year played havoc with the national finances, and with prices falling and profits non-existent taxation—largely assessed on the results of previous years—became an almost intolerable burden on industry. The financial year 1920-21 showed a surplus of revenue over expenditure sufficient to repay £259 millions of the National Debt, including £117 millions of foreign debt. For the current year the budget estimated a surplus of £177 millions, though it was admitted that an actual surplus of about £80 millions was the best that could be hoped for, owing to undetermined obligations to the railways, and unknown liabilities in connection with the coal strike. But the prospect of a surplus of even 80 millions faded as the year progressed, and the best that can be hoped for now is a balance between revenue and expenditure. The Conversion Loan operation added a nominal £100 millions to the National Debt, and it is unlikely that the year 1921-22 will see any net reduction in the total. On December 31, 1921, the total floating debt showed a reduction of £143 millions on the calendar year, and £67 millions of foreign debt were paid off. These repayments were made possible by heavy subscriptions in the later months of the year to 5½ per cent. Treasury Bonds, which had been on continuous sale since July. The outlook for the coming financial year is far from hopeful, for while admittedly relief from the present crippling rates of taxation is a pressing need of trade and industry, the Chancellor will have to face a declining yield from income-tax, excess profits duties arrears, and sales of war stocks, whereas a new expenditure of £50 millions for interest on American debt is likely to appear. How the Chancellor will face these problems is, however, a matter not of history, but of current controversy.

OVERSEAS TRADE.

Apart from the stagnation of trade, the fall in commodity prices had a marked effect upon the value of our overseas trade for the year 1921, the total turnover amounting to £1,896,935,600, as compared with £3,489,871,500 in the previous year, a decline of about 47 per cent. The summary of the year's total imports, exports, and re-exports, as compared with those of 1920, is as follows:—

	Calendar Year.		Decrease in 1921.
	1920.	1921.	
Imports	£ 1,932,648,881	£ 1,086,687,213	— 845,961,668 — 43·7
Exports	£ 1,334,469,269	£ 703,196,282	— 631,272,987 — 47·3
Re-exports	£ 222,753,331	£ 107,052,072	— 115,701,259 — 51·8
Total exports	£ 1,557,222,600	£ 810,248,354	— 746,974,246 — 47·9
Excess of imports over total exports	£ 375,426,281	£ 276,438,859	— 98,987,422 — 26·3

These figures refer to merchandise only. The coin and bullion figures for the past two years are given below:—

	Gold.		Silver.	
	Imports.	Exports.	Imports.	Exports.
1920	£ 50,678,283	£ 92,565,137	£ 9,923,034	£ 11,493,266
1921	£ 49,676,327	£ 59,348,158	£ 10,282,693	£ 12,046,272

The reduction of nearly £100 millions in the adverse merchandise balance in a year in which the long coal stoppage struck so severe a blow at our export trade, may seem surprising. But the trade depression caused

a severe restriction of our purchases of raw materials, and the import figures were also reduced by the specially large fall in the prices of some leading food products and materials. The reduction in the import excess occurred during the first half of the year, as will be seen from the following table:—

MOVEMENTS OF MERCHANDISE TRADE BALANCE.

Month.	Imports in 1921.	Total Exports in 1921.	Excess of Imports in 1921.	Excess of Imports in Corresponding Month of 1920.
	Million £.	Million £.	Million £.	Million £.
January	117·0	102·7	14·3	52·0
February	97·0	76·2	20·8	61·8
March	93·7	75·7	18·0	45·9
April	90·0	68·4	21·6	40·4
May	86·3	50·3	36·0	26·8
June	88·2	45·2	43·0	33·8
First half-year ..	572·2	418·5	153·7	260·7
July	80·8	52·5	28·3	7·8
August	88·6	61·3	27·3	25·0
September	87·1	63·8	23·3	22·0
October	84·7	72·7	12·0	21·2
November	89·3	72·7	16·6	11·7
December	85·3	68·6	16·7	10·2
Second half-year ..	515·8	391·6	124·0	97·9
Full year	1,088·0	810·2	277·9	358·6

The slight discrepancy between these figures and those in the first table is due to certain adjustments made in the official monthly figures. An estimate of "invisible" exports has not been published by the Board of Trade for some time. For 1920 the value of shipping services, interest on foreign investments, insurance and commercial services, &c., was estimated at £500 millions, and even allowing for the fall in freight rates, and the smaller tonnage carried, it is safe to assume that the real balance of trade in 1921 was on the right side.

The detailed figures show that our purchases of materials were considerably less than in the previous year, but that the importation of food, &c., was not substantially reduced. The table below gives the quantity and value figures of certain leading imports in 1920 and 1921, and thus indicates the extent of price changes in the different items:—

	Quantity.		Value.	
	1920.	1921.	1920.	1921.
			£	£
Raw cotton ..centals	18,972,224	11,725,521	253,997,742	72,461,969
Sheep & lambs wool ..	8,728,799	7,610,440	87,623,962	41,539,603
Flax, hemp & jute, tons	383,350	180,797	32,263,320	9,692,152
Rubber	2,481,910	1,903,756	24,517,721	9,242,336
Beef	10,668,463	12,166,907	51,870,074	45,068,675
Mutton and lamb ..	6,398,942	6,810,151	26,760,522	28,973,658
Wheat	109,328,326	80,246,994	146,753,350	70,355,481
Wheatmeal & flour ..	11,969,740	15,840,455	21,245,981	19,067,049
Sugar	27,427,116	25,590,292	73,140,456	35,283,957
Butter	1,702,203	3,523,998	24,518,748	42,528,399
Tea	431,196,236	445,519,602	26,957,802	23,017,425
Tobacco	219,042,927	227,620,930	32,767,209	22,192,947
Pig-iron—				
Forge & foundry tons	49,581	411,744	705,884	2,802,016

Similar figures for exports show how the depression was concentrated on various industries:—

	Quantity.		Value.	
	1920.	1921.	1920.	1921.
			£	£
Coal	24,931,853	24,660,558	99,627,146	42,951,591
Pig-iron and ferro-alloys tons	579,509	135,998	10,002,701	1,686,461
Railway material	311,211	339,603	9,835,488	10,571,882
Total of iron and steel and manufactures thereof tons	3,251,225	1,700,407	128,907,361	63,772,453
Textile machinery	63,314	156,965	9,158,773	25,148,438
Textile yarns	461,663	506,008	63,432,368	74,630,495
Cotton yarns	147,432,400	145,904,900	47,585,814	23,928,459
Cotton piece goods ..sq. yds.	4,435,405,000	2,902,659,000	315,717,631	137,168,336
Wool tops	237,703	346,898	5,036,621	4,401,655
Woolen tissues	187,232,900	76,626,600	75,166,330	24,638,719
Worsted tissues	77,354,900	40,818,400	26,683,079	11,227,527
Linen piece goods ..sq. yds.	93,044,700	39,995,900	14,935,201	5,251,573
Boots and shoes	818,969	313,269	7,116,030	2,946,830
Leather	271,257	228,063	8,153,959	3,339,647
Paper and cardboard ..cwt.	2,560,132	1,464,995	12,810,405	7,735,444
Locomotives	43,296	47,468	5,987,396	7,935,903
Motor cars and chassis ..No.	8,433	3,800	6,404,545	3,296,234

The extent to which price changes have affected the total value figures is shown by statistics published in the *Board of Trade Journal*. The table below compares the aggregate trade of the last three years with that of the year preceding the war, on the basis of 1913 values throughout:—

	Values on Basis of 1913 Prices.		
	Total Imports.	Re-Exports.	Exports (U.K. Goods).
	Thousand £.	Thousand £.	Thousand £.
Trade of 1913	768,735	109,567	525,254
Trade of 1919	679,786	85,726	288,105
Trade of 1920	679,274	98,909	372,476
Trade of 1921	570,912	85,612	261,647

These figures reduced to percentages are a convenient way of showing the variation in the volume of overseas trade:—

	Volume of Trade, Per Cent. of that of 1913.		
	1919.	1920.	1921.
Total imports	88·4	88·4	74·3
Re-exports	78·2	90·3	78·1
Exports (United Kingdom goods)	54·9	70·9	49·8

Imports, which were approximately of the same aggregate volume in 1919 and 1920, were less in 1921 than in these years by about 16 per cent., and were approximately three-quarters of the quantities imported in 1913. Re-exports, which had expanded in 1920, were again in 1921 of equal volume to that recorded for 1919. Exports, taking the year as a whole, were barely half the volume of our 1913 export trade, and even taking the last quarter by itself, when the coal export trade had made considerable recovery, a falling off of 39 per cent. from the 1913 aggregate volume is recorded.

In actual weight the reduction is even more than these figures indicate, since the greatest decline compared with 1913 was in coal exports, which affect the tonnage more than value totals. The tonnage imported and exported, together with the entrances and clearances of British and foreign shipping, was as follows:—

	Total Tonnage Entered and Cleared with Cargoes.	Weight of Imports. Tons.	Weight of Exports. Tons.
1913	116,884,000	56,023,000	93,824,000
1920	73,108,000	45,542,000	41,175,000
1921	73,507,000	39,436,000	33,598,000

The shipping tonnage was only 62 per cent. of the figure for 1913, while the weight of imports was 70 per cent., of exports 36 per cent., and of imports and exports combined 49 per cent. of the corresponding figure for 1913. Excluding coal, the weight of exports fell to 80 per cent. in 1920 and 45 per cent. in 1921.

HOME TRADE.

Home trade is not susceptible of the exact measurement which is available in regard to foreign trade, but there are several important industries in regard to which definite figures are available. In the first four of the following trades, actual production figures exist, while in the case of textiles, net imports give a fair measure of consumption, and therefore of the volume of production:—

	1913.	1920.	1921.
Coal	287,430,000 ..	229,295,000 ..	164,354,200
Pig-iron	10,250,000 ..	8,007,900 ..	2,611,400
Steel	7,660,000 ..	9,056,800 ..	3,624,800
Shipbuilding—			
tonnage launched	1,932,152 ..	2,055,624 ..	1,538,052
Imports (net)—			
Raw cotton ..centals	19,166,544 ..	16,475,501 ..	10,216,045
Flax, hemp & jute, tons	413,882 ..	300,281 ..	134,343

The trade reports printed on later pages trace the history of these and other industries during the year 1921, and show that in nearly every case production has fallen to the lowest ebb recorded for many years past. It must, however, be noted that these particular trades are those which have declined most, and cannot be taken as typical of the whole trade of the country.

Statistics of the profits of industry down to the end of the year are not yet available, but the figures of com-

pany profit and loss accounts published in the year, while not an indication of actual earnings during the exact period, show that trade stagnation has already affected the published accounts very seriously. The table below shows how the profits of the companies whose reports were published in the year declined in comparison with the previous year:—

NET PROFITS (after PAYMENT OF DEBENTURE INTEREST, &c.).

	Number of Companies.	Reports published in		Increase.		Decrease.	
		1920.	1921.	£	%	£	%
First quarter	412	41,915,998	43,387,538	1,471,540	3.5	3,705,798	8.4
Second quarter	355	44,173,294	40,467,496	..	..	10,245,001	42.4
Third quarter	232	24,157,772	13,912,771	..	..	16,004,104	52.9
Fourth quarter	311	30,272,382	14,268,278	..	..	..	..
	1,310	140,519,446	112,036,083	..	..	28,483,363	20.1

All classes of company shared in the decline, the most prominent decreases being shown by iron and steel, motor, rubber and textile companies. The percentage earned on ordinary and preference capital and the distribution on ordinary capital has naturally been reduced, as may be seen from the figures below:—

PROFITS ON CAPITAL.

	Return on Preference & Dividend on Ordinary.		Dividend on Ordinary Capital.	
	%	Capital.	%	Capital.
1909	7.4	4.3	6.3	..
1910	8.2	4.5	7.0	..
1911	9.9	4.9	8.5	..
1912	10.2	5.2	8.5	..
1913	11.7	5.1	10.2	..
1914	10.9	5.0	10.0	..
1915	10.2	4.8	9.0	..
1916	13.2	5.1	11.0	..
1917	13.3	5.1	10.3	..
1918	13.6	5.1	11.1	..
1919	13.0	5.3	10.7	..
1920	15.2	5.0	12.6	..
1921	10.3	5.2	10.2	..

In the last quarter of the year the amount distributed on ordinary capital amounted to only 7.6 per cent., as compared with 9.7 per cent. in the third quarter and 11.6 per cent. in the corresponding quarter of 1920. On the whole, these figures are applicable to profits earned in the 12 months ending at midsummer. Our detailed analysis of these figures shows, however, that the rate of dividend paid in the last quarter of the year was paid out of balances or reserves.

The falling off in trade is also clearly reflected in the figures of the London Bankers' Clearing House, which are set out below:—

	1920.	1921.	Decrease.
Grand total	39,018,903,000	34,930,559,000	4,088,344,000
Town clearing	32,852,933,000	30,268,214,000	2,584,719,000
Metropolitan clearing	2,093,750,000	1,660,166,000	433,584,000
Country cheque clearing	4,072,220,000	3,002,179,000	1,070,041,000

The decline in the figures is to be attributed in the first place to worldwide trade depression, while other causes have been the fall in prices, the greatly reduced number and amount of new issues, and the stagnation of Stock Exchange business. On the other hand, there has been considerable business passing in foreign exchange, and the repeated maturing and renewal of Treasury bills has also called for a large turnover of money. The issue of Treasury bonds, especially during the closing months of the year, has also made itself felt. Of the total decline, 65.2 per cent. occurred in the first six months, but it must be borne in mind that the large increase of 1920 over 1919 was mainly in the first half of the year. In reading the figures it is well to remember that, while the town clearing is mainly concerned with the large financial transactions of the Money Market, the Metropolitan clearing is indicative of the retail business of the Metropolis, and the Country Cheque Clearings of the general trade of the country.

Figures of the tonnage carried by the railways of Great Britain have usually been regarded as a good index of internal trade. But comparison with pre-war figures

is in present circumstances affected by the very substantial transfer of short-distance traffic to the roads. The figures for the full year 1921 are not yet available, but we give below the tonnage during the eleven months ended November 30, 1921:—

General Merchandise.	Coal, Coke, and Patent Fuel.	Other Minerals.	Total.
Tons.	Tons.	Tons.	Tons.
47,130,500	113,175,700	35,201,300	195,507,500

These figures compare with the following tonnages of merchandise and minerals conveyed over the standard gauge railways during the year 1913:—

	General Merchandise.	Coal, Coke, and Patent Fuel.	Other Minerals.	Total.
	Tons.	Tons.	Tons.	Tons.
England and Wales	56,591,861	190,980,113	59,512,229	307,084,203
Scotland	11,152,070	34,573,971	11,352,114	57,078,155
Manchester Ship Canal	1,516,045	27,795	474,017	2,017,857
Total	69,259,976	225,581,879	71,338,360	366,180,215

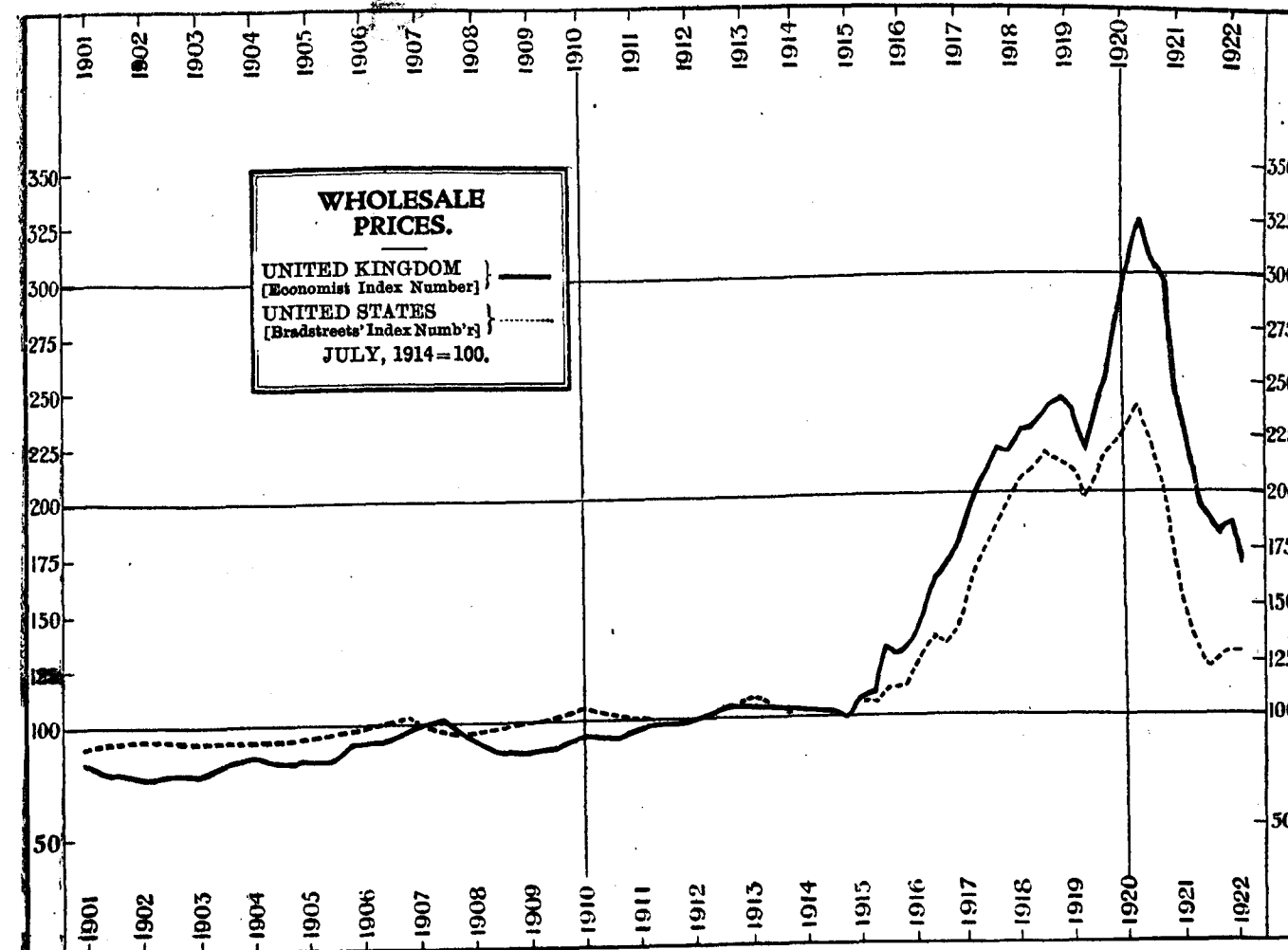
The large decline in the total as compared with 1913 is principally due, it will be seen, to the low totals for coal and other minerals in the first eleven months of 1921. As regards general merchandise, an eleven months' figure for 1913 would be about 63½ million tons. A very substantial part of the difference between this figure and the 47 millions shown above is undoubtedly due to the cause we have mentioned.

COMMODITY PRICES.

The downward movement in the prices of commodities, which began in the early part of the year 1920, continued almost unchecked throughout 1921, our Index Number falling from 5924 to 4357, a drop of 1567 points, or just over 26 per cent. The decline was more pronounced in the early months of the year, the fall in the first six months amounting to 1114 points. In the autumn there was a slight check to the downward movement, an increase being recorded in the total both for August and for September, as a result almost entirely of a sharp advance in the textile group. This was the consequence of the publication by the American Government of unfavourable cotton crop reports and estimates which quite upset the nerves of the Lancashire cotton market. Since then cotton quotations have become steadier, but the textile group is still very much higher in relation to the other groups and to the total than it was. The table below shows the monthly movements in each of the groups and in the total:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Tin, Ber. Oils, &c.).	Total.	Percentage Change.
Basis (avg. 1901-5)	500	300	500	400	500	2200	100.0
End July, 1914	579	352	516	464	553	2565	116.6
" Nov., 1918	1289	782	1848	908	1389	6212	282.6
" Dec., 1919	1441	881	2442	1145	1453	7364	334.7
" Mar., 1920	1808	914	2974	1246	1709	8392	379.6
" June, 1920	1511	929	2562	1289	1555	7847	356.7
" Dec., 1920	1344	805	1284	1216	1275	5924	269.8
" Jan., 1921	1295	797	1187	1128	1209	5617	255.8
" Feb., 1921	1176	771	1038	1053	1137	5176	235.8
" Mar., 1921	1212	727	1030	1003	1125	5097	231.7
" April, 1921	1196	723	1031	936	1043	4929	224.0
" May, 1921	1195	691	996	963	1065	4910	223.8
" June, 1921	1174	665	973	973	1023	4810	218.6
" July, 1921	1165	707	958	937	1030	4798	218.1
" Aug., 1921	1184	716	998	920	1000	4819	219.0
" Sept., 1921	1119	688	1258	871	987	4924	223.8
" Oct., 1921	956	685	1171	816	960	4588	208.6
" Nov., 1921	951	672	1117	774	943	4458	203.6
" Dec., 1921	921	636	1106	762	931	4357	198.0
" Jan., 1922	907	654	1066	730	925	4284	194.7

The highest point in the price level for the United Kingdom was reached in March, 1920, and, as will be seen from the adjoining chart, which also shows the



movements in the United States according to *Bradstreet's* Index Number, the decline from the peak has been much steeper than the rise.

At the end of 1921 our Index Number showed that wholesale prices were 70 per cent. above the level ruling at July, 1914, and, as will be seen from the table below, in which the indices for the various groups at the outbreak of war are taken as 100, this figure would have been still lower but for the high level of the subsidiary foodstuffs group, which includes sugar and tobacco, and of the textile group:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100
Dec., 1918	226	222	293	186	241	236
Dec., 1919	249	250	396	247	263	287
Mar., 1920	261	260	484	269	309	325
June, 1920	261	263	415	278	281	305
Dec., 1920	233	229	209	261	230	231
Mar., 1921	209	206	167	216	203	198
June, 1921	203	188	158	210	185	188
Sept., 1921	193	195	204	189	178	192
Dec., 1921	159	180	180	164	168	170
Jan., 1922	157	186	173	158	167	167

The largest decline during the year has occurred in the minerals group, the percentage increase over July, 1914, having dropped from 161 to 64 per cent. In cereals and meat, the excess has fallen from 133 to 59 per cent. Heavy periodical cuts in iron and steel prices, made with the object of countering foreign competition, have been principally responsible for the decline in minerals, while reductions in both home and foreign wheat and in flour account largely for the fall in primary foodstuffs.

A further table gives some indication of the movement of prices in other countries. The figures, which are taken from the Statistical Bulletin, published by the League of Nations, represent percentages of the 1913 average:—

	(PERCENTAGE OF 1913.)	Beginning of 1921.	Latest.
United Kingdom	231	310	208
United States	205	227	135
France	358	591	409
Italy	438	679	636
Germany	..	3,487	1,439
Sweden	367	366	267
Japan	214	322	201

In appendices to this issue will be found the monthly movements of our own and several foreign index numbers, and also the monthly quotations for the commodities used in compiling the *Economist* Index Number.

The year saw a steady decline in retail prices in the United Kingdom, though they have lagged some way behind wholesale prices. The following table shows the Ministry of Labour's cost of living index number, which is the average percentage increase since July, 1914, in food, rent, clothing, fuel, and

light, &c.:	1920.	1921.	Beginning of 1920.	1921.
Beginning of—	125	165	July	152
January	130	151	August	155
February	130	141	September	161
March	132	133	October	164
April	141	128	November	176
May	150	119	December	169

In the twelve months there has been a decline of just over 40 per cent., which has been continuous, with the exception of a slight check in July.

An element in the cost of production which is not covered by our Index Number is the level of railway and shipping freights. In September, 1920, the Ministry of Transport raised the increase in railway rates which it had imposed in the previous January to an all-round increase of 100 per cent. over the pre-war level, plus a small flat rate addition varying with

the class of goods. In the case of coal the increase was limited to a 4s per ton maximum. These new rates, which were admittedly somewhat higher than would otherwise have been justified, were imposed in order to restore the railways to solvency before decontrol by raising 16 months' revenue in 11 months, and it was intended that they should be reduced in August, 1921. The situation has, however, been so much worse than was anticipated that these rates have continued throughout the year, with the exception of a reduction amounting to about 15 per cent. for the carriage of iron ore and materials going into the blast furnace, which took effect on November 1st. Further small concessions affecting the coal export trade and other short-distance coal traffic, semi-finished products in the iron and steel industry, and certain materials for the chemical trade, were granted in November, but only took effect on January 1, 1922.

As regards shipping freights, the increase in the world's gross tonnage, which amounted in the middle of 1921 to 62 million tons, compared with 57½ million tons the year before, and with 49 million tons in 1914, on the one hand, and on the other the reduction in the volume of goods carried, which in the case of Great Britain amounted to 73 million tons weight in 1921, compared with 87 millions in 1920, and 148 million tons in 1913, produced a heavy fall in freight rates which, according to the Chamber of Shipping, amounted on the average to less than 30 per cent. of the level obtaining 12 months previously.

MONEY MARKET.

The strain on the machinery of finance and credit exerted by the industrial and commercial developments of 1921, though quite as severe as in any period during the war, was borne in a manner which is a tribute to the soundness of mercantile and banking methods in this country, for at the end of the year the credit position was sounder than it was at its beginning. Thus, though the authorities were able to reduce the Bank rate from 7 per cent. (by four reductions of ¼ per cent. in each case on April 28th, June 23rd, July 21st, and November 3rd) to 5 per cent., the price of gold, fell from 116s 10d on December 31, 1920, to 97s 10d on December 28th, and the price of silver fell from 40½d per ounce to 35½d. If we consider also that Treasury bills were reduced from £1,102 millions to £1,008 millions (on December 24th), and Ways and Means advances from £306 to £186 millions (all from Public Departments), it is clear that the financial strength of this country has survived as severe a test as it had to face during the war. The trade depression was accompanied by a decline in the demand for currency notes. The total of these outstanding fell from £367.6 millions on December 29, 1920, to £311.6 millions on October 26, 1921, and had only risen to £325.6 millions on December 28th. Similarly, the total of bank-notes in circulation fell during the same period from £132.8 millions to £126.5 millions. Without the support given in 1920 from the reserves of other banks in the United Kingdom, the Bank's gold holding showed no further increase, being £128.4 millions on December 28th, compared with £128.2 millions at the end of 1920, and the gold in the currency note department remained at £28½ millions, the proportion of gold to notes being consequently higher in each case.

The fall in the value of money here has followed that in New York, and has been accompanied by a fall in most Continental centres. When the year began banks and financial houses were still experiencing the aftermath of 1920's demand for credit, so that the margin between the rates of three months' bills and short money was about 1½ per cent. At its close three months' bills and short money were each, on the average, worth about the same, so that the margin had disappeared. On April 21, 1921, the Treasury re-introduced the "tender system" of selling Treasury bills and also introduced the arrangement of offering

"additional" bills at fixed rates. The average rate of discount for "tenders" varied between £5 19s 4d in April to £3 5s 3d in December, the limits of the rates for additional bills being 5½ and 3 per cent.

The annual figures of the joint stock banks show that there has been a slight increase in deposits during the year, but that acceptances, a sure index to the state of trade, have fallen substantially, while loans and advances are very much lower than they were a year ago. The table below shows the summarised figures for the nine English clearing banks:—

	Weekly Average.				
	Dec. 31, 1920.	March, 1921.	June, 1921.	Sept., 1921.	Dec. 31, 1921.
Capital and reserves.....	115.0	115.6	115.9	115.9	115.9
Acceptances.....	87.9	69.4	57.7	47.2	65.3
Deposits (incl. undivided profits, &c.).....	1,804.6	1,715.0	1,768.4	1,771.4	1,818.6
Total liabilities.....	2,007.5	1,900.0	1,942.0	1,934.5	1,999.8
Coin, notes, balance at bank, and cheques in course of collection.....	304.1	244.8	265.1	250.4	273.5
Money at call.....	113.0	82.6	90.0	98.9	105.7
Investments.....	339.1	336.1	335.9	332.7	343.3
Discounts.....	296.3	382.1	346.2	394.3	424.3
Loans and advances.....	845.1	862.6	815.4	788.2	762.3
Cover for acceptances, pre-mises, &c.....	109.9	91.8	8.14	72.0	90.7
Total assets.....	2,007.5	1,900.0	1,942.0	1,934.5	1,999.8

Deposits, it will be seen, fell considerably in the spring, but have since steadily increased. Discounts fell and advances increased in the first three months, but since then the movement has been reversed. An increase in bills discounted is to be attributed to larger holdings of Treasury bills, which are included in this item, for the volume of commercial paper held was almost certainly reduced during the year.

	Whole Year.									
	1912.	1913.	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.
Changes Bank rate.....	four	two	eight	none	one	two	none	one	one	four
Highest Bank rate.....	7	6	10	6	5	5	5	5	5	5
Lowest Bank rate.....	3	5	4	5	5	5	5	5	5	5
Average Bank rate.....	3/15	5/4	4/15	4/0	5/9	5/3	5/3	5/3	5/3	5/4
Avg. market rate.....	3/12	4/7	5/2	3/14	5/4	4/16	3/11	3/9	3/7	5/4
Best 3 months' bills.....	3/12	4/7	5/2	3/14	5/4	4/16	3/11	3/9	3/7	5/4
Market below bank.....	2/10	8/0	1/3	1/5	5/0	6/10	1/8	3/11	3/5	1/8

EUROPEAN BANK RATES per CENT., 1921.

Cities.	End of Months of 1921.											
	Jan.	Feb.	March.	April.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.
London.....Bank rate.....	6	6	6	6	6	6	6	6	6	6	6	6
Paris.....Bank rate.....	6	6	6	6	6	6	6	6	6	6	6	6
Amsterdam.....Bank rate.....	4	4	4	4	4	4	4	4	4	4	4	4
Brussels.....Bank rate.....	4	4	4	4	4	4	4	4	4	4	4	4
Stockholm.....Bank rate.....	7	7	7	7	7	7	7	7	7	7	7	7
Hamburg.....Bank rate.....	7	7	7	7	7	7	7	7	7	7	7	7
Madrid.....Bank rate.....	5	5	5	5	5	5	5	5	5	5	5	5
Rome.....Bank rate.....	5	5	5	5	5	5	5	5	5	5	5	5
Swiss.....Bank rate.....	5	5	5	5	5	5	5	5	5	5	5	5

FOREIGN EXCHANGES.

While in normal times, the influence of the trade figures upon the movements of the foreign exchanges could be watched, the complicating political and economic factors of the present day upset the statistical relation between the two with the exception of the American exchange, which still fairly closely reflects changes in the trade balance. During the past year the feature has been the collapse of the German mark exchange, and with it most of the Central European exchanges, and the recovery in the value of sterling in New York, especially in the closing months of the year. On balance, the French, Belgian, Italian, Spanish, and other neutral exchanges, with the exception of Norway, show practically no change on the year in relation to sterling, and thus have improved in terms of the dollar. The Norwegian Exchange fell almost continuously throughout the year, as did also the Greek drachma rate. The South American exchanges show a considerable fall on balance, while the premium on the Eastern exchanges has been much reduced. The following table shows the highest and lowest points of the principal

exchanges, together with the quotations at the beginning of each quarter:—

London on	Rates of Exchange.					
	Dec. 31, 1920.	April 1, 1921.	July 1, 1921.	Sept. 30, 1921.	Dec. 30, 1921.	Highest/Lowest.
New York.....	3/44	3/22	3/72	3/78	4/20	4/23 3/53
Montreal.....	4/09	4/42	4/24	4/10	4/44	4/56 3/98
France.....	59/74	56/09	46/57	52/20	52/37	61/75 45/35
Belgium.....	56/89	53/75	46/87	52/97	54/95	61/75 45/40
Italy.....	101	95	75	94	97	109/00 70/00
Holland.....	11/27	11/35	11/35	11/74	11/40	11/85 11/05
Spain.....	26/46	28/05	28/85	28/60	28/12	32/50 25/50
Switzerland.....	23/17	22/59	22/16	21/47	21/49	24/30 20/38
Stockholm.....	17/70	16/81	17/00	16/73	16/68	17/80 16/05
Christiania.....	23/15	24/42	26/20	30/37	26/32	31/76 19/00
Copenhagen.....	23/17	21/42	22/20	20/87	20/94	24/03 18/50
Germany.....	258	245	278	435	778	1275/00 203/00
Portugal.....	62	51	82	62	43	82 42
Greece.....	48	51	65	78	99	104/00 48/00
Rumania.....	116	222	248	412	nom	895/00 215/00
Finland.....	1,500	1,520	2,150	5,300	11,000	15,000 1,200
Austria.....	307	297	275	350	290	425/00 255/00
Czechoslovakia.....	2,250	3,275	8,500	22,500	12,000	26,000 2,200
Poland.....	127	142	132	197	272	375/00 120/00
Serbia.....	277	325	340	550	590	825/00 260/00
Bulgaria.....	277	325	340	550	590	825/00 260/00
Hungary.....	277	325	340	550	590	825/00 260/00
India.....	1/52	1/52	1/35	1/52	1/4	1/68 1/24
Japan.....	2/8	2/5	2/6	2/6	2/5	2/8 2/4
Buenos Ayres.....	51	46	44	46	43	51 40
Rio de Janeiro.....	51	46	44	46	43	51 40
Valparaiso.....	(b) 99	(b) 99	(b) 35/60	(b) 33/00	(b) 39/50	(b) 40/50 (b) 25/43
Montevideo.....	50	44	41	44	41	51 38
Singapore.....	2/3	2/3	2/3	2/4	2/3	2/4 2/3
Hong Kong.....	3/2	2/5	2/7	3/0	2/7	3/2 2/2
Shanghai.....	4/1	3/2	3/6	4/2	3/6	4/4 2/1

(a) Pence to pesos.

(b) Pesos to £1.

The fall in the mark, which was most pronounced in the autumn, resulted partly from the approach of the payment of the January instalment of reparations, partly from the disorganisation of Germany's internal finances, and also from enormous speculation all over the world in the mark. The improvement in the dollar exchange in the last two months of the year was largely a result of improvement in the political outlook, and the optimistic atmosphere produced by the Washington Disarmament Conference.

The following table is extracted from statistics published by Messrs Samuel Montagu and Co.:—

RATE OF EXCHANGE AS COMPARED WITH PRE-WAR PARITY OF THE £ STERLING.

	Pre-War Par Value.	December 31, 1921, Middle Rate.	Compared with its Pre-war Par Value of the £ Sterling is at a Premium of	Purchasing Power of the £ Sterling as compared with its Pre-War Value.
France.....	25/20	51/90	105	2 1 2
Belgium.....	25/20	54/55	116	2 3 4
Italy.....	25/20	96/50	282	3 16 6
Norway.....	18/13	26/21	44	1 8 11
Denmark.....	18/13	20/88	15	1 3 1
Finland.....	26/20	22/50	78	3 17 4
Germany.....	20/41	771/00	3,676	37 15 2
Greece.....	25/20	99/00	292	1 18 7
Austria.....	24/02	11,000/00	45,695	457 19 0
Rumania.....	25/20	575/00	2,301	22 16 3
Portugal.....	53/4	44	1,085	11 17 0
Spain.....	25/20	28/12	11	1 2 4
Brazil.....	162	718	4,432	2 3 5
Warsaw.....	20/41	12,250/00	59,896	599 19 2
Prague.....	24/02	280	1,065	11 13 2
Argentina.....	47/8	43/4	10	1 2 1
New York.....	4/8	4/21	13	0 17 3
Montreal.....	4/8	4/43	9	0 18 2
Holland.....	12/08	11/40	5	0 18 11
Sweden.....	18/13	16/70	8	0 18 5
Switzerland.....	25/20	21/54	14	0 17 1
Japan.....	2/0	2/3	Par	0 18 0
India.....	1/4	1/4	Par	1 0 0
Shanghai (quoted).....	31/7/14	2/4	3/2	0 13 3

NEW CAPITAL ISSUES.

New capital applications in the London market in 1921 totalled £389 millions, against £367½ millions in 1920. But of this total British and Colonial Governments absorbed £276 millions, and commerce and industry a great deal less than in 1920. The figures for each quarter for a number of years past, and the purposes to which the new capital issued during the past year was put, are set out in an appendix.

British Government borrowings consisted of £173,866,300 5½ per cent. Treasury bonds, £17,900,000 3 per cent. Local Loans stock, and £11,130,000 representing excess sales over encashments of Savings Certificates. These figures cover the year up to December 24th, and exclude temporary borrowings by Ways and Means advances and Treasury bills. Almost every branch of trade, commerce, manufacture, and miscellaneous enterprise figure very much less prominently than in 1920, a fact clearly explained by the existence of high money rates during the first

part of the year and the great trade depression extending over the whole period. Colonial Governments were exceptionally active in the December quarter, raising in that period over £41 millions. A feature of the latter part of the year was the almost universal warm reception of these issues. So far as industrial borrowings are concerned, the year was notable for the prominence of debenture issues and the rarity of issues of ordinary shares or of the short-term notes and "participating" preference shares, so popular in 1920. The average rate paid on new industrial debentures was 8.09 per cent. in 1921, as against 7.92 per cent. in 1920, and 5.5 per cent. in 1913. The average rate paid on new issues of preference stocks and shares was 8.39 per cent. in 1921, as compared with 8.09 in 1920, and 5.74 in 1913. Of the total capital issued in London in 1921, £347 millions was in form of debentures, bonds, &c., £21 millions in preference stock and shares, and £20½ millions in ordinary stocks and shares.

GOLD PRODUCTION.

The world's output of gold continues to decline, the only satisfactory feature from the British standpoint being that the proportion of gold contributed to the world's production by the British Empire is increasing. Thus out of a total estimated world's production in 1918, amounting to £79 millions, the British Empire contributed £51 millions, or about 64½ per cent., while if the estimate for 1921 is taken at £66 millions and the estimate for the British Empire is put at £46½ millions, the percentage of gold production by the Empire works out at over 70. The Transvaal maintains its output in marked contrast with other fields. Out of an estimated world's production for 1921 of £66 millions the Transvaal is estimated to have contributed £34½ millions, or considerably more than half. In 1918, when the total output was £79 millions, the Transvaal's yield was under £36 millions. And the figures of actual output are even more significant when examined. For 1919 output was 8,330,000 ounces of fine gold; in 1920 the total was recorded as 8,154,000, or a decrease of 176,000 ounces. In 1921 the figures are given as 8,115,000 ounces, or a decline of but 39,000 ounces. It is, however, curious to find Australasian production falling from 5 to just over 3½ millions, while Canada improved from over 3½ to nearly 3½ millions.

The table given below is taken from Messrs Samuel Montagu and Co.'s Annual Bullion letter for 1921, and shows the estimated world's production from 1913 to 1921:—

(Millions of £'s)

Year.	Transvaal.	The Rest of the Empire.	Total British Empire.	Foreign Countries.	Total for World.
1913.....	37.4	21.4	58.8	35.9	94.7
1914.....	35.6	20.9	56.5	33.9	90.4
1915.....	38.7	22.0	60.7	35.7	96.4
1916.....	39.5	20.1	59.6	33.9	93.5
1917.....	38.3	17.8	56.1	30.2	86.3
1918.....	35.8	15.2	51.0	28.0	79.0
1919.....	35.4	14.6	50.0	25.2	75.2
1920.....	34.7	13.5	48.2	21.3	69.5
1921 (est.) ..	34.5	12.0	46.5	19.5	66.0

For the purposes of this table gold is taken at 84s 11½d per fine ounce. From 1916 to 1919 the United States production has tended to fall away, dropping from 4,479,000 ounces in 1916 to an estimated 2,829,000 for 1919. Yields from Russian and Mexican mines are comparatively unimportant, Russia contributing in 1913 1,282,000, and Mexico 934,000 ounces.

The price of gold, normally 77s 9d per ounce, fell from 116s 10d on December 31, 1920, to 97s 10d on December 28, 1921, and, as Messrs Samuel Montagu and Co. point out, the "price of gold carrying an export licence has varied principally with the fluctuations of the United States exchange, the country to which the bulk of exports has been consigned..... The quotation for gold not carrying an export licence ruled considerably below that more favoured, until in

the latter part of the year, the United States Mint agreed to accept any gold bearing the stamp of an official Mint or State Bank. As a consequence, supplies of non-exportable gold for trade purposes were reduced, and the two quotations consequently approximated."

THE STOCK EXCHANGE.

During the early part of January trading on the Stock Exchange had the result of lifting prices substantially in most of the markets round the House, and in February the announcement of the abolition of Excess Profits Duty was well received. But it was a brief spell of prosperity, and markets were again soon overtaken by fits of nervousness. The coal crisis during April, May, and June produced a feeling of great uneasiness, but no noticeable pressure of selling accompanied the announcement of the various precautionary measures taken by the Government, miners, and mine-owners, while the difficulties arising over reparations and the Allies' threat in April to occupy the Ruhr Valley had singularly little effect upon markets. In spite of the coal stoppage, money continued to be placed into sound gilt-edged securities, but Consols gave way on account of the new Conversion Loan in the early summer. Favourable features towards the end of the year, namely, the Washington Conference in November, followed by disarmament proposals and the signing of the Irish Peace Treaty early in December, stimulated markets. The recovery in gilt-edged securities was very noticeable in the closing month of the year; the Five per Cent. War Loan improved from 83 at the end of 1920 to 92½ by the end of 1921. Consols advanced from 45 to 50½, and Local Loans from 50½ to 56½.

During the greater part of the first half of the year the foreign market was under the influence of the reparation developments, and most issues moved closely in sympathy with the exchanges. French Three per Cent. Rentes opened the year at 26, and closed at 27, while the Five per Cents. rose from 40½ to 42. Italian 3½ per Cents. improved from 21 to 22½, but Spanish Fours declined from 76½ to 72½. The continued depreciation of the mark, with its sudden recovery in the autumn, caused heavy speculation in German bonds. Chinese issues suffered from the involved financial conditions prevailing in that country, while Russians, which for the greater part of the year had remained quiescent, were marked up by reason of the changed policy of the Soviet Government and the proposed meeting of representatives of European States. Mexicans varied according to statements and rumours from New York, Mexico, and elsewhere.

In March a small boom in Home Rails began. Depression had become so noticeable that it was generally considered that railway directors had depicted the position of English railways in rather too dismal colours. The sympathetic attitude of the Government towards the railways was encouraging, while the course of the Railways Bill provided much food for discussion. But these influences failed to infuse life into the market. Prices, however, advanced in the last month of the year for ordinary and prior-charge railway securities. Great Northern Deferred on the year fell from 27 to 22, and Great Western declined from 75 to 73. North-Western opened at 74, and closed at 70. South-Western improved from 59 to 60½, and Midland deferred moved from 33 to 36. In the first half of the year American Railroad shares recorded pronounced declines, movements reflecting the somewhat depressed conditions prevailing in New York. Quotations have,

however, mainly followed in the wake of the American exchange rate. The threatened strike of railroad workers in America at one time produced a feeling of pessimism, but it was evident that holders were not seriously alarmed. Grand Trunks gave way when the results of arbitration became known. Canadian Pacific have followed the downward course of many other railways in British Dominions overseas. Mexican Rails benefited from the strength of Mexican Government bonds, which advanced on the strength of favourable news from that country. Argentine Railways displayed erratic tendencies, and were governed by labour conditions and adverse exchanges, while Brazilian issues were affected by the position taken up by the Brazilian Government against foreign-owned railways. But towards the end of the year both Argentines and Brazilians showed signs of marked improvement.

The year was thoroughly unpleasant for the industrial markets, and the dismally long list of company reports showing losses was amply reflected in quotations for shares in industrial undertakings. Writing down finished stocks and materials to prices in keeping with current values had a depressing effect upon shareholders generally. The Oil and Rubber markets both had their measure of trouble to contend with. But while oil shares were inclined to improve, rubber investments experienced but little demand. Iron, coal, steel, and shipping issues declined, but banking and insurance shares were better on the year's balance. The Mining markets also had much to contend with during the year. The need for lower working costs, enemy-held shares and other factors, and the fall in the price of gold, were sufficient to smother activity. Continental demand at times may have occasionally produced optimistic hopes, but the fact remains that the general public would not accept the invitation to speculate.

THE AGRICULTURAL YEAR.

Those farmers who paid boom prices for their land are now considering ways and means by which they can obtain a profit from farming whilst paying interest on borrowed money and selling their produce at the present comparatively low level of prices. The position can be seen at a glance by examining the following table of the average monthly prices for first quality English beef, mutton, and pork, per cwt. of 112 lbs, during 1921, as given in the following table, which we take from the *Land Agents' Record*:-

1921.	Average Price for First Quality English		
	Beef.	Mutton.	Pork.
January	168 6	228 6	194 0
February	168 0	224 0	172 0
March	165 6	219 0	174 0
April	167 6	215 0	174 0
May	156 0	197 6	163 6
June	148 6	178 6	148 0
July	129 0	148 6	141 6
August	128 6	142 6	144 0
September	119 6	131 6	147 6
October	95 0	121 0	132 0
November	88 0	116 6	127 6
December	93 4	116 8	121
Year 1921	135 7	169 0	153 1
" 1920	148 6	179 0	216 0
" 1919	125 6	132 6	150 0

It is pointed out that the prices in the early part of the year in the above table were influenced by control, but these figures show the fall in values when the control was lifted.

The acreage of crops and grass in England and Wales in 1921 and 1920, compiled from returns collected annually by the Ministry of Agriculture on June 4th, is as follows:-

Distribution.	1920.	1921.	+ Increase - Decrease.
Total acreage under all crops and grass ..	Acres. 26,507,000	Acres. 26,139,000	Acres. - 368,000
* Rough grazings	4,162,000	4,555,000	+ 393,000
Arable land	12,020,000	11,618,000	- 402,000
Permanent grass—			
For hay	4,395,000	4,054,000	- 341,000
Not for hay	10,092,000	10,467,000	+ 375,000
Total	14,487,000	14,521,000	+ 34,000
Wheat—Autumn sown	1,793,000	1,911,000	+ 118,000
Spring sown	82,000	67,000	- 15,000
Total	1,875,000	1,978,000	+ 103,000
Barley	1,637,000	1,435,000	- 202,000
Oats	2,272,000	2,145,000	- 127,000
Mixed corn	147,500	136,400	- 11,100
Rye	95,600	79,400	- 16,200
Beans	257,100	246,600	- 10,500
Peas	165,700	142,400	- 23,300
Potatoes	544,600	557,400	+ 12,800
Turnips and swedes	991,400	894,300	- 97,100
Mangold	385,900	374,800	- 11,100
Cabbage, savoy, and kale	52,100	58,000	+ 5,900
Kohlrabi	11,000	9,500	- 1,500
Rape	100,300	81,500	- 18,800
Vegetables or sars	121,700	103,700	- 18,000
Lucerne	44,500	47,400	+ 2,900
Mustard	71,900	45,200	- 26,700
Brussels sprouts	12,600	12,500	- 100
Cauliflower or broccoli	8,800	8,600	- 200
Carrots	9,600	8,200	- 1,400
Onions	4,500	2,900	- 1,600
Sugar beet	5,300	5,300	—
Plum for fibre	1,700	1,700	—
Linseed	12,900	6,100	- 6,800
Hops	21,000	25,100	+ 4,100
Small fruits	58,800	73,300	+ 14,500
Clover and rotation grasses—			
For hay	1,674,000	1,757,000	+ 83,000
Not for hay	774,000	791,000	+ 17,000
Total	2,448,000	2,548,000	+ 100,000
Bare fallow	567,000	506,000	- 61,000

* Mountain, heath, moor, down, and other rough land used for grazing.

Conditions for sowing seed in the spring were favourable for good crops. Hay crops were light, while the results of cereal crops would have placed farmers in a difficult position but for the bounty paid by the Government. Root crops were uncertain, and farmers were given further anxiety by water scarcity, which in some districts seriously affected cattle.

The *Farmers' Red Book* has not an encouraging account to give of the measures taken by the various authorities to bring people back to the land:-

Ex-Service men placed on the land as smallholders have had a trying year, but County Committees are going on finding more land for more men, and we most earnestly hope that the latter will be able to live in comfort on the land they have fought for. Most of the schemes adopted for training men who fought in the war, in agricultural pursuits, are coming to a close, and we wish that all the men so trained could now find occupations that would bring them in an adequate financial return.

The table given below shows the estimated total produce and yield per acre of the corn, pulse, and hay crops in England and Wales in 1921, with comparisons for 1920, and the average yield per acre of the ten years 1911-20:-

Crops.	Estimated Total Produce.		Average Estimated Yield per Acre.		Average of the Ten Years 1911-1920.
	1920.	1921.	1920.	1921.	
England—	Quarters.	Quarters.	Bushels.	Bushels.	Bushels.
Wheat	6,515,000	8,586,000	28 4	35 5	30 5
Barley	5,982,000	5,069,000	31 1	29 9	31 1
Oats	9,846,000	9,267,000	39 1	38 4	39 0
Mixed corn	512,000	496,000	34 0	34 8	—
Beans	350,000	774,000	31 1	26 3	27 2
Peas	442,000	318,000	27 5	23 7	25 0
Seeds hay	Tons. 2,327,000	Tons. 1,953,000	Cwts. 31 3	Cwts. 24 9	Cwts. 28 7
Meadow hay	5,071,000	2,842,000	26 0	15 9	22 0
Wales—	Quarters.	Quarters.	Bushels.	Bushels.	Bushels.
Wheat	154,000	137,000	24 3	28 3	27 5
Barley	353,000	240,000	28 5	24 1	30 1
Oats	900,000	755,000	28 9	28 1	34 2
Mixed corn	94,000	74,000	29 2	28 4	—
Beans	1,500	3,700	29 5	23 5	27 4
Peas	1,500	800	22 2	19 3	22 3
Seeds hay	Tons. 267,000	Tons. 189,000	Cwts. 27 3	Cwts. 20 0	Cwts. 25 3
Meadow hay	556,000	355,000	22 6	14 7	19 8

The next table shows the *Gazette* average prices of the three principal cereals over a series of years:-

AVERAGE GAZETTE PRICES OF CORN for the YEARS 1914-21.									
	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.	
Wheat....	s d 34 11	s d 53 0	s d 58 4	s d 75 10	s d 72 10	s d 72 11	s d 80 10	s d 71 6	
Barley....	s d 27 2	s d 37 5	s d 53 4	s d 65 0	s d 59 0	s d 59 0	s d 75 9	s d 52 2	
Oats	s d 20 11	s d 30 4	s d 33 8	s d 50 2	s d 49 4	s d 52 5	s d 56 10	s d 34 2	

Last year's averages are the lowest since 1916, and in the case of wheat and barley are about double the 1914 figure.

EMPLOYMENT, WAGES, AND DISPUTES.

The first quarter of the year 1921 witnessed a continuance of the decline in employment which was in progress during the latter part of 1920. As will be seen in the table of trade union unemployment percentages given below, by March employment in many industries had assumed serious proportions. The coal dispute during April, May, and June, owing to lack of fuel supplies, caused severe depression in other industries, and *The Labour Gazette* states that at the beginning of July of nearly 11 million workpeople in industries insured against unemployment other than coal mining, 19 per cent. were unemployed, and large numbers of others were on short time. The iron and steel, tinplate, and pottery trades were almost completely brought to a standstill. But the settlement of the coal stoppage in July was quickly followed by improvement all round. The better conditions, however, were of short duration, for by October employment was recorded as bad, and during November and December the position gradually became worse. The proportion unemployed in industries covered by the Unemployment Insurance Act at the close of the year amounted to over 16 per cent., as against 6 per cent. at the opening of 1921. In the following table, which is compiled from figures given in *The Labour Gazette*, is shown the percentage of trade union unemployment month by month from 1913 to 1921:-

TRADE UNION UNEMPLOYMENT PERCENTAGES.

End of—	1913.		1916.		1917.		1918.		1919.		1920.		1921.	
	%	%	%	%	%	%	%	%	%	%	%	%	%	%
January ..	2.2	0.6	0.3	1.0	2.4	2.9	6.9							
February ..	2.0	0.5	0.3	0.9	2.8	1.6	8.5							
March	1.9	0.5	0.3	1.2	2.9	1.1	10.0							
April	1.7	0.5	0.3	0.9	2.8	0.9	17.6*							
May	1.9	0.5	0.4	0.9	2.1	1.1	22.2*							
June	1.9	0.5	0.4	0.7	1.7	1.2	23.1*							
July	1.9	0.4	0.4	0.6	2.0	1.4	16.7							
August	2.0	0.4	0.5	0.5	2.2	1.6	16.3†							
September ..	2.3	0.4	1.3	0.5	1.6	2.2	14.8							
October	2.2	0.3	1.1	0.4	2.6	5.3*	15.6							
November ..	2.0	0.3	1.1	0.5	2.9	3.7	15.9							
December ..	2.6	0.3	1.4	1.2	3.2	6.0	16.5							

* Excluding coal miners. † Revised figure.

One of the most striking features of this general trade depression has been the large number of workers placed on short time. This, as *The Labour Gazette* points out, has been done in such a manner as has enabled workers to obtain benefit under the Insurance Act. In January, the percentage of insured persons claiming benefit in respect of systematic short time amounted to 5 per cent. By May the figure had grown to 11, but by July it had dwindled to 4, and after touching 2 ended the year at 3 per cent.

The decline in wages began in January, and continued throughout the year, until by December a reduction in wage rates had been made in nearly every industry, while in many trades successive wage cuts had been effected. The following table shows the remarkable change in rates of wages of certain trades and services in 1920 and 1921:-

Group of Trades.	Approximate Number of workpeople whose rates of wages were reported as changed in		Total Net Increase or Net Decrease in the weekly wages of those affected.	
	1920.	1921.	1920.	1921.
Building	400,000	450,000	(Increase) £361,000	(Decrease) £304,000
Mining and quarrying	1,280,000	1,230,000	1,329,000	2,588,000
Iron and steel smelting & manufacture	240,000	240,000	304,000	475,000
Engineering, shipbuilding, & other metal	1,620,000	1,730,000	637,000	1,064,000
Textile	1,060,000	1,010,000	645,000	651,000
Clothing	730,000	730,000	230,000	48,000
Transport (excluding tramways)	900,000	910,000	574,000	388,000
Paper, printing, &c.	200,000	200,000	128,000	54,000
Chemical, glass, brick, pottery, &c.	270,000	280,000	122,000	139,000
Other trades	640,000	420,000	301,000	171,000
Public utility services	380,000	340,000	171,000	134,000
Total	7,780,000	7,100,000	4,797,000	6,006,000

Unfortunately although valuable figures by themselves, these statistics are by no means complete, as they do not include agricultural labourers, police, Government

employees, domestic servants, shop assistants, and clerks. It has been, however, estimated* that it is probable that the weekly disbursement of wages to-day is from 25 to 33 per cent. less than a year ago, while on the figures given in the above table it is calculated that coal mining and the iron and steel industries have had the largest reductions made, in which industries average earnings were highest during the boom. It is estimated that the cut in mining and quarrying amounted to £2 per head per week, followed closely by the iron and steel trade of 39s 7d per head; next in proportion of cut comes the building and allied trades with a reduction of 13s 6d per head per week,

* See *Economist* for January 21st, page 76.

TRADE REPORTS.

I.—THE CORN TRADE.

Speaking generally, supplies of agricultural foodstuffs were more plentiful in 1921 than in either 1920 or 1919, but with regard to those which came on the markets, it is not possible to speak with any degree of exactitude, and for the simple reason that at times Government stores were put on the markets, and these quantities were neither to be found in the details of our imports nor in the statistics of our harvests at home. Wheat, for example, appears from the imports and the home harvest to have amounted to 4½ million quarters in the harvest year 1920-21, or 3½ million quarters below the pre-war average supplies. The wheat harvest at home was, in 1920, one of seven million quarters, while that for 1921 was one of nine million quarters, and it has been assumed that we shall therefore require less in the present harvest year (1921-22) than the 2½ million quarters imported that sufficed for our needs in the last harvest year. This, however, leaves out of account the stored supplies which the Government released, but of which we do not know the amount. It was sufficient to depress prices to an extent that it led, from the outcry that followed, to the repeal of the Agriculture Act at Midsummer. So far as supplies are concerned, it is certainly safest to assume that they have been in sufficient quantity generally to bring about a general and pretty considerable decline in prices.—*Live Stock Journal*.

The *Agricultural Market Report* published by the Ministry of Agriculture and Fisheries, states that the average price of wheat in 1921, as ascertained from the weekly returns received under the Corn Returns Act, 1882, was 71s 6d per imperial quarter (480 lbs), being 9s 4d lower than in 1920. The prices paid for British wheat of the 1920 crop by millers were regulated by instructions from the Ministry of Food, and from August 2, 1920, millers were authorised to pay for wheat of sound milling quality an average of 90s 6d per quarter of 480 lbs (95s per 504 lbs), and until the middle of November of that year this price was regularly obtained. After this time, however, the price of 90s 6d per imperial quarter was not realised, owing to farmers offering large quantities of wheat for sale, and millers showing a disinclination to buy. An announcement had, however, been made by the Prime Minister in March, 1920, that so long as wheat was still controlled and thereby deprived of a free market, the price of British wheat should not be less than the above amount, provided that the c.i.f. cost of imported wheat, after allowing for difference in quality, did not fall below that price; and steps were taken to ensure that growers should, until August 31, 1921, receive on the average for home-grown wheat of sound milling quality sold for milling into flour for human consumption, a price based upon the cost of wheat imported during the three preceding months. The average prices properly receivable for good wheat by growers calculated on this basis remained at 95s per 504 lbs in April, but fell to 92s in May, 86s 6d in June, 82s in July, and 80s up to August 13, 1921, after which date the sale of British wheat was entirely free from control. This scheme did not come into operation until March 7, 1921. In the case of sales of British wheat which had been made between November 8, 1920 (the week in which the average price first fell below 90s 6d, being the week ending November 6th, and the beginning of March, 1921, special arrangements were made for the payment of additional allowances to the growers, but these additional payments are not included for the purpose of striking the average prices under the Corn Returns Act.

Excluding these additional payments, the average price of British wheat was 84s per 480 lbs from January until the week ended August 13, 1921. With the fall in price

followed by textiles with 12s 11d. Other industries vary from a reduction of 7s 10d to 12s 3d.

The number of recorded trade disputes during 1921 amounted to 800, in which 1,773,000 workpeople were directly involved, while 21,000 additional workers were thrown out of work as a result of these disputes. The aggregate number of working days lost was 86 million. The stoppage in the coal mining industry involved over 1,100,000 workers, and beginning early in April lasted until the first week in July. Over 70 million working days were involved. In 1920 the number of disputes recorded was 1,715, in which 2,024,000 workers were concerned, and 27 million working days lost.

which occurred in America when the 1921 harvest began to come on to the market, a corresponding rapid reduction set in in this country; so much so that prices in this country dropped by 20s per quarter between the middle of July and the middle of August. They continued to fall, though more slowly, until the beginning of November, when a minimum average of 44s was reached, and the year closed with an average of 44s 7d. The average price made by the new crop, i.e., during the period from mid-August to the end of the year, has been 51s 7d per 480 lbs.

Barley at the commencement of the year was averaging about 74s per quarter of 400 lbs, but this naturally included a large proportion of brewing barley, and as this proportion diminished prices showed the usual normal decline until July, when they reached 40s to 45s. With the demand for the best brewing sorts of the new crop, prices rose again during August, and the maximum *Gazette* average of 63s 6d was reached during the week ended September 10. They then fell away again, and the year closed with an average of 45s 7d. The average for the entire year showed a heavy fall of 37s 3d per quarter from the high average price of 89s 5d in 1920.

Oats showed far less fluctuation, and their decline was more progressive. From 43s to 44s per quarter of 312 lbs in January they fell to about 35s in March, recovering somewhat to about 39s in June and July. Thereafter, however, prices for the new crop fell steadily until a minimum average of 24s 5d was reached in the week ended October 29. A recovery took place in November, and the year closed with oats at 28s 1d, or 15s less than the opening price 12 months previously.

The following statement shows the average prices per imperial quarter of British corn as returned under the Corn Returns Act, 1882, in certain years.—

	Wheat. (480 Lbs.)	Barley. (400 Lbs.)	Oats. (312 Lbs.)
1913	31 8	27 3	19 1
1916	58 5	53 6	33 5
1917	75 9	64 9	49 10
1918	72 10	55 0	49 4
1919	72 11	55 0	49 4
1920	80 10	59 5	52 10
1921	71 6	52 2	34 2

It may be of interest to observe that, apart from the preceding four years 71s 6d was the highest wheat average since 1855 (the Crimean War); oats the highest since 1813, and barley, apart from the preceding five years, the highest average since 1818.

The following table shows the amount of our imports of wheat, &c., for 1913 and 1920:—

	Wheat. Quarters, 480 Lbs.	Flour, Sacks, 280 Lbs.	Barley, Quarters, 400 Lbs.	Oats, Quarters, 312 Lbs.	Mais. Quarters, 480 Lbs.
1913	24,705,000	4,791,000	6,283,000	6,356,000	11,470,000
1920	25,510,000	4,788,000	3,544,000	2,136,000	7,835,000

FLOUR.—The Baker and Confectioner remarks:—January commenced with a drop of 1s per sack. That appeared to check trade, as further lapses were expected. Country-milled G.R. was in poor request. Free imported flour was in good demand. February saw no revival of business, and American cables reported a lower trend in market prices. Flour prices in London were much higher. At New York prices dropped 5 cents a barrel. The London millers were receiving good supplies of country-milled G.R. just for mixing purposes. April found bakers buying from hand to mouth. The imports up to date were 1,112,390 sacks, against 947,440 sacks for the same period of 1920. May opened with a pretty good demand. Imported kinds rather declined, country-milled was not pressed for sale. The spread of unemployment and the scarcity of fuel induced a run on bread, which, after all, is the cheapest food. Still it was noticed that bread consumption did not appear to in-

crease, and the question was widely asked what is the substitute for the reduction in bread consumption? June started with a slow business, and London millers raised their prices. Demand was better for home-milled flours. Town millers put up flour by 1s. July found London Straight at 70s. The production of flour in the United States amounted to 1,106,000 barrels for the week ending with August. The market was inactive, and the cabled American production was larger than ever. At Liverpool prices receded, and there was no improvement in the consumption of bread. With September we had the Bakers' Exhibition, which was largely a social gathering, but with the customary market of old. Thrice in one week the London millers reduced their prices. October brought with it an entire absence of activity, and prices appeared to be dwindling away. Seaborne flour was quite hard to sell. Bread consumption continued slow, and the mild weather induced a weakness all round. Town Straights were selling at 57s. All imported flours were in poor request. December, in fact, found flour weak and left it so. The home trade was certainly dull. The production of flour in the United States continued very large indeed.

The following table shows the amount and sources of our imports of wheat, &c., for 1913, 1920, and 1921:—

	Quantity.			Value.		
	1913.	1920.	1921.	1913.	1920.	1921.
Wheat from—						
Russia	5,011,100	2,400	..	1,984,964	£ 3,262	..
Germany	447,600	..	100	164,038	..	187
Roumania	38,600	..	..	14,363	..	..
Turkey	41,000	..	..	11,261	..	..
United States	34,067,944	45,422,300	36,066,002	13,953,072	69,838,106	51,523,056
Chile	765,100	..	323,800	326,244	..	275,988
Argentina Rep.	14,758,200	30,830,800	4,080,560	6,137,518	38,364,688	3,518,144
British India	18,766,100	20,000	..	7,998,552	35,000	2,775,274
Australia	10,126,658	19,965,100	19,993,015	4,426,629	18,635,958	17,675,386
New Zealand	56,200	4,300	..	23,810	5,760	..
Canada	21,787,902	10,189,400	14,583,320	8,803,949	15,581,846	12,216,573
Other countries	13,700	2,892,426	2,526,597	6,774	4,288,720	3,369,873
Total wheat	105,878,102	109,328,326	80,246,994	43,849,173	146,753,350	70,355,481
Wheat meal and flour						
Germany	455,800	..	20	241,825	..	26
Belgium	32,100	..	19,500	17,144	..	15,230
France	301,700	..	18,600	137,803	..	12,846
Austria	99,691	..	..	74,217	..	..
Hungary	..	..	600	..	..	809
United States	6,157,644	5,837,400	7,900,142	3,247,423	10,872,260	9,407,971
Argentina Rep.	191,300	183,912	114,737	78,173	228,280	96,491
Australia	349,075	1,481,200	1,580,700	188,218	2,325,722	1,627,425
Canada	4,168,563	2,318,601	5,866,019	2,261,783	4,413,435	7,126,745
Other countries	222,280	2,148,621	940,131	101,185	3,406,284	779,506
Total	11,978,153	11,963,740	15,840,456	6,347,771	21,245,981	19,067,049
Barley	22,439,248	12,667,700	15,805,952	8,077,100	14,458,164	10,523,488
Oats	18,162,663	6,101,600	8,356,836	5,671,957	5,632,721	4,402,820
Peas	1,978,315	582,663	1,312,984	1,006,735	1,057,587	1,646,497
Beans	1,853,468	1,280,300	2,664,729	806,874	1,690,277	1,516,186
Total of grain and flour	220,704,110	188,787,598	173,940,736	84,403,247	231,635,600	138,084,586

FRUIT AND VEGETABLES.

We extract the following from the *Fruit Grower*:—**Home-Grown Apple Prices.**—Compared with the figures given 12 months ago in our columns, the prices obtained for apples in 1921 represent an extraordinary drop in values, being down, in many instances, to a quarter of what they were in the previous year. Here we see the undoubted influence of the crop governing prices, a factor well known to growers, for, whereas in 1920 the yield of apples was probably only 25 per cent. of the normal, the crop of the past summer was a bumper one. Taking the popular varieties marketed in half-sieves, the price of Allington Pippin during the past season ranged, according to the list from which we quote, from 4s 6d to 6s 6d, as against 16s to 25s in 1920. Beauty of Bath, 4s to 8s (10s 6d to 19s in 1920); Cox's Orange Pippin, 5s to 15s (20s to 25s); Blenheim Orange, 5s to 8s (10s to 14s); and James Grieve, 10s to 14s (10s to 20s); and King of the Pippins, 4s to 6s (15s to 30s). Among those varieties more generally in demand and packed in bushels may be mentioned Lane's Prince Albert and Wellington, each 4s to 10s, compared with 4s to 22s in 1920; Bramley's Seedling, 4s to 8s (4s to 23s); Newton Wonder, 4s to 6s (6s to 22s); Lord Derby, 2s 6d to 8s 6d (6s 6d to 22s); and Warner's King, 2s 6d to 8s (18s to 22s). Blenheims in bushels realised the same price in both years—viz., 6s to 16s. Worcester Pearmain, in halves, are returned at 2s 6d to 8s., the comparative figures for 1920 being 10s to 22s. Nothing in the way of prices for boxed apples is mentioned in the Covent Garden list, but Mr W. P. Seabrook, in a letter which appears in our current issue, quotes some interesting figures for Worcester Pearmain, showing that on one day halves returned him 6s to 7s and boxes 20s to 20s 9d, and on the following day 5s to 6s and 17s 2d to 18s respectively.

Other Fruits.—Plums were a short crop, consequently there is not the marked difference in the returns to growers as with apples; in fact, some varieties reached higher figures than in 1920. Rivers's Early secured 18s to 20s, as compared with 14s to 15s per half-sieve; Czars, 20s to

22s (11s to 14s); Monarchs, 20s to 28s (14s to 16s); and Victorias, 18s to 25s (9s to 25s) the half. English green-gages averaged 20s to 26s per half-sieve, or nearly double the figure of the previous season. A few Pershore Egg plums sold in their own district at 30s to 32s a pot early in the season, and on July 20 touched 52s per pot. The pear crop last year was a variable one, but, on the whole, the yield was better than that of the previous year. English Williams made a much better showing in samples, but the range of prices was slightly down, being 10s to 18s half-sieve, as against 12s to 22s in 1920. Doyenne du Comice at 20s to 30s, Conference at 10s to 20s, and Pitmaston Duchess at 20s to 23s half-sieve, were substantially the same, with the exception of the top figure for Conference, 10s less. Beurre Clairgeau realised 8s to 10s, Clapp's Favourite 14s to 18s, and Louise Bonne 14s to 25s per half-sieve. In Cherries less values ruled, Early Rivers's coming out at 18s to 22s; Waterloo, 14s to 16s; and Napoleons, 28s to 32s the half, with White Hart 11s to 15s at the other end of the scale. Black Currants were round about 25s to 30s per half-sieve, and red commanded, in the main, 10s to 12s, representing a slight reduction on the previous year's values. Gooseberries and currants escaped the frost, but suffered from the subsequent drought. Green gooseberries returned 5s to 20s per half, and 10s to 12s per strike, and other sorts which came later fetched between 5s and 12s per half-sieve. The strawberry season was a quick one, owing to the spell of sunshine and general high temperature, and Southampton fruit averaged 1s 3d to 2s per 2-lb chip, and 2s to 4s for chips of 4 lb, Cambridgeshire bringing 3s to 4s for 4½-lb chips, while Kent ranged between 3s and 4s per 4-lb chip, or 8s to 10s the peck. All these figures are below the 1920 returns. Forced strawberries varied from 6s to 15s per lb, there being none of the fancy prices obtained in the previous year. The yield of raspberries was below the average, but returns were unchanged at 100s to 140s per cwt tub, and at 4s to 5s per 4-lb chip. Grapes had to stand heavy dumpings of foreign produce. Alicante realised 1s to 3s, Canon Hall 2s to 10s, Gros Colmar 1s 6d to 4s 6d, Hambro 1s to 8s, and Muscat 2s to 25s per lb, these representing the principal English market varieties marketed. Tomatoes were likewise heavily handicapped, the minimum prices ruling representing a 50 per cent. cut compared with 1920. The best grades ranged from 3s to 18s per dozen lb, and whites 2s to 17s, the lower figures largely predominating.

Potatoes.—We take the following from the *Farmers' Red Book*:—When the land was being worked for potatoes the outlook was promising, but in many districts not a spot of rain fell after the tubers were planted, with the result that the tubers were small and their development was further checked by super tuberation. Probably potatoes swelled more after September came in than they did all the time before, so results were not so disappointing as they would otherwise have been, and the prices offered for potatoes at the moment of writing suggest anything but shortage. One fails to see, in fact, how potatoes are going to pay much money when one remembers the price of the seed and the cost of planting and cultivation. There has been very little disease and practically no spraying, while the comparative absence of wart disease suggests that this trouble is largely influenced by climatic conditions.

LIVESTOCK.

The following table is published by the Board of Agriculture, showing the numbers of livestock in England and Wales in the years 1921 and 1920. These figures are collected annually by the Ministry of Agriculture on June 4th:—

	1920. No.	1921. No.	Inc. + or Dec. — No.
Horses—			
For agricultural purposes (including mares for breeding)	788,900	822,500	+ 33,600
Unbroken horses (including stallions)	235,500	233,200	— 2,300
One year and above	97,300	92,300	— 5,000
Under one year	244,000	236,400	— 7,600
Other horses	1,358,700	1,364,400	+ 5,700
Cattle—			
Cows and heifers in milk	1,827,700	1,875,900	+ 48,200
Cows in calf, but not in milk	243,000	251,800	+ 8,800
Heifers in calf	282,100	373,600	+ 91,500
Other cattle	1,177,900	1,001,300	— 176,600
Two years and above	1,109,000	893,400	— 215,600
One year and under two	907,100	1,119,600	+ 212,500
Total of cattle	5,946,800	5,815,800	— 131,000
Sheep—			
Ewes kept for breeding	5,108,500	5,308,300	+ 199,800
Other sheep	3,004,800	2,861,900	— 142,900
One year and above	5,269,400	5,636,000	+ 366,600
Under one year	907,100	1,119,600	+ 212,500
Total of sheep	13,382,700	13,808,200	+ 425,500
Pigs—			
Bows kept for breeding	289,500	335,800	+ 46,300
Other pigs	1,704,400	1,369,900	— 334,500
Total of pigs	1,993,900	2,505,700	+ 511,800

HORSES.—*Shires.*—There has only been one important home sale during 1921. This was the dispersal of Mr R. L. Mond's stud at Combe Bank, Sundridge, Kent, in October. The prices exceeded expectations; 3,100 guineas was given for the three-year-old stallion Sundridge Nulli Secundus; 800 guineas was paid for the two-year-old filly Princess Childwick of Sundridge; and 700 guineas for the four-year-old mare Treasure of Sundridge. Special interest was taken by the numerous visitors to this sale in Childwick Champion, now 18 years old, the most successful of the numerous stallions owned by the late Lord Rothschild. Mr Mond gave 2,300 guineas for him six years ago, and he proved to be well worth the price. He went at 775 guineas to join Mr F. W. Ibbotson's stud in Notts. It may be mentioned that he is hired by the Melton Mowbray Society for 1922 at £1,000. This proves that Shire-horse breeders are looking hopefully forward.

Thoroughbreds.—According to statistics worked out by Mr Edward Moorhouse in the *Sporting Life*, there was a distinct falling off in the values of the yearling bloodstock sold at Doncaster this year compared with the prices made in 1920. The respective figures are:—

	1921.	1920.
First day.....	53	55
Second day.....	75	78
Third day.....	74	71
Fourth day.....	53	57
Total.....	254	271
Yield.		
Gd.	21,015	31,255
Gd.	44,635	41,030
Gd.	58,280	33,170
Gd.	41,280	89,150
Average.		
Gd.	404	568
Gd.	648	782
Gd.	787	1,312
Gd.	779	1,304
Average.	666	1,013

The 16 yearlings from the Sledmere stud made in all 38,450 guineas, or an average of 2,403 guineas apiece. The seven colts averaged 1,278 guineas, and the nine fillies 3,277 guineas. Twelve months ago 13 yearlings from Sledmere made an average of 4,204 guineas, but 1919 and 1920 transactions in yearling bloodstock generally were absurdly inflated, and breeders are resigning themselves to the change that has occurred.

Hackneys.—There have been no real auction sales of Hackney breeding stock this year; the sale at Crewe in July consisted mainly of ponies and harness horses, but Mr Kenyon's young stallion, Cudham Leader, was sold, and brought 135 guineas, and Mr Jones's three-year-old, Huntingdon Merrylegs, 102 guineas. Representatives of the Japanese Government have again visited this country, and have made extensive purchases of typical good-limbed young stallions, while home trade has been quite good, some big transactions having taken place.—Summarised from *Live Stock Journal Annual*.

CATTLE.—Taking the result of the first nine months of the year 1921, we find that during that period but 1,600 head of cattle were exported, or 62.57 per cent. less than during the corresponding period of the previous year, when 4,275 head realised an average of £213 18s 6d. No comment is needful to the expert to show what a vast difference the absence of a similar demand to that of the year 1920 has made in connection with 1921. Further, the record for 1921 to September 30th shows that it is the smallest number of cattle that has been exported during the first nine months of the year since the year 1901.

Shorthorns.—First for notice comes Mr W. Duthie, whose average for 38 calves works out at £312 10s, a heavy reduction on last year's top average, which was £780 14s 3d, made by the Balcairn herd. The top price for Mr Duthie's bull calves was 2,000 guineas, others making 1,150 and 1,100 guineas. His bulls, we may note, averaged £444 14s. Mr George Harrison comes next with the highly satisfactory average of £220 11s 5d for 29 head. This average was all the more remarkable by reason of the general evenness of prices. The highest price for yearling bulls was 520 guineas, and for yearling heifers 310 guineas. Colonel Ogilby, for 35, averaged £218 3s 9d, the females ranging from 400 guineas, and the bulls from 420 guineas. The Balcairn herd, which last year headed the average list, comes number four this year with the capital average of £209 18s 6d for 59 head.—Extracted from the *Farmers' Red Book*.

SHEEP.—For Suffolk sheep 5,161 shearling ewes sold at the five principal sales averaged £7 3s 3d per head. At the society's sales at Ipswich, on August 3rd, buyers attended from Scotland, Ireland, Shropshire, Hampshire, the Midlands, Kent and other parts, and the 1,792 shearling ewes average £8 7s 9d.—Summarised from *Live Stock Journal Annual*.

During 1921 some 138 head of Shropshires have been exported abroad—i.e., 52 to U.S.A., Canada, and Newfoundland; 58 to South America; 5 to South Africa; and 23 to Continental countries. In 1920 the total was 297: in 1919, 372; in 1918, 898; in 1917, 594; in 1916, 368; in 1915, 155; in 1914, 553; and in 1913, 702.

Some of the best prices obtained for this breed at the annual show and sale at Shrewsbury were:—Mrs Inge up to 35 guineas, Mr R. E. Birch to 51 guineas, Mr W. Everall to 20 guineas, Lieut.-Colonel Atkins to 12 guineas, Mr Nunnerley to 20 guineas, Mr W. Dee to 14 guineas, Mr E. C. Tanner to 37, 27 (twice), and 25 guineas, Mr Everall to 25 guineas, Mr J. Minton to 53 guineas, Mr K. W. Milnes to 46 guineas, Mr E. Nock to 30 guineas, Mr Bibby to 10 guineas. Ewes:—Messrs Bibby 6 guineas, Mr E. C. Tanner 5½, 5, and 5½ guineas, Mr E. Nock 6, 5½, and 5 guineas, Mr K. W. Milnes 5½ and 5 guineas, Executors of Mr Jos. Everall 7 and 6 guineas, Mr Bickley 5 guineas, Mr R. E. Birch 8½ guineas (twice), Mr E. J. Rank 5½ guineas, Colonel Sykes 5 and 4½ guineas, Mr C. L. Coxon 5½ and 4 guineas, Mr J. Minton 6 guineas.

In Hampshire Downs the highest prices were obtained at the Breed Association's sales at Salisbury in July, when consignments of ram lambs from the leading flocks sold at an average price of £40 10s. The association concentrated this year upon a one-day sale instead of two, with eminently satisfactory results. Exceptional prices paid were:—200 guineas and 100 guineas given by Major J. A. Morrison for two lambs from Mr Thompson's flock; 100 guineas given respectively by Mr J. Flower, Lady Hulse, and Mr Bishop (Pendley Stock Farms) for three from the same flock; 175 guineas and 110 guineas paid by Mr Bishop and the Lord Wandsworth Institute respectively for two of Mrs Jervoise's lambs; 175 guineas given by Mr Thompson for one of Lady Hulse's lambs; 105 guineas given by Mrs Jervoise for a lamb from the Lord Wandsworth Institute; and 140 guineas paid by the latter institute for a ram from Mr G. Philippi's flock.

PIGS.—In large whites Mr Chivers heads the average list with £41 2s 6d for 60 head; the sale was most successful, prices ranging from 115 guineas for sows and 44 guineas for boars. Next on the average list comes Mr R. P. Haynes, 40 making £31 16s 11d, with 75 guineas for the top-price sow and 34 guineas for the top-price boar.

In middle whites we have not a record to equal last year's notable sale at Dalmeny, but there are two with averages over £40. Mr Chivers averaging £49 10s 10d for 55 head, boars making up to 200 guineas, two sows making up to 180 guineas, another 130 guineas, and others from 70 guineas; and that of Mr A. C. Holmes in Scotland, where £43 5s 8d was averaged for nine head.

In Berkshires the principal average at a home sale has been secured by Mr A. Hiscock, whose 64 head produced an average of £34. The high appreciation of this blood is seen by the fact that no less than five sows and gilts ranged about the century, 150 guineas being the top price, whilst the boars secured 40 guineas downwards. Mrs Jervoise, from the Herriard Park herd, sold two choice sows at 35 and 27 guineas, whilst at Mrs Chester Beatty's sale 49 head averaged £27 14s 6d, the top-priced female realising 210 guineas.—Summarised from the *Farmers' Red Book*.

II.—COLONIAL AND FOREIGN PRODUCE.

TEA.

Messrs Brooke Bond and Co., Limited, write in their annual review of tea in 1920-1921:—

During the year 1919-20 the tea trade was carried on under great difficulties, many of which have continued throughout the present year. Strikes at home, labour and other troubles in India, alterations in the rate of exchange, enhanced cost of production and distribution, have all helped to hamper trade. The greatest of these troubles has been exchange, which at one time—and at a time when Indian producers, in particular, were in the habit of arranging their remittances—was as high as 2s 8d per rupee. There is little doubt that at between 2s and 2s 8d a good deal of money to finance the crop of 1919-20 went to India, because the coolies must be paid, and there is no doubt also that had not exchange fallen the result to the tea trade (and to many other Eastern trades as well) would have been catastrophic. The danger is still a present one, as, if the new par of exchange—2s—is again reached, tea will go to a price which must seriously curtail consumption. Economies will, we think, resolve the situation, and sooner or later the value of the rupee will have to be reconsidered.

This time twelvemonth there was in this country a stock of 227,000,000 lbs of tea, the normal stock being about 90,000,000 lbs. Much of this stock was very poor stuff, picked and manufactured just after the time of control, when Government bought at a fixed price almost without regard to quality. Some of it had been kept at the gardens or in Calcutta, where there was no proper provision for storing it, or on arrival in England had been sent to some other port to relieve the congestion at the London Docks. This tea, also, had been kept in places quite unsuitable for its storage, with the result that all

of it had deteriorated, and some of it was quite unfit for consumption.

It is impossible to give as full and definite statistics with regard to production and consumption throughout the world as we were able to furnish before the war. We cannot give the exact output of the various tea-producing areas, but it is estimated that the three countries—India, Ceylon, and Java—are about 80,000,000 lbs behind their normal production.

The following table gives the distribution of Indian exports for the last three seasons and for 1913-14; the last complete pre-war return:—

	1913-14.	1918-19.	1919-20.	1920-21.
United Kingdom.....	196,362,620	269,879,571	303,241,459	222,073,283
Australia.....	9,903,212	7,137,097	9,220,536	6,316,017
Canada.....	8,047,896	1,186,639	7,808,287	7,885,103
United States.....	1,998,555	1,880,900	6,602,772	3,177,749
South America.....	16,900	6,008,636	2,400,772	2,072,232
China.....	11,414,968	632,327	265,360	21,270
Russia.....	28,017,658	14,855	74,822	1,250
Batoum.....	5,777,844	..	20,040	..
Continental ports.....	1,170,041	1,791,112	1,263,345	215,952
Bombay.....	5,763,161	20,383,836	10,542,311	13,759,618
Persian Gulf.....	1,633,820	2,675,114	2,147,349	6,939,426
All other places.....	4,583,116	4,768,609	4,634,316	4,378,611
Total.....	272,642,091	316,370,656	348,225,351	266,840,501

The following table gives the exports from South India for eleven months, the figures for the last month of the season not being obtainable:—

	1913-14.	1918-19.	1919-20.	1920-21.
United Kingdom.....	10,766,086	19,019,893	25,024,534	23,717,041
Colombo.....	3,119,973	1,188,867	1,567,686	2,913,957
Other ports.....	5,542,110	12,945,832	676,909	4,333,352
Total.....	19,428,169	33,054,592	27,269,129	27,064,350

The total crop from India for the season 1920-21 showed a decrease of 9.71 per cent. The Indian Tea Association had suggested that the output should be restricted to 9 per cent. of the average, which is practically what was done.

It will be noticed that the only places to which exports are not less in 1920-21 than in 1919-20 are Bombay and the Persian Gulf and from Southern India to Colombo.

The following table gives the exports of Indian tea from the beginning of the season, April 1st to September 7th. These are the latest figures available. It will be noticed that exports are recovering, especially to places outside the United Kingdom:—

	Season 1919-20.	Season 1920-21.	Season 1921-22.
United Kingdom.....	99,195,203	72,918,061	78,798,300
Australia.....	604,887	1,186,524	2,972,246
Canada.....	1,183,623	2,541,424	4,269,135
United States.....	751,626	973,152	4,212,014
South America.....	770,762	1,734,010	277,795
Hong Kong.....	144,676	10,180	1,000
Russia.....	60,297	500	33,736
Hamburg and Bremen.....	459,712	103,236	226,429
Continental Ports.....	2,152,671	4,694,440	4,760,294
Bombay.....	761,388	754,049	1,588,905
Persian Gulf.....	70,922	89,119	103,362
Straits Settlements.....	542,961	729,986	859,425
Burma.....	705,694	526,174	2,728,878
Africa.....	1,770	48,074	189,497
All other places.....	..	..	..
Total.....	107,406,190	86,308,967	101,021,144

The following table gives the exports of tea from Southern India to July 31st:—

	1913-14.	1918-19.	1919-20.	1920-21.
United Kingdom.....	6,237,709	8,275,229	6,564,330	..
Colombo.....	564,811	454,192	1,392,033	..
Other places.....	263,976	47,350	44,109	..
Total.....	7,066,496	8,776,771	8,001,342	..

The quality of the 1920-21 crop was not in any way remarkable. As mentioned above, a great deal of very poor tea was sent to the United Kingdom, but as time went on the quality improved, but never rose to any distinction.

The following table gives the distribution of the Ceylon crop for the two years 1919-20 and 1920-21:—

	1919-20.	1920-21.
United Kingdom.....	130,828,580	113,241,400
America.....	50,941,000	21,773,079
Australia.....	26,629,570	17,127,913
Russia.....	90,786	..
Continental Europe.....	4,699,473	1,417,267
All other places.....	15,726,850	14,951,318
Total.....	210,813,687	168,510,977

The following table gives the distribution of exports of Java tea for the years 1919-20 and 1920-21:—

	1919-20.	1920-21.
United Kingdom.....	25,531,000	22,497,200
Holland.....	50,941,000	28,630,800
Australia.....	24,331,000	13,352,600
United States.....	1,393,800	6,047,800
Canada.....	1,047,200	402,600
Singapore.....	409,200	..
China.....	1,793,000	756,800
Other places.....	..	..
Total.....	133,313,200	72,122,600

The decrease in exports of Java tea during the twelve months is remarkable. Java felt the economic crisis more than India and Ceylon, and many estates had to close down, some temporarily, but a few probably for good.

Planters are making great efforts to gain new customers, by improving their methods of cultivation, &c. An International Tea Congress is to be held at Bandoeng from May 6 to 21, 1922. The Government is responsible for the scheme. Conferences are to be held for the discussion of all subjects, scientific and commercial, connected with tea. There are also to be demonstrations of various methods of cultivation and manufacture; prizes and diplomas will be offered. Awards of these are to be made by a jury of international character.

Tea from Sumatra has won for itself a good reputation in the world's markets. The following table gives the exports of tea from Sumatra for the two years 1919-20 and 1920-21:—

	1919-20.	1920-21.
United Kingdom.....	6,645,548	7,748,568
Holland.....	3,094,577	2,886,603
United States.....	156,077	104,273
Singapore.....	21,736	198,132
Other places.....	54,502	11,744
Total.....	9,970,538	10,946,332

In spite of high prices and a duty of 10d on British-grown and 1s on non-British-grown tea, there is no diminution in the consumption of tea in the British Isles. The following table gives the imports of all teas into London for the last three seasons:—

	1918-19.	1919-20.	1920-21.
United Kingdom.....	378,000	269,313,000	255,657,000
Ceylon.....	1,000	110,937,000	111,373,000
China.....	1,000	27,455,000	8,464,000
Java.....	1,000	35,177,000	30,309,000
Other places.....	1,000	2,804,000	2,377,000
Total.....	378,000	445,688,000	408,180,000

The following table gives the deliveries—i.e., home consumption for the three seasons—with percentage contributed by each of the countries of production:—

	1918-19.	Percentage.	1919-20.	Percentage.	1920-21.	Percentage.
United Kingdom.....	378,000	100.00	269,313,000	63.09	255,657,000	61.18
Ceylon.....	1,000	0.27	110,937,000	26.34	111,373,000	29.23
China.....	1,000	0.27	27,455,000	3.17	8,464,000	2.14
Java.....	1,000	0.27	35,177,000	7.06	30,309,000	6.29
Other places.....	1,000	0.27	2,804,000	0.34	2,377,000	0.57
Total.....	297,218,000	100.00	410,234,000	100.00	389,687,000	100.00

The following table gives imports to the United States for the years 1918, 1919, and 1920. We have no reliable figures for the current year:—

	1918.	1919.	1920.
Imported from.....	..	..	..
United Kingdom.....	381,799	534,647	13,931,177
Canada.....	2,294,155	2,257,012	1,644,840
China.....	14,202,680	10,557,985	10,624,821
British East Indies.....	24,557,960	17,376,298	24,686,408
Dutch East Indies.....	35,806,968	3,611,217	6,686,048
Japan.....	56,436,650	39,959,910	28,949,891
Other countries.....	738,089	665,845	2,911,249
Total.....	134,418,201	80,962,920	90,246,615

The Board of Trade figures for the United Kingdom for 1913, 1920, and 1921 are as follows:—

	1913.	1920.	1921.
Imports—	..	..	..
British East Indies (except Ceylon).....	203,459,657	250,347,245	285,308,480
Ceylon.....	110,936,427	123,348,643	118,190,658
China (including Hong Kong and Macao).....	16,272,548	15,928,282	4,588,074
Java, Sumatra, and other Dutch possessions in the Indian Seas, and Netherlands.....	32,052,717	39,867,273	36,886,148
Other countries.....	2,322,115	1,704,794	556,368
Total imports.....	365,043,464	431,186,236	445,519,802

Entered for home consumption—

	1913.	1920.	1921.
British East Indies (except Ceylon).....	172,843,911	241,553,447	261,308,832
Ceylon.....	91,517,933	112,060,623	110,531,604
China (including Hong Kong and Macao).....	9,892,515	3,581,542	4,780,720
Other countries.....	31,646,194	36,627,992	34,196,597
Total.....	305,899,543	392,823,610	410,717,753

Stock of all kinds at Dec. 31st..... 138,005,000 .. 214,362,000 .. 215,094,468

Re-exports total..... 67,556,651 .. 41,281,335 .. 34,741,183

COFFEE.

Messrs McMeekin and Co., in their annual review, write:—

The past year has been more or less one of liquidation. The large accumulation of coffee held by the Government under the control of the Admiralty Marshal was practically disposed of during the year, and the Board of Trade returns indicate that the stock in the country at the end of December was equivalent to only about 50 per cent. of that carried over from 1920. Business, however, showed extreme fluctuations, short periods of activity having been followed by those of extreme depression, but from the month of May a more or less steady appreciation in values may be recorded. The marked feature of trading during the last quarter was the sudden realisation by the trade that the quantity of high-grade coffee in the country was insufficient for market demands, and prices for these grades

appreciated very rapidly between August and December. Private and official forecasts received during November and December indicated a distinct falling off in the Santos crop likely to be available for season 1922-1923. Estimates varied widely, but even conservative authorities reduced their earlier estimate of the possible crop by as much as 10 to 15 per cent. The world's deliveries for the twelve months showed an advance of about 2,000,000 bags over those of 1920. The probable shortage in supplies was reflected in the price of Brazilian coffee obtainable on the London market, but although an advance was recorded, it was supported, apart from sales of Government coffee, by transactions of comparatively small importance.

The quantity taken for home consumption was practically the same as during 1920.

The quantity exported from the United Kingdom to various foreign markets showed an advance of about 11 per cent. on the figures of 1920 and of about 8 per cent. on those of 1913.

The following are based upon the papers issued by the Board of Trade made up from the Custom House returns for the whole of the United Kingdom:—

	1913.	1917.	1918.	1919.	1920.	1921.
Imports	Cwts. 847,000	Cwts. 547,000	Cwts. 159,000	Cwts. 1,066,000	Cwts. 741,000	Cwts. 567,000
Quantity on which duty was paid for home consumption ..	260,000	422,000	456,000	315,000	306,000	307,000
Quantity exported	515,000	114,000	30,000	630,000	435,000	260,000
Delivery free of duty for use of H.M. Navy and Army and for stores of merchant vessels ..	6,000	17,000	65,000	10,772	5,840	3,15

COCOA.

Last year Germany took 91,500 tons of cocoa, or thereabouts, and this consumption has been the main prop to the cocoa market generally for some 14 months or so. Without its support, prices, never good from a producer's point of view, would have gone quite flat. This was shown by a statement made early in January by the native planters of the Neawam Planters' Association (of the Gold Coast), when they told General Guggisberg, the Governor, that they thought of burning their cocoa rather than accept current low prices—say 12s 6d load of 60 lbs, equal to £34 ton f.o.b. Accra, or £41 in Liverpool. To-day, owing to American and German demand, the price here is 46s.

Generally speaking, throughout last year the home trade was not over-enthusiastic in its welcome to incoming supplies, nor too generous to the cocoa when here. America up to last year had made increases in her consumption, but last year a decline set in. The demand at the start of 1921 was certainly all that could have been desired, but the market eventually fell into an apathetic mood.

With regard to prices, fine Grenadas are now selling for 55s at public auction. Not long ago, buyers would not give 50s for them, then took long lines, and so cleared up the older supplies at that price (50s). Fair fermented Accras used to drag at 39s or lower, and are now 46s, on account of outside demand.

The Gold Coast's export for 1921 was 131,800 tons. This makes the average export during the past four years amount to just under 125,000 tons per annum. Those, therefore, who have been publishing reports broadcast that this colony exported 200,000 tons in 1920 must have misled buyers.

Of fine and choice South American cocoas very little is heard, but attempts are still being made to get manufacturers more interested in such growths.

Concluding with figures, here are the Board of Trade returns for the twelve months. We give the three years since the war for better comparison:—

MOVEMENTS OF RAW COCOA in the U.K. in TONS.

	Landed.	Delivered.	Exported.
Jan.-Dec.	Tons.	Tons.	Tons.
1913.....	34,982	27,161	6,778
1919.....	110,100	64,613	27,946
1920.....	104,282	50,654	45,737
1921.....	60,716	40,864	22,310

IMPORTS, CONSUMPTION, AND STOCKS. (January-December.)

	Quantity.			Value.		
	1913.	1920.	1921.	1913.	1920.	1921.
Raw Cocoa—	Cwts.	Cwts.	Cwts.	£	£	£
Imports	869,639	1,061,304	1,214,132	2,288,273	10,506,796	2,371,000
Home consumption ..	543,327	1,013,024	917,779	3,382,107	1,514,586	1,154,586
Re-exports	135,560	874,757	858,199	478,013	3,992,107	1,514,586
Stocks	169,000	297,660	680,000	..	..	..
Cocoa or Chocolate Pro-						
duced—						
Imports	..	219,719	221,854	..	4,999,278	3,086,270
Re-exports	..	14,919	8,779	..	126,504	21,535

SUGAR.

The following is extracted from Messrs William Connal and Co.'s annual review of the sugar trade in 1921:—The import of raw sugar into the Clyde, according to the bill of entry returns from January 1st, less 12,524 tons exported coastwise, amounts to 198,016 tons, against 252,280 tons in 1920, and 220,617 tons in 1919, and for the present year comprises 9,685 tons British Colonial, 48,690 tons Mauritius, 3,280 tons Brazil, 95,657 tons Cuba, 36,575 tons Java, and 4,129 tons other foreign cane sugar. The meltings for home consumption in the Clyde during the past 12 months have been 182,878 tons, against 216,907 tons in 1920, and 259,642 tons in 1919. Those for the three ports of London, Liverpool, and Clyde (according to trade circulars) during the same period have been 950,000 tons, against 937,325 tons in 1920, and 1,043,648 tons in 1919. The stock of raw sugar in Clyde is now 15,138 tons, against 49,086 tons in 1920, and 13,713 tons in 1919. That in the three ports is 54,600 tons, against 217,685 tons in 1920, and 185,000 tons in 1919.

On Monday, February 28th, the British Royal Commission on sugar supply brought its business, for the purpose of raw sugar, to a close. A special agreement was, however, made with refiners, that although they were at liberty to make what purchases of raw sugar they desired, yet these they could not use until the Government's stock had been exhausted, and it was then estimated that these stocks might last till September. In March the Cuban Commission obtained 44c, cost and freight, for their sugars, and it was understood that it was their intention to maintain their selling price during the season at 44c to 5c. During March and first half of April they were successful in doing so, and occasionally obtained 54c, cost and freight, New York, the equivalent of 30s per cwt. An easier tone, however, was then developed, when 26s 6d, c.i.f., United Kingdom, was accepted for sugars in quantity. At the close of April there was a severe relapse, on dull American markets, and extreme apathy on the part of buyers, and 34c was then accepted, cost and freight, New York, the equivalent of 21s 10d, and remained the quotation till the close of May.

The American beetroot crops had been produced at a high cost, in the hope of arriving at a favourable market, but the slump in prices which had taken place proved deeply disappointing, and fabricants as well as agriculturists, anxiously hoped for the passing of the Emergency Bill then before Congress, as, if passed, the bounty they had enjoyed of 4s 7d per cwt would be raised to 7s 4d per cwt. To their extreme satisfaction, this Bill became law early in June. In April it had become evident that trouble was to be expected in the labour world, and fears were entertained of a strike, involving the coal, railway, and transport workers, but, fortunately, this strike was latterly confined to the coal miners. The effect of this strike on all trades was, however, disastrous, and it compelled the closing of the Clyde refineries from the end of April till the first days of July.

It was in this emergency that many English refiners, when the catastrophe seemed inevitable, adapted their works to the use of oil instead of coal, and they were thereby prevented from stoppage during the period when coal was unobtainable. The American market continued to droop during the next three months, June, July, and August, trade was unsettled, and unemployment prevalent, and Cubas, which early in June were quoted at 34, remained with unimportant fluctuations at this figure till the end of August.

In July and the first half of August an improved demand was experienced for refined sugars. During previous months of depression dealers had reduced their stocks to a minimum, as their operations till then had resulted in continuous loss, but, on revival of demand, on new fruit arriving, and for the replenishing of exhausted stocks, there was an active market, with daily improving prices, which continued till the middle of August. It was then that Clyde refiners, in view of the exhaustion of Government stocks in September, made a beginning of the purchase of raw sugar for their own account, and they succeeded in securing a considerable quantity of Cuban, for early shipment, at 21s, c.i.f. Greenock. During August and September the Cuban quotation was maintained at about 3.25, cost and freight, New York, the equivalent of 19s 9d, but the Commission preferred to offer their sugars sparingly in the hope of commanding the market when supplies from Porto Rico and other American colonial sugars came to an end. There was, however, a continuous arrival of these sugars during these two months, which were moved off at about 4.50, c.i.f., the duty paid equivalent of 2.90 for Cubas. On September 30th Clyde refiners completed their melting of Royal Commission sugars, and during the seven years of their work for the Government they melted in all 1,565,000 tons of raw sugar. The Royal Commission during these seven years of anxiety and difficulty succeeded in keeping the refiners well supplied with raw sugar, and they so arranged that consumers never wanted sugar, sometimes

doubtless in a curtailed ratio, but still always in sufficient quantity for necessary requirements—frequently, also, consumers were supplied, by skilful management, at a price under the world's market value. Had the Royal Commission been allowed to maintain the values of their last purchases of raw so as to cover costs, until these were exhausted, there would have been no loss on their operations, but under Government instructions they were obliged, for several months, to give the consumers the benefit of a falling market, by invoicing raw sugars to refiners at the value on the day of delivery, and hence the ultimate loss.

It became evident in October, as centrals were closing up with outturns better than original estimates, that the crop was likely to prove about 4,000,000 tons, and, having this in view, the Cuban Commission reduced their selling limit to 24, cost and freight, New York, the equivalent of 15s 7d, followed by a further reduction to 24, at which they were enabled to make considerable sales to American refiners. At the same quotation of 24, but with an improving American exchange, it became possible to make considerable sales to both British and French buyers at 14s 9d, c.i.f. At the close of November a further improvement of exchange admitted of business being done for export at 14s 6d, and shortly afterwards 14s, c.i.f. At the close of November a petition was presented to the Cuban Senate requesting the dissolution of the Cuban Finance Commission, on the plea that its purpose had not been fulfilled, seeing that, at its formation in February, 5c was the value of Cubas, but now only 24, and that about 1,600,000 tons of the crop remained unsold. From uncertainty as to the continuance of the Commission, and with a still improving exchange, Cubans were offered early in December at 13s 6d, c.i.f., at which several cargoes were taken by London refiners, and afterwards, when 2c were accepted for new crop, cost and freight, New York, the equivalent of 10s 11d at 4.10 exchange, there were sellers at 12s, c.i.f., but buyers preferred to await further developments. On December 22nd, when the Cuban President signed the petition for dissolution of the Cuban Commission on December 31st, there was some pressure to sell at 11s, c.i.f. At the close the market is easier, and business has been done at 1.75, cost and freight, New York. All control, therefore, of the sale of about 1,200,000 tons of old crop sugars will have ceased on December 31st and owners will then be at liberty to dispose of them as best they can.

When the cost of producing the crop, just closed, is taken into consideration—expensive labour, inflated prices for material, and supplies—all of which have been estimated to involve an average price of 5c—namely, of 23s per cwt, and, as it is likely that half the crop may not realise more than 2c, or 10s 3d per cwt, it will be realised how serious the loss must be to the Cuban planter. Looking to the future, it should not be forgotten that, whereas this year was commenced with large invisible supplies, it ends with the trade working from hand to mouth, and should any feeling of confidence arise at present low prices, and should dealers in consequence resolve to hold their accustomed stocks, a great absorption of present visible supplies would rapidly take place. The Cuban crop now commencing has sufficient canes in sight to produce 4,000,000 tons of sugar, but it is doubtful if many planters will have sufficient resources to admit of working their centrals. Messrs Willett and Gray, therefore, estimate that this crop may not produce more than 3,000,000 tons.

The West India Crown Colonies have decreased in their production during the past two years. Three years ago their crops amounted to 266,117 tons, followed by a crop of 237,238 tons, and last year by only 225,000 tons. The cause is said to be dry and unfavourable weather, as well as a plague of insects. These crops have all been produced at cost much above present market value, and have left severe losses. The balance-sheets of some Trinidad estates show most unfortunate results, and some estates, which changed hands at the highest point of the market, are not now worth one-fourth of their cost. Jamaica has been equally unfortunate, and planters there have petitioned their Government for a loan of £400,000 to enable them to reap the coming crop. They hope for a much better result next season, as the expense of cultivation, which for last crop cost about £30 per ton, they expect will now be covered by about £12. Barbados, where many estates changed owners, has been unfortunate, both as to the yield of their crops, and also from unlooked-for expense in necessary repairs and renewals of plant. Demerara, where immense crops might be produced, has gone back in its cultivation, having only yielded 90,000 tons, against 96,168 tons the previous year. It seems hampered from insufficiency of labour. Mauritius, which during the two previous years made large profits, can now afford a reduced crop, only 200,000 tons, against 260,000 tons, and a greatly reduced revenue as compared with last year, when its crop realised £90 per ton. Australia promises to have an excellent crop, and, having abundant labour, can produce a satisfactory result.

United States beetroot crops gave promise of an increase

over the 970,000 tons produced last year, but unfavourable weather has, latterly, reduced its outturn to 900,000 tons. The American beetroot crop has never yet produced more than about 1 ton of sugar per acre, and without the bounty, which it enjoys along with American native and colonial sugars, it evidently could not exist. In comparison with the yield of cane sugar per acre its yield seems most disappointing. Java yields 4 tons, Hawaii 5 tons, and Cuba and Porto Rico 2.20 per acre. The Canadian crop makes no progress, having only been 23,000 tons this year, against 35,000 tons last season.

Continental beetroot crops show an increase of 255,175 tons over those of last season, having been 3,974,500 tons, against 3,719,325 tons. They at one time gave a promise of greater increase, but drought made a decrease in the Czechoslovakia and French crops. The abnormal sunshine enjoyed on the Continent this year, while reducing the weight of the roots, has greatly improved their quality. France will have to import about 300,000 tons to provide for its consumption, and about 40,000 tons of this has already been received from Czechoslovakia. The latter country may still have 90,000 tons to export. Belgium, Holland, Sweden, and Italy have had excellent crops, and of good quality. The prices obtained for their crops seem to have been satisfactory to continental fabricants.

British Beetroot Crops.—The Cantley factory, in Norfolk, expects to produce this season about 4,000 tons of fine granulated sugars of excellent quality, which has brought a good price in the London market.

It has received increased support from the growers in Cambridgeshire, Norfolk, Suffolk, and Essex, and has obtained nearly twice the weight of roots compared with the receipts of last year. The Kelham factory, in Nottinghamshire, commenced work in their new factory this season, but their results, so far, have been far from satisfactory. It could scarcely be otherwise with roots costing them £4 per ton, and the cost of the factory loading it with an overwhelming debt.

American consumption, which last year was 4,084,672 tons, shows an apparent decline of about 500,000 tons, but the invisible supply existing at the beginning of the year will doubtless have assisted in reducing, if not of wiping it out.

Consumption of the United Kingdom, as shown in the accompanying table, has slightly improved, having been 1,420,000 tons, against 1,278,000 tons in 1920. This is satisfactory, seeing that the duty remains at the high figure of 24d per lb, which does not admit of a lower retail price than 54d to 56d per lb for granulated.

The following tables give the latest estimates of the beet and cane crops for the present year, compared with those on the three previous years, along with the stocks carried over on August 31st, and constitute the supply for the current campaign:—

	BEETROOT CROPS, with ESTIMATES for 1921-22.			
	1918-19.	1919-20.	1920-21.	1921-22.
	Tons.	Tons.	Tons.	Tons.
Germany.....	1,411,900	1,411,900	1,411,900	1,300,000
Poland.....	140,000	140,000	140,000	225,000
Czechoslovakia.....	493,781	493,781	493,781	586,000
Austria and Hungary.....	12,151	12,151	12,151	160,000
France.....	110,096	154,444	305,041	265,000
Belgium.....	75,000	146,818	242,585	380,000
Holland.....	273,438	238,629	316,492	338,000
Russia.....	86,461	86,461	65,520	100,000
Other countries.....	488,000	581,941	661,060	679,500
Total.....	3,658,433	2,594,166	3,719,325	3,801,500

	CANE.—Per Messrs WILLETT and GRAY'S CIRCULAR, dated NEW YORK, NOVEMBER 3, 1921.			
	1918-19.	1919-20.	1920-21.	1921-22.
	Tons.	Tons.	Tons.	Tons.
United States—Louisiana & Texas.....	263,927	108,035	157,334	201,000
Porto Rico.....	376,000	435,000	437,336	415,000
Hawaiian Islands.....	835,000	498,183	804,392	450,000
Virgin Islands.....	9,000	12,400	4,500	5,000
Cuba.....	3,971,778	3,750,077	3,980,000	3,800,000
British West Indies—Trinidad.....	47,850	58,416	54,933	52,000
Barbados.....	30,000	54,279	30,000	30,000
Jamaica.....	40,000	46,875	40,000	35,000
Antigua.....	10,000	15,540	11,220	10,500
St Kitts.....	9,300	10,038	8,800	8,000
Other Islands.....	30,000	5,651	10,000	10,000
French W.I.—Martinique.....	30,000	19,097	25,000	20,000
Guadeloupe.....	25,000	25,000	25,000	20,000
San Domingo and Haiti.....	161,609	179,861	191,171	253,000
Mexico.....	60,000	92,006	115,000	110,000
Central America.....	30,000	35,100	37,500	37,000
South America—Demerara.....	93,902	96,000	100,000	95,000
Burkina.....	15,000	18,000	15,000	16,000
Venezuela.....	7,000	7,528	6,988	7,000
Bonador.....	250,000	330,000	350,000	380,000
Peru.....	130,266	284,709	201,998	175,000
Argentina.....	260,000	177,155	300,000	250,000
British India.....	2,337,000	3,049,157	2,349,000	2,200,000
Java.....	1,749,498	1,335,763	1,604,768	1,550,000
Formosa and Japan.....	415,678	285,482	342,176	250,000
Philippine Islands.....	120,000	205,336	289,000	250,000
Egypt.....	253,772	235,480	254,410	200,000
Mauritius.....	50,000	32,336	40,000	35,000
Madagascar.....	144,000	142,251	140,000	150,000
Mozambique.....	50,000	38,748	45,000	40,000
Spain.....	6,618	6,098	5,000	5,000
Australia.....	226,000	167,238	175,000	270,000
Fiji Islands.....	80,000	60,000	60,000	60,000
Total.....	11,996,106	11,904,588	11,831,715	10,794,500

The world's supplies of beet and cane, as estimated above, together with stocks carried over at August 31st, will therefore stand as follows:—

	1918-19.	1919-20.	1920-21.	1921-22.
Stock in statistical countries car.	Tons.	Tons.	Tons.	Tons.
ried over on August 31st	1,500,000	1,000,000	1,500,000	2,000,000
European beetroot crops	3,858,432	2,594,166	3,719,325	3,912,500
American beetroot crops	897,192	689,457	1,004,019	923,000
Cane crops	11,998,106	11,904,586	11,831,715	10,784,500
	17,853,730	16,188,209	18,055,059	27,620,000

* Estimate, in absence of reliable Continental statistics.

The following table is intended to show how much of these supplies has been consumed during the past three years, and will enable a rough idea to be formed of the relative position of the world's supply and demand till the end of the sugar year on August 31, 1922:—

	1918-19.	1919-20.	1920-21.	1921-22.
Visible supplies on Aug. 31,	Tons.	Tons.	Tons.	Tons.
1919, 1920, and 1921	1,500,000	1,000,000	1,500,000	2,000,000
Production of beet and cane	16,353,730	15,188,209	16,555,059	15,620,000
Deduct visible supplies on	17,853,730	16,188,209	18,055,059	27,620,000
Aug. 31, 1919, 1920, & 1921	1,000,000	1,000,000	1,000,000	1,000,000
Total consumption for	18,853,730	17,188,209	19,055,059	28,620,000
year ending Aug. 31st				

* Estimate, in absence of reliable Continental statistics.

The following table will give an idea of the total consumption of sugar in Great Britain during the past three years:—

	1919.	1920.	1921.
Meltings of raw sugar, by the brokers' circulars, in London, Liverpool and Greenock	1,043,648	937,325	950,000
Probable consumption of foreign refined, West India, &c.	497,000	350,000	470,000
Less refined, of home manufacture, exported	1,540,648	1,287,325	1,420,000
		8,663	

Consumption of United Kingdom 1,540,648 1,278,662 1,420,000

The home consumption of the Clyde ports during the past five years has been as follows:—

MELTINGS OF SUGAR IN CLYDE REFINERIES.

	West India.	Mauritius.	Brazil.	Cuba and Porto Rico.	Beet-root.	Java.	Surinam and Other For.	Total.
1917....	8,474	..	3,040	157,238	..	60,979	7,454	237,186
1918....	34,830	..	1,501	158,539	1,500	31,376	11,375	236,521
1919....	16,789	..	2,257	216,762	..	18,487	7,347	235,642
1920....	212	5,188	2,342	151,110	..	51,420	5,535	216,907
1921....	2,491	48,590	2,380	81,715	..	36,575	4,129	182,278

Decrease in meltings of raw sugar in 1921, 34,029 tons.

Refined.—Five refineries have been at work in Greenock during the year. The refinery of the Brewers' Sugar Company has been dismantled, the site having been acquired for shipyard extensions, and their business has now been amalgamated with the Manbre Sugar and Malt Company, of London. Melting was suspended in all the refineries during the coal strike, from about the end of April till early in July. This stoppage and a shortage of raw sugars in November and December have accounted for the total melt for the year having been only 182,878 tons, a reduction of 34,029 tons as compared with the previous year. During January and February, when under Government control, the price of granulated was 72s per cwt, duty paid, and this was continued till the last week of control, when it was reduced to 67s 6d. Free sugars in this period realised the same price as was paid for Government granulated. On decontrol of the article on February 28th there was a fall of 1s in Greenock granulated, and the price of American was then 38s, c.i.f. These easier prices were of short duration, and were followed by a gradual improvement until the middle of March, when the price of Greenock fine granulated was 68s 6d, duty paid, and of American 40s 6d, c.i.f. The coal strike in the United Kingdom, and consequent unemployment, together with the huge Cuban stocks, brought down prices rapidly, until at the beginning of July 27s, c.i.f., was the value of American granulated. Greenock sugars were not then available, the refineries having been off work all May and June. At the expiration of Government control, the Royal Commission had large stocks of Canadian and American granulated in warehouses in Glasgow, and these stocks were largely drawn on during the coal strike. There was a great increase in demand when the strike ended, as stocks in the hands of dealers had been practically exhausted, and this imparted firmness to the market, and prices advanced each week, until at the middle of August 31s 6d, c.i.f., was paid for American granulated, and Greenock fine granulated was then quoted at 60s 6d, duty paid. From this date till the close of the year there was almost constant sagging of prices, and at the close Greenock fine granulated is quoted at 45s 3d, duty paid, and arrived at the equivalent of 19s, c.i.f. Quotation for the latter for January-March shipment is 17s, c.i.f. Weakness in the American markets and pressure to sell was the cause of this great decline.

FROZEN MEAT TRADE.

The annual review of Messrs W. Weddell and Co., Limited, states:—

A year ago the view was expressed that "the world-wide tendency of food prices to recede to lower levels was not likely to be resisted for long in the case of meat." It was not; but the extent and the severity of the collapse that took place in 1921 greatly exceeded anticipations. The year was a disastrous one for most traders, and there is already a universal desire to forget its bitter experiences, even if its hard lessons cannot be ignored.

Trouble began early in the year—even before the withdrawal of the last vestiges of Government control, with its artificially high basis of values, on March 29th, and difficulties multiplied as the year advanced. The collapse of the American and Continental markets threw unexpected and, to some extent, unsuitable supplies upon this market. Labour unrest in New Zealand interfered seriously with the movements of refrigerated shipping, both at home and abroad, and the same factor in this country contributed largely to the creation of unemployment, which, later in the year, checked consumption. Storage difficulties followed upon interference with the normal sequence of sailings, and for months there was congestion at the principal British ports. When that was relieved late in the autumn, home supplies were at their maximum, and the market simply could not withstand the resulting avalanche, under which prices collapsed in the closing months of the year.

The extent of the débâcle is shown by contrasting January values with those ruling in December, which reveal an all-round shrinkage of just 50 per cent., some descriptions suffering even more than that. Having regard to the average reduction of 30 per cent. established in wholesale prices of other commodities during 1921, this breakdown in meat prices was unduly severe; but some indications of recovery began to show themselves before the year closed.

The 1921 index figure of wholesale prices for all kinds of imported beef, mutton, and lamb is 180 as compared with 240 in 1920, 272 in 1919, and 295 in 1918. These figures are arrived at on the basis which would have produced 100 as the corresponding standard in 1913. Important though the average yearly reductions thus revealed may be, the prices actually ruling at the end of 1921 disclosed a still more noteworthy approach to pre-war parity. That index figure was 123, or only 23 per cent. above the 1913 standard, which was by no means a low one.

It cannot be suggested that retail prices have shrunk to anything like the same marked extent; and though it may be exceedingly difficult to support that view by definite proof, there can be little doubt that consumers generally have not as yet enjoyed the full benefit of the very material reductions which have taken place in wholesale prices.

Naturally this slump produced consternation amongst producers in all parts of the world, and remedies were formulated according to the circumstances of the various producing countries. British, Australian, New Zealand, and Argentine farmers had their several ideas as to what would be most effective. Guaranteed prices, Empire preference, compulsory or voluntary pooling, nationalisation of the industry, were demanded in turn—but as yet without definite results. Most Governments are fighting shy of such calls, realising that their main function is to govern and not to trade.

The number of cattle and sheep in the United Kingdom increased by 122,600 and 866,400 head respectively during the twelve months ending June 4th last. Although these figures represent additions of only 1 per cent. and 3.5 per cent. respectively, they may be accepted as very welcome signs of a recovery in the position of domestic supplies. New Zealand alone furnished us with fully as many carcasses of mutton and lamb as were supplied by the flocks of the Old Country.

Importations in 1921 exceeded all previous records. Excluding livestock and fresh-killed meat, which amounted to 26,330 tons, no less than 917,414 tons of beef, mutton, and lamb were imported into the United Kingdom as compared with 810,415 tons in 1920, 528,354 tons in 1919, and 720,257 tons in 1913. With a home production estimated at 1,056,400 tons, 47 per cent. of the total consumption was imported last year. In London district, 80 to 85 per cent. of the meat marketed came from overseas. In other words, only one Londoner out of seven can now reckon upon having British-fed meat to eat.

Any bias against imported meat which may have existed before the war has been removed under the stress of these past seven years of world-wide unrest; and in view of the increased and still growing dependence of our people upon foreign sources of supply for their daily food, they cannot now afford to indulge any lingering prejudices on the subject, even if they so desired. Ten years ago little more than one-third of our meat supply was imported; to-day the proportion is practically one-half.

The world's export output of mutton, lamb, and beef (frozen and chilled) was somewhat curtailed in 1921 as a direct result of the falling-off in Continental requirements. Shipments from all sources aggregated 970,300 tons, as compared with 1,076,700 tons in 1920 and 1,111,500 tons in 1919. In 1913, only 764,900 tons were shipped from all sources.

The Continental trade was a disappointment as compared with the records for 1919 and 1920. The importations of frozen meat (including pork) into France, Belgium, Holland, Germany, and Italy are estimated at 186,000 tons, against 300,000 tons in 1920. Several factors combined to bring about this reduction in imports, but more especially the state of chaos in international rates of exchange. Other contributory causes were the lack of money in most European countries, the improvement in the status of local flocks and herds, definite efforts put forth on the part of some countries to check imports of meat, and, finally, the relatively high prices demanded by exporters during the greater part of the past year. Evidently, the Continent of Europe is not in a position to absorb nearly so much overseas meat as was hoped for after peace was established.

Top quotations in 1921, compared with 1920 and 1913 prices, averaged (over the twelve months) as follow:—

	Australia.			New Zealand.			Argentine.		
	1913.	1920.	1921.	1913.	1920.	1921.	1913.	1920.	1921.
Mutton.....per lb.	4	9½	7½	4	9½	7½	4	9½	7½
Lamb.....	52	10½	11½	52	10½	11½	52	10½	11½
Frozen beef (fore)	32	84	64	32	84	64	32	84	64
Frozen beef (hinds)	4	11½	6½	4	11½	6½	4	11½	6½
Chilled beef (hinds)	..	..	..	..	..	..	..	..	..

The prices ruling at the close of 1921 were much below the average recorded above, being actually 50 per cent. lower than in January last. New Zealand mutton and lamb suffered relatively less severely than other descriptions.

So far as supplies are concerned, the outlook is by no means reassuring. In the case of beef, it may be less disconcerting than in the case of mutton and lamb; but in neither is there any promise of abundance in the near future. It may be taken for granted that, under ordinary conditions, home supplies of beef will be relatively short in the coming year, for the reason that the number of cattle in the country of suitable age for slaughter is greatly reduced. Home mutton must also be scarcer, because the flocks are standing still or receding relatively to the population, which, in ten years, has increased from 45,000,000 to about 47,000,000 persons.

Apart from the home supplies, the United Kingdom draws more or less freely from eight overseas countries. The herds in these countries numbered 163 million head in 1911 and 178 millions in 1921, while the flocks, which aggregated 326 million head in 1911, now total only 261 millions. Only comparatively small percentages of these animals can be exported, and it must be recognised that mere numbers are not so important as financial results in determining the volume of supplies destined to reach this market. Even if the flocks and herds which could be drawn upon were much greater and were increasing more rapidly than they are, there could be no certainty of large importations resulting; but with comparatively stationary livestock figures and a steadily increasing population, the position of supplies, broadly speaking, must be deemed unsatisfactory from the consumers' point of view.

The general outlook as regards the world's demand is not, however, so unfavourable for the British consumer. Two years ago there existed an important and apparently assured Continental trade. A year ago its position was becoming somewhat unstable. By the middle of 1921 it had become of no great importance, and by the close of the year it had shrunk to very small dimensions. The principal reason for this withdrawal from the market must be sought for in the post-war financial condition of Europe rather than in any definite lack of desire on the part of Continental people to import refrigerated meat. It is impossible at present to say when stability in the exchanges is likely to be restored, but until that barrier to trading is removed, importations of meat are not likely to be renewed in any volume.

The opportunity of opening up Continental markets created by the war was unique; and although the check now met with may be a fortunate happening for the British public, it is a serious misfortune for producers generally, and especially for those in the Southern Hemisphere who have enlarged their plants and widened their whole outlook in anticipation of a big demand from Central Europe.

The United States is more likely to import than to export meat in any quantity, and a revived inquiry for New Zealand mutton and lamb from American buyers is not unlikely to arise, despite the heavy tariff recently imposed.

Turning to the home market, there are undoubted evidences that a strong consumptive demand springs up the moment prices reach a reasonably low level. This feature presented itself in a somewhat erratic fashion during 1921 because of strikes and unemployment; but throughout the year there was always a ready outlet for the best qualities. The undercurrent was especially noticeable in the case of mutton and lamb; but in beef also—except for the lower grades of quality—there were considerable elements of strength. That being so, and the immediate future of home livestock being very uncertain, a serious position might be created for consumers if any falling off in importations should follow the recent drop in values. Unless as much meat is imported into Great Britain as is produced in the United Kingdom, some sections of the public must go short. For these needed supplies we must look to Australia, New Zealand, and the Argentine Republic. All other sources together, welcome and necessary as they are, cannot furnish more than one-tenth of our import requirements, or one-twentieth part of our total consumption.

Not only is this country becoming more and more dependent upon outside sources for its meat supply, but considerably more than half of what must be imported comes from foreign countries. The dangers latent in this position of dependence hardly need to be pointed out, they are so obvious; but, notwithstanding the recommendations of more than one committee of investigation appointed by the present Government to report on the matter, nothing is being done officially to apply any remedy.

Prospects for 1922.—With the probability of less abundant supplies in the aggregate at home, and from overseas, the position would be entirely favourable for sellers, were it not that an increased proportion of the world's output of beef may have to seek a market in this country, for lack of Continental outlets. A dull general trade must have some restrictive effect upon the consumptive demand; but, on the other hand, even a slight increase of employment will doubtless set that demand going again, unless prices generally were to advance materially. If the popular taste could be diverted for a time from mutton and lamb, which are scarce and not likely to become over plentiful, to beef (of which there are large stocks that could be quickly replenished) it would be an advantage to all concerned.

While some recovery from the exaggerated depression in values established towards the close of 1921 is almost certain to be made, the average level of the past year is not likely to be approached, except temporarily. The general tendency must be towards re-establishing the popular prices of 1913. Working costs at all stages must be brought down further if producers are to be tempted to send to this market the increased shipments so necessary to keep prices at a moderate level.

TOBACCO.

IMPORTS AND RE-EXPORTS OF TOBACCO.

	Quantity.			Value.		
	1913.	1920.	1921.	1913.	1920.	1921.
Imports—	Lbs.	Lbs.	Lbs.	£	£	£
Unmanufactured.	162,365,925	219,042,927	227,620,330	6,705,082	32,767,809	22,192,947
Manufactured and snuff	3,587,988	3,572,388	1,295,536	1,332,480	2,163,681	631,349
Total	165,953,913	222,615,315	228,915,866	8,037,562	34,931,490	22,824,296
Re-Exports—	Lbs.	Lbs.	Lbs.	£	£	£
Unmanufactured.	3,698,069	9,321,728	16,332,946	193,396	1,469,487	1,597,837
Manufactured and snuff	261	2,316,874	7,244,842	71,482	685,874	424,924

The Manchester Guardian Annual Commercial Review states:—

According to the latest available official statistics, the crops in 1921 were smaller by one-third than those of the previous year. But this reduction has failed to stay the fall in leaf prices which had set in before the year opened, and in leaf prices which had set in before the year opened, and although there were a few brief periods in which the demand for small to medium size leaf brightened up, the general situation may be characterised as one continual slump. The fall in leaf prices, whilst appreciable, did not lead to any reduction in the cost of the manufactured article. Substantial reductions can, indeed, hardly be expected when it is remembered that on every ounce of tobacco the consumer indirectly pays a tax of about 6d., taking a medium grade brand selling at 9½d. or 10d. per ounce. Until this heavy duty is reduced we cannot look forward to any considerable improvement in consumption.

From a financial standpoint the year has been a lean one, and shareholders have suffered accordingly, particularly those of the independent manufacturers—that is, those outside the Imperial Tobacco Co., Limited.

Notable progress was made last year in tobacco growing in England, particularly in Hampshire. In British colonies, too, the industry is going ahead, particularly in South Africa and Canada. It is estimated that in 1921 the total crops of colonial tobacco were 100,000,000 lbs, of which the growers exported one-half to this country and kept the other half for their home trade. It is expected that in 1922 they will grow 200,000,000 lbs, in 1923 300,000,000 lbs, and in 1924 400,000,000 lbs. The greater portion of these crops will be grown in Canada.

RUBBER.

The following is extracted from Messrs S. Figgis and Co.'s annual review of the India rubber market, 1921:—
SHIPMENTS OF PLANTATION RUBBER FROM CEYLON, INDIA, BURMAH, MALAYA, SUMATRA, BORNEO, AND JAVA.

Exported from—	1916.	1917.	1918.	1919.	1920.	1921.
Ceylon (and India).....	Tons. 23,500	Tons. 25,000	Tons. 23,000	Tons. 43,000	Tons. 37,200	Tons. 40,100
Malaya, &c.....	Tons. 102,000	Tons. 146,000	Tons. 134,000	Tons. 219,000	Tons. 187,800	Tons. 159,800
Java.....	Tons. 14,000	Tons. 16,000	Tons. 17,300	Tons. 35,500	Tons. 31,000	Tons. 29,800
Sumatra (Belawan).....	Tons. 8,700	Tons. 13,200	Tons. 12,900	Tons. 26,500	Tons. 22,400	Tons. 29,500
Total.....	Tons. 148,200*	Tons. 203,200*	Tons. 187,200*	Tons. 324,000*	Tons. 278,500*	Tons. 259,500*

* These figures do not include shipments on through bills of lading from "outside" Malay ports via Singapore, and which are very difficult to estimate. Some authorities state the shipments from the Federated Malay States to be considerably more than we do, but we believe this difference is largely accounted for by much of this rubber appearing again in the Singapore figures, where it has been transhipped. A new method has been started in Singapore for the return of these statistics, which we think will give a more accurate result.
† November and December shipments estimated.

The total shipments from the East for 1921 we estimate at 268,000 tons. The stocks in London and Liverpool have increased from 56,000 tons to 77,850 tons, but the stocks in the East and America are reduced—we estimate by about 40,000 tons altogether—so that we have consumed this year the new rubber we have received, and have taken from the total stocks of England, America, and the East about 18,000 tons (allowing for an increase of 22,000 tons in England). The stocks in New York are still probably considerable, but we believe the invisible supply in manufacturers' hands is small, as they have taken deliveries from the ports as they required them. The stocks of manufactured goods, which were large at the beginning of the year, have also been considerably reduced, which is an important factor.

The agreement made in October, 1920, by the Growers' Association to restrict the output by 25 per cent. has continued throughout the year, and practically the whole of the reduction has taken place in the Malay. As occurred a year ago, the Government are again considering whether it is necessary to bring in legislation with respect to the Eastern plantation industry.

It is encouraging to report a revival in the motor trade in the latter half of the year, particularly in England, where it has been more pronounced than in America; this is most satisfactory, considering the financial state of Europe.

Germany has probably taken as much or more rubber than before the war; we estimate 25,000 tons. France has taken about 14,000 and Italy 6,000 tons, but Russia and Austria very little. Japan has imported direct from the East more than she has ever done previously—probably quite 20,000 tons; her previous largest imports were in 1919, when she took nearly 11,000 tons.

We have again had a difficult year to go through, and during the first six months the buying by manufacturers both here and in America was very largely curtailed, and many of the big ones almost stopped buying; they had already made large forward contracts, which were more than sufficient for their then requirements, and they also held large stocks of manufactured goods. It speaks well for the London market that it was able to take all the rubber that was thrown on it without any serious trouble.

We started the year with the highest prices—1s 3d for crêpe, and 1s 2d for sheets—and the market then declined fairly consistently, till we reached in June the lowest—8d for crêpe and 7d for sheet. In July we had a quick recovery of 2d per lb, which was partly lost in the following month, though since then there has been a firmer tendency, with a good inquiry from America, prices gradually rising up to 11d, which was paid in December for both crêpe and sheet on the spot.

The Rubber Growers' Association issued a circular in November asking the growers to continue the restrictions of 25 per cent. for a further six months, as it is evident that without restrictions more rubber can be produced than is wanted at the present time; but this has not been passed.

The collection of wild rubbers, except on the Amazons and in the Congo, has virtually ceased, and Para shipments again show a heavy decline—only 18,000 tons, against 29,000 tons.

The reclaiming of old rubber has very largely gone out, and if rubber continues at about this price it is not likely to revive.

Quality.—There have again been a large number of

claims for quality on ribbed smoked sheets from New York, and it is possible that there has not been quite so much care taken in the preparation and packing, but bad stowage and atmospheric conditions were again sometimes responsible. Allowances have been numerous, but often only small.

The Rubber Trade Association and the Growers' Association have had a busy year. The settlement contract passed by the Rubber Trade Association came into force on December 1st, and is suitable for speculative business.

From Brazil, the Amazons, Bolivia, Peru, and (Wild) Medium Rubber.—The supply from the Amazons has fallen off by nearly one-third, but in spite of this shortage in Para grades there has been little demand, and the market has shown very little activity, possibly on account of the "thread" trade being still very slow. The price of hard fine Para fell to 10d per lb in May, and recovered to 1s 2d in November in sympathy with Eastern Plantation.

The supply from Brazil shows a decrease. The total receipts in Para from the Amazons, Bolivia, Peru, &c., were:—

	1915.	1916.	1917.	1918.	1919.	1920.	1921.
Tons.	37,500	36,500	39,350	34,350	34,300	28,160	20,217

	Imports.	Deliveries.	Stocks, Dec. 31st.	Prices, December 1st.
	Para, Manaus.	Para, Manaus.	Para, Manaus.	Para, Manaus.
1917.....	7,892	2,119	7,892	251
1918.....	4,498	182	4,498	289
1919.....	6,782	1,041	6,782	100
1920.....	6,515	770	6,515	40
1921.....	3,480	918	3,480	730

Shipments from Para, of Para grades, including Caucho Ball:—

	1917.	1918.	1919.	1920.	1921.
Tons.	40,300	25,400	38,500	29,000	17,900

Imports of medium descriptions have practically ceased, except from the Congo. During the past two or three months there has been a little more demand for these descriptions, and some of the old stocks have been sold, but prices are still too low to attract fresh collecting of wild rubber.

South America.—Except from Bolivia and the Amazons, shipments have almost stopped, and what has come has been lying in foreign ports for some time.

The same applies to Central America.

Guayule.—The production has practically stopped. Imports into New York only 58 tons.

West Coast Africa and Congo.—Shipments from the Congo were only 700 tons to Antwerp, being less than one-third of 1920. From other West Coast districts supplies have practically ceased.

East Africa and Madagascar.—We have had practically no new arrivals of either the wild rubbers or the plantation Ceara.

India, the Malay, and Dutch East Indies have almost stopped sending Rambong.

Sarawak Jelutong in small supply; shipments for the whole year were about 2,400 tons. To-day's value £32 per ton, c.i.f., Palembang £50 per ton, c.i.f., and compressed Jelutong value 9d per lb.

Balata, unlike other produce, has kept its high price, though the business has been smaller and the market quiet. The crop is a small one, which has helped to keep prices firm, though we close with more arrivals and prices rather easier. To-day's value of f.a.q. sheet is about 3s 6d per lb. Venezuela block has been very quiet for months, with sellers to arrive at about 2s 11d per lb, but parcels of fine quality have sold well. From Panama during the year we have had regular supplies, and the quality has improved since the beginning of the year, when it was very inferior; good quality to-day is worth about 2s 5d per lb.

Gutta Percha is limited in demand at steady prices throughout the year.

India Rubber Statistics for 1921.—Total imports, &c., of all sorts were:—

	England.			London.		
	Imports.	Deliveries.	Stock Dec. 31.	Imports.	Deliveries.	Stock Dec. 31.
1917.....	Tons. 67,036	Tons. 64,668	Tons. 13,030	Tons. 55,069	Tons. 53,488	Tons. 11,764
1918.....	Tons. 42,800	Tons. 39,461	Tons. 16,134	Tons. 32,866	Tons. 28,726	Tons. 12,097
1919.....	Tons. 85,818	Tons. 76,974	Tons. 24,986	Tons. 70,597	Tons. 61,387	Tons. 22,297
1920.....	Tons. 103,095	Tons. 71,046	Tons. 56,499	Tons. 86,296	Tons. 59,854	Tons. 20,989
1921.....	Tons. 86,561	Tons. 63,207	Tons. 79,843	Tons. 72,576	Tons. 64,944	Tons. 20,001

	1916.	1917.	1918.	1919.	1920.	1921.
Imports of rubber besides Para and	Tons. 56,341	Tons. 56,919	Tons. 57,458	Tons. 57,993	Tons. 58,528	Tons. 59,063
Peruvian to England.....	Tons. 54,800	Tons. 55,083	Tons. 54,800	Tons. 55,083	Tons. 55,083	Tons. 55,083
Deliveries to London.....	Tons. 17,583	Tons. 12,468	Tons. 15,790	Tons. 24,216	Tons. 25,579	Tons. 27,333
Stock December 31st ditto.....	Tons. 17,583	Tons. 12,468	Tons. 15,790	Tons. 24,216	Tons. 25,579	Tons. 27,333

* Plantation rubber to Liverpool included. Estimated stock in Liverpool about 9,000 tons.

III.—BEER, WINES AND SPIRITS.

BEER.—Brewery companies, though showing declines in profits in some instances, do not, on the whole, reveal that degree of slump in earning power which marked the year in so many branches of industry. The following extracts are taken from the annual review of Messrs White, Tomkins, and Courage:—At last all war-time restrictions have been withdrawn, the Central Control Board has been abolished, and maximum prices no longer exist. Unfortunately, the enormous duties on spirits, wines, and beer are still with us, and for that reason—a reason which the general public appear to forget—there is no hope of an early reduction in the prices of these commodities. Neither the brewer nor the retailer is making enhanced profits. If there is any profiteering, it is done by the Chancellor of the Exchequer. Before the trade gets any profit they have to collect from the consumer and hand over to the Government £5 per standard barrel of beer—13 times as much as in pre-war days, when the tax was 7s 9d. In those days, when a man spent 6d on beer less than three farthings went to the State. Now, out of every 6d so spent the State takes more than 3d in taxation. The spirit duty is 7s 6d per gallon. Before the war it was 14s 9d. The man who buys a bottle of whisky for 12s 6d pays 4s for the spirit and bottle, and no less than 8s 6d to the Government. Last year the Government took £124,000,000 from beer, £71,000,000 from spirits, and £7,000,000 from wine, liquor licences, &c., or a total of £202,000,000.

The war-time restriction of the output of beer was brought to an end so far as volume was concerned, on June 30, 1919. The restriction of average gravity, however, remained until June 30, 1921, the permitted average gravity of each brewer being 1,044 deg. in Great Britain, and 1,051 deg. in Ireland. For the years named the quantities of beer produced, and the rate of duty per standard barrel, have been:—

Year ended—	Duty, s. d.	Standard Barrels.	Bulk Barrels.
Sept. 30, 1914.....	7 9	36,165,000	34,736,000
March 31, 1915.....	23 0	33,099,000	32,110,000
1916.....	23 0	30,292,000	30,163,000
1917.....	24 0	26,626,000	26,626,000
1918.....	25 0	18,816,000	18,816,000
1919.....	50 0	12,921,000	12,921,000
1920.....	70 0	25,115,000	25,115,000
1921.....	100 0	26,731,000	26,731,000

HOPS.—The Board of Trade estimate the hop crop for the year to be 224,000 cwt. The Hop Controller has fixed the average price of the English crop to growers at £18 per cwt. American markets were quiet, with slightly easier prices. The condition of trade was such that brewers did not have to draw on their stocks to the extent expected. It seemed, therefore, that the English crop, together with stocks, would be sufficient to enable everyone to carry on until another crop was harvested. It should be added, however, that although there were 4,000 more acres planted up, the crop was 57,000 cwt. below that of 1920.

WINES AND SPIRITS.—The Budget removed the ad valorem tax on sparkling wines, and substituted a flat rate of 15s per gallon. The Licensing Act, which received the Royal Assent in August, abolished the Control Board, removed restrictions on the prices of beer and spirits, allowed whisky to be sold at 3s 5d. under proof, and made some extension in hours during which liquor might be sold. The Board of Trade returns show that the total clearances of wine from bond fell from 15,155,804 gallons in 1920 to 11,242,213 gallons in 1921, the decline being contributed to by practically every description. The following table is given by Ridley's Wine and Spirit Trade Circular:—

	1913.		1920.		1921.	
	Imports.	Clearances.	Imports.	Clearances.	Imports.	Clearances.
French (Still) ..	Gallons. 1,903,807	Gallons. 1,812,477	Gallons. 3,499,342	Gallons. 3,344,033	Gallons. 1,447,499	Gallons. 1,581,041
Do (Sparkling) ..	1,148,448	1,008,051	1,177,285	1,177,285	402,348	403,787
Port	3,889,411	3,185,987	5,739,572	6,100,774	4,638,809	5,450,848
Spanish (Red) ..	1,954,808	1,821,432	2,227,615	2,076,262	1,430,495	1,442,128
Do (White)	1,178,323	1,063,362	1,150,470	1,172,299	1,897,099	829,340
Other sorts	2,538,320	2,536,546	3,941,134	1,638,686	1,216,531	1,635,149
Total	12,332,912	11,426,835	17,735,418	15,155,804	9,622,784	11,242,213
Brandy	1,490,027	1,507,074	1,329,301	1,331,521	469,356	881,385
Rum	4,709,463	3,331,007	3,882,400	3,132,207	4,324,349	2,036,632
Other sorts	962,845	804,031	1,164,593	973,586	581,836	593,371
Total	7,162,335	5,642,112	6,376,294	5,437,314	5,375,541	3,511,288

Exports of wine from the United Kingdom in 1921 were 2,065,184 gallons, as compared with 1,255,848 gallons in 1920, and 786,376 in 1913. The following information about various sections of the trade is extracted from Ridley's Wine and Spirit Trade Circular:—

FRENCH STILL WINES.—There can be no doubt that claret has been very difficult to sell, and it is not easy to say why such should have proved the case, for although prices have ruled considerably higher than in days gone by, they have not been very excessive, and it might well have been thought that these wines would be among the last to feel

the strain of the present high cost of living, onerous taxation, and in so many cases reduced incomes. However, the fact remains that a great falling off has been experienced, and we are driven to the conclusion that many of the community who formerly drank wine with their meals, have for economy sake either banished it from their tables altogether, or else consume it in sparing fashion. With better times—when they come—we have little doubt that consumption will return to more normal dimensions.

Burgundy has been a trifle easier of sale, but here, again, business has been disappointing, and although the prices realised at the sale of the hospice wines in November were a good deal lower than in 1919, they were sufficiently high to suggest that cheap, and at the same time good, beverage wines will not be easily obtainable for some time to come. Happily, the tendency of the trade is to substantially reduce their quotations for these wines, and also for clarets, and it should be recognised that such is a matter of necessity in order to stem the present slump.

As regards French still white wines, we can write more cheerfully, for they have certainly grown in public estimation during recent years, and, of course, since the war commenced their reduced consumption and, moreover, the limited supplies of Hocks and Moselles in this country have been all in their favour, and as they have become better known, so have they been more appreciated. Proportionately, red claret has mainly been responsible for the decline that we have to record. French white wines much more nearly held their own last year in comparison with 1920.

Business in champagnes has been throughout the year extremely quiet, with the result that clearances have fallen from 680,715 gallons in 1920 to 350,969 gallons in 1921, and the arrivals from 995,619 gallons to 358,473 gallons. In Saumur an even worse state of affairs has been manifested, the duty payments having been on only 37,872 gallons, as against 94,530 gallons, and the imports 32,844 gallons, as against 117,733 gallons. Sparkling burgundies have also fallen in the case of clearances from 48,505 gallons to 14,866 gallons, and that of imports from 63,933 gallons to 10,031 gallons. At the same time, it is satisfactory to note that, as we stated last month, the demand seems to have improved towards the end of the year, especially for the best known brands, and this remark applies, not only to the hotel and restaurant trade, but also for consumption at the private home. Many dealers are hung up with stocks purchased at high prices, which are difficult of sale, and also, in some instances, with speculative purchases made in Paris of wine not intended for this market, and until these have been disposed of holders are unwilling to enter into further commitments. Many have found it necessary to cut their loss, and even to sell below cost price, and although the advice may be unpalatable, we think their example might well be generally followed, so as to make room for other wines which present greater attractions.

PORT.—Although the figures furnished by the Board of Trade show that a certain falling off occurred last year in Portuguese wines as compared with 1920, both as regard clearances from bond and importations, yet statistically its record for the 12 months is decidedly better than that of wines emanating from either France or Spain. The only deduction to be drawn as to the demand for port last year as against pre-war years is that it has been well maintained, and that the figures relating to the years 1919 especially, 1920, and 1921 must be regarded as very abnormal. The obvious reason why the community turned their attention so much to port during the three last-named years was because of the high prices ruling for low-strength spirits, and, of course, specially for whisky; this gave port a great opportunity, of which merchants were not slow to take advantage. With a lowering of the spirit duty, if such an event should occur, a further decline in port might logically be expected.

BRANDY.—Throughout 1921 business in this market has been on very quiet lines, the high cost of the article, occasioned by the present heavy duties, having largely reduced consumption. As seen in the table quoted above, both imports and clearances declined sharply.

RUM.—Business was on very quiet lines throughout the year for all descriptions. About the end of August and the beginning of September the export branch brightened up a little, but this speedily slackened, and, taking the 12 months as a whole, business was disappointing.

SCOTCH MALT WHISKY.—In line with nearly all other industries, Scotch whisky distilling was not an unqualified success during the past year. There can be no doubt that malt distillers had an exceptionally prosperous season in 1919-20—when distilling was resumed—but 10s 6d per proof gallon was probably too high a price for new whisky, even with barley over 100s per qr. The reduction of 1s per gallon in 1920-21 did not tempt bonders to lock up more capital, which was badly needed in financing the Government for the excessive duties payable in advance.

Then when whisky was again allowed to be put up to auction its market value was to some extent proved by the low prices that the young or immature makes fetched. Notwithstanding this, holders who bonded these new malts would be well advised to hold on to them, even with the apparent temporary depreciation. During the year the old competition began to creep in, and for the ordinary three-year-old blended whiskies very low prices were given. But for really fine malts from four to 15 years old very high prices were paid, and there was a genuine demand for them. As much as 30s per original proof gallon was realised for fine specimens under the hammer. In the autumn, after Highland distillers had fixed their price at 6s, there was an unexpected fall in barley, and the price of new whisky was reduced to 5s 6d. The large buyers took full advantage of this, but the smaller bonders hesitated on the fall in consumption.

THE VINTAGE.—Speaking generally, the last vintage in France has, so far as quantity is concerned, proved a disappointment. Initial prospects were all that could be desired, but spring frosts in the middle of April played havoc with the early promise. Then came an abnormally hot summer, with but very little rain, and this caused many of the remaining grapes to shrink up and fall, which meant further reduction. The gathering took place under excellent conditions, with rain shortly preceding and during it; but it came too late, and the grapes yielded only an indifferent amount of juice. A redeeming feature was the almost entire absence of cryptogamic diseases, and the grapes were quite sound and ripe at picking time. Quality was thus ensured, and in all districts not only have good wines been made, but many of them are likely to develop into really fine specimens, and 1921 may in some districts rank as a vintage year. So far as France is concerned, the yield has proved of but poor dimensions, but everywhere the quality of the wines is, to say the least of it, well above the average. Portugal suffered from an unusual paucity of rain and excessive heat, especially during the middle and end of the summer. The yield is larger than that of last year and above the average, but the wines in the Douro district are thin and unlikely to take vintage rank. In marked contrast, Spain had abundant rains in the early portion of the year, and the summer proved cooler than usual; a rather abundant crop was obtained, and the quality is fairly good. Reports from Germany suggest excellent wines—both of Hock and Moselle—being made. In Italy the yield was a good one, and the quality satisfactory, but in Marsala the amount garnered was quite small, and for the most part the wines indifferent. Madeira also produced only a modest crop of wines of about an average quality. In Australia a record was established in all respects, and never has the wine industry there appeared more hopeful.

IV.—RAW MATERIALS. COTTON.

The year 1921 in the Lancashire cotton industry will long be remembered as probably the worst 12 months ever experienced in the history of the trade. Quite apart from the limited demand met with, the losses of merchants, mainly through the depression in values, were of a serious character, and for some time leading firms have felt the financial stringency very acutely. Recently failures have increased in number, and, from week to week, rumours are being circulated of old-established firms being in a tight position. Spinners and manufacturers were unable throughout the year to secure orders at prices which cover the cost of production, and most producers on several occasions had to go into the question very closely as to whether it was more economical to close down entirely, or accept contracts at a loss, in order to provide employment and keep the operatives together.

Fully middling American cotton on the spot in Liverpool was quoted on January 3rd at 9.99d. Trade demand was poor, and prices tended to be easier, the lowest quotation of the year, 7.13d, being reached on February 28th. There was comparatively little change in values during the next month or two, the figure on June 30th being 7.85d. A more bullish feeling prevailed in August, and by the 31st the price had advanced to 11.05d. The upward movement continued, and on September 29th the highest price of the year, 15.71d, was registered. A distinctly easier tendency followed, the figure on October 31st being 12.49d, whilst on November 30th 11.30d was posted. On December 30th the quotation was 11.71d. The outstanding event of the year was the way in which traders were misled by the Agricultural Bureau of the United States Government. In the middle of the summer it looked as though the crop for the season was a complete failure. The rise in prices which began at the end of August, and continued throughout September, stimulated demand in yarn and cloth, and a larger business was done in the belief that lower values were most improb-

able. More recently it has been found that the Agricultural Bureau miscalculated the probable yield, as a result of faulty acreage returns. At the beginning of October, according to the Government, the output would only be about 6,500,000 bales, but in December an official forecast of the crop of 8,430,000 bales was published. Trade organisations in Lancashire have passed strong resolutions about the discrepancy, and protests have been made to the United States Government. On January 3rd the quotation for fully good fair Sakellaridis Egyptian cotton on the spot in Liverpool was 21d. On February 28th the lowest quotation of the year, 13d, was posted. By the beginning of June the rate had advanced to 16d, and the market was steady for several weeks. The month of September brought higher values, and on October 4th the highest rate of the year, 30.75d, was registered. There followed a rapid downward movement to 23d on November 3rd, and 20.50d on December 1st, whilst on December 30th the quotation was 21.50d. The Egyptian crop for this season is expected to be poor, and the Government has estimated the yield at only 3,300,000 cantars.

The following table shows raw cotton and yarn quotations at the beginning of each month:—

	Cotton.	Yarn.	Cotton.	Yarn.
	Fully Middling American.	32's Twist.	32's Twist.	60's Twist.
January 7	11.17	23 1/2	22	21.00
February 4	9.20	21	20	19.00
March 4	7.31	17	15 1/2	13.00
April 1	8.14	17 1/2	16	17.50
May 6	8.36	17 1/2	16 1/2	17.00
June 3	8.12	17	16 1/2	16.00
July 1	7.85	17 1/2	16 1/2	15.50
August 5	8.94	17 1/2	16 1/2	16.00
September 2	11.70	19	18 1/2	19.00
October 7	14.66	23 1/2	22 1/2	28.75
November 4	12.51	20 1/2	20 1/2	23.25
December 2	11.07	18 1/2	18	20.00
December 30	11.71	18 1/2	18 1/2	21.50

Figures of the world's cotton crops have been published by Professor J. A. Todd, from which we have extracted the following table:—

	1915-16.	1916-17.	1918-19.	1920-21.	1921-22.
America	12,953	12,976	11,603	12,218	13,750
India	3,738	4,502	3,978	5,795	3,556
Japan	861	1,022	964	1,114	3,750
Russia	1,480	1,058	383	200	660
China	2,000	2,000	2,000	1,500	1,500
Others	1,043	1,120	1,533	1,695	1,500
Total	22,175	22,678	20,461	23,023	21,787

WOOL.

Twelve months of almost continuous anxiety, doubt, and uncertainty lie behind us, but at the close the impression remains that some progress has, after all, been made along the road leading to sane and normal conditions of trade. More than this, perhaps, we could hardly have looked for. The preceding year had left the trade suffering from excessive stocks and from a deficiency of demand, more especially from Germany, owing to her financial difficulties for which various remedies were being suggested, none of which have since crystallised into a practical proposal. Indeed, the situation there has continued to grow steadily worse.

The uncertainty as to the control of prices by the British Australian Wool Realisation Association (B.A.W.R.A.) also helped to unsettle the market. At first the Government wool were limited considerably above current values. In fact, the opening sale of the year was a fiasco, and loud protests were evoked from the trade generally, leading ultimately to a reduction of reserves towards the end of the series. The rumour that B.A.W.R.A. and the importers of free wool had agreed upon certain limits in common caused some disquiet, especially in view of the purchase by the Government, at that very moment, of 100,000 bales of Cape wool (a transaction stated, later, to be for political reasons). Later on it was announced definitely that offerings were (wisely enough) to be regulated for a long time ahead, and also that certain average limits had been decided on for both B.A.W.R.A. and free wools; while, by a proclamation under the Australian Customs Law, unsold wool could not be exported from Australia unless the exporter undertook to sell only at the agreed limit, plus freight and charges. After six months' experience, however, the scheme has been abandoned, though proposals were actually made to continue it for a period of anything from one to five years. Most fortunately the market, during the short limits fixed, and, consequently, no practical difficulty was experienced. The big coal strike in the spring and early summer was another serious blow to the development of the trade, and the reduction of the American demand, owing to the coming tariff legislation, helped further to depress

the market. If we add to these factors the serious drought in Belgium (hampering very considerably the wool-scouring establishments in that country) and the strike in the North of France, it is hardly surprising that the year has been such a disappointing one. Prices, which had already fallen from 50 to 60 per cent. in the previous year, continued to recede steadily till May, when a better demand set in and confidence appeared to be returning. In July, however, a set-back occurred—partly due to excessive offerings—but renewed confidence was manifested in the September sales, and the situation generally began to look decidedly more hopeful when the sudden heavy decline in the value of the mark (due to political difficulties) brought German competition in the October sales almost to a standstill. The largely increased home demand, however, saved the situation, and prices were not only maintained, but actually enhanced. In the last series of sales a certain reaction set in, but the demand was strong on the new basis; and at the close of the year the best merinos are 30 per cent., topmakers' wools 20 per cent., fine crossbreds 25 per cent., medium 45 per cent., and coarse crossbreds 35 per cent. lower than in December last. Capes have fallen 10 to 15 per cent. Prices, however, for merinos and fine crossbreds show a marked recovery from the lowest point.

We give below our usual statement of the value per lb clean of a few representative descriptions in December in certain years, in July, 1914, just before the war, in April, 1917, which saw the temporary close of public auctions, and in December, 1919, 1920, and 1921:—

	Pt. Phillip.	Adelaide.	B. Ayres.	Short Cape.	Fine Fairly Good.	Austr. Crossbred.
	Good.	Average.	Average.	Washing.	(Super.)	Fine. Medium. Coarse.
Dec. 1899	33 1/2	31	26 1/2	24	25	20
1900	19 1/2	17	14 1/2	13 1/2	15	12 1/2
1901	21	18 1/2	15 1/2	14	16	11
1910	27 1/2	25	22	20 1/2	23	19 1/2
1911	26 1/2	24	22	19	22	18 1/2
1912	29	26	22 1/2	20 1/2	24	20
1913	28 1/2	25	22 1/2	21	22 1/2	18 1/2
July 1914	33 1/2	28	27 1/2	23 1/2	26	22 1/2
Dec. 1915	45	35	31	26	37	34
1916	63	57	48	39	51	47
April 1917	75	63	50	38	54 1/2	50 1/2
Dec. 1919	138	103	97	68	95	70
1920	65	40	34	28	45	30
1921	45	38	30	23	35	21

As compared with July, 1914, merino fleece is now about 30 and pieces 15 per cent. higher, while medium and coarse crossbreds are 40 per cent. lower. The Australian clip has shown a decrease of some 400,000 bales, while the Cape production remained nearly stationary. The weather in Australia has been quite exceptionally favourable. In Queensland and New South Wales good falls have taken place throughout the year, and advices just to hand state that the valuable monsoonal rains, so essential to a good season, have duly occurred. In Victoria, too, the weather has been satisfactory. In South Australia conditions have been most favourable, and rain has fallen consistently even in areas considered the most droughty. In most parts of Western Australia the season has been one of the best ever known, though in the Ashburton, Upper Gascoyne, and Upper Murchison districts a very dry period was experienced until the rains in May and June put a better complexion on things.

Value of Colonial Supply.—The following gives the yearly total value from 1909 to 1916 of the Colonial supply, based upon a fairly trustworthy average value per bale. After 1916 no figures are obtainable:—

	Australasian.	Cape.	Total Colonial.	Average Value per Bale.	Total Value.
Year.	Bales.	Bales.	Bales.	£	£
1909	2,296,000	380,000	2,676,000	15	40,140,000
1910	2,411,000	377,000	2,788,000	16 1/2	45,305,000
1911	2,224,000	376,000	2,600,000	15	39,000,000
1912	2,463,000	463,000	2,926,000	15	43,890,000
1913	2,296,000	484,000	2,780,000	16 1/2	45,870,000
1914	2,332,000	499,000	2,831,000	17	48,127,000
1915	2,157,000	519,000	2,676,000	17	50,844,000
1916	1,919,000	500,000	2,419,000	27	65,313,000
1917	..	..	..	32 1/2	..
1918	..	..	..	47	..
1919	..	..	..	52	..
1920	..	..	..	18	..
1921	..	..	..	..	..

Prices.—The following gives the highest and lowest quotations during the last 36 years of some leading descriptions of wool, and the value in pence per lb as it stood on December 31st during recent years, and in April, 1917, for Colonial and Buenos Ayres wool:—

	Highest Point.	Lowest Point.	Dec. 31, 1916.	Apr. 1917.	Dec. 31, 1918.	Dec. 31, 1919.	Dec. 31, 1920.	Dec. 31, 1921.
Port Phillip, good greasy	1920 72	1895 7 1/2	30 1/2	36	..	66	31	21 1/2
Do good scoured combing	..	13 1/2	54	57	..	108	46	34
Sydney good average greasy	..	66	7 1/2	27 1/2	33	..	57	28 1/2
Queensland good greasy	..	7	26	35	..	60	30	21
Do average greasy	..	116	13	52	55	..	105	42
Do good scoured combing	..	63	25	32	..	54	25 1/2	35
Adelaide good greasy	..	60	62	25	32	..	50	22
Do average greasy	..	48	52	21 1/2	24	..	41	15
West Australian good greasy	..	67	7 1/2	28	33	..	55	28
New Zealand super greasy	..	68	7 1/2	30	35	..	62	25
Austral. Crossbred sup. gray. (fine)	..	68	1901 9	31	33	..	61	30
Do Crossbred avg. gray. (medium)	1919 35	..	44	23	24	..	13	7 1/2
Do Crossbred avg. gray. (coarse)	..	..	44	23	24	..	20	3 1/2
Cape, Eastern, ex. sup. snow-white	1920 88	1895 14	45	47	..	78	36	32
Do average greasy (short)	1919 30	..	44	15	14 1/2	..	25 1/2	10 1/2
B. Ayres, avg. greasy (36% yield)	1920 40	..	44	19	20	..	35	12 1/2
Peru, average	1918 40	1902 54	20	33	35	..	18	9
Lincoln hogs	..	29	22	22	19 1/2	..	29	14
Lincoln wethers	..	22	22	22	19 1/2	..	28	12
Alpaca, Islay good average fleece	..	78	1886 11	26	45	..	78	41
Mohair, Turkish fair average	..	43	1892 12	26	32 1/2	..	30	17

Alpaca fleece is 20 and average Peru 50 per cent. below December last. Lincolns are 35 per cent. and Turkish mohair 15 per cent. lower.

Distribution of Colonial Wool.—The following gives the total imports of Colonial wool into Europe and America for the season, and the shares taken by the English and foreign trade (in thousands of bales):—

	Total Imports for the Season into Europe and America.	Total Imports into England for the Season.	London Market.					Direct Purchases.				Total Consumption.			
			Net Imports, for- wardings deducted.	Hand over for following Year.	Bought for English Consumption.	Bought for Foreign Consumption.	Total Sold (First- Hand Wools).	English Consump- tion Forwarded Direct.	Foreign Consump- tion Forwarded via England.	Direct Imports.	Total.	English.	Continental.	American.	Grand Total, English & Foreign.
1904	1,572,116	746	1	398	351	750	226	194	406	826	625	874	77	1,576	
1905	1,842,130	752	2	398	353	731	290	258	542	1090	688	1023	130	1,841	
1906	2,071,134	739	2	397	342	739	353	322	757	1332	750	1221	100	2,071	
1907	2,390,158	819	14	456	351	807	401	364	806	1571	857	1372	149	2,378	
1908	2,348,164	1,002	11	528	477	1,005	381	258	707	1,346	909	1,348	94	2,351	
1909	2,676,199	866	3	454	420	874	465	370	977	1,810	917	1,588	179	2,684	
1910	2,788,176	812	8	543	349	897	550	407	1,019	1,976	1,008	1,550	125	2,783	
1911	2,901,791	910	10	521	377	898	550	335	1,167	2,016	1,055	1,778	101	2,934	
1912	2,926,175	890	2	521	377	898	550	335	1,167	2,016	1,055	1,778	101	2,934	
1913	2,780,164	803	15	469	321	790	574	268	1,135	1,977	1,043	1,670	54	2,767	
1914	2,811,601	770	20	530	235	765	438	392	1,230	2,060	968	1,689	168	2,825	
1915	2,676,171	1,056	10	903	163	1,066	1,020	95	505	1,620	1,923	2,125	551	2,686	
1916	2,419,146	726	52	627	57	684	757	13	923	1,693	1,384	2,737	720	2,377	

No figures obtainable since 1916.

—Schwartz, Buchanan, and Co.

The report of the directors of the British Australian Wool Realisation Association, Limited, contains the following interesting tables of total stocks and disposals for the year 1920-1921:—

TOTAL STOCKS AND DISPOSALS. DECEMBER 31, 1920— DECEMBER 31, 1921.			
Description.	Stock and Afloat Dec. 31, 1920.	Disposals Dec. 31, 1921.	Stock and Afloat at Dec. 31, 1921.
	Bales.	Bales.	Bales.
Australian merino—			
Combing.....	658,400	393,951	308,449
Clothing.....	142,843	75,373	67,470
Carbonizing	92,337	48,707	44,230
Total merino.....	904,180	494,031	420,149
Crossbreds—			
Combing Fine 50/58/60's.....	434,197	95,244	338,953
Med. 44/46's.....	145,011	23,015	121,996
Low 40's and below	61,238	13,806	47,432
Clothing Fine 50/58/60's.....	57,993	9,485	48,508
Med. 44 46's.....	42,949	1,606	41,343
Low 40's and below	15,494	1,567	13,927
Carbon'g Fine 50/58/60's.....	83,336	20,034	63,302
Med. 44/46's.....	67,150	8,764	58,386
Low 40's and below	23,867	2,678	21,189
Total crossbred	931,825	176,199	755,626
Grand totals Australian	1,836,005	660,230	1,175,775
New Zealand—			
Merino.....	3,181	449	2,732
Crossbred (bulk combs).....			
Fine 56/58's.....	23,761	6,572	17,189
Medium 46/48/50's.....	184,123	34,826	149,297
Low 44's and below	245,081	34,207	210,874
Slipes.....	156,268	30,171	126,097
Scoured.....	160,529	32,665	127,864
Grand Totals New Zealand ..	772,943	138,890	634,053
Falkland Islands—			
Crossbred Medium	2,329	2,329	nil
Totals.....	2,611,277	*801,449	1,809,828
South African	..	..	550
Grand Total Stock.....	..	..	1,890,378
* This total includes wool in original state sent for re-conditioning. The stock of re-conditioned wool unsold on December 31st was 396 bales.			

GRAND TOTAL STOCKS as at DECEMBER 31, 1921.

	Australian Bales.	New Zealand Bales.	South African Bales.	Totals Bales.
United Kingdom	695,783	319,125	36,270	1,051,178
Do (re conditioned)	387	9	..	396
Antwerp	37,961	25	..	37,986
Afloat for U.K.	22,111	47,477	..	69,588
Afloat for Antwerp	22,879	..	21,518	44,397
Afloat for Australia	2,649	..	..	2,649
In Australia	394,392	..	..	394,392
In New Zealand	..	267,426	..	267,426
In South Africa	..	..	22,762	22,762
Totals	1,176,162	634,062	80,550	1,890,774

The above estimated to consist of:—

	Greasy Bales.	Scoured Bales.	Slips Bales.	Total Bales.
Australian	780,505	395,657	..	1,176,162
New Zealand	380,092	127,873	126,097	634,062
South African	73,880	6,678	..	80,550
Totals	1,234,477	530,200	126,097	1,890,774

JUTE, FLAX AND HEMP.

ITALIAN HEMP.—The Italian hemp market has suffered very severely from the collapse in trade, and it has had for the most part to dispense with the support of Great Britain and America. The French and Italian spinners, however, have maintained their interest in this article, and must have accounted for most of the consumption, and Germany has also been a considerable buyer. It is estimated that there are at present about 130,000 tons of hemp warehoused in the various producing districts in the country. Great efforts are being made to induce the growers to diminish the sowing considerably for the next crop, and a reduction to one-third of the last crop is advocated. This proposal has brought about a more hopeful tone on the market during the last fortnight of the year, with a corresponding stiffening in values and some revival in activities, but the banking crisis through the operation of the exchanges has left sterling prices much as they were.

FLAX.—Flax and its associated trades have had a most disappointing year. The drop in values which took place cannot be accounted for by the statistical position; in fact, if it had not been for the depression in trade the flax spinning industry would have been in a very serious plight as regards its supply of raw material. The Linen Trade Circular presents the position very clearly when it states in its issue of January 7th: "If trade fails to improve we can drag on with a reduced consumption of raw material, but if, as seems the general consensus of opinion on the part of those best qualified to judge, world trade is going to expand in a very marked fashion towards the middle of the year, there will only be two courses open to the linen industry, either to put up prices to such a point as will choke off buyers and prolong the producing period or to keep prices down, accept all the business offered, use up the available flax, and then take a prolonged holiday.....It is futile to contend that as matters have worked out fairly well in the past they will do so in the future, and that linen will be available when wanted. No amount of windy argument will take the place of 200,000 tons of flax, which are lost to the trade just as thoroughly as if they had gone up in smoke."

The fall in the value of flax, which commenced in May or June, 1919, continued with the speed of an avalanche during the early months of 1921, and reached bottom about May, when good flax, which was selling at £600 per ton a year previous, could be bought at under £120 per ton. The consequence of these very unprofitable prices was a decrease of about 75 per cent. in the flax sowings in 1921 compared with the previous year in those countries upon which the world is now dependent for its supply, such as Holland, Belgium, and Ireland. In June demand began to improve, and by October prices had advanced about 40 per cent. from the bottom. Since then they have been steady, and have recently shown a further upward tendency. The trade has been working up flax from the large stocks of 1920 straw, but as these are becoming exhausted the supply will be dependent on the small output of 1921 straw, and in a few months Ireland, Belgium, and Holland will have very considerably depleted the supplies available.

The uncertainty of the Russian situation still makes it impossible to place any reliance on supplies in any quantity from this region. The Baltic States, which may possibly have 15,000 tons of flax available for export in 1922, are the only assured source of supply. There will undoubtedly be some flax from Soviet Russia, but information is conflicting, and at the most 10,000 to 15,000 tons are all that can be expected. As Russia formerly exported about 300,000 tons per annum, i.e., 80 to 90 per cent. of the world's flax requirements, the deficiency is so serious that there is no possibility of replacing it from any other source.

Trading in manufactured goods is much healthier than it was 12 months ago; very large clearances of yarns and

linens have been made, the demand is now steadily improving, but unfortunately prices are stated to be unprofitable to spinners and weavers, while flax prices are still too low to encourage an increased output.

EAST INDIAN HEMP.—The demand for Indian hemp throughout the year 1921 has been much below normal, and prices in some cases have fallen to a lower level than pre-war values. Last season's was a half crop, but owing to poor trade demand there has been sufficient to meet requirements.

The present values of all Indian hems are unremunerative to growers, and in consequence India is producing less fibre this season than last. There is, therefore, no great pressure to dispose of old crop stocks in Bombay and Calcutta. Many Indian shippers have entirely stopped baling.

CALCUTTA JUTE.—The crop this season is not expected to yield more than 4,000,000 bales, against an average crop of 9,000,000 bales, and it is estimated that the carry over of old crop in Calcutta amounted to 1,000,000 bales, making a total of 5,000,000 bales for the world's requirements. Early in August the market became very excited on account of the short crop, and many purchases were made, the market rising almost daily until it reached by the end of September £37 per ton for First Natives. Owing, however, to the heavy supplies of jute cloth and yarn held by Calcutta and Dundee, the trade demand for raw jute fell away, and prices declined rapidly, touching £23 10s per ton in December. Since Christmas, Dundee and the Continent have bought some jute, and fair quantities have been placed. These operations have strengthened the market.

MANILA HEMP.—The year under review has been conspicuous for the rapid drop in prices, and may be considered unsatisfactory to the producer, the merchant, and the spinners alike. In January, 1921, "C" grade of Manila was quoted at £104 per ton, and it ended the year at £55 per ton, c.i.f., forward shipment, while "J" was quoted at the beginning of the year at £56 per ton, and ended at £38 per ton.

Never in the history of the trade has there been more trouble over deliveries, a large number of parcels which arrived proving inadequate in strength, and containing perished fibre. This has brought about a great number of claims, which have been adjusted by arbitration with very heavy allowances. That these were generous is evidenced by the present inquiry for all kinds of allowedance hemp. A scientific inquiry was set on foot by the London Manila Hemp Association with a view to ascertaining the cause of the deterioration in strength, and investigations were made independently by officials in Washington and Manila. Those competent to judge have come to the conclusion that the deterioration is due to long storage in ill-ventilated warehouses. The low-grade hems, which contained too large a percentage of cellulose, and may have been imperfectly dried, suffered most. The delay in shipment, which necessitated this long storage, may be attributed to the decline in demand, which caused holders to keep their hemp back rather than ship it when produced as formerly.

SISAL.—A feature of the year has been the increased consumption of Sisals of all kinds in Europe, and it is now evident that spinners have learnt to appraise African Sisal at its true value, and that they have largely supplanted Manila with this material for the manufacture of binder twine amongst other articles.

Sisal, like Manila, underwent a considerable change in value. No. 1 East African was quoted in January, 1921, at £53 and ended the year at £39 per ton, the lowest point touched being £34 to £36 in November. These prices were unremunerative to producers, only the best organised estates situated near the coast being able to hold their own, and the more expensively run properties were put out of gear, thus to a large extent curtailing production. There is reason to believe that this industry has seen its worst days, and that 1922 will tend to stabilise values, while the reduced cost of production may be expected to bring the industry back to a more remunerative basis.

MEXICAN SISAL.—(HENEQUEN).—Unsatisfactory trade conditions in the United States led to a great reduction in the consumption of Henequen, with the result that the market was unable to absorb the Mexican production—400,000 bales which had been bought by a syndicate some time before, and had to be held right throughout the year. The price fell to 2½ cents, Gulf ports (equal £25 10s, c.i.f.), comparatively little business was done, not so much through lack of buyers, but because the sellers were only prepared to take an interest in the article on account of the low price, and several thousand tons have been imported into U.K. and Continental ports. Buyers, however, are accustomed to the better grades of African Sisal, and there has been

little satisfaction in the use of Mexican. Claims have arisen, and Americans allege these are due to the European consumers not understanding that Henequen is not the same plant as Sisal, and can never produce fibre of equivalent value. In the last days of the year news was received from America to the effect that the American banking interests had transferred their large stock of Sisal to a Mexican syndicate, which would co-operate with the central-selling organisation of the Yucatan Government. Already private sellers had been eliminated, and the control of this trade is now entirely in the hands of the Yucatan Government, who at once imposed an export duty of three cents per lb. Henequen jumped up accordingly to 6½ cents per lb, which makes it dearer for European users than African Sisal. It would seem, therefore, that this sudden incursion of Henequen into this country is not likely to prove a permanent factor in the industry.

NEW ZEALAND HEMP.—Has been of little or no interest throughout the year. Wages and the general cost of production rose so much during the war, that this fibre cannot now compete with African Sisal. Unless it is possible to adjust the cost of production to meet the new conditions, it seems likely that New Zealand may cease to be a factor in this market. At the beginning of 1921, it stood at £52 per ton, c.i.f., for "High Point Fair," and ended the year at £37 10s per ton.

MAGUEY.—An interesting feature of this fibre is that the Philippine Bureau of Agriculture is taking steps to prevent the production in its present form by introducing modern decorticators to clean the leaf. These convert it into a fine fibre of the Cantala variety, and replace the former process of rotting in sea water and preparing by hand. The resulting fibre is much softer and finer than Sisal. America is at the same time endeavouring to increase the production of Sisal in the Philippines, so that they may not depend entirely upon Mexico for their supply, and considerable quantities have already been shipped to U.S.A. So far, only samples have reached the European market.

FIBRE VALUES in the UNITED KINGDOM.

	July, 1914.	Jan. 1, 1919.	Jan. 1, 1920.	Jan. 1, 1921.	Jan. 1, 1922.
Ital. hemp, PC, SB..... per ton	42 10	205 0	130 0	105 0	54 0
Bombay hemp, H. J. F.....	17 15	30 0	70 0	35 0	22 10
Bengal Sunn.....	25 0	100 0	60 0	40 0	24 0
Manila J.....	25 0	80 0	60 10	56 0	38 10
New Zealand, fair.....	23 0	85 0	48 0	50 0	35 10
African Sisal, No. 1.....	26 0	58 0	56 0	53 0	39 0
Jute, First Natives.....	26 15	46 10	66 0	38 10	25 10
Flax, Livonian ZK.....	34 10	180 0	245 0	120 0	120 0
Cotton, spot, Liverpool..... per lb	6.68d	22.00d	30.50d	9.90d	12.00d

—Extracted from Messrs Wigglesworth and Co.'s report.

The following figures show our imports of flax, hemp, and jute during 1913 and last two years:—

	Quantity.			Value.		
	1913.	1920.	1921.	1913.	1920.	1921.
FLAX.						
Russia.....	68,161	11,653	662	2,806,829	4,046,802	78,335
Netherlands.....	1,442	1,825	1,917	87,059	1,022,196	280,320
Belgium.....	14,194	2,578	9,730	1,262,141	1,493,312	2,250,576
Other countries.....	473	2,362	3,968	24,100	812,470	514,978
Total.....	84,270	18,418	16,275	4,180,129	7,374,780	3,124,207
FLAX TOW OR CORDILL.						
Russia.....	13,416	197	..	503,160	43,203	30
Belgium.....	3,812	254	727	65,335	33,818	69,449
Other countries.....	955	1,919	1,649	22,595	324,637	155,873
Total.....	18,183	2,370	2,376	591,090	401,658	225,352
HEMP.						
Russia.....	12,818	..	3	432,201	..	170
Germany.....	4,186	..	65	129,299	..	2,637
German East Africa.....	949	10,874	..	31,210	593,130	..
Italy.....	9,102	27,965	1,846	376,044	1,112,643	178,754
Philippine Islands.....	64,579	63,338	31,520	2,000,450	5,922,082	1,368,468
British East Africa.....	283	9,041	8,825	7,279	523,656	357,485
British East Indies.....	17,390	15,695	5,086	386,680	911,112	173,156
New Zealand.....	21,824	4,713	3,365	648,170	255,089	151,871
Other countries.....	6,571	9,019	6,308	179,492	724,079	289,268
Total.....	137,702	140,546	57,018	4,191,825	11,041,791	2,521,807
HEMP TOW OR CORDILL.						
Russia.....	2,908	6	..	51,686	600	..
Italy.....	754	1,461	247	22,020	181,132	13,051
New Zealand.....	4,906	383	70	69,789	16,863	1,400
Other countries.....	708	2,068	1,021	14,909	146,774	30,571
Total.....	8,576	3,918	1,338	158,404	345,369	45,022
JUTE, RAW.						
Total of flax, hemp, and jute.....	350,826	218,098	103,790	9,246,598	13,099,722	3,775,764
	599,557	383,350	180,797	18,368,046	32,263,320	9,692,152

HIDES AND LEATHER.

The following is extracted from the review by Mr James Powell (T. J. and T. Powell, Bermondsey) in the *Chamber of Commerce Journal*:—

RAW HIDES.—In the report for 1920 it was stated that that year had proved a disappointing one for all engaged in the handling of raw hides. The year 1921 has shown little improvement, and its end was greeted by many with much relief, in the hope that the new year may show a turn towards better times than have been experienced during the last 18 months.

ENGLISH HIDES.—In the same report it was pointed out that the fluctuations in prices of English hides during that year had established a record, but that the year closed with prices below pre-war level. These prices continued to rule in 1921, with some slight fluctuations, till the middle of April. A continuous advance then took place until the end of September, prices at that time reaching 10½d per lb for first heavy ox, which showed an advance of 50 per cent. over the prices of 1914. In the beginning of November a decline of fully 20 per cent. took place, prices suddenly dropping in one sale from 10½d to 8d for No. 1, and correspondingly for other grades. It was, however, felt that this fall was overdone, and a gradual recovery has since been taking place, and at the last auction of the year No. 1 heavy ox realised 8½d, seconds 7½d.

The export of English hides showed a big increase over the figures of 1920, as will be seen from the following statistics:—

1913.	1920.	1921.
Cwts.	Cwts.	Cwts.
217,754	88,825	130,469
1914.	1920.	1921.
July (outbreak of war).	December.	December.
1st ox, 7½d to 7½d	1st ox, 6½d to 7½d	1st ox, 6½d to 8½d
2nd ox, 6½d to 6½d	2nd ox, 5d to 5½d	2nd ox, 5½d to 7½d

LEATHER.—As for more than six months during the latter part of 1920 a gradual fall had been taking place in the values of leather, it was generally expected that the opening months of 1921 would at least show a steadier market, with firmer quotations as the spring trade developed. This was, however, entirely falsified, as, owing to the continued stagnation in the demand, weakness of values naturally followed during the opening months. Further falls were recorded for most descriptions, and the volume of trade passing was very small. This state of things lasted until July. After the August bank holiday a distinctly better inquiry set in. A larger volume of trade was done, and a firmer tone prevailed. Owing to the continued rise referred to in the report on the market for hides, tanners at this time tried to raise their prices substantially, but their efforts were unsuccessful. Owing to the higher prices asked, the demand for leather subsided, and stocks began to accumulate. A very quiet time ensued. Eventually the pressure to sell resulted in substantial reductions in prices, and larger sales were effected. Stocks were considerably reduced by these clearances. Prime quality leather was scarce, and prices of such were particularly firm, but all descriptions shared in the improved demand, and at the close of the year tanners found themselves in a position to decline further business at the lowest prices accepted. The outlook assumed a healthier tone than at any time during the year.

With regard to stocks of leather generally, tanners have probably rather less than their normal amount, owing to the large sales recently made. The quantity held by factors and merchants is not large, and boot and shoe manufacturers, because of careful buying, have kept their purchases very restricted. The unknown factor in the situation is as to what extent the prospects of increased imports of leather, specially from America, will affect the position. The following comparisons may be useful in reviewing the situation.

The imports of leather during the first three quarters of the year were small, but in the closing months there has been a remarkable increase from the United States and Canada—in the aggregate, however, the quantity of leather brought into the country amounts to less than a third of pre-war figures—the total quantity imported last year being 218,396 cwts, compared with 371,790 cwts in 1920 and 774,298 cwts in 1913. There is every chance of considerably increased imports of leather from this quarter, especially if the value of the pound sterling continues to improve.

The exports of leather do not hold out the same hope of expansion. The figures for last year were 228,063 cwts, as against 271,257 cwts in 1920 and 255,699 cwts in 1913.

BOOTS AND SHOES.—The most prominent feature during the year under review has been the lack of export

business, the exports last year being only 313,252 dozen pairs, compared with 818,969 dozen pairs in 1920 and 1,452,815 dozen pairs in 1913. Added to this, in consequence of the gradually lessening spending power of the people here, the demand for the home trade has been inactive. Also, because of the increased capacity for output, there has been considerable difficulty for the greater part of the year in keeping factories working, and those who cater specially for the export trade have, of course, suffered most. Competition for business has been extremely keen, and prices have gradually been reduced. The lower values of most descriptions of leather have at last affected the price of boots and shoes, which are now being sold at considerably reduced rates. The standing charges of manufacture, rates, coal, &c., added to increased wages, do not yet allow of goods being sold at pre-war prices, but there is little doubt that the rate of profit to the manufacturer is to-day as low as it ever has been. The immediate prospects of any substantial increase in the export trade are not good, and no great increase in the home market can be expected, so that the outlook so far as this section of the trade is concerned promises strong competition, and a continued difficulty in obtaining sufficient business to keep factories running on the most economical basis.

The following is a statement of imports and exports of hides and leather during 1913, 1920, and 1921:—

Imports.	Quantity.			Value.		
	1913.	1920.	1921.	1913.	1920.	1921.
Wet Hides—	Cwts	Cwts	Cwts	£	£	£
Calf	32,942	4,522	14,709	145,451	55,517	78,611
Other sorts, including Ox and Cow—						
Russia	92,170	..	..	259,774	..	..
Germany	27,610	7,033	30	94,588	70,685	165
Belgium	10,007	1,262	1,418	33,691	13,590	6,339
France	36,754	22,265	28,236	121,879	181,777	243,078
Italy	119,702	13,921	41,139	613,509	101,885	187,425
Argentine Republic and Uruguay	188,097	226,831	264,848	874,781	2,057,504	1,222,977
British South Africa	68,118	60,845	42,874	242,883	411,872	149,385
Australia	113,331	3,834	21,554	435,464	26,313	74,648
Other countries	142,592	142,633	160,523	436,812	1,173,782	569,281
Total	798,381	478,484	560,322	3,014,381	4,036,202	2,353,298
Total of Wet Hides	831,223	483,006	576,031	3,159,832	4,091,719	2,431,909
Dry and Drysalted—						
Calf	17,313	11,667	5,496	134,267	156,136	32,643
Other sorts, including Ox, Cow, and Kips—						
Russia	57,300	3,376	7,726	207,761	25,086	28,382
British South Africa	124,223	98,233	41,387	580,705	874,892	179,630
British India	70,554	201,559	49,279	263,951	2,136,442	218,336
Strait Settlements and Federated Malay States	40,371	32,634	7,946	134,501	193,717	26,509
Australia	36,253	41,763	37,946	171,107	408,926	165,607
Other countries	276,666	364,032	147,619	1,195,585	3,343,017	882,443
Total	606,376	741,597	290,753	2,554,210	6,982,080	1,291,356
Total of Dry and Dry Salted Hides	622,689	753,264	296,249	2,688,467	7,138,216	1,323,999
† Total of Leather	1,452,815	689,932	386,912	10,572,100	19,645,416	8,347,420
Exports.						
Boots and shoes (wholly or mainly of leather)—	Ds. Pcs.	Ds. Pcs.	Ds. Pcs.	£	£	£
Germany	33,666	36,308	466	122,206	268,785	6,622
Netherlands	50,550	90,225	44,067	78,291	480,210	235,891
Belgium	53,840	21,680	11,224	241,388	165,773	77,181
France	56,566	77,332	10,639	394,831	768,186	119,304
Italy	25,025	7,033	939	115,797	42,632	10,116
Argentine Republic	59,286	4,911	861	152,373	32,540	7,644
Egypt (including Anglo-Egyptian Sudan)	29,781	27,274	10,236	97,084	275,262	79,229
British South Africa	387,511	220,750	72,984	1,160,800	2,104,224	549,411
British East Indies	189,656	70,468	10,601	531,471	779,384	102,412
Australia	210,353	3,334	2,727	317,758	19,996	18,392
New Zealand	99,523	20,226	17,542	306,399	113,937	102,634
Brit. West India Islands (including Bahamas) and British Guiana	37,384	10,776	10,861	73,094	98,982	67,623
Other countries	219,664	226,672	120,105	603,784	1,946,205	872,068
Total	1,452,815	818,969	313,252	4,194,276	7,116,030	2,248,830
Total of Leather and Manufactures thereof	..	..	..	5,278,640	11,664,944	4,760,506

† Under the designation of "Leather" are comprised the following articles: vis.: Hides, tanned, tawed, curried or in any way dressed; Goat skins, tanned or dressed as leather; Sheep skins, tanned or dressed as leather.

CHEMICALS.

Nitrogen prices during the year have fallen heavily, nitrate of soda having declined from 18s 6d per cwt, c.i.f., to about 13s per cwt, and the prices of sulphate of ammonia having fallen to 15s per cwt in the United Kingdom, about 17s, f.o.b., for export from the United Kingdom, and the equivalent of about 13s 6d per cwt for consumption in the United States. German nitrogen products, on the other hand, have, owing to the depreciating value of the mark, been gradually raised to about 250 marks per cwt, but, naturally, the sterling equivalent is now considerably lower than what it was last year, and works out at the parity of about 7s per cwt.

NITRATE OF SODA.—The following is a comparison of the figures for the six months ending December 31, 1913, 1919, 1920, and 1921, and the nitrate years ending June 30, 1914, 1920, and 1921:—

	1913-14.	1919-20.	1920-21.	1921-22.
Deliveries in Europe and Egypt for six months ending December 31	Tons. 490,000	Tons. 200,000	Tons. 218,000	Tons. 143,000
Do 12 months ending June 30	1,384,000	861,000	716,000	..
Deliveries in United States for six months ending December 31	258,000	123,000	562,000	161,000
Do 12 months ending June 30	553,000	794,000	639,000	..
Deliveries in other countries for six months ending December 31	45,000	60,000	41,000	35,000
Do 12 months ending June 30	92,000	227,000	84,000	..
Shipments to Europe and Egypt for six months ending December 31	1,194,000	395,000	723,000	191,000
Do 12 months ending June 30	2,025,000	950,000	1,240,000	..
Shipments to United States for six months ending December 31	236,000	199,000	484,000	83,000
Do 12 months ending June 30	547,000	997,000	712,000	..
Shipments to other countries for six months ending December 31	46,000	74,000	39,000	51,000
Do 12 months ending June 30	87,000	227,000	67,000	..
Production in Chile for six months ending December 31	1,367,000	744,000	1,302,000	451,000
Do 12 months ending June 30	2,822,000	1,927,000	2,140,000	..
Visible supply for Europe and Egypt at December 31	1,098,000	430,000	782,000	896,500
Do United States at December 31	71,000	95,000	132,000	128,000
Do other countries at December 31	18,000	33,000	17,000	18,000
Stocks in Chile at December 31	498,000	1,576,000	1,304,000	1,441,000
Total supply in sight at Dec. 31	1,685,000	2,134,000	2,235,000	2,615,500

* Estimating production in December at 69,000 tons, and shipments at 44,000 tons to Europe, 18,000 to the United States, and 15,000 tons to other countries.

† Including 150,000 tons interior stocks, and 90,000 tons recently disposed of by the American Government out of their reserve stock, but not including the remainder of this reserve stock estimated at about 210,000 tons.

The following are the detailed figures of deliveries and stocks in Europe and Egypt, in tons:—

	U.K.	France.	Belgium.	Holland.	Spain and Portugal.
Deliveries—					
July-December, 1913	46,000	42,000	80,000	19,000	6,000
July, 1913-June, 1914	123,000	350,000	205,000	100,000	50,000
July-December, 1919	29,000	41,000	15,000	38,000	28,000
July, 1919-June, 1920	67,000	217,000	99,000	125,000	114,000
July-December, 1920	31,000	41,000	46,000	15,500	30,000
July, 1920-June, 1921	57,500	158,500	125,500	113,000	61,500
July-December, 1921	14,000	27,500	125,500	14,500	28,500
Stocks—					
December 31, 1913	42,000	107,000	97,000	13,000	3,000
Do 1919	31,000	41,500	24,000	13,000	9,500
Do 1920	68,000	105,000	60,000	62,500	50,000
Do 1921	88,000	269,000	221,500	69,000	65,000

	Italy.	Scandinavia.	Egypt.	Germany and Baltic Ports.	Total.
Deliveries—					
July-December, 1913	6,000	..	29,000	262,000	490,000
July, 1913-June, 1914	65,000	76,000	55,000	960,000	1,984,000
July-December, 1919	5,000	2,000	42,000	..	200,000
July, 1919-June, 1920	44,000	67,000	75,000	53,000	861,000
July-December, 1920	1,000	1,000	41,500	9,000	216,000
July, 1920-June, 1921	19,500	49,000	42,500	79,000	706,000
July-December, 1921	5,500	1,500	31,500	7,500	143,000
Stocks—					
December 31, 1913	8,000	..	..	106,000	376,000
Do 1919	..	5,000	..	5,000	123,000
Do 1920	8,000	8,000	4,000	18,500	384,000
Do 1921	6,500	13,000	5,000	61,500	792,500

The United States Government have recently sold 10,000 tons surplus war stock nitrate of soda at \$1.46 per 100 lbs, ex store, and 80,000 tons at prices ranging from \$1.75 to \$2. The cost of reconditioning, rebagging, and delivering the stuff must be very heavy, and the price realised is misleading if compared with current market quotations. The above 90,000 tons was part of the 300,000 tons of nitrate held by the United States Government, and was sold because it was lying in public warehouses. The balance is understood to be stored in Government warehouses, and will not be placed on the market. This nitrate was sold by tender, and it is interesting to note that the total quantity bid for amounted to over 250,000 tons.

The improved financial conditions in Japan have resulted in this country again importing, and fair quantities of nitrate have already been bought for shipment over the next six months. Stocks in Japan amount to only a few thousand tons.

The Producers' Association having made no sales during the year, the f.o.b. market has been in the hands of resellers, but transactions have been on a limited scale. Starting in July with sales of ordinary quality at 9s 5d, the market remained dull with business done down to 9s 3d per quintal, but by the end of September the probability of an agreement between the Pool and the association becoming more apparent, the market quickly responded, and buyers soon absorbed all the cheap nitrate offering. By October business had been done in ordinary at 10s 8d per quintal, and in refined, which was in particularly short supply, at 11s 3d. Subsequently, the market reacted, and transactions have been reported in ordinary at 10s 2d to 10s 4d, and in refined at 10s 9d per quintal, which remain the closing values.

With the large stocks in Europe cargo business has naturally been on the smallest scale, and mainly confined to business outside Europe. Transactions were, however, reported in a refined sailer cargo at 13s per cwt, c.i.f., and various liner parcels at 12s 8d, c.i.f., to 13s, c.i.f.

Nitrate freights have further declined during the six months, and liners have been forced to accept 25s per ton in order to find nitrate cargo. Very few tramp steamers have been fixed, but tonnage could be secured at 32s 6d per ton basis Bordeaux-Hamburg range.

Exchange, which was 9½d at the beginning of the year, declined to 6½d in June, recovered to 7½d when the agreement between the association and Pool was signed, and has since fallen to 6d.

SULPHATE OF AMMONIA.—The price has steadily risen during the past six months from £13 3s to £15 for home consumption, and for export from about £15 to about £18, c.i.f., other consuming countries. The coal strike and the resulting depression in the iron and steel trades reduced production to a far greater extent than had been anticipated, and by the end of September a fair demand from the East had absorbed surplus stocks, and supplies in Europe for the coming season appear to be barely sufficient to meet the probable demand, with the monthly production in the United Kingdom now reduced to about 25,000 tons.

In America the price for home consumption is quoted about £13 10s per ton, and prices for export correspond, except in a few isolated cases, to those quoted from this country. The heavy stocks existing at June 30th have now been disposed of, and as production has fallen off greatly owing to the general trade depression, being now only about 30,000 tons monthly, the estimated surplus available for export during the coming season will be negligible.

SYNTHETIC NITROGEN PRODUCTS.—The production in Germany has been materially reduced by the destruction of the Oppau factory in September, whose productive capacity amounted to 40,000 tons of sulphate of ammonia monthly, and although the Leuna factory is reported to have further increased its production in consequence, it is improbable that the total German production for the current year, July, 1921-June, 1922, which was estimated at 1,800,000 tons of nitrogen products, will much exceed last year's figure of about 1,200,000 tons, which should barely prove sufficient to supply the home demand, and the possibility of export next season is precluded. Latest reports from Germany announce that the Oppau factory has started producing again.

In Norway the total production is estimated at about 150,000 tons per annum, of which 70 per cent. is consumed in Scandinavia.—*Extracted from the report of Aikman (London), Limited.*

From the report of Sir S. W. Royle and Co., Limited, we extract the following:—Sulphate of copper has fallen steadily during the year, the price in January having been £39 10s., and now being £28 per ton. Home trade requirements have been below normal, and, although the overseas demand has been irregular, the returns show exports for January to November last 25,514 tons, value £942,253, as against 18,865 tons, value £744,410, for 1920. These figures compare unfavourably with those for 1913, viz., 74,751 tons, value £1,681,955. Green copperas was in short supply during the first half of the year with the stoppage of the tinplate works, but production has since overtaken demand and values are lower. Acetates of lime have been offered freely, and price has fallen steadily—in January brown was £15 and grey £24 and to-day £7 and £10 per ton may be taken as the values. The price of acetate of soda was about £47 per ton in January and fell gradually to £23 10s in August, when, owing to this article being affected by the Key Industries Bill, price advanced to £27. Some good shipments, however, arrived about the end of September, and forced sales and limited demand have brought the price down to £24 per ton. Lead compounds have had only a poor inquiry, and prices have fallen steadily during the year. Acetate of lead was about £65 in January, and is to-day realising about £42 per ton. Nitrate of lead has dropped from £56 to about £46 per ton. Litharge and red lead were £46 5s twelve months ago, against present price of £39 per ton. Carbonate of potash has been in only moderate demand, which has been met by ample stocks. Values of 80-85 per cent. have fallen from £65 per ton in store in January to about £23 at the present time. The inquiry for caustic potash has been poor, and prices dropped from £90 per ton in store in January to about £30 in October, since when they have risen to the current figure of about £35. Little has been doing in Montreal potashes, and price is now about £90 as compared with £195 per ton a year ago. Prussiate of Potash was 1s 6d in January, but has gradually eased to about 1s 1d per lb. Business has been mostly confined to small lots. Prussiate of soda commenced the year at 11½d, fell to 6½d in August, and has firmed up to about 8d per lb on a better inquiry. Good export business has been done for next year's shipment at full figures, and makers are well sold. Cornish white powdered arsenic was £72 10s at the beginning of the year, but, the demand continuing small, price fell away to about £36 in September; latterly there has been an improved demand, and

price is now about £43 per ton. Supplies have been coming in from the Continent at below cost of Cornish. Tartaric acid was 2s 3d per lb in January, and has gradually fallen away to 1s 4d, and, in spite of the hot weather, demand has not overtaken supply. Business at present is confined chiefly to English makes, the imports for this year showing 988 tons, value £149,811, against 1,876 tons, value £352,693, for 1920. There has, however, been a corresponding fall in exports, viz., 426 tons, value £118,471, as against 1920 figures of 1,357 tons, value £454,806. Cream of tartar has been in steady request, but there have been heavy stocks on the market which have affected values. Price in January was £200, and present figure is £120 per ton. Citric acid was 2s 9d in January, and, in consequence of fall in raw material, to-day's figure is 2s 1½d per lb. Bichromates of potash and soda have been in small request, and British makers have reduced their prices to meet the strong foreign competition. Prices a year ago were 1s 3d and 10½d respectively, as against 7½d and 6d, which are also the figures fixed for contracts over 1922. Oxalic acid has dropped from 1s 3½d at the beginning of the year to 8d per lb now. Business has been mainly for small lots, and there is a doubt as to future Continental supplies. Borax and boracic acid have been in regular inquiry. Borax was £41 and boracic acid £74 per ton at end of 1920. Prices have been reduced from time to time, and values to-day are £31 and £65 per ton respectively. Some shipments of borax have been coming in from the United States. Phosphate of soda has been in little request, and resale parcels have been continually pressed for sale. Values have fallen from £33 in January to the current price of £19 per ton. Alum and sulphate of alumina have been inactive, and prices have fallen in consequence of keen Continental competition. Lump salamoniac has moved only slowly, and price for firsts is now £65, as against £110 per ton twelve months ago. Muriate of ammonia has also been quiet, and the exports for the eleven completed months are only 2,323 tons, against 6,903 tons for the corresponding period of 1920. Price was £60 in January, as compared with £35 per ton at the present time.

TAR PRODUCTS.—This market has naturally been considerably affected by the exceptional conditions which have prevailed during the year, and prices have had a consistent downward tendency. Consequently buyers have adopted the safe policy of covering only their immediate needs. The production of benzole having been reduced by the closing down of a large number of coke ovens resulting from slackness in the steel trade, available supplies have been readily absorbed for motor fuel purposes. Prices have declined from 3s 5d in January to 2s 7d per gallon at the present time, in sympathy with the reduction in the price of petrol. Toluoles have been scarce, but the demand has been only moderate. Solvent naphtha has shown an erratic tendency, the price falling from 2s 9d in January to 2s 4d in May, and, through short supplies and the sudden demands of the waterproofers for spot lots, advancing to 2s 8d in July, since when it has maintained a fairly strong position till quite recently. Creosote has gradually dropped from the beginning of the year, when value was about 1s 1½d, to the current price of 5½d per gallon, largely through cessation of overseas shipments. Crude carbolic acid has been lifeless throughout the year and production small, makers finding no inducement at prices ruling. However, with the decline in the price of creosote, it is reasonable to think that makers will find crude carbolic more interesting in the near future. Liquid carbolic has also been quiet throughout the year, although values have remained steady. Naphthalenes have been only in moderate demand, there being more call for the crude than the refined. In pitch fuel makers, both in South Wales and on the Continent, were fairly well covered when the year opened, and with little demand for briquettes and a steady fall in the prices of coal and pitch, were not disposed to make further purchases until expiration of current contracts. Up to the coal strike consumers generally were able to take up some portion of their commitments against contracts, and in addition some small quantities were bought at reduced figures. After the settlement of the coal strike many briquette makers were obliged to close down through absence of demand, and at the same time German pitch was being offered freely on the Continent at prices that English makers were not disposed to compete against, and in the month of October the fall in price was accentuated. Values have latterly hardened, and the prospects for the remainder of the shipping season are better. In sulphate of ammonia the home trade inquiry has been only limited, the reduction in price in July having failed to stimulate business to any extent. A fairly steady trade has, however, been done for export, with more inquiry latterly, and the returns for the eleven completed months show 116,115 tons, as compared with 99,613 tons

for the same period of 1920. The figures for January-November, 1913, were 295,930 tons.

HEAVY ALKALIES.—Bleaching powder has been in only poor demand for the home trade during the year, and a considerable reduction in price was made for contract deliveries over the last six months. Some further concessions have been made for next year's contracts. White caustic soda has been in fair inquiry, mostly for export, but has had to meet the competition of outside supplies. Home trade contracts for 1922 consumption are being booked at reduction of £2 per ton for solid and 15s per ton for liquid. Requirements of ammonia alkali have been only limited, and manufacturers are booking contracts on favourable terms to consumers for delivery over the next five years. The inquiry for bicarbonate of soda and soda crystals has been small. In the eleven completed months the exports of bleaching powder were 7,486 tons, as against 20,096 tons for the corresponding period of 1920. The exports of soda compounds were under half those of last year, the figures being 197,056 tons, value £2,953,257, to end of November this year, as against 408,503 tons, value £6,579,615, for the same period of 1920. Little business has been doing in chlorates of potash and soda, and values have fallen during the year from 9d and 5½d to 4½d and 3½d per lb respectively.

Of chemicals, drugs, dyes, and colours, the value of the exports from January 1st to December 31st were in 1919 £27,015,153, in 1920 £40,535,725, and in 1921 £19,057,281. The value of the imports for the same period were in 1919 £21,041,551, in 1920 £34,329,497, and in 1921 £12,682,196.

SUNDRIES.—American pearl starch has been in good supply during the year, and values have fallen from £27 in January to about £12 10s per ton. Prices stiffened somewhat during the summer with an improved demand, but fell away again, and last month were as low as £11 per ton. Farina has fluctuated during the year—in January Dutch makes were offering at £26 per ton in store, and this is about the price to-day. In August and September, however, with the drought on the Continent and absence of supplies from Japan, the price was as high as £32 per ton. Dextrine has been in steady request, but business latterly has been confined to the cheaper maize qualities. The returns show imports of starch, dextrine, and other farinaceous materials for this year 70,863 tons, value £1,400,082, as against 77,936 tons, value £3,155,053 for last year. China clay has been in only limited demand, the home trade having been poor and several important foreign markets being still impracticable. There have, however, recently been increased shipments to America which have helped to reduce stocks somewhat. British makers of sulphate of barytes have had to meet keen competition from Continental supplies, and price for best white is now £6 as compared with £9 10s a year ago. Blanc fixe has also fallen considerably, the figures for pulp being about £17 per ton in January compared with about £11 per ton to-day. American turpentine has fluctuated considerably during the year. It was selling at about £100 twelve months ago, but fell to about £55 per ton in March. A temporary shortage advanced the figure to about £115 in July, since when it has eased to £67 10s per ton. During the season there was a good demand for superphosphates, and heavy shipments arrived from the Continent.

VEGETABLE OILS AND OILSEEDS.

The production of vegetable oils in the United Kingdom in 1921 was on a somewhat smaller scale than in the two immediately preceding years. Likewise, exports and imports were less, and reflected the general depression in trade, both here and in foreign markets. Based upon the net imports of raw material, the estimated home production was as follows over the past three years:—

	1919.	1920.	1921.
	Tons.	Tons.	Tons.
Linseed oil	175,500	125,000	154,400
Cotton oil	77,600	75,300	62,754
Rape oil	26,100	9,260	9,413
Castor oil	6,000	4,325	5,567
Other seed oils	4,000	8,000	10,543
Palm kernel oil	138,000	128,200	100,193
Ground nut oil	43,000	48,200	33,733
Colonial oil	40,809	24,700	22,000
Other nut oil	5,000	2,000	690
Total	514,500	425,980	399,283

Although seed oil production increased by nearly 21,000 tons, thanks to the larger quantity of linseed and soya beans crushed, nut oils, which are absorbed mainly by the margarine and soap trades, aggregated only 156,616 tons, or 52,500 tons less. For the oilseed crushing industry, 1921 was a chequered year. It opened with strained financial

conditions and serious failures, and had only begun to recover when trade was again throttled by the prolonged stoppage in the coalfields from April to June. Emerging fairly successfully from this, the mills being kept going on oil fuel, business was steadily satisfactory until a break took place in September, due to the collapse of European exchanges and the consequent cessation of demand for export. Throughout the year the domestic demand in every department was very disappointing, though prices all round were on a much lower level than in 1920—in some cases actually below pre-war—leaving crushers no more than a bare margin of profit. They, however, in the circumstances of falling and at times irregular markets, safeguarded themselves by working only on small stocks and by only buying seed against their oil commitments. Linseed oil, generally speaking, was a fair trade, and although paint and varnish, linoleum, and other consumers here bought but sparingly, a brisk business was done on export account in the summer with the Continent, and in the later months with America, whose importers bought considerable quantities (probably 20,000 tons in all) to supplement the States' own production. Early in April raw linseed oil fell to £21 5s per ton naked, ex Hull mill, but later recovered to £38 10s in August and September, but subsequently £25 was accepted, the year closing round £27 10s. The range of value was about £18, and the average spot price ex Hull mill £31 per ton. Cotton oil was in good demand throughout the year, with one or two periods of scarcity. Egyptian crude moved between £23 15s and £48, but never fell as low as linseed oil, and the average was £35 per ton. The market for soya bean oil was again ruled to a great extent by shipments in bulk from the Far East, which have been in strong competition with English crude, the range of the latter being between £25 (in February) and £47 (in October), and the average £35 10s. The demand for rape oil was irregular, but the export houses found a ready sale on the Continent and in America. Castor oil was a poor trade, the depression in the textile and allied trades being responsible, while the rates of exchange curtailed the activities of foreign buyers. Castor oil of foreign origin offered freely, but it is considered doubtful whether the imported oil found a ready sale, even when offered at a substantial discount, so well favoured is the English article. The demand for palm kernel oil was by no means constant, but when present was sufficient to absorb the full manufacture, trade being confined chiefly to the margarine makers of this country. The average price £45 15s ex Hull mill. Ground nut oil was, as a rule, in good request, but was difficult to work, owing to the quick fluctuations in prices, the extreme range of value being £22, and the average £42 per ton. The greater part of the work done by the refineries was in cotton and soya bean oils, the Continent being a good buyer. American grades of refined cotton oil were considered dear by comparison, and offers were small; hence France, Belgium, and Holland were constantly in the market for the English makes of soap and margarine oils. With stabilised exchanges in Europe, it is anticipated that Germany will also be a buyer in the coming year. Generally speaking, crushers are looking forward with confidence to a revival of trade, and believe that, following good harvests, easier and healthier conditions for trade will obtain.

Supplies of raw material in 1921 were plentiful and the mills fairly well employed, although the gross imports (1,358,345 tons) fell short of 1920 by 137,081 tons, and of 1913 by 208,050 tons. Linseed, of which 85.5 per cent. was derived from Argentina, was a large import, viz., 469,791 tons, or 80,424 tons more than in 1920. Cotton seed, on smaller imports from India, totalled but 376,522 tons (64.9 per cent. being Egyptian), a decline of 66,320 tons on the year. Nuts and kernels at 394,631 tons were down 82,963 tons. The re-exports of all kinds were but 4.5 per cent. of the aggregate.

The exports of vegetable oils manufactured or refined in the United Kingdom for the year were 12,906 tons refined (against 17,678 tons), and 97,186 tons unrefined (against 96,434 tons) in 1920. Of the latter, linseed oil accounted for 55,360 tons, against 48,421 tons. The imports of vegetable oils from abroad were 29,567 tons refined and 138,334 tons unrefined, together 167,901 tons, of which 25,847 tons were re-exported, against 188,908 tons and 39,842 tons re-exported in 1920. The position of the vegetable oil supply of the U.K. is, therefore, as follows:—

	1919.	1920.	1921.
	Tons.	Tons.	Tons.
Home production	514,500	425,980	399,283
British exports	113,189	114,112	110,092
Balance	401,311	311,868	289,191
Net imports	219,705	187,971	142,054
Total remaining in the U.K.	621,016	499,839	431,245

The quantities thus available for the United Kingdom was 67,593 tons less than in the preceding year, and 188,770 tons less than in 1919.

TIMBER.

TEAK.—The past year has been a very disastrous one for holders of this wood, owing to the set-back in shipbuilding and the holding back of rolling stock construction. That the renewal of rolling stock, both at home and on the Continent, is very necessary is indisputable, but the deplorable condition of trade generally and the transition state of our own railways have served to discourage any radical dealing with rolling stock renewals. Also, the financial inability on the Continent, caused by the utter disruption of the exchanges, has dictated temporary starvation to the foreign railways, as an inevitable evil until the seething financial questions awaiting world-wide consideration have received some practical adjustment.

Owing to the above political and financial difficulties, a costly wood like teak has been largely excluded from practical business, and holders have not only ceased to import, but have scrambled to supply the small United Kingdom demand at ever diminishing prices, resulting in very heavy losses.

The undermentioned figures for London will serve to show the shrinking into insignificance of this branch of the timber industry, and the other depots for teak, like Liverpool, Clyde, and Tyne, show the same discouraging contraction of consumption.

All the figures of the total imports of Europe during the year are not yet available, but in respect to London *per se*, the imports into and deliveries from the London Docks during the 12 months ending December 31, 1921, show as follows:—

	Imported Loads.	Delivered into Consumption Loads.
Logs	525	1,138
Planks and conversions	1,633	1,860
Total	2,158	2,998

NOTE.—The above figures deal only with landed stocks, and are exclusive of overseas deliveries, which are not noted by the Port of London Authority.

The following is the analysis of the dock stocks at date:—

	Loads.	Same Date Last Year Loads.
Logs—		
Burmah and Siam	3,100	3,695
Java	13	31
Total	3,113	3,726
Planks and Conversions—		
Burmah and Siam	4,525	4,730
Java	31	53
Total	4,556	4,783
Total	7,669	8,509

MAHOGANY.—On the whole, this market has been disappointing, prices having fallen away to an unexpectedly low level, especially for the lower-grade qualities. The demand generally appears to be steadily improving, but unless there is a marked revival in consumption, stocks here would appear to be relatively sufficient.

	1921.	1920.	1919.
Imports	9,283,000	7,716,000	11,706,000
Sales	6,928,000	8,482,000	8,414,000

CANADIAN TIMBER.—*Waney Pine.*—Owing to the falling away in demand, stocks have increased, and the present holdings on this side appear to be sufficient for all likely requirements. *Oak.*—London is bare of stock, but there has been a fairly good demand during the year, which has been supplied by the outports, where the stocks are sufficiently low to promise their disappearing before the winter is over, even should the falling off in the railway demand continue. The likely supply for next season in Quebec is reported to be very short. *Elm.*—The volume of business has been small, but, owing to the very modest stocks, cost prices have been well realised, and holders are favourably placed.

Spruce.—Stocks, except in Scotland, have been considerably reduced, and are at a rather low level, owing both to the light import during the year and, in the closing months, the increased consumption occasioned by the fall in prices. A big proportion of the spruce held by the Associated Importers, Limited, still has to find a market, but the outlook is more favourable, and shippers seem to be generally of opinion that prices during the coming season will show an improvement.

Pitch Pine.—Apart from a temporary decline early in the year, c.i.f. prices have been steadily maintained, and only during the closing month of 1921 showed a slight downward tendency in sympathy with the great appreciation of American exchange. Consumers have confined themselves to

purchases of a very hand-to-mouth character, and U.K. stocks, although modest, are, therefore, sufficient for immediate needs.

Oregon Pine.—This has been a lifeless market, and prices for logs have slumped heavily. Lower freights present no temptation to import because of the absence of demand. Stocks are ample.

BALTIC GOODS.—The experiences of the past year have undoubtedly been unique, even in the memory of the oldest members of the trade, owing to the unprecedented fall in values, which reached a climax during the month of August, and exceeded the expectations of the most pessimistic.

The year opened with a heavy stock and very poor demand, but with hopes that this demand would improve. These hopes were never realised, for, if anything, the position became worse, and consequently the tremendous pressure to realise resulted in a feeling of uncertainty, a rapidly falling market, and an entire cessation of buying, except for immediate needs. This state of affairs continued until the end of August, when prices reached a level which in some cases was very nearly pre-war. During this period shippers made tremendous efforts to maintain their prices, but buyers in the U.K. were more concerned with reducing their stocks on this side, and, coupled with this, the feeling that at the prices for which shippers were holding, the position was entirely unsound, very little buying for fresh imports was done, except as regards a small proportion of the highest-class stocks.

During August shippers began to realise that they had got to make heavy reductions in order to effect sales, and, starting on the Finnish side, a basis was arrived at which made business possible, with the result that a good deal of purchasing was done from Finland, and from this period onward the market steadily improved. The Swedes to a certain extent met this competition, but not sufficiently to effect heavy sales, preferring rather as a whole to adopt a waiting policy, in the hope that the market would recover, thus enabling them to secure a better result for the heavy stocks they held. As a consequence of this, the shipping season closed with the Finnish shippers practically sold out and the Swedes still carrying a very heavy proportion of their old stocks.

This new level of prices restored confidence, and on this account created a considerably improved demand, principally from merchant buyers who had during the early part of the year allowed their stocks to run down to a minimum, owing to the uncertainty as to the future, and the result of this has been that right up to the end of the year a steadily improving market was maintained, with a satisfactory consumption, at any rate from the point of view of importers. At the same time, it should be borne in mind that a big proportion of the goods sold by importers has gone into the hands of merchants, who again will have to find an outlet with consumers, and probably this has created a somewhat optimistic impression as to the real improvement in demand from the point of view of consumption.

The early closing of the ports last year has undoubtedly left this country with a much lighter stock than would otherwise have been the case, and, therefore, helped the spot market considerably, but here again the position so created is, perhaps, a dangerous one, as giving a wrong impression to shippers of the level of prices at which business will be possible during the coming season. An unusual quantity of goods was sold from Finland during the closing months of last year for delivery next season, principally upon the basis of "cash on signing contract," such purchases starting at the lowest level of prices ruling during last season, and steadily creeping up until shippers' increased ideas brought such business to a standstill.

It was a matter of some surprise to the trade that a certain quantity of Russian timber was shipped during the closing months of last year, and this makes it difficult to estimate what supplies will be available during next season from this source. This, of course, is a serious factor in the situation.

Chartering has been a much easier matter during the past year, boats being plentiful and rates ruling at a reasonable figure, which, as usual, improved somewhat during the late autumn, probably more than would otherwise have been the case, owing to the exceptionally early closing of the ports.

The outlook is certainly more promising, as stocks in importers' hands are comparatively light, and stand at such a value that the prospects of seeing a fair return on such stocks are good. It would be unwise to try to forecast the course of the market, but perhaps a warning note is needed that if values are forced up too rapidly from the lowest level which they reached during the worst period of last year, another reaction is bound to follow, and it is to be sincerely hoped that the importers in this country—who undoubtedly have the position in their hands—will not allow such a disaster to fall upon the trade.—*Denny, Mott, and Dickson, Limited.*

SILK.

Prices declined in Lyons during the first two months of 1921, manufacturers complaining of slow sales and slow payments. In March, the United States of America, where the general situation was improving, began to experience some difficulty in buying in Japan owing to the measures taken there to strengthen prices, and they became interested in European silks. Stocks of these were not heavy, and were soon absorbed, prices regaining in the meantime half of the ground lost since January. After that period of effervescence, quotations receded again, and they sank at the end of May lower than they had been for the past two years. Such a decline was partly connected with an improvement in the value of the franc. Since the beginning of June prices have constantly risen, except during a short period of reaction in October. At the end of December they stand higher by 30 per cent. than a year ago, and higher by 80 per cent. than last May. The main causes of that advance can be found in the better demand from America, the gradual recovery of the European silk goods market, the reduction of the world's crop, the very light stocks of raw silk on the consuming markets, and, occasionally, the temporary rise of the Eastern exchanges and of the other foreign currencies. Canton silks have benefited by the situation more than any others, being privileged by the new outlets recently opened for them in America, and also by the vogue of crape; they are held now at the same price as the best Italian silks. Thrown silks, too, which for awhile were so neglected that they could not be sold any higher than raw silks, have regained in recent months their normal position.

The official figures published for the crops of 1920 and 1921 are liable to mislead. In fact, the crop of 1920 has reached the equivalent of nearly 27 million kilos of silk, but, the exports from the East having been curtailed by 25 per cent. owing to the closing down of filatures in China and Japan, and to the action of the Japanese syndicate, the crop has been estimated at 20 million kilos only. The supplies stored up on the Eastern markets would have become a dangerous burden had the crop of 1921 proved to be a large one. On the contrary, it was reported as showing a deficit upon 1920 of 15 per cent. in Japan, 30 per cent. at Shanghai, more than 10 per cent. in Italy. The production of the Levant is now less than 1 million kilos, against 2½ millions before the war; that of Central Asia has for a time disappeared from the silk map. Upon the whole, barely 25 million kilos of silk, including the reserves of the previous crop, will be available for the 1921-1922 season—that is to say, less than during any of the three preceding years. Thanks to those circumstances, the important stock of Yokohama, which had long acted as a permanent menace, has found its way little by little into consumption; recently, when reellers began to close down for the winter, it did not exceed 15,000 bales. Besides, the Japanese syndicate has succeeded in selling half of its holdings at a good profit, and does not own to-day more than about 20,000 bales.

If we now turn to silk consumption, we find it has been reduced everywhere in Europe—in Lyons, conservatism has been at the order of the day throughout the year, and the entries of the Silk Conditioning House are inferior by one-third to last year's; in Switzerland, factories have either been stopped or put on short time; in Germany, business has been difficult; in Austria, consumption of silk now amounts to very little, and in Russia it has gone down to nothing. At the same time, the weaving industry is developing every year in the Far East, thanks to low salaries and long hours. But the most striking fact this year is the increase in the American consumption, the United States alone importing about 19 million kilos of silk, half of which have gone to the hosiery and underwear trades.

The rise of silk since the beginning of 1921 has been more or less conspicuous in the various countries according to the value of their respective currencies, but it has been important everywhere. All over the world the retail buyer, heavily taxed and hampered by the high cost of living and by the industrial crisis, finds it hard to ratify the prices asked for silk goods. Whatever happens, silk manufacturers, lightly supplied with raw material, will find an unusually small quantity of silk available until the next crop. Prices will be governed by the aforesaid situation, but, at the same time, they will depend mostly upon the fluctuations of exchange, which cannot be forecast.—*Chabrières, Morel, and Co., of Lyons.*

V.—METAL AND COAL TRADES.
THE COAL TRADE.

The Board of Trade Journal publishes the following figures of the production of coal in the mines of Great Britain in the year 1921:—

1921.	Tons.	1921.	Tons.
January 5	4,344,500	August 20	4,527,800
January 15	4,897,700	August 27	4,101,700
January 22	4,691,600	September 3	4,141,900
January 29	4,606,700	September 10	3,939,800
February 5	4,418,200	September 17	4,161,700
February 12	4,345,400	September 24	4,273,100
February 19	4,284,100	October 1	4,118,200
February 26	4,321,400	October 8	4,287,900
March 5	4,259,000	October 15	4,237,200
March 12	4,277,200	October 22	4,236,600
March 19	4,240,400	October 29	4,210,200
March 26	3,650,000	November 5	4,182,400
April 2	1,950,100	November 12	4,372,500
April 9	179,100	November 19	4,646,300
April 16	2,352,700	November 26	4,673,600
April 23	3,335,200	December 3	4,693,300
April 30	4,334,200	December 10	4,855,100
May 7	4,592,500	December 17	5,030,700
May 14	3,623,200	December 24	4,965,400
May 21	4,536,600	December 31	5,099,000

This makes a total of 164,354,200 tons, distributed in the four quarters of the year as follows:—

1921.	Tons.
First quarter	54,996,300
Second quarter	199,100
Third quarter	52,438,600
Fourth quarter	57,440,300
	164,354,200

The second quarter covers the period of the three months' coal strike, which started on April 1st and was terminated on July 4th.

In 1920 the total production was 229,295,000 tons, and in 1913 287,430,000 tons. From the following table it may be seen that home consumption was about 130½ million tons in 1921, as against 187 million tons in 1920 and 190 million tons in 1913:—

	1913.	1920.	1921.
Output of coal	287,430	229,532	164,354
Imports of coal	7	4	3,434
Exports of coal	73,400	24,932	24,661
Exports of coke and briquettes	3,288	3,931	1,586
Foreign bunkers (coal and briquettes)	21,032	13,923	11,060

The course of prices during the year was uniformly downward. The high-water mark of f.o.b. values was reached in September, 1920, when the f.o.b. price of all the coal exported from the United Kingdom was 89s 9d. By the end of January, 1921, there had been a reduction to 65s 4d, while in March the average f.o.b. price was 43s 6d. The coal strike did not interrupt this falling tendency, for in July the average price had further decreased to 38s 2d, while in the last month of the year it was about 27s. The decline in values had been greater in the coal exporting than in the inland districts. In the March quarter the average pit-head price in South Wales was 38s 1d. In December it was about 21s, a decrease of 17s; in Scotland the pit-head price fell during the year from an average figure of 32s 1½d in the first quarter of the year to 19s in November; Northumberland, from 34s 1d to 19s; Durham, from 34s 4½d to 22s 3d; but the English Federated Area only from about 31s 4d to 25s 1d—a decrease of only 6s, compared with the decrease of 17s in the South Wales coalfield. Taking the year as a whole, the working of the industry involved a very considerable loss. In the first three months the debit balance as shown in the statistical statements of the Mines Department was £16,637,028, exclusive of approximately £6 millions due to the colliery owners under the provisions of the Mining Industry Act; during the three months' strike the maintenance expenditure of the colliery companies is estimated to have amounted to at least £10 millions; while the monthly ascertainment between July and November showed a net nominal profit of £5,400,000, subject to commercial expenses and to those profits surrendered where the proceeds were otherwise insufficient to enable the collieries to pay the miners their minimum rates of wages. If we assume the net profits for the last six months of the year at £5 millions, we arrive at an approximate loss on the working of the industry for the 12 months of £27 millions.

The only coalfield where wages did not fall appreciably below the pre-war level, after allowing for the diminished purchasing power of money, was that of the Eastern Federated Area. With decontrol the Sankey wage of 2s per day, the war wage of 3s per day, and the 20 per cent. increase of March, 1920—involving a minimum rate of 2s per day—were withdrawn. The terms of the national settlement secured for every district a minimum wage equal to 2½ per cent. above the average earnings in July, 1914. In the Eastern Federated Area, in which are included the Yorkshire, Nottinghamshire, Derbyshire, Leicestershire,

Cannock Chase, and Warwickshire coalfields, the general wage rate payable in December was 109.54 per cent. on the standard, or 77.54 per cent. above the minimum wage for that area; in South Wales, South Staffordshire, Cumberland, Bristol, Kent, and the Radstock district of Somerset the wages in December were at the minimum; while in Scotland they were only 26.44 per cent. above the minimum, in Northumberland 27.35 per cent. above the minimum, in Durham 30.73 per cent. above the minimum, in Lancashire, North Staffordshire, and Cheshire 42.76 per cent., and in North Wales 12.5 per cent.

Under the terms of the settlement of the coal strike, the Government came to the assistance of the miners with a subsidy up to £10 millions spread over a period of three months, in order to mitigate the effect of the reduction which the financial condition of the industry had rendered unavoidable. By the aid of that subsidy, the reductions in wages in July were limited to 2s per day below the wages in March, to 2s 6d per day in August, and to 3s per day in September. Moreover, the colliery owners had agreed to surrender their July and August profits to the extent to which wages had been subsidised in those months from the Treasury, and as the result of this arrangement the wages in September and October were maintained at a much higher level than otherwise would have been the case. The great change in the permanent system for the regulation of wages in the industry introduced under the settlement of last July was that of the substitution of profits for selling prices as the main wage-regulating factor. The miners were given a minimum wage as well as a standard wage, and the owners a minimum profit equivalent in money amount to 17 per cent. of the amount of money represented by the standard wage, or to approximately 8 per cent. on the capital employed in the industry. All the surplus proceeds left in each district after meeting these standard labour and capital charges, as well as the other costs of production, were distributable in the fixed proportions of 83 per cent. for labour and 17 per cent. for capital, but in any case the colliery companies had to meet the minimum wage charge before they could retain any profits, and the concession to the coalowners as a compensation for this sacrifice was that of the right to carry forward any deficiencies in their standard profits as a charge to be met out of future profits before the granting of any further increases in wages. In the ascertainment of the working results of the industry the workmen's representatives were given an equal voice with the colliery-owners, and all the items to be treated as costs were determined jointly by the two sides.

The Colliery Guardian points out that exports, taking trade and the year as a whole, were barely half the volume of our 1913 export trade, and even taking the last quarter by itself, when the coal export trade had made considerable recovery, a falling off of 39 per cent. from the 1913 aggregate volume is recorded. Exports of goods other than coal showed, in the first quarter of the year, a reduction of 44 per cent. from the 1913 standard. In the second quarter they fell away further to 58 per cent. below the pre-war volume, but had recovered in the fourth quarter to a point notably above that of the first quarter, showing 39 per cent. reduction from 1913. Coal exports, which were only 31 per

cent. of those of 1913 in the first quarter of 1921, reached a figure representing 59 per cent. of the 1913 record in the final quarter of the year. One of the most striking features of 1921 has been the complete repulse of American coal from our pre-war markets. In the European zone, towards the end of the year, coal from the United States was being imported in large quantities only by Egypt and Italy, and then under long-dated contracts, and not only had we largely recovered our ascendancy in South America, but the introduction of British bunkers at the North Atlantic ports—a business run at some sacrifice, no doubt—has recently created dismay amongst American operators. The margin between British and American coal in a stronghold of the United States such as the West Indies is now 1½ to 2 dollars per ton in our favour, and we have the prospect of concerted action on the part of the coal, shipping, and railroad interests to repel this invasion, which may prove to be short-lived. Much depends on the outcome of the negotiations over railway rates and miners' wages, the existing agreement expiring in April of this year, and the course of international exchange, but the prospect of a renewed onslaught by American exporters upon the European markets is not a contingency of 1922 that can be seriously contemplated.

The percentage increase in output that took place just before Christmas was three times greater in South Wales than that for the rest of the country. Obviously, in this case the reduction in the export price has been a potent factor in augmenting output. In the aggregate the Bristol Channel ports exported over 12 million tons of coal in 1921, a third of which went to France, and these are not unsatisfactory figures, taking all the adverse circumstances into account, even if the total is well below those for the previous three years.

There is a seeming contradiction of the above argument in the fact that whereas the South Wales export returns for the complete year are well below those for 1920, the following table shows that the other districts in 1921 have surpassed the figures for the preceding year:—

	1913.	1920.	1921.
	Tons.	Tons.	Tons.
Bristol Channel ports	29,875,916	15,470,392	12,246,650
North-western ports	751,819	8,220	88,382
North-eastern ports	23,023,810	7,508,854	8,730,221
Humber ports	8,883,353	470,233	1,126,675
Scottish ports—			
East coast	8,253,023	1,227,374	1,996,857
West coast	2,184,174	108,613	423,740
Total from the U.K.	73,400,118	24,931,853	24,600,552

Taking the period of six months from the conclusion of the strike, it will be seen that 9,117,086 tons of coal have been shipped as cargo from South Wales, or 2,408,288 tons more than in the corresponding period of last year; but the coal shipped from all British ports in these six months amounted to 18,635,104 tons, an increase of 8,134,784 tons; so that there has been an increase of 35.9 per cent. in the case of South Wales, as compared with a general increase of 77.4 per cent. for the whole country.

The recovery in the export trade has undoubtedly been greatly helped by the fall in freights which began in the summer of 1920. Thus the average rate of freight paid from the North-East Coast to Genoa was 15s 10½d in 1921, as against 50s 9d in 1920, whilst to Port Said it fell from 41s 3d to 15s 4d, and to Bordeaux from 38s 10d to 8s 11d. As the year closed, 11s 9d was being paid from the Tyne to Genoa. Between January and December the rate from Cardiff to Genoa fell from 20s to 11s 6d, and that from Cardiff to Marseilles from 17s to 11s 6d. Some of the distant freights were more stable. The average return freight from the River Plate dropped from 118s 6d to 35s 8d, and that from Bilbao to Middlesbrough from 28s to 8s 3d.

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EXPORTS of COAL, COKE, and MANUFACTURED FUEL from the UNITED KINGDOM.

	Quantity.			Value.		
	1913.	1920.	1921.	1913.	1920.	1921.
To—	Tons.	Tons.	Tons.	£	£	£
Russia	5,998,434	92,879	138,878	4,336,582	410,178	225,901
Sweden	4,583,076	1,372,478	1,232,904	3,032,459	6,257,988	1,972,992
Norway	2,298,345	800,917	694,316	1,447,356	3,906,575	1,124,178
Denmark	5,034,240	1,040,107	1,803,561	1,990,740	4,747,590	2,987,243
Germany	8,952,328	13,457	817,877	5,387,733	43,655	965,460
Netherlands	2,018,401	239,057	1,797,078	1,260,863	923,744	2,556,176
Belgium	2,031,077	671,385	618,066	1,176,130	1,973,804	848,459
France	12,775,909	11,890,922	6,395,651	8,074,053	42,300,623	11,148,459
Portugal	1,201,722	301,413	436,165	877,827	1,286,756	704,676
Azores and Madeira	154,359	115,586	19,920	126,607	567,440	36,296
Spain	2,534,131	290,141	1,021,472	1,811,246	1,351,422	1,914,018
Canary Islands	1,114,629	382,249	160,304	847,085	1,931,448	241,777
Italy	9,647,161	2,905,217	3,353,083	6,887,721	11,759,464	6,998,404
Austria	1,056,634	99,258	724,237	417,771	...	...
Hungary	727,899	98,238	248,554	540,875	481,658	492,004
Greece	1,281,664	510,837	455,364	873,190	2,285,770	719,425
Algeria	149,107	111,297	48,730	132,561	390,577	105,734
French West Africa	233,015	280,771	107,022	203,098	1,395,057	209,451
Portuguese W. Africa	588,526	7,122	22,624	500,380	30,577	70,505
Chili	1,886,871	158,144	242,223	1,681,475	726,671	367,904
Brazil	179,128	117,480	221,817	616,413	430,022	429,506
Uruguay	3,683,572	273,668	987,244	3,090,000	1,139,235	1,572,771
Argentina Republic	167,862	121,538	113,964	122,451	224,888	654,543
Channel Islands	354,702	1,134,326	367,750	266,102	5,570,215	439,029
Gibraltar	700,111	420,785	266,108	519,083	1,607,137	1,838,665
Malta	3,162,477	985,423	1,017,748	2,368,208	4,505,082	1,838,665
*Egypt	151,204	27,842	70,073	154,330	121,432	132,902
Anglo-Egyptian Sudan	139,128	635	531,561	146,696	2,263	808,505
Aden & Dependencies	239,571	14,539	140,307	203,384	52,545	252,229
British India	1,749,877	652,081	1,462,453	1,398,359	2,784,936	2,843,926
Ceylon	2,976,389	1,641,190	1,463,668	2,374,353	5,400,251	3,718,767
Other Countries	55,618,922	20,137,411	18,372,185	37,845,546	82,194,095	50,789,029
Total	11,527,685	2,204,571	3,740,744	7,154,427	4,682,501	6,795,562
(a) Steam	769,719	76,059	228,246	1,164,088	235,082	374,448
(b) Household	3,507,402	872,622	855,709	2,188,838	3,114,705	1,973,795
(c) Other Sorts	73,400,118	24,931,853	24,660,552	50,727,252	99,627,146	42,951,591
Total of Coal, &c., shipped for the use of steamers, &c., not being an export in the ordinary acceptance of the term, the value thereof is not included in these returns.	21,023,693	13,840,360	10,926,444	...	...	...

IRON AND STEEL.

The National Federation of Iron and Steel Manufacturers give the output of pig-iron and steel ingots and castings for the years 1920 and 1921 as follows:—

	Pig Iron.		Steel Ingots and Castings.	
	1920.	1921.	1920.	1921.
January	665,000	642,100	754,000	493,400
February	645,000	463,600	798,000	483,500
March	659,000	386,000	840,000	359,100
April	671,000	60,300	794,000	70,600
May	738,000	13,600	846,000	5,700
June	726,000	800	845,000	2,700
July	750,600	10,200	789,900	117,200
August	752,400	94,200	709,200	434,100
September	741,000	158,300	884,700	429,300
October	533,300	235,500	544,300	405,400
November	403,300	271,800	505,100	442,800
December	682,500	275,000	746,600	381,000
Total	8,007,900	2,611,400	9,056,800	3,624,800

The following is extracted from the annual review of the Iron and Coal Trades Review:—

The salient feature of the pig-iron trade for the past year has been the remarkable contraction in production, which commenced about the end of January. Both locally and nationally, the January figures of output were fully up to the average of 1920; indeed, on the North-East Coast 257,100 tons of pig-iron were produced, compared with an average of 218,900 tons for the 12 months of 1920, but thereafter the slump set in, and month by month there was a diminishing quantity produced, until by the end of June not a single blast furnace was in operation. During the three months of the coal strike only 74,000 tons of pig-iron were produced in Great Britain, and as the July output was only 10,200 tons, it would not be an exaggeration to say that the three months' coal stoppage involved a four months' loss of output. The total production of pig-iron in the United Kingdom for the past year is just about one-quarter of the output for 1913, when 10,260,000 tons were produced. The causes of the decline have been two-fold. There has been the diminished demand for pig-iron at home, and the almost complete loss of the overseas trade. Further contributory factors have been the import of considerable quantities of foreign iron from abroad, which, owing to the operation of the exchanges, could be landed in this country at prices considerably below the cost of the home product, and also utilisation in the steel furnaces of enormous quantities of war scrap from the battlefields of Europe, which to no inconsiderable extent had taken the place of pig-iron. At the end of 1920 the number of blast furnaces in operation indicated that the country had reached the first stages of the slump, there being then only 274 blast furnaces in operation, as compared

with 300 three months before. By the end of January the number had fallen to 232, and on March 31st, the day before the country was plunged into the coal war, the number of furnaces operating had fallen to 116. The cessation of fuel supplies involved the immediate stoppage of most of these, and whilst a few firms endeavoured to avoid the serious consequences which so often ensue upon the blowing out of old blast furnaces, the protracted nature of the struggle with the miners rendered all their efforts nugatory, and before Mr. Hodges had appended his signature to the terms of settlement, only one blast furnace in the country was in operation. It took some weeks after the miners had returned to the pits to ensure the continuous flow of fuel which is essential to successful blast-furnace practice, and consequently the restoration of even the first of the blast furnaces to activity was somewhat delayed, only 15 blast furnaces having been lighted up by the end of July. In many instances very grave difficulties attended the operation, for though bulky, the blast furnace is in many respects a most delicately sensitive structure, and the reheating process was a cause of much anxiety, and in some instances of physical risk. In the ensuing month the return to activity was further retarded by a general absence of any demand for British pig-iron. Manufacturers had turned to the Continent for supplies of pig-iron when they could not get them at home, and, having found that the quality was almost equal to that of the home product, and the price considerably below, they continued to use foreign pig-iron in preference to that produced at home; indeed, in many instances steel manufacturers with their own blast-furnace plant were content to keep the latter idle, notwithstanding heavy establishment charges, and to purchase from the Continent the cheap basic iron which was being offered in considerable quantities. However, by the end of August 46 blast furnaces were operating in this country. A month later the number rose to 68, at the end of October to 82, on November 30th to 85, and on December 30th there were about 90 blast furnaces working.

At the opening of 1921 Cleveland pig-iron prices were at the highest level which the trade has ever known. Until the abolition of the State subsidies on April 30, 1919, a firm control had been retained upon prices, and No. 3 Cleveland G.M.B. was kept at a fixed maximum of 95s per ton, but immediately the subsidy was withdrawn, and prices were left to find their own level, the figure was immediately advanced to 140s, and although by the end of that year the

price had only risen to 160s, the Cleveland ironmasters, though reluctant to do so, found themselves swept off their feet by the rising tide of prices and working costs, with the result that by the end of 1920 the home price of No. 3 Cleveland pig-iron had reached 225s per ton, or about four and a-half times the pre-war figure, whilst to the foreigner there was quoted in addition an export premium of 22s 6d per ton.

The first reduction, which came into force on January 7th, amounted to 12s 6d on No. 1, 10s on No. 3, 11s on No. 4 foundry, 12s 6d on No. 4 forge and mottles, and 15s on white. The export premiums were also reduced, and ranged from 20s per ton in the case of No. 1 and siliceous iron to 5s for forge, mottled, and white. Frankly, these reductions were regarded as totally insufficient, and although makers subsequently offered a "rise and fall" clause in contracts, giving buyers the benefit of any further fall in prices from the date upon which they become operative, consumers continued to hold off the market. As a further concession, on January 25th the export premium on all classes of Cleveland iron was reduced to 5s per ton, at which figure it has remained almost continuously ever since. But these reductions had come too late; not only was the foreign market lost, but pig-iron from Belgium and Luxemburg was pouring into this country at pounds per ton below the price of the Cleveland product. A further reduction of 20s per ton all round on February 1st was followed a week later by another drop of 5s in the price of No. 1 and siliceous iron. These reductions were largely the outcome of the fall in the price of coke from 62s 9d to 54s 6d per ton, and a reduction of 2s per day in the wages of the Cleveland miners. Still there was no response from buyers, and another step in the process of deflation was taken on March 1st, when a reduction unparalleled in the history of the trade was resolved upon. A cut of 45s per ton came as an earnest of the determination of the Cleveland ironmasters to meet the abnormal situation, and this brought the price of the ruling quality down to 150s per ton, a figure which was stated to be actually below the cost of production. Be that as it may, it was still considerably above the Continental producers' price,

and on April 5th another 30s was lopped off the price, thus making a total reduction in three months of no less than 105s per ton. This brought No. 3 Cleveland pig-iron to a minimum of 120s per ton, and for seven months that official minimum remained in force. During the period of the coal strike the gradual exhaustion of the stocks of Cleveland foundry pig-iron led to a temporary rise in values, and about the end of May as much as 140s was paid for small parcels, but this was entirely due to the famine conditions, and as soon as the manufacture of pig-iron was resumed, prices quickly relapsed to the earlier official minimum. Throughout the year supplies of the lower qualities of Cleveland iron had always exceeded the demand, and they have been offered relatively cheaply without reducing to any substantial extent the heavy stocks in makers' hands. On November 1st the Cleveland Ironmasters' Committee announced an all-round reduction, ranging from 5s per ton in the case of the better foundry qualities to 14s per ton for the lower, and, finally, on November 28th, a cut of 10s per ton brought the prices down to the figure which still rules at the turn of the year.

IRON ORE.—In the Cleveland ironstone mining districts such a period of depression has never been known within living memory. For nine months the great bulk of the mines have been standing completely idle. Even to-day only six mines are working, and at these the men are employed no more than three or four days per week. Thus out of the 8,000 odd miners in Cleveland fully 75 per cent. are still unemployed, and the remainder are only working on short time. It is probable that the 1921 output of the Cleveland mines will barely reach 1,000,000 tons, and the following table shows the comparative output in previous years:—

Year.	Tons.	Year.	Tons.
1903	5,677,499	1912	5,158,440
1904	5,786,976	1913	5,940,965
1905	5,934,283	1914	5,574,788
1906	6,102,223	1915	4,746,000
1907	6,230,987	1916	4,315,700
1908	6,216,733	1917	4,810,000
1909	6,191,172	1918	4,544,135
1910	6,152,825	1919	3,712,648
1911	6,003,957	1920	3,730,000

The fact that the proportion of foreign ore used in the furnaces on the North-East Coast is larger than that of the native ores is due to the very much bigger proportion of the hematite output as compared with Cleveland and basic

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pig-iron. During most of the year it has been found more profitable to smelt the richer hematite ores from overseas than to produce pig-iron from the leaner Cleveland ironstone.

The trend of prices during the year has been steadily downward. Opening at about 49s per ton on a 17s freight basis, best Rubio ore was offered at the end of January at 40s per ton, c.i.f., the freight having fallen to 9s. A month later the quotation was down to 37s 6d, and that figure continued to rule until the coal strike put a stop to all business. For full six months thereafter there was scarcely a single transaction in foreign ore, but when an occasional cargo was required, usually to preserve the proper mixture at the furnaces, business was done at about 28s per ton on an 8s freight basis. Since then the Bilbao freight has eased to about 6s 9d, and Bilbao ore of 50 per cent. quality is now available at 26s per ton and less.

MANUFACTURED IRON AND STEEL.—It may be observed that we reached high-water mark in output in 1917, and had the war continued throughout the following year there is no doubt that we would have reached for the first time in history an output of 10 million tons; but, when the impelling necessities of war were withdrawn, there commenced the necessary transition to peace conditions, and it was not surprising that for a time production should dwindle. The reduction in output was not really alarming until 1921 dawned. With the advent of the present year, unfortunately, slump conditions immediately ensued. To some extent they were world-wide in their operation, and at best 1921 must have been a lean year owing to the sudden stoppage of all orders for new ships; but here, again, the coal strike made matters infinitely worse, and production has reached the lowest ebb recorded for many decades. Most of the steelmakers have either had to close their establishments entirely, or at best have only been able to work intermittently, and whilst in South Wales there was experienced in the later months of the year a somewhat marked revival of activity, the slump in other districts became really more accentuated, and on the North-East Coast the position seemed to go from bad to worse. Even now it cannot be said that any certain improvement is in

sight. On the contrary, many big firms have practically cleared off all the orders upon their books, and unless an immediate revival sets in the outlook is dark indeed. There is, however, a general belief that with the turn of the year business will be more brisk, but that at present is not more than a pious hope.

This at least can be said, that the bulk of the British steelworks have been so remodelled and reconstructed as to embody the most up-to-date methods for economic mass production. Upon the North-East Coast in particular there have been completed during the past two or three years two modern steelwork plants which stand as models to the entire industry, and these facts encourage the hope that when trade is once more booming Britain will be able to take a still greater share in meeting the world's requirements for manufactured iron and steel. Those requirements are greater than ever. Her needs are just as urgent. It is merely that in many directions she lacks the capacity to pay. But that is a passing phase. The demand for steel will surely be re-created, and when it comes there is no country so well situated as Great Britain to meet the need.

The trend of prices during the year has been continuously towards lower levels, and the end of the movement has not even yet been reached, although prices have already descended to a level considerably below that of the controlled period.

For the purposes of comparison, the following table of prices per ton will be found of interest:—

Description.	Control Prices.		Jan. 1.		Dec. 30.	
	£	s d	£	s d	£	s d
Common iron bars	15	10 0	27	10 0	13	0 0
Steel boiler plates	12	10 0	29	10 0	14	10 0
Steel ship, bridge, and tank plates	11	10 0	24	10 0	10	10 0
Steel angles	11	2 6	24	0 0	9	10 0
Steel joists	11	2 6	24	0 0	10	0 0
Heavy steel rails	10	17 6	25	0 0	9	10 0
Fishplates	15	17 6	30	0 0	14	10 0
Billets (soft)	10	7 6	23	0 0	7	5 0
Billets (hard)	11	0 0	24	0 0	8	5 0
Black sheets	..	..	28	0 0	14	10 0
Galvanised corrugated sheets	..	..	30	0 0	16	10 0

The principal cuts in steel prices were made in the earlier months of the year, steel, plates, for example, being reduced £2 per ton January 21st, again on February 18th, and once more on March 21st, whilst in April there was a further cut

of £3 per ton. This brought steel plates down to £15 per ton, at which figure they remained stationary until August 23rd, when the quotation was reduced to £14, and then on October 17th came the biggest and last cut of all, makers fixing the price of steel plates at £10 10s per ton in a last desperate effort to stimulate demand and restore activity to their idle works. Even that does not represent the full extent of the reductions which the steelmakers have been prepared to shoulder, for they have been quoting as much as 30s per ton below the home prices in order to secure the export orders.

Wages constituted one of the most serious factors in the inflation of iron and steel prices during the boom period, for there was at that time no limit to the demands of labour. Not only was there a phenomenal advance in the actual wages paid, but the wage costs of production advanced still more steeply, for the rise in the workers' rate of pay was, unfortunately, accompanied by a steadily diminishing output. In other words, the worker, instead of giving more work for more money, actually gave less. Thus at the last meeting of the shareholders of Messrs Bolekew, Vaughan, and Co., Sir Johnson Ferguson, the chairman, was able to show that the wage cost of producing a ton of pig-iron advanced from 29s 10d in 1913 to 123s 9d in 1920. In the same period the wage cost of a ton of steel advanced from 68s 5d to 296s 6d.

Since the dawn of 1921 the decline has been continuous, and it may be regarded as the supreme test of the sliding scale as an effective means of adjusting wage rates that reductions unparalleled in any other branch of the industry should have been effected without a sign of disagreement.

The foreign trade in steel has been no more than about 50 per cent. of the pre-war standard, but last year's figures have been maintained, and having regard to the abnormal situation, that is a not unsatisfactory achievement.

Of the total foreign shipments, which will probably exceed 285,000 tons for the year, nearly half went to India and Ceylon, the estimate being 121,662 tons, which is almost precisely the same quantity as we shipped in 1920. A total export of 32,165 tons to South and East African ports represents a decline of nearly 12,000 tons on the 1920 figures, and Belgium, Italy, and France have all taken smaller quantities, whilst Japan's total of 14,700 tons is about half her previous total. On the other hand, the fall in freights has enabled the Australian and New Zealand trade to advance from 6,003 tons to 29,243 tons. The Straits Settlements requirements advanced from 6,447 tons

to 9,612 tons, and the new trade which was opened up with the Argentine in the later months of 1920 has been developed to the extent of 25,000 tons. Shipments of 6,000 tons to West Africa, and 2,476 tons to Uruguay also represent new business, and they bear evidence that if old markets have temporarily at least been lost, new avenues of trade are being opened up. The monthly aggregate shipments of pig-iron, manufactured iron and steel, from the port of Middlesbrough during 1921 have ranged from 10,200 tons in July to 61,237 tons in November, and the monthly average has been about 36,730 tons.

MINOR METALS.

SILVER.

We extract the following from Messrs Samuel Montagu and Co.'s Annual Bulletin Letter:—

On January 3rd, the first working day of 1921, the price was quoted 41½d for cash and 41½d for two months' delivery, as compared with 40½d and 41½d respectively on the concluding day of 1920. Prices, however, did not continue long to advance. The price fixed for both deliveries on January 6th—42½d—proved to be the highest point touched until the first nine months of the year had almost elapsed. After hovering round 40d for some weeks, by February 1st prices descended sharply to 34½d for cash and 34d for two months' delivery. A notable feature of this period was the growth of visible stocks in Shanghai, which, eight days before the Chinese New Year—February 6th—reached a total of 69,000,000 ounces, including sycee, dollars, and bars. This accumulation represented previous purchases made in preparation for squaring debts on that auspicious occasion. The fall encouraged a more active demand from the Indian bazaars—which had been more or less the mainstay of the market—and a measure of stability was assured. Not only did demand come to London, China and San Francisco were drawn upon for considerable quantities. On February 7th, the prohibition upon the export of silver bullion without a licence was removed, but that upon foreign silver coin—freed in 1920—

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was again established; whilst the embargo upon other silver coin remained. Demand from the Indian bazaars failed to be maintained with vigour, the reason being the ease with which silver became available in the various silver centres, another the continued increase of visible stocks at Shanghai—temporarily eliminating competition from that quarter. The fall in the value of silver reacted upon the Indian exchange, which, about the middle of February, approximated 1s 4d—as compared with 1s 6d, at which it stood at the beginning of the year. A rapid fall in the value of silver continued until, on March 5th, the lowest quotations of the year were reached, namely, 30½d for cash and 30½d for two months' delivery. These were the lowest rates reached since the Armistice. On March 5th the gold premium was about 23½ per cent. Adding that proportion to 25½d—the average value of silver during the five years before the war—the figures 31½d are obtained, showing that the price had actually dipped below its pre-war value.

A fortnight after the lowest quotation of the year the stock in Shanghai reached so colossal an amount that a record was established. It was returned as about 46,200,000 ounces in sycee, 39,000,000 dollars, and 550 silver bars. The combined total is equal to about 77½ million ounces. Still, there is very good reason why—apart from activity of trade—the stock in China should be larger than a decade or so ago. Then there were only five foreign banking institutions, now the figure is about 25. The same reliance cannot now be placed upon the total of the stock as published, because it is not easy to be assured of the exactitude of individual returns derived from so many diverse sources. A more or less steady flow of silver set in for India or China, sometimes at the same time for both, and prices remained fairly steady round about 33d for about a month, until specially keen inquiry from China upon an unwilling market suddenly carried quotations on April 12th to 36½d and 36d for cash and two months' delivery respectively. In the case of India, the demand was not on account of trade; the main cause was an exchange of the yellow metal for the white. In the case of China, civil strife was undermining public confidence, and silver stocks at the treaty ports had to be replenished, for material had to be sent to the Canton and other mints for coinage into dollars, which did not return coastward, but disappeared into the interior. The Indian bazaars declined for the time being to compete, and preferred to realise purchases already made, whereupon the market drifted into a somewhat lifeless condition, with the quotation a penny or so lower—round about 35d—during the next four weeks.

Although silver prices began to tend downward, the Shanghai exchange kept remarkably steady. The official

quotation remained from April 19th to May 17th at 3s 3d the tael, after which it moved lower in sympathy with the value of silver. In the meantime the visible stocks in China shrank considerably, owing to heavy coinage by Chinese mints, and the need for fresh supplies kept China more or less in the market, though other demands remained scanty. Some revival of demand from India set in toward the end of May, but, supplies from the Continent being more plentiful, the inquiry failed to lift the price appreciably, which indeed eased to 34½d by the 30th of that month. The appreciation of the U.S. dollar then began to render bears somewhat nervous, and encouraged the United States to hold back supplies for higher prices calculated in sterling. Quotations moved up to a 35d-36d level, and ruled thereabout until the middle of July.

Meanwhile rumours became current that about a million kilos (32,150,000 ounces) of German demonetised silver coin would come into the market. Bankers in several countries were approached, ostensibly to lend money upon the specie, but really, so it was said, to hold the metal until the silver could be conveniently realised. As a consequence of the Government decision that silver bullion from this source brought to the United Kingdom on German account would be subject to 26 per cent. reparation duty, some of the silver in question was shipped to the United States and there pledged, the profits of marketing and refining the metal here being therefore lost to this country. It was astonishing how tranquilly the market regarded the possible sale of this large amount, and also the probability that the Royal Mint would have supplies to spare; for the reduction of the quality of the United Kingdom and other similar British coinage from .925 to .500 fine was found to create a substantial surplus. If all the coins (£37,095,905 net value) issued since the commencement of the reign of King Edward VII. alone were reminted, there would remain over no less than 57,330,035 fine ounces. Of course, what proportion of these and of the Victorian issues will find its way back can be but a matter of conjecture. An arrangement with the great Anglo-Eastern banks was made by which consignments of silver derived from such re-coinage were despatched from time to time for absorption in the East.

On July 28th competition by the Indian bazaars with China carried the quotation up to 39½d for cash and 38½d for two months. The large premium on cash delivery showed that the Indian demand was for a special settlement date on the other side. The high prices obtainable for silver suggested to the Mexican Government the propriety of imposing a duty on the export of the metal. The rate was fixed at 5 per cent. when the price in New York ruled 60 cents or under, and 5½ per cent. when a higher figure was recorded. The tax was imposed as from August 1st. During the month of August the level of prices was rather lower—round 38d—and business was largely speculative. The balance of trade now began to move in favour of India, instead of having been as previously adverse. This was attributable to gold exports, not trading transactions, Indian produce being difficult to sell abroad owing to the poor ability of Europe and the United States of America to buy and to the vagaries of the Continental exchanges. Bullish speculative interest taken by the Indian bazaars, as well as actual shipments

to that quarter, created a very good tendency during September. This was enhanced by bear covering and a sudden strong demand from China, which carried the cash quotation to 43½d on the 27th of that month. Producers and holders of silver being slow to respond, prices would have been forced very much higher had not the pressure from China been relaxed as suddenly as it arose.

The market now became very irregular, Chinese and Indian operators did not confine themselves to the one attitude of buyer or seller; frequently groups acted in opposition to each other, and both China and India would each buy and sell on the same date. The air became charged with speculative activity. America and the Continent entered into similar double operations with zest, and no reliance could be placed from day to day upon the tendency of the market. Amid this uncertainty came a collapse in the value of the German mark, starting in its intensity and thoroughness. Chinese speculators veered round and bought sterling—i.e., sold silver—and sharp movements ensued in the China exchange. The necessity, however, for providing against unusual calls upon stocks in China caused steady buying by the great Anglo-Chinese banks, which held the price fairly steady in the neighbourhood of 40d until the end of the first week in November.

The departure on November 22nd of the s.s. "Egypt," due to arrive in Shanghai in comfortable time for the New Year, which on this occasion falls on January 28th, 1922, synchronised with a fall in the price, whereupon a gradual descent took place until 34½d was fixed for both deliveries on December 8th, the market being fairly well supplied from the Continent and elsewhere; direct Eastern inquiry was almost absent. Meanwhile bear covering was the main support. Some recovery—not, however, substantial—ensued on the receipt of orders from the Indian bazaars to buy for arrival in India at the January settlement. Though the amount was large, the cash quotation did not exceed 36½d—so free were offerings from the Continent, America and China. The tone of the market continued dull until the end of the year. The closing quotations were 34½d for cash and 34½d for two months' delivery.

During the greater part of the year, silver for prompt delivery commanded a premium—not very substantial, except in February—when 2d was quoted on the 4th of that month. The range of prices was less than during 1919 and 1920. It was almost exactly one quarter of that in 1920—12½d, as against 50½d. The highest quotation during the year—43½d—was less than half 89½d, the remarkable highest record in 1920.

SILVER IMPORTS AND EXPORTS.—UNITED KINGDOM.—Twelve Months Ending December 31, 1921.

	Bar Silver.	
	Imports.	Exports.
Netherlands	8,135,814	2,431,082
Belgium	894,239	30,660
France	10,476,525	263,768
China (including Hongkong)	18,808,107	19,685,334
United States of America	397,868	187,033
Other American countries	614	386,117
Egypt	4,986	38,721,561
British India	5,235,113	457
Canada	2,079,142	856,932
Other countries	46,032,408	62,562,944

In addition to the above imports, over £2,000,000 Imperial and West African coin was imported and demonetised, thus becoming available for export as bullion.

COPPER.

What may safely be regarded as the worst year in the history of the metal trades has been brought to a close. Copper has been free from any spectacular price movements during the year, the difference between extreme prices amounting to little more than £10, whereas last year it was about £47, as will be seen from the following quotations for standard cash:—

	Jan. 1.	Highest.	Lowest.	Closing.
1920	£ 8 8	£ 18 2	£ 5 0	£ 17 6
1921	£ 7 12	£ 12 6	£ 5 0	£ 6 17

Standard copper was fairly steady in the first few weeks of the year, easing somewhat towards the close of the first month, when cash stood at £68, electrolytic in New York being around 13½c. In February the plan was completed whereby 175,000 tons of copper were removed from the danger of forced selling. To ensure its success production was generally curtailed, and by the beginning of March the United States mine output had dropped to 50 per cent. of normal. During the spring consumption was very poor, and in spite of a filip on news that E.P.D. would be abolished, values showed a lack of resiliency. In May there appeared a tightness of cash warrants, resulting in a maintenance of a premium on prompt until the end of the month, and at one time standard cash stood at £75 12s 6d, the highest point of the year, this being only 5s below the quotation of electrolytic.

A healthier position developed in June on reports from America to the effect that sales were in excess of consumption, which, together with a more hopeful view of the labour situation here, induced more confidence, but later very heavy offerings of scrap copper caused some depression. The settlement of the coal trouble did not bring the anticipated improvement in demand, though Germany continued to make large purchases in America, and by August production had fallen below the average monthly exports, as out of the 50 chief producing copper companies only eight were in operation. At this time spot electrolytic in New York had fallen to 11½ cents, but this proved the turning point, and with gradually increasing sales, both on domestic and export account, values slowly but steadily improved, until at the beginning of December business was reported in electrolytic at 14 cents f.o.b. Price fluctuations on the standard market here were within narrow limits in September and October, the sale of 160,000 tons of scrap brass by the Government creating temporary depression, and at the end of October cash was no better than £65 5s, and for the following few weeks prices moved within a 40s range, prices showing no disposition to follow the upward movement initiated in America.—Glasgow Herald.

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LEAD.

With supplies of lead from Broken Hill cut off owing to the fire at Port-Pirie Smelting Works, and only a quiet demand in this country, values of soft foreign lead in January receded about 20s, near dates closing the month at £23 2s 6d. From this point prices gradually weakened, until at the end of February under heavy selling near dates fell to £16 10s, the lowest price recorded since 1913. The severe fall from the high point of last year will be seen from the following quotations for foreign prompt:—

	Jan. 1.	Highest.	Lowest.	Closing.
	£ s d	£ s d	£ s d	£ s d
1920	45 15 0	52 7 6	22 10 0	23 10 0
1921	24 5 0	26 0 0	16 10 0	25 12 6

Under a fair consumptive demand prices advanced by easy stages until May, helped by the dearth of lead from Australia, near dates at one time touching £24 7s 6d. In June business felt the effect of fuel exhaustion, and prices began to sag, but in the following month stocks had fallen to 13,278 tons, and, apart from speculative purchases, a steady consumptive demand induced a fresh upturn in values. During August and September near dates were always somewhere near £23. October opened with near metal at £23 5s, with forward at 2s 6d less. At this time fears of a shortage became apparent, and the prompt position became increasingly tighter, with the result that at the end of November near dates commanded a premium of 15s, and also recorded the highest price of the year at £26. The feature at the close is not an excessive demand (though consumption for sheets and pipes is steady at about 5,000 tons per month), but the scarcity of supplies, and we now depend, as in pre-war days, entirely on imports. English lead throughout has maintained a premium over foreign, selling up to £27 in December, whilst the lowest price of £19 was recorded in February. The tendency of values in America is upwards, as no material increase in output either in the United States or Mexico is expected for several months. The Board of Trade returns for the year show imports 132,602 tons, and exports 28,069 tons.—*Glasgow Herald.*

SPELTER.

Table of prices:—

	Jan. 1.	Highest.	Lowest.	Closing.
	£ s d	£ s d	£ s d	£ s d
Spelter prompt—	58 10 0	62 10 0	25 15 0	26 7 0
Per ton, 1920	58 10 0	62 10 0	25 15 0	26 7 0
Per ton, 1921	26 12 6	28 5 0	23 10 0	27 7 6

Values fluctuated slightly until September. The demand from galvanisers both in this country and America showed a steady improvement in October, and after being idle for a long period some of the spelter works in South Wales resumed operations. Exceptional steadiness was displayed in December.

At the close the outlook is somewhat obscure owing to the uncertainty of supplies. Norway and Germany offer very sparingly, whilst Belgian sellers' prices are above London parity. Stocks at the end of November amounted to 14,052 tons, of which 5,734 tons were held by his Majesty's Government, which compares with a total of 10,953 tons a year ago. The Board of Trade returns for November show imports for 11 months at 66,590 tons, compared with 106,538 tons for the corresponding period last year.—*Yorkshire Post.*

TIN AND TINPLATE.

TINPLATE.—The year opened with things at a very low ebb, and with the whole trade fighting for its life, with its back against the wall. A few of the headlines used in giving the market reports during the first months of the year will give a good idea of the position: "Outlook most depressed," "Situation extremely serious," "No demand," "Business practically stopped," "As depressed as ever," "Business practically dead." It was in the midst of these unique circumstances that the makers attempted to find salvation in what became known as the Central Selling Agency, a scheme which involved the elimination of the merchant as at present constituted, and which proposed to celebrate its birth by collecting a contribution from each maker of £2,000 per mill—say £1,000,000 in all. It did not appear to outsiders to be a very workable scheme, but one could understand

the eagerness of the maker to adopt almost any expedient in such difficult circumstances. It was discussed at several meetings of the makers, and at one time seemed likely to be adopted, as it was favoured by a large majority, but finally it was announced about the end of February that the whole scheme had fallen through.

It is an interesting question as to how far the makers have been covering their costs during the year. There is no doubt it has been a very lean thing, where good management in many cases might make all the difference between a loss and a profit. Two shillings and 5s, and even more, per box has been mentioned as the makers' loss at different times, and there is no question that they have strained a point through the year to keep works going where possible, not only out of consideration for the employees, but also because they might possibly have lost almost as much or more in various ways by closing down. The consolidation and grouping of works has gone on during the year. This may be *pro bono publico*, or it may not: it is another case where everything depends upon the management and the principles on which amalgamation is worked.

There has been great fluctuation during the year in the relative price of Wasters as compared with primes. The two sizes in which the largest business is done are 28 by 20 and 18½ by 14, and the variation in relative values applies to both. With regard to 18½ by 14, for instance, in the first quarter of the year the Wasters were selling at rather less than half the price of the primes, while at the close of the year, owing to short supply and good demand, the difference between the two was reduced to something like 1s.

There is nothing very new to report as to tinplate development in other countries. Rather contradictory reports have reached us as to the position with regard to the new works in Norway. The papers have told us of prosperity, completion of first large orders, and contemplated extension, whereas the general impression we have gathered elsewhere has not been so satisfactory. A statement was circulated in October to the effect that the Russian Soviet

Government had bought some Czecho-Slovakian tinplates, but no details were given as to quantity, makers, or terms. Like ourselves, the Americans have been suffering from a lack of orders, and have been working short time, though probably on the whole rather better employed than we have been here. We have not found them competing with us so strenuously as usual, and, speaking generally, throughout the year foreign competition has been conspicuous by its absence. Three of the new mills in Canada have been working, but the results are not available. A little competition from Germany was reported in the last quarter of the year, especially in Denmark. We cannot be surprised at this, considering the geographical contiguity of the two countries, nor is it a matter for great regret. No news has come through to us of the development in India and Australia, to which reference was made in our last report.

Prices.—The year opened with Cokes at about 34s; it was, indeed, the highest price of the year, and immediately began that decline which, with very small exception, continued until the close of the year, when the price stood at 20s. By the end of March the price was 25s, and then came the Coal Strike, which at first had a hardening tendency, the advance during April being to 27s, or even higher. It did not continue, however, and by the end of June the market value was 25s to 26s. Thereafter the decline was definite to the end of the year, when 20s seemed to be pretty firmly held, for the time being.

Bars.—There has again been a large increase in foreign bars offering, and quite a big business has been done, chiefly Belgian and French, although the German import has increased to over 5,000 tons, as compared with 34 tons last year. The Americans seem to have been practically off the map in this connection. The quality appears to have given general satisfaction, and large quantities were used, until during the last four months of the year the British manufacturers made strong efforts to win the business back, and have been very successful in doing so. With the best attention there is bound to be considerably more delay in getting bars

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through from some works in Belgium or France than in securing deliveries from a maker, comparatively speaking, at one's own door, and who in a matter of urgency is sometimes able to roll right away on a telephoned specification and deliver in two to three days. So unless the foreign bar can be delivered at a distinctly lower figure it does not stand much chance.

With regard to values, the maker's price was £17 10s at the beginning of the year, as against the foreign bar at £12. By successive stages the price was reduced to £13 in April, £9 10s in July, and £7 15s in November, which is the official price at the time of writing. Foreign bars have been quoted at about £7 (in July), but are now about £1 dearer.

Wages.—The first few days of the year saw the beginning of the gradual reduction in wage rates, which was followed by the several others, usually at quarterly intervals, and based, as mentioned in our last report, on the net selling price of steel bars.

The first reduction, which came into force on January 2nd, left the wages at 133.75 per cent. premium on base rates. This was reduced by successive stages of 12 per cent. and 25 per cent., 85 per cent., and 45 per cent., to 7½ per cent. in November, although it should be stated that this was supplemented by a special bonus of 10 per cent. as a temporary assistance to the employees, it being recognised that they had been very severely hit by the action of the sliding scale. In this connection it should be borne in mind that the base rate was increased by 25 per cent. in July, 1920.

TIN.—A feature of the tin market during the year has been the smallness of the fluctuations, particularly as compared with 1920. The difference between the highest and lowest prices during the year (we take the closing price each day) is only £62 10s, viz., £210 10s on January 7th, and £148 on March 9th. This compares with a total fluctuation of £220 in 1920. It is also noteworthy that in October the total variation in price was only £3—£158 to £155, and that while the variation in January was £46 10s,

in no succeeding month did it touch £25. Yes, with all its faults, the year has spared us the intense gambling and the feverish fluctuations which so often characterise the tin market. Of course, it may be said that there was not much to get excited about, and that no doubt is true, but to genuine consumers the change is not unpleasant.

The average price for the year was £165 5s 7d, a drop of £136 10s 8d, as compared with £295 16s 3d of 1920. The average prices for the four quarters of the year were:—January to March, £170 19s 1d; April to June, £169 12s; July to September, £158 17s 2d; October to December, £161 14s.

It is understood that the Government of the Federated Malay States and the Dutch authorities have been holding up a large quantity of tin during the year—10,000 tons is named—and that they have come to a mutual agreement not to put it on the market at a loss. It is supposed to stand at between £200 and £240 per ton. Whether they will be content to hold to it indefinitely is questionable, but the very fact that such a large quantity is there in the background, ready to be thrown on the market at a time to be arranged by the holders and their friends, is bound to be an element of weakness. The Chinese stocks at the end of 1921 are supposed to have been about 3,000 tons. America seems to have bought sparingly and spasmodically. Germany has been the best Continental customer, and of course has had to struggle with a shocking exchange. It is of interest to note that 20 tons German-smelted tin arrived in London towards the close of the year. It is also interesting to mention that 600 tons of American electrolytic tin (said to be smelted from Bolivian ore) arrived in Liverpool in February. The statement that the quality "has the advantage of not adhering to the plate" must not, we suppose, be taken too literally by tinsplate makers.

It was reported in September that the famous Mount Bischoff mine in Australia was going to close down, but whether this was to be permanent or temporary, and when it was to take place, was not stated. It was also rumoured in October that some of the Banca and Billiton mines were

to be closed. A proposal (said to emanate from Wales) was made to impose a special duty of at least £50 per ton on all tin exported from the Straits Settlements for consumption in countries outside the Empire. The committee of officials, &c., who have been inquiring into this have unanimously turned down the suggestion, which, they think, "would inevitably prove seriously detrimental to the local tin mining and tin smelting industries." Tin ore smelted at the Straits comes from China, Siam, Dutch East Indies, Alaska, Bolivia, &c., as well as the local ores.

The stocks of tin during the year have averaged 4,376 tons in London, and 1,686 tons in Liverpool, as against 2,386 and 523 tons respectively in 1920—a large increase.

Exports.—The wholesale character of the slump is reflected in the export figures, which show, only too clearly, how sick the world has been. The Far Eastern market has been perhaps our best; in fact, the tremendous increase shown by Japan is surprisingly satisfactory. The few other countries that show an increase over last year are Roumania, United States, Argentina, and Canada. The others all tell the same tale of retrogression, in varying degree.

EXPORTS OF TINPLATES and TINNED SHEETS.

	1913.	1914.	1915.	1920.	1921.
Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
British East Indies	68,817	28,126	33,760	51,859	40,022
Japan	28,322	205	13,222	9,558	21,818
Netherlands	43,009	..	16,032	21,598	18,295
Australia	28,961	44,284	38,033	47,338	20,541
China	21,691	6,181	7,535	17,118	16,112
Belgium	13,363	..	8,701	17,032	8,078
France	21,332	47,755	34,357	60,566	6,512
Norway	25,166	4,049	20,164	12,761	5,008
Italy	20,418	14,256	6,056	16,073	4,059
Roumania	10,927	..	2,574	1,004	3,871
Portugal	14,873	7,735	17,452	15,585	3,147
Argentine Republic	19,323	21,397	5,701	1,148	3,126
Canada	9,889	107	500	957	862
United States	21,616	..	309	1,874	234
Germany	34,739	..	1,303	1,504	24
Russia	9,921	..	85,449	73,360	70,302
Other countries	102,330	49,471	..	..	..
	494,497	223,474	289,463	353,058	226,482
	27,214,388	27,568,694	21,078,664	21,954,503	23,078,899

The stock of tinplates, terneplates, and blackplates at Swansea on December 31st was:—1918, 98,667 boxes and bundles; 1919, 185,141 boxes and bundles; 1920, 159,596 boxes and bundles; 1921, 140,059 boxes and bundles.—*Extracted from the annual report of Messrs. Sims and Coventry.*

ENGINEERING TRADES.

AVIATION.—The *Engineer*, in their review of aeronautics for 1921, refer to the extended scheme of subsidising civil aviation which the Government brought into force in June. That measure enabled the British companies operating the cross-Channel services to compete on even terms with their foreign rivals, and, being more than a mere temporary expedient, served to increase confidence in the financial side of the undertakings. Traffic certainly grew after the scheme came into being, but even so, the demand for commercial machines required to carry on such services as now exist, or as are at all likely to be started in the near future, would not justify anything like a dozen or more aircraft manufacturing firms keeping their works open and looking with something approaching confidence to the coming months.

Just as in the matter of research and experiment, so, too, in the matter of actual construction, the military side of aviation is rapidly becoming the mainstay of the industry. Indeed, it cannot be denied that during the past 12 months the closing down of important aeronautical works, a process initiated on a threatening scale towards the end of the previous year, would have continued but for the Government work that was given out. Little may be published regarding the designs of the military machines that have been or are being so built, but sufficient is known to permit us to say that the Air Ministry is showing every sign of fostering progress and of taking advantage of the results of recent research, and is far from resting content with the best designs of the war period.

RAILWAYS.—In railway engineering, either as regards

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locomotives or roads, there is little to say. Mr Gresley continued to build three-cylinder engines, and there is little doubt that his success will lead to the further use of three-crank locomotives. But the only important engines of the year are as yet incomplete—a large steam locomotive being built by the Yorkshire Engine Co. and the electric passenger locomotive, illustrated by a drawing in our last issue, which Sir Vincent Raven is completing at Darlington. In railway engineering little has been done. The congestion at many of the London termini is worse than ever, and a solution for the difficulty will have to be sought. In some cases, notably at Liverpool street, the adoption of a double-deck station, in order to get over the trouble of the bottleneck, may be suggested.—*The Engineer*.

COMMERCIAL MOTORS.—In the course of an article on Commercial Motors, the *Yorkshire Observer* points out that: "Prices came down very substantially during the year—practically to pre-war levels; but there is still a big margin of reconditioned war lorries to be absorbed at prices which put the new vehicles almost out of reckoning. This is certainly unsatisfactory from the point of view of the commercial motor manufacturer, though there is reason to hope for an improvement in the near future. It cannot be said, with any degree of certainty, that the show of commercial motors which was held at Olympia in October influenced trade in new vehicles."

MOTOR-CARS AND CYCLES.—The British motor trade has always depended very largely on the home market, but what export trade has existed has dwindled this year to small proportions, and this applies equally to motor-cycles, and even to pedal bicycles, in which in pre-war days a substantial export trade was done. On the other hand, imports of foreign—in this case chiefly American—cars have also fallen to a very low level. The 33½ per cent. import duty, and the high tax which the practically "square" American engine has to bear in comparison with the smaller bored and high compression British engine, has certainly eased, for a time, the strain of foreign competition. Taking the figures, both of exports and imports, from the Board of Trade returns for the 11 months to the end of November for 1921 and 1920, we find the following results, in comparison with pre-war days, taking the 1913 figures as the best representative year:—

	IMPORTS.		
	1913.	1920.	1921.
Motor-cars and parts ..	4,401,541	22,018,555	5,487,866
Motor-cycles and parts ..	148,186	390,609	182,554
Cycles and parts ..	204,482	419,888	168,559
	EXPORTS.		
	1913.	1920.	1921.
Motor-cars and parts ..	3,388,868	7,435,512	4,833,371
Motor-cycles and parts ..	872,246	2,189,939	939,718
Cycles and parts ..	1,557,511	4,473,938	1,666,308

It will be seen that, allowing for the substantial increases in values, both imports and exports are, in reality, below the pre-war level, while the export trade, compared with last year, has dwindled to very small proportions. As for the home trade, inquiries I have made among a considerable number of leading agents lead everywhere to the same answer—about the poorest year the trade has known.—*Extracted from Yorkshire Post*.

SHIPBUILDING AND SHIPPING.—VI.

In its review of shipbuilding in 1921, the *Glasgow Herald* writes that there has been a pronounced decline in the production of the shipyards of the United Kingdom. There has been a very marked falling off in the amount of tonnage launched, and in almost every country there has been poorer trade than in the average of previous years. But it is not the decrease in output which is concerning shipbuilders and all others interested in shipping, shipbuilding, and engineering, so much as what the immediate future holds in store. At present trade is poor, and the decrease of one and three quarter million tons launched shown in the table given below indicates that it has been generally poor all over the world. Even those countries which had increases were nothing like so busy as they might have been, while the leading shipbuilding nations of the world—with the possible exception of Germany—must continue to regard the year as one of a retrograde character, so far as statistical progress is concerned. The tables given under the headings of the respective countries show the position better than any comment here would. Those relating to the United Kingdom show decreases in practically all the areas; and an overall decrease of more than half a million tons. In that of America, however, there may be found the principal explanation of the world decrease, while that of Germany appears to show that in

that country there is a very large amount of work, and that those engaged in it are doing everything in their power to restore their nation to a leading position. But in no country in the world can anyone say, with even an approach to certainty, what the prospects are, and it is in this dominating note of uncertainty that the new year will open. The following table shows the output of the world's shipyards, according to our returns:—

	1921.			1920.		
	Vessels.	Tons.	I.H.P.	Vessels.	Tons.	I.H.P.
England ..	466	897,365	733,230	620	1,214,319	957,816
Scotland ..	313	580,216	515,458	446	778,914	673,040
Ireland ..	25	118,691	70,100	33	147,695	69,250
U.K.	804	1,596,272	1,318,788	1,169	2,140,928	1,700,106
Dominions ..	181	153,490	78,576	307	287,493	116,880
Empire ..	985	1,749,762	1,397,364	1,476	2,428,421	1,816,986
Foreign ..	1,417	3,439,731	3,155,279	1,798	4,518,763	4,920,914
	2,402	5,189,493	4,552,643	3,274	6,947,184	6,737,880

The Leading Countries.—Lower though its production is, and handicapped as it has been by trade depression and by many industrial and economic difficulties, the United Kingdom has an easy lead among the shipbuilding nations. Germany has now dropped definitely to second place, and America has now dropped definitely to third place. Ger-looks like remaining there, if not falling lower still. The many is already third—three years after the close of the war—and will in all probability be back in her old position of second within a comparatively short time. The following are the countries whose output is over 200,000 tons:—

	Vessels.	Tons.	I.H.P.
United Kingdom ..	804	1,596,272	1,318,788
United States ..	292	1,303,735	1,150,894
Germany ..	241	622,762	569,811
Japan ..	119	424,284	177,851
Holland ..	292	223,574	129,135
France ..	119	205,594	91,730
Italy ..	62	205,594	91,730

British Rivers.—Within the United Kingdom first place among the shipbuilding areas continues to be held by the Clyde, with the North-East Coast rivers and Belfast following. The production all round is lower, and that of Belfast is lower relatively than that of any other area. It may be noted that, apart from the United States and Germany, the Clyde, even in this poor year, has a tonnage higher than that of any foreign country:—

	Vessels.	Tons.	I.H.P.
The Clyde ..	249	511,185	478,760
The Tyne ..	73	335,947	283,202
The Tees ..	34	160,508	133,800
The Wear ..	30	144,868	63,083
The Luggan ..	13	93,494	70,100

As regards the movement of the shipbuilding industry during the course of 1921, Lloyd's Register Quarterly Returns show that at the opening of the year 3,708,916 tons were under construction in the United Kingdom, and the March returns showed an increase of about 90,000 tons, the totals reaching 3,798,593 tons, the highest figures ever recorded in the society's returns. Since then a steady decrease has taken place, the figures for the end of December, 1921—viz., 2,640,319 tons—being the lowest since June, 1919, and showing a reduction of 1,158,274 tons during a period of only nine months.

As regards other countries, there have been launched during the year 951 merchant vessels of 2,803,627 tons (698 steamers of 2,537,976 tons, 108 motor vessels of 204,286 tons, and 145 sailing vessels and barges of 61,365 tons). The figures show a decrease of 1,002,415 tons as compared with those for 1920, and of 2,720,480 tons as compared with 1919, but are 1,402,898 tons higher than those for 1913, the pre-war record year.

Taking the output of 1913 at 100, the figures for the last four years are as follows:—1918, 292.6; 1919, 394.4; 1920, 271.7; and 1921, 200.2.

We extract the following from Messrs H. E. Moss and Co.'s Steam Ship Circular:—

We regret to report that the shipping depression still continues, and at the present time there are some three million tons of British ships alone laid up. Undoubtedly a large amount of this tonnage would in normal times have found its way to ship-breakers, but, on the other hand, there are hundreds of good modern-built vessels for which owners cannot find payable employment.

Prices for good modern second-hand steamers are exceedingly low, and for those who can afford to wait until an improvement takes place in the shipping world there are many bargains to be obtained.

Orders for new tonnage are not being placed, except by a few liner companies, who must have tonnage for their special trades. It is estimated that on December 31st the amount of merchant tonnage under construction in the United Kingdom was about 3,000,000 gross tons, but this includes a considerable amount of tonnage on which work has been suspended by agreement between builder and owner until such time as costs and labour are automatically reduced to a workable level. There is also a certain amount of tonnage partly built, of which the completion has been postponed owing to failure or default by the owners; but most builders are to be congratulated in that,

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although the slump came on them like an avalanche, they have been caught by really very few defaulting owners.

Many builders are now becoming very short of work, and are prepared to contract at very low figures, which only leave them the smallest of profit, but none of our tramp owners consider that prices are as yet sufficiently low to justify their contracting for further tonnage. Until the cost of labour and material is still further considerably reduced, we fear that many builders are faced with a very quiet time.

Builders can now bring down their actual ship costs, exclusive of any profit, to perhaps two and a half times in excess of pre-war, but the marine engine builders cannot yet in any way approach that reduction, their costs being still nearer four times pre-war, the result being that the engineers' problem is even more difficult of solution than that of their shipbuilding colleagues. We, however, hope and believe that within the next few months builders will succeed in further cutting their prices to about twice pre-war costs, when a renewal of orders for our staple industry must inevitably come.

The price of coal has now almost reached reasonable limits, from an owners' point of view, being at least 50 per cent. cheaper than six months ago, with the result that practically all tramp oil-burning tonnage has been perforce obliged to reconvert to coal in order to avoid laying up, and surely this factor should be an object-lesson to our leading oil groups—that, if they are to hope to retain and increase their fuel bunkering business, their price per ton must drop to not exceeding twice the cost of coal bunkers. A striking example of the danger of lost trade to the oil groups is that practically all tankers, outside the big companies, have been likewise forced to return to coal burning.

It is now the opinion of many shipping experts that the bottom of the slump has been reached, and that with the turn of the year we shall see a slow but steady improvement generally. We partly share these views in that we also consider the bottom in prices has now been touched, but we anticipate a considerable halt and many months yet before the improvement is visible and our locked-up tonnage can be released in any large quantities.

BUILDING TRADE.

Mr Herbert Jeans, writing in the *Chamber of Commerce Journal*, says that the two outstanding events in the building industry during the past year were, undoubtedly:—

(1) The collapse of the Government housing schemes in England and Wales.

(2) The reduction in wages in the building trades.

These two events must, necessarily, have a far-reaching effect upon the industry, for the reasons that the former practically brings with it the end of Government control in building, whilst the latter marks the first step towards that reduction in the cost of building which is so necessary for the industry's return to normal conditions.

The Housing Schemes.—The collapse of the Government housing schemes, which came about with such dramatic suddenness last July, will, doubtless, be impressed on the public memory by the heated Parliamentary debates with which it was attended. It will be remembered that the Premier, on being twitted with the non-fulfilment of his promise to make this country "a land fit for heroes to live in," retorted that we have done more in the United Kingdom for the housing of the people than has been done by any other country in the world. This being so, a halt was called to the enormous public expenditure on housing. At that time some 25,000 to 30,000 houses, out of the 80,000 that we were assured in 1920 was the minimum requirement, had been built, at a cost of £800 to £1,200 each. These might have been built before the war at about a quarter of the price. It was obvious that such a rate of expenditure could not be allowed to go on, especially in view of the fact that falling wages in all industries were making it increasingly difficult for the tenants of the cottages to pay anything approaching an economic rent. It was, therefore, very prudently decided to finish only those schemes for which approval had already been given, but to enter into no further commitments for the time being. This decision, however, applied to England and Wales only. Scotland has an extension in regard to its housing programme for a period of two years; and some excellent schemes are going forward in that country.

Considerable ingenuity is being shown in devising new building methods, both as regards materials and plant, as visitors to the building exhibitions at Olympia, which are now being held for three years in succession instead of biennially as hitherto, must be aware. Concrete and ferro-concrete are coming more and more into favour as a build-

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This Bank has 1,600 Offices in England and Wales, Correspondents and Agents throughout the British Isles, and a large number of Colonial and Foreign Agents.

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EDMUND HENRY PARKER, Vice-Chairman.

GENERAL MANAGERS:
WILLIAM FAVILL TUKE. Sir WILLIAM CARRUTHERS. ROBERT WILLIAM STREET.
JOHN CAULCUTT.

Authorised Capital	...	...	...	£20,000,000
Issued and Paid-up Capital	...	...	...	£15,592,372
Reserve Fund	...	...	...	£8,250,000
Deposits (December 31st, 1921)	...	...	...	£330,942,300

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ing medium, and the developments in systems of construction consist mainly of variations of the concrete block and slab. In factory construction it is becoming the custom to build on the "sectional" system, whereby a building can be planned and designed in such a manner that it may be commenced on a small scale and added to, section by section, as the needs of the business grow, the main architectural features of the building being preserved throughout its growth.

The Prospect.—With falling wages and the very much better spirit among the men that exists at the present time than was the case twelve months ago, the prospect for the building trade is certainly brighter than it has been at any time since the war. There is a large amount of building work in the country waiting to be done. The one stumbling-block is the high cost of materials. Manufacturers' costs are not dependent upon wages alone; increased rents, rates, postal and telephone charges, in addition to the burden of taxation, all add to the selling price of the manufactured article, yet there are not lacking signs that the cost of materials will be considerably reduced in the near future, and when that comes about those engaged in the building industry may well look forward to a long period of prosperity.

FURNITURE TRADES.

According to the *Cabinet Maker* :—

"The past year has been one of considerable difficulty for the furnishing trades, and though there have been welcome signs of improvement during the past three months, the period under review has been full of the anxiety attendant upon a period of deflation. On the manufacturing side of the industry, the more far-sighted of its members saw the way in which business was tending, and wrote down their stocks very considerably."

After discussing the economic aspects of trade conditions generally, this journal then proceeds :—

"Owing to the circumstances attendant on the coal strike, business was distinctly bad during the spring and summer. This was not only the case with regard to the home trade, but exports of furniture also decreased steadily, and a great deal of 'slump' talk was indulged in. In some cabinet-making centres steps were taken for the relief of operatives who were suffering as a result of the general depression. Every section of the trade realised that no improvement could possibly take place until a more normal price level was reached. As soon as circumstances forced the trade to the conclusion that wage readjustments must take place trade revived, and has been undeniably better during the autumn. Exports of furniture are steadily on the increase, and there is a welcome optimism in the air. Following the wage adjustments, prices have come down and raw materials have come into the market much more freely at lower rates, and although there is as yet no indication that the trade is abnormally busy, it is certainly in a very much healthier condition than it has been during the year. All sections of the trade have felt the conditions which have existed, but the difficulties have been specially felt by those concerns which during the war were engaged upon munitions, and following the Armistice sought to utilise their plants in the making of cabinet work.

"It may be noted that the wage reductions referred to

have, for the most part, been negotiated without any stoppage of work, as would probably have been the case in pre-war days. A scheme has been devised, and is now in fairly general operation, whereby wages rise or fall in accordance with the cost of living index figure published by the Ministry of Labour."

POTTERY TRADES.

The British pottery industry has come through the year 1921 much better than was anticipated during the dark days of the coal strike, when production came to a complete standstill for the first time for many years. During the stoppage the various firms, especially those producing ordinary domestic ware, &c., were daily receiving cancellations of orders or instructions to delay delivery. It would be difficult to describe the state of the industry when the coal strike ended. It is sufficient to say that it had never before received so disastrous a blow, and it has not recovered from it yet.

When all the circumstances are considered, one realises that the overseas business in pottery-ware has been maintained to a remarkable degree. The statistical "curve" indicates that though extensive business was done in the first half of 1920, the latter part of that year created the highest record of exports for the industry. It was in the first six months of 1921 that the first falling off was noticeable, but even so, the business done was in excess of the first six months of the previous year, while the returns for the last half-year are indicative of a "slump."

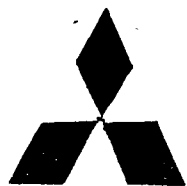
The total export business in all classes of pottery-ware during 1921 amounted to £6,390,393, compared with £7,929,689 in the previous year, being a decrease of £1,539,305. Up to June 30, 1921, the exports amounted to £3,541,453 (1920, £3,153,396; an increase of £388,057). During the remainder of the year the shipments amounted to £2,848,940, being a decrease of £692,513 on the first six months, and of £1,927,362 when compared with the second half of 1920. The purchasers in order of volume were the United States, Canada, Australia, British East Indies, Argentine, South Africa, New Zealand, Brazil, France, and Germany.

The home market was never brisk at any time during the year—a fact which is easily understood in view of the widespread unemployment.

The final act of the old year was the official announcement of reductions in selling prices. The "cuts" range from 10 per cent. to 23½ per cent., and it is hoped they will result in a greater volume of business.—*Manchester Guardian Commercial Annual Review.*

BRUSH MAKING.

The British brush trade is fighting manfully against Continental competition, and there is still no saying which way the contest will go. Home manufacturers are doing their utmost to retain overseas connections, and where quality is a consideration they are in many cases victorious. The reorganised methods of production, adopting machinery wherever possible, is something worth recording. Machinery for punching and other operations is being more widely used, and when the time comes for Germany to compete with British buyers in the market for bristles the exchange advantage in selling the finished product will



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Bank of Liverpool



Martins Bank



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Capital Subscribed	-	-	-	-	£18,791,120
Capital Paid Up	-	-	-	-	2,348,890
Reserve Fund and Surplus Profits	-	-	-	-	1,547,119
Deposits, etc., at 31st December, 1921	-	-	-	-	78,645,611

322 BRANCHES AND SUB-BRANCHES.

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begin to cut the other way. There has been a fall of from 20 to 25 per cent. in bristles and other materials during the year; it is possible that another 10 per cent. may be shaded off in 1922; and wages in the industry have fallen 7½ per cent. as from January 2nd, with larger cuts in the case of unskilled operatives. The lower prices consequent upon these developments must help to stimulate demand. The shortage of Russian bristles, however, is affecting the good-class export and home trade, with the consequence that whalebone hairbrushes are being made to some extent in place of bristle lines. An interesting development in the British industry is the use of a trade-mark denoting standardised, high quality finish in certain exporting firms' toilet and paint brushes. Free packing is also being introduced—a point of considerable advantage to shippers.—*British Trade Review.*

VII.—TEXTILES. THE COTTON TRADE.

The year 1921 in the Lancashire cotton trade will long be remembered as probably the worst twelve months ever experienced in the history of the trade.

Spinners of yarn throughout the year had a wretched experience. The position became worse almost from month to month. It was impossible to sell the output of the machinery at figures which did not show a loss. Short time on an organised scale was started in the Egyptian spinning section in October, 1920, when it was decided to run the mills only 35 hours a week instead of the usual 48. In the following December spinners using American cotton resolved to work only 24 hours a week. This organised curtailment of production continued until last July. About that time there was a slight improvement in trade, and it was decided to abandon the official scheme of short time. There was no real improvement in business, and the mills worked very irregularly. Rather more orders were booked in September, but the increased demand soon fell off, and in November there was another ballot of American spinners as to restricting the production by 50 per cent., but on the result being made known it was found that the Masters' Federation had not secured a sufficient majority to put the proposed scheme into operation. Throughout the year it was a struggle for spinners of both American and Egyptian yarns to make ends meet, and most of the contracts secured were at prices very little better than stopping machinery. Owing to the large number of looms idle for want of orders, the total consumption of twist and weft was comparatively small. During the latter half of the year there was a distinct improvement in the demand from abroad. A big business was done for China, especially in twofold descriptions, and more recently buying has been on a much freer scale for India. Trade was also rather better in cops for Germany and Holland.

The following is a comparative table of yarn shipments, particulars being given of 1913, the year before the outbreak of war, and the two last years:—

	1913	1920	1921
Lbs.	192,968,400	135,226,200	129,856,900
Value	13,751,785	45,330,682	21,512,734

The following table shows prices for 1921:—

	32 inch Printers, 116 Yds., 15 by 16.	36 inch Shirtings, 76 Yds., 18 by 16.	38 inch Shirtings, 58 Yds., 18 by 16.	39 inch Shirtings, 37½ Yds., 16 by 15.
	32's & 50's.	32's & 40's.	10 Lbs.	8½ Lbs.
January 7	44 6	39 0	25 0	20 0
February 4	42 0	37 0	24 0	20 0
March 4	37 6	33 0	21 0	17 0
April 1	34 6	33 0	20 0	17 6
May 6	33 0	34 0	19 6	17 6
June 3	33 0	34 0	19 0	17 6
July 1	31 9	32 0	18 3	16 6
August 5	31 3	31 0	18 0	17 0
September 2	31 9	30 6	19 9	18 0
October 7	36 6	37 6	22 0	20 6
November 4	34 6	34 6	21 0	19 0
December 2	32 0	31 6	19 6	18 0
December 30	31 0	30 6	18 9	18 0

During 1921 Germany, Bombay, Roumania, and Bengal increased their takings of yarn, but there was a falling off in the exports to France, the United States, Belgium, Turkey, and Sweden.

It was a deplorable year for manufacturers of cloth. Compared with the boom period of 1919-20, a remarkable change presented itself. Now and again there were spurts of buying, but the activity did not last very long, and the orders secured were not sufficient to strengthen the position of sellers.

One of the outstanding features was the extensive depreciation in the value of stocks, and this led to great trouble in the completion of contracts. The demand from India was very discouraging. The political unrest abroad was largely responsible for the dull state of affairs. The Gandhi agitation and the boycott of foreign goods had a serious effect upon Lancashire trade. The monsoon was excellent in every respect, and the good crops should have a favourable effect upon trade in the near future. Buying for China was very irregular. Since the turn of the

half-year there has been more activity in standard goods and fancies. Stocks in Shanghai are much smaller than a year ago. Recently there has been rather more business for Java and the Straits Settlements. The outlets of the Near East were adversely affected by the uncertain political situation, but in September there was an extensive buying movement for Egypt, the Levant, and Persia. Trade with South American outlets was blocked by the unfavourable position of exchange. A few months ago there was an improvement in the demand for certain of our colonies, and houses with connections in Australia and Canada reported a larger turnover. In view of the trade depression, it can easily be imagined that unemployment in the weaving towns of Lancashire during the year was on a very extensive scale. The home trade houses experienced big losses, especially during the first half of the year. A slack state of affairs prevailed for calico printers, bleachers, and dyers. Although several cases of financial difficulties were reported, it is satisfactory to know that no really important failure took place.

The following is a comparative table of cloth shipments:—

	Yards.	Square Yards.
1913	6,644,866,100	90,292,766
1920	4,188,511,700	295,630,641
1921	2,572,885,600	125,293,291

During 1921 exports increased, compared with the previous year, to Bengal, Morocco, Germany, and Roumania, but there was a big falling off in the shipments to Bombay, China, Turkey, British West Africa, Egypt, and the Argentine Republic.

The following table shows the Board of Trade figures of total imports of raw cotton and their value during the years 1913, 1919, and 1920:—

Cotton, Raw (except Linters).	Quantity.			Value.		
	1913.	1920.	1921.	1913.	1920.	1921.
Imports from—	Centals of 100lbs.	Centals of 100lbs.	Centals of 100lbs.	£	£	£
Egypt	4,026,894	..	..	17,642,358	..	..
United States	15,847,685	13,903,337	8,010,023	47,307,766	164,915,818	44,745,179
Brazil	618,036	231,680	163,461	1,992,268	3,426,882	850,978
Other foreign countries	531,421	951,005	716,989	1,696,192	14,437,101	4,037,862
Total from foreign countries	21,023,946	15,086,022	8,890,473	68,638,584	182,781,801	49,634,019
British Africa—						
Egypt	..	2,815,838	2,312,916	60,578,667	20,259,901	..
Other countries	173,891	288,876	347,714	490,484	4,690,534	1,722,004
British East Indies	514,102	742,656	150,652	1,128,831	5,083,999	622,438
British West Indies (i.e., British West India Islands, including Bahamas, British Guiana, and British Honduras)	29,895	25,082	20,111	209,422	726,290	200,537
Other British Possessions	1,262	3,751	3,655	3,226	36,481	23,070
Total from British Possessions	719,150	3,886,202	2,835,018	1,931,963	71,215,941	22,827,960
Total	21,742,996	18,972,224	11,725,521	70,570,547	256,678,879	73,329,907

Messrs Robert Barbour and Brother write in their annual review:—"India, by virtue of its being the largest outlet for cotton goods, naturally influences the position on this side to a much greater extent than any other country, and to its complete lack of support must be put down in large measure the general stagnation which has characterised the year's trading. The difficulties which confronted Lancashire in the closing stages of 1920 by India's deplorable attitude in respect to obligations it had contracted at the height of the boom have been enormously aggravated during 1921. Dishonoured drafts on a scale hitherto unknown, and amounting to many millions of pounds sterling, still present an impenetrable barrier which nothing so far, save in some instances the grant of exorbitant allowances, has been able to break down. Political propaganda, non-co-operation, 'Swadeshi' in its worst form, the cult of the Gandhi movement, with the boycott of foreign piece-goods imports as its foremost tenet, have all combined to make bad worse and increase the general unrest. Bombay and Delhi have been the headquarters of the trouble, Calcutta has not escaped the contagion, but Madras, generally a law unto itself, did not fall into line with the other large centres, and by going about things in its own way has been the gainer thereby. China has been labouring in troubled waters like every other market, firms only, have been terrific, whilst political intriguing, famine, lawlessness, and wholesale looting have been more rampant than ever, and aggravated later by dear money. None the less, there are more hopes for China than for most quarters, stocks in the interior are light, and if the Washington Conference satisfactorily disposes of a number of questions in which she is particularly interested a healthy business may not be far off. Java and Singapore, have been no exceptions to the general run of the Far Eastern markets, but for the Near East—particularly Egypt—operations for a time assumed quite respectable

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ESTABLISHED 1753.

REGISTERED WITH UNLIMITED LIABILITY 1885.

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CAPITAL	£1,000,000
RESERVE FUND	£500,000
CURRENT AND DEPOSIT ACCOUNTS	£25,625,242
CASH IN HAND AND AT BANK OF ENGLAND	£4,573,262
MONEY AT CALL AND SHORT NOTICE	£6,258,500
INVESTMENTS	£8,245,884
ADVANCES, &c.	£6,744,917
Balances with and cheques in course of collection on other Banks in the United Kingdom	£1,085,049

31st December, 1921.

MANAGING PARTNERS:

The Hon. A. H. MILLS.
LORD WOLVERTON.
General The Hon. Sir H. A. LAWRENCE, K.C.B.

General Manager:

Brig.-General A. MAXWELL, C.M.G., D.S.O.

Secretary:

ERIC GORE BROWNE, D.S.O.

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proportions. The Western hemisphere, overbought at the top of the market like everywhere else, has had its quota of trials and afflictions to contend with, and Cuba, Haiti, and the West Indies generally have come off badly. The same may be said of South America, though the latest reports indicate an improved outlook, and several of the old-established firms, who, to their credit, have consistently met their engagements, are gradually working off old orders and preparing the way, it is to be hoped, for a resumption of normal trading.

WOOLLEN AND WORSTED TRADES.

The *Yorkshire Observer* writes:—

The year 1921 will be memorable in the annals of the woollen industry.

There was a vivid contrast between conditions governing the trade at the beginning of the year and those that obtained 12 months previously. From a state of unprecedented activity industry had been reduced to almost negligible dimensions, with resultant losses to employers and employed alike. The mills of the Heavy Woollen District, in which there had been a continuous roar of machinery during the war in the production of the cloth for the British, Allied, and American Armies, were comparatively silent.

It is satisfactory to record that at a time when the orders which are keeping mills in better action than for some time past are of only small dimensions and requiring quick fulfilment, there is a growing feeling of confidence that the corner has been turned, and that better times are almost immediately ahead.

Business in and values of tops during 1921 formed a marked contrast with those of the former year. The height of the boom was reached in April, 1920, and following its climax there was a precipitous decline in value, almost uninterrupted until the end of that year, the only deviation from this being a slight temporary improvement between July and August. The year 1921 has presented no such almost unrelieved tale of depression. Two factors exercised a pre-dominating influence upon production and prices. The first of these, the introduction of the Emergency Tariff in the United States, was of comparatively short duration, but the second, the recovery of the German wool textile industry, had far-reaching and more durable consequences. The year opened with an improvement in values, but subsequently weakness supervened until the preliminary effects of the projected United States tariff against wool and manufactures began to influence the market. With the object of escaping the impending duties, American users began to buy heavily, and Bradford firms also sent considerable weights of tops on consignment to the United States. About the middle of March the demand upon Bradford from this source was so considerable that an appreciable improvement in values occurred.

Some idea of the extent of this trade is to be gained from the fact that whereas in December, 1920, the value of tops exported to the United States was £42,933, the values in subsequent months, during which the pre-tariff influence existed, were as follows:—January, £326,127; February, £478,803; March, £398,484; April, £355,342. In May, at the end of which month the Emergency Tariff came into operation, the value of the tops exported fell to £91,021.

As the Board of Trade returns for the United Kingdom in regard to exports of tops do not specifically mention the United States, but include the exports in those to "other countries," there is no record of the weight sold during this unusual demand, which raised the total exports of tops to the high level of 5,845,100 lbs in April, but an American record of United States imports shows that the following weights were received in the five months mentioned:—December, 1920, 40,456 lbs; January, 1921, 571,580 lbs; February, 2,825,786 lbs; March, 4,122,208 lbs; April, 4,805,558 lbs. These figures may be compared with the United Kingdom exports to "other countries" (including the United States) in the three months indicated; February, 991,800 lbs; March, 3,465,800 lbs; April, 4,812,500 lbs. There is no doubt that the greatly preponderating bulk of these exports went to the United States. German demand for tops, and also for considerably larger weights of worsted yarns, resulted in a great improvement in the earlier stages of the Bradford industry. Progress in this respect will be gathered from the following table, illustrating the month exports of tops to Germany in the first 11 months of the year, the exports for the year 1920 being appended for comparison:—

	1920.	1921.
	Lbs.	Lbs.
January	351,900	841,300
February	266,400	490,300
March	281,700	681,000
April	450,300	309,900
May	583,500	311,800
June	578,000	654,000
July	426,200	814,500
August	890,600	1,093,500
September	1,331,900	876,200
October	2,137,500	1,187,400
November	1,065,700	928,800
Total	8,369,700	7,889,600

* Coal mines stoppage.

The general export trade in tops improved in the latter part of the year, and in October nearly all countries took more. The following table shows the progress of the export trade in tops, and includes for comparison the weights exported in 1920 and 1921, during the first 11 months:—

	1920.	1921.
	Lbs.	Lbs.
January	3,983,000	2,175,500
February	4,019,800	1,772,300
March	3,805,600	1,397,500
April	3,822,200	1,672,400
May	3,882,600	2,213,100
June	3,092,500	1,545,300
July	3,505,200	1,611,300
August	3,705,700	2,091,800
September	3,299,500	1,975,000
October	3,871,800	3,449,600
November	3,685,700	3,045,600
Total	40,671,600	21,742,300

* Coal mines stoppage.

WORSTEDS.—Throughout the year the demand for Huddersfield woollen and worsted textiles ran mainly on worsteds, so that the worsted manufacturers suffered less severely from the general stoppage of ordering than their colleagues in the woollen section. The reason for the marked preference that was shown throughout the year for worsted cloths was the comparatively slight difference in price between the two cloths, and the fact that the greatly increased cost of the making up of garments caused such buyers as there were to favour the better quality fabrics.

The following table shows the exports of woollen, worsted, and mohair and alpaca yarns in the 11 months of the year, the total quantities and values for the corresponding period of 1920 and 1921 being appended for comparison:—

YARN EXPORTS.

	Woollen.	Worsted.	Mohair and Alpaca.
	Lbs.	Lbs.	Lbs.
1921.			
January	418,000	1,394,500	248,700
February	379,000	975,800	229,500
March	552,400	1,102,300	253,400
April	521,100	1,092,600	309,100
May	515,500	1,174,400	224,000
June	381,300	1,077,600	246,900
July	351,400	1,552,000	281,300
August	345,700	2,511,400	516,900
September	504,000	2,371,100	398,900
October	647,400	3,392,500	461,900
November	811,900	3,526,400	460,000
Totals	5,329,300	20,168,600	3,629,900
Values	£2,697,012	£4,815,197	£1,154,410
1920.			
Quantities	5,908,100	23,216,100	3,914,900
Values	£2,987,728	£10,947,110	£1,808,604
1921.			
Quantities	4,496,400	46,065,200	15,844,000
Values	£431,707	£4,596,089	£1,988,158

MOHAIR.—Pre-war trade in mohair was dependent in a preponderating degree upon the use of Bradford's semi-manufactures on the Continent, mainly in Germany and Russia, and the fact that the year just closed has witnessed comparatively little business in the fibre is directly due to the abnormal conditions obtaining in these two countries.

As far as Russia is concerned, business in mohair semi-manufactures has been practically non-existent, owing, of course, to the incapacity of Russia to trade on anything like normal pre-war lines in consequence of the chaotic political and economic conditions in that country.

In pre-war days, however, the bulk of the mohair yarns produced by Bradford spinners found an outlet in Germany, where, to a large extent, the yarns were employed in the production of plushes of all descriptions, which, being in the nature of a luxury trade, is, of course, one of those which have made slow recovery since the war. The trade with Germany showed some signs of returning activity at one time during the year, but it did not develop on the lines of its opening promise.

PIECES.—In the production of tops and yarns the Bradford trade experienced a much more satisfactory year than the manufacturing and merchanting section of the industry, which is still slowly recovering from the cumulative effects of several heavy blows, a full recital of the consequences of which would make a gloomy narrative.

That the piece trade is suffering from an inundation of misfortune is an apt simile, and, tracing the flood back to its source, the discovery is made that it consists of the confluence of two or three parallel tributaries.

When wool, tops, and yarns were falling in 1920, Bradford endured a hailstorm of cancellations of orders for piece goods, already made, in process of production, or in prospect. This in itself reacted upon raw material and semi-manufactures, and from the middle of April last year the trend of values of these was downwards almost without interruption. About 12 months later, wool had become relatively very cheap, and, in many instances, actually cheaper than in the period immediately prior to the war.

Not long afterwards German users seized the opportunity to re-clothe their machinery, and became the heaviest buyers of raw material, and also very large purchasers of tops and yarns.

Accordingly, the position arose in which Germany resumed production out of cheap wool simultaneously with the period when Bradford was burdened with extraordinary stocks of finished goods, made out of the highest-priced semi-manu-

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Deputy-Chairmen: SIR MONTAGU TURNER, R. HUGH TENNANT.

AUTHORISED CAPITAL ...	£33,000,000
PAID-UP CAPITAL ...	9,003,718
RESERVE ...	9,003,718
(31st DECEMBER, 1921.)	
Current, Deposit and other Accounts ...	£317,655,838

Head Office: 41, LOTHBURY, LONDON, E.C.2.

Chief General Manager: JOHN RAE.

Foreign Branch Office: 82, CORNHILL, LONDON, E.C.3.

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FRANCE.—PARIS: 22, Place Vendôme.

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LYONS: 37, Rue de la République.

MARSEILLES: 29, Rue Cannebière.

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Established 1880.



Head Office: ROME.

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Reserves - - - - Lit. 20,166,861.
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LONDON REPRESENTATIVE:
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factures. Large blocks of Bradford capital were locked up, fresh potential financial resources were frozen at the source, while, on the other hand, a vigorous Continental competitor was obtaining raw material extraordinarily cheap in sterling, and was soon able to offer finished fabrics, made subject to the advantage of lower costs of production, against Bradford's goods left high and dry by the effects of the slump.

The foregoing is an outline of circumstances which necessarily have made trade extremely difficult and harassing. Foreign competition has arisen when many factors have been in favour of the Continental seller, and simultaneously the Bradford trader has been badly handicapped by the financial aftermath of the boom. In addition to this, the general depression of home industry resulted in but a poor internal market.

The value of the export trade in woollen and worsted tissues in the first 11 months of the year appears to bear favourable comparison with that of the last pre-war year. For instance, the worsted tissue exports in the period January-November this year were of the value of £10,346,378, as compared with £5,579,742 in the corresponding period of 1913, while woollen tissues exported this year were of the value of £23,097,835, compared with £13,315,799 in the first 11 months of 1913.

In regard to quantities, the following tables show the exports of woollen and worsted tissues in the first 11 months of the year:—

WORSTED TISSUES.			
	Sq. yds.		Sq. yds.
January	3,990,800	July	2,763,600
February	3,596,500	August	2,947,400
March	2,833,800	September	3,303,400
April	3,926,200	October	3,958,000
May	2,432,700	November	4,026,600
June	2,740,900	Total	36,519,900
WOOLLEN TISSUES.			
	Sq. yds.		Sq. yds.
January	9,768,200	July	5,221,200
February	7,128,400	August	5,284,800
March	6,222,800	September	6,104,200
April	6,249,100	October	7,058,100
May	5,058,700	November	6,961,800
June	4,352,500	Total	66,459,900

The exports of worsted tissues in the corresponding period of 1920 amounted to 73,086,600 square yards, and those of woollen tissues amounted to 178,121,300 square yards. Although there are no statistics available to afford accurate information upon the point, there is little doubt, in consideration of the relatively small employment of the looms this year, that a great quantity of the piece goods exports

during the year consisted of deliveries from stock, and that, therefore, the export figures are illusory in reference to the extent of new business.

COLNE VALLEY.—The tweed trade of the Colne Valley has passed through the most disastrous year experienced in its history. The demand for low and medium-class woollens was extraordinarily small. Such demand as did exist was largely for the better classes of woollens. The output of military and standard cloths, also, was remarkably small, unemployment and under-employment were rife throughout the year, and in every way there was a marked contrast between existing and normal conditions. In the old days there was a local saying that the Colne Valley manufacturers were not happy unless their machinery was being run night and day, and, during the war period, the mills were open almost continuously. During 1921 the exact opposite was the case, and except in the first two and the last month of the year, the manufacturers were greatly exercised in finding work of any sort on which to keep their operatives employed.

The position at the beginning of the year was worse than it appeared, for the reason that, owing to financial upheavals and consequent cancellations of orders on an unprecedented scale in 1920, there was practically no new business, and the mills were only run a few hours per week. Work was proceeding on orders booked months previously, and no new orders were being brought forward to take the places of those which were expiring. Orders placed in November and December, 1920, helped to give work during the first two months of the year. The goods then being manufactured were mainly standard cloths and military goods.

RAGS AND SHODDY.—When the year 1921 opened auctioneers, merchants, and the shoddy manufacturers alike declared that in their own and their predecessors' experiences conditions were never so adverse. The boom during the war brought remarkable profits, and in many cases fortunes had been amassed of which the most sanguine could never have dreamed. Some to-day are in comparative affluence as a result of the boom. But, it must be confessed, they are a minority, and they were fortunate enough to unload their stocks before the slump set in.

BLANKETS AND RUGS.—Like other sections of the woollen textile industry, the blanket trade suffered considerably in the slump that set in during 1920, though in a lesser degree than the cloth trade. When 1921 opened the industry was at a low ebb. Prices were falling, and it was found ex-

tremely difficult to influence new business. There was, however, a big scarcity of blankets in the world, otherwise the blanket factories would have experienced an even leaner time.

Some substantial foreign orders kept certain mills nicely engaged in the earlier months, but the coming of the coal stoppage made matters difficult. There was a period during which, for the first time on record, all the mills at Earlsheaton—notable for its production of rugs and blankets—were completely closed down.

Since the settlement of the coal dispute, however, fairly good running has been maintained in most mills, and for a period in the autumn the blanket departments of some were in action day and night. A month ago there was another slackening, but the last fortnight of the year has seen a revival, within limited dimensions, and there is a quiet optimism among manufacturers that in itself is a good augury. The particular line that has kept machinery going has been white blankets, principally for the home market.

The reversible Botany wool blankets, which are among the luxurious products of the Dewsbury mills, have again commanded some nice orders from China, where, despite the high price, they have been popular among people of means for several years. The blankets are remarkable for their richness of quality and their beauty of design and colour, and they make a strong appeal to the cultured classes in China.

With Japan, also, an acceptable amount of business has been transacted, though financial circumstances and the fact that Japan has herself taken to the production of blankets in recent years have kept exports to that country far below pre-war proportions.

JUTE TRADE.

The following is extracted from Messrs W. F. Soutar and Co.'s circular:—

JUTE.—During the year 1921 prices for first marks have fluctuated from £40 per ton to £25, then up to £34, and now close at £28 per ton. The outstanding features of the year have been continued depression in the cloth and yarn markets, with unremunerative prices, and a short crop of jute, that would have been insufficient for the world's needs but for the large reserve stocks held in Calcutta and also in Dundee. Exchange a year ago was at 1s 5½d for telegraphic transfers, and after rising to 1s 6½d gradually fell to 1s 3 1/32d, though in September it rose to 1s 5½d,

but fell later, and the rate closes for the year at 1s 4d for T.T. Freight in January last year were at £5 5s per 50 cubic feet, and after being as low as 35s are now at 40s per 50 cubic feet.

Cloth and Yarns.—During the first half of the year prices for Hessian steadily fell until 3 30-48d per yard was reached for 40 inch 10½ ounce, and 8-lb cops were sold as far down as 2s 6d per spl., but prices rose in September to 4½d per yard and 3s 6d per spl. respectively. Unfortunately, they fell away again, and the past year closed with Hessian at 3 42-48d to 3 45-48d per yard for 40 inch 10½ ounce, and 8-lb cops at 2s 11d to 3s per spl. Absence of demand for the manufactured article necessitated the curtailment of production for the greater part of the year to about half the normal output of the city, and in consequence there is considerable unemployment. Stocks of jute in Dundee were at the maximum for the year in April, and were estimated at 1,000,000 bales, but in consequence of only trifling arrivals during the summer the estimate fell to 700,000 bales, but recent arrivals have increased stocks by about 50,000 bales.

Estimated stocks in Dundee (including unsold in brokers' hands and standing stock in spinners' hands):—

	1918.	1919.	1920.	1921.
	Bales.	Bales.	Bales.	Bales.
At December 31st	600,000	800,000	750,000	750,000
Arrivals at Dundee (direct and coastwise), July 1st to December 31st	871,806	722,052	234,813	209,296
At sea to Dundee	86,000	218,281	204,995	63,326
Vessels loading and to load for Dundee to December 31st	50,000	50,000	40,000	20,000
	1,007,806	990,335	479,808	292,622

Closing prices at December 31st:—

Jute 1st Marks.	Hessians—	8-lb Cops.
C.L.F.	40 in. 10½ oz.	Per Spl.
£ s d	Per Yard.	Per Spl.
1913	35 7 6	2/11 to 2/11½
1914	18 10 0	1/11
1915	27 10 0	3/10 to 3/10½
1916	42 10 0	3/10 to 3/11
1917	44 0 0	5/10
1918	46 10 0	7/0
1919	60 0 0	10½d to 10½d
1920	39 0 0	5½d to 5½d
1921	28 0 0	3½d to 3½d

The National Bank of New Zealand, Ltd.

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SUBSCRIBED CAPITAL	£3,000,000	RESERVE FUND	£1,040,000
UNCALLED CAPITAL	£2,000,000		

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CAPITAL:	AUTHORISED	£10,000,000.	SUBSCRIBED AND PAID UP	£2,000,000.
Governor	THE LORD FARINGDON.	Deputy Governor	SIR HENRY BABINGTON SMITH, G.B.E., K.C.B., C.B.I.	
Manager	A. G. M. DICKSON.	London Manager	P. C. WEST.	Secretary: G. DE B. BROWNIE.

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Banque Belge pour l'Etranger; London County Westminster and Parr's Bank, Limited; London Merchant Bank, Ltd.; Kleinwort, Sons and Co.

Prices for spot:—

	Diamonds.	First.	Mangos.	Hearts.	Daisies.
1921.	£ 80 to 75	£ 40 to 35	£ 32 to 28	£ 24 to 21	£ 38 to 32
January	75 65	35 30	28 23	21 18	32 26
February	65 60	28 23	21 18	16 12	26 21
March	60 55	25 20	18 15	14 11	23 18
April	55 50	22 18	15 12	11 8	20 15
May	50 45	20 15	12 10	9 7	17 14
June	45 40	18 14	10 8	7 5	15 12
July	40 35	15 12	8 6	5 4	12 10
August	35 30	12 10	6 5	4 3	10 8
September	30 25	10 8	5 4	3 2	8 6
October	25 20	8 6	4 3	2 1	6 5
November	20 15	6 5	3 2	1 10	5 4
December	15 10	5 4	2 1	10 8	4 3

The following are prices of first marks for shipment at December 31st since 1901:—

	C.I.F.	C.I.F.
1901	11 15 0	26 0 0
1902	13 10 0	25 7 6
1903	13 0 0	18 10 0
1904	16 0 0	27 10 0
1905	19 5 0	42 10 0
1906	27 0 0	44 0 0
1907	15 15 0	46 10 0
1908	14 2 6	40 0 0
1909	14 0 0	39 0 0
1910	19 15 0	28 0 0
1911	20 2 6	

The following statistics are taken from the Board of Trade returns:—

Exports of	Quantity.			Value.		
	1913.	1920.	1921.	1913.	1920.	1921.
Jute yarn	41,766,100	43,549,200	27,876,900	780,988	2,693,609	925,250
Do manufactures yds	173,484,200	148,857,200	71,635,200	1,055,084	6,724,391	2,155,941
Other articles (except bags)				267,278	904,453	328,165
Linen piece-goods yds	193,681,300	93,044,700	39,999,900	5,968,579	1,493,520	5,251,573
Threads for sewing				1,350,207	1,705,676	682,160
Other articles	23,627	27,806	12,949	1,350,207	1,705,676	682,160
				928,977	2,115,649	1,170,793

LINEN DURING 1921.

There have been dull years before in the history of the Irish linen trade, but none so depressing as the period of 1921. The fall in values began to manifest itself in autumn, 1920, and though it was hoped fortunes would turn with the New Year, matters even got worse, and reached the climax in July last, since when the situation has been easier, though as yet it is far from what might be desired. As a matter of fact, while the United States,

which in normal years takes around 50 per cent. of total British linen goods exported, are beginning to show more activity in buying, a real revival can only come when the exchanges for Europe show a big improvement. With linen fabrics at prices highly prohibitive to home buyers, it cannot be expected that people overseas financially embarrassed will be eager to pay, owing to the adverse exchanges, two and even three times these quotations. It must be remembered, also, that linen at all times is regarded rather as a luxury commodity than as a necessity. Although a gleam of brightness began to show itself with September's oncoming, the activity continued only gradually, and not with sufficient briskness to compensate for the heavy decline during the earlier eight months. As in the sister textile industries, the financial strain was acute, and might have been disastrous to many concerns but for the assistance rendered by the Linen Trade Corporation. This organisation, with its board of directors composed of leading men in the industry, all of them heads of linen firms—acting in co-operation with, and having the goodwill of, the various North of Ireland banks—fulfilled excellent purpose in stabilising the trade by providing concerns carrying heavy stocks with financial accommodation, so that failures and the utter demoralisation of prices have been prevented. Nevertheless, very few linen companies were able to declare their usual dividends. How moderate was the buying of linen last year is best revealed by the Board of Trade returns of exports:—

	1920.	1921.
Linen piece-goods	11,344,130	3,601,739
Table linens	2,351,149	1,805,183
Handkerchiefs	1,135,521	742,769
Linen thread	1,704,663	620,287
Unenumerated	5,707,733	2,882,500

Hence the total value of exports of all linen good for last year was only £9,652,470, against £22,144,196 in 1920 and £8,247,763 in 1913.

As regards imports of flax and tow, these only reached 3,620 as against 20,888 tons for the previous year and 84,270 for the year 1913. Undoubtedly, had buying been in any degree active, last year's scanty raw material supplies would have been quickly exhausted, and it is just this scarcity, with no hopes of further replenishment, which is the menace threatening the prospects of the linen industry during the present year. However, those concerned are in general optimistic of steady improvement in business.

APPENDIX.

(A) WHOLESALE PRICES OF COMMODITIES.—SELECTED DATES, 1914-1920; AND MONTHLY, 1921.

NOTE.—The following tables give the variations in prices of the commodities on which the Economist Index number is based. In cases where the exact quotation ceased to be given during the war the nearest available quotation has been given.

CEREALS AND MEAT.

	Wheat.		Flour.	Barley.	Oats.	Potatoes.	Rice.	Beef.	Mutton.	Pork.
	No. 1 Northern Manitoba.	British Gazette Price.	Town Households.	Gazette Price.	Gazette Price.	Good English.	Rangoon.	Mean of Middling & Prime.	Mean of Middling & Prime.	Per 8 lbs.
	Per Qr.	Per Qr.	Per 20 lbs.	Per Qr.	Per Qr.	Per Ton.	Per Cwt.	Per 8 lbs.	Per 8 lbs.	Per 8 lbs.
Basic average—	s d	s d	s d	s d	s d	s d	s d	s d	s d	s d
1901-1905	30 0	28 0	25 0	23 0	17 6	4	6 6	4 0	5 5	3 9
End of 1913	35 9	31 0	28 0	25 10	18 4	3 1	7 7 1/2	5 0	7 0	4 4
End of June, 1914	37 0	34 1	28 6	25 10	19 9	3 1/2	7 1 1/2	4 11	6 2	3 10
End of 1914	58 6	43 8	40 0	34 4	31 9	4 1/2	12 10 1/2	5 2 1/2	7 3	6 0
End of June, 1915	54 0	52 0	44 0	47 5	30 10	5	14 7 1/2	5 8	7 0	6 10
End of 1915	66 8	53 11	50 0	49 1	30 10	11	16 1 1/2	8 2 1/2	9 0	7 1
End of June, 1916	51 3	46 8	42 0	49 1	47 4	12	20 0	7 5	10 0	9 0
End of 1916	83 3	78 1	61 6	57 7	44 2	6 1/2	26 3	12 1	13 8	9 6
End of June, 1917	79 9	71 1	44 3	58 5	47 8	8 1/2	26 3	8 10	9 6	10 8
End of 1917	82 6	74 4	44 3	62 8	50 6	8 1/2	26 3	9 3	9 6	12 0
End of June, 1918	84 0	72 3	44 3	62 1	46 4	10	26 3	9 3	9 6	10 8
End of 1918	82 0	72 7	44 3	62 8	48 7	10 1/2	26 3	9 3	9 6	10 1
End of March, 1919	80 0	78 8	44 3	62 8	48 7	9	26 3	9 0	9 6	10 1
June, 1919	68 6	73 4	44 3	94 7	61 3	9 1/2	26 3	9 4	10 0	10 7
Sept., 1919	68 6	72 8	44 3	105 10	67 2	10 1/2	26 3	9 4	10 0	10 7
End of 1919	60 0	72 8	63 6	91 8	56 5	11 1/2	28 0	9 4	10 0	10 6
End of March, 1920	95 0	78 9	63 6	87 2	64 7	11 1/2	28 0	9 4	10 0	10 6
June, 1920	94 0	90 5	86 0	90 2	55 5	9 1/2	27 0	9 5	10 2	10 10
Sept., 1920	102 0	84 11	80 0	78 5	41 5	9	20 0	9 4	9 10	8 4
End of 1920	97 0	85 4	78 0	70 11	43 11	9 1/2	18 0	9 0	9 4	10 1
End of Jan., 1921	76 1	74 7	68 0	62 7	35 8	8	14 0	8 10	9 1	10 6
Feb. "	96 1	89 1	68 0	48 11	35 4	8 1/2	14 0	8 10	8 10	11 0
Mar. "	81 0	88 1	68 0	47 7	37 5	9	13 8	8 10	8 10	9 2
April "	86 0	87 6	68 0	44 8	38 3	9	15 9	8 4	8 4	9 2
May "	84 0	89 10	68 0	41 11	38 8	8	18 6	8 4	8 10	9 4
June "	88 9	75 8	66 0	45 1	34 8	8 1/2	19 6	8 3	9 0	9 6
July "	91 0	64 10	68 0	59 9	32 2	8 1/2	18 6	7 8	8 4	9 4
Aug. "	82 0	56 10	59 0	61 10	28 10	8 1/2	16 9	7 8	7 10	7 10
Sept. "	58 0	44 9	55 0	49 9	24 5	7 1/2	16 6	7 0	7 8	8 8
Oct. "	54 0	46 3	46 0	45 9	27 9	7 1/2	13 6	7 10	8 8	8 2
Nov. "	55 6	44 7	46 0	45 7	28 1	7	13 6	7 10	8 8	8 2
End of Dec., 1921	57 0	45 9	42 0	43 1	29 0	7 1/2	13 1 1/2	7 6	9 7	7 3
Jan., 1922										

NEW SOUTH WALES AUSTRALIA

THE LAND OF OPPORTUNITY

FOR THE INVESTOR, FARMER AND SKILLED ARTISAN, &c.

	1900	1910	1920
Population	1,364,590	1,638,226	2,092,345
Area under Crops (Acres)	2,445,564	3,180,561	3,770,155
Total Area Cultivated (Acres)	2,868,305	4,437,224	5,313,472
Total Primary Production	£28,863,000	£47,499,000	£77,719,000
Value of Manufactured Goods	£23,634,887	£49,615,643	£123,213,480
Value of Exports	£28,164,516	£32,035,451	£55,017,065
Value of Imports	£27,561,071	£23,238,993	£44,690,590

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COTTON PIECE GOODS, YARNS, SILKS, VELVETS, HABERDASHERY, HARDWARE, PROVISIONS, PERFUMERY, SALT, TOBACCO AND MANUFACTURED GOODS OF EVERY DESCRIPTION.

Importers of:

ALL PRODUCE OF THE COUNTRIES IN WHICH ESTABLISHED.

(A)—WHOLESALE PRICES OF COMMODITIES—Continued.

	Other Food Products.						Textiles.				
	Tea.		Coffee.		Sugar.		Butter.		Tobacco.		
	Mean of Broken Fannings & Broken Pekoes.	East India Fine Ord. and Santos.	West Indian Syrup.	German Beet.	Danish.	Virginia Leaf. Common to Fine.	Middling American.	Egyptian. Good Fair Brown.	Yarn—82's Twist.	Cloth—39-inch Shirtings.	
	Per lb.	Per cwt.	Per cwt.	Per cwt.	Per cwt.	Per lb.	Per lb.	Per lb.	Per lb.	Per 8½ lbs.	
Basis average—	d	s d	s d	s d	s d	d	d	d	d	s d	
1901-1905	8	44 0	14 0	9 8	108 0	9	5½	7½	8½	6 6	
End of 1913	8½	62 6	11 6	9 0	181 6	11½	7-14	9-85	10½	8 1½	
End of June, 1914	8	61 9	11 8	9 2½	117 0	11½	7-88	8-85	10½	7 11	
End of 1915	8½	59 0	18 3	...	152 0	11½	4-47	6-05	7½	6 5½	
End of June, 1915	11½	68 8	16 0	...	159 0	11½	5-28	7-25	8½	6 10	
End of 1916	8½	54 0	27 9	...	158 0	11½	7-75	9-80	12	8 9	
End of June, 1916	10½	65 0	37 0	...	174 0	11½	8-21	11-40	12½	9 2½	
End of 1916	11	62 9	38 6	...	219 0	18	10-54	19-65	17½	12 0	
End of June, 1917	20½	68 8	42 3	...	208 0	15	19-45	28-10	24	16 0	
End of 1917	17	78 0	44 6	...	252 0	18	28-02	31-40	37	24 0	
End of June, 1918	16	88 8	55 6	...	252 0	24	28-22	28-32	49½	30 8	
End of 1918	16	92 9	55 6	...	252 0	24	28-20	27-80	41½	32 8	
End of Mar., 1919	16	92 9	55 6	...	252 0	24	15-16	27-09	25	22 8	
" June "	18	98 0	55 6	...	252 0	24	20-92	27-09	39½	29 0	
" Sept. "	19	101 6	55 6	...	252 0	24	20-15	80	43½	30 6	
End of 1919	21½	102 6	68 6	...	252 0	24	80-75	54	55½	40 6	
End of Mar., 1920	19½	108 9	71 9	...	276 0	24	28-01	83	62	45 0	
" June "	12½	102 6	95 9	...	286 0	24	28-62	62	54½	42 6	
" Sept. "	11½	85 8	95 9	...	394 0	24	20-90	54	47	34 0	
End of 1920	11½	82 8	62 0	...	386 0	24	10-27	28	24½	21 0	
End of Jan., 1921	10½	81 8	62 0	...	386 0	24	9-83	21	28	21 0	
" Feb. "	10½	81 3	60 10	...	298 8	24	8-83	14-5	19	19 0	
" Mar. "	10½	74 0	62 0	...	240 0	21	8-02	17-5	17½	18 6	
" Apr. "	11½	74 0	59 6	...	285 0	21	8-28	17-75	18½	18 6	
" May "	10½	76 6	55 8	...	212 0	21	8-25	16-5	18	17 0	
" June "	10½	78 0	46 9	...	211 0	21	7-85	15-5	17½	16 6	
" July "	11½	86 0	48 9	...	268 0	21	8-84	15-4	17½	16 9	
" Aug. "	11½	85 6	47 6	...	268 0	21	9-68	16	17½	16 8	
" Sept. "	18½	85 6	48 0	...	227 0	21	15-71	28-25	28	21 6	
" Oct. "	18½	85 6	40 8	...	240 0	21	19-65	28	21½	20 0	
" Nov. "	12½	80 6	39 6	...	282 0	21	19-18	21-5	19½	19 0	
End of 1921	12½	80 6	39 8	...	186 0	21	11-81	21-5	18½	18 0	
" Jan., 1922	12½	80 6	40 9	...	189 0	21	10-07	17	17½	17 0	

(A)—WHOLESALE PRICES OF COMMODITIES—Continued.

	TEXTILES—(Continued).						MINERALS.					
	Wool.		Silk.	Flax.	Hemp.	Jute.	Pig Iron.	Steel Rails.	Iron Bars.	Coal.	Lead.	
	English. South Down Ewes & Wethers.	Austra- lian. Vic'tian Good.	Canton.	Riga, Z.K.	Manila.	Native Firsts.	Cleve- land. G.M.B. No. 3.	Middle- brough.	Middle- brough.	Best Steam, New- castle.	Best House, Forest of Dean.	English Pig.
	Per Lb.	Per Lb.	Per Lb.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.
Basis average—	d	s d	s d	£	£	£	£	£	£	s d	s d	£
1901-1905	9½	22	12 6	35	35	15	46 6	6	6½	11 0	17 0	12½
End of 1913	15½	28	12 6	32½	26½	35½	50 6	6½	7½	15 0	21 6	18½
End of June, 1914	15½	24½	18 0	29½	28½	35½	51 6	6	7	14 6	21 6	19½
End of 1915	17½	21	11 6	36	26	17½	54 0	6½	8	18 0	21 6	19½
End of June, 1915	21½	25	11 6	36	41	22½	66 9	8	10½	20 6	26 0	25
End of 1916	23½	29½	14 6	36	47	27½	78 0	11	13	23 6	26 0	30½
End of June, 1916	23½	34½	15 9	36	54	30	87 6	11½	13½	25 0	26 0	30½
End of 1916	23½	34½	17 3	36	60	42½	87 6	11½	15	30 0	24 0	32½
End of June, 1917	28½	58½	17 9	183	85	43	92 6	11½	15	30 6	24 0	30
End of 1917	28½	58½	24 0	147	85	43	95 0	10½	13½	30 0	26 6	30
End of June, 1918	28½	58½	24 0	147	100	43	95 0	10½	13½	32 6	25 9	29
End of 1918	28½	58½	25 0	177	100	43	95 0	10½	13½	32 6	25 9	28½
End of March, 1919	28½	58½	21 6	177	58	43	95 0	13½	17½	32 6	25 9	28½
" June, 1919	28½	56	27 6	177	55	56½	160 0	15	20½	32 6	25 9	28½
" Sept., 1919	28½	78	34 0	230	49	72	160 0	16½	22	38 6	31 6	26½
End of 1919	28½	82	48 6	280	60	61	160 0	17½	23½	38 0	31 6	26½
End of March, 1920	31	98	57 6	362½	68½	57	200 0	21	26	38 0	26 6	25
" June, 1920	28	88	38 0	382½	69½	56½	225 0	25	30	42 0	40 0	28½
" Sept., 1920	25	72	31 6	382½	69½	56½	225 0	25	30	42 0	40 0	28½
End of 1920	20	44	24 0	150	58	39½	215 0	21	25	42 0	40 0	25
End of Jan., 1921	21	46	24 0	100	55	37	215 0	21	25	42 0	40 0	25
" Feb. "	20	39	22 6	90	42	32½	195 0	18	25	41 0	40 0	18½
" Mar. "	20	39	22 6	90	42	32½	150 0	18	28	42 0	41 0	21
" Apr. "	20	38	23 0	100	39	30	120 0	15	19	42 0	44 0	22½
" May "	20	36	24 6	100	38	25½	135 0	15	19	42 0	48 0	24½
" June "	17	38	27 6	90	37	26	135 0	14	16	40 6	47 0	24½
" July "	16½	38	28 6	105	37	28½	135 0	14	14	38 0	44 0	24½
" Aug. "	17	34	30 6	115	39	33	120 0	14	14	38 0	41 0	25
" Sept. "	17½	38	32 0	115	38	24	110 0	10	12½	30 0	40 0	26½
" Oct. "	17	34	33 6	115	38½	25½	100 0	9½	12½	30 0	40 0	26
" Nov. "	17	34	33 6	115	39	24	90 0	9½	12½	28 0	40 0	24½
End of 1921	17½	41	35 0	115	39	24	90 0	9½	12½	28 0	40 0	24½
" Jan., 1922	17½	41	35 0	115	39	24	90 0	9½	12½	28 0	40 0	24½

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Sheets,
Rails,
Tubes,
Hoops,
Wire,
Nailroads,
Nails,

Bamboo-
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(A)—WHOLESALE PRICES OF COMMODITIES—Continued.

	MINERALS.				MISCELLANEOUS.											
	Tin.		Copper.		Timber.		Leather		Petrol m	Rubber.	Oils.	Seeds.	Tallow.	Indigo.	Crystals.	
	Stand'rd	Stand'rd	Pitch Pine.	Canad'n Yellow Pine Large.	English Butts and Bends.		Para Hard.	Mean of Seal, Pale Lagos & Palm.	Mean of Linseed and Rape.	Town.	Bengal.	Soda Crystals.				
	Per Ton.	Per Ton.	Per Load.	Per Load.	Per	Lb.	Per 8Lbs.	Per	Lb.	Per Ton.	Per Ton.	Per Cwt.	Per	Lb.	Per Ton.	
Basis average—	£	£	£	£	s	d	d	s	d	£	£	s	d	s	d	£
1901-1905	198	60	8½	6	1	7	6	4	0	26	27	28	0	8	9	3
End of 1913	1872	64	4½	9½	1	7½	8½	4	1½	80½	27½	34	0	8	8	2½
End of June, 1914	187½	60½	4½	9½	1	7½	7½	2	9½	28½	28½	33	0	8	8	2½
End of 1914	144½	57	4½	9½	2	8	7½	2	10	29½	29	30	6	13	6	2½
End of June, 1915	171	82½	7	9½	2	7½	8½	2	6	28½	35½	38	6	13	6	2½
End of 1915	168	86½	7	9½	2	8½	10	3	9	34½	46	44	6	14	0	2½
End of June, 1916	174	108½	11½	11½	2	7½	12	2	8	41½	40½	45	0	14	9	6½
End of 1916	178½	188½	13	14½	2	6	18½	3	8½	37½	54½	50	6	13	9	6½
End of June, 1917	243½	180½	17½	18	2	10	14½	2	11½	50	63½	57	6	12	8	7½
End of 1917	294	110½	17½	18	3	0	19½	2	9½	58½	67	72	0	10	8	7½
End of June, 1918	381½	110½	17½	18	2	8	22½	3	11	52½	75½	80	8	9	6	7½
End of 1918	236	112	17½	18	2	8	16½	2	7½	52½	75½	88	6	10	6	6½
End of Mar., 1919	236½	78½	17½	18	2	8	16½	2	8	52	62	75	0	10	6	6½
" June, "	238½	87½	17½	18	2	8	16½	2	5½	70½	118	65	0	10	0	6½
" Sept., "	272½	109½	17½	18	2	8	18½	2	6½	78½	92½	65	0	9	0	6½
End of 1919	346½	116½	17½	18	2	10½	31	2	7	75½	109	65	0	12	6	6½
End of Mar., 1920	348½	107½	17½	18	3	2	25½	2	4	98½	132	64	0	14	9	12½
" June, "	260½	89½	17½	18	2	10	25½	1	11½	88½	80	46	0	14	9	12½
" Sept., "	271½	94½	17½	18	2	8	28½	1	7	87½	82	47	0	14	9	10½
End of 1920	206½	71½	18	18½	2	6	27½	1	0½	64½	59	42	0	12	0	10
End of Jan., 1921	167½	67½	12	13½	2	5	27½	1	0	61½	48	38	0	12	0	9
" Feb. "	168½	69½	10½	13	2	4½	27½	0	11½	60½	46	36	0	11	0	7½
" Mar. "	157½	69½	10½	13	2	4	27½	0	11	59½	43	36	0	11	0	7½
" April "	171½	70½	10½	13	2	3	27½	0	10½	58½	38	33	1½	10	0	7½
" May "	177½	73½	10½	13	2	3	27½	0	10½	58½	46	36	6	10	0	7½
" June "	169½	71½	10½	13	2	4½	21½	0	10½	55½	47	36	8	10	0	7½
" July "	159½	70½	10	12½	2	5	21½	0	11	58½	51	39	8	10	0	7½
" Aug. "	152½	67½	10	12½	2	5½	16½	1	0½	41	49	38	6	10	9	7½
" Sept. "	156½	68½	9	11½	2	7	16½	1	1	43½	45	41	0	11	6	7½
" Oct. "	156½	65½	8½	10½	2	7	16½	1	2	41	41	38	6	11	6	7½
" Nov. "	161½	68½	8½	10	2	6	16½	1	2½	40½	40½	38	0	11	6	7½
End of 1921	170½	68½	8	10	2	5½	16½	1	2	40½	39½	36	6	11	6	7½
End of Jan., 1922	157½	64½	7½	9½	2	6	16½	1	0	40½	44½	38	6	11	6	7½

(B) WHOLESALE PRICES (MAINLY IN LONDON AND MANCHESTER) 1904 TO 1921.—PROPORTIONATE RESULTS 1901-5=100.

Date.	Cereals and Meat.							Other Foodstuffs, &c.					Textiles.							Minerals.							Miscellaneous.																	
	Wheat.		Barley.	Oats.	Potatoes.	Rice.	Beef.	Mutton.	Pork.	Tea.	Coffee.	Sugar C.	Sugar B.	Butter.	Tobacco.	Cotton B.	Yarn.	Cloth.	Wool, Eng.	Ans. Wool.	Silk.	Flax.	Hemp.	Jute.	Pig-iron.	Steel Rails.	Iron Bars.	Coal, Steam.	H. Coal.	Lead.	Tin.	Copper.	Balto Timber.	American Timber.	Leather.	Petrol'm.	Oil.	Tallow.	Indigo.	Crystals.	Rubber.			
	For.	Eng.																																										
1904 Jan. 1..	108	95	97	89	137	96	92	104	88	102	98	105	90	102	108	126	121	117	111	105	107	107	107	104	118	78	92	91	94	87	98	91	106	94	117	110	108	114	111	77	98	106	106	98
1905 Jan. 1..	127	108	106	98	81	109	103	104	107	81	104	120	153	104	117	121	92	88	101	124	116	106	92	118	111	109	86	94	82	91	102	105	115	101	122	108	86	97	67	98	91	106	127	
1906 Jan. 1..	114	108	99	106	104	81	106	100	115	92	98	102	88	118	117	116	106	107	115	150	116	106	95	114	131	118	114	112	87	94	140	138	132	108	117	108	117	98	82	101	98	106	135	
1907 Jan. 1..	105	98	87	104	99	90	112	104	114	111	87	101	89	96	112	117	106	123	111	162	111	114	100	121	178	138	124	112	107	112	161	154	176	123	102	116	102	109	97	128	96	106	131	
1908 Jan. 1..	125	120	116	105	106	127	100	106	100	125	104	96	108	115	111	111	131	106	114	145	104	107	86	81	108	108	117	120	118	118	116	97	111	129	125	116	113	110	108	117	98	106	85	
1909 Jan. 1..	137	114	115	116	99	81	109	110	98	95	100	95	80	110	108	111	91	114	96	104	126	98	98	69	95	105	105	112	95	106	106	104	106	123	112	111	106	103	98	103	98	102	128	
1910 Jan. 1..	140	119	120	109	99	90	101	102	91	98	119	106	88	135	115	111	154	126	134	126	156	104	87	76	96	111	100	108	98	115	113	120	108	86	135	121	114	100	111	120	97	102	190	
1911 Jan. 1..	127	109	108	103	96	100	112	106	104	107	124	146	88	97	104	111	147	144	136	142	155	104	93	113	56	131	108	100	104	91	100	107	136	94	130	150	191	104	119	130	128	100	103	138
1912 Jan. 1..	137	118	106	145	118	137	116	111	99	118	125	168	115	132	122	111	96	119	106	123	150	105	93	100	61	131	113	116	95	107	97	128	160	105	100	175	121	98	119	137	118	96	90	107
1913 Jan. 1..	127	107	116	124	110	112	146	116	111	133	115	171	112	102	121	114	130	134	126	139	155	110	96	109	100	173	146	119	95	141	126	148	179	127	171	185	107	135	118	106	117	80	79	115
1914 Jan. 1..	119	112	112	105	82	117	125	129	115	137	142	82	97	122	130	138	124	136	124	136	160	108	100	93	76	238	109	116	108	136	136	180	131	106	128	185	103	140	119	105	121	86	79	78
1915 Jan. 1..	175	155	160	128	148	98	185	130	117	134	183	132	121	..	140	130	82	83	87	98	186	96	92	103	74	116	116	106	123	118	136	155	113	95	136	135	142	131	113	107	109	300	79	71
1916 Jan. 1..	220	192	200	207	176	126	225	138	123	182	142	122	198	..	142	130	140	135	145	135	239	134	116	103	134	181	167	183	200	204	183	244	131	141	200	185	144	166	131	168	158	373	79	38
1917 Jan. 1..	308	267	285	294	270	300	308	186	184	240	184	142	275	..	203	144	194	271	207	184	292	239	188	269	172	233	188	188	230	273	141	258	140	281	370	232	158	225	149	202	180	366	209	82
1918 Jan. 1..	65	154	177	250	251	166	401	252	253	284	178	318	..	..	234	200	419	434	450	370	292	265	192	420	241	386	305	182	211	272	155	240	229	184	500	360	190	325	205	249	266	274	258	70
1919 Jan. 1..	280	235	177	363	298	213	404	223	175	20	265	210	396	..	234	266	404	376	500	496	392	265	300	505	236	237	203	182	237	395	152	900	184	196	500	360	162	276	202	290	316	280	227	66
1920 Jan. 1..	200	219	177	460	326	255	609	233	194	280	325	232	454	..	222	234	266	520	743	672	622	292	372	388	658	171	406	345	291	346	345	137	371	194	500	160	181	350	390	404	332	383	192	65
1921 Jan. 1..	340	307	320	320	236	225	323	338	162	222	192	187	142	212	311	266	186	316	396	328	205	300	192	428	166	255	432	424	424	382	235	204	160	130	371	270	158	155	247	220	130	333	26	
1922 Jan. 1..	306	112	308	152	381	192	336	182	165	177	185	142	212	311	266	178	230	279	323	215	309	192	236	157	246	461	820	382	325	143	130	343	270	153	135	286	190	137	390	393	25			
1923 Feb. 1..	320	265	271	229	292	200	400	235	172	168	170	182	132	212	276	265	152	200	230	292	214	178	192	265	120	218	420	300	383	373	235	143	139	116	0	260	150	455	338	171	138	264	25	
1924 Mar. 1..	320	271	212	202	112	215	300	163	295	177	63	142	212	212	238	156	241	215	285	314	178	180	258	120	238	322	300	356	382	241	168	128	115	300	160	150	455	228	160	199	294	25		
1925 Apr. 1..	320	271	212	202	112	215	300	163	295	177	63	142	212	212	238	156	241	215	285	314	178	180	258	120	238	322	300	356	382	241	168	128	115	300	160	150	455	228	160	199	294	25		
1926 May 1..	320	271	212	202	112	215	300	163	295	177	63	142	212	212	238	156	241	215	285	314	178	180	258	120	238	322	300	356	382	241	168	128	115	300	160	150	455	228	160	199	294	25		
1927 June 1..	320	271	212	202	112	215	300	163	295	177	63	142	212	212	238	156	241	215	285	314	178	180	258	120	238	322	300	356	382	241	168	128	115	300	160	150	455	228	160	199	294	25		
1928 July 1..	320	271	212	202	112	215	300	163	295	177	63	142	212	212	238	156	241	215	285	314	178	180	258	120	238	322	300	356	382	241	168	128	115	300	160	150	455	228	160	199	294	25		
1929 Aug. 1..	320	271	212	202	112	215	300	163	295	177	63	142	212	212	238	156	241	215	285	314	178	180	258	120	238	322	300	356	382	241	168	128	115	300	160	150	455	228	160	199	294	25		
1930 Sept. 1..	320	271	212	202	112	215	300	163	295	177	63	142	212	212	238	156	241	215	285	314	178	180	258	120	238	322	300	356	382	241	168	128	115	300	160	150	455	228	160	199	294	25		
1931 Oct. 1..	320	271	212	202	112	215	300	163	295	177	63	142	212	212	238	156	241	215	285	314	178	180	258	120	238	322	300	356	382	241	168	128	115	300	160	150	455	228	160	199	294	25		
1932 Nov. 1..	320	271	212	202	112	215	300	163	295	177	63	142	212	212	238	156	241	215	285	314	178	180	258	120	238	322	300	356	382	241	168	128	115	300	160	150	455	228	160	199	294	25		
1933 Dec. 1..	320	271	212	202	112	215	300	163	295	177	63	142	212	212	238	156	241	215	285	314	178	180	258	120	238	322	300	356	382	241	168	128	115	300	160	150	455	228	160	199	294	25		
1934 Jan. 1..	185	159	184	198	161	175	208	196	160	217	220	183	280	312	144	233	315	296	224	376	174	154	267	328	110	168	216	158	192	272	235	208	134	110	238	200	155	274	155	145	127	300	29	

(B) INDEX NUMBERS OF WHOLESALE PRICES IN OTHER COUNTRIES.

Extracted from the League of Nations *Monthly Bulletin of Statistics*.
(Percentage of 1913.)

Period.	France.	Italy.	Sweden.	Norway.	Nether-lands.	Switzer-land.	Ger-many.	United States.	Canada.	B. India.	Aus-tralia.	South Africa.	Japan.
	Official.	Bachi.	Svensk Handels-tidning.	Okono-misk Revue.	Official.	Neue Zürcher Zeitung.	Official.	Bureau of Labour Statistics.	Official.	Official.	Official.	Official.	Bank of Japan.
Base.	1901-1910.	1901-1905.	July 1, '18 to June 30, 1914.	Do 81, '18 to June 30, 1914.	1901-1910.	July, 1914.	1913.	1913.	1890-1899.	July, 1914.	July, 1914.	1910.	1900.
Average.			(d)				(a)			(e)			
1918.....	100	100	100	100	100	100	100	100	100	100	100	100	100
1914.....	102.2	96.0	118	115	105.8	100	100	100	100	100	100	100	100
1915.....	140.0	132.7	145	159	144.7	100	100	100	100	100	100	100	100
1916.....	188.6	201.2	185	233	221.9	100	100	100	100	100	100	100	100
1917.....	262.0	296.7	244	341	296.0	100	100	100	100	100	100	100	100
1918.....	389.8	409.1	389	345	392.1	100	100	100	100	100	100	100	100
1919.....	356.9	365.8	380	322	297.4	100	100	100	100	100	100	100	100
1920.....	510.3	524.4	347	377	290.7	100	100	100	100	100	100	100	100
November, 1920..	461.5	558.0	381	403	259.6	100	100	100	100	100	100	100	100
December ".....	435.5	535.4	299	377	233.3	100	100	100	100	100	100	100	100
January, 1921..	406.9	542.5	267	344	213.2	100	100	100	100	100	100	100	100
February ".....	378.1	513.8	250	319	197.4	100	100	100	100	100	100	100	100
March ".....	360.5	503.6	237	312	187.7	100	100	100	100	100	100	100	100
April ".....	344.5	503.9	229	297	176.3	100	100	100	100	100	100	100	100
May ".....	330.0	546.9	218	294	181.6	100	100	100	100	100	100	100	100
June ".....	325.6	508.9	218	294	182.5	100	100	100	100	100	100	100	100
July ".....	330.7	520.0	211	290	182.5	100	100	100	100	100	100	100	100
August ".....	331.9	541.8	198	297	179.8	100	100	100	100	100	100	100	100
September ".....	344.6	580.0	182	287	179.8	100	100	100	100	100	100	100	100
October ".....	332.4	599.1	175	286	169.8	100	100	100	100	100	100	100	100
November ".....	332.4	594.9	174	276	169.8	100	100	100	100	100	100	100	100

(a) Index based upon 88 items, instead of 18 previously used. (b) End of the month. (c) Monthly average. (d) End of the year. (e) Yearly figures: July; monthly figures: end of the month. (f) 15th of the month. (g) Index based upon 78 items instead of 86 previously used. (h) Beginning of the month. (i) Provisional figure. (n) Average of the month.

THE UNION BANK OF AUSTRALIA Limited.

Established 1837. Incorporated 1880.

CAPITAL AUTHORIZED AND ISSUED £9,000,000
CAPITAL PAID-UP " " " £2,500,000
RESERVE FUND " " " £2,750,000

Reserve Liability of Proprietors ... £5,000,000

DIRECTORS:

HENRY P. STURGIS, Esq., Chairman.

The Rt. Hon. LORD CARMICHAEL, SOMERVILLE R. LIVINGSTONE.
G.C.B. LEARMONTE, Esq.
The Rt. Hon. THE EARL OF ROBERT C. NESBITT, Esq.
CHICHESTER. FREDERICK G. PARBURY, Esq.
JOHN DENNISTOUN, Esq. The Hon. EDMUND W. PARKER.
HUGH D. FLOWER, Esq. Sir WESTBY B. PERCEVAL, K.C.M.G.
The Rt. Hon. LORD HILLINGDON. ARTHUR C. WILLIS, Esq.

HEAD OFFICE:

71 Cornhill, London, E.C. 3.

Manager—W. J. BAKER.

Assistant Manager—W. A. LAING.

BRANCHES THROUGHOUT AUSTRALIA AND NEW ZEALAND, viz.:

IN VICTORIA .. 42
" SOUTH AUSTRALIA .. 14
" NEW SOUTH WALES .. 38
" WESTERN AUSTRALIA .. 20
" QUEENSLAND .. 19
" TASMANIA .. 3
" NEW ZEALAND .. 46

Drafts upon the Branches are issued by Head Office, and may also be obtained from the Bank's Agents throughout England, Scotland, and Ireland.
Commercial and Circular Travelling Credits issued—available throughout the World.
Telegraphic Remittances are also made.
Bills on the Australian States and Dominion of New Zealand are purchased or paid for collection.
Deposits are received at Head Office at rates of interest and for periods which may be ascertained on application.

THE EQUITABLE TRUST COMPANY OF NEW YORK.

ALVIN W. KRECH, President.

Capital, Surplus and Undivided Profits (Dec. 31, 1921), \$27,325,776 at Ex. \$4.20 - (£6,506,137)

Member New York Clearing House Association.
Current Accounts opened and Deposits received.
Dollar Bills purchased.
Drafts and Cable Transfers on New York and other important cities in the United States and Canada issued at the closest rate.
Forward Exchange bought and sold and Merchants thereby covered against fluctuation in Exchange.
Banking and Exchange Business of every description transacted with all important points in the world.

LONDON OFFICE:
3 KING WILLIAM STREET, E.C.4.

NEW YORK.
Head Office: 37 WALL STREET.
Branches: 222 BROADWAY; 355 MADISON AVENUE.

PARIS.
23 RUE DE LA PAIX.

Member Federal Reserve System.

(C) RATES OF EXCHANGE ON LONDON—SELECTED DATES, 1914—1920;—MONTHLY, 1921; AND HIGHEST AND LOWEST OF 1920 AND 1921.

	Paris.	Brussels.	Italy.	Switzer-land.	Madrid.	Amster-dam.	Stock-holm.	Christia-nia.	Copen-hagen.	Berlin.	Vienna.
	Francs to £1.	Francs to £1.	Lire to £1.	Francs to £1.	Pesetas to £1.	Florins to £1.	Kroner to £1.	Kroner to £1.	Kroner to £1.	Marks to £1.	Krone to £1.
Par level	25.23½	25.22½	25.22½	25.22½	25.22½	12.107	18.159	18.159	18.159	30.43	24.02
Highest, 1920 ..	68.80	68.65	106.00	25.85	28.90	11.50	18.51	26.78	25.91	365.00	..
Lowest ..	40.75	40.40	50.00	19.40	18.93	8.65	17.07	18.57	19.60	120.00	..
Highest, 1921 ..	61.75	61.75	109.00	24.80	29.50	11.85	17.80	31.76	24.03	1,275.00	15,000
Lowest ..	45.35	45.40	70.00	20.08	26.50	11.06	16.35	19.00	18.50	203.00	1,200
Beginning of—											
January, 1914 ..	25.20	25.48½	25.42½	25.35½	26.67	12.11½	..	18.23½	..	20.51½	..
July ..	25.15	25.35½	25.25½	25.19½	26.10	12.11½	..	18.25	..	20.49½	..
January, 1915 ..	25.08½	..	25.87½	25.45	25.40	11.98½	..	19.33½	..	..	..
July ..	27.10	..	29.27½	26.00	28.47½	11.95	..	18.20	..	..	..
January, 1916 ..	27.10	..	31.50	24.87½	25.00	10.42½	..	17.15	..	..	..
July ..	27.85	..	30.87½	25.25	23.47½	11.48	..	16.55	..	..	..
January, 1917 ..	28.13	..	30.87½	24.00½	22.24½	11.88	16.04	17.01½	17.86½	..	..
July ..	27.79	..	32.75½	24.00½	22.24½	11.88	15.40½	16.12½	16.23½	..	..
January, 1917 ..	27.79	..	34.50	22.43½	20.40½	11.53½	14.42	14.73½	16.62½	..	..
July ..	27.42½	..	40.01	21.07½	19.58½	11.01½	13.85	14.86	15.19	..	..
January, 1918 ..	27.22½	..	41.32	20.17½	18.25	10.09	13.85	14.86	15.19	..	..
April ..	27.19	..	42.22	18.92½	17.23	9.23½	13.46½	15.08½	15.23½	..	..
July ..	27.15½	..	43.22	22.09	22.05	10.82½	14.90	16.07½	16.42½	..	..
October ..	26.06½	..	30.31½	22.95	22.67½	11.15	16.29½	16.85	17.87½	..	..
January, 1919 ..	27.27½	27.60	30.31½	22.95½	22.83½	11.46½	17.25½	17.92	18.46	..	..
April ..	27.65	29.85	34.47½	22.93½	22.10	11.79	17.90½	18.46	19.60½	..	..
July ..	30.85	32.34	35.75	24.32½	22.03½	11.16½	17.13½	18.17	19.42	100½	..
October ..	35.85½	34.45	41.25	22.46	19.73½	10.07	17.50	18.60	19.86	179	..
January, 1920 ..	40.23½	40.42½	50.00	22.09½	22.76½	10.42½	18.01	23.00	21.26½	377½	..
April ..	37.73	34.07½	50.62½	22.09½	24.17½	11.18	17.91½	23.77½	23.97½	142½	..
July ..	47.22½	44.87½	65½	21.88½	25.71½	11.18	17.52	24.60	24.77½	213½	..
October ..	51.87½	49.32½	83.60	21.70	29.51½	11.96½	17.66	22.42	23.17½	262	1,500
January, 1921 ..	61.06½	58.07½	104½	20.55	27.48	11.85	17.44½	20.65	19.66½	249	1,875
February ..	56.47½	52.70	106	20.83½	27.99½	11.87	17.50	23.77½	22.53½	240½	1,800
March ..	54.05½	51.79½	106½	20.83	28.06½	11.86	18.81	24.42	21.42½	245½	1,530
April ..	56.09½	58.75½	95½	22.34½	28.45½	11.92½	17.07½	25.89½	21.85½	261	1,437½
May ..	48.35½	46.42½	79½	22.21½	29.65	11.81½	16.89	25.48½	21.86	247½	1,675
June ..	46.72½	46.72½	74½	22.16	28.85½	11.86½	17.00	26.20	22.20½	278	2,150
July ..	46.87½	46.87½	75½	21.69½	28.07	11.74½	17.53½	28.14	22.40½	291½	2,200
August ..	46.50½	45.45½	83½	21.85½	28.60½	11.72	17.17½	27.77½	21.05	397½	3,075
September ..	47.85	48.95	82½	21.47½	28.60	11.74	16.78	30.37	436½	5,300	..
October ..	52.20½	52.97½	94½	21.13½	29.13½	11.89	16.99½	28.90½	21.09½	887½	11,000
November ..	53.42½	55.17½	96½	21.13½	28.83½	11.83	16.99½	28.09½	21.72½	842½	12,000
December ..	55.23½	57.19½	93½	21.70½	28.19	11.44½	16.97½	26.99½	21.12½	791½	13,000
January, 1922 ..	59.32½	54.65½	97½	22.00½	28.14	11.60	16.84½	26.34½	21.19½	880	13,500
February ..	51.47½	59.84½	92½	22.00½	28.14	11.60	16.84½	26.34½	21.19½	880	13,500

(D) THE FOREIGN TRADE OF THE UNITED KINGDOM.

	Imports.		British Exports.	
	1920.	1921.	1920.	1921.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	231,635,600	138,084,686	2,773,296	3,903,897
B. Feeding-stuffs for animals	8,899,802	6,599,366	1,075,209	1,529,614
C. Meat	141,527,296	132,968,634	829,515	865,516
D. Animals, living, for food	..	2,804,427	13,889	45,126
E. Other food and drink, non-dutiable	174,795,109	165,590,765	37,165,402	26,053,292
F. Other food & drink, dutiable	174,030,078	98,384,473	..	..
G. Tobacco	34,919,890	22,814,296	9,129,149	5,060,711
Total, Class I.	765,807,875	567,246,641	50,936,451	37,467,956
II.—Raw Materials and Articles mainly Unmanufactured—				
A. Coal	26,633	12,129,951	99,637,146	42,951,591
B. Other non-metallic mining and quarry products and the like	9,669,828	6,329,123	2,403,370	1,152,801
C. Iron ore and scrap	20,797,171	5,071,928	626,360	228,753
D. Non-ferrous metalliferous ores and scrap	17,705,166	8,089,664	2,201,244	1,591,369
E. Wood and timber	82,145,214	30,039,165	1,011,566	367,003
F. Raw cotton & cotton waste	256,678,879	73,529,907	3,075,571	728,152
G. Wool, raw, and waste, and woolen raws	33,099,664	43,405,690	8,768,294	4,530,748
H. Silk, raw, knubs and noils	4,067,632	953,480	94,169	32,326
I. Other textile materials	32,720,333	9,874,044	634,090	616,953
J. Oil seeds, nuts, oils, fats, resins, and gums	82,157,280	36,196,788	15,538,497	6,050,851
K. Hides and skins, undressed	31,967,112	10,925,201	4,034,117	1,291,453
L. Paper-making materials	33,250,413	13,856,238	2,510,119	818,541
M. Rubber	26,730,706	10,497,839	520,946	120,340
N. Miscellaneous raw materials and articles mainly unmanufactured	19,339,904	8,478,630	6,472,584	3,078,375
Total, Class II.	710,365,635	271,176,698	145,515,803	63,569,856
III.—Articles Wholly or Mainly Manufactured—				
A. Coke & manufactured fuel	10,540	241,615	20,692,095	3,428,482
B. Earthenware, glass, abrasives, &c.	11,113,226	7,014,346	18,290,663	12,080,036
C. Iron & steel & manufactures thereof	29,016,755	22,887,372	128,907,361	63,772,453
D. Non-ferrous metals and manufactures thereof	39,132,561	18,467,560	25,781,789	11,733,687
E. Outlets, hardware, implements, and instruments	10,603,510	6,657,742	13,596,004	8,954,338
F. Electrical goods and apparatus	1,826,177	1,931,362	11,601,150	13,065,415
G. Machinery	19,963,798	10,785,006	63,432,368	74,630,495
H. Manufactures of wood and timber	8,630,915	4,921,938	2,830,583	1,905,839
I. Cotton yarns and manufactures	9,820,277	5,890,647	401,440,272	178,709,912
J. Woolen and worsted yarns and manufactures	17,688,151	7,694,043	134,859,043	55,103,762
K. Silk and silk manufactures	36,909,099	19,337,337	5,194,476	2,283,196
L. Manufactures of other textile materials	23,116,430	8,194,001	46,009,262	18,538,381
M. Apparel	15,094,112	9,600,918	48,963,339	18,391,826
N. Chemicals, drugs, dyes, and colours	34,389,497	12,682,196	40,535,722	19,067,241
O. Oils, fats, and resins manufactured	76,853,313	56,589,249	13,626,432	5,230,435
P. Leather and manufactures thereof	20,445,154	5,666,549	11,664,944	4,760,506
Q. Paper and cardboards	30,243,744	11,601,303	12,810,406	7,736,444
R. Vehicles (including locomotives, ships, & aircraft)	27,221,754	6,907,281	60,098,318	57,611,112
S. Rubber manufactures	7,102,553	4,919,737	11,520,255	4,669,378
T. Miscellaneous articles, mainly or wholly manufactured	34,398,274	20,155,352	49,005,338	27,104,968
Total, Class III.	463,439,840	245,045,553	1,119,739,723	548,664,977
IV.—Animals, not for food	401,739	393,813	4,806,512	3,448,525
V.—Parcels Post, non-dutiable articles	2,643,792	2,825,502	13,471,780	10,065,668
Total.	1,332,648,881	1,086,687,213	1,334,469,269	703,196,282

(E) ANALYSIS OF CAPITAL APPLICATIONS ON LONDON MONEY MARKET.

Analysis of New Capital Applications.

	Year 1921.			
	Whole Year 1920.	Three Quarters to Sept. 30.	Fourth Quarter.	Total for Whole Year 1921.
British Government Loans	37,530,700	59,248,800	143,647,500	202,896,300
Colonial Government Loans	11,970,000	32,409,600	41,240,400	73,850,000
Foreign Government Loans	..	5,905,000	..	5,905,000
British Corporations, &c.	46,571,000	16,586,200	2,417,500	19,003,700
Colonial Corporations	..	4,506,000	376,000	4,882,000
Foreign Railways	1,116,000	585,000	45,000	1,600,000
Asiatic Mines	3,800,000	387,500	..	387,500
South African Mines	54,700	150,900	35,000	185,900
Other Mines	1,800,000	1,067,400	..	1,067,400
Exploration, Financial, &c.	14,131,100	1,831,300	96,000	1,926,300
Breweries	1,294,700	300,000	..	300,000
Merchants, Importers, &c.	1,760,300	300,000	..	300,000
Manufacturing	78,888,000	19,619,000	4,142,500	23,761,500
Stores and Trading	6,080,800	3,500,000	300,000	3,800,000
Estates and Land	1,743,000	818,900	..	818,900
Rubber	5,883,500	1,104,900	30,000	1,134,900
Oil	11,004,000	19,264,400	867,500	15,881,700
Iron, Coal, Steel, & Engineering	25,282,100	5,803,800	970,000	4,773,800
Elec. Light, Power, & Telegraph	6,247,000	3,249,000	2,028,800	5,277,800
Tramway and Omnibus	1,021,300	774,000	..	774,000
Motor Traction & Manufacturing	3,267,700	908,000	..	908,000
Gas and Water	980,200	2,297,100	150,500	2,447,600
Hotels, Theatres, and Entertainment	6,463,900	2,229,900	199,500	2,429,400
Patents and Proprietary Articles	1,088,200	116,300	15,300	131,500
Docks, Harbours, and Shipping	1,150,000	813,900	..	813,900
Reins and Insurance	16,878,400	3,328,000	..	3,328,000
Miscellaneous	56,567,900	2,319,500	1,127,700	3,447,300
Total.	367,248,800	186,884,600	202,423,600	388,978,200

New Capital Applications.

Year.	First Quarter.	Second Quarter.	Third Quarter.	Fourth Quarter.	Total for Whole Year.
1904 ..	19,905,000	50,654,000	9,547,000	42,913,000	123,019,000
1905 ..	67,301,200	36,915,500	22,854,100	40,116,600	167,187,400
1906 ..	30,264,800	55,059,800	10,835,800	24,012,800	120,173,200
1907 ..	49,428,600	40,304,600	15,631,400	18,265,400	123,630,000
1908 ..	45,287,900	64,385,600	31,541,800	50,988,800	192,203,700
1909 ..	64,238,400	56,835,200	27,694,400	33,588,800	182,356,800
1910 ..	99,355,600	82,721,400	28,111,600	51,250,500	261,439,100
1911 ..	61,245,000	56,238,800	14,914,500	59,361,100	191,759,400
1912 ..	47,966,100	62,377,500	40,687,100	59,819,300	210,850,000
1913 ..	50,344,700	70,014,900	29,961,800	46,216,000	196,537,000
1914 ..	97,610,200	54,739,100	20,265,200	33,908,100	216,522,600
1915 ..	46,313,500	25,693,200	586,772,500	26,462,500	685,241,700
1916 ..	156,251,200	131,022,500	111,578,000	186,584,700	585,436,400
1917 ..	825,925,200	221,254,300	57,054,400	214,362,100	1,318,596,000
1918 ..	475,258,700	220,921,500	329,674,000	367,527,200	1,393,381,400
1919 ..	291,901,400	93,879,000	536,602,200	113,776,800	1,036,059,400
1920 ..	135,094,500	98,011,700	61,195,600	73,247,800	367,549,600
1921 ..	63,382,100	65,281,900	57,890,600	202,423,600	388,978,200

DESTINATION OF NEW CAPITAL.

	Whole Year.				
	1911.	1912.	1913.	1920.	1921.
United Kingdom	26,145,900	45,335,300	35,951,200	398,021,400	376,176,500
Brit. Possessions	64,994,800	72,642,400	76,137,800	31,638,800	50,677,200
Foreign countries	100,618,700	92,872,300	94,446,500	7,888,400	26,223,900
Total	191,759,400	210,850,000	196,537,000	367,549,600	388,978,200

(F) DAILY AVERAGE MONEY RATES IN PAST FIVE YEARS.

	1917.	1918.	1919.	1920.	1921.
First half	£ s d 5 6 0	£ s d 5 0 0	£ s d 5 0 0	£ s d 6 8 7	£ s d 6 18 0
Second half ..	£ s d 5 0 0	£ s d 5 0 0	£ s d 5 6 0	£ s d 7 0 0	£ s d 5 8 9
Whole year ..	£ s d 5 3 0	£ s d 5 0 0	£ s d 5 3 0	£ s d 6 14 4	£ s d 6 2 4

MARKET RATE—THREE MONTHS' BILLS.

	1917.	1918.	1919.	1920.	1921.
First half	£ s d 4 16 7	£ s d 3 13 0	£ s d 3 10 0	£ s d 6 2 2	£ s d 6 2 7
Second half ..	£ s d 4 15 9	£ s d 3 10 5	£ s d 4 7 9	£ s d 6 13 8	£ s d 4 6 0
Whole year ..	£ s d 4 16 2	£ s d 3 11 9	£ s d 3 18 10	£ s d 6 7 11	£ s d 5 4 3

DEPOSIT RATE—BANKS.

	1917.	1918.	1919.	1920.	1921.
First half	£ s d 4 0 0	£ s d 3 2 0	£ s d 3 0 0	£ s d 4 8 7	£ s d 4 16 0
Second half ..	£ s d 4 0 0	£ s d 3 0 0	£ s d 3 7 9	£ s d 5 0 0	£ s d 3 8 9
Whole year ..	£ s d 4 0 0	£ s d 3 1 3	£ s d 3 3 10	£ s d 4 14 4	£ s d 4 2 4

SHORT LOANS.

	1917.	1918.	1919.	1920.	1921.
First half	£ s d 4 11 0	£ s d 3 6 2	£ s d 3 4 7	£ s d 4 16 0	£ s d 5 7 2
Second half ..	£ s d 4 5 6	£ s d 3 4 11	£ s d 3 14 7	£ s d 5 11 2	£ s d 3 12 2
Whole year ..	£ s d 4 8 3	£ s d 3 5 6	£ s d 3 9 7	£ s d 5 3 7	£ s d 4 12 8

(G) STOCK MARKET PRICES IN 1921.

	Prices.		Rise or Fall.	Highest & Lowest of Year 1921.	
	End of Year 1920.	End of Year 1921.		Highest.	Lowest.
War Loans	84	91	+ 7	91	84
Consols	83	92	+ 9	92	83
4% Redeemable 1929-47	81	94	+ 13	94	81
4% Redeemable 1929-42	85	96	+ 11	96	85
4% Funding, 1960-90	88	96	+ 8	96	88
4% Victory Bonds	72	81	+ 9	81	72
Consols 2½% red. at Govt. option	46	50	+ 4	50	46
Conversion Loan, 3½%	59	62	+ 3	62	59
Local Loans, 3%	54	58	+ 4	58	54
India 5½%	54	58	+ 4	58	54
Do 5%	47	51	+ 4	51	47
Argentine Government 5%, 1886	86	91	+ 5	91	86
French 3%	56	57	+ 1	57	56
London & North-Western Ry., Ord.	26	27	+ 1	27	26
Midland, Deferred	74	70	- 4	74	70
Buenos Ayres Gt. Sthn. Ry., Ord.	44	43	- 1	44	43
San Paulo Railway, Ordinary	63	57	- 6	63	57
London Joint City & Midland Bank	124	105	- 19	124	105
Hudson's Bay Co. (A1)	5	5	0	5	5
J. and P. Coats	2	2	0	2	2
English Sewing Cotton	1	1	0	1	1
Armstrong (Sir W. G.) and Co.	1	1	0	1	1
Vickers	1	1	0	1	1
Associated Portland Cement	1	1	0	1	1

The IMPERIAL BANK OF PERSIA

25 Abchurch Lane, London, E.C.4.

Incorporated by Royal Charter, 1889.

Capital, fully paid up - £650,000
 Reserve - £310,000
 Reserve Liability of Proprietors - £1,000,000

Bankers:

Messrs. Glyn, Mills, Currie & Co.
 London County Westminster and Parr's Bank, Limited.
 Lloyds Bank, Ltd.

OFFICES AND AGENCIES:

Ahwaz, Birjand, Bombay, Bunder Abbas, Bushire, Busreh, Bagdad, Hamadan, Isfahan, Kazvin, Kerman, Kermanshah, Meshed, Mohammerah, Nasratabad (Seistan), Resht, Shiraz, Shushtar, Sultanabad, Tabriz, Teheran (Chief Office), Yezd.

This Bank is prepared to transact Banking Business of every description in and connected with Persia and Mesopotamia; and in London grants Drafts, Telegraphic Transfers and Letters of Credit, and negotiates and collects Bills on Persia and the Near East.

ALLIANCE BANK OF SIMLA, LTD.

Established 1874.

WITH WHICH ARE INCORPORATED
 The Punjab Banking Co., Ltd., The Delhi and London Bank, Ltd., and the Bank of Rangoon, Ltd.

Authorized Capital - Rs. 3,00,00,000
 Subscribed and Fully Paid-up Capital - 88,81,500
 Reserve Fund - 42,00,000
 Reserve against Depreciation of Government Paper and other Investments - 13,00,000

HEAD OFFICE: SIMLA.

NINETIETH ANNUAL REPORT OF THE BANK OF NOVA SCOTIA.

INCORPORATED 1832.

CAPITAL AUTHORISED	\$15,000,000
CAPITAL PAID UP	\$9,700,000
RESERVE FUND	\$19,000,000

Head Office - - - - - HALIFAX, N.S.

Board of Directors:

CHARLES ARCHIBALD, ESQ., Halifax, N.S., President.
G. S. CAMPBELL, ESQ., Halifax, N.S., and J. WALTER ALLISON, ESQ., LL.D.,
Halifax, N.S., Vice-Presidents.

General Manager's Office - - - - - TORONTO.
H. A. RICHARDSON, General Manager.

STATEMENT OF THE RESULT OF THE BUSINESS OF THE BANK FOR THE YEAR ENDING DECEMBER 31ST, 1921.

PROFIT AND LOSS.	
Balance December 31st, 1920	\$982,595.32
Net Profits for year, losses by Bad Debts estimated and provided for	2,111,733.48
	\$3,094,328.80
Dividend No. 205 at 16 per cent. per annum paid 1st April, 1921	\$385,000.00
Dividend No. 206 at 16 per cent. per annum paid and July, 1921	388,000.00
Dividend No. 207 at 16 per cent. per annum paid 1st October, 1921	388,000.00
Dividend No. 208 at 16 per cent. per annum payable 3rd January, 1922	388,000.00
War Tax on circulation to December 31st, 1921	97,000.00
Contribution to Officers' Pension Fund	80,000.00
Written off Bank Premises Account	300,000.00
Transferred to Reserve Fund	1,000,000.00
Balance carried forward December 31st, 1921	65,328.80

RESERVE FUND.	
Balance December 31st, 1920	\$18,000,000.00
Transferred from Profit and Loss	1,000,000.00
Balance forward December 31st, 1921	\$19,000,000.00

GENERAL STATEMENT AS AT DECEMBER 31ST, 1921.

LIABILITIES.	
Capital Stock paid in	\$9,700,000.00
Reserve Fund	19,000,000.00
Balance of profits, as per Profit and Loss Account	65,328.80
Dividends declared and unpaid	390,329.67
Notes of the Bank in Circulation	15,852,567.98
Deposits not bearing interest	\$15,897,389.83
Deposits bearing interest, including interest accrued to date	147,842,408.50
	176,559,798.42
Balances due to other Banks in Canada	192,392,360.38
Balances due to Banks and Banking Correspondents in the United Kingdom	716,300.93
Balances due to Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom	107,472.30
Bills payable	1,342,463.51
	1,180,799.34
Acceptances under Letters of Credit	195,739,396.46
	411,343.69

ASSETS.	
Current Coin	\$11,528,449.61
Dominion Notes	20,934,492.50
Notes of other Banks	8,758,211.55
Cheques on other Banks	9,089,111.05
Balances due by Banks and Banking Correspondents in the United Kingdom	1,086,931.35
Balances due by Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom	3,038,167.93
Deposit in the Central Gold Reserves	48,435,165.99
Dominion and Provincial Government securities, not exceeding market value	6,500,000.00
Canadian municipal securities and British, Foreign, and Colonial public securities other than Canadian, not exceeding market value	22,914,222.24
Railway and other bonds, debentures, and stocks, not exceeding market value	10,676,092.05
Demand loans in Canada secured by grain and other staple commodities	4,131,565.70
Call and demand loans elsewhere than in Canada	19,905,379.53
	11,731,284.17
Call and demand loans in Canada secured by bonds, debentures, and stocks	124,293,709.68
	7,502,162.81
Deposit with the Minister of Finance for the purposes of the circulation fund	484,886.51
Loans to Governments and municipalities	3,064,860.15
Other current loans and discounts in Canada (less rebate of interest)	71,663,384.15
Other current loans and discounts elsewhere than in Canada (less rebate of interest)	10,347,352.31
Liabilities of Customers under Letters of Credit, as per contra	411,343.69
Overdue debts, estimated loss provided for	117,599.91
Bank Premises at not more than cost, less amounts written off	6,764,547.04
Real Estate other than Bank Premises	74,140.84
Other assets not included in the foregoing	580,680.73

	95,540,548.15
	\$225,906,398.62

CHARLES ARCHIBALD, President.

AUDITORS' CERTIFICATE.

H. A. RICHARDSON, General Manager.

We have examined the books and accounts of the Bank of Nova Scotia at its Chief Office and have been furnished with certified returns from the Branches, and we find that the above statement of Liabilities and Assets as at December 31st, 1921, is in accordance therewith. The Bank's investments and the securities and cash on hand at the Chief Office and at several of the principal Branches of the Bank were verified by us at the close of business, December 31st, 1921. In addition we visited the Chief Office and certain Branches during the year, when we checked the cash and verified the securities and found them to be in agreement with the books. We have obtained all information and explanations required, and all transactions of the Bank which have come under our notice have, in our opinion, been within the powers of the Bank. And we certify that the above statement of Liabilities and Assets as at December 31st, 1921, is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

Toronto, Canada, 16th January, 1922.

A. B. BRIDIE, C.A.
D. McK. McCLELLAND, C.A. } Auditors.
of the firm of Price, Waterhouse & Co.

LONDON OFFICE:
55, OLD BROAD STREET, E.C.2. E. C. MACLEOD, Manager.

The Bank of Nova Scotia conducts a general banking business. Particular attention is devoted to business with Canada, Newfoundland, and the West Indies, where Branches of the Bank have long been established.

LONDON & RIVER PLATE BANK LIMITED
FOUNDED 1862.

OVERSEAS TRADE

Paid up Capital & Reserve Fund £4,140,000.

LONDON, Manchester and Bradford.

Branches in Argentina, Uruguay, Brazil, Chile, Paraguay, Colombia, France, Belgium and Portugal, and Agencies in the United States.

Agents throughout South America in all important centres where Branches are not established.

THE BANK IS AFFILIATED WITH
LLOYDS BANK LIMITED.

Paid up Capital & Reserve Fund over £24,000,000.

WITH WHICH BANK IS ALSO AFFILIATED
THE NATIONAL BANK OF SCOTLAND LIMITED.

Paid up Capital & Reserve Fund £2,200,000.

The Three Banks provide over 1,750 Branches in all the principal Trade Centres in Great Britain, South America and on the Continent.

ALL KINDS OF BANKING BUSINESS TRANSACTED.

The Branches in South America keep the London Office well informed on all local trade matters.

Correspondence invited through
HEAD OFFICE:
7, PRINCES STREET, LONDON,
E.C. 2.

THE DOMINION BANK.

At the Fifty-first Annual General Meeting of the Shareholders of The Dominion Bank, held at the Head Office, in Toronto, on 25th January, 1922, the following statement of the affairs of the Bank as on the 31st December, 1921, was submitted:

Balance of Profit and Loss Account, 31st December, 1920	\$669,218 16	Which amount has been disposed of as follows :	
Profits for the year, after deducting charges of management and making full provision for bad and doubtful debts	\$1,125,181 64	Dividends (quarterly) at Twelve per cent. per annum	\$720,000 00
Less Dominion and Provincial Government Taxation	108,919 21	Bonus, one per cent.	60,000 00
Making net profits of	1,016,262 43	Total distribution to Shareholders of Thirteen per cent. for the year ...	\$780,000 00
		Contribution to Officers' Pension Fund	40,000 00
		Written off Bank Premises	820,000 00
			150,000 00
		Balance of Profit and Loss Account carried forward	970,000 00
	\$1,685,480 59		715,480 59
			\$1,685,480 59

GENERAL STATEMENT.

LIABILITIES.		ASSETS.	
Capital Stock paid in	\$6,000,000 00	Gold and Silver Coin	\$2,117,000 19
Reserve Fund	\$7,000,000 00	Dominion Government Notes	15,715,807 50
Balance of Profit and Loss Account carried forward	715,480 59	Deposit with Central Gold Reserves ...	1,700,000 00
Dividend No. 157, payable 3rd January, 1922	180,000 00	Notes of other Banks	1,100,880 71
Bonus, one per cent., payable 3rd January, 1922	60,000 00	Cheques on other Banks	7,389,393 59
Former Dividends unclaimed	255 00	Balances due by other Banks in Canada Balances due by Banks and Banking Correspondents elsewhere than in Canada	1,000 00 2,397,668 15
	7,955,735 59		30,421,760 14
Total Liabilities to the Shareholders	\$13,955,735 59	Dominion and Provincial Government Securities, not exceeding market value	13,371,201 90
Notes in circulation	\$7,328,571 00	Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian, not exceeding market value	4,168,630 45
Due to Dominion Government	8,552,610 00	Railway and other Bonds, Debentures and Stocks, not exceeding market value	1,751,108 28
Deposits not bearing interest	\$18,018,016 33	Call and Short (not exceeding thirty days) Loans in Canada on Bonds, Debentures and Stocks	6,561,853 52
Deposits bearing in- terest, including in- terest accrued to date	80,786,284 33	Call and Short (not exceeding thirty days) Loans elsewhere than in Canada	3,835,123 27
	98,804,300 66		\$60,109,667 56
Balances due to other Banks in Canada	869,285 18	Other Current Loans and Discounts in Canada (less rebate of interest) ...	63,710,574 03
Balances due to Banks and Banking Correspondents elsewhere than in Canada	833,679 23	Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest)	554,542 96
Bills payable	267,960 00	Liabilities of Customers under Letters of Credit, as per contra	354,740 43
Acceptances under Letters of Credit ...	354,740 43	Real Estate other than Bank Premises	5,430 37
Liabilities not included in the foregoing	371,060 49	Overdue Debts (estimated loss provided for)	144,358 59
		Bank Premises, at not more than cost, less amounts written off	5,830,229 52
Total Public Liabilities	117,380,206 99	Deposit with the Minister of Finance for the purposes of the Circulation Fund	309,575 00
		Mortgages on Real Estate sold	17,227 81
		Other Assets not included in the foregoing	299,596 31
	\$131,335,942 58		\$71,226,275 02
			\$131,335,942 58

E. B. OSLER, President.

C. A. BOGERT, General Manager.

AUDITORS' REPORT TO SHAREHOLDERS

We have compared the above Balance Sheet with the books and accounts at the Chief Office of The Dominion Bank and the certified returns received from its Branches, and after checking the cash and verifying the securities at the Chief Office and certain of the principal Branches on December 31st, 1921, we certify that, in our opinion, such Balance Sheet exhibits a true and correct view of the state of the Bank's affairs, according to the best of our information, the explanations given to us and as shown by the books of the Bank.

In addition to the examinations mentioned, the cash and securities at the Chief Office and certain of the principal Branches were checked and verified by us at another time during the year and found to be in accord with the books of the Bank.

All information and explanations required have been given to us and all transactions of the Bank which have come under our notice have, in our opinion, been within the powers of the Bank.

Toronto January 19th, 1922.

G. T. CLARKSON
R. J. DILWORTH } of Clarkson, Gordon & Dilworth, C.A.

London Branch—73, CORNHILL, E.C.3.
S. L. JONES, *Manager.*

BANK OF NEW ZEALAND.

BANKERS TO THE NEW ZEALAND GOVERNMENT.

AUTHORISED CAPITAL - - £6,154,988

**SUBSCRIBED AND FULLY PAID
UP CAPITAL:**

Four per Cent. Guaranteed Stock £529,988

"A" Preference Shares of £1 Issued to N.Z. Government 500,000

"B" Preference Shares of £1 Issued to N.Z. Government 625,000

Ordinary Shares	2,250,000
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Reserve Fund and Undivided Profits	1,886,275
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£5,791,263

HEAD OFFICE : WELLINGTON, N.Z. LONDON OFFICE : 1, QUEEN VICTORIA STREET, E.C. 4.

BRANCHES AND AGENCIES AT OVER 200 POINTS IN NEW ZEALAND,

And at Melbourne, Victoria; Sydney, New South Wales; Suva and Levuka, Fiji; Apia, Samoa.

THE LONDON OFFICE GRANTS DRAFTS on any of the above places; MAKES TELEGRAPHIC TRANSFERS; OPENS CURRENT ACCOUNTS for the convenience of its Colonial Constituents; NEGOTIATES AND COLLECTS BILLS payable in any part of Australasia, Fiji and Samoa; UNDERTAKES all descriptions of Colonial Banking and Monetary Business, and affords every facility to persons in their transactions with the Colonies.

ROBERT MILL, *Manager.*

**NATIONAL BANK OF INDIA,
LIMITED.**

Registered in London under the Companies Act of 1862 on the 23rd of March, 1866.

Established in Calcutta 29th September, 1863.

Bankers to the Government in KENYA (B.E. Africa), and Uganda.

Subscribed Capital	-	-	-	-	£4,000,000
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Paid-up Capital	-	-	-	-	£2,000,000
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Reserve Fund	•	•	•	•	•	£2,500,000
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Number of Shareholders	.	.	.	1,835
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Head Office: 26 BISHOPSGATE, LONDON, E.C. 2.

BOARD OF DIRECTORS:

ROBERT CAMPBELL, Esq., *Chairman.*

DIRECTORS:
ROBERT WILLIAMSON, Esq., *Deputy-Chairman.*

ROBERT CAMPBELL, Esq., *Chairman.*
SIR JOHN P. HEWETT, G.C.S.I., K.B.E., C.I.E.
ROBERT MILLER, Esq.

SIR CHARLES C. McLEOD.
J. D. NIMMO, Esq.

J. N. STUART, Esq.
J. A. TOOMEY, Esq.

BRANCHES:

CALCUTTA	CAWNPORE	MANDALAY	ZANZIBAR	Kenya Colony	British East Africa	ENTEBBE	Uganda	
BOMBAY	DELHI	COLOMBO	MOMBASA			KAMPALA		
MADRAS	LAHORE	KANDY	NATROBI			JINJA		
KURRACHEE	TUTICORIN	NEWERA ELIYA	NAKURU			TANGA		Tanganyika Territory.
CHITTAGONG	COCHIN	ADEN [ADEN	KISUMU			DAR-ES-SALAAM		
AMRITSAR	RANGOON	STEAMER POINT						

The Bank grants Drafts and Telegraphic Transfers on all places where it is represented; negotiates and collects Bills of Exchange; undertakes the Purchase or Sale of Indian Government and other Securities; collects Pay, Pensions, and generally transacts every description of Eastern Banking Business. The Bank receives Deposits for fixed periods, not exceeding one year, at rates to be obtained on application.

The Bank opens Current Accounts, and, provided they do not fall below £200, allows Two per cent. per annum interest on the minimum monthly balances:

THE COUNTY BANK.

THE MANCHESTER & COUNTY BANK LIMITED.

Directors:

Sir FRANK FORBES ADAM, Bt., C.B., C.I.E., Manchester, Chairman.
 GEORGE HESKETH, Esq., Bolton, Deputy Chairman.
 The Hon. MARSHALL J. BROOKS, Rawtenstall.
 T. GILBERT DUGDALE, Esq., Blackburn.
 ERNEST S. GLADSTONE, Esq., Liverpool.
 Sir FRANK HOLLINS, Bt., Preston.
 JOHN W. MAKANT, Esq., Bolton.
 HENRY J. REISS, Esq., Manchester.
 Joint Managers: J. W. NIGHTINGALE and R. B. MARTIN.

Head Office - 55, KING STREET, MANCHESTER.
 Foreign Department 59, KING STREET, MANCHESTER.
 Liverpool Office - 53, DALE STREET, LIVERPOOL
 (With Foreign Department Attached).

And 154 BRANCHES in LANCASHIRE and Adjacent Counties.

Capital Subscribed	-	-	-	-	-	£5,460,200
„ Paid up	-	-	-	-	-	1,092,040
Reserve Fund	-	-	-	-	-	950,000

Current and Deposit Accounts are Opened. Interest is allowed in accordance with the current value of money.

Drafts and Letters of Credit issued, and Telegraphic Transfers of funds made, to all parts of the world
 Foreign Bills and Coupons collected or negotiated.

Purchases and Sales of Stocks and Shares effected.

The Officers of the Company are bound to secrecy in respect of the transactions of its customers.

THE BANK OF TAIWAN, Ltd.

(REGISTERED IN JAPAN, 1899.)

Head Office - - - - - TAIPEH, FORMOSA.

Map showing distribution of Branches in the Far East.
 Other Branches: NEW YORK and BOMBAY.



Capital Subscribed	-	-	Y. 60,000,000.00
Capital Paid up	-	-	Y. 45,000,000.00
Reserve Funds	-	-	Y. 11,080,000.00

The Bank is incorporated by special charter of the Imperial Japanese Government, and is authorised to issue notes in Formosa, being under the special supervision of the Government.

The Bank transacts General Banking and Foreign Exchange Business, undertakes Trust Business, and acts as Business Agents for other Banks.

Special facilities are available for Exchange Business on Japan, China, Dutch East Indies, the Straits Settlements, India and France, where the Bank has special working arrangements with Cox & Co. (France), Ltd.

Deposits are received for fixed periods on terms which may be ascertained on application.

TOKYO OFFICE: Yeirakucho, Kohjimachi-Ku, Tokyo
 LONDON OFFICE: 25, Old Broad St., London, E.C.2

Correspondents in every principal town in the World.

WILLIAM F. MALCOLM & CO.,

36, Leadenhall Street, LONDON, E.C. 3.

Merchant Shippers

FLAX, HEMP,
 JUTE & GRAIN

WM. F. MALCOLM & CO. - - - { Dundee, Scotland.
 Bologna, Italy.

MALCOLM & CO. - - - { Reval, Esthonia.
 Riga, Latvia.

Telegraphic Address: "MALCOLM."

SWISS BANK CORPORATION

Established 1872.

BASLE, ZURICH, ST. GALL, GENEVA, LAUSANNE, LA CHAUX-DE-FONDS, NEUCHÂTEL, SCHAFFHOUSE,
 BIENNE, CHIASSO, HERISAU, LE LOCLE, NYON, AIGLE, MORGES,
 RORSCHACH, VALLORBE.

LONDON OFFICE - - - - - 43, LOTHBURY, E.C.2.

WEST END BRANCH: 11c REGENT STREET, Waterloo Place, S.W.1.

General Manager: X. CASTELLI.

Capital Issued and Fully Paid-up	-	-	-	£4,800,000
Reserve Fund	-	-	-	£1,320,000
Deposits	-	-	-	£37,000,000

Every description of banking business. Current and deposit accounts. Purchase and sale of foreign exchanges for forward delivery. Transactions in all investment securities.

Agents in Great Britain for the Swiss Government Postal Cheque Service.

ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1797.
 PAID-UP CAPITAL £2,000,000
 REST AND UNDIVIDED PROFITS 1,411,777
 DEPOSITS 40,740,031

Head Office - ST. ANDREW SQUARE, EDINBURGH.
Cashier and General Manager—A. K. WRIGHT, D.L. Secretary—J. B. OSHEAD.

London Office - 3 BISHOPSGATE, E.C. 2.
ALEXR. DICK, and WM. WHYTE, Joint Managers

Glasgow Office - ROYAL EXCHANGE SQUARE
 And BUCHANAN STREET.
THOMAS LILLIE, Agent. WILLIAM DONALD, Sub-Agent.

175 BRANCHES THROUGHOUT SCOTLAND.

Every description of British, Colonial and Foreign Business transacted. Foreign Exchange. Correspondence Invited.

BANK OF SCOTLAND.

CONSTITUTED BY ACT OF PARLIAMENT, 1695.

AUTHORISED CAPITAL £4,500,000
 PAID-UP CAPITAL and RESERVE FUND £1,875,000
 DEPOSITS and CREDIT BALANCES £37,000,000

Governor: WILLIAM JOHN MURE, ESQ., C.B. Deputy-Governor: The Right Hon. LORD ELPHINSTONE.

Head Office: THE MOUND, EDINBURGH.

GLASGOW, Chief Office: 2 ST. VINCENT PLACE. W. G. LEGGAT, Manager.

LONDON Office: 30 BISHOPSGATE, E.C. 2. J. W. JOHNSTON, Manager.

182 Branches and Sub-Branches in Edinburgh, Glasgow, and throughout Scotland.
 Every Description of British and Foreign Banking Business transacted.

GEORGE J. SCOTT, Treasurer.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

INCORPORATED BY ROYAL CHARTER AND ACT OF PARLIAMENT.
 ESTABLISHED 1825.

Capital Subscribed, £5,000,000. Paid-up, £1,100,000. Uncalled, £3,900,000.
 RESERVE FUND, £4,100,000.

Head Office—EDINBURGH.

WILLIAM CARNEGIE, GENERAL MANAGER.

GEORGE A. HUNTER, SECRETARY.

London Office—37 NICHOLAS LANE, LOMBARD STREET, E.C. 4.
 T. C. RIDDELL, Manager. DUGALD SMITH, Assistant Manager.

Every description of banking business transacted, including the purchase and sale of Stocks, Shares, Securities, &c.; the collection of Dividends and Coupons, whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of remittances to all parts. There is a specially equipped Foreign Department at the Principal Glasgow Office. The agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies or elsewhere abroad domiciled in London are retired on terms which will be furnished on application. The Officers of the Bank are bound to secrecy as regards the transactions of its customers.

Commercial Bank of Scotland, Ltd.

ESTABLISHED 1810.

Subscribed Capital £5,500,000
 Paid up 1,750,000
 Reserve Fund 1,125,000
 Deposits 43,711,000

Head Office: 14 George Street, EDINBURGH.
 General Manager, ALEX. ROBB. Secretary, MAGNUS IRVINE.

London Office: 62 LOMBARD STREET,
 Manager, GEORGE S. COUTTS. Asst. Manager, JOHN F. SANDEMAN.

The Bank has 251 Branches and Sub-Branches throughout Scotland, and Banking Correspondents in the principal Towns in the world.

Every description of British Banking, and Foreign Exchange business, transacted.

COMMERCIAL BANK OF WARSAW

(Bank Handlowy w Warszawie)

Established 1870.

Paid-up Capital:
 162,000,000 Pol. Marks
 Reserve Funds:
 142,705,831 Pol. Marks.

HEAD OFFICE:
 WARSAW, TRAUOGUTTA 7/9.
 5 City Branches at Warsaw, 28 Branches in Poland.

President:
 BARON LEOPOLD KRONENBERG.

Vice-Presidents:
 A. WIENIAWSKI.
 J. KOZLOWSKI,
 General Manager.
 HENRI CHAMPAGNIER.

Telegrams: HANDLOBAK.
 London Correspondents:
 BARCLAYS BANK LTD. LLOYDS BANK LTD.
 LONDON JOINT CITY AND MIDLAND BANK LTD.
 Every Description of Banking Business Undertaken.

The Commercial Banking Company of Sydney, LIMITED.

ESTABLISHED 1834.

INCORPORATED IN NEW SOUTH WALES.

Capital Paid Up ... £2,909,025 . 0 . 0
 Reserve Fund ... £2,360,000 . 0 . 0
 Reserve Liability of
 Shareholders ... £3,000,000 . 0 . 0

Drafts payable on demand and Letters of Credit on Australasia are issued by the London Branch. Bills on Australasia negotiated or collected. Remittances cabled.

London Offices:
 18 BIRCHIN LANE, LOMBARD STREET, E.C. 3.

F. A. SCRIVENER Manager.

Telegraphic Address: "Compdebar, Amsterdam."

Handel - Maatschappij
 H. Albert de Bary & Co.
 AMSTERDAM

Merchant Bankers

Capital Fl. 6,000,000
 (FULLY PAID)

THE MERCANTILE BANK OF INDIA, LTD.

HEAD OFFICE:

15, Gracechurch St., London, E.C. 3.

Capital Authorised ... £3,000,000
 Capital Paid Up ... £1,050,000
 Reserve Fund and Undivided
 Profits ... £1,227,638

Branches:
 INDIA, BURMAH, CEYLON,
 STRAITS SETTLEMENTS & CHINA,
 PORT LOUIS (MAURITIUS).

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East on terms to be had on application.

FIXED DEPOSIT RATES
 will be quoted upon application.

On CURRENT ACCOUNTS interest is allowed at 2 per cent. per annum on daily balances.

THE BANK OF ADELAIDE

(Established 1865).

Paid-up Capital	£625,000
Reserve Fund	620,000
	1,245,000
Reserve Liability of Shareholders	625,000
	£1,870,000

Head Office—Adelaide, South Australia.
MELBOURNE OFFICE—267 COLLINS STREET.
SYDNEY OFFICE—106 PITT STREET.
LONDON OFFICE—11 LEADENHALL ST., E.C.3.

Bills on Australasia purchased or collected.
Drafts and Letters of Credit issued and Remittances cabled.

Deposits received for fixed periods at rates to be ascertained on application, and every other description of banking and exchange business transacted.

THE WESTERN AUSTRALIAN BANK.

(Established 1841).

PAID-UP CAPITAL (25,000 shares of £10 each)	£250,000
RESERVE FUND	£725,000
RESERVED PROFITS	£33,753
RESERVE LIABILITY OF SHAREHOLDERS	£250,000

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application, and all Banking and Exchange Business connected with Western Australia conducted through the

London Agents:

THE BANK OF ADELAIDE, 11 Leadenhall Street, London, E.C.3

National Bank of Egypt

Head Office - CAIRO.

Governor—B. HORNSBY, C.B.E.

Fully Paid Capital £3,000,000

Reserve Fund - - £2,100,000

London Agency:

6 & 7, King William St.,
E.C.4.

Branches in all the Principal Towns in

EGYPT and the SUDAN.

LONDON & BRAZILIAN BANK, Ltd.

ESTD. 1862.

AUTHORISED CAPITAL	£3,000,000
PAID-UP CAPITAL	£1,500,000
RESERVE FUND	1,500,000

Banking Business of every Description
Transacted in

BRAZIL, ARGENTINA, URUGUAY & PORTUGAL

Branches.

BRAZIL—RIO DE JANEIRO, MANAOS, PARA, MARANHÃO, CEARA, PERNAMBUCO, BAHIA, SANTOS, SÃO PAULO, CURITYBA, RIO GRANDE DO SUL, PELOTAS, PORTO ALEGRE.

RIVER PLATE—MONTEVIDEO, BUENOS AIRES, ROSARIO, UNITED STATES—NEW YORK, 36 Wall Street (Agency), PORTUGAL—LISBON, OPORTO, FRANCE—PARIS, Rue Scribe, MANCHESTER, 38, Charlotte Street.

Current Accounts Opened on Usual Terms.
Deposits Received for Fixed Periods. Rates on Application.
Imports and Exports Facilitated.
Bills on Places where Bank is Represented Collected or Negotiated.
Letters of Credit and Drafts Issued.
Commercial Credits Established on all Branches and Agencies.

FOREIGN EXCHANGE BUSINESS TRANSACTED

Head Office—7 Tokenhouse Yard, London, E.C.2

THE EASTERN BANK LIMITED.

Head Office:

4 CROSBY SQ., LONDON, E.C.3.

Authorised Capital	£2,000,000
Called-up Capital	£1,000,000
Reserve Fund	£266,000
Reserve Liability of Shareholders	£1,000,000

BOARD OF DIRECTORS.

Chairman.
J. S. HASKELL, Esq.
Deputy Chairman.
Sir JAMES LEIGH-WOOD, K.B.E., C.B., C.M.G.
J. H. BATTY, Esq. EMILE FRANCOU, Esq.
G. BROMLEY-MARTIN, Esq. MEYER SASSOON, Esq.
Sir PERCY WILSON NEWSON, Bart.

Branches—

BOMBAY, CALCUTTA, MADRAS, COLOMBO,
BAGDAD, BAHREIN, BASRA, BASRA CITY,
AMARA, HILLAH, MOSUL.

The Bank issues Drafts, Telegraphic Transfers and Letters of Credit, negotiates and collects Bills of Exchange, and transacts Banking and Agency Business in connection with the East.

Deposits are received for one year at 6 per cent. per annum, and for shorter periods at rates which can be ascertained on application. On current accounts interest is allowed at 4 per cent. per annum on the minimum monthly balances.

F. H. SUTTON, Manager.

STOCKHOLMS INTECKNINGS GARANTI AKTIEBOLAG**STOCKHOLM**

ESTABLISHED 1869.

Paid-up Capital
and Reserve Funds
Kr. 32,000,000

Telegraphic Address: SIGAB, STOCKHOLM

London Agents:

HAMBROS BANK, Ltd.
LAZARD BROTHERS & Co., Ltd.

All kinds of Banking Business transacted.
Letters of Credit issued.

NATIONAL DISCOUNT COMPANY, LIMITED.

ESTABLISHED 1856.

35 CORNHILL, LONDON, E.C.3.

Telegraphic Address: "NATDIS, STOCK, LONDON." No. 1484 AVENUE (2 lines). No. 11948 CENTRAL.

SUBSCRIBED CAPITAL	£4,238,325
PAID-UP CAPITAL	£846,665
RESERVE FUND	£500,000

DIRECTORS.

Sir SIGISMUND F. MENDL, K.B.E., Chairman.
LAWRENCE E. CHALMERS, Deputy-Chairman.
REDERICK W. GREEN.
The Hon. Col. SIDNEY PEEL, D.S.O., M.P.
Sir Rt. Hon. F. LEVERTON HARRIS.
CHARLES D. SELIGMAN.
ALGER J. HERIOT.
PHILIP H. WADE.

Manager—PHILIP H. WADE.

Sub-Manager—FRANCIS GOLDSMITH.

Secretary—CHARLES H. GOUGH.

Auditors.

FRANCIS W. PIXLEY (Jackson, Pixley & Co.).
Sir ALBERT WYON, K.B.E. (Price, Waterhouse & Co.).

Bankers.

BANK OF ENGLAND.
NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

Bank and Approved Mercantile Bills Discounted.
Money received on Deposit at Call and Short Notice, and Interest allowed at the Current Market Rates; and for longer periods upon specially agreed terms.

Loans granted upon negotiable securities.
Investments and Sales of all descriptions of British and Foreign Securities effected. All communications on this subject to be addressed to the Manager.

BANK OF BRITISH WEST AFRICA, LIMITED.

ESTABLISHED 1894.

LIMITED.

Authorised Capital	£4,000,000
Subscribed Capital	£3,000,000
Paid-up Capital	£1,200,000
Reserve	£625,000

Chairman:

The Right Hon. THE EARL OF SELBORNE,
K.G., G.C.M.G.

Head Office:

17-18 LEADENHALL ST., LONDON, E.C.3.

General Manager:

LESLIE COUPER, C.M.G.

Liverpool Manchester Hamburg New York
West Africa Canary Islands Egypt Morocco.

PRINCIPAL SHAREHOLDERS:

Lloyds Bank Ltd.; London County Westminster & Parr's Bank Ltd.; National Provincial & Union Bank of England, Ltd.; Standard Bank of South Africa, Ltd.

CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA,

38, BISHOPSGATE, LONDON, E.C.2.

Incorporated by Royal Charter.

CAPITAL	£3,000,000
RESERVE FUND	£3,600,000

COURT OF DIRECTORS.

Sir MONTAGU CORNISH TURNER, Chairman.
Sir DUNCAN CARMICHAEL, JORDAN, G.C.E., K.C.B., K.C.M.G.
THOMAS CUTHBERTSON, Esq. WILLIAM FOOT MITCHELL, Esq.
Sir ALFRED DENT, K.C.M.G. JAMES MAXWELL GRANT
Sir WILLIAM HENRY NEVILLE, Esq. PROPHIT, Esq.
GOSCHEN, K.B.E. LEWIS ALEXANDER WALLACE, Esq.
The Right Hon. LORD GEORGE HAMILTON, G.C.S.I.

W. E. PRESTON, Chief Manager. J. S. BRUCE, G. MILLER, Managers.

AGENCIES AND BRANCHES.

ALOR STAR (Malay States) HANKOW HONG KONG PUKET
AMRITSAR ILOILO RANGOON
BANGKOK KARACHI SAIGON
BATAVIA KLANG SEREMBAN
BOMBAY KOBÉ SHANGHAI
CALCUTTA KUALA LUMPUR SINGAPORE
CANTON MADRAS SOURABAYA
CAWNPORE MANILA TAIPING (F.M.S.)
CEBU MEDAN TAVOY
COLOMBO NEW YORK TIENTSIN
DELHI PEKING YOKOHAMA

BANKERS.

THE BANK OF ENGLAND.
THE LONDON JOINT CITY AND MIDLAND BANK, LIMITED.
THE LONDON COUNTY WESTMINSTER AND PARR'S BANK, LIMITED.
THE NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

The Corporation buy and receive for collection Bills of Exchange, grant Drafts payable at the above Agencies and Branches, and transact general Banking business connected with the East. Deposits of Money are received for fixed periods at terms which may be ascertained on application; interest payable half-yearly, 30th June and 31st December. On Current Accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances provided they do not fall below £200.

DEN NORSKE CREDITBANK

CHRISTIANIA, NORWAY.

Established 1857.

Branch: ARENDAL.

Telegraphic Address: "Creditbank."

Capital, Fully paid Kr. 44,000,000.
Reserve Funds Kr. 41,000,000.

EVERY DESCRIPTION OF BANKING
BUSINESS TRANSACTED. Bills
collected all over Norway. Deposits
received at favourable rates. Foreign
Exchange bought and sold.

LONDON AGENTS:

Hambros Bank, Limited; London Joint City and
Midland Bank, Limited, Overseas Branch, 65/66
Old Broad Street; Messrs. Cox & Co., City Office,
38 Lombard Street.

CORRESPONDENCE INVITED.

BANCO DE CHILE

94 GRACECHURCH STREET, E.C.

PAID-UP CAPITAL	100,000,000	Chilian Dollars
RESERVE FUND	58,000,000	
RESERVE LIABILITY OF SHAREHOLDERS	100,000,000	
RESERVE FUND IN GOLD OF 18d	13,333,333	
	= £1,000,000	

Head Offices—SANTIAGO & VALPARAISO.

BRANCHES.

Santiago (Estacion), Santiago (Matadero),
Santiago (San Pablo), Santiago (Bella Vista),
Valparaiso (Almendra), Ancud, Antofagasta,
Arica, Chanaral, Chillan, Concepcion, Copiapó,
Coquimbo, Curicó, Illapel, Iquique, La Calera,
Lebu, Ligua, Los Andes, Los Angeles, Mulchen,
Nueva Imperial, Osorno, Ovalle, Pisagua, Puerto
Montt, Quillota, Rancagua, Rengo, San Carlos,
San Fernando, San Felipe, Serena, Tacna,
Talca, Talcahuano, Taltal, Temuco, Tomé,
Tocopilla, Traiguén, Valdivia, Vallenar, Vicuña,
Vina del Mar.

The London Agency transacts every class of
Banking business with Chile. Current Accounts
also opened and Deposits received.

DAVID BURNS, Manager.

POPULAR BANK OF GREECE.

Head Office: ATHENS.

Branch: PIRÆUS.

TELEGRAMS: "POPBANK"

Correspondents throughout Greece.

Established June 1905, by the National Bank of Greece and a Group of Capitalists.

CAPITAL, Drs. 10,500,000. RESERVE FUND, Drs. 500,000.
Deposits and Credit Accounts, Drs. 140,000,000.

The Bank specialises in the collection of Bills payable in Greece; it accepts goods on consign-
ment, and undertakes their sale, and transacts every kind of Banking business.

General Manager: D. LOVERDO.

THE BRITISH BANK OF SOUTH AMERICA, LIMITED,

Capital Authorised and Subscribed, £2,000,000, in 100,000 Shares of £20 each, with power to increase. Paid up Capital, £1,000,000.
Reserve Fund, £1,000,000.

HEAD OFFICE: 4, Moorgate, London, E.C.2. MANCHESTER OFFICE: 2, Norfolk Street.

DIRECTORS.

ROBERT JOHN ROSE, Esq., Chairman.
WILLIAM HERBERT HOLLIS, Esq.,
Deputy Chairman.
FREDERICK R. S. BALFOUR, Esq.

Rt. Hon. Sir MAURICE W. E. de BUNSEN, Bart.,
G.C.M.G., G.C.V.O., C.B.
RAOUL HECTOR FOA, Esq.
EDWARD GREENE, Esq.

FRANK HENRY HOULDER, Esq.
FREDERIC LUBBOCK, Esq.
JOHN EDWARD MOUNSEY, Esq.

MANAGER—HENRY PROBYN ROBERTS, Esq.
SECRETARY—LOUIS GEORGE BALLY, Esq.

SUB-MANAGERS—PATRICK ERNEST O'HEA, Esq.
JOHN DEVEREUX BLACKBURN, Esq.
AUDITORS—MESSRS. TURQUAND, YOUNGS & CO.

Branches at—PERNAMBUCO, BAHIA, RIO DE JANEIRO, SÃO PAULO, SANTOS, PORTO ALEGRE, RIO GRANDE (State of Rio Grande do Sul),
MONTE VIDEO, MERCEDES (Sub-Branch to Monte Video), BUENOS AYRES, ROSARIO DE SANTA FE, PERGAMINO (Sub-Branch to Buenos Ayres),
Also Sub-Branches at—PLAZA ONCE DE SETIEMBRE, PLAZA CONSTITUCION, AVELLANEDA, CALLE LAVALLE, CALLE VICTORIA and
CALLE CORRIENTES, BUENOS AYRES; and AVENIDA RONDEAU and CORDON, MONTE VIDEO.

CORRESPONDENTS

in all the principal Cities and Towns in Europe, in the United States of America and in South and Central America. Also in Australia, Canada,
New Zealand, South Africa, India, etc.

MONTHLY TRADE CIRCULAR FREE ON APPLICATION.

BANK OF NEW SOUTH WALES.

ESTABLISHED 1817.

London Office: 29, THREADNEEDLE STREET, E.C.2.

PAID-UP CAPITAL	£5,000,000 0 0
RESERVE FUND	3,500,000 0 0
RESERVE LIABILITY OF PROPRIETORS...	5,000,000 0 0
	£13,500,000 0 0
AGGREGATE ASSETS, 30th September, 1921	£71,865,352 0 5

The London Office issues drafts on demand on its Head Office (Sydney, N.S.W.) and branches in all the Australian States, New
Zealand, Fiji, and Papua. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Arranges Wool and other
Produce Credits. Receives deposits for fixed periods on terms which may be known on application, and conducts every description
of Australasian Banking Business.

H. MELDRUM, Acting Manager.

THE INVESTOR'S MONTHLY MANUAL. 1864.

NEW YEAR DOUBLE NUMBER.

The Double Number of *The Investor's Monthly Manual*, published on January 3rd, 1922, gives, in addition to the usual information,
the highest and lowest prices of all stocks and shares for 1917, 1918, 1919, 1920 and 1921, the latest quotations for 1921, a tabulated chronicle of
the half-year's events, the names of the markets where each security is chiefly dealt in, besides memoranda relating to the financial position of Foreign
and Colonial Governments, to Railways, &c., &c. In addition, there will be furnished the addresses of the various companies, with the names of the
Chairmen and Secretaries or Managers.

TO ADVERTISERS.

The Investor's Monthly Manual is published at the beginning of each month, and is by far the MOST COMPLETE PERIODICAL RECORD in
existence of the dealings, throughout the United Kingdom, in every description of stocks and shares, &c., &c. Over 4,000 securities are dealt with each month,
showing recent dividends and yields at latest prices. The *Manual* also contains a valuable summary of Profit and Loss Accounts each month.
It is absolutely free from any connection with any financial house or speculative agency, and it is subscribed to by Investors of all classes, as well as by
Banking Houses, Chambers of Commerce, Mercantile Firms, Stockbrokers, Railway, Insurance, Shipping, and other Companies throughout the United
Kingdom, the Colonies, and abroad.

Its circulation, therefore, is of a widespread and influential character, and it is a most valuable medium for advertisements of all descriptions.
The *Manual* will be found especially suitable for advertising debentures of every kind, prospectuses of limited liability companies, and investments of
all descriptions; and for giving publicity to the announcements of banking, insurance, and other companies, publishers and auctioneers. Its importance to
the general advertiser can hardly be over-estimated.

The above number has a LARGE ADDITIONAL CIRCULATION, and, being greatly used as a work of reference, it affords an excellent
opportunity for giving a PERMANENT PUBLICITY for advertisements.

Post Free 2s. 3d. (Ordinary numbers, Post Free 1s. 8d.) Annual Subscription £1 1 0.

BANCO ESPAÑOL DEL RIO DE LA PLATA

ESTABLISHED 1886.

London Branch—7, FENCHURCH STREET, E.C.

London Manager ... ALEXANDER BURNS.

Sub-Manager ... WILLIAM YEATES ROGERS.

Capital Subscribed	m \$ n	100,000,000	...	£8,730,158
Capital Paid up ...	...	98,918,840 ⁰⁰	...	8,635,596
Reserve Fund ...	...	49,588,211 ⁶⁶	...	4,329,129
New Reserve Fund	...	649,898 ⁰⁰	...	56,737

Head Office ... BUENOS AIRES.

General Manager ... JOAQUIN HERRANDIS.

BRANCHES.

Argentine Republic—36 Branches in the principal Cities.

Brazil—Rio de Janeiro.

Uruguay—Montevideo.

England—London.

France—Paris.

Belgium—Antwerp.

Italy—Genoa.

Germany—Hamburg.

Spain—Madrid, Barcelona, Bilbao, Coruña, San Sebastian,
Seville, Valencia, Vigo, Guadalajara.

The Bank gives special facilities to assist its clients in
initiating and developing British Commerce with the
Continent and South America.

TELEGRAMS

FOR

AUSTRALASIA, CHINA, JAPAN,
DUTCH INDIES, STRAITS
SETTLEMENTS, INDIA, AFRICA,
SPAIN, PORTUGAL, THE
MEDITERRANEAN AND SOUTH
AMERICA.

Via Eastern

STATIONS:

LONDON: 4 ELECTRA HOUSE, MOORGATE, E.C. 2
8 Leadenhall street, E.C. 3.
Market Buildings, 29 Mincing lane—26 Mark lane, E.C. 3.
"The Baltic" Exchange, Bury street Entrance, E.C. 3.
41 and 42 Parliament st., S.W. 1.
37 Holborn Viaduct, E.C. 1.
6 Denman street, Borough, S.E. 1.
115 Cannon street, E.C. 4.
BIRMINGHAM: 128 Colmore row.
BRADFORD: 4 Commercial street.
BRISTOL: 2 Small street.
CARDIFF: 33 Merchants' Exchange, Bute Docks.
DUNDEE: 50 Bell street.
EDINBURGH: 38 Frederick street.
GLASGOW: 5 Royal Bank place.
HULL: Exchange Buildings, Lowgate.
LIVERPOOL: K13 Exchange Buildings.
The Cotton Exchange.
MANCHESTER: 55 Spring Gardens.
NEWCASTLE-ON-TYNE: K, Exchange Buildings, Quayside.
PORTHOUNOW: Cornwall.

AND FROM ALL POSTAL TELEGRAPH OFFICES.
The Eastern Telegraph Company, Ltd.



Industry-

One thousand craftsmen working day and night, trained to handle Printing for the City man—Prospectuses, Reports, etc., in the shortest time.

It will pay you to put your next Urgent Printing Job in the hands of one of the largest and best equipped printing offices in the country—ring Holborn 5800 any hour of the twenty-four.

Clements Press LTD
PORTUGAL ST.
W.C.2.

THE · DAY · AND · NIGHT · PRINTERS

PRINTERS · OF · THE · ECONOMIST

COMPANY MEETINGS, &c.

MIDLAND RAILWAY COMPANY.

CHAIRMAN ON COMPANY'S POSITION AND PROSPECTS.
ANSWER TO AGITATION FOR REDUCTION IN TRANSPORT CHARGES.
NECESSITY FOR LOWER WORKING COSTS.

CHAIRMAN'S RETIREMENT—THE NEW CHAIRMAN.

The annual general meeting of the Midland Railway Company was held at Derby on the 16th instant.

The Chairman of the company, Mr Charles Booth, in moving the adoption of the report and accounts, stated that the memorial erected to the memory of the company's employees who gave their lives in the Great War was completed and unveiled in December last. He had no doubt a large number of the shareholders had already seen the memorial, and hoped that those who had not yet done so would take an opportunity of viewing it before leaving Derby. He felt sure they would all agree that it was a monument worthy of the best traditions of the Midland Railway Company. It would stand for all time to the honour and glory of those to whom it was dedicated, and would be a constant reminder to posterity that when the country asked its sons to come forward in its defence, the men of the Midland Railway were not appealed to in vain.

HOSPITAL FINANCE.

Continuing, he said that the proprietors were no doubt aware, from Press reports, of the critical financial position in which the hospitals now found themselves, a position which threatened to break down the whole voluntary system throughout the country, and to throw the hospitals upon the already overburdened ratepayer and taxpayer, with the consequent blighting influence of Government control.

The Midland Company had always subscribed to hospitals in the large towns on its system, and the directors had made occasional large grants to the Derby Infirmary with the sanction of the shareholders.

A financial scheme had recently been put before the Midland Railway Friendly Society, and unanimously approved by it, which involved a weekly contribution from all weekly-paid employees, supplemented by a contribution on the part of the company.

The board had considered this scheme and approved in principle of the proposals embodied in it, and, subject to its being generally adopted by the staff, they were prepared to recommend it to the shareholders.

On the basis suggested the company's annual contribution, if the scheme were universally applied, would substantially exceed the present subscriptions, but the alternative would be a much greater sum in rates, and he was confident that the shareholders would approve of the policy of the board in the matter.

Mr Booth then referred to the Railways Act, 1921, and explained its provisions having reference to grouping and the amalgamation of the constituent companies in the various groups. He pointed out that since the passing of the Act the board had been giving their most careful consideration to the many important points which arose on the application of the statute, and that as soon as it was possible, after consultation with the other constituent companies, for the board to lay before the shareholders any scheme or schemes which they could recommend for acceptance. He further explained the agreement come to between the railway companies and the Government, under which the compensation paid by the latter had been fixed at the figure of £60,000,000, and dealt with the arrangement arrived at with the employees as to the establishment of central and local councils. He also paid a warm tribute to the valuable services rendered to the railway companies by Major Hills, M.P., a member of the board, during the passage of the Bill through Parliament.

Proceeding, the Chairman said:

TRANSPORT CHARGES AGITATION.

I am sure the shareholders will expect me to say something in regard to the agitation which is going on in the Press throughout the country for a reduction in transport charges.

I am one of those who hold the strong opinion that the sooner not only railway charges, but also the cost of everything else is brought down the better. Better for trade, better for the public, and better for the railways.

Roughly speaking, the position is this. Railway freights at termination of the war were, on the average, up—merchandise about 116 per cent., coal about 75 per cent., passenger fares were at a figure of 75 per cent. over pre-war.

Certain reductions have already been made in the rates for heavy traffic, such as coal, ironstone, limestone, &c., to the extent of reducing the percentage of increase from 100 per cent. to 75 per cent., and the flat rate from 6d to 4d per ton.

The operation of these reduced charges will, as the Midland Company are large carriers of raw materials, if the volume of traffic does not increase, mean quite a considerable loss in revenue; but we, and the other railway companies in England, having carefully considered all the circumstances, came to the conclusion that some relief should be given.

IMPOSSIBLE REDUCTION DEMANDS.

Considerable disappointment has been expressed because no general all-round reduction has been made, and certain trading federations and councils are demanding that the companies should make a general substantial cut in all freights, the reduction asked for being a minimum of 50 per cent. off the increases put on during the war. Some say nothing short of a 75 per cent. reduction will do, while others demand pre-war rates.

My first observation shall be that I wish we could meet their demands to the full. My next statement shall be that under present conditions the suggestions, as a whole, are impracticable, and that it would be impossible for the railway companies to live under them.

Whatever opinion traders may hold from their point of view, your board have very decided opinions of what their duties to the shareholders are, and they will not do anything which will in any material way adversely affect the dividends at present paid to the shareholders.

The traders should remember that when Parliament in 1914 took over the railways they limited the profits of railway companies to their 1913 figures, and this limitation operated for seven years. During the greater part of the time practically every other industrial undertaking was paying increased dividends, or at any rate was making largely increased profits.

I am sure no one in this room will say, and I certainly do not think anyone outside is entitled to allege, that railway shareholders are receiving exorbitant dividends. In fact, I agree with the generally expressed opinion that the return on the capital invested in British railways is very modest, and, unlike many other industrial concerns, the railway companies have no big wartime profits to set against current losses.

In dealing with the proposal that rates must be reduced, your board can only deal with the case on the facts as they exist. Let me give you a few figures showing exactly how we stand.

RAILWAY WORKING COSTS—WAGES.

There is no getting away from the fact that wages are by far the most predominating feature of railway working costs, and to show you what has happened and how those costs are working against profits let me give you the following information.

Before the war, the number of staff employed on the Midland Railway was roughly 73,000, and the total salaries and wages bill was £5,690,000. In January, 1921, the number had increased to 80,900, an increase of 11 per cent., whilst the salaries and wages bill had reached a figure of £17,800,000, or a percentage increase of 214 per cent. over pre-war. In January of this year the total staff was 72,500, or a decrease of 0.7 per cent. on pre-war figures, and assuming that this number of staff continues to be employed during the whole of the year, the salaries and wages bill will approximate to a figure of over £13,000,000, or 130 per cent. over pre-war.

It may seem strange that we are for the moment able to work the line with a less number of staff than that employed in 1913, but this arises entirely from the reasons which I will explain.

POSITION AT END OF GOVERNMENT CONTROL.

When Government control ceased to exist in August, 1921, matters were in an extremely unsatisfactory position. Traffics were bad, we were committed to the end of the year on our coal contracts at very high prices (200 per cent. over 1913), with stores at more or less similarly inflated prices, and it was absolutely necessary to cut down costs. We had to place our shops on short time, and ruthlessly cut down in other directions, including the discharge of several thousands of our employees.

You will realise, however, that such drastic treatment could only be of a very temporary character, and we shall during the present six months have to make up at least some portion of this lee-way. In spite of continued reduction in cost of stores I really do not see, from the information I have received, that we can look for very much, if any, reduction in the near future in our working costs.

With regard to wages, as a commercial proposition I believe you will agree with me that it is impossible for the present condition of things to continue indefinitely. Under the agreements existing, which were agreements made by the Government, a sliding scale of reductions operating against wages in ratio to the decreased cost of living is in force, but even allowing for these agreements operating to the full, the result is that the wages are on the average fixed at a base rate equal to practically 100 per cent. over pre-war. This it must be borne in mind is the base rate, but having regard to other concessions given in the same agreements as to payment for overtime, Sunday duty, night duty, &c., the earnings of the men are brought up to a larger figure of percentage than 100 per cent.

I don't want, for the moment, to labour this point. I believe the union officials are seized with the importance of it. I hope I am not going too far in saying that they fully realise the importance of it from a national point of view, and that from a mutual consideration of all the facts some method will evolve by which, without serious trouble or strife, a revision of existing conditions will be carried out.

To sum up the whole position with regard to rates, I wish to say that the board is fully alive to the fact that present conditions as to charges are abnormal and should be adjusted as quickly as possible, and in so far as may be consistent with their obligations to the shareholders they will do their utmost to assist the traders in the direction they suggest.

ACCOUNTS—EXPENDITURE ON CAPITAL ACCOUNT.

Turning to the accounts, you will see from statement No. 4 that the expenditure upon capital account for the year amounted to £116,024, the principal item being for rolling-stock. We have continued to restrict capital expenditure to works urgently required, and the total for the year is less than half the estimate shown in the 1920 accounts.

NET RECEIPTS.

Passing to statement No. 8, it will be seen that the decrease in net receipts, taking them to the line above which the Government guarantee operated, and comparing 1921 with 1920, is £516,820. If we compare 1921 with 1913—the base year—the reduction is £607,604. The proprietors must not, however, assume that the whole of this loss of revenue arose in the post-control period of four and a-half months, for such was not the case. You must remember that the full net receipts of 1913 were not guaranteed. The companies had to bear part of the war bonus paid to employees, and there are in addition certain amounts which cannot be charged against the Government account under the agreements, and must be borne by the company. There are, further, items of expenditure in the control period which may be in dispute between the company and the Ministry of Transport.

ALLOTMENT FROM COMPENSATION FROM GOVERNMENT.

If, after making allowance for these debatable points, we make a separate comparison of the net receipts, to the line, for the control and post-control periods respectively, with the corresponding periods of 1913, we find the decrease for the period January 1st to August 15th was £193,953, and for the period August 16th to December 31st £413,651. To make this good, and to enable last year's dividend on the deferred stocks to be paid, we have appropriated £500,000 from the £2,900,000 which I have already referred to as having been received from the Government. The Act of 1921 lays down that these moneys may be applied for any purpose for which the earnings of the company may be properly applied—the payment of interest or dividend being specifically mentioned as one of them.

DIVIDENDS.

Statement No. 9 shows the proposed appropriation of net income. We recommend the same dividend as was paid 12 months ago, being at the rate of 2½ per cent. per annum on the preferred converted ordinary stock, and 4½ per cent. per annum on the deferred converted ordinary stock, equal to 7½ per cent. per annum on the old unconverted ordinary stock, and we carry forward £165,334 to the next account.

BALANCE-SHEET ITEMS—ASSETS.

Passing over statements Nos. 10 to 17, which are omitted under the authority of the Ministry of Transport, and about which I shall have something to say before I sit down, we come to No. 18, the general balance-sheet. Dealing first with the assets, you will be pleased to note that the large decrease in cash at bankers and in hand, which I referred to a year ago, has been made good. There is a decrease in investments in Government securities, owing

to realisations. Stock of stores and materials is reduced in value, owing to fall in prices. The only other item on the assets side which shows a striking variation from the 1920 figures is accounts receivable, in which is included the amount allocated to the company in the recent distribution of compensation from the Government.

LIABILITIES.

Turning to the liabilities side, the increase in amounts due to railway companies and committees is owing to the cessation of Government control and the reintroduction of the divisions of receipts from through traffic, the Midland Company being a large cash-taking company in respect of through traffic.

The savings bank and superannuation fund show normal growth. Accounts payable are less by reason of the fall in prices.

Compensation under the Railways Act, 1921, appears on this side of the balance-sheet as a special item, the amount being £2,411,286, which is the net figure after deducting the £500,000 appropriated to revenue.

As to the depreciation funds, while the figures shown may be regarded as satisfactory, I do not consider them any too large in view of the heavy arrears of maintenance which have to be overtaken. The general reserve stands at £2,244,162, but we are not in a position to recommend a further appropriation to it this year.

CHAIRMAN'S RETIREMENT.

Before I close it is my duty to tell you that I am now retiring from the position of chairman of this company, which I have held for the past three years. The course taken by last year's railway legislation, with the consequent great increase in the responsibilities falling upon the Midland chairman, and the possibility of still greater pressure in the future, made it incumbent upon me seriously to consider my personal position in view of the call which my own business at Liverpool made upon my time and energy. After much thought, I came regretfully to the conclusion that it had become necessary that I should hand over my responsibilities as your chairman at the earliest possible moment to a successor, who, being a London man, would be able to devote more time and attention than I possibly could to the difficult and intricate negotiations in which we were involved.

NEW CHAIRMAN.

It gives me great pleasure to announce that the board have chosen Sir Guy Granet as their new chairman, and I am confident that the shareholders will agree that no better selection could have been made. Sir Guy's experience as a recent and most successful general manager of the company will stand the shareholders in good stead in these difficult times, and they may look forward to the future with the fullest confidence in his guidance.

TRIBUTE TO BOARD.

In conclusion, I desire to add a few words concerning my colleagues on the board and the officers of the company. It is unusual for a chairman to say nice things to the shareholders about the members of his board, except in cases of death or retirement, or sometimes when he is proposing retiring directors for re-election. I feel, however, that I am justified to-day in taking advantage of a unique opportunity. I assure you that no chairman could have had a more loyal or more capable board than myself, and I am deeply grateful to my colleagues for the united support which they have invariably given me. In these days few people have much that is good to say of railway directors, who indeed have to put up with a considerable amount of not very friendly criticism. As far as your board is concerned, the directors all give close and frequent attention to the affairs of the company, and, in my opinion, they deserve confidence and not criticism.

THANKS TO GENERAL MANAGER, OFFICERS, AND STAFF.

Coming to the officers, I thank them one and all for the support they have given me during my term of office. The company is very fortunate in its present chief officers. They are all devoted to its service, and their ability and high-standing are recognised throughout the railway world. I shall mention one name only—that of Mr Tatlow, our general manager. Ladies and gentlemen, you owe more to Mr Tatlow than you have any idea of. His long experience, great ability, and splendid enthusiasm have been unreservedly devoted to your interests. A better man to work with I have never met. His recent election to the chairmanship of the General Managers' Conference of the Railway Clearing House was a gratifying and well-deserved tribute from his brother general managers.

With the officers I would include the whole staff in my expression of gratitude for good work done during the past year, and throughout my chairmanship.

I regret that it is apparently inevitable that in the near future a considerable change should have to take place in the organisation of the Midland Railway Company, but I hope and believe that the old Midland tradition will be carried on in the new corporation of which this company will form no small part.

PRIVILEGE TICKETS.

I am asked by a shareholder, Mr McAdam, for information as to the number of privilege tickets issued during the year 1921. The answer is 1,676,626.

These tickets, which are charged at one-quarter of the ordinary fare, are issued universally by all the railway companies to the members of their staffs, their wives, and to those members of their families dependent upon them. It is a privilege which is highly appreciated and not abused, and incidentally brings in quite a large revenue to the company. Last year it reached a figure of nearly £93,000.

The number issued, viz., 1,676,000 odd, appears on the face of it to be very large, but when you realise that the staff of the company last year was over 72,000 persons, you will see that the average number of tickets issued to each employee per month is a little less than two. A large proportion of the tickets issued are used by the wives of our servants living in urban and rural districts for the purpose of shopping at the nearest towns, and by the men living in the large towns for the purpose of taking themselves, wives, and children for trips into the outlying country districts on Saturday afternoons. The board have no intention of depriving their employees of this privilege.

Mr McAdam also asks at what number of stations platform tickets are sold. At the present time there are 30 stations on the railway which are "closed" stations, and in connection with which a charge of 1d is made to persons not being intending passengers who desire to go on to the platforms. The number of tickets purchased at these stations last year was 1,610,000.

COAL CONSUMPTION PER TRAIN MILE.

A further request is made that I will give the average coal consumption per train mile during the years 1913 and 1921.

The figures are:—

1913	72.40 lbs
1921	81.76 lbs

In 1913, we were getting our normal supplies from Yorkshire, Derbyshire, and Nottinghamshire collieries. The enginemen, always getting the same class of coal, knew its qualities, knew what they could get out of it, and regulated their firing accordingly.

In 1921, we were for a considerable portion of the year burning just what we could get. A considerable amount was obtained from abroad, some of which was really rubbish, but we had to take it and make the best of it, or close down at all events a portion of our railway. The enginemen complained very strongly. They could not keep up the necessary pressure of steam to enable them to run to time even by burning abnormal quantities, and the whole business was in every way very unsatisfactory.

For these reasons, the figures I have quoted are of no value for purposes of comparison, but now that we are getting back to our 1913 position as to quality, proper supervision can usefully be exercised in respect of the quantity consumed, and I have no doubt much better results will obtain.

FURTHER INFORMATION DESIRED.

Requests have been received from six proprietors that, in submitting the accounts for the year 1921, the company, in respect of the period August 16th to December 31st, should furnish the information provided for in account No. 10 and abstracts A to F. The shareholders are aware that during Government control the accounts had of necessity to be presented in an abridged form.

The period of control continuing until the middle of August, leaving only four and a-half months out of the 12 of independent working, it was the unanimous opinion of the railway companies that the preparation of the 1921 accounts should be on the same basis as those of the preceding year, and the Minister of Transport, being of the same opinion, sanctioned this course being adopted.

The information is asked for on the ground that it would enable shareholders to see whether or not the railway was being economically worked, but I desire to point out that any figures given for this short period would, for the purpose of comparison, be altogether misleading and of no use.

OPERATION DURING 1921 ABNORMAL.

The circumstances operating through the whole of 1921 have been entirely abnormal. Wages were inflated, cost of materials very high, and, although in the latter part of the year, prices showed a steady decrease, they were hardly felt for the reason that we were, up to the end of October, using stores purchased in the first half of the year (it is impossible in a concern of the magnitude of the Midland Railway Company to live from hand to mouth, and adequate stocks must be held), which are charged out at the prices at which they were purchased. Take coal, for instance, owing to the strike, which as you will remember lasted from April until July, we had to purchase considerable quantities of coal at prices going up to 70s a ton; and some of this fuel was used after August 15th. The conditions now, however, are quite different, and we are beginning to feel the effect of the drop in prices.

Further, the control by the Government having extended over a period of seven years, and the conditions as to traffic and working with other companies having radically changed, it has not been possible in the time available definitely to fix in detail the terms of division of receipts and of working expenses with other companies on traffic carried since August 15th, and therefore it has been necessary to include in the accounts a number of estimates of balances. We are convinced that these estimates have been carefully prepared, but whilst they may not prove to be accurate in detail, there will not, we feel certain, be any great divergence between the estimates and the actual figures in total.

1922 ACCOUNTS AS IN NORMAL TIMES.

I hope the shareholders do not think that the board desire intentionally to withhold information from them. At any rate, such is not the case, and it is only because the whole of the companies came to the definite conclusion that it would be undesirable to give information, which, under any circumstances, could only apply to four and a-half months of the year's working included in the accounts, that the figures asked for have not been furnished.

So far as the year 1922 is concerned, unless something unforeseen happens, there will be nothing to prevent the accounts being rendered as in normal times.

I believe the shareholders, as a body, will agree that what has been done is reasonable and sufficient under the circumstances.

The resolutions adopting the report and accounts and declaring the dividend were carried. The retiring directors and auditor were re-elected, and the audit committee was reappointed, the proceedings closing with a cordial vote of thanks to the chairman and directors.

LONDON, BRIGHTON, AND SOUTH COAST RAILWAY COMPANY.

CHAIRMAN'S CRITICISMS OF RAILWAY BILL.

BILL'S ADVERSE EFFECT OF INDEPENDENT ACTION.

ELECTRIFICATION BILL WITHDRAWN.

The one hundred and forty-third ordinary meeting of the London, Brighton and South Coast Railway Company was held on the 15th inst. at the London Bridge Terminus, London.

Mr C. C. Macrae (the chairman) presided.

The secretary (Mr J. J. Brewer) read the notice convening the meeting.

The Chairman, in moving the adoption of the report and accounts, said: You will remember that my last address to you was at a special meeting summoned in the early summer to consider the provisions of the Railways Bill shortly after its introduction to Parliament, when, after an endeavour to make its complicated provisions clear to you, you were good enough to leave it to us, in concert with other companies, through the agency of the Railway Association, to do what we could to mould those provisions into a form as acceptable to all the companies as might be possible.

It was found that the best, if not the only, mode of fulfilling this task was to entrust it to experts acting for all the companies, and a committee was accordingly appointed for that purpose by the Railway Association.

I shall have more to say presently upon the Act, and I simply refer to it now by way of reminder that, as the Government control of railways came to an end on August 15th last, when we regained full possession of our undertaking, we have become subject to the provisions of the Act and the duties and obligations they impose upon us.

RESULTS OF YEAR'S OPERATIONS.

I will now give you as briefly as possible the results of those operations as set forth in Accounts Nos. 8 and 9. You will see therefrom that the receipts in respect of railway working and separate businesses, together with miscellaneous receipts, after deduction of expenditure, give a net income of £1,344,256, and a comparison of that with the similar figures for 1920 shows a decrease last year of £191,194, while on a similar comparison there was an increase last year in interest, rentals, and other fixed charges amounting to £16,268. This brings the decrease to £207,462, but against that has to be set a sum of £2,622, by which amount the balance brought into the 1921 account exceeded which amount the balance brought into the account for 1920, so that the final result as compared with 1920 is that there was a net loss last year of £204,840.

The actual gross receipts from railway working have increased in comparison with 1920, although there was a considerable falling off in passenger train traffic, and there are increases in gross receipts from separate businesses, that is to say, steam-boats and docks, harbours and wharves, as well as in the miscellaneous receipts. These latter receipts include rents, and from that source alone the return has improved by nearly £66,000.

The total expenditure has decreased by over £208,000, mainly

upon the charges in respect of maintenance and renewal of rolling stock, the expenses connected with docks, harbours and wharves, and in traffic expenses. In these circumstances it is obvious that the net loss I have given you is attributable to the cesser of the State guarantee at the end of the period of control, that is to say, it is the difference between the net receipts from railway working and other businesses during the 4½ months of free working and the net receipts from the same source during the corresponding period of 1913, the standard year under the Government agreements. The cause of that difference is in part the falling off of business, but mainly it is the heavier expenditure due to the increased cost of labour and material with which we are now face to face as compared with our pre-war liabilities under these heads.

RISE IN EXPENDITURE.

As illustrating the rise in expenditure since 1913, I take three of the heavier items—namely, locomotive running expenses, traffic expenses, and rates and taxes, and I find that on a comparison of the figures of last year with those of 1913 there are increases of no less than 178 per cent., 202 per cent. and 106 per cent. respectively.

One of the outstanding features of the account is its indication of the effect the set-back in trade that became so apparent during the past few months has had upon the business of the company, and a significant fact in support of this statement is that there was a decrease of over 9,000,000 passengers carried over the line as compared with 1920, the decrease not being limited to one class, as it extended to first, third and working-class travellers.

There has been an increase of expense in the engineering department, brought about in the main by the fact that we have had to make up arrears in the repairs and renewals of the line, station buildings, bridges, tunnels, and other works, which accrued during the period of the war, and although the greater part of this expense has been met by Government payments under agreements, it has been swollen by the cost of exceptional repairs, such as the important work in the Oxted tunnel, which has been proceeding during the greater part of the year, of which cost an unsubsidised part has been borne by the company.

SAVING IN COAL.

In the locomotive department one item of increase in the running expenses was the greater cost of coal, a cost that was augmented very considerably by the deplorable strike of miners which lasted from April 1 to July 1, and necessitated our purchasing coal from the Continent and from America at very high prices and of inferior quality. I am glad to say that we have been able to place our contracts for this year on a much more favourable basis, and there ought to be a very substantial saving in the cost of the coal consumed on our railway during the current year.

RAILWAYS COMPENSATION ACCOUNT.

The total sum available for division amongst all the controlled companies out of the first instalment of compensation under the Railways Bill was £24,500,000, of which the sum of £720,971 has been allotted to this company as its share. Out of this latter sum the board determined to appropriate the sum of £205,000 to make good the deficit of £204,840 I have told you was the net loss on the year's working as compared with 1920, and so to be able to recommend a dividend at the rate paid in that year.

I need hardly say that the fact of this dividend being payable only by drawing on the sum received from the State in the circumstances I have mentioned caused us to consider whether it would be better to reduce it. On full consideration, however, of the whole of the circumstances, and having especial regard to the fact that the proprietorship is a shifting body, the proprietors of this year not necessarily being those of the future, it seemed to us that those now on the register were entitled to receive out of the resources available to the company at the end of the year as much as would enable the dividend to be maintained at its old level, and we trust that the course we have taken will meet with your approval.

DIVIDENDS.

The board therefore recommends dividends equal to those paid in 1920, and that a sum slightly in excess of that brought into the 1921 account shall be brought forward to the year now current. Thus we are left with a balance out of the allocated sum of a little over half a million for the current year, and in addition there will be our share of the second instalment of the compensation account due at the end of the year, which will be allocated amongst the companies in proportions based upon the extent to which they were in arrear on December 31st, 1920, in respect of the maintenance and renewal of way and works and rolling stock.

The position for the present year is fairly satisfactory, that is if our traffic receipts are not too seriously anected by the existing slump in trade, but thereafter, as we shall be without any Government subsidy and whether or not amalgamation may have taken place, dividends will depend largely, if not entirely, upon economies effected in expenditure and upon such increase of revenue as it may be hoped can be obtained from improvement in trade.

It is impossible to foretell what the future has in store for us, but with every desire not to take too gloomy a view of our prospects, I am afraid unless there is a substantial improvement of the general business of the country that brings to us the increased trade I have mentioned, of which I confess I see little prospect, and it is found possible to come to some arrangement with the trade unions which will modify to some extent the existing conditions relating to hours of work and rates of wages, that the outlook is not hopeful.

I may interpolate here that yesterday—since drafting that paragraph in my speech—I was present at a meeting at which were represented some of the captains of industry in the country—men with peculiar knowledge of the conditions prevailing in the great industries throughout the country. For what it is worth, I may say that I was very much encouraged to hear that they agreed that there are signs of more favourable results in the various great commercial and trading industries of this country. It does not do to be too sanguine, but it was the first ray of sunshine of which I have heard from competent authority during many months of gloom and depression such as I have never known in my long career.

ELECTRIFICATION SCHEMES.

I do not think there is anything upon the capital account to which I need call your special attention, but I should like to make one or two observations on the electrification schemes, the cost of which forms one of the principal items in that account.

As stated in the report, the extension of our electrical system to the railway from Balham Junction to West Croydon, which passes through the congested area served by our stations at Streatham Common, Norbury, Thornton Heath, and Selhurst, is nearing completion, and it is hoped that this section will be open for electrical traction by September 1st next. We anticipate a very considerable increase of traffic with the additional facilities we shall be able to give when those services are in operation.

This section, however, forms only a very small part of the scheme to which the report refers, which has been prepared after months of careful investigation by our consulting electrical engineer, Sir Philip Dawson. It has been submitted to the Minister of Transport, and includes the electrification of the whole of our suburban area extending to Coulsdon towards Brighton, and to Cheam towards Portsmouth, as well as the equipment of the main lines with which, in course of time, it is hoped we may proceed at any rate as far as Brighton and Lewes.

We have received favourable reports on the commercial and financial results likely to be attained if these works be carried out, but the outlay of capital, I need scarcely say, would be very considerable, and as the present time is not opportune for raising money the board has determined that until the times improve extension of electrification shall be confined to those sections of the suburban system where the needs are greatest.

CRITICISM OF RAILWAYS BILL.

You will remember that at the special meeting I said I feared there was little prospect of any radical change being secured in the main provisions of the Railways Bill. Unfortunately, this prophecy has proved to be true, and I find that in its principal features the Railways Act, as passed, is the Railways Bill we criticised, and that it retains (practically unaltered) the whole paraphernalia of bureaucratic control to which I called your especial attention and against which we protested so strongly.

We have now had some months' experience of the effect of this Act upon our independent management, although we have not so far come before any of the tribunals.

I am going to be quite frank and outspoken about this matter, and as a result of such experience as we have acquired and of the fullest mature consideration, I unhesitatingly assert my own conviction that, in the interests both of this company's proprietors and of the public whom we serve, it would have been far better if we had been left with our independent management unfettered by the provisions of the Act.

Having shown how the Amalgamation Scheme had interfered with the electrification of their railway, the Chairman, after dealing at some length with the reasons leading to the withdrawal of their Parliamentary Bill for increased capital powers, in answer to two questions—namely, whether their Bill had been withdrawn under pressure from one of their prospective partners, and whether the board were unanimous in that withdrawal. Sir Robert Perks, whose knowledge of railway matters was unsurpassed, had to a

certain extent forced his hand in answering the first question by disclaiming on behalf of two of the three prospective partners of the company any connection with any pressure which had been brought to bear upon them. As to whether the board was unanimous, they were; he would not have mentioned the fact if there had been any dissension.

It was impossible for the company to promote a Bill to upset the Act, as it was a national matter.

The resolution was carried unanimously, and the usual formal business terminated the proceedings.

BRITISH COLUMBIA ELECTRIC RAILWAY COMPANY, LIMITED.

YEAR'S RESULTS—RECORD GROSS EARNINGS.

WARNING TO INVESTORS IN WATERPOWER PROJECTS.

The twenty-fifth ordinary general meeting of the British Columbia Electric Railway Company, Limited, was held, on the 14th instant, at the Great Eastern Hotel, Liverpool street, London, Mr J. Davidson (deputy-chairman) presiding in the absence of Mr R. M. Horne-Payne, owing to ill-health.

The Chairman, in moving the adoption of the report and accounts, said: The gross earnings of the enterprise, which exceeded \$9,500,000, constitute a record in the history of the company. Their continued growth is to be attributed to a steady growth in the population and development of the territories served, and to the energy and resourcefulness displayed by the management and staff in British Columbia.

COMPANY'S PROGRESS.

As illustrating the development of the territories served the following figures will be of interest to you. In 1920-21 we carried 71,065,275 passengers, as compared with 66,411,030 in 1919-20. In 1920-21 we delivered 140,285,620 k.w. of electric energy for light and power, as compared with 120,173,919 k.w. the previous year. In 1920-21 45,770,600 cubic feet of gas was sold, as compared with 41,746,000 the previous year. The only department which has fallen backward slightly during the year is the freight department, where 412,534 tons were carried, as compared with 430,931 tons the previous year. This was due principally to the falling off in the volume of lumber and other building materials carried, and is, we believe, only a temporary setback.

With regard to the other factor which has played such a large part in increasing the company's earnings—namely, the energy and resourcefulness of the management—I may mention that as a result of a continuous campaign of public education in the use of electricity and electrical appliances, of which the public have had the advantage, your company has benefited by the increase in the consumption of electric power arising from an increased consumption by individual users, as well as from an increase in the number of users, the number of meters connected having increased from 44,720 in 1914 to 64,190 in 1919-20 and 67,999 in 1920-21.

The net earnings which your company makes are not the result of high charges. They are due to the high standard of efficiency in which your plant and equipment is maintained, to consistently sound and cheap finance throughout its entire history, to constant and vigilant attention to every detail of the business, and last, but by no means least, to most economical and efficient management.

The tramway fares charged by your company in Vancouver, Victoria, New Westminster, and North Vancouver are, as you know, a flat 6 cents. In only two other cities in Canada—namely, Sarnia and Moose Jaw—are the fares so low as 6 cents, and in no city are they lower.

In the leading cities of Montreal, Toronto, and Winnipeg, which have much larger populations than Vancouver, 7-cent fares are authorised and charged, while in such important cities as Regina, Calgary, Saskatoon, St John, N.B., and others fares are 10 cents.

EXTENSION OF PERIOD FOR 6-CENT FARE.

We claim, therefore, that our fares are the lowest in Canada, and that prevailing conditions of operation are such that it will be impossible to operate a proper service, much less consider any extensions, unless the 6-cent fare in Vancouver, which has been the subject of so much discussion, is extended beyond July 1, 1922, to which date the present right to collect the same extends. During the early months of 1921 lengthy negotiations took place between the company and the Council of the City of Vancouver. The negotiations reached such a stage that I had absolutely the best grounds for believing that an agreement had been reached satisfactory to the City of Vancouver. This agreement, while not every-factory to the City of Vancouver, was an honest attempt to place the company in such a position that a reasonable measure of

stability of revenue would have been assured and the credit of the company would have been placed upon such an established basis as would have enabled us in the future to raise on current market terms any additional capital which might be necessary. This agreement, however, negotiated after great labour and much ability, both on the part of your management and the members of the Council of the City of Vancouver, was not acceptable to the people of Vancouver, mainly, I am convinced, because it was not understood.

Secondly, with regard to lighting rates, you are well aware of the increases in electric light and power rates which have been imposed by companies throughout this country since the war. Not only has your company not increased its lighting rates, but since 1914 two reductions have been made, and the lighting rates charged in Vancouver are now nearly 23 per cent. below pre-war rates. I should think this constitutes a record among the cities of the world, and there are now only nine cities in Canada and the United States with a population of 50,000 or more which have lower lighting rates than those charged by your company.

Thirdly, with regard to gas, the Vancouver and Victoria gas companies, owned by your company and supplying gas to Vancouver and Victoria, are the only two companies in Canada which have neither increased their prices for gas since 1914 nor asked for an increase.

ELECTRIC POWER DEMANDS.

With regard to the increasing demand for power to which I have referred, I am glad to say that, owing to our purchase, in 1920, of the undertaking of the Western Power Company of Canada, we have a present and potential supply of power sufficient to meet the requirements of the communities we serve for many years to come. A recent expert examination of our existing power plants indicates that for a relatively moderate capital expenditure we may reasonably expect to add an additional 10,000 k.w. to the capacity of these plants. We are now erecting an additional unit in the Western Power Company of Canada, which will give us a further 7,500 k.w. In addition to the foregoing, expert opinion also is that it should be possible for us to obtain as much as 80,000 h.p. from the development of the second power site owned by the Western Power Company of Canada.

The management are actively considering plans to make available these water power resources, but the time at, and extent to, which development work can be undertaken will depend upon the growth of the demand for power, and to a very great extent upon the encouragement which we receive to develop further resources. We must have such reasonable payment for the company's services as will enable us to be satisfied that there will be a fair return on any new capital outlays.

WATER POWER—A WARNING.

I should like to utter a word of warning on the subject of water-power developments generally. Arising out of the high prices of coal and fuel oil during the past few years, it has become fashionable to represent that, given a water power, you have only to develop it in order to turn it into a money-earner. This is very far from being the truth. There are many water powers which, from their nature and location, could not be developed to produce electric power so cheaply as it could be produced by steam plant, and there are many others which could be economically developed, but which, if developed at the present time, would have no adequate market for the sale of the power produced for years to come, either because the communities within their reach are already fully provided from other sources, or because there are insufficient population and manufactories within reach to take the quantity of power which it would be necessary to market to pay working costs and interest upon the capital employed. There is a danger that water-power development in Canada may, instead of keeping just ahead of demand, proceed too rapidly. If it does it will become a burden to the community, instead of the immense advantage which it ought to be, and I therefore advise that when you are asked to provide capital for water-power developments you should make very sure before doing so that the power development proposed has a convenient market for its output within a reasonable distance.

In conclusion, the message which we send to the people of Vancouver to-day is this: They know of what value our enterprise has been to them; they know the value of abundant electric power efficiently distributed to their manufactories and industries; they know the value of rapid and convenient transportation. It is for them to choose between having these services in the hands of a company able to work with ceaseless and unlimited energy for the advancement of the cities and districts it serves, or in the hands of a company the extension of which is restricted and crippled by lack of inducement and consequent shortage of capital. The choice lies with the people of Vancouver, not with us. If they choose the former alternative, they must put it in our power to demonstrate

to investors that we can with reasonable certainty rely on sufficient income to maintain our present interest and dividend payments and to pay 8 per cent. on all new capital raised, which is the rate now demanded in the money markets of the world by money for investment in sound public utility enterprises. The people of Vancouver can do this either by supporting our forthcoming appli-

cation to be transferred from provincial control to the control of the Dominion Railway Commission, or by simply granting us the right to charge a 6-cents fare for a period of 10 or 12 years. We look to them for a wise decision.

Mr T. Blundell Brown seconded the resolution, which was carried unanimously.

THE LONDON MERCHANT BANK, LIMITED.

SATISFACTORY RESULTS OF YEAR'S BUSINESS.

FOREIGN CONNECTIONS MAINTAINED AND STRENGTHENED.

DIFFICULTY OF COLLECTING PRE-WAR ACCOUNTS.

The fiftieth ordinary general meeting of the shareholders of the London Merchant Bank, Limited, was held, on the 16th instant, at the offices of the bank, 38 Lombard street, London.

Mr Frederick Lubbock (the chairman) presided.

The secretary (Mr Frederick Poole) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen, when we met last year I made a few remarks on the extraordinary and rapid change we had seen in every sphere of trade in the preceding year. The past year, so far from showing any recovery, has in almost every direction been a period of continued depression and consequent heavy losses, from which few, if any, trades, even under the most careful and experienced management, have escaped scot-free. But I need not take up your time by enlarging on this subject, which is too well known by everybody, and which has been dealt with fully in the interesting speeches which have been delivered recently by the chairmen of the big clearing banks. There seems to be a general agreement that any recovery must be slow and gradual, and can only be brought about by steady work and rigid economy, together with greater stability in foreign exchanges, the constant fluctuations in which continue to hamper and impede the normal course both of import and export trade. There is this to be said, that the inflated values that ruled in the early part of 1920 are now a thing of the past. Probably the swing of the pendulum has, in many cases, gone too far in the other direction, but we are at any rate now on a safer and healthier basis of prices.

HEALTHY EXPANSION OF BUSINESS.

Turning to our own affairs, considering the difficulties that present themselves at every turn in times like the present, we think we have no reason to feel dissatisfied with the results of our current business. We have had losses—I imagine few people can say they have had none—but we have fully maintained and strengthened our connections with our many valued clients in different parts of the world, with whom, under the prudent management of our manager and sub-managers, our daily business shows a healthy expansion. It is always a pleasure to me to express our appreciation of these gentlemen. They enjoy the full confidence of the board, they are entirely devoted to the interests of the bank, and I cannot speak too highly of the ability and experience with which they carry on the management of our business. We are also fortunate in having a thoroughly loyal and contented staff, who do their work admirably, in spite of some inconvenience due to our office arrangements having become insufficient to accommodate adequately the increase in our staff that has become necessary. In connection with this subject, we have for some time past realised the need of better office accommodation, and, in view of this, we took advantage of an opportunity to acquire the lease, for 28 years, of the rest of this building, including the ground floor, which will place us in a position to occupy premises more adequate and convenient both for our staff and the public.

COLLECTION OF PRE-WAR ACCOUNTS.

The rate of collection of pre-war outstandings, to which we allude in our report, has been a source of general complaint and disappointment. Whilst it is true that further amounts have been received through the Clearing Office (Enemy Debts), the admission of a number of claims is still held up for reasons which are not always readily appreciated by the man of business. I mentioned last year that there existed a difference of opinion between the British and German clearing offices with regard to the rate of interest on claims arising out of pre-war acceptances. A test case was decided in 1921 in favour of the British creditors, and it was generally thought that this would dispose of the matter. As it is, however, contended by the German Clearing Office that the decision covered a comparatively small number of cases only, a suitable further test case has been brought before the Mixed Arbitral Tribunal, and will, we understand, shortly be heard by them.

Although clearing offices have been established for the present territories of Austria and Hungary, the collection of claims against these countries is likely to prove a very slow process.

With regard to Poland, the Baltic States, as well as Trieste, &c., the progress in the liquidation of pre-war accounts has been hampered in many respects. When we remember the extent of the business transacted by this country, for many years prior to 1914, with manufacturing and trading centres such as Lodz, Riga, and Trieste, and how high the credit of their leading manufacturers and merchants was rated in the City of London, it is regrettable to think that the delay in devising workable schemes of settlement is likely to react unfavourably upon the credit of the districts in question. Whilst making due allowance for the exceptional economic and financial conditions, we are of opinion that the Governments of the countries concerned should actively co-operate in this question of the settlement of pre-war indebtedness of their constituents, because post-war trade with these countries cannot assume that magnitude which is desired by all whilst the settlement of the old accounts remains in abeyance.

BALANCE-SHEET ITEMS.

In going through the figures of the balance-sheet, you will find that acceptances on account of customers amount to £1,562,314, current and other accounts and advances under the Government scheme of September 5, 1914, to £1,089,679, and pension fund to £27,867, making an aggregate of £2,679,860, as against £2,978,574 last year. There is thus on balance a reduction in these items of £298,714; but the acceptances on account of customers, which, for the sake of greater clarity, are this year set out separately, are slightly higher than they were last year.

In passing to the assets side, cash at bankers and loans at call and at short notice amount together to £256,998; and bills receivable to £198,170. These figures are approximately the same as last year's.

Investments at £72,568 show a decrease of about £34,364, which is due to our having pursued the policy previously mentioned of realising investments when suitable opportunities occur. The favourable trend of prices of investments has this year relieved us of the necessity of making provision for depreciation.

Current and other accounts amount to £1,734,842, and liabilities of customers for acceptances to £1,562,314, making a total of £3,297,156, as against £3,601,967 last year, thus showing a decrease of £304,811, which was only to be expected in view of the state of trade and the lower level of prices.

PROFITS AND DIVIDEND.

The gross profits at £94,344 show a decrease of £5,850, whilst expenses at £48,149 show an increase of about £8,000, mainly due to income-tax. This leaves a net profit of £46,194, which, compared with last year's figure of £60,044, shows a reduction of about £14,000. This result will, we trust, be considered by you as not unsatisfactory, taking into account the altogether exceptional circumstances which have prevailed during the year 1921. After adding £67,588 brought forward from last year, and deducting, on the other hand, the interim dividend of £18,750 paid in July, an amount of £95,033 is available, of which £50,000 has been transferred to reserve for contingencies. As you will, no doubt, have seen from the reports of other banks, this course has been almost generally adopted this year. There then remains £45,033, of which it is proposed to apply £26,250 in payment of the final dividend of 7s per share, making, with the interim dividend, 6 per cent. per annum, less tax, and to carry forward £18,783.

I beg to move: "That the report and balance-sheet be adopted, and a dividend of 7s per share (less income-tax, making, with the interim dividend, 12s per share, or 6 per cent. for the year) be sanctioned."

Mr John Roberts seconded the motion, which was carried unanimously.

Mr Leon Rueff proposed the re-election of Mr Philip Fleming and Mr Frederic Lubbock, the retiring directors, which was seconded by Mr Edward H. Tootal, and unanimously agreed to.

On the proposition of Mr Charles H. Biscoe, seconded by Mr E. J. Cousins, Messrs Turquand, Youngs, and Co., were re-appointed auditors.

VOTE OF THANKS TO CHAIRMAN, DIRECTORS, AND STAFF.

Mr F. Fuller Higgs, in moving a vote of thanks to the chairman, directors, officers, and staff of the bank, said that the past year had been one of unexampled difficulty to the management, and the fact that it had emerged so successfully was in itself a proof of the ability with which the affairs of the bank had been conducted. He was glad to notice that the dividend remained the same, and regarded that as a happy augury—an indication, in fact, that the management had matters well in hand, and looked forward with confidence to the future.

Mr F. H. D. Mann, O.B.E., seconded the vote, which was unanimously accorded, and, the Chairman having made a brief acknowledgment, the proceedings terminated.

THE CANADIAN BANK OF COMMERCE.

PRESIDENT ON CANADA'S FINANCIAL AND ECONOMIC POSITION.
SIR JOHN AIRD ON BANK'S POSITION AND PROSPECTS.

The fifty-fifth annual meeting of the shareholders of the Canadian Bank of Commerce was held in Toronto on January 10, 1922. The president (Sir Edmund Walker) took the chair, and after the report, which has recently been made public, had been read, the general manager (Sir John Aird) addressed the shareholders.

GENERAL MANAGER'S ADDRESS.

Sir John Aird spoke, in part, as follows:—
The net profits of the bank during the year amounted to \$3,116,136. We have been able to provide the regular dividend of 12 per cent., and a bonus of 1 per cent. paid last December. We have set aside \$325,000 for the very heavy burden of taxation levied by the various Governments under whose rule we transact business, and carry forward into next year's accounts a balance of \$1,946,745, or \$162,766 more than a year ago.
The decrease of somewhat over \$7,000,000 in notes of the bank in circulation is the direct result of lower prices for commodities and of the contraction in the volume of general business. The same influences have had their effect on deposits, which now stand at \$353,155,200. Acceptances under letters of credit show a large decrease owing to the inactivity of foreign trade at the present time.

Cash on hand and in the central gold reserves stands at \$65,162,871, and represents an increase in proportion to our present liabilities by way of deposits and note issue, from 15.9 per cent. to 17.3 per cent. We have thought it well to maintain ample reserves at all times under present unsettled conditions. Loans and discounts in Canada, other than call and short loans, amounted to \$206,588,328, and those elsewhere to \$23,334,479. Our total assets show a decrease of between 10 and 11 per cent., as compared with the figures of a year ago, which is more than accounted for by the decrease in commodity prices.

RELIABILITY OF THE ANNUAL STATEMENTS.

There has recently been some discussion in the public Press of the reliability of the annual statements published by the banks and of the auditors' certificates attached to them. I wish to say emphatically that the safety of your investment does not depend upon my own unaided judgment, nor upon that of any other single officer of this institution. The policies deliberately adopted by this bank to govern its methods of lending money, with a view to protecting it from bad debts, have proved most effectual, so that the ratio of bad debts to total loans over a series of years shows a marked decrease.

As to the auditors' certificate, the auditors whom you elect each year are chartered accountants belonging to well-known firms of established reputation. They visit a number of the principal

offices of the bank, and carefully examine all slow or dragging loans and investments, and are placed in possession of the evidence upon which our estimate of the value of such assets is based. If this does not satisfy them, they are at liberty to make such independent investigations as their judgment may dictate. In our opinion their work is well and thoroughly done.

In conclusion, I may say that the year through which we have just passed was undoubtedly a difficult one. The burden of taxation is a heavy one, made unduly so by inequitable distribution. It would be well if our Governments would direct taxation more at what people are spending and less at what they are saving. The soil and other natural resources of Canada are as ready as ever to respond to the efforts of her people. Granted a favourable harvest in the coming year, we may confidently look for a steady return to more normal conditions.

PRESIDENT'S ADDRESS.

Sir Edmund Walker, C.V.O., in the course of his address, said: For the fiscal year our total foreign trade was \$2,450,587,000, but while in 1918 we had a surplus of \$623,647,000, in exports over imports, in 1921 we actually imported to the value of \$29,730,000 more than we exported. Our excessive imports were only possible because we exported more grains to the extent of 123 millions, and more wood, wood products, &c., to the extent of 70 millions. Of the great total of imports, valued at a billion and a-quarter of dollars, we should make a very large proportion ourselves, and if we are to prosper and pay our debts abroad we must plan to do so in future. Any other course will be ruinous to Canada.

The field crops of Canada for 1921 are estimated in value at \$1,017,675,000, as compared with revised figures for 1920 of \$1,455,244,000.

The revised figures of our mineral production for 1920 are much in excess of the estimate of 200 millions, reaching, indeed, a total of \$227,860,000, the largest figures on record. There was a handsome increase in the production of gold, and silver held almost the same position as to quantity as in the previous year, although the price was much lower, while copper, nickel, asbestos, zinc, coal, and all other non-metallic minerals show a reduction in quantity, or in value, or both.

The public debt of the Dominion at March 31, 1921, was \$2,340,878,000, as compared with \$2,298,784,000 at November 30, 1920. Against this, non-active assets, chiefly railway loans, amounting to \$393,937,000 are held. Great Britain at November 30th last still owed us \$136,647,000, which is deducted from the figures given above, while foreign Governments still owed \$46,050,000.

During the year our "Monthly Commercial Letter" has endeavoured to give to our customers, correspondents, and the Press information as to finance, home and foreign trade, the process of deflation, the details of production, and the markets and prices of many national products, together with facts regarding national expenditures, immigration, &c. When I have also referred to our "Review of Business Conditions," which this year is more exhaustive than ever, I feel that I need not add much about the trade and financial position of Canada and of the world generally.

TAXATION.

I spoke at some length last year on the subject of taxation, particularly as to the method of distributing the burden so that it may be borne without ruining those who have done so much to build up our country, and to whom we must look for the creation of new enterprises and for the extension of those now in existence. We have steadily urged that a tax of 1 per cent. on sales of commodities should be adopted. It might be well to divide the national Budget under two headings, one for the service of the country's ordinary expenditures and the other for the war debt. If the turnover or

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves
exceed £13,000,000

Head Office:

62, OLD BROAD STREET, LONDON, E.C.2.



AFFILIATIONS:

THE BRITISH BANK OF SOUTH AMERICA, LTD., and THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

commodities tax of 1 per cent. were levied entirely for the war service, I am sure that the man does not exist who would complain at paying his share of the cost of the war in this indirect and comparatively easy way.

THE FUTURE.

Despite the world-wide experience of the pains of contraction by whole nations, we have during the year passed through many remedial stages which were absolutely necessary, whether agreeable or not. We are adjusting ourselves to the creation of our products at a cheaper cost, and to the necessity for the maximum of efficiency in every effort of industry. If we have due regard to the world's experiences since the war and accept the lessons to be drawn therefrom, we shall soon again achieve the success in material things which has happily distinguished our past. With our unused acres and our natural resources, our many centres of manufacturing, our established character for industry and energy, and our really great ability to economise, when aroused, we of all nations can surely view the future with courage and confidence.

The report was adopted unanimously.

Messrs T. Harry Webb, C.A., and Douglas Dewar, C.A., were appointed auditors, and the usual vote of thanks to the directors and staff were passed. The meeting then adjourned.

CAMBRIAN RAILWAYS COMPANY.

AMALGAMATION WITH G.W.R. APPROVED.

A special general meeting of the proprietors and debenture stockholders of the Cambrian Railways Company was held, on the 14th instant, at the Great Western Royal Hotel, Paddington, London, to consider a preliminary scheme in pursuance of the Railways Act, 1921, for the amalgamation with the Great Western Railway Company of the Cambrian Railways Company, the Cardiff Railway Company, the Rhymney Railway Company, the Taff Vale Railway Company, and the Alexandra (Newport and South Wales) Docks and Railway Company.

Major David Davies, M.P., who presided, in moving a resolution for the adoption of the scheme, said that the terms of the amalgamation had involved very difficult negotiations. Under the scheme the 4 per cent. "A" debenture stock would receive an equal amount of the Great Western Company's 4 per cent. debenture stock. Having regard to the market value on December 30th last, that showed a capital appreciation of a little over 13 per cent. With regard to the "B" debenture stock, the proposal was that the Great Western Company should give 4 per cent. debenture stock of that company to produce 3½ per cent., and here, again, there was an increase in cash value of 13 per cent. The "C" debenture stockholders were to receive 5 per cent. consolidated preference stock of the Great Western Company to produce 3½ per cent., a capital appreciation of 13½ per cent. With regard to the "D" debentures, it was proposed that the holders should be given 5 per cent. consolidated preference stocks to produce an income of 3 per cent. per annum.

With regard to the No. 1 preference stock, which had been in existence since 1885, and on which the total dividend paid had only equalled about 38 per cent. per annum, it was proposed that each £100 should be exchanged into £28 11s 5d of Great Western consolidated ordinary stock, which would bring in an income equal to £2 per cent. per annum. They had had to ask the holders of the three lower debenture stocks to make some concession in their income, and the reason was this: The amalgamation Tribunal were instructed to take into account, in assessing the value of the line, its value on a net revenue-earning basis, and that feature had made the negotiations very difficult in dealing with the ordinary and the Nos. 2, 3 and 4 preference stockholders. After very difficult negotiations with the Great Western Company, it was agreed that a sum of £250,500 deferred Great Western ordinary stocks should be created, to rank for dividend from January 1, 1929, and that that stock should be divided amongst those stockholders in ratio to the market value of their holdings on December 30th last. The scheme was unanimously approved.

SUN LIFE ASSURANCE SOCIETY.

SATISFACTORY YEAR—RESULTS OF QUINQUENNIAL VALUATION.

A general meeting of members of the Sun Life Assurance Society was held, on the 14th instant, at the chief office, 63 Threadneedle street, London, the Hon. Sir William Henry Goschen, K.B.E. (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, said that in the past year new business had been well maintained, notwithstanding the adverse conditions prevailing. The new sums assured of £5,345,000 reached a total slightly in excess of that of the preceding year, while the number of new policies and the amount of the new premiums were slightly less. He considered this an excellent testimony to the vitality of the

institution, and a sure promise that its policy of progress would be sustained. The premium income showed an increase of £120,000, and net dividends and interest an increase of £49,000. Death claims had again been very satisfactory, numbering only 58.40 per cent. of the expected. The net result of the year's operations was the handsome addition of £550,000 to the fund. Referring to the salient features of the valuation, he said that of the total invested assets of £15,216,000 no less than £10,173,000 was invested in British Government securities purchased at favourable prices and maturing in the course of comparatively few years. Apart from the British Government securities, their holding in Stock Exchange securities had been reduced to comparatively small dimensions, and their holding of railway and other ordinary stocks totalled only £66,000. It will be seen that the society's assets were thoroughly sound and invested to yield a profitable return.

VALUATION FIGURES.

The number of insurances in the life account in force at December 31st last was 98,081, assuring £36,086,788, inclusive of bonuses, being 35 per cent. greater than the amount in force at the end of the preceding quinquennium. Using practically the same bases of valuation as on the preceding occasion, the actuary certified a total surplus of £1,792,739, of which, on his recommendation, they had decided to divide in the proper proportions between the shareholders and policyholders the sum of £1,636,389, leaving £156,000 to be carried forward. Of that divisible surplus the policyholders' share amounted to £1,442,000, which, after allowing for the interim bonuses paid during the quinquennium, would admit of reversionary bonuses being added to their with-profit policies larger than those declared in 1912.

As no distribution was made at the end of the preceding quinquennium owing to the continuance of the war, it appeared only equitable that assurances which had been in force during the preceding quinquennium should in the current distribution receive, in addition to bonuses based on a normal rate of profit, such further bonuses as could be allotted after giving due weight to all the circumstances revealed by the valuation. That bonus notices would be issued in the course of two or three weeks to individual policyholders, &c., he had no doubt would be received with gratification. That the policyholders' bonus should be so satisfactory justified the view from which they had never wavered and the advice they had consistently given, that a "participating" policy afforded the best investment.

PROPRIETORS' SHARE.

The balance of £193,000 belonged to the proprietors' fund. Of this the fund had already received £28,000 by way of interim bonus, leaving £165,000 to be transferred. Unless unforeseen circumstances happened—and in these times one had to be cautious in prophecy—the directors expected to be able to declare during the current quinquennium half-yearly dividends of 12s 6d per share, free of income-tax. That 12s 6d was equivalent to 17s 10d gross, or £1 15s 8d per share per annum—by far the largest dividend they had hitherto paid—and he did not doubt that when the members read the report they received that forecast with a certain amount of gratification. For the past quinquennium the half-yearly dividends had been 3s 9d per share, or 7s 6d per annum, paid mainly out of the net interest received from the investments of the proprietors' fund.

As to the future, he could only tell them of his own confidence in the prospects of the office. The society had emerged from the grave difficulties of the last seven or eight years with increased business and normal profit-earning power. Its assets were of the highest character, and its assurance business of the most excellent quality. The directors had done all in their power to maintain the loyalty, enthusiasm, and efficiency of the staff, and the reports presented proved that they had heartily responded. There was no doubt that the Sun's methods of business were capturing the public favour. Their simplified system of assurance without medical examination had stood the test of 21 years, and with an experience extending literally to tens of thousands of policies they could say with confidence the system was perfectly safe and sound. All restrictive conditions under this system had been abolished, but he might state that the secret of its successful operation lay in the well-trained staff, who had shown themselves fully qualified to protect the society's interests both in the production of and in the selection of the business.

The report was unanimously adopted.

PAN DE AZUCAR NITRATE COMPANY, LIMITED.

OUTLOOK FOR THE INDUSTRY.

The twentieth annual general meeting of the Pan de Azucar Nitrate Company, Limited, was held, on the 13th instant, at Winchester House, London, the Hon. Herbert C. Gibbs presiding.

The Chairman, in moving the adoption of the report, said that the gross profit for the year to June 30th last was £48,367 on

231,000 quintals of nitrate. In the preceding financial year the gross profit was £23,439 on 374,000 quintals of nitrate. The improved result was due to the increased prices obtained last year, the averages being respectively 16s 0½d and 10s 4d per quintal f.a.s. Satisfactory as the figures were, they would have been much better but for the fall in the market value of their stocks of fuel, nitrate bags, and general stores. In addition to these special charges, they had set aside out of profits a reserve of £3,397 for stoppage expenses. On the whole the directors considered the position disclosed by the accounts to be favourable, more particularly as further profits had accrued to the company since the date of the balance-sheet from the realisation of part of the stocks of nitrate. One hundred and ten thousand quintals out of the stock of 313,877 quintals had been sold and paid for at the price of 16s per quintal. Therefore, should no more nitrate be disposed of during the current financial year, they would obtain a gross profit of about £33,000 this year, subject, of course, to necessary revenue charges. The dividend recommended was 15 per cent., less income-tax, which would absorb £11,550, leaving £32,088 to be carried forward. The balance-sheet might be justly described, he thought, as a healthy one. They had cash liabilities of about £135,400, and liquid assets, excluding grounds and fixed plant, valued at £255,280. The grounds had continued to yield satisfactory raw material, and the machinery had been maintained in excellent condition, so that apart from a few necessary repairs and additions no large capital outlay would be required when they restarted. The oficina was shut down on April 26, 1921.

With regard to the future position of the nitrate industry it was difficult to say anything definite, as the only thing that was certain was that normal conditions in this or any other trade would not return until the affairs of the world became more normal. At the present moment about half the commercial world was out of action owing to the depreciation of its currency and general impoverishment, so that, apart from the increase in synthetic products in Germany, which went far to supply the needs of that country, the low and fluctuating exchange, both there and elsewhere, made business in many places well-nigh impossible. For the present season they looked mainly to Europe west of the Rhine and Scandinavia to absorb the stocks which had been sold by Chile. In these countries the prospects of consumption were certainly brighter than they were last year.

As regarded the more distant future, it must be remembered that the present evils were temporary, and, generally speaking, the liquidation of stocks of produce which had proceeded during the past year had improved the basis of credit. As time went on they might look for still further improvement, and when normal conditions were restored there would not, in the opinion of some good judges, be sufficient nitrogen produced in the world to meet its requirements, whether in the form of sulphate of ammonia, nitrate of soda, or synthetic products. Unfortunately, the stocks of nitrate in the hands of nitrate producers continued to increase, as owing to the low Chilean exchange and the plentiful supply of labour, certain producers, with the help of the Government subsidy or with their own funds, were continuing production, thus postponing the time when healthy normal conditions would prevail. He thought that, even from the point of view of individual advantage, this company had adopted the wiser course in closing its oficina, for, with the loss of interest and other minor losses on stocks which had to be kept for any long period, it might well happen that those who continued production might find that the ultimate cost was disappointing. Moreover, he could not think that the present was a time either to borrow or to expand one's liquid resources, and he hoped, therefore, that the shareholders would support the board in the conservative policy which, after very careful consideration, they had adopted.

The report was unanimously adopted.

BOVRIL, LIMITED.

RECORD SALES AND PROFIT.

THE RESULT OF ANTI-PROFITEERING POLICY.

The twenty-fifth annual general meeting of Bovril, Limited, was held, on the 16th instant, at River Plate House, Finsbury circus, London, E.C.

Sir George Lawson Johnston (the chairman of the company) presided.

The Chairman, in moving the adoption of the report and accounts, said that the directors were glad to be able to meet the shareholders with such a satisfactory set of accounts.

The sales of Bovril in 1921 had been larger than in any previous year, and both the gross profit and the net profit had surpassed all previous records.

The public had a longer memory than some people gave it credit for. It had not forgotten that at a time when profiteering was rampant, and, in the case of an essential food product like

Bovril, would have been very easy, the company had stuck to its 1914 prices, and had maintained these right through the war. This was a policy as had urged upon the shareholders, although it involved renunciation of the certainty of making large excess profits, and their acceptance of that self-denying ordinance was now meeting with its reward, at a time when many were incurring losses even greater than the huge war profits they had gained. He thought the force of example was still worth something, and that it could not be doubted that Bovril's anti-profiteering stand had powerfully influenced public opinion, and had had a salutary effect reaching far beyond the immediate circle of the company's clients.

RECORD EXPORT BUSINESS.

It was not, perhaps, surprising that the home sales of Bovril continued to grow, but it might surprise some people to learn in view of the difficulties hampering export trade generally, that the company's export business in 1921 had also surpassed all previous records, and, further, that the export sales for the first seven weeks of this year nearly equalled those for the first four months of last year.

He had heard it suggested that last year's record sales in England were due to influenza, as people would not risk being short of Bovril when that scourge was about. He accepted the second part of that suggestion, which emphasised the unique position Bovril had attained in connection with influenza, but pointed out that the sales were well ahead in November, before influenza had got a footing at all.

"INFLUENZA SALES."

The real "influenza sales" had come in January, when the demand had become so great that the factory could not keep pace with it, and the directors, finding the shops had run practically out of stock, thought it right towards the end of January to issue an advertisement in the following terms:—

"Those who have a supply of Bovril are requested to refrain from buying more Bovril this week. Many shops have already sold right out, and it is important that in times of influenza Bovril should be evenly distributed."

Supplies were, however, now again available.

To permit pessimism to get hold of one was, he considered, fatal, especially in the case of influenza. A cheerful and moderately optimistic spirit was a wonderful safeguard, and it was the best panacea for many of the world's difficulties. Shareholders would have noticed the cheery fellow who, in the company's latest poster, was shown buoyed up in mid-ocean by a bottle of Bovril, with the accompanying legend, "Bovril prevents that sinking feeling." He had seen him in a dozen towns across Canada last October, and his smiling face had appeared in the papers or on the hoardings throughout the Empire. There had never been a time when a little humour and optimism were of more value than to-day.

VIEWS OF SIR JAMES CRICHTON-BROWNE.

Sir James Crichton-Browne, M.D., F.R.S., LL.D., said that the science of dietetics was now in a state of transition. Remarkable discoveries had been made recently, and remarkable discoveries were still to come, but it was a comforting reflection that all these discoveries went to confirm the wisdom and propriety of those food habits at which our ancestors had empirically arrived. Science, in its advance, elucidated and explained most of the customs and conclusions which old experience and common sense had bequeathed to us long ago.

Experience and common sense had recognised the protective power of Bovril. He did not claim that Bovril would cure cancer or tuberculosis in cases which the doctors had given up, or that it was an infallible remedy for baldness and bunions, but he did assert that it was instrumental in maintaining that vigour of constitution that was a barrier against disease and infirmity of all kinds, and that it often helped disease to run a favourable course after it had effected a foothold in the system.

The report and accounts were unanimously adopted.

SOUTH SUBURBAN GAS COMPANY.

CHAIRMAN ON CARBON MONOXIDE DANGER.

The annual ordinary meeting of the South Suburban Gas Company was held, on the 17th instant, at the Cannon street Hotel, London, Mr Charles Hunt, chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said that last year he referred to the period they were then considering as having been a particularly eventful one as regarded the gas industry. The same remark applied to 1921, but with much greater emphasis, because that year had to its credit two such epoch-making events as the putting into operation of the Gas Regulation Act (and establishment of the therm as the basis of charge for gas supply), and a coal stoppage entirely without precedent as to its duration and its disastrous consequences. With

regard to the Gas Regulation Act, application was made to the Board of Trade for an Order placing this company under it, and for a new standard price for gas corresponding with the altered conditions as to cost of gas production and distribution resulting from the war. This Order was issued on April 21st last, and gave the company a new standard price of 15d per therm in lieu of 2s 9d per thousand cubic feet. This was better by 2d per therm, or something like 10d per one thousand cubic feet. A higher standard price even than 15d per therm was necessary for the immediate resumption of their pre-war dividend, consequently it was a little disappointing, although, as matters had turned out, they were not without hope of being in a position to improve the dividend before very long. This company did not employ water gas to any extent until after 1914, when owing to the war it was impossible to procure additional coal carbonising plant. This company and others learned to use it without enrichment, except that which it derived when mixed with the coal gas in its passage through the retort house mains. Everybody knew, of course, that it was a poisonous gas, but it was not meant to be inhaled, its function being to produce light and heat. They were prepared to fall in with any suggestion for safeguarding the public that might be proved useful, but no such proof had yet been forthcoming.

Reverting to the coal strike, the Chairman said the one redeeming feature of that disastrous business was the ultimate acceptance by the miners of a profit-sharing scheme which might in the course of time develop into co-partnership. It was a matter of satisfaction that the finances of the company bore the strain so well. They now found themselves in a better position than at one time they feared with regard to future dividends.

Sir J. Fortescue Flannery (deputy-chairman) seconded the resolution, and it was carried unanimously.

Orders for the publication in these columns of the reports at Company Meetings should be addressed to the Reporting Manager of the ECONOMIST, 3 Arundel street, Strand, London, W.C.2.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Estimate for the Year 1921-22. (See Note.)	Total Receipts into the Exchequer from	Receipts.	Week Ended	Week Ended
	Apl. 1, 1921, to Feb. 11, 1922.	Apl. 1, 1920, to Feb. 12, 1921.	Feb. 11, 1922.	Feb. 12, 1921.
Balances in Exchequer on 1st April:-				
Bank of England.....	2,591,051	7,159,773		
Bank of Ireland.....	483,455	2,209,324		
REVENUE.				
Corn Duties.....	125,800,000	113,946,000	116,466,000	2,681,000
Excise.....	196,800,000	187,575,000	169,005,000	1,815,000
Motor Vehicle Duties.....	9,000,000	10,332,000	801,000	
Stamp, &c., Duties.....	48,000,000	42,818,000	40,689,000	698,000
Stamps.....	21,000,000	13,937,000	21,990,000	851,000
Land Tax.....	2,500,000	1,480,000	1,480,000	220,000
House Duty.....				
Property & Income Tax (including Super-Tax & Mineral Rights Duty)	410,500,000	258,297,000	248,884,000	21,500,000
Excess Profits Duties, &c.	120,000,000	29,714,000	186,255,000	3,140,000
Corporation Profits Tax	30,000,000	13,429,000	170,000	
Post Office.....	60,000,000	46,750,000	41,450,000	1,000,000
Crown Lands.....	650,000	670,000		
Interest on Sundry Loans.....	14,000,000	10,958,875	21,315,480	1,756,750
Miscellaneous.....				
Ordinary Receipts.....	21,500,000	20,805,360	20,879,592	326,343
Special Receipts.....	158,500,000	123,854,737	224,974,638	9,313,924
Revenue.....	1,216,650,000	854,566,979	1,094,108,720	43,468,017
Total, Inc. Balance.....		857,641,478	1,103,477,817	
OTHER RECEIPTS.				
Temporary Advances Repaid:-				
Bullion.....	8,780,000	4,340,000	250,000	120,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	169,818	169,818		
Under the Unemployment Insurance Act, 1921.....	530,000			
Money Raised by Creation of Debt:-				
(a) For Capital Expenditure Issues:-				
Under the Telegraph (Money) Act, 1913 to 1921.....	5,561,474	4,000,000		
Under the Post Office (London) Railway Act, 1913.....	27,500	115,000		
Under the Housing Act, 1914.....	50,000	30,000		
(b) Under the Unemployment Insurance Act, 1921.....	9,540,000			
(c) For other issues:-				
By Treasury Bills for Supply.....	3,390,399,000	3,838,834,000	49,925,000	74,369,000
By 4% Funding Loan, 1920-21.....		270,552		
By 4% Victory Bonds.....		798,061		
By 5% Exchequer Bonds, 1922.....		258,784		
Under the War Loan Act, 1914-1922.....				
Under the Finance Act, 1920.....	42,880,000	20,763,794	18,020,000	1,000,000

Total Receipts into the Exchequer from	Receipts.	Week Ended	Week Ended
	Apl. 1, 1921, to Feb. 11, 1922.	Apl. 1, 1920, to Feb. 12, 1921.	Feb. 11, 1922.
By National War Bonds.....	5		
By Treasury Bonds:-			
5-15 year, 1925-35.....	1,062,317	20,853,150	340,000
5%, 1927.....	285,498,110		62,499
By Other Debt created under the War Loan Act, 1914 to 1919.....	8,490,000		4,075,000
(d) Ways and Means Advances.....	10,961,454	43,781,850	
Anglo-Persian Oil Company:-			
Dividends on Shares acquired	5,010	4,996	
Repayments:-			
In respect of Suez Canal Drawn Shares.....	7,111	7,853	
Do Cunard Loan.....	130,000	130,000	
Do East African Protectorate Loan.....	127,268	5,940	
Do Issues under Civil Contingencies Fund Act, 1919.....	7,450,000		
Do Issues under Land Settlement (Facilities) Act, 1919.....	51,817	13,770	
Do Issues under Section 59 (4) of the Finance Act, 1920.....	13,490,950		
Interest received under Section 59 (5) of the Finance Act, 1920.....	426,340		
Total.....	5,832,775,452	6,077,015,385	119,257,106,130,157,017

EXPENDITURE AND OTHER ISSUES.

Estimate for the Year 1921-22. (See Note.)	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended	Week Ended
	Apl. 1, 1921, to Feb. 11, 1922.	Apl. 1, 1920, to Feb. 12, 1921.	Feb. 11, 1922.	Feb. 12, 1921.
EXPENDITURE.				
Permanent Charge of Debt.....	24,500,000	22,366,149	19,356,399	1,000,000
Interest, &c., on War Debt.....	320,500,000	279,122,070	291,945,182	3,089,402
Road Fund.....	8,400,000	9,230,000	2,966,689	3,948,000
Payments to Local Taxation Accounts, &c.	11,115,000	7,691,669	7,107,928	229,687
Payments to Northern Irish Exchequer.....		750,000		100,000
Land Settlement.....	5,000,000	2,476,135	6,405,538	451,965
Other Consolidated Fund Services.....	1,757,000	1,744,353	1,671,138	
Supply Services.....	774,851,000	865,676,355	834,719,228	8,745,809
Expenditure.....	1,146,123,000	889,056,731	964,172,100	12,428,326
OTHER ISSUES.				
Temporary Advances:-				
Bullion.....	9,050,000	4,450,000	300,000	200,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	169,818	169,818		
Under the Unemployment Insurance Act, 1921.....	11,230,000		570,000	
Issues to Meet Capital Expenditure:-				
Under the Telegraph (Money) Act, 1913 and 1921.....	5,561,474	4,700,000		
Under the Post Office (London) Railway Act, 1913.....	27,500	144,000		
Under the Housing Act, 1914.....	50,000	38,500		
Redemption of Unfunded Debt.....	3,519,666,000	3,608,134,000	71,870,000	76,470,000
Treasury Bills for Supply.....				
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917.....	29,690,674	60,558,660	345,474	1,682,118
Principal of National Savings Certificates:-				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920.....	17,450,000	27,150,000	680,000	580,000
(b) Repaid otherwise.....	10,400,000			
Principal of Exchequer Bonds paid off:-				
5%, 1921.....	42,781,133	37,623,160		206,352
5%, 1922, £31,818,313; less: paid off by the National Debt Commissioners, 25,000,000. 25,818,313				
Other Debt under the War Loan Act, 1914 to 1919.....	57,162,123	79,568,027		
Principal of American Loan under the American Loan Act, 1915.....		59,229,281		
Ways and Means Advances Repaid.....	1,194,120,000	1,204,037,000	28,600,000	28,700,000
Depreciation Fund, under the Finance Act, 1917.....	26,600,223	26,600,223	660,022	1,160,022
Issues to National Debt Commissioners to Reduce Debt:-				
Suez Canal Drawn Shares Repayments.....	7,111	7,853	7,111	7,853
Cunard Loan Repayments.....	130,000	130,000		
East Africa Protectorate Loan Repayments.....	127,268	5,940		
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	15,390,000	5,425,000		1,000,000
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	212,450	257,766		
Balances in Exchequer:-				
Bank of England.....	5,832,775,452	6,077,015,385	119,257,106	130,254,671
Bank of Ireland.....	1,947,963	1,948,588	42,812	49,833
Bank of Scotland.....	1,946,594	2,675,528	184,980	87,989
Total.....	3,893,947	4,624,117	142,187	127,854
Notes.-Budget Estimate as in House of Commons, Paper No. 99 of 1921.				
Treasury, February 13, 1922.				

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £30,000,000 in three months' Treasury Bills, dated from Monday to Saturday, Feb. 20th-Feb. 25th, were opened on Feb. 17th, 1922, and the total amount applied for was £48,565,000. Tenders for

Tuesday bills at £99 5s rd and above in full, and Monday and Wednesday to Saturday bills at £99 4s rd, about 60 per cent., and above in full. The average rate of discount was £3 is 3'8d per cent.

The following table shows Treasury Bills by tender outstanding:-

Date of Bills.	Amount Offered.	Amount Applied for.	Average Rate of Discount.	Rate for Additional Bills.
1922.				
January 20.....	50,000,000	79,470,000	3 13 7/8	3 13 7/8
January 27.....	35,000,000	47,925,000	3 9 0/43	3 9 0/43
February 3.....	25,000,000	55,480,000	3 6 11/26	3 6 11/26
February 10.....	25,000,000	41,440,000	3 1 0/77	3 1 0/77
February 17.....	30,000,000	48,565,000	3 1 3/89	3 1 3/89

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Coins Outstanding.	Investments Reserve Account.	Advances to	Redemption Account.	Notes at Bank of England.
			Bankers.	Bank of England.	
1914.					
Aug. 26.....	21,535	6,302	3,810		11,423
Dec. 30.....	38,478	169	600	18,500	9,286
1915.					
Dec. 29.....	103,125	729	159	249	20,536
1916.					
Dec. 27.....	150,144	2,430	64	40	6,868
1917.					
Dec. 26.....	212,782	8,554	39	675	5,486
1918.					
Dec. 31.....	323,241	15,599	570	28,500	305,133
1919.					
Dec. 31.....	356,152	17,182	250	245	2,802
1920.					
June 30.....	357,356	16,709	190	28,500	305
Dec. 29.....	367,626	16,968		28,500	134
1921.					
Mar. 30.....	343,226	15,599	Silver Coin.	28,500	141
June 29.....	323,884	14,955	3,000	28,500	150
Sept. 28.....	314,382	14,830	3,000	28,500	143
Dec. 28.....	325,584	14,658	3,000	28,500	161
1922.					
Feb. 9.....	304,163	13,657	3,000	28,500	137
16.....	302,403	13,518	3,000	28,500	138

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £380,600,000, for 1921 at £317,555,200, and for 1922 at £309,988,400.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.
ESTABLISHED 1824. £12,000,000
ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

Clerical, Medical & General
LIFE ASSURANCE SOCIETY.
2½% Valuation
and
BONUS as BEFORE
Chief Office: 15, St. James's Square, S.W.1, London

The Bankers' Gazette.
BANK OF ENGLAND.
Week ended Wednesday, February 15, 1922.
ISSUE DEPARTMENT.
Notes issued 145,379,400
Government debt 11,015,100
Other securities 7,434,900
Gold coin & bullion 126,929,400
145,379,400

BANKING DEPARTMENT.

Proprietors' capital ..	14,553,000	Government securities ..	64,425,565
Reserve ..	3,507,322	Other securities ..	80,568,926
Public deposits ..	14,911,673	Notes ..	23,625,910
Other deposits ..	137,461,763	Gold and silver coin ..	1,833,119
Seven-day & other bills ..	17,762		
	170,451,520		170,451,520

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Accounts

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, Feb. 15, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Best ..	3,507,322	+ 21,664	+ 5,878
Public deposits ..	14,911,673	+ 150,344	+ 53,940
Other deposits ..	137,461,763	+ 16,952,114	+ 23,419,846
Government securities ..	64,425,565	+ 17,798,123	+ 20,913,549
Other securities ..	80,568,926	+ 140,445	+ 4,635,587
Reserve ..	25,600,292	+ 928,424	+ 6,514,074
Note circulation ..	121,752,490	+ 914,265	+ 6,057,550
Coin and bullion ..	126,762,519	+ 14,159	+ 466,534
% of reserve to liabilities ..	163%	+ 2%	+ 2%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.
1921.	\$	\$	\$	\$	\$	%
Nov. 23.....	128,433,365	123,305,915	139,684,230	133,582,918	21,562,450	163
30.....	128,442,340	125,112,960	144,160,001	140,172,509	21,779,380	163
Dec. 7.....	128,433,576	124,961,885	154,738,656	150,700,714	21,921,711	163
14.....	128,437,271	124,734,450	154,737,809	150,482,426	21,562,821	163
21.....	128,431,144	126,671,026	158,322,943	156,024,708	20,510,119	163
28.....	128,434,359	126,580,245	152,589,335	150,126,896	20,364,114	163
1922.						
Jan. 4.....	128,439,940	125,694,450	152,021,827	148,772,223	21,195,490	163
11.....	128,452,733	125,696,990	145,488,691	140,166,176	23,275,743	163
18.....	128,444,198	125,599,950	137,414,310	131,118,332	24,294,448	178
25.....	128,447,117	125,205,840	135,465,106	128,767,880	24,693,877	178
Feb. 1.....	128,762,976	125,696,655	160,336,003	154,793,313	25,315,680	164
8.....	128,748,360	126,666,755	169,135,206	162,649,169	24,531,605	164
15.....	128,762,519	121,752,490	152,373,426	144,991,491	25,460,029	163

OVERSEAS BANK RETURNS.
UNITED STATES FEDERAL RESERVE BANKS.

Resources.	Feb. 10, 1922.	Feb. 3, 1922.	Feb. 7, 1921.	Week's Movement.
Total gold reserve	2,921,350	2,911,530	2,111,950	+ 820
Legal tender notes and silver reserve	141,280	149,990	214,190	- 3,710
Bills discounted for member banks	823,460	837,820	2,433,070	- 14,560
Bills bought in open market	342,260	306,030	167,820	+ 4,230
Government obligations owned	59,290	58,720	285,840	- 36,700
All other resources	59,290	58,720	34,220	+ 570
LIABILITIES.				
Government deposits	112,720	114,740	53,370	+ 2,020
Other deposits	1,745,780	1,725,730	1,591,660	+ 20,050
Federal Reserve Notes in actual circulation	2,166,180	2,178,050	4,075,750	- 11,870
Federal Reserve Bank Notes in actual circulation	83,510	83,890	197,210	- 380
All other liabilities	15,770	15,190	30,820	+ 580
Capital and surplus	318,630	318,590	302,260	+ 40
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	76.1%	76.2%	49.3%	- 1%

STATEMENT OF CANADIAN BANKS.

Assets.	Sept. 30, 1921.	Oct. 31, 1921.	Oct. 31, 1920.
Cash and bank balances	480,457,342	509,629,101	594,793,585
Bank balances abroad	73,325,335	69,886,192	82,446,915
Call and short loans	290,020,026	277,375,321	301,503,361
Securities	360,823,142	345,581,096	367,481,452
Loans in Canada	1,343,445,512	1,345,531,564	1,497,774,911
Loans abroad	151,489,861	156,518,933	193,749,657
Other assets	101,970,661	102,505,236	117,852,033
LIABILITIES.			
Note circulation	186,797,922	193,546,363	249,165,707
Deposits—			
Government	136,180,510	136,968,833	185,072,150
Public in Canada	1,798,071,304	1,816,974,475	1,958,927,532
Foreign	295,574,501	284,254,860	339,955,233
Bank balances—			
Canadian	12,577,625	11,561,996	15,377,031
Foreign	47,444,013	39,048,200	59,278,660
Bills payable and acceptances	33,073,315	33,330,439	37,183,917
Other liabilities	2,865,834	3,213,425	3,656,099
Capital and rest	264,334,153	264,338,629	257,682,75

BANK OF FRANCE.

Assets.	Feb. 16, 1922.	Feb. 9, 1922.	Feb. 17, 1921.	Week's Movement.	Position May 31, 1914.
Gold coin and bullion	5,525,078	5,524,905	5,522,565	+ 213	3,730,625
Of which held abroad	1,948,367	1,948,367	1,948,367	—	1,948,367
Silver coin and bullion	2,862,557	2,862,557	2,862,557	—	2,862,557
Discount and advances	4,875,542	4,772,740	5,448,157	+ 102,802	2,347,775
LIABILITIES.					
Notes	36,434,600	36,704,235	38,072,353	- 269,623	5,811,875
Government deposits	24,078	48,798	71,497	- 21,820	183,700
Private deposits	2,462,778	2,356,389	3,130,149	+ 96,389	845,950

BANK OF SPAIN.

Assets.	Feb. 11, 1922.	Feb. 4, 1922.	Jan. 28, 1921.	Week's Movement.	Position May 31, 1914.
Gold	2,516,376	2,516,040	2,515,342	+ 336	728,600
Silver	628,074	628,059	631,216	- 547	800,725
Loans and debts	2,714,885	2,713,768	2,713,105	+ 863	446,725
Spanish 4% stock	34,475	34,475	34,475	—	34,475
Treasury bills	150,000	150,000	150,000	—	150,000
LIABILITIES.					
Circulation	4,239,150	4,224,887	4,200,877	+ 14,263	1,901,550
Deposits	1,083,443	1,063,524	1,092,815	+ 19,919	477,500

NATIONAL BANK OF GREECE.

Assets.	Jan. 13, 1922.	Dec. 28, 1921.	Jan. 13, 1921.	Previous Return.	Last Year.
Gold and balances abroad	1,373,434,738	1,365,930,474	1,439,646,046	+ 7,504,264	- 66,211,308
Government loans and securities	2,317,802,896	2,171,155,856	1,169,299,743	+ 1,466,670,400	+ 114,850,153
Discounts and loans	752,217,820	706,539,791	736,040,119	+ 45,678,029	+ 22,177,701
LIABILITIES.					
Notes in circulation	2,161,182,802	2,130,045,605	1,508,366,049	+ 31,137,197	+ 652,816,753
Government deposits	164,443,444	154,015,467	160,338,738	+ 10,427,975	+ 4,104,706
Private sight deposits	951,579,032	875,227,977	608,218,034	+ 76,351,055	+ 146,360,998
Private deposits at fixed dates	955,175,911	945,189,900	638,768,941	+ 9,986,011	+ 316,406,970

BANK OF JAPAN.

Assets.	Jan. 14, 1922.	Jan. 7, 1922.	Dec. 24, 1921.	Dec. 17, 1921.	Jan. 15, 1921.	Position Jan 30, 1914.
Gold and silver	1,246,166	1,246,987	1,264,636	1,264,733	1,252,811	221,320
Discounts	56,818	115,654	153,553	72,551	58,690	41,740
Advances	96,039	117,081	116,274	93,561	168,896	70,540
LIABILITIES.						
Notes	1,202,236	1,281,249	1,351,123	1,275,338	1,102,052	362,270
Govt deposits	1,214,883	1,210,517	1,274,801	1,347,361	1,200,914	87,540
Private deposits	63,735	81,745	55,290	33,986	209,141	11,440

IMPERIAL BANK OF GERMANY.

Assets.	Feb. 7, 1922.	Jan. 31, 1922.	Feb. 7, 1921.	Week's Movement.	Position May 31, 1914.
Gold	995,690	995,690	1,091,457	—	1,313,240
Silver	12,422	11,493	6,983	- 1,071	321,920
Treasury notes	5,573,398	5,807,200	22,033,757	- 225,892	913,460
Bills discounted	126,768,936	127,752,818	48,870,920	- 983,882	60,780
LIABILITIES.					
Notes in circulation	116,606,017	115,375,766	66,482,587	+ 1,230,251	2,013,860
Deposits	23,077,949	23,412,452	10,874,628	- 334,503	842,340

NETHERLANDS BANK.

Assets.	Jan. 2, 1922.	Dec. 27, 1921.	Jan. 3, 1921.	Week's Movement.	Position May 31, 1914.
Gold	605,969	605,969	605,969	—	163,092
Silver	7,896	8,241	21,437	- 345	321,920
Discounts and advances	480,166	428,533	546,926	+ 432,450	153,504
LIABILITIES.					
Notes in circulation	1,057,251	1,012,878	1,116,021	+ 1,014,343	316,632
Deposits	36,451	36,451	91,886	- 29,937	5,878

BANK OF ITALY.

Assets.	Jan. 10, 1922.	Dec. 31, 1921.	Jan. 10, 1921.	Move-ment.	Position May 31, 1914.
Total cash	1,416,353	1,455,389	1,274,035	+ 38,356	1,291,875
Inland bills	4,244,286	3,895,824	3,067,926	+ 348,462	418,400
Foreign bills	9,472	2,435	27,677	- 38	81,300
Advances to the Treasury	6,408,535	6,407,527	8,055,046	+ 1,998	nil
Other advances	3,888,789	4,176,175	2,085,463	- 347,386	79,175
Securities	533,477	533,685	215,021	- 208	205,700
LIABILITIES.					
Note circulation	14,855,252	14,847,410	15,267,378	+ 7,842	1,556,925
Deposits and drafts	2,228,499	2,288,803	1,828,956	- 304	193,975

NATIONAL BANK OF ROUMANIA.

Assets.	Dec. 17, 1921.	Dec. 18, 1921.	Dec. 10, 1921.	Week's Movement.	Position May 31, 1914.
Gold	4,581,590	3,150,222	4,596,722	- 15,132	—
Silver, &c.	313	328	315	- 2	—
Government loan	12,374,682	7,389,279	12,374,039	+ 643	—
Other advances	703,767	2,070,711	654,076	+ 49,691	—
LIABILITIES.					
Notes in circulation	13,709,378	9,332,646	13,723,365	- 13,987	—
Deposits	5,659,691	4,727,336	5,622,197	+ 37,494	—

SWISS NATIONAL BANK.

Assets.	Feb. 7, 1922.	Jan. 31, 1922.	Jan. 25, 1922.	Feb. 7, 1921.	Week's Movement.	Position May 31, 1914.
Gold	550,452	550,011	550,910	543,031	+ 441	171,175
Silver	108,000	108,240	108,240	136,670	- 240	18,350
Darlehens-Kasse.	18,266	18,411	18,572	8,223	+ 145	—
Assets & advances	274,352	362,999	339,459	325,331	- 88,647	103,000
LIABILITIES.						
Notes in circulation	852,728	890,125	873,495	916,264	- 37,397	275,925
Deposits	129,397	194,464	180,185	114,519	- 65,067	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to January 31, 1922, total issues were Fr. 28,969,200, of which Fr. 18,414,450 was held by the Swiss National Bank.

BANK OF SWEDEN.

Assets.	Feb. 11, 1922.	Feb. 4, 1922.	Feb. 11, 1921.	Week's Movement.	Year's Movement.	May 24, 1914.
Gold	274,404	274,428	281,815	- 24	+ 7,411	104,918
Balance abn. and foreign bills	125,845	125,716	103,552	+ 129	+ 22,293	112,172
Swedish and for Gov. securities	16,518	16,392	12,696	+ 126	+ 3,822	32,465
Discount and loans	562,611	554,188	590,656	+ 8,423	- 28,045	112,668
LIABILITIES.						
Notes in circulation	546,247	566,025	651,842	- 19,778	- 105,595	226,555
Deposits at notice	370,720	319,158	270,947	+ 21,662	+ 99,773	69,660

NATIONAL BANK OF BELGIUM.

Assets.	Feb. 9, 1922.	Feb. 2, 1922.	Jan. 26, 1922.	Feb. 10, 1921.	Move-ment.	Position May 28, 1914.
Gold coin and silver	327,325	327,240	326,467	324,286	+ 85	322,650
Securities	428,937	424,300	411,830	394,561	+ 4,637	697,600
LIABILITIES.						
Notes in circulation	6,351,684	6,359,269	6,301,911	6,074,974	- 7,585	934,150
Current accounts	677,239	678,735	676,198	1,262,026	- 1,496	112,125

AUSTRIAN BANK.

Assets.	Jan. 15, 1922.	Jan. 7, 1922.	Dec. 31, 1921.	Week's Movement.	Position May 28, 1914.
Gold coin and bullion, bills	3,070	3,258	10,017	- 188	—
Silver coin	5	5	5	—	—
Bills, warrants, drafts, and drafts	29,439,379	29,230,809	29,373,661	+ 208,570	—
Loans	586,391	554,668	666,614	+ 31,723	—
LIABILITIES.					
Notes in circulation	193,749,404	182,269,162	174,114,747	+ 11,480,242	—
Deposits	3,057,788	5,799,646	6,951,279	- 2,741,858	—

HUNGARIAN BANK.

Assets.	Feb. 7, 1922.	Jan. 31, 1922.	Jan. 25, 1922.	Week's Movement.	Position May 31, 1914.
Gold coin and bullion, bills	12,687	12,677	12,676	- 10	—
Silver coin, &c.	596	596	596	—	—
Bills, warrants, drafts, &c.	24,187,315	24,194,778	24,036,172	- 7,463	—
Loans	1,446,166	1,446,850	1,447,331	- 485	—
LIABILITIES.					
Notes in circulation	25,921,674	25,680,032	25,144,748	+ 244,642	—
Deposits	2,292,929	2,488,474	2,795,138	- 195,545	—

NATIONAL BANK OF DENMARK.

Assets.	Jan. 31, 1922.	Dec. 31, 1921.	Jan. 31, 1921.	Nov. 30, 1921.	Month's Movement.	Position May 31, 1914.
Gold and bullion	228,330	228,330	227,578	228,335	- 76,644	—
Loans & discounts	417,255	403,321	348,237	379,791	+ 13,934	—
Debtors abroad	19,273	22,684	16,109	13,226	- 3,411	—
Securities	37,679	39,397	50,984	40,411	- 1,718	—
LIABILITIES.						
Circulation	450,018	470,964	522,163	465,041	- 20,946	—
Deposits	127,209	129,078	53,036	136,998	- 1,669	—

NATIONAL BANK OF EGYPT.

NATIONAL BANK OF SWITZERLAND					
(000's omitted.)					
	Nov. 30, 1921.	Nov. 30, 1920.	Oct. 31, 1921.	Month's Movement.	Position May 31, 1921.
ASSETS.					
Gold	3,362	3,360	3,364	—	1,581
Government securities	39,994	48,847	41,575	—	2,084
LIABILITIES.					
Notes in circulation	34,722	39,445	35,875	—	1,153
Government deposits	2,520	3,696	2,276	+	244

RATES OF EXCHANGE.

London on	Usance	Par.	Feb. 18, 1921.	Feb. 10, 1922.	Feb. 17, 1922.
Paris	francs to £1	T.T.	25-22 1/2	53-60-65	50-53-58
Berlin	marks to £1	T.T.	20-43	234-235	897-900
Vienna	krone to £1	T.T.	24-02	(a) 1675	12250-13250
Prague	krone to £1	T.T.	24-02	295-305	227-232
Warsaw	zlotys to £1	T.T.	20-43	3000-3200	13500-14500
Bukarest	lei to £1	T.T.	25-22 1/2	287-292	530-570nom.
Budapest	kr. to £1	T.T.	24-02	2700-2800	2750-2900
Constantinople	piastres to £1	T.T.	110	575-595	510-540
Sofia	levas to £1	T.T.	25-22 1/2	325-350	625-650
Belgrade	dinas to £1	T.T.	25-22 1/2	130-135	330
Amsterdam	florin to £1	T.T.	11-10-17	11-33-35	11-66-69
Brussels	francs to £1	T.T.	25-22 1/2	51-40-45	53-93-97
Christiana	kroner to £1	T.T.	18-159	22-35-40	25-45-50
Stockholm	kroner to £1	T.T.	18-159	17-34-38	16-74-77
Copenhagen	kroner to £1	T.T.	18-159	21-40-43	21-20-25
Helsingfors	F. marks to £1	T.T.	25-22 1/2	117-119	219-222
Greece	drachmas to £1	T.T.	25-22 1/2	52-52 1/2	93-94
Switzerland	francs to £1	T.T.	25-22 1/2	25-25 1/2	89-89 1/2
Italy	lire to £1	T.T.	25-22 1/2	23-52-57	22-38-43
Madrid	pesetas to £1	T.T.	25-22 1/2	27-73-76	27-67-73
Lisbon	escudos to £1	T.T.	53-4	52-61	4-41
Alexandria	piastres to £1	Sight	97 1/2	97 1/2-97 3/4	97 1/2-97 3/4
New York	dollars to £1	Cable	4-88 1/2	3-89 1/2-89 3/4	4-35-35 1/2
Montreal	dollars to £1	Cable	4-88 1/2	4-48-50	4-52-53
Buenos Aires	pesos to £1	T.T.	47-58 1/2	49-49 1/2	45-45 1/2
Rio de Janeiro	pesos to £1	T.T.	18	18 1/2	18 1/2
Santiago	pesos to £1	T.T.	13-33	13-33	13-33
Valparaiso	pesos to £1	T.T.	13-33	13-33	13-33
Calcutta	rupees to £1	T.T.	10 to 10 1/2	1s 4 1/2-4 1/2	1s 4 1/2-4 1/2
Bombay	rupees to £1	T.T.	10 to 10 1/2	1s 4 1/2-4 1/2	1s 4 1/2-4 1/2
Madras	rupees to £1	T.T.	10 to 10 1/2	1s 4 1/2-4 1/2	1s 4 1/2-4 1/2
Hong Kong	dollars to £1	T.T.	..	2s 5 1/2-5 1/2	2s 5 1/2-5 1/2
Shanghai	taels to £1	T.T.	..	3s 3 1/2-3 1/2	3s 3 1/2-3 1/2
Singapore	dollars to £1	T.T.	..	2s 5 1/2-5 1/2	2s 5 1/2-5 1/2
Yokohama	yen to £1	T.T.	24-58 1/2	2s 5 1/2-5 1/2	2s 5 1/2-5 1/2
Manila	pesos to £1	T.T.	24-58 1/2	2s 5 1/2-5 1/2	2s 5 1/2-5 1/2
Mexico	pesos to £1	T.T.	24-58 1/2	2s 5 1/2-5 1/2	2s 5 1/2-5 1/2

† Rate for previous day. (a) Pence to peso. (e) Sellers.

CURRENT RATES IN NEW YORK.

The Irving National Bank of New York cable the following money and exchange rates in New York:—

	Feb. 17, 1921.	Jan. 18, 1922.	Jan. 26, 1922.	Feb. 2, 1922.	Feb. 9, 1922.	Feb. 16, 1922.
Call money	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2
Time money (30 days' mixed call) ..	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2
Bank acceptances:—						
Members—eligible, 90 days ..	6 1/2	6 1/2	6 1/2	6 1/2	6 1/2	6 1/2
Non-members—eligible, 90 days ..	6 1/2	6 1/2	6 1/2	6 1/2	6 1/2	6 1/2
Insoluble, 90 days ..	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2
Commercial accept., 90 days ..	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2

RATES OF EXCHANGE.

New York on—	Par Level.	Feb. 17, 1921.	Feb. 10, 1922.	Feb. 9, 1922.	Feb. 16, 1922.
London—					
60 days	Dollars for £1	4-88 1/2	4-88 1/2	4-88 1/2	4-88 1/2
Cable					
Paris	Cents for 1 franc	19-30	19-30	19-30	19-30
Brussels	Cents for 1 franc	19-30	19-30	19-30	19-30
Switzerland	Cents for 1 franc	19-30	19-30	19-30	19-30
Italy	Cents for 1 lire	19-30	19-30	19-30	19-30
Berlin	Cents for 1 mark	23-83	1-68	0-49125	0-5025
Vienna	Cents for 1 krone	20-26	0-25	0-325	0-325
Madrid	Cents for 1 peseta	19-30	14-05	15-28	15-74
Amsterdam	Cents for 1 guilder	40-195	34-63	37-03	37-40
Copenhagen	Cents for 1 kroner	26-80	18-30	20-30	20-75
Stockholm	Cents for 1 krona	17-35	15-05	16-59	16-95
Christiana	Cents for 1 krona	22-45	25-48	26-15	26-30
Athens	Cents for 1 drachma	19-30	7-45	4-50	4-60
Montreal	Cents for Can. \$1	100	86-87	95-62	96-25
Yokohama	Cents for 1 yen	49-85	48-35	47-36	47-25
Hong Kong	Cents for H. Kong \$	..	48-60	55-25	54-70
Shanghai	Cents for 1 Shing. tael	..	65-50	75-10	73-75
Calcutta	Cents for 1 rupee	..	28-65	27-95	28-25
Buenos Aires	Gold pesos for \$100	103-65	126-25	123-50	131-50
Rio de Janeiro	Gold pesos for 1 milreis	32-42	15-00	12-70	13-30
Valparaiso	Cents for 1 peso	20-60	15-00	9-75	10-00

Note—The rates for acceptances quoted above are selling rates.

RATES OF EXCHANGE ON GERMANY.

	Par Level.	Feb. 17, 1921.	Feb. 10, 1922.	Feb. 9, 1922.	Feb. 16, 1922.
Amsterdam	Florins to 100 marks	59-26	4-95	1-319	1-375
Switzerland	Francs to 100 marks	13-46	10-40	2-50	2-63
Copenhagen	Kroner to 100 marks	88-88	9-65	2-40	2-42
Stockholm	Kroner to 100 marks	88-88	7-69	1-93	1-96
Christiana	Kroner to 100 marks	88-88	10-25	1-92	3-08

CENTRAL AMERICAN EXCHANGE RATES.

The Commercial Bank of Spanish America, Limited, quotes the following rates of exchange:—

Country.	Par Value.	Usance.	Year, 1922.	Rate.
Buenos Aires	Suores to £1	Sight	Feb. 11	17-70
Valparaiso	Bolivianos to £1	"	Feb. 15	24-05
Colombia (Bogota)	Dollars to £1	"	Feb. 14	99
San Pedro de Macoris	Cordobas to £1	"	Feb. 8	4-30
San Juan	Cordobas to £1	"	Feb. 15	8-90
Sanchez	Pesos to £1	"	Feb. 11	238-15
Sanchez	Cordobas to £1	"	Jan. 28	18-05
Sanchez	Pesos to £1	"	Dec. 30, 21	132

ESTHONIAN EXCHANGE RATES.

The Bank of Esthonia quote Reval exchange rates as below:—

Reval on	Jan. 14, 1922.	Jan. 21, 1922.	Jan. 26, 1922.	Feb. 7, 1922.
London (cheque)	£1	Selling. 1,520	Selling. 1,525	Selling. 1,493
New York	"	360	361	378
Berlin	100 Rmk	215	185	174
Helsingfors	100 Fmk	675	675	690
Stockholm	100 Kr	8,950	9,025	8,900
Copenhagen	100 Fmk	7,200	7,250	7,030
Paris	100 Fr	4,950	2,975	2,900
Amsterdam	100 Hfl.	13,200	13,200	12,900
Riga	100 Lrub	150	150	150
Prague	"	605	615	655

LATVIAN EXCHANGE RATES.

Riga on—	Dec. 31, 1921.	Jan. 31, 1922.
	Buying. Selling.	Buying. Selling.
London	Latvian roubles for £1	1,000 1,020 1,000 1,020
New York	"	838 848 838 848
Paris	"	1,900 1,950 1,925 1,975
Stockholm	"	6,025 6,125 6,050 6,150
Copenhagen	"	4,775 4,875 4,700 4,800
Christiana	"	3,800 3,900 3,825 3,925
Amsterdam	"	8,200 8,300 8,225 8,325
Berlin	"	122 123 114 115
Helsingfors	"	464 474 500 510
Reval	"	70 75 68 73
Warsaw	"	10 11 9 10

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From December 9, 1921.	From December 10, 1921.
	London on South Africa.	South Africa on London.
	Buying. Selling.	Buying. Selling.
T.T.	1 1/2% prem.	1 1/2% dis.
Demand	1 1/2% prem.	1 1/2% dis.
30 days	1 1/2% prem.	1 1/2% dis.
60 days	1 1/2% prem.	1 1/2% dis.
90 days	1 1/2% prem.	1 1/2% dis.
120 days	1 1/2% prem.	1 1/2% dis.

* Plus ad valorem stamp duty. (a) No discount allowed on sales of T.T. or demand drafts under £100.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.	Australia and New Zealand on London.
	Buying. Selling.	Buying. Selling.
T.T.	1 1/2% prem.	1 1/2% dis.
Demand	1 1/2% prem.	1 1/2% dis.
30 days	1 1/2% prem.	1 1/2% dis.
60 days	1 1/2% prem.	1 1/2% dis.
90 days	1 1/2% prem.	1 1/2% dis.
120 days	1 1/2% prem.	1 1/2% dis.

BULLION.

The gold movements to or from the Bank of England are no longer announced. For the week ended February 15, 1922, the stock of coin and bullion show an increase of £14,159, compared with the previous return.

IMPORTS AND EXPORTS OF GOLD.

Gold Imported into the United Kingdom.		Gold Exported from the United Kingdom.	
Countries from which Consigned.	Week Ended Feb. 15, 1922.	Countries to which Exported.	Week Ended Feb. 15, 1922.
British South Africa	£ 519,117	United States	£ 890,100
Gold Coast	35,798	Netherlands	18,307
Egypt	2,006	British India	399,007
Belgian Congo	19,640	Other Countries	800
Total value of imports of gold	576,561	Total declared value of exports registered in the week	1,308,214

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on January 31, 1922:—

	£	Nil
In India	805	
In England—		
Cash at the Bank of England	805	
British Government securities—		
Value as on September 30, 1921	18,793,609	
British Government securities since purchased (cost price)	21,592,660	
	40,387,074	

SIDNEY TURNER, Accountant-General.

India Office, February 11, 1922.

Messrs Samuel Montagu and Co. write on February 16th as follows:—

GOLD.

For the moderate amount of gold available there has been an exceptionally keen demand from the Indian bazaars, by whom practically the whole was taken. The gold dealt with this week was the last full shipment from South Africa which may be expected until the deplorable strike on the Rand has been settled. Gold valued at \$11,252,000 has arrived in New York during the week—\$6,050,000 from Sweden and \$5,202,000 from London. The following were the United Kingdom imports and exports of gold during the month of January, 1922:—Imports, £3,578,448; exports, £3,836,457. During a debate at Delhi last month the Finance Minister stated, on being asked to reopen the Indian mints to the free coinage of gold, that the Government was quite prepared to coin gold should a currency demand arise, but he pointed out that so long as there was a premium on gold freshly minted coin would not circulate, but go at once into the melting-pot. He also gave the interesting information to the Council that when the exigencies of Indian finance impelled the Secretary of State to place himself in funds by drawing upon the gold standard reserve in London, as probably would be the case during the year, an equivalent in gold would be taken from the gold held in the paper currency reserve in India, and placed in the gold standard reserve—in other words, gold standard reserve funds would be automatically transferred from London (in short, British Government obligations) to India into the form of gold. The exceeding importance of a return of currency in countries where great depreciation exists to a basis bearing some measure of stability with their pre-war gold standard renders any step in that direction full of interest. The Austrian Government commenced a few months ago to levy some taxes on the basis of the gold crown. The actual payment is to be made in paper crowns at a rate fixed weekly by the Treasury. This is a wise effort towards stabilising the exchange, but no satisfactory result can be assured until the continued increase in the issue of paper money comes to an end.

SILVER.

The main support of the market has still been obtained from bear covering, of which a considerable amount has been done on account of the Indian bazaars and elsewhere. China selling—sometimes of a rather free character—has rendered it easier to secure silver for two months' delivery than for cash. The Continent has been a poor seller, but the improved tendency of the United States exchange caused New York to offer silver.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Jan. 22, 1922.	Jan. 31, 1922.	Feb. 7, 1922.
Notes in circulation	17,287	17,440	17,343
Silver coin and bullion in India ..	7,332	7,484	7,485
Silver coin and bullion out of India ..	2,431	2,432	2,432
Gold coin and bullion in India	6,939	6,939	6,841
Gold coin and bullion out of India ..	585	585	585

The silver coinage during the week ending 7th inst. amounted to 6 lacs of rupees. The stock in Shanghai on the 11th inst. consisted of about 37,000,000 ozs in sycee, 23,000,000 dollars, and 1,760 silver bars, as compared with 35,400,000 ozs in sycee, 22,000,000 dollars, and 1,320 silver bars in the 4th inst.

GOLD AND SILVER PRICES.

The price of gold and cash and forward prices of bar silver during this week and in previous years are as below:—

	Gold.	Silver.		Silver.
	Per Ounce.	Cash Per Ounce.	Forward, Per Ounce.	Cash, Per Ounce.
1922.				
Feb. 11 ..	95 1/2	34 1/2	34 1/2	26 1/2
13 ..	95 1/2	34 1/2	34 1/2	26 1/2
14 ..	95 1/2	34 1/2	34 1/2	26 1/2
15 ..	95 1/2	34 1/2	34 1/2	26 1/2
16 ..	95 1/2	34 1/2	34 1/2	26 1/2
17 ..	95 1/2	34 1/2	34 1/2	26 1/2
18, 1921 ..	95 1/2	34 1/2	34 1/2	26 1/2

NOTICES.

The National Provincial and Union Bank of England, Limited, announce that a branch of the bank is now open at 3 Market place, Westminster, the resident officer being Mr J. W. Goss.

Mr Arthur W. J. Donaldson, who for the past few months has been acting representative in London of the National Bank of Commerce in New York, has been appointed representative.

The directors of the London Joint City and Midland Bank, Limited, announce that they have elected the Right Honourable the Viscount Milner, K.G., to a seat at their board.

A branch of the London County Westminster and Parr's Bank, Limited, has been opened at 183 and 185 Cleethorpe road, Grimsby, under the management of Mr E. St John Makin.

We are informed that Sir Richard Vassar-Smith, Bart., has been re-elected chairman of the board of directors of Lloyds Bank, Limited, and that Mr J. Beaumont Pease has been re-elected deputy-chairman.

The directors of the London Joint City and Midland Bank, Limited, regret to announce that Mr Samuel B. Murray, joint managing director, died of a heart attack at Mentone on February 15th.

MINING OUTPUT STATISTICS FOR JANUARY, 1922.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	\$	\$
Abbotston	7,900	..	..	..	..	(b) 13,351	..
Abosso	6,143	..	..	..	2,487 (c)	11,689	..
British Platinum	..	..	213	Platinum	73	Gold	..
El Oro Mining	32,300	..	..	..	6,687	\$186,130	\$29,838
Globe and Phoenix	6,131	..	..	..	5,193	(d) 11,326	..
Lonely Reef	5,630	..	..	..	..	(a) 13,229	..
Oreya Links	1,038	..	..	..	..	6,004	..
Plymouth Cons.	8,500	..	..	..	..	..	..
Prentiss Block A	7,435	..	..	..	..	(b) 13,777	..
Rhodesia	..	..	..	..	..	..	..
Huntman	260	..	..	..	236	1,376	..
Taqua	3,170	..	..	..	2,904 (c)	9,419	..
Transvaal and Rhodesian—	..	..	..	..	..	..	..
Fred	1,600	..	..	..	1,121	..	..
Oriental Cons. (Dec.) ..	16,908	..	..	..	..	\$102,019	..
Obbuassi	574	..	..	..	742 (d)	2,581	..
El Oro	32,300	..	..	..	..	\$186,130	29,838
Santa Gertrudis	11,306	..	..	..	..	..	\$25,666
Do El Bordo	21,322	..	..	..	..	..	\$37,676
Shamva	59,900	..	..	..	..	(e) 38,583	10,027
Planet Areturus	5,930	1,279	1,549	2,828 (f)	13,436	..	2,673
Galka	4,258	932	875	1,507 (g)	7,164	..	1,869
Jumbo	1,300	800	419	40	459	..	493

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefec.	Ordinary.	Rate.				
Breweries.		£	£	£	£	£	%	£	£	£	%
Boddingtons	Dec. 31	4,253	70,731	74,984	16,500	46,200	14	5,000	7,284	71,107	15
Holt Brewery	Dec. 31	52,420	89,466	141,886	18,750	37,500	7½	33,500	52,136	96,788	10
Canals and Docks.											
Manchester Ship Canal	Dec. 31	44,309	203,511	247,820	157,139	56,264	1½	..	34,417	465,425	5
Electric Lighting and Power.											
Central	Dec. 31	16	8	8	..	..	..	..	8	8	..
London	Dec. 31	2,116	72,236	74,352	26,952	13,320	4	20,000	14,080	59,413	2½
Northampton	Dec. 31	1,500	32,503	34,003	1,869	20,069	9	7,500	4,565	18,142	8
St James' and Pall Mall	Dec. 31	5,887	48,105	53,992	7,000	24,000	12	16,873	6,119	39,490	12
Yorkshire Electric Power	Dec. 31	20,939	74,316	95,255	11,409	45,586	8	15,000	23,260	64,740	8
Gas.											
Bournemouth Gas and Water	Dec. 31	28,666	38,454	67,120	6,900	33,068	6½ Ord. 7 B	..	27,152	..	..
Hartlepool Gas and Water	Dec. 31	21,660	4,056	25,716	..	16,465	3½	..	9,251	22,957	5
Ipswich	Dec. 31	10,936	8,836	19,772	..	8,370	..	..	11,402	5,678	..
Kingston-upon-Thames	Dec. 31*	439	5,697	6,136	..	4,860	5½	..	1,276	1,521	3½
Newcastle-upon-Tyne & Gateshead	Dec. 31	17,412	79,031	96,443	10,007	70,346	3½	..	16,090	80,179	3½
Portsea Island	Dec. 31*	9,683	22,150	31,833	..	17,878	..	..	13,955	9,806	..
Southend	Dec. 31*	3,759	11,408	15,167	700	6,328	5½ Ord. 5½ B	..	8,139	5,534	4½ Ord. 4½ B
South Shields	Dec. 31	17,521	11,145	28,666	..	13,088	8½ 10 Ord. 7½ B 7 D & 7 C 5½ D	..	15,578	11,495	7½ 5½ B 5½ C 5½ D
Tunbridge Wells	Dec. 31	12,283	7,223	19,506	..	6,571	7½ B 7 D & 7 C	..	12,935	8,453	5½ B 5½ C 5½ D
Watford	Dec. 31	309	8,398	8,707	..	6,514	6½ A 4½ B	101	2,092	..	..
Hotels, Restaurants, &c.											
Harrogate Hydropathic	Dec. 31	2,951	5,925	8,876	..	5,000	12½	..	3,876	6,716	15½
Langham Hotel	Dec. 31	16,196	12,666	28,862	..	8,620	10½	4,000	16,242	19,506	12½
Iron, Coal, and Steel.											
Armistead Coal	Sept. 30	23,545	Dr 3,377	20,168	1,050	6,500	10½	..	12,618	..	..
Merry and Cunningham	Nov. 30	70,112	122,404	Dr 52,292	8,750	..	..	Dr 65,000	3,958	..	..
Motor and Cycle.											
British Motor Trading	June 30	72,799	Dr 315,050	Dr 24,251	..	..	..	..	Dr 242,251	72,799	..
Rubber, &c.											
Toerangie (Sumatra)	Oct. 31	9,188	Dr 8,841	347	..	..	..	..	347	2,019	..
Shops and Stores.											
H. E. Randall	Dec. 31	9,583	36,971	46,554	5,100	19,114	15	10,000	12,340	36,629	15
Jeremiah Rotherham and Co.	Jan. 15	109,177	29,725	138,902	10,000	60,000	10	10,000	58,902	172,627	15
Selfridge and Co.	Jan. 31	141,243	326,723	467,966	177,471	50,000 5,526	10½ 12	91,500	143,469	35,821	10½ 12
Textiles.											
Jackson and Steple	Dec. 31	8,291	Dr 971	7,320	..	..	..	7,320	..	36,392	10
Trust.											
Mercantile Investment & General	Jan. 31	63,606	188,221	251,827	52,500	94,499	9	25,000	79,828	186,097	8½
Premier Investment	Jan. 31	25,239	42,748	67,987	22,500	19,500	6½	..	25,987	46,890	6½
Union Commercial Investment	Jan. 31	4,901	13,604	18,505	7,500	6,000	6	..	5,005	3,990	6
Waterworks.											
East Worcestershire	Dec. 31*	2,171	1,931	4,102	962	..	..	400	2,740	..	..
Newcastle and Gateshead	Feb. 1	9,393	100,105	109,498	55,253	52,896	6½ 4½	..	1,349	118,440	7 4½
Sunderland and South Shields	Dec. 31	17,834	26,685	44,519	..	34,898	Ord. & Pref.	..	9,621	21,814	5½
Other Companies.											
Birmingham Railway Carriage and Wagon	Dec. 31	39,838	143,241	183,079	6,000	69,823	10½	50,000	57,256	82,976	10½
Culter Paper Mills	Dec. 31	7,424	Dr 63,243	Dr 55,819	..	..	..	Dr 40,000	Dr 15,819	16,222	10
Harrison, Barber, and Co.	Dec. 31	1,376	3,172	4,548	..	3,250	2½	..	1,298	10,456	6
H. Williamson	Dec. 31	10,243	Dr 53,707	Dr 43,464	10,000	..	..	Dr 68,000	14,536	27,474	5
John Anderson's Royal Polytechnic	Jan. 19	10,528	47,052	57,580	5,000	24,000	10	15,000	13,580	41,223	10
John Gray and Co.	Jan. 2	15,149	1,025	16,174	3,500	7,000	10	1,000	4,674	10,237	10
London Produce Clearing House	Dec. 31	32,922	4,252	37,174	..	22,500	12	..	14,674	Dr 9,009	nil
Moss' Empires	Dec. 31	52,324	64,304	116,628	16,751	39,200	10	8,901	51,776	179,250	20
Perry and Co.	Dec. 31	9,394	8,336	17,730	15,044	..	..	..	2,686	53,184	15½
Read Brothers	Dec. 31	22,148	Dr 45,824	Dr 23,676	..	..	..	Dr 7,937	Dr 15,717	23,182	10
Wharfedale Dwellings	Dec. 31	463	5,114	5,577	2,362	525	1	2,000	690	3,925	1
Wm. McLaren, Sons, and Co.	Dec. 20	3,970	Dr 18,422	Dr 14,452	4,500	4,200	6	Dr 30,000	6,848	19,704	10

* Half-year. † Free of tax.
 ‡ Selfridge and Co.—Dividend on staff participating shares.

Reports and Notices.

The resolution confirming the borrowing powers of the court has been passed *nem. con.* by the shareholders of the British North Borneo Company.

Messrs David A. Bevan and Co., of South Sea House, 37 Threadneedle Street, E.C., request us to state that neither they nor their senior partner, Mr David Augustus Bevan, who has been for many years a director of the Equitable Life Assurance Society, have any business connection whatever with Mr Gerard Lee Bevan, late chairman of the City Equitable Fire Insurance Company.

The directors of the Consolidated Gold Fields of South Africa, Limited, and of New Consolidated Gold Fields, Limited, announce that owing to ill-health Major H. L. Sapte resigns his seat on the boards of both companies on March 25th next. Mr Stanley Christopher-

on having become a deputy-chairman of the London Joint City and Midland Bank, Limited, will cease to take the active part which he has hitherto taken in the administrative work of the board of New Consolidated Gold Fields, Limited, but remains a director of the company. As from March 25th Mr John A. Agnew will be appointed a director of both companies in place of Major Sapte, and will devote his special attention to the supervision of the technical side of the companies' business.

Mr Charles Booth announced at the annual meeting of the Midland Railway Company that he was retiring from the chairmanship of the company. Sir Guy Granet is to be the new chairman of the Midland Railway.

BANKS.

BANK OF NOVA SCOTIA.—The ninetieth annual report to December 31, 1921, shows that \$932,595 was brought into the accounts from the report to the end of 1920. During 1921 the bank made a net profit

of \$2,111,733, losses by bad debts estimated and provided for. The amount available is thus \$3,094,328. The dividend for 1921 is 16 per cent., absorbing \$1,352,000. War tax on circulation to end of 1921 took \$97,000. Contribution to officers' pension fund amounted to \$80,000. The sum of \$300,000 has been written off bank premises account. The reserve fund has been strengthened by the addition of \$1,000,000, making that fund \$19,000,000. The sum of \$65,329 is carried forward to next account.

DOMINION BANK (CANADA).—The 51st annual statement for year ended December 31, 1921, reveals a net profit of \$1,016,262, to which is added \$669,218, making \$1,685,480 available. The total distribution to shareholders is 13 per cent. for the year, which absorbed \$780,000, while contributions to officers' pension fund took \$40,000. The sum of \$150,000 has been written off bank premises, and a balance of \$715,480 goes forward to next account. The capital stock paid in stands at \$6,000,000, and the reserve fund is \$7,000,000.

NATIONAL BANK OF NEW ZEALAND, LIMITED.—At an extraordinary general meeting of the shareholders, held on 15th inst., the following resolution was passed unanimously:—That the capital of the company be increased to £4,500,000 by the creation of 200,000 new shares of £7 10s each, and that such shares may be issued at such times and on such terms and conditions as the directors may deem advisable.

GOVERNMENT STOCKS, &c.

BULGARIAN 4½ PER CENT. 1907 LOAN.—The Bulgarian Government announces that it is prepared to pay to French, British, and Belgian bondholders the coupon No. 30 of the above loan, maturing on February 1, 1922, at French francs 11.25 each, and the bonds drawn for redemption on that date at French francs 500 each. Holders of bonds which have been in British ownership since August 1, 1914, who are desirous of availing themselves of the offer thus made by the Bulgarian Government should present the above-mentioned coupons and drawn bonds (to which all coupons due after the date of redemption must remain attached) for payment at the counting house of Messrs Stern Brothers, 6 Angel Court, E.C. 2.

ORIENTAL REPUBLIC OF URUGUAY CONSOLIDATED 3½ PER CENT. DEBT.—Tender of Bonds for Redemption.—Messrs Glyn, Mills, Currie, and Co. are instructed by the Government of Uruguay to announce that the 31st amortisation of the Consolidated Debt of the Republic will take place by public tender in London on Wednesday, the 22nd instant, the amount applicable being £58,433. They are prepared to receive tenders of bonds for redemption on forms which may be obtained at 67 Lombard Street, London, where the tenders will be opened on the 22nd instant. Messrs Glyn, Mills, Currie, and Co. reserve the right of accepting or rejecting the whole or part of any tender, and, in accordance with instructions received from the Government of Uruguay, they may require the deposit of the bonds offered for sale under this tender. All bonds must have attached the coupons due May 1, 1922, and subsequently.

RUBBER.

UNITED SERDANG.—The report for the year ended August 31, 1921, shows that the crop of rubber harvested from the company's estates for the year amounted to 2,876,188 lbs, against an unrestricted estimate of 3,750,000 lbs. As from November 1, 1920, the crop was restricted in accordance with the restriction of output scheme promulgated by the Rubber Growers' Association. The average net sale price, including the estimated value of the unsold portion of the crop, was 9.18d per lb. The cost of production, f.o.b. at port of shipment, including loss on rice (2.61d per lb), but excluding loss on exchange (.73d per lb), was 1s 1.97d per lb. Under normal conditions and without restriction a crop of 3,760,000 lbs could be secured during the current year, but in view of the necessity for continuing restriction of output, no reliable estimate of the company's probable output during 1921-22 can be given. The cost of production has been reduced by several pence per pound as compared with the past year. During the year 1,000,000 shares of 2s each were issued at par to the shareholders and fully taken up. The unappropriated profits brought forward from last year amount to £83,353, less loss for year £60,607, leaving £22,745; less excess profits duty for year to August 31, 1920, with adjustment of prior assessments, £3,819; this leaves available £18,926, which the directors recommend should be dealt with by writing off the expense of new issue, £828; leaving to carry forward to 1921-22 (subject to Nederland-Indies war profits tax, if any) the balance of £18,098. The company has substantial claims pending for repayment of E.P.D.

MISCELLANEOUS.

MONTEVIDEO WATERWORKS.—Negotiations are in progress for a transfer of the company's undertaking to the Government of Uruguay. No agreement has as yet been signed. The sum which the directors are prepared to accept as purchase price, subject to approval of the stockholders, would, after providing for all liabilities, current dividends, and expenses relating to the matter, leave something in excess of 125 per cent. for the ordinary stockholders. In the event of the company's liquidation the first and second debenture stocks would be repaid with accrued interest at par, and the consolidated debenture stock at 105.

OIL OUTPUTS.

BRITISH BURMAH PETROLEUM COMPANY report that the production of crude oil by this company and the Rangoon Oil Company, Limited, for the month of January, 1922, amounted to 71,735 barrels.

COMMONWEALTH OIL CORPORATION, LIMITED.—Advice from Sydney reports for four weeks ending January 27, 1922:—Shale retorted, 1,850 tons. Crude oil and naphtha produced, 186,350 gallons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending February 8, 1922, amounted to 923 tons.



THE trappers and hunters who opened up the great North-West "cached" their stores, pelts and other belongings when desiring them to be left until called for.

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RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

	Miles Open.	Week Ended Feb. 12, 1922.			Aggregate 6 Weeks 1922.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Brecon and Merthyr	60	£ 804	£ 3,557	£ 4,361	£ 5,486	£ 23,085	£ 28,571
Great Central (c)	676.62	39,800	135,400	175,200	244,400	734,500	978,900
Do Joint Lines	161.1			29,100			181,600
Great Eastern (c)	1,207.4	88,500	102,900	191,400	550,400	596,200	1,146,600
Great Northern (c)	1,050	67,100	158,700	225,800	443,600	868,000	1,312,500
Great Western	2,964	206,000	287,000	493,000	1,310,000	1,689,000	2,999,000
Hull and Barnsley	92	934	21,483	22,417	4,470	120,070	124,540
Do Dock Receipts				7,850			47,717
London & N. Western	2,633	286,500	436,000	722,500	1,774,000	2,530,000	4,304,000
London & South Western	968	97,700	56,500	154,200	317,600	314,900	632,500
Metropolitan and Carlisle (c)	423	1,062	1,510	2,572	6,706	7,844	14,550
Metropolitan (c)	794	32,262	3,692	35,954	199,339	22,842	222,181
Midland (c)	1,585.4	145,000	339,000	484,000	885,000	1,930,000	2,815,000
Midland & S. W. Junc.	53	1,191	1,303	2,494	6,712	7,685	14,397
North Eastern (c)	1,758	100,700	209,600	310,300	628,200	1,158,400	1,786,600
North London	16	5,158	10,215	15,373	31,992	58,947	90,939
Rhymney	51	2,680	8,916	11,596	17,527	54,160	71,687
Taff Vale	124.4	7,461	20,970	28,431	48,403	124,281	172,684
Do Docks, &c.				5,335			32,640
Underground E.R. (c)				204,433			1,226,654
Lon. and Sub. Group (c)				44,092			264,447
Caledonian	1,097	55,400	100,600	156,000	338,800	493,500	832,300
Glasgow and S. W. (c)	476	22,500	39,000	61,500	141,600	197,800	339,400
Gr. North of Scotland (c)	364	7,250	10,150	17,400	45,740	49,800	95,540
Highland (c)	422.4	9,043	10,354	19,397	54,776	56,350	111,126
North British (c)	1,378	48,400	131,100	179,500	311,000	657,100	968,100
Belfast and County Down (b)	80	3,835	1,516	5,351	23,678	8,456	32,134
Dublin and S. Eastern (b)	160	4,794	3,943	8,737	29,486	18,887	48,373
Midland Gr. Western (b)	538	10,694	14,087	24,781	66,822	75,476	142,298

(a) Including 10 miles temporarily closed. (b) Week ended Feb. 10, 1922.
(c) Week ended Feb. 11, 1922.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1921-22.	+ or -	1921-22.	+ or -
INDIAN.							
Assam Bengal	41 weeks	Jan. 14	993	Rs. 2,21,774	2,022	70,47,574	Rs. 18,34,495
Barsi L. Ry.	42 weeks	21	118	35,300	13,300	10,65,900	63,500
Bengal & N. Western	45 weeks	21	2,067	4,77,320	13,137	77,22,596	3,72,368
Bombay Nagpur	42 weeks	21	2,697	13,25,000	123,000	5,18,81,110	5,43,256
Bombay, Bar. & C.I.	48 weeks	Feb. 4	2,871	18,93,000	125,000	3,43,73,000	11,60,000
Burma	41 weeks	Jan. 14	1,342	6,32,844	44,105	2,35,60,991	13,23,863
Delhi, Umballa & Kalika	48 weeks	Feb. 4	239	98,000	10,594	16,82,152	2,10,248
East Indian	41 weeks	11	2,772	22,83,000	4,77,000	5,20,12,300	12,75,000
G. Indian Peninsula	45 weeks	11	5,121	28,85,200	1,37,900	1,67,42,635	13,25,027
Madras & S. Mahr.	41 weeks	Jan. 14	3,028	11,80,000	39,235	5,13,29,049	15,81,655
Rohilk'd & Kunson	45 weeks	14	259	44,258	499	6,93,853	2,424
Do Lucknow-Breilly	45 weeks	14	302	64,334	3,272	8,94,629	1,30,403
South Indian	41 weeks	21	1,852	7,56,158	2,21,442	3,53,76,951	22,29,004
8thn. Punjab (month)	1 mth	Oct. 31	717	6,27,356	-2,73,237		
Argentine (a).							
Argentine N.E.	32 weeks	Feb. 11	753	7,700	3,200	351,600	27,600
Argentine Trans.	32 weeks	11	111	3,000	769	63,475	21,371
B. A. and Pacific	32 weeks	11	3,428	165,000	23,000	4,053,000	85,000
B. A. Gr. Southern	32 weeks	11	3,889	183,000	7,000	4,941,000	116,000
B. A. Western	32 weeks	11	1,882	72,000	25,000	94,800	246,000
Buenos Ayres Cent.	6 mths	Dec. 31	190	37,213	794	282,972	17,105
Central Argentine	32 weeks	Feb. 11	3,305	196,000	36,000	5,583,000	712,000
Cordoba Central	32 weeks	11	1,205	46,500	24,500	1,641,300	96,300
Entre Rios	32 weeks	11	811	21,000	900	612,500	100,200
Brazilian (b).							
Brazil Gr. Southern	12 mths	Dec. 31	54	Ms 54,000	1,500	582,150	31,650
Gr. West. of Brazil	6 weeks	Feb. 11	1,005	15,900	700	87,100	15,600
Leopoldina	6 weeks	11	1,831	28,701	7,905	172,862	18,380
San Paulo	6 weeks	12	1,554	25,628	770	177,950	43,985
State of Bahia, S.W.	12 mths	Jan. 31	52	Ms 87,000	42,000	955,000	549,000
Chile and Peru.							
Antofagasta	6 weeks	Feb. 12	838	17,640	14,680	100,045	97,345
Arauco	1 mth	Apr. 30	644	12,000	500		
Nitrato (2 weeks)	4 weeks	Jan. 31	366	11,302	10,204		17,408
Peruvian Corp.	7 mths	31	1,059	81,365,870	73,015	8,906,500	651,150
Talca	7 mths	31	172	(b) 8,183	15,892	65,762	133,695
Cuban.							
Havana Central	32 weeks	Feb. 11	11	12,813	3,725	342,017	114,370
United of Havana	32 weeks	11	1,210	106,341	62,266	1,835,710	1,543,080
Uruguayan.							
Central Uruguay	32 weeks	Feb. 11	273	27,773	596	797,109	85,645
C. Urug. (East Ext.)	32 weeks	11	311	6,240	92	156,885	18,889
C. Urug. (North Ext.)	32 weeks	11	185	2,963	292	87,616	7,270
C. Urug. (West Ext.)	32 weeks	11	211	3,247	591	75,455	9,230
Midland Uruguay	7 mths	Jan. 31	119	13,298	4,730	101,256	25,091
North-West Urug.	4 mths	Oct. 31	113	9,574	3,154	33,314	4,168
Uruguay North	7 mths	Jan. 31	73	1,915	29	14,735	71
Other Foreign.							
Alcoy and Gandia	6 weeks	Feb. 11	33	Ps 18,000	3,000	109,000	9,900
Bilbao	1 mth	Jan. 31	15	953	2,022		
Bolivar	1 mth	31	136	9,900	2,776		
Colombian Nat. Ry.	10 mths	Oct. 31	86	17,240	1,340	193,391	3,531
Costa Rica	5 mths	Nov. 30	190	18,665	3,505	90,137	31,220
Dorado Extension	11 mths	30	70	17,250	1,000	209,000	24,822
Egyptian Delta	4 weeks	Jan. 31	559	10,808	3,481	33,514	91,214
Gr. Southern of Spain	5 weeks	Feb. 4	104	P-63,837	16,439	315,517	179,329
International of				Gross 71,588	2,533		
Central America	1 mth	Jan. 31	1	Net 28,828	974		
La Guaira & Caracas	12 mths	31	232	(b) 9,360	2,760	113,340	49,510
Mexican Railway	5 weeks	Feb. 7	403	\$25,100	31,900	1,478,803	72,900
Do	6 mths	Dec. 31	403	\$140,500	238,900	8,567,100	1,859,500
Nasejo Oscarshann	11 mths	Nov. 30	193	\$330,700	500	1,358,500	52,600
Ottoman Railway	1 week	Feb. 4	193	11,276	5,097	144,134	86,935
Paraguay Central	32 weeks	Feb. 11	174	2,679	860	116,000	34,170
Paracu Athens, &c.	9 mths	28	35	\$21,317	414,811	16,360,765	5,299,650
Puerto Cabello, &c.	12 mths	Dec. 31	35	5,000	1,000	56,000	4,750
Salvador	32 weeks	Feb. 11	100	5,787	97	89,144	23,218
Santa Fe Province	1 mth	Dec. 31		129,621	17,002		
Samana & Santiago	1 mth	Jan. 31		4,330	2,180		
Saia and Huelva	12 mths	Dec. 31	112	(a) 15,945	4,006	171,729	17,068

(a) 11 days. (b) Converted at the current rate of exchange. (c) Converted at par.

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.

Name.	Period.	Ending.	Receipts for Week or Month.	Ino. or Dec.	Aggregate Receipts.	Ino. or Dec.
Algonia Cent. & Hudson Bay	5 mths	Nov. 30	Gross \$164,975	- 187,432	904,594	- 616,892
Canadian Ntr.	5 weeks	Feb. 7	Gross \$904,400	- 421,200	4,709,400	- 1,710,300
Canadian Ntr.	11 mths	Nov. 30	Gross \$6,977,300	- 625,400	63,619,930	- 4,576,107
Canadian Pac.	5 weeks	Feb. 7	Gross \$2,749,000	- 621,000	13,815,000	- 4,020,000
Canadian Pac.	12 mths	Dec. 31	Gross \$15,757,000	- 4,847,000	131,222,000	- 23,619,000
Grand Trunk	5 weeks	Feb. 14	Gross \$2,222,000	- 304,000	34,232,000	- 1,049,000
Grand Trunk	3 mths	Mar. 31	Gross \$2,222,000	- 304,000	34,232,000	- 1,049,000
Temiscouata	1 mth	Dec. 31	Gross \$23,168	- 68,400	91,400	- 306,500

* Net earnings before deducting taxes. † Railway and Steamship receipts.

OTHER BRITISH OVERSEAS RAILWAYS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1920-21. + or -	1920-21. + or -
Beira and Mashona-land	1 mth	Nov. 30	810	100,187	- 5,232
Mid. of W. Aust.	6 mths	Dec. 31	277	13,749	+ 216
New Cape Central	3 weeks	Jan. 21	205	2,615	+ 14
Rhodesia Railways	1 mth	Nov. 30	1,397	137,703	- 2,204

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
				1921-22. + or -	1921-22. + or -
Anglo-Argentine	6 weeks	Feb. 11	329	\$82,101	+ 5,629
Burnley Corporation	1 week	11	12	\$3,257	- 259
Calcutta Tramways	6 weeks	11	351	\$107,938	+ 107,719
Chatham & District	5 weeks	2	15	\$1,514	- 85
Egyptian Markets	5 weeks	4		\$1,890	- 493
Glasgow Corporation	37 weeks	11	99	\$42,912	- 1,899
Isle of Thanet	19 weeks	8		\$457	- 20
Lancashire United	5 weeks	7	39	\$3,037	- 623
Liverpool Corpora-tion Tramways	6 weeks	11	124	\$26,350	+ 1,004
L.C.C. Tramways	46 weeks	15	155	\$83,255	- 9,155
Madras Elect. (2 wks)	2 weeks	Jan. 31		\$54,340	- 105,239
Pernambuco Trams	6 weeks	Feb. 12		\$3,526	- 1,163
Singapore Electric	1 week	Jan. 7		\$14,882	+ 4,913

TRAMWAY & OTHER MONTHLY GROSS & NET RECEIPTS.

Name,	Period.	Ending.	Present Mileage.	Receipts for Month.		Total Receipts.	
				1920-21.	+ or -	1920-21.	+ or -
Alabama Power..	1 mth	June 30	Gross Net	\$259,059 \$130,812	+ 88,481 22,750	..	..
Barcelona Trac. repts. in pas.	12 mths	Dec. 31	Gross Net	3,820,393 2,561,712	+ 672,654 519,072	37,703,430 24,025,337	+ 5,622,208 + 3,234,795
Brazilian Trac. repts. in mil.	11 mths	30	Gross Net	14,555,000 8,820,000	+ 2,356,000 + 2,936,000	155,462,000 85,751,000	+ 331,560,000 + 214,300,000
Brisbane Electric Brit. Columbia Electric, &c.,	1 mth	Jan. 31	Gross Net	\$48,730 \$940,113	+ 2,436 22,445	..	..
Buenos Ayres La Croze Trams ..	6 mths	31	Gross Net	\$940,113 \$286,547	+ 5,192,915 665	152,915 1,375,382	+ 175,544 7,437
Burmah Electric Trwys. & Lghs.	7 mths	Jan. 31	514	\$61,198	+ 87	404,817	+ 7,420
Cape Elec. Trams	6 mths	31	Gross Net	\$59,362 \$39,885	+ 9,327	..	+ 41,984
Cape Elec. Trams	1 mth	Dec. 31	Gross Net	\$39,885 \$13,900	..	..	..
Canadian -Wstrn. Natural Gas ..	2 mths	Nov. 30	Gross Net	\$91,266	- 2,324	159,056	+ 1,314
Carthagenia and Herrerias Trms.	1 mth	Jan. 31	12	3,075	- 805	..	..
Catalinas Wareh.	1 mth	Dec. 31	Gross Net	\$200,900 \$1,176,893	- 4,100	14,034,814	- 105,345
Cities Service Co.	12 mths	Nov. 30	Gross Net	\$1,176,893 \$1,143,849	+ 765,337 736,943	15,558,574	+ 103,791
Cordoba Light & Elec. Sup. of Viet.	9 mths	Dec. 30	36 weeks	\$22,641	+ 3,342	207,992	+ 29,565
Havana Elec. Rl. Light & Power	11 mths	Nov. 30	4	\$4,732	+ 161	40,287	+ 2,686
International Light & Power	1 mth	Dec. 31	Gross Net	\$1,332,331 \$22,932	+ 104,816 4,227	11,734,328 121,861	+ 1,368,219 501,158
Kaigoorie Elec. Tramways ..	6 mths	Dec. 31	Gross Net	\$21,932 \$5,477	+ 1,236 1,534	293,792 37,192	+ 2,433 6,262
Keystones Tele..	11 mths	Nov. 30	204	\$2,419	..	24,944	..
La Guaira Harb. La Pata Electric	1 mth	Dec. 31	Gross Net	\$86 \$164,277	+ 826 5,354	..	..
Lima Light, Pwr and Tramways.	12 mths	Dec. 31	Gross Net	\$74,964 \$5,651	+ 11,270 1,320	1,733,033 ..	+ 19,184 40,242
Manila Electric Railroad, &c.,	1 mth	Jan. 31	..	\$5,651	+ 1,320	..	..
Para Electric ...	11 mths	Nov. 30	Gross Net	\$5,651 \$51,936	+ 718 7,718	684,436 19,833	+ 62,667 35,242
Rangoon Electric	1 mth	Nov. 30	Gross Net	\$51,936 \$31,467	+ 705 853	3,631,011	+ 26,603
Shanghai Electric	12 mths	Dec. 31	Gross Net	\$31,467 \$127,343	+ 853 5,315	1,448,962	+ 220,380
Toronto Rly., &c.	2 mths	Jan. 31	Gross Net	\$22,366 \$8,355	+ 1,255 621	45,626 17,401	+ 2,855 1,797
United Electric Tr. of Montevideo	11 mths	Dec. 31	Gross Net	\$8,355 \$3,087,700	+ 621 7,550	35,275,576	+ 461,577
Victoria Falls & Transvaal Pwr.	1 mth	Jan. 31	Gross Net	\$3,087,700 1,44,500	+ 7,550 12,800	17,81,516	+ 4,25,355
Winnipeg Electric	1 mth	Jan. 31	Mex. Gross Net	\$180,635 \$1,223,493	+ 24,930 40,168	..	..
	7 mths	July 31	Gross Net	\$1,223,493 \$26,837	+ 40,168 120,502	8,877,689 2,796,475	+ 642,600 194,939
	3 mths	Jan. 31	Gross Net	\$26,837 \$205,632	+ 120,502 ..	132,130	+ 11,455
	Quarter	Dec. 31	Gross Net	\$205,632 \$477,880	..	..	..
	11 mths	Nov. 30	Gross Net	\$477,880 ..	+ 77	4,916,971	+ 156,465

the Clyde alone running smoothly it would require that at least one boat of goodly size should be secured per week. Of late the rate of new construction arranged for has probably not exceeded one vessel per month. And the stiffening-up of steel quotations will not go, it is feared, to an expansion of building amongst ship-owners. The large liner companies who, it was expected during the recent back-end would come to the trade rescue, seem to have entirely withdrawn from the market, for they are doing nothing, and hold out no prospect of an early change in policy. Instead, it appears that instructions to proceed with the completion of, and certain steamers "on the stocks" have just been cancelled, and it is understood will not be revived while prices of material remain where they are—£14 for boiler plates, £10 for ship plates, and £10 for sections. At these figures ship plates are full, 30s, and sections quite 20s per ton dearer than recently ruled—throughout the course of the price fight between English and Scotch producers. That contest, however, proved too serious for those concerned, and is now at an end; and it is authoritatively given out that there will be no concession from the values named until costs yield a bit, and steelmakers can operate freely without being involved in loss, far less than in booking a profit. Even at current rates, it is affirmed, ends are not met, unless in very exceptional instances. During the price dispute, when ship plates were sold down to £9 (for both home and export) per ton, a substantial quantity of material was disposed of; and in the last day or two steelmakers have been arranging for the execution of their bookings, and this has imparted an appearance of activity to the situation in the leading localities. The Lanarkshire Iron and Steel Company, after being closed down for a year (and which in normal times employs 2,500 men) made a re-beginning on Monday; so did Messrs. Beardmore at Mossend, adding largely to their effective staffs; the Northern Rod and Bar Company, employing 200 hands; and Messrs. Colville and Co., at Motherwell. It would be a mistake to attach too much importance to these movements—until it is realised that they are going to continue—of which, it must be recognised, some doubt is entertained. A large new foundry is being laid down at Falkirk, and an extensive iron and steel finishing establishment is being pushed forward at Parkhead, to the east of Glasgow. In quite a number of branches where it is believed expenses have been sensibly cut down—but particularly in bar iron and in black sheets—there has been a reversal of prices, and the lowest points recorded since pre-war days have been fixed. Ordinary brands of bars, Crown quality, are now called £11 10s per ton; best, £12; best horseshoe, £12 2s 6d; best B, £12 10s; extra best, £13; best cable, £13; extra cable, £13 5s. Generally these quotations reflect an all-round decline of £1 5s on those of last November. The new list rates for black sheets (which came into force on Monday) put £1 5s over £11 5s; £1 5s for gauge, £11 15s; £1 5s for 17, £12 10s; 16 to 20s, £13 5s; 20 to 24, £13 15s; 24 to 27, £14 15s. The departures which have been advertised to have not, of course, been without influence on various departments in the finishing lines, and the state in which they are to-day would afford the utmost satisfaction if there was more ground disclosed for founding reasonable hopes as to the future. The hope that does manifest itself is mainly based on the belief that success will yet attend the negotiations that have been in progress for months between employers and employed in the engineering, shipbuilding, and relative industries for a modification and readjustment of the wages scales. There is a distinct revival of animation on the export side of the coal trade. Continental countries are large buyers and inquirers, so much so that collieries in the East and West countries, while running full time, are declining to commit themselves to forward shipments, and that even at current conditions.

THE COTTON TRADE.

MANCHESTER, February 16.

The tone of the market during the past week has been firmer. The tendency for raw cotton rates to harden has stimulated inquiry in yarn and cloth. Although buying has been very irregular, more business has been done in certain quarters. In piece goods most of the activity has been for China, and for that outlet an encouraging turnover has taken place in standard cloths and fancies. Inquiry for India has been rather more plentiful, but sales remain unimportant. A fair miscellaneous trade has been done for certain minor outlets, and a few more lines have been booked in goods suitable for home consumption. Manufacturers find it very difficult to obtain relief, and poor prices continue to be accepted. Quotations in American and Egyptian yarns have been steadier, with a slight improvement in the turnover. Export yarns have been sold in fair lots for India, China, and the Continent.

(L) Comparative Statement of the Cotton Trade.

	Previous Weeks in 1922.					
	Price, Feb. 16, 1922.	Price, Feb. 9, 1922.	Price, Feb. 2, 1922.	Price, Jan. 26, 1922.	Price, Jan. 19, 1922.	Price, Jan. 12, 1922.
Raw Cotton—Fully Mid. American .. per lb	10-55	9-99	9-70	10-07	10-46	11-06
—Sakellaridis Fully Good Fair .. per lb	17-50	16-25	16-25	17-00	19-00	20-50
—Egyptian .. per lb	17-50	17	17	17-17	17-17	17-17
—40's twist .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—40's twist (Egyptian) .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—32's twist .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—32's twist (Egyptian) .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—28's twist .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—28's twist (Egyptian) .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—24's twist .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—24's twist (Egyptian) .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—20's twist .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—20's twist (Egyptian) .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—16's twist .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—16's twist (Egyptian) .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—12's twist .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—12's twist (Egyptian) .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—8's twist .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—8's twist (Egyptian) .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—4's twist .. per lb	17-50	17-50	17-50	17-50	17-50	17-50
—4's twist (Egyptian) .. per lb	17-50	17-50	17-50	17-50	17-50	17-50

(II.) Compared with Previous Years.

	Price, Feb. 16, 1922.	Corresponding dates in										
		1921.	1920.	1919.	1918.	1917.						
Raw Cotton—Fully Mid. American ..per lb	d 10-55	d 9-27	d 12-12	d 18-12	d 23-97	d 11-34						
— Sakellaridis Fully Good Fair ..per lb	17-50	16-25	96-00	27-09	28-56	22-40						
— Egyptian ..per lb	17-50	17	17	17-17	17-17	17-17						
Yarns—32's twist ..per lb	17-50	17-50	17-50	17-50	17-50	17-50						
— 40's twist ..per lb	17-50	17-50	17-50	17-50	17-50	17-50						
— 60's twist (Egyptian) ..per lb	17-50	17-50	17-50	17-50	17-50	17-50						
	s d	s d	s d	s d	s d	s d						
32-in. Printers, 116 yds, 18 by 16, 32's and 50's	28	6	33	6	96	0	52	c	51	6	23	6
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	28	6	36	0	96	0	50	c	50	6	22	3
32-in. ditto, 38 yds, 18 by 16, 10 lbs	17	9	22	0	51	0	30	0	28	6	13	3
39-in. ditto, 37½ yds, 18 by 15, 24 lbs	16	9	20	0	45	0	25	0	23	6	11	6

LIVERPOOL OFFICIAL QUOTATIONS—February 1 1922.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.			Same Period 1920.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
American ..	d	d	d	d	d	d	d	d	d	d	d	d
Sea Island ..	d	d	d	d	d	d	d	d	d	d	d	d
Florida ditto ..	d	d	d	d	d	d	d	d	d	d	d	d
American ..	Ord	G O L M	Mid	G M	M F	G M	G O L M	G M	G O L M	G M	G O L M	G M
6-57	7-32	8-57	9-47	10-23	11-53	11-53	5-46	6-36	9-46	10-42	11-53	11-53
Brazilian ..	Mid	M F	F	G	M	F	M F	F	G	M	F	F
Pernambuco, &c.	7-42	9-22	11-42	11-42	11-42	11-42	5-46	8-46	11-46	11-46	11-46	11-46
Paraiba ..	7-42	9-22	11-42	11-42	11-42	11-42	5-46	8-46	11-46	11-46	11-46	11-46
Mossoro, &c.	7-42	9-22	11-42	11-42	11-42	11-42	5-46	8-46	11-46	11-46	11-46	11-46
Ceara ..	7-42	9-22	11-42	11-42	11-42	11-42	5-46	8-46	11-46	11-46	11-46	11-46
Maranhão ..	7-42	9-22	11-42	11-42	11-42	11-42	5-46	8-46	11-46	11-46	11-46	11-46
Brown ..	11-75	13-25	15-75	17-50	17-50	17-50	11-50	13-00	15-00	17-00	18-00	18-00
Upper ..	11-50	13-50	15-50	17-50	17-50	17-50	11-50	13-50	15-50	17-50	18-50	18-50
West Indian—Sea Island ..	13-00	15-00	17-00	19-00	19-00	19-00	13-00	15-00	17-00	19-00	20-00	20-00
Peruvian—Rough ..	13-00	15-00	17-00	19-00	19-00	19-00	13-00	15-00	17-00	19-00	20-00	20-00
Ditto Mod. Rough ..	13-00	15-00	17-00	19-00	19-00	19-00	13-00	15-00	17-00	19-00	20-00	20-00
Ditto Smooth ..	13-00	15-00	17-00	19-00	19-00	19-00	13-00	15-00	17-00	19-00	20-00	20-00
Ditto Sea Island ..	13-00	15-00	17-00	19-00	19-00	19-00	13-00	15-00	17-00	19-00	20-00	20-00
African, East, &c.	6-25	7-25	8-25	9-25	10-25	10-25	6-00	7-00	8-00	9-00	10-00	10-00
East Indian ..	G F	rev	Gd.	F G	Fne	S Fne	rev	Gd.	Fne	rev	Gd.	Fne
Surat—Mac. Ginned Surate ..	7-35	7-35	8-35	8-35	9-35	9-35	7-40	7-40	8-40	8-40	9-40	9-40
Broach ..	7-35	7-35	8-35	8-35	9-35	9-35	7-40	7-40	8-40	8-40	9-40	9-40
M. Ginned Bhownagar ..	6-00	6-75	7-50	8-00	8-50	9-00	5-50	6-25	7-25	8-25	9-25	9-25
M. Ginned Coimbatore, No. 1 ..	6-10	6-85	7-60	8-10	8-60	9-10	5-75	6-50	7-50	8-50	9-50	9-50
M. Ginned Khandesh ..	6-10	6-85	7-60	8-10	8-60	9-10	5-75	6-50	7-50	8-50	9-50	9-50
M. Ginned Comptah ..	7-40	8-30	9-30	9-30	10-30	10-30	7-40	8-30	9-30	10-30	11-30	11-30
M. Ginned Bengal ..	5-15	5-65	6-15	6-65	7-15	7-65	4-25	4-75	5-25	5-75	6-25	6-75
M. Ginned Poind ..	5-05	5-55	6-05	6-55	7-05	7-55	4-15	4-65	5-15	5-65	6-15	6-65
Tinnivelly ..	8-85	9-35	9-85	9-85	10-35	10-35	8-40	8-85	9-35	9-85	10-35	10-35
Madras, Western ..	7-05	7-55	8-05	8-55	9-05	9-55	7-65	8-15	8-65	9-15	9-65	10-15
Madras, Northern ..	7-05	7-55	8-05	8-55	9-05	9-55	7-65	8-15	8-65	9-15	9-65	10-15
M. Ginned Coconada, Red ..	Fr.	7-90	8-30	8-30	8-30	8-30	7-65	8-05	8-45	8-85	9-25	9-65

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Telegraphic advices from Hull, where a sale of B.A.W.R.A. wool is being held to-day, indicate that the weakness which recently developed in raw material values has not yet been checked. The offerings at the East Coast port were more suitable for the Continent than for the home trade, but Bradford topmakers and Belgian buyers operated extensively, and there were few withdrawals. Prices, however, showed a general decline compared with those ruling at the Liverpool auction last week, and users will now wait for the next London series to reveal the true position of values. In the meantime, business in tops is being restricted to the supplying of immediate needs, and few firms show any disposition to place forward contracts. Quotations are accordingly somewhat

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irregular, but both for spot and future delivery concessions can be obtained in merinos. There is not so much doing in cross-breeds, the Continental demand having fallen off to some extent. Worsteds spinners report great difficulty in doing business, and in many cases quotations have been reduced with the object of tempting buyers. It is an undoubted fact that when 64's tops were selling at 4s 6d spinners could not make anything like a corresponding price for yarn, but it is thought in some quarters that quite a good business could be done if tops were steady on about a 4s basis. That level has not yet been reached, though it looks as if it will come in the near future. The piece trade shows some improvement; not the least encouraging feature being the steady expansion in exports of both woollen and worsteds goods. The Far East has been a very good market lately, and considerable quantities of cloth have also been sent to Canada. Dress goods are not difficult to sell, but large stocks of men's wear are still interfering with normal trade.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

Although wool values generally have shown a slight ease, little concern has been caused in consuming centres, due largely to the belief that prices will not decline further. The whole trade is quietly looking on in the hope that merinos will drop to about a 4s basis, at which price there would be another large buying movement. A surprising amount of confidence is being shown in the future of fine wools, and this can be taken as evidence of improvement. Some spinners consider that 3s 9d per lb would be about the right basis for 64's tops, but the majority would be satisfied with the higher figure named above. Several Bradford topmakers went to Liverpool a week ago with a 4s limit, but bought practically nothing, it being noticeable that the big firms were out of the market, the bulk of the buying being done by the smaller firms who waited till the last week of the London sales in the hope of being able to operate at 4s 3d. That was the basis at which wool was sold at Liverpool, and but for the splendid prices of merinos and fine crossbreeds staged at Manchester prices would have declined still further. However, there is no real reason to find fault with the wool market, and although a somewhat disturbing effect was created in Bradford last Monday by Melbourne advices, Australian selling centres are not providing really cheap wool. Nobody need be surprised at the report from Melbourne indicating a 10 per cent. decline, this being no doubt due to American buyers being less active. Everybody realises that most of the merinos already bought for America will have to remain in bond until the permanent tariff comes into force, and June is now mentioned as the time this is likely to take place. The new tariff will no doubt be fixed according to what party has the strongest influence in deciding it, but 30 to 33 cents per lb., which is mentioned as the duty on the clean scoured content of imported merino wool, appears to be excessive. The Western State growers are responsible for the instigation of this tax, but we fail to see what real good can be accomplished by it. United States sheep men cannot produce anything like the weight of wool wanted by the textile industry of the country; 20 cents on 58's and upwards and 15 cents on all qualities below would give adequate protection. Excessive duties on imported wool, which United States mills need, can only result in an increase in the cost of fully-manufactured goods. It is obvious that this increased cost will ultimately have to be paid by the public, and as the wool growers themselves are as much a part of the community as any other section of the populace, they will have to bear some of the increased burden which they themselves are proposing indirectly to impose. It would be far better to reduce the import duties by one-half, or better still, to put wool on the free list. This cannot but help to ensure a big consumption of the raw material, and make fully-manufactured goods available at reasonable prices for everybody. United States growers are, of course, quite entitled to consider the question from their own point of view, and it is evident that they have a definite programme of their own, which they will probably persistently pursue. At the same time, we can scarcely refrain from expressing the hope that the interests of the manufacturing section will not be entirely overlooked.

AUSTRALIAN WOOL SALES.

Messrs. Dalgety and Co. have received the following cable from their Sydney branch:—"Wool sales: The market is easier and competition less animated. Medium and good merino wools are 10 per cent. lower. Inferior and faulty merinos 10 per cent. lower. Medium and coarse crossbreeds are also 10 per cent. lower."

VEGETABLE OILS AND OLSEEDS.

An easier feeling has come over linseed and linseed oil following lower Argentine options and reports of expected larger shipments. Consequently, sellers are more in evidence, and prices, both on spot and for shipment, are on a lower level. Little business has been in seed on consumptive account, present values being considered too high in view of the state of the oil market—in fact, crushers are reported to have re-bought oil on more favourable terms than they could produce it from seed at current market values. Raw linseed oil received something of a flip at the close of last week, when North America was an extensive buyer round £35 to £35 10s per ton, ex Hull mill, between 2,000 and 3,000 tons being taken up for prompt shipment. Prices advanced to £37 10s 10d and £40 London for spot oil, but have since receded 20s to 40s per ton, while forward delivery is at a slight discount off spot oil. Egyptian cottonseed on firmer markets in Alexandria has been

firm, and slightly more money is demanded, while Bombay has firmed up steadily to £10 on spot. Crude cotton oil is scarce and dearer at £36 for Egyptian, ex Hull mill, and refined is advanced. Soya bean oil firmer and 20s dearer, as is also palm kernel oil; but rape, coconut, castor, and ground nut oils are about unchanged.

Owing to the small "crush" of seed of late, linseed cakes are in short supply, and buyers are called upon to pay more for them. The imports of oilseeds, oil nuts and kernels in January aggregated only 88,005 tons, against 133,784 tons a year ago, the falling off being equal to 34 per cent., and chiefly under the heads of linseed and palm kernels. The exports of unrefined oil at 6,908 tons included 4,822 tons linseed oil and 1,421 tons soya bean oil, and were above last year. Exports of refined cotton and palm kernel oils showed a very decided decline, and with the reduced arrivals of seed indicate the lean times through which the oilseed crushing and allied industries are passing.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

the coming summer will show some startling examples in what are now called "jazz" shoes.

The shoe trade is a little better, but as the export of British footwear fell to £170,497 last month, against £311,129 for the first month of 1920, the outlook in this direction is not altogether hopeful.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, February 17.

There was a moderate business doing in some directions, but as a rule trade proceeded quietly, demand, particularly for raw materials, being confined to immediate requirements.

SUGAR.—There was a steady demand for all refined goods on the spot, and with only limited quantities of imported available, British makes were favoured. Messrs Tate and Lyle's cubes sold, 51s to 52s, as to quality; granulated, 46s 3d to 46s 9d; caster, 48s 3d to 48s 9d; yellow crystals, 40s 9d; granulated, March delivery, 46s 3d; ditto, April-June, 46s 3d. West India crystallised, sold from 39s to 41s 9d, as to sample. Muscovado nominal in absence of sufficient supplies. American granulated, February, steamer, sold, 18s to 18s 7½d, c.f. and i. terms, U.K. White Mauritius, spot, sold, 44s; ditto, adroit, held for 20s 3d, c.f. and i., London. White Natal, spot, sold, 44s 6d. Of Dutch makes, W.S.R., granulated, prompt, held for 19s; J. 18s 9d; and W.S.R. cubes, 22s 9d, f.o.b., Amsterdam. Czechoslovakian sugars scarcely offered during the week, owing to the difficulties attaching to transit, also labour troubles and lack of fuel supplies. Belgian crystals remain quite out of the market. Terminal market steadier. White, March delivery, sold, 18s 3d to 18s 9d; August, 18s 3d to 18s 9d. Cuban stocks, total 767,000 tons, against 325,000 tons same time last year.

COFFEE.—Spot market ruled fully steady, and supplies offered at public sale met a good reception. Bold new crop East India sold, 122s; bold Nairobi, 109s to 121s; Uganda, 94s to 95s 6d; Costa Rica, bold, 105s 6d up to 135s; fine peaberry, 152s 6d. Futures firmer. March sold, 50s 9d; May, 51s 10½d.

COCOA.—At auction, 9,848 bags were brought forward, of which 5,260 consisted of Grenada. A good demand prevailed for Grenada at 2s to 2s 6d per cwt advance, though otherwise a quiet tone ensued. Fine red Trinidad, sold, 61s; Grenada, common to good, 48s to 53s; fine, 55s to 56s; Dominica, fair to good, 49s to 52s 6d. Ceylon ordinary, sold, 88s. Butter steady, at 1s 9½d per lb.

TEA.—Quantity of Indian offered at public sale this week amounted to 43,945 packages. All the better descriptions sold well at a steady range, but inferior proved rather quiet, with prices occasionally in buyers' favour. 18,000 packages Ceylon attracted fair attention, but prices on balance disclosed some irregularity. Where quality was maintained, steady rates were secured.

RISE.—Market steady, and a fair volume of business resulted. Two Stars, Rangoon, spot, sold, 14s; No. 1 garden, Siam, spot, quoted 14s 6d. Broken kinds quiet, but steady. Bran slow. New crop, Burma, February-March, sellers, 6s per ton, ex ship. Rangoon beans quietly steady, and hand picked, spot, sold, 7s 9d. Japanese peas, on spot, 40s; Dutch, 20s to 25s, as to quality.

SPICE.—Pepper was dealt in to a moderate extent, and market ruled steady. Fair black Singapore, spot, sold, 4d; ditto, March-May, 3½d to 4d and 3½d; April-June, 4d and 3½d; ditto, April-June, Hamburg, 4½d; Aleppy, spot, London, quoted 4½d; Tellicherry, 4½d; white Singapore, spot, 7½d; Muntok, ditto, sold, 7½d to 8d; ditto, March-May, 7½d to 7¾d, and 7¾d; April-June, 7½d to 7¾d. Zanzibar cloves quiet. Spot, fair, sold, 1s 4d to 1s 4½d; February-April, steamer, 1s 2d, c.f. and i. Fair flake tapioca quiet of sale on spot, at 1½d per lb. Fair Penang seed pearl, spot, sold, 17s 3d. Sago flour quiet; January-February sold, 14s 9d to 14s 6d; January-March, 14s; and February-April, 13s 7½d. Desiccated coconut: Spot lots held for 40s per cwt. Ginger quietly steady.

FRUIT.—A very quiet tone again governed the market for currants. Pyrgos, quoted 54s; Amalia, 56s to 58s; Vostizza, 70s to 80s. Valencia raisins, also sultanas, steadily held, but there is only a small trade doing. Dates quiet but steady, and Siar, on spot, quoted 28s 6d for new crop.

JUTE.—Actual transactions effected this week were on a moderate scale, but in the absence of any undue pressure to sell values ruled tolerably steady. New crop, first grade, spot, Hamburg, sold 27; ditto, February-March and March-April, 24 to 24 5s; lightning grade ditto, 19 15s to 20 5s. Calcutta hessians and twills slow of sale.

HEMP.—With no recovery in demand from spinners, business proved quite retail in extent, and quotations in most instances were nominally easier. C grade, January-March, quoted 150; D, 148; E, 146; F, 142; G, 138 10s; J, 137 10s; K, 136; L, 135; M, 133 10s; streaky, one, 142 10s; two, 140 10s; three, 138 10s. New Zealand quite a dead-letter at the moment. Fair, January-March, sellers, 133. African sisal dull.

SHELLAC.—Market firmer forward, but spot trade moved quietly. Fair T.N., spot, 345s; March sold, 325s to 347s 6d; May, 315s to 342s 6d.

OPRA.—There was a fair trade doing, but market ruled somewhat unsettled. F.M.S. Straits, January-March, Rotterdam, sold, 25 15s to 25 5s; February-April, 25 17s 6d to 25 7s 6d; March-May, 26 2s 6d to 25 7s 6d. Ceylon, February-April, Hamburg, done, 26 15s; South Sea Islands to London, quoted 24 10s; Cebu to Hamburg, 25 5s. Palm kernels steady. February-April, Liverpool, sold, 18 15s to 19, and again at 18 5s.

RUBBER.—Market dull and lower on the week. Standard crepe

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.			INDIA RUBBER.—lb.			PROVISIONS.—		
0000A—Duty, British grown			Para, fine, hard, spot			Butter—per cwt.		
35a foreign 42s. cwt.			Plantation crepe			Do factory		
Trinidad, per cwt.			INDIGO—per lb.			Australian		
Grenada, per cwt.			Bengal, good red vio-			Argentine		
Ouyon, plantation			et to fine			Dutch		
Guayquil			Mid. ord. vio. to good			New Zealand		
Bahia, finest			Low to good ord.			Danish		
COFFEE.—British grown			Mistral, dry leaf, good			Bacon, engd.—Irish		
35a foreign 42s. cwt.			Gum, gum, 100 to 100			Danish		
E India, finest, 50 0 0			Curpah, 100 to 100			Canadian		
Do good to fine			Low to mid.			America		
Do good to fine			HEMP—per ton			Hemp—Irish		
Central American, 50 0 0			St. Petersburg, layer			Canadian		
ord. to mid.			Manila, J. Grade,			American		
Mid. to fine			per lb.			Lord—Irish bladders		
Columbian, ordinary, 60 0 0			N. Z. spot, high fair			American boxes with 70		
Do good to low mid			JUTE.			Pork—per 8 lb.		
Do mid. to fine			Native first marks,			Beef—Frozen, per 8 lb.		
CHROMIUMS.—			Feb./Mar. 1st grade			Scotch		
Add, electric			Do do 10/10 lb.			Cheshire		
Zinc, net			Do do 10/10 lb.			Dutch		
Zinc, net			Do do 10/10 lb.			Eng. straight ex mill		
Tartaric, English			Do do 10/10 lb.			Eng. straight ex mill		
Foreign			Do do 10/10 lb.			Eng. straight ex mill		
Alum lump, per ton			Do do 10/10 lb.			Eng. straight ex mill		
Do ground			Do do 10/10 lb.			Eng. straight ex mill		
Ammonia, carb. lb.			Do do 10/10 lb.			Eng. straight ex mill		
Sulphate			Do do 10/10 lb.			Eng. straight ex mill		
Argentine, lump, per ton			Do do 10/10 lb.			Eng. straight ex mill		
Powder			Do do 10/10 lb.			Eng. straight ex mill		
Alum, per cwt			Do do 10/10 lb.			Eng. straight ex mill		
Pearl do			Do do 10/10 lb.			Eng. straight ex mill		
Bleaching pwr. p. ton			Do do 10/10 lb.			Eng. straight ex mill		
Bricks, crystals			Do do 10/10 lb.			Eng. straight ex mill		
Do potash			Do do 10/10 lb.			Eng. straight ex mill		
Ocean Tar			Do do 10/10 lb.			Eng. straight ex mill		
Soy powder			Do do 10/10 lb.			Eng. straight ex mill		
Calomel			Do do 10/10 lb.			Eng. straight ex mill		
Kiln, dry			Do do 10/10 lb.			Eng. straight ex mill		
Kiln, dry			Do do 10/10 lb.			Eng. straight ex mill		
Potash			Do do 10/10 lb.			Eng. straight ex mill		
Chlorate, net			Do do 10/10 lb.			Eng. straight ex mill		
Fumigate			Do do 10/10 lb.			Eng. straight ex mill		
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Banks, &c.

COMMONWEALTH BANK OF AUSTRALIA
(Guaranteed by the Australian Government.)

Sir DENISON MILLER, K.C.M.G., Governor.
JAMES KELL, Deputy Governor.

Branches and Agencies throughout Australasia.
Banking and Exchange Business of every description transacted. Bankers to the Government of the Commonwealth of Australia, the Government of the State of Queensland, the Government of the State of South Australia, the Government of the State of Tasmania.
8,181 Savings Bank Branches and Agencies at Post Offices in Australia. At 30th June, 1921.
Savings Bank Balances ... £36,190,380
General Bank Balances ... 34,515,485
Note Issue Department ... 58,225,787
Other Items ... 11,642,148
£140,573,808

London Office: 33-41 NEW BROAD ST., E.C. 4.
C. A. B. CAMPION, London Manager.
Also at Australia House, Strand, W.C.

HONG KONG AND SHANGHAI BANKING CORPORATION.

CAPITAL ALL PAID UP ... £20,000,000
RESERVE FUND ... £28,500,000
RESERVE LIABILITIES OF PROPRIETORS £20,000,000

Head Office—HONG KONG.
Chief Manager: Hon. Mr. A. G. STEPHEN.
Branches and Agencies: Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo, Colombo, Dally, Foochow, Hankow, Harbin, Hongkong (Shanghai), Ipoh, Johore, Kobe (Hogok), Kuala Lumpur, London, Lyons, Malacca, Manila, Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San Francisco, Shanghai, Singapore, Sourabaya, Sungei Patani, Tientsin, Tsingtau, Vladivostok, Yokohama.
COMMERCIAL IN LONDON:
Sir CHARLES ADDIS, K.C.M.G., Chairman.
Hon. Cecil Baring, C. A. Campbell, David Landale, Sir George Sutherland, A. M. Townsend, C. F. Whigham.
MANAGERS IN LONDON:
Sir NEWTON J. BEAVER, H. D. C. JONES, Sub-Managers, John MacLennan, Accountant, A. Moncrieff.
GRACECHURCH STREET, LONDON, E.C. 3.

THE YOKOHAMA SPECIE BANK, LTD.
(Incorporated in Japan.)

Capital Subscribed & Fully Paid ... Yen 100,000,000
Reserve Fund ... 57,000,000
Head Office ... YOKOHAMA.

Branches at—Batavia, Bombay, Buenos Ayres, Calcutta, Changchun, Dairen (Daijiny), Fengtien (Mukden), Hankow, Hankow, Harbin, Honolulu, Hong-Kong, Kai Yuen, Kobe, London, Los Angeles, Lyons, Manila, Nagasaki, Nagoya, Newchwang, New York, Osaka, Peking, Rangoon, Rio de Janeiro, Saigon, San Francisco, Seattle, Shanghai, Shimonoseki, Singapore, Sourabaya, Sydney, Tientsin, Tokyo, Tsingtau, Vladivostok.
The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit above places and elsewhere, and transacts General Banking Business.
Deposits received for fixed periods at rates to be obtained on application.
London Office: 7 Bishopsgate, E.C. 2.
T. OKUBO, Manager.

THE ROYAL BANK OF CANADA
Established 1869.

Paid-up Capital and Reserve ... £48,000,000
Total Resources ... £500,000,000
Head Office: MONTREAL.
SIR HERBERT S. HOLT, President.
E. L. PEASE, Vice-President & Managing Director.
C. E. NEILL, General Manager.

LONDON OFFICE
BANK BUILDINGS, PRINCES STREET, E.C. 2.

T. R. WHITLEY, Manager. J. MACKIE, Joint Manager.
790 Branches in Canada and Newfoundland; Cuba, Porto Rico, Dominican Republic, Haiti, Costa Rica, Venezuela and Colombia; British West Indies, French West Indies; British Honduras, British Guiana, Buenos Aires, Argentina; Montevideo, Uruguay; Rio de Janeiro, Santos and Sao Paulo, Brazil, Spain, Barcelona, New York Agency, 68, William Street.

FRENCH AUXILIARY:
THE ROYAL BANK OF CANADA (FRANCE).

P. ARISTIDE, Manager.
PARIS, 38 Rue du Quatre-Septembre.

BANCO DE CHILE.

London Agency—
94 GRACECHURCH STREET, E.C. 3.
Chilias Dollars.
Paid-up Capital ... £100,000,000
Reserve Fund ... 58,000,000
Reserve Liability of Shareholders ... 100,000,000
Reserve Funds Gold of 184 ... £1,000,000
13,333,333
Head Office: Santiago and Valparaiso.
Branches in all parts of Chile.
The London Agency transacts every class of Banking business with Chile. Current accounts also opened and deposits received.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

Incorporated by Royal Charter and Act of Parliament.
ESTABLISHED 1825.
Capital Subscribed, £5,000,000. Paid-up, £1,100,000. Uncalled, £3,900,000.
RESERVE FUND ... £1,100,000.

HEAD OFFICE—EDINBURGH.
WILLIAM CARNEGIE, General Manager. GEORGE A. HUNTER, Secretary.
LONDON OFFICE—37 Nicholas Lane, Lombard Street, E.C. 4.
T. O. RIDDELL, Manager. DUGALD SMITH, Assistant Manager.
There is a specially equipped Foreign Department at the principal Glasgow Office.

NATIONAL BANK OF TURKEY
(Affiliated to the British Trade Corporation).

Established 1909 by Imperial Firman.
CAPITAL - L. 1,000,000 Sterling.
Head Office, Constantinople. Telegrams, Britbank, Constantinople; Branches, Stamboul; Telegrams, Natbank. Synonyms: Telegrams, Britbank, Panderna and Pera.
London Office: 50, Cornhill, E.C. 4. Telegrams: Natbank, London.
The Bank has Agents in all the Principal Cities of Europe, America, and the Far East, and has correspondents throughout the world. Every description of Banking business in all its Financial and Commercial Branches undertaken. Business Houses trading with Turkey can insure Foreign Exchange with the Bank. Banks, Commercial Houses and others having business interests in Turkey are invited to apply for terms.

BANK OF NEW SOUTH WALES
Established 1817.

London Office—29 Threadneedle Street, E.C. 2.
Paid-up Capital ... £5,000,000
Reserve Fund ... 8,500,000
Reserve Liability of Proprietors ... 5,000,000
Aggregate Assets, 30th Sept. 1921 ... £71,865,352 0 5
The London Office issues drafts on demand on its Head Office (Sydney, N.S.W.) and Branches in all the Australian States, New Zealand, Fiji, and Papua. Makes Mail and Cable Transfers, Negotiates and Collects Bills of Exchange. Arranges Wool and other Produce Credits. Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australasian Banking Business.
H. MELDRUM, Acting Manager.

THE BANK OF NOVA SCOTIA
Established 1822.

General Office—Toronto, Canada.
Capital ... \$9,700,000
Reserve Fund ... \$18,000,000
Total Assets over \$225,000,000
Special facilities are available to the public through the branches of this Bank for the transaction of business with Canada, Newfoundland, Cuba, Porto Rico, Dominican Republic, Jamaica, and the United States at Boston, Chicago and New York. 225 Branches in all.
London Branch:
55, OLD BROAD STREET, E.C. 2.
E. C. MACLEOD, Manager.

THE LONDON AND RIVER PLATE BANK, LIMITED.
Established 1822.

PAID-UP CAPITAL & RESERVE FUND £1,140,000
AFFILIATED WITH LLOYDS BANK, LTD.
Established at—
ARGENTINA. Buenos Aires and 5 Sub-Branches, Bahia Blanca, Concordia, Cordoba, Mendoza, Parana, Rosario, Tucuman.
URUGUAY. Montevideo, and at Calle Rio Negro (Montevideo), Paysandu, Salto, Rivera.
BRAZIL. Rio de Janeiro, Bahia, Curitiba, Macao, Manaus, Para, Pelotas, Pernambuco, Porto Alegre, Rio Grande, Santos, Sao Paulo, Victoria.
CHILE. Valparaiso, Santiago, Antofagasta, PARAGUAY. Asuncion.
COLOMBIA. Bogota.
U.S. AMERICA. New York, 51, Wall St.
FRANCE. Paris (16 Rue Halvy).
BELGIUM. Antwerp (22 Place de Meir).
PORTUGAL. Lisbon (82 Rua Aurora).
Agents throughout the world.
Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced against or sent for collection.—7 PRINCES STREET, E.C. 2.
Manchester, 86 Cross Street.
Bradford, 49 Hunsleygate.

THE ANGLO-EGYPTIAN BANK LTD.

SUBSCRIBED CAPITAL, £1,500,000
PAID-UP ... £500,000 | RESERVE FUND £750,000
BRANCHES—Alexandria, Cairo, Beni-Suef, Mansourah, Port Said, Tanta, Zagazig, Khartoum, Jaffa, Jerusalem, Malta, Gibraltar, Haifa, Port Sudan, Assiut, Omdurman, Nazareth, Suez.
The Bank transacts every description of Banking business in Egypt, grants Letters of Credit, and affords facilities to travellers proceeding to Egypt and elsewhere.
Deposits received for fixed periods at rates to be obtained on application. Interest payable February 28th and August 31st.
On current accounts interest at the rate of 3 per cent. per annum allowed on minimum monthly balances, provided they do not fall below the sum of £200.
No. 27 Clement's Lane, Lombard Street, E.C. 4.

ENGLISH SCOTTISH AND AUSTRALIAN BANK, LTD.

Head Office: 5 Gracechurch Street, E.C. 3.
Authorized Capital ... £3,000,000 0 0
Subscribed Capital ... 2,838,775 0 0
Paid-up Capital ... 1,818,887 10 0
Further Liability of Proprietors ... 1,818,887 10 0
Reserve Fund ... 1,500,000 0 0
Letters of Credit and Drafts on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.
Remittances made by Telegraphic Transfer, Bills Negotiated or Forwarded, Collection, Banking and Exchange Business of every description transacted with Australia.
E. M. JANION, Manager.

THE CANADIAN BANK OF COMMERCE
Head Office—TORONTO.

Paid-up Capital ... \$15,000,000 (\$8,125,000)
Reserve Fund ... \$15,000,000 (\$8,000,000)
Over 530 Branches throughout CANADA, and in NEWFOUNDLAND, the UNITED STATES, the WEST INDIES and MEXICO.
London Office: 2 LOMBARD STREET, E.C. 2.
A general Banking Business conducted with all points in North America.
CHARLES CAMBIE, Manager.
A. R. PHIPPS, Asst. Manager.

NATIONAL BANK OF NEW ZEALAND, LIMITED.

HEAD OFFICE—17 MOOREGATE, E.C. 4.
AUTHORIZED CAPITAL ... £2,000,000
SUBSCRIBED CAPITAL ... £800,000
PAID-UP CAPITAL ... £400,000
RESERVE FUND ... £1,000,000
UNCALLED CAPITAL ... £1,600,000
Receives Deposits of £50 and upwards for 1 or 2 years, at rates to be ascertained on application.
Drafts, Letters of Credit and wire Remittances granted and Bills on New Zealand purchased or sent for collection.
ARTHUR WILLIS, Manager.

CRÉDIT SUISSE

Established 1856.
Capital and Reserve ... Franes 130,000,000
Head Office: ZURICH, SWITZERLAND.
Basle, Bern, Frankfurt, Geneva, Glarus, Krenzingen, Lausanne, Lucerne, Neuchâtel, St. Gall.
General Banking Business.

The Economist,
WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCIV.

SATURDAY, FEBRUARY 25, 1922.

No. 4,096.

Andresens og Bergens Kreditbank A/S
(Foreningsbanken)

CHRISTIANIA & BERGEN

Capital and Reserve Fund - Kr. 112,000,000.00

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TABLE OF CONTENTS.

The Money Market	387	Stock Exchange News—	
Leading Articles—		The Stock Markets	408
Points in the Economy		New Issues	409
Campaign	389	Active Securities	410
Home Railway Results	390	Company Meetings	411
The Stock Exchange Boom	392	Government Returns—	
Direction of Overseas Trade	392	Public Income and Expenditure	425
The City Life Assurance Company, Limited	394	Currency Notes Account ..	425
Five-Power Naval Treaty ..	395	Treasury Bills by Public Tender	425
Latin-American Notes	396	Bankers' Gazette—	
Notes of the Week—		Bank of England	426
Genoa and Geneva	397	Clearing Returns	426
The Cost of Living	397	Overseas Bank Returns	426
Employment in January ..	397	Loan and Discount Rates ..	428
The Building Guilds	398	Overseas Bank Rates	428
Engineering Crisis	398	Rates of Exchange	428
Exchequer Bond Conversions	398	Indian Treasury Bills	429
The Re-insurance Habit ..	398	Bullion	429
The Situation in Mexico ..	399	Imports and Exports of Gold	429
Anglo-Czech Bank	399	Gold and Silver Prices	430
The New Baltic States	399	Company News—	
The Rand Strike	400	Oil Outputs	430
Housing Problems in Germany	400	Dividend Announcements ..	430
Lancashire Cotton Dividends	400	Reports and Notices	431
Non-Ferrous Metal Prices	400	Mining Output Statistics	431
Jute Industries	400	for January	431
Conditions in Japan	401	Railway & Tramway Traffic	432
Overseas Correspondence—		Profit and Loss Accounts ..	433
United States	401	Commercial Reports—	
France	402	Corn Trade	434
Germany	403	Iron and Coal Trade	435
Poland	404	Wool Trade	435
Holland	405	Cotton Trade	436
Argentina	405	Timber Trade	436
Letters to the Editor—		Vegetable Oil and Oilseeds	437
Reinstitution of Contangoes	406	Hide and Leather Trades ..	437
The Bankers' Diagnosis ..	406	Overseas Produce Markets ..	437
Books and Publications—		Price Current	438
Recent Economic Literature	407		
Books Received	408		

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THE MONEY MARKET.

GREATER stability marked rates for money and bills. Up till Thursday loans were easy to get at 3 per cent. downwards, and though on that day further heavy collections of revenue, in addition to those revealed by the Bank return, caused 3½ to be charged by some lenders, and though a small amount was borrowed from the Bank, the discount rate was unmovable. Bills were scarce, and very little business was done above 3½ per cent., which figure, however, gave the market a small margin of profit. The amount of money, apart from day-to-day fluctuations, is

still large, and the course of discount rates would seem to depend on the amount of bills offered for tender by the Treasury.

	Feb. 24, 1922.	Feb. 17, 1922.	Feb. 10, 1922.	Feb. 3, 1922.	Previous Rate and Date Changed.
Bank Rate	4½	4½	5	5	5 (Feb. 16, '22)
Bank Deposit Rate	2½	2½	3	3	3 (Feb. 16, '22)
Discount Call	2½	2½	3	3	3 (Feb. 16, '22)
Household	2½	2½	3½	3½	3½ (Feb. 16, '22)
Treasury Bills, 3 months ..	3½	3½	3½	3½	..
Market rate (3 months' bills)	3½	3½	3½	3½	..

* Additional to those offered by tender the preceding week.

Thursday's Bank return showed a further improvement. The circulation fell by £206,800, and the Reserve was £205,800 higher. Government securities were reduced by £15,880,000, while Other securities rose by £1,072,800. Deposits were thus £14,618,000 lower, Other being reduced by £27,514,400, while Public rose by £12,896,500. The Proportion stands at 18½ per cent., as against 16½ per cent. in the previous week. The circulation of currency notes was reduced by £4,126,100 to £298,276,300, which includes £1,679,700 for notes called in but not yet cancelled. The fiduciary issue is £248,646,600, or £61,341,800 below the maximum.

THE STOCK MARKETS.

Activity in the Stock Exchange has increased each day, and the volume of business is more than double that of a month ago. Thanks to scarcity of stock, spectacular rises in quotations have occurred, but the Consol and Home Railway markets close below the highest, owing to profit-taking. In the foreign market, French issues have been prominent, and the general activity has spread to all sections, with the exception of the markets for rubber shares and base metal mining issues, and there has been little reaction in prices. The price of rubber has touched a new low record, but there has been steady buying of good industrials. A considerable element of speculation has been imported into the markets, and there are many observers who would be glad to see a relaxation of the recent excitement.

COMMODITY MARKETS.

Prices in the cotton market continue firm, and though the demand from India is poor, some Manchester shippers have bought light fabrics speculatively. In the wool trade all sections of the industry are reported to be quiet, with a tendency to easier markets. At the Hull wool sale last week there was a decline of fully 5 per cent. on most merinos and a little more on crossbreds. The price of Cleveland pig-iron remains unchanged, but hematite has risen to 97s 6d per ton at works. Our Glasgow correspondent states that Scotch prices have moved in sympathy. Additional furnaces are going into blast in the Cumberland district, where it is stated that orders are being placed more freely. Reports from Sheffield indicate a better tone in the iron and steel trades, and there are signs of activity in the heavy branches of the engineering section. Welsh coal shows a further substantial advance on the week, best Admiralty moving up to 26s 9d per ton. The wheat markets were quiet, owing to the holiday in Chicago. Prices are still falling in the timber trade, consumers buying from hand to mouth. Easier conditions prevailed in the vegetable oil and oilseeds markets on the satisfactory official report from Argentina as to the crop yield. The home hide market remains steady, with slight unimportant alterations, but there is no improvement in the boot trade, export orders being rare. In the Belfast linen trade it is stated that buyers continue to act with caution, but linen sales in the United States are reported to be satisfactory. Detailed reports from our special trade correspondents will be found in later columns.

FOREIGN EXCHANGES.

Business in the foreign exchange market, although patchy, has been rather more active again. After the reaction, which, as we suggested, proved only temporary,

dollars moved up again, from \$4.35 to \$4.41½, on Thursday. The pace, however, seemed rather too rapid for the confidence of the market, and yesterday morning there was a slight reaction to \$4.40½. At the same time, there is an undercurrent of feeling that for some time to come the main direction will be upward. One temporary factor, the effect of which is probably not yet exhausted, would seem to be the moving of funds from New York to Holland in connection with the recent Dutch loan in America. At par for one month, 1-32 for two, and 1-16 for three above spot, future rates are about the same as last week. Interest for the last few days has concentrated on francs, which from just under 50f on the 17th fell to just over 48f on Monday, since when they have oscillated between that figure and 48.50f, being quoted yesterday morning at 48.35f. Coming at this moment, especially when M. Loucheur has spoken out so clearly with regard to France's attitude towards its American liabilities, optimism as to the franc is not easy to understand, and it is more puzzling to find that most recent buying comes from America. It is, of course, normal for the franc to appreciate in the spring, but the present movement and the general expectation that rates will go still lower would seem to have little real foundation. Francs one month ahead are quoted at parity with spot, two months ahead at one centime below. The lira, with one set-back on Wednesday, shows a sharp recovery in spite of political complications. Madrid and Amsterdam have both moved against us, but the Swiss rate has gone in our favour some 20c. In the North, Copenhagen, in spite of serious labour troubles in Denmark, continues to improve; Christiania and Stockholm, however, have both depreciated somewhat after their recent strong movement against us. Helsingfors remains satisfactorily steady. Berlin during the week has suddenly depreciated, going up on the 20th to not far short of 1,000, and although some recovery has taken place, it still shows at 960 a rising tendency. Disappointments over Genoa and the burden of the ten-day reparation instalments are quite enough to account for such movements on this very sensitive exchange. The Viennese rate has been particularly puzzling. In spite of advances and promises of advances from England and other countries, the recovery of the rate for inland kronen has been very slight, and an upward tendency to 28,000 appears to have set in again. At the same time, the London rate for Auslandskronen appears to have broken away completely, and has leapt up to 21,000. The only reasonable explanation is that the market has at last realised the folly of this almost entirely artificial quotation, and it is to be hoped that the rate may be brought near enough to the Inlands rate to allow the Austrian Government to abolish the distinction between the two without difficulty. Warsaw has depreciated to 17,000 and Prague and Belgrade are both higher again, the former in spite of persistent rumours of a loan. This rise in quotation will certainly be welcomed by Czech manufacturers whose business has been thrown into confusion by the recent too rapid recovery of the Czech krona. In the East the rupee is again rather cheaper at 1s 3½d and the yen at 2s 1 23-32d. The silver market has been irregular, with heavy future sales by China and strong spot buying for March settlements by India. On the whole, however, the tendency has been downward, and the immediate outlook is not hopeful. Hong Kong and Shanghai are both cheaper. In South America Valparaiso has moved rather sharply against us to \$40.80. Buenos Ayres is a little cheaper, Monte Video rather dearer at 45d.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 18, 1922:—

Receipts.	Min. £	Expenditure.	Min. £
From Revenue	36,448	Supply Services	22,909
		Interest on Debt	263
		Road Fund	261
		Sundries	465
		Reduction of Debt	21,944
		Added to Exchequer balances ..	263
	36,448		36,448

Property and Income-tax yielded £17,900,000, Customs and Excise £11,216,000, Estate Duties, &c., £1,447,000, and Special Receipts £3,378,577. The surplus is smaller than in the corresponding week last year, but in most

items the revenue is keeping up to estimate. At the present rate there will be a slight deficiency on Income-tax receipts, but Customs and Excise may show a slight excess.

The week's operations reduced the National Debt by the sum of £21,743,405, and caused the following changes:—

	Min. £		Min. £
5% Treasury Bonds	+ 31,985	Treasury Bills	- 14,789
National Savings Certificates ..	+ 1,850	Borrowers of Bonds, &c.	- 499
5½% Treasury Bonds	+ 200	Depreciation Fund	- 500
	+ 33,635	Unemployment Insurance	- 500
		Bank of England Advances	- 8,000
		Public Department Advances ..	- 31,000
			- 55,378

The floating debt was reduced by £53,825,000 to £1,088,466,000. Sales of 5 per cent. Treasury Bonds amounted to £31,965,000.

FINANCIAL YEAR, 1921-22 (TO DATE) APRIL 1 TO FEBRUARY 18, 1922.

Total spent	902,777,550	Raised by revenue ..	891,015,549
Inc. in balances	1,802,794	Net borrowings	13,564,795
Total	904,580,344	Total	904,580,344
ESTIMATES for YEAR 1921-22.			
Ordinary Receipts ..	1,058,150,000	Ordinary Expenditure ..	974,023,000
Special Receipts ..	158,500,000	Special Expenditure ..	65,705,000
Total	1,216,650,000	Total	1,039,728,000
		Surplus*	176,922,000

* Owing to liabilities which could not be precisely calculated, it was estimated that the final balance would not exceed about £80,000,000.

NATIONAL DEBT. (Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Dec. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Feb. 18, 1922.
Funded Debt	688	318	318	315	315	315	315	315	315
Term Annuities	30	23	22	20	19	19	18	17	17
4½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	14	13	13	13	13	13	13	13
4½% War Stock	2,091	2,088	2,047	2,040	2,008	1,995	1,956	1,948	1,948
National War Bonds ..	649	1,636	1,509	1,476	1,441	1,413	1,201	1,201	1,201
4% Funding Loan	..	..	409	409	407	405	405	405	405
4% Victory Bonds	..	..	360	357	358	348	346	346	346
5½% Conversion Ln.* ..	..	..	..	..	..	..	265	265	265
5½% year Treasury Bonds ..	..	..	..	..	..	18	23	24	24
5% Treasury Bonds	..	..	..	..	..	..	273	280	280
Treasury Bills	18	981	957	1,107	1,107	1,121	1,050	975	975
Exchequer Bonds	80	392	384	323	319	292	218	194	194
Nat'l Savings Certs.	..	138	237	267	274	279	285	294	305
War Expend. Certs.	..	23	..	..	..	..	..	..	..
Other Debt	..	944	1,241	1,306	1,181	1,164	1,132	1,097	1,091
American Loan	..	51	51	51	51	51	51	51	51
Temporary Advances	..	204	455	943	906	306	154	200	113
Other Capital Liabilities ..	654	5,872	7,435	8,033	7,829	7,785	7,574	7,748	7,696
Total Liabilities	711	5,921	7,481	8,079	7,876	7,832	7,623	7,799	7,74

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.

	Temporary Advances	Out. Feb. 19, '21.	Mar. 31, '21.	Feb. 18, '22.	Movement week ended Feb. 18, '22.
standing—					
Advances by Bank of England ..	14,500,000..	154,489,000..	113,115,000..	8,000,000..	
Advances by Public Departments ..	197,072,000..	1,120,841,000..	975,351,000..	31,000,000..	
Treasury Bills outstanding	1,115,759,000..	1,275,330,000..	1,088,466,000..	53,825,000..	
Total Floating Debt	1,327,331,000..	1,275,330,000..	1,088,466,000..	53,825,000..	

POINTS IN THE ECONOMY CAMPAIGN.

THE attention of Parliament has this week largely been directed to questions of economy and finance, and though the main battle cannot commence until the Government makes the first move next week with an announcement of its intentions, there has been much preliminary skirmishing. First blood was drawn when the Government withdrew for reconsideration its proposal with regard to Civil Service pensions. These have hitherto been finally fixed by the rate of pay an official is earning at the time he leaves the Service. But Mr Hilton Young undertook to examine the possibility of making future pensions variable in accordance with the cost of living. He even undertook, though with greater reluctance, to look into the question of existing pensions, though this proposal encounters the difficulty of modifying existing undertakings. The principle raised is a far-reaching one, for all the arguments used clearly apply equally to war pensions. The problem illustrates the difficult questions that are caused by a fluctuating level of prices.

The defeat of the Conservative candidate in the Clayton and Camberwell by-elections is commonly attributed by both sides to a profound dislike on the part of the electorate for at least one of the major proposals of the Geddes Committee—the cut in the education vote. The suggestion to reduce the total charge for education by 18 millions out of 104 millions (of which 60 millions is chargeable to the taxpayer) is, indeed, one which in our opinion has no prospect of commanding the assent of public opinion, and is the least defensible on merits of the proposals of the Committee. We should be the last to deny that a vote which has risen since 1914 from 14½ to 50½ millions in England and Wales needs most careful scrutiny. Particularly is this necessary in a service in which 55 per cent. of the cost (44 per cent. in 1914) is found by the Exchequer, while the spending is in the hands of the local education authorities. Where so large a proportion is borne on central funds the incentive to local economy may be dangerously diminished. We, therefore, strongly sympathise with the recommendation that the block grant system should be reintroduced, and the burden of variation in expenditure thrown on the shoulders of those who are in the best position to control it. Moreover, the amount involved is so large that we have no doubt there is room for very substantial savings.

But the Committee rely for the greater part of the reduction on raising the age of admission to school, reducing teachers' salaries, and increasing the already high maximum number of pupils per teacher. The finance of these proposals is not discussed in detail, and only very general estimates of possible saving are given. We do not, however, think that they are the kind of saving that the country can afford to make except to a very limited extent. It has for decades past been realised that we cannot stand still in regard to education. The placing of political power in the hands of the mass of the community makes a high standard of general education imperative, while the stress of industrial competition between the nations and the high standard set by some of our chief competitors calls for great developments in technical education.

A serious feature of the pre-war situation was the low standard of pay of elementary teachers and the difficulty of attracting the best products of our educational institutions into a profession on which the nation's future so much depends. The proposal to increase the size of classes means that individual attention is impossible, and our schools will give merely a mechanical instruction. With a second rate type of teacher and excessive numbers we should be getting very poor value for our money. We should welcome a revised statement on this vital department based not on a reduction or dilution of the quality of education supplied, but on plans for getting the goods at a cheaper price by the elimination of waste.

Among the many minor changes recommended by the Committee, constant reference is made to the transfer of services from one Department to another, the tendency being to get back to the pre-war allocation of duties. Thus the Ministry of Transport and the Overseas Department are to revert to the Board of Trade, and the Department of Mines is to be broken up and its components returned to the parent Departments. The Committee even foresee the disappearance of the Ministry of Labour. With this general conception we are not altogether in sympathy. In many respects the pre-war allocation of

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Paid-up Capital ..	10,880,882
Reserve Fund ..	10,880,882
Deposits (Dec. 31st, 1921) ..	375,117,092

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duties was illogical, and led to overlapping, and has been greatly improved during the war. This particularly applies to the Departments exercising some form or another of industrial control. Considerable overlapping could still be effected, especially in regard to factory and workshop inspection, by taking away from the Home Office all industrial functions and making it substantially a Ministry of Justice, and dividing the duties among the Ministry of Labour and the Board of Trade. We agree that the latter should be responsible for mines and railways, but it is not desirable to abolish the Labour Ministry.

In this latter connection, the Committee recognise that so long as unemployment insurance is administered on a national basis through the labour exchanges it will be necessary to maintain in being the Department controlling this organisation. The Committee, however, suggest inquiry into the idea of handing over unemployment insurance to the various industries in the hope that it may prove the prelude to the disappearance of the exchanges and the demise of a separate Ministry of Labour. This idea has been under discussion for some years, but the Department have this week again circularised the trade unions and employers' associations in the hope of eliciting some definite suggestions. The plan, however, cannot have the hoped for results, for reasons which can be quite shortly stated.

In principle the scheme has much to commend it. Each industry would be given an inducement to reduce its own unemployment, for by so doing it would lower its own insurance premium. The trade unions claim that they could administer the benefits at a lower administrative cost than the exchanges, and that they could more effectively check malingering. But the industries which suffer from violent fluctuations are not responsible for those fluctuations, and may reasonably require that part of the burden should be thrown upon the whole of industry generally; there is a very large field of unorganised industry where there is no responsible body capable of controlling such a scheme; the fluctuating margin of labour between various occupations is an administrative difficulty of a similar kind; and finally no industry would be prepared to start such a scheme at the bottom of a depression, when its funds would be nil and its liabilities very heavy. For these reasons, the conception can only be applied, in our opinion, to schemes for the payment of supplementary benefit in well-organised trades. Over the remaining field there must remain the national scheme, with the machinery of the labour exchanges as a means of testing the *bona fides* of the application by the offer of work.

These and other Civil Services, together with the cuts recommended in the naval, military, and air votes, furnish the 75 millions of savings recommended in the first and second reports. The third report published on Friday proposes the following reductions:—

	Proposed Cuts. (Mln. £.)	Proposed Cuts. (Mln. £.)
Colonial Group.....	2.3	1.1
Revenue Departments.....	2.5	3.0
Parliament and various Civil Departments.....	9.9	11.7
Works Department.....	3.6	7.1
Foreign Office.....	1.3	—
Stationery and Registrar-General Legal, Science, and Art, &c.....	1.1	—
		86.8

The reduction in the colonial group is in respect of the Middle East Department, the Revenue Department reduction is in certain Post Office services, those under the third head are the equivalent cuts in the Scottish Board of Health to those suggested for the English Ministry, while the Works Department cut is in respect of lower local rates and a restricted programme of Government office accommodation, especially in connection with labour exchanges. The totals do not, however, produce the 100 millions required, and the Committee conclude by looking to the Washington Conference, a review of foreign garrisons and a reconsideration of the oil storage policy to provide the additional 13½ millions. When the Cabinet have selected the cuts which they will adopt, and sufficient allowance has been made for the fact that all of the proposed economies will be slow in coming into effect, the reduction in expenditure by the supply services in the coming financial year will fall very far short of the 175 millions which the Chancellor has declared to be necessary.

HOME RAILWAY RESULTS.

THE dividend announcements of the English and Scottish railway companies have been recorded in the past three issues of the *Economist*, and it has been shown that no important changes have been made by the English companies, while the Scottish lines, with one exception, made reductions. The annual accounts, which have now appeared, are still in the abbreviated form to which the war accustomed us, many accounts being "omitted under authority of Ministry of Transport." At the meeting of the Midland Company, however, Mr Charles Booth, the chairman, said:—"I hope the shareholders do not think that the board desire intentionally to withhold information from them. At any rate, such is not the case, and it is only because the whole of the companies came to the definite conclusion that it would be undesirable to give information, which, under any circumstances, could only apply to four and a half months of the year's working included in the accounts, that the figures asked for have not been furnished. So far as the year 1922 is concerned, unless something unforeseen happens, there will be nothing to prevent the accounts being rendered as in normal times." Receipts and expenditure are, however, given for the past year, but only three companies give the 1920 figures for comparison—namely, the Lancashire and Yorkshire and the London and North-Western, which are now amalgamated, and the North-Eastern.

The dividends declared by the companies have enabled railway stocks to share in the boom which is at present in full swing on the Stock Exchange. But a closer scrutiny will give pause to anyone who is disposed to draw optimistic conclusions from the current reports. In the first place, the dividends have been maintained by drawing upon the first instalment of some £23½ millions of compensation money distributed by the Government under Section 11 of the Railways Act. This Act specifies that these moneys may be applied for any purpose for which the earnings of the company may be properly applied, mentioning specifically payment of interest on dividend. The table below sets out the amounts received by each of the important companies and the proportion transferred to revenue account:—

	Compensation Received.	Transferred to Revenue.	%
Great Central.....	£891,637	£225,000	25.1
Great Eastern.....	1,065,595	250,000	23.5
Great Northern.....	1,042,161	80,000	7.7
Great Western.....	2,916,546	125,000	4.3
Lancashire and Yorkshire.....	1,277,687	494,096	3.86
London, Brighton and S. Coast ..	720,971	205,000	28.5
London and North-Western.....	3,065,088	400,000	13.0
London and South-Western.....	1,046,161	250,000	23.9
Midland.....	2,911,286	500,000	17.2
North-Eastern.....	2,262,446	300,000	13.2
South-Eastern and C. Man. C'tte..	1,031,071	382,000	37.0
Caledonian.....	1,126,618	175,000	15.5
Glasgow and South-Western.....	403,638	130,000	32.3
Great North of Scotland.....	135,715	66,000	48.9
North British.....	1,192,988	400,000	33.5

The amount received by the companies enumerated was just over £21 millions, and of this £3,982,100, or 19 per cent., was drawn upon to meet dividend payments. The Great Western, it will be seen, takes only a very small proportion of the amount received, while the Great Northern takes £80,000 as an "appropriation from reserve (Railways Compensation Account—Railways Act, 1921)." This company also transfers £127,300 from "increased rates (net income suspense account)." The Scottish lines, it will be seen, appropriate much larger proportions from compensation funds than the large English companies.

But this is not all. If the compensation money is excluded, it appears that the ratio of expenses to receipts is 86 per cent. in England and 85 per cent. in Scotland, compared with 64 per cent. in 1913. But the receipts include an enormous Government subsidy during the period of control, and, taking the whole year, receipts are well below working costs. Figures are not available for disentangling the situation very exactly, but we can get a rough picture of it by the aid of the monthly finance statements issued during control. These figures,

in which the separate companies are not distinguished, are not strictly comparable with any which we can summarise from the reports, as some minor railways are included in the Government figures; but the error in this respect is very small. A more serious difficulty is that no figures relating to the subsidy were issued for the fortnight August 1st to 15th, as the monthly statements are in any case only claims for payment on account, and the Government has kept open the last fortnight for a final settlement after disputed items have been examined. But the published figures almost certainly are below rather than above the amount with which the railways have credited themselves in the item of gross receipts, which includes "estimated amount receivable under agreement with the Government in respect of the control of railways for the period January 1st to August 15th, 1921." Subject to these qualifications, the position is shown by the following approximations:—

	Mln. £
Net receipts available for dividend, &c.....	45½
Deduct transfers from compensation fund.....	4
" Government subsidy under control.....	47
(14 millions in first quarter; 33 millions April-July.)	
Deficit on year's working.....	5½

The deficit to the end of July was 20½ millions; it would therefore appear that the railways earned a surplus of 15 millions in the last five months of the year. The approximate position would thus appear to be, very roughly, as follows:—

	Jan. to March.	April to July.	Aug to Dec.
Receipts.....	56	59½	104½
Expenses.....	59½	76	90
Surplus or deficit.....	-3½	-16½	+14½
Ratio of expenses to receipts.....	106%	126%	86%

These percentages are not comparable with pre-war percentages, as the receipts include net proceeds of miscellaneous items, whereas the expenditure does not.

In the next table, which gives a comparison of net income, the amounts of compensation money transferred to revenue have been included:—

Company.	Railway and Other Net Income.	Increase or Decrease.	Miscel- laneous Income (Net).	Increase or Decrease.
ENGLISH.				
Great Central.....	£2,105,636	£19,890	£169,316	+22,734
Great Eastern.....	2,043,074	21,462	199,911	+73,082
Great Northern.....	2,156,434	93,706	224,785	+5,616
Great Western.....	5,504,568	174,881	683,865	+38,492
Lancs. and Yorks.....	2,414,463	34,648	215,800	+8,304
London, Brighton, and S.O.....	1,333,318	48,147	215,938	+61,953
London and North-Western.....	6,055,433	173,968	716,390	+82,492
London and South-Western.....	2,105,877	+33,868	216,387	+4,103
Midland.....	5,681,116	16,820	720,696	+82,057
North-Eastern.....	3,915,660	538,198	420,711	+98,613
South-Eastern and Chatham.....	2,030,172	1,064	19,644	+20,511
SCOTTISH.				
Caledonian.....	2,096,535	62,473	181,588	+16,505
Glasgow and South-Western.....	722,063	78,432	56,069	+9,993
Great North of Scotland.....	259,581	6,816	17,368	+556
Highland.....	256,309	1,347	4,021	+2,469
North British.....	2,398,678	23,111	80,078	+16,727

In all cases but two there is a decline in railway and other net income, which includes revenue from hotels, canals, docks, &c., but several companies show an increase in miscellaneous income, which comprises rents, tolls, and interest. The North-Eastern, after transferring £300,000 of compensation money, shows an exceptionally large decline in railway net income, but the South-Western by transferring £250,000 is able to show a small increase. A year ago all the companies, with the exception of the London and Brighton and South-Eastern recorded an increase. The past year was, of course, an abnormal one for the railways. The three months' coal stoppage caused great dislocation and loss of traffic, and a large increase in the price of coal during a considerable part of the year. It is impossible to tell from the accounts how each company has fared during the four and a half months of free working, as compared with the remainder of the year, when they were still under Government control. The chairman of the Midland stated at the meeting that, as compared with the corresponding periods of 1913, net receipts for the period January 1st to August 15, 1921, showed a decrease of £193,953, and for the period

August 16th to December 31, 1921, a decrease of £413,651. Whether this has been the general experience it is impossible to say.

Capital expenditure during the year was on a small scale, the total for the English railways being less than £4 millions and for the Scottish companies less than £100,000. The North-Western is prominent with an expenditure of £1,703,300, of which £911,700 was on steamboats and £297,600 on rolling-stock. The following table shows that there was a slight decline in the ratio of total net income to capital expenditure, and that the average rate of distribution on the ordinary stock of the English companies was unchanged:—

Company.	Total Capital Expendi- ture.	Net In- come.	Ratio.	Ordinary Capital.	Dis- tribu- tion.	Rate.
			1920.		1921.	1920.
ENGLISH.						
Great Central.....	£57,432,588	2,274,952	3.9	10,658,020	422,479	23.2
Great Eastern.....	55,502,859	2,242,985	3.9	15,362,886	759,180	23.2
Great Northern.....	54,843,147	2,526,540	4.5	21,944,655	759,180	23.2
Great Western.....	115,925,727	6,188,433	5.6	37,082,220	2,688,461	23.2
Lancs. and Yorks.....	65,857,489	2,630,263	4.0	16,840,995	847,845	23.2
London, Brighton, and S.O.....	35,511,310	1,549,256	4.6	10,447,085	548,472	23.2
L. and North-Western.....	24,469,753	877,132	3.5	11,259,282	—	23.2
L. and South-Western.....	128,602,472	6,771,823	5.4	42,910,121	3,218,259	23.2
Midland.....	51,518,358	2,323,264	4.5	23,133,154	871,532	23.2
North-Eastern.....	130,236,106	6,401,812	5.0	38,961,380	2,831,743	23.2
South-Eastern.....	87,676,763	4,336,370	5.0	32,334,921	2,424,583	23.2
South-Eastern.....	33,836,649	1,486,127	4.3	10,049,570	427,092	23.2
	839,413,221	39,608,957	4.8	272,984,299	15,039,646	5.6
SCOTTISH.						
Caledonian.....	£56,111,968	2,278,123	4.1	18,466,034	646,311	34.3
Glasgow and S. Western.....	20,239,837	778,131	4.2	6,109,000	213,815	34.3
Great North of Scotland.....	4,496,234	276,949	4.4	1,295,132	45,844	34.3
Highland.....	4,416,468	250,330	3.5	1,564,383	51,288	34.3
North British.....	52,166,560	2,478,756	4.7	21,579,387	—	34.3
	142,261,067	6,072,289	4.3	48,434,549	957,258	3.7

* Excluding North British.

The directors of the North British postpone dividends on all stocks ranking after the 1884 preference stock until the dispute with the Government has been settled. The company has a claim for £690,000 in respect of the past year, but the directors do not feel justified in treating this item "as a good asset available for dividend."

None of the companies makes any appropriations to reserve or other similar funds, and only four of the English companies are able to make any addition to the balance carried forward after payment of dividends. The companies, however, have only received the first instalment of the compensation moneys due, and, as has been shown above, some of them have only drawn upon that instalment to a small extent.

All the reports refer to the amalgamations ordained by the Railways Act of last year. The schemes for amalgamation into four companies have to be formulated by the end of this year, and carried into effect before July 1, 1923. The Lancashire and Yorkshire has already been absorbed by the North-Western, and the Great Western scheme, set out in the *Economist* of February 11th (p. 228), for the absorption of companies comprising the Western group, was approved by Great Western stockholders on Thursday, but neither the Midland nor the North-Western reports confirm the rumoured agreement as to terms of amalgamation between these two companies. Other reports speak of negotiations that are now proceeding with other companies for the formation of groups.

We conclude with a table of dividends, prices, and yields:—

Name of Line.	1913	1920	1921	Prices of 1913.		Prices of 1921.		Price, Feb. 23, 1922.	Yield.	
				Hgst.	Lwst.	Hgst.	Lwst.		£	d
Gt. Central 4%, 1889, Pref..	4	4	4	83½	76½	43	34	53½	7	9
Do 4%, 1891, Pref.....	4	4	4	78½	67½	41	32	52½	7	12
Do 5%, 1894, Pref.....	2	2	2	62½	62½	23	38	38	6	11
Great Eastern, Ord.....	2	2	2	63½	44½	31½	24½	32½	8	6
Great Northern, Def.....	3	2	2	57½	49½	29	20	32½	7	16
Great Western, Ord.....	6½	7½	7½	119½	112	77½	57½	69	8	3
Lancs. and Yorks, Ord.....	4½	4½	4½	91½	83½	47	34	52½	7	5
London-Brighton, Def.....	5½	5½	5½	108½	101	56	43	63½	10	12
Do Ord.....	7	7	7	136½	123½	78	63	86	8	14
London and N.W., Ord.....	1½	2	2	124½	111½	64½	50	79½	7	11
London and S.-Western, Ord.	1½	2	2	39	23	22	16	26	7	13
Do Def.....	4½	4½	4½	77½	69½	49	38	57½	8	5
Midland, Def.....	7	7	7	123½	116½	77½	63	81	8	4
North-Eastern, "Consols".	4	4	4	95	81	42½	32	51	8	6
South-Eastern, Ord.....	2	2	2	68½	54½	27½	16½	31	8	1
Do Def.....	3½	3½	3½	79½	70	37	24	45	7	15
Caledonian, Ord.....	1	1	1	21½	17½	12	4½	9½		
Do Def.....	2½	2½	2½	44½	40½	21½	15	21	13	15
Glasgow and S.W., Def.....	1½	1½	1½	20½	18½	13	7	11½	13	12
Great N. of Scotland, Def...	2	2	2	41½	36½	22½	16	23½	8	10
Highland.....	1½	1½	1½	32½	26½	12½	8½	12		
North British, Def.....	1½	1½	1½	32½	26½	12½	8½	12		

The remarkable rise in the price of ordinary stocks during the past week has not been equalled for many years. Throughout the greater part of last year the home railway market was in the depths of depression, but the pessimism was undoubtedly overdone. Whether the extent of the present upward movement is justified in view of some of the figures we have given seems open to question. Anything in the shape of a trade revival will, of course, have a pronounced effect on the companies' earnings. On the basis of the latest dividends, yields on the ordinary and deferred stocks are in the neighbourhood of 8 per cent., as against 10 to 12 per cent. at this time last year.

THE STOCK EXCHANGE BOOM.

(BY A STOCK EXCHANGE CORRESPONDENT.)

It is not difficult to understand the reasons for the extraordinary boom which has occurred in all Stock Exchange investment securities. The one point at which imagination is pulled up short, in conceiving the inevitability of such a movement, is the wonder whence all the money came to absorb the enormous amount of new issues poured out by Governments—British, Colonial, India and foreign—corporations, and manufacturing companies. Another point for surprise in the present situation is the extraordinary rapidity of the rise in most of the leading stocks. For such investments as home railway ordinary stocks, for instance, to gain 5, 6, or 7 points a day, as they have been doing lately, is enough to make even the hardened Stock Exchange man blink astonished eyes. Yet the explanation is simple enough. The main factor has been continually emphasised, week after week, in the "Stock Exchange News" letter that is one of the standing articles of the *Economist*. The reason resides in a couple of words: "No stock." Prices have got down to levels at which everybody who had to sell, or who was afraid of holding, was out of the market. They had cleared out of their investments, putting their money on deposit, or utilising it, perforce, in payment of taxes and of living. Those people who were left with the stock thus realised were of the class which bought without any intention of selling. The stock has been, in a word, permanently placed. Reduction in the Bank rate, with its concurrent lowering of the deposit rates to 2½ per cent., awakened the conscience of the investor to the fact that a Post Office rate of interest is not sufficient; and, moreover, that the Stock Exchange offered investments of good character upon which 5 to 7 per cent. might be obtained. At the beginning of the year the possibility of a General Election came into nearer focus, and, having regard to the apprehension which this held of a Labour Government being returned to power, it imposed a check upon the previous willingness to invest money in British Government funds. Various speeches removed the immediate possibility of an appeal to the country, and a fall in the Bank rate coming so quickly on the heels of such statements, the pent up impetus of money demanding investment became loosed. A flood of buying orders descended upon the Stock Exchange. There was no stock. There was a wild eagerness to invest. In the ordinary way, had trade been active, much of the capital would be flowing into commerce. But at present there is more optimism than orders in regard to trade, and notwithstanding an improvement noticeable here and there in various industrial circles, the capitalists, large and small alike, are not yet feeling the necessity for such expansion of business as would enable them to use money to substantial profit in their own businesses. Nobody, however, seems fully to have grasped the fact that the vast amount of capital piled up on deposit would have to be provided in course of time with employment in Stock Exchange securities. Had this been more generally appreciated, the present boom might have aroused less amazement; might even have been forestalled by judicious jobbers in some of the investment markets.

It is not as though the buying orders deal with small amounts. The newspaper story of three millions stock having changed hands, in a line, aroused comment and reserve, but a good many sums, ranging from £100,000

to a quarter of a million pounds stock, have been changing hands freely during the past ten days. Meanwhile, the small investor has been equally busy. Owing to the enormous amount of War Loan issued, a good deal of stock has been available to satisfy the buyers, although the rapidity of the rise in the price testifies to the pressure having been mainly on one side of the account. Prices became wild, and the War Loan has been moving, at times, with a difference of a point between the highest and lowest in a single day. The congestion in the market itself has recalled the days of previous booms in markets concerned with speculation and gambling. Heat, dust, crowds have been the portion of the Consol market day by day. The excitement overflowed into the Home Railway department. To get from one part of the House to another involved a struggle. Some members of the House declared that the markets had gone mad. At any rate, it has been no easy matter for jobbers or, for the matter of that, for brokers either. In the first case, the jobbers, finding themselves caught out of stock, have had to repurchase it sometimes points above the figures at which they sold. With the broker the difficulty has been to satisfy clients, who, sending orders to buy at best, are as amazed as exasperated to see the prices at which their instructions have been executed. It would be physically impossible for the markets to continue on the same plane of high excitement for any length of time. Prices cannot go on rising indefinitely. There comes a time when sellers will begin to ask whether their money cannot be more profitably employed in other things. But the great difficulty is to discover outlets into which money can be placed, when once it has been released from securities now sold. The books of jobbers in the Home Railway pre-ordinary section have been swept bare of stock. The lists of stocks on offer issued by jobbers in the markets for gas and shipping descriptions look almost ludicrous, owing to the array of dashes in the columns which, ordinarily, contain the amounts of stock available. It is the same everywhere. The inevitable result of the rise in gilt-edged stocks is to force investment-interest further and further afield. The foreign market has felt this effect, and the abrupt advances in French bonds afford testimony to the scarcity of stock and the urgency of the buyers; for people have been prepared to pay practically any price in order to get what they want. The standard of yield is being modified in the direction of higher prices and lower yields. The only thing which is likely to bring about a reversal of such conditions is general activity in trade circles. Of that, there is no immediate indication, and, therefore, while it is impossible for gilt-edged and investment prices to continue upwards, the mere fact of there being no stock offering in so many cases to supply the needs of the buyers will serve to maintain the strength of markets; the latter are, however, already acknowledging the possibility of an occasional setback should there be any unexpected political disturbance at home or abroad.

THE DIRECTION OF OVERSEAS TRADE.

AUSTRIA-HUNGARY, in some respects the most crippled of the belligerents in the late war, stands out among the 27 foreign countries of Europe, Asia, and America dealt with in the following tables as the one country from whom the United Kingdom increased the value of her purchases of imports, as well as the value of her exports and re-exports. By "Austria-Hungary" we mean the countries now known separately as Austria, Hungary, Czecho-Slovakia, and the Serb-Croat-Slovene State. In 1921 the value of our imports from these four States rose to £7,256,652 from £2,626,288 in 1920, an increase of £4,630,364, or 176.3 per cent.; the value of British exports to the same countries rose from £3,969,994 in 1920 to £4,382,393, showing an increase of £412,399, or 10.4 per cent., and the value of our re-exports rose from £1,689,009 in 1920 to £1,882,278, an increase of £193,269, or 11.4 per cent. In the tables below are shown the figures for the past six years, and those for 1913, taken from the official returns showing the direction of our overseas trade. From these tables we have com-

piled the following comparative figures, which show how the trade balance was divided between European countries, the United States, other foreign countries, and the Dominions. In making comparisons with the year 1913, allowance must be made for price changes. The figures for exports include re-exports:—

	1913.		1919.		1920.		1921.	
	Excess of		Excess of		Excess of		Excess of	
	Im-ports.	Ex-ports.	Im-ports.	Ex-ports.	Im-ports.	Ex-ports.	Im-ports.	Ex-ports.
Europe	£ 68.3	£ 85.1	£ 480.8	£ 279.7	£ 437.3	£ 165.8	£ 16.9	£ 211.5
U.S.A.	..	..	..	..	..	..	..	..
Other foreign countries ..	..	..	..	..	..	..	..	..
Brit. Dominions ..	..	..	..	..	..	..	..	..
Total	133.9	133.9	669.2	669.2	378.8	378.8	276.4	276.4

Our excess of exports to the Continent, which was much less in 1920 than in 1919, has been changed into a small excess of imports. On the other hand the excess of imports from the United States shows a great reduction, and the excess of imports from other foreign countries is less than a third of what it was in 1919.

The changes in the values of our imports from Europe are shown in the table below:—

IMPORTS (000's omitted).								
From—	1913.	1916.	1917.	1918.	1919.	1920.	1921.	
France	49,498	31,067	28,473	39,466	52,565	82,560	58,066	
Italy	8,131	11,243	10,397	18,413	14,690	17,930	8,953	
Switzerland ..	11,070	15,510	11,310	13,095	14,852	37,005	19,964	
Spain	15,976	27,487	22,462	31,331	39,290	42,549	27,058	
Portugal	3,898	6,803	4,859	12,442	14,654	10,489	6,292	
Belgium	23,426	4,480	3,492	1,763	10,197	45,750	33,871	
Germany	80,411	103	49	8	993	51,126	20,550	
Austria-Hungary ..	7,706	7	..	..	506	2,623	7,787	
Greece	2,027	4,687	958	2,392	10,746	6,772	4,014	
Roumania	1,165	76	23	30	2,682	3,119	722	
Turkey (European) ..	40,371	18,252	17,937	6,730	16,678	34,183	13,122	
Russia	14,213	20,606	14,939	23,375	35,578	56,372	21,626	
Sweden	7,437	16,659	18,373	23,763	17,070	23,859	10,326	
Norway	24,053	22,954	18,338	5,339	9,797	51,671	41,367	
Denmark	27,913	41,221	37,237	17,818	44,093	74,294	49,959	
Netherlands	..	..	..	..	..	..	..	
Total	319,407	221,155	188,847	194,365	284,394	503,530	326,308	

The total value of our imports in 1921 was 43.7 per cent. less than the value of our imports in 1920. Of the 16 countries shown in the table, all but three showed a decrease in the value of the imports we bought from them, ranging from a percentage decrease of 76.7 in the case of Turkey, 61.7 in the case of Sweden, 60.8 in the case of Russia, to 32.7 in the case of the Netherlands, 32.1 in the case of Germany, 31.5 in the case of France, and 26.2 in the case of Belgium. Denmark showed an increase of 32.7 per cent., and Roumania an increase of 6.7 per cent. British exports to the same countries compare as follows:—

EXPORTS (000's omitted).							
To—	1913.	1916.	1917.	1918.	1919.	1920.	1921.
France	£ 32,396	£ 98,272	£ 118,206	£ 29,273	£ 155,384	£ 146,600	£ 51,392
Italy	14,640	20,461	27,474	29,273	27,771	39,737	17,375
Switzerland ..	4,212	4,561	6,445	8,630	13,627	12,641	5,543
Spain	9,728	9,905	5,067	4,158	12,677	23,165	14,967
Portugal	6,053	6,017	4,702	5,295	9,602	17,658	6,802
Belgium	13,528	1,091	1,748	1,421	49,281	50,107	20,153
Germany	40,677	..	..	..	14,696	21,723	17,832
Austria-Hungary ..	4,481	..	..	..	1,486	3,969	4,382
Greece	2,537	1,265	183	1,048	6,891	12,782	5,915
Roumania	1,947	46	701	5,583	7,122	5,433	5,433
Turkey (European) ..	2,414	90	214	489	12,254	18,861	4,564
Russia	18,103	24,978	48,737	298	12,765	11,893	8,630
Sweden	8,290	6,574	3,074	2,628	24,447	39,332	9,627
Norway	6,147	10,897	8,453	5,437	27,416	33,387	14,060
Denmark	6,061	11,873	7,210	3,697	35,005	31,688	10,048
Netherlands	22,794	32,535	28,103	22,662	43,582	71,499	42,141
Total	193,938	228,563	260,517	222,391	452,287	542,164	238,864

Austria-Hungary, or, rather, the countries grouped under that name, alone show an increase in 1921 of the value of the exports of British produce and manufacture consigned to them. In each of the other 15 countries the value of British exports taken was less than in 1920. The exports to Sweden decreased by 75.5 per cent., to Denmark by 67.1 per cent., to France by 65.2 per cent. through a descending scale to a percentage decrease of 28 to Russia, of 23.6 to Roumania, and of 17.8 to Germany.

The values of our imports from the United States and other foreign countries are shown in the next table:—

IMPORTS (000's omitted).							
From—	1913.	1916.	1917.	1918.	1919.	1920.	1921.
United States	£ 143,854	£ 295,829	£ 380,287	£ 522,078	£ 546,672	£ 569,738	£ 276,990
Cuba	3,675	13,052	17,771	22,330	17,738	25,629	6,425
Mexico	1,880	2,573	2,316	5,125	7,187	13,466	9,859
Argentina	42,485	51,594	48,428	63,116	81,826	128,039	68,261
Brazil	10,160	9,945	9,985	8,850	10,945	12,165	9,866
Chile	5,359	12,409	13,223	19,334	7,294	12,981	5,564
Peru	3,178	4,989	4,673	8,006	8,860	14,582	6,437
Uruguay	2,749	3,997	6,456	6,542	10,515	7,065	6,242
Japan	4,389	12,495	19,299	23,883	23,880	29,876	8,735
China	4,672	8,335	8,497	9,708	23,079	26,919	11,269
Turkey (Asiatic) ..	4,251	781	444	665	6,776	9,040	343
Other countries	9,917	9,708	10,315	10,315	18,636	22,986	22,399
Total	236,417	424,679	516,287	699,953	763,037	872,481	429,390

The values of our imports from the United States and other countries of America, as well as from China, Japan, and the unenumerated foreign countries show a large percentage decrease from the values of 1920 as do the countries of Europe. Turkey in Asia has almost ceased to supply us with imports, her percentage decrease being 96.2. Cuba supplied us with goods to only one-fourth of the value of those sent in 1920, and the value of our imports from Japan fell by 70.6 per cent. China showed a decrease of 58, and Peru of 56 per cent. The United States and Brazil each showed percentage decreases of over 51, Chile of over 49, and Argentina of 46.7 per cent. The exports to these countries are shown in the next table:—

EXPORTS (000's omitted).							
To—	1913.	1916.	1917.	1918.	1919.	1920.	1921.
United States	£ 30,478	£ 33,246	£ 33,721	£ 23,559	£ 34,416	£ 78,324	£ 45,061
Cuba	2,214	2,659	2,013	1,963	1,974	7,346	1,891
Mexico	2,333	3,449	917	1,094	1,312	4,337	4,596
Argentina	22,641	13,949	12,879	17,613	21,208	42,840	27,622
Brazil	12,465	6,718	7,186	8,816	10,757	24,329	10,439
Chile	6,010	4,034	4,638	6,384	4,792	9,694	6,164
Peru	1,488	1,081	1,495	1,530	1,711	4,718	2,141
Uruguay	2,916	1,899	2,277	3,151	3,230	5,335	5,094
Japan	14,783	7,548	5,570	6,044	12,835	26,337	21,399
China	14,845	10,707	10,624	11,832	20,976	13,542	26,001
Turkey (Asiatic) ..	5,291	336	708	1,286	9,871	18,861	1,400
Other countries	10,731	9,616	12,077	14,267	17,348	25,571	18,056
Total	126,195	91,541	94,105	97,569	140,431	291,922	165,564

Our exports to Mexico rose by 5.8 per cent., but in every other case there was a considerable falling off in the value of British exports, amounting in the case of the United States to 42.6 per cent., in the case of Argentina to 35.6 per cent., in that of Cuba 73.9 per cent., of Brazil 57 per cent., of Peru 54.8 per cent., of Chile 46.6 per cent., and of China and Japan 40.3 and 18.1 respectively.

The next table shows that our imports from the British Dominions last year were lower in value than in any year since 1916:—

IMPORTS (000's omitted).							
From—	1913.	1916.	1917.	1918.	1919.	1920.	1921.
Canada	£ 30,488	£ 58,529	£ 84,385	£ 124,468	£ 115,295	£ 92,854	£ 62,287
Australia	38,065	36,178	64,289	45,696	111,589	112,709	67,828
New Zealand ..	20,338	31,627	29,068	24,814	52,680	47,743	48,828
India and Ceylon ..	56,218	83,096	75,026	101,060	125,975	112,693	93,936
South Africa	12,495	12,323	12,060	12,940	23,512	20,336	19,927
Egypt	21,395	26,606	32,484	54,140	60,731	69,356	10,633
West Africa	5,174	11,965	14,845	19,158	26,470	30,660	5,034
Mauritius	293	2,715	1,912	5,628	7,380	7,094	7,283
Strait Settlements ..	15,880	16,016	16,044	10,807	21,553	17,957	7,283
Malay States	3,574	6,284	6,984	2,144	6,875	6,975	2,921
West Indies	2,116	5,018	6,216	8,107	11,174	14,666	8,111
Other Possessions ..	6,955	12,317	13,697	18,059	21,404	27,981	16,127
Total from Possessions ..	212,911	302,673	359,030	425,019	584,471	560,731	331,094

From New Zealand alone did we receive a larger value of imports last year than in 1920. India and Ceylon supplied us with imports less by 51.2 per cent. than in the previous year. Our imports from West Africa fell off by 64.6 per cent., from Egypt by 61.2 per cent., from Australia by 39.6 per cent., and from Canada by 33 per cent. The next table shows that our exports to the Dominions and Colonies were also of far less value than in 1920:—

EXPORTS (000's omitted).							
To—	1913.	1916.	1917.	1918.	1919.	1920.	1921.
	£	£	£	£	£	£	£
Canada	23,795	18,018	16,202	14,280	16,019	42,782	19,433
Australia	34,470	36,947	22,115	26,217	26,361	62,486	45,645
New Zealand ..	10,838	12,073	7,037	7,706	9,526	25,601	14,928
India and Ceylon ..	74,458	55,534	52,176	51,138	73,495	107,730	112,964
South Africa ..	22,185	23,078	19,992	23,453	20,012	50,130	31,065
Egypt	9,805	11,225	14,783	22,433	19,417	43,661	18,313
West Africa ..	6,801	7,092	8,795	9,621	845	2,745	2,304
Mauritius	536	914	544	564	6,493	16,568	8,463
Strait Settlements ..	5,836	5,834	4,890	6,140		2,836	2,836
Malay States					2,168	5,947	5,024
West Indies	2,339	2,139	2,054	1,695			
Other Possessions ..	14,249	14,922	14,574	17,776	18,429	39,237	25,144
Total to Possessions ..	205,112	186,176	172,658	178,513	205,675	501,483	298,777

The value of our exports last year to the Dominions and Overseas Possessions was less by more than £200,000,000 than in 1920. The greatest percentage loss was that of our exports to Egypt—viz., 56.8. It was closely followed by that of our exports to Canada, 54.5, and by those to West Africa and New Zealand, 46.2 and 44 per cent. respectively. Our exports to India and Ceylon were less in value by 39.8 per cent., and to South Africa by 38.6 per cent. A final table shows that the value of our re-exports to the principal countries of the world has diminished in even greater degree than have our import and export values:—

RE-EXPORTS (000's omitted).

To—	1913.	1916.	1917.	1918.	1919.	1920.	1921.
France	12,072	14,904	16,500	13,742	35,814	40,097	12,899
Italy	1,012	3,539	4,382	4,249	5,689	5,624	1,750
Belgium	7,436	77	88	11	17,567	19,522	9,756
Germany	19,823	9,591	4,003	10	8,491	29,376	22,897
Russia	5,518	2,332	190	123	5,238	5,006	2,587
Sweden	518	1,361	894	208	2,169	1,942	1,820
Norway	590	2,817	825	246	6,020	6,148	1,413
Denmark	5,160	9,127	4,025	406	26,344	14,576	9,191
Netherlands	30,222	31,883	26,914	3,481	31,481	53,964	20,394
United States	297	466	325	1,358	1,816	1,912	778
Japan	8,066	7,174	4,037	2,038	9,585	13,931	9,269
Other countries							
Total to foreign countries	95,801	83,033	62,183	25,872	154,680	196,940	94,011
British Possessions	13,774	14,533	7,494	5,084	9,642	25,466	13,041
Total	109,575	97,566	69,677	30,956	164,322	222,406	107,052

The total value of our re-exports last year showed a percentage decrease of 51.8 from the value of 1920. Of the countries shown in the above table, the percentage decreases in the values of our re-exports to them last year, compared with the values of 1920, were in the case of France 62.2, of Italy 70, of Belgium 50, of Germany 22.1, of Russia 38.3, of Sweden 62.3, of Norway 62.2, of Denmark 67.9, of the Netherlands 36.8, of the United States 62.2, and of Japan 59.3. Austria-Hungary (i.e., the countries under that title) alone showed an increase in the value of re-exports from us, viz., £193,000, or 11.4 per cent.

THE CITY LIFE ASSURANCE COMPANY, LIMITED.

An insurance correspondent points out that, owing to its very belated compliance with certain regulations of the Acts governing life insurance, attention has been recently directed to the published accounts of the City Life. During the last three years the following new business has been recorded by the company:—

INDUSTRIAL LIFE BRANCH.

	No. of Policies.	Sums Assured £	Annual Premiums £	Expense Rates.	Funds £
1918	23,587	385,004	160,077	58.6	105,677
1919	34,869	882,893	174,934	37.8	82,814
1920	31,132	842,845	188,662	39.4	80,417

ORDINARY LIFE BRANCH.

	No. of Policies.	Sums Assured £	Annual Premiums £	Expense Rates.	Funds £
1918	4,111	970,006	109,899	43.9	234,803
1919	8,981	2,767,006	182,644	69.7	309,636
1920	8,814	3,293,363	243,460	60.0	389,357

(a) Includes £54,449 transferred to establishment account.
(b) Includes £20,000 transferred to establishment account.

The above tables show that since 1917 the City Life has issued 89,588 industrial policies for a total of £2,110,742 and 21,904 ordinary policies for a total of £7,030,475. These are very big figures, and the question of the financial position of the City Life has thus become of great interest to thousands of families—most of them drawn from amongst the poorer classes.

The Assurance Act of 1909 made it compulsory for every life assurance company to have a valuation every five years at least, and to forward full particulars in prescribed form to the Board of Trade.

The last complete available returns of the City Life refer to 1912. After considerable correspondence, however, the Board of Trade obtained in January, 1920, a valuation—in an incomplete and summarised form—as at December 31, 1917, which disclosed an unsatisfactory position. The valuation of the ordinary branch was made on the H.M. table at 4 per cent., reserving 15 per cent. of the office premiums for future expenses. These assumptions were inconsistent with the actual facts, for the net rate of interest at present being earned is about 3½ per cent., and expenses absorb, not 15 per cent., but 60 per

cent. of the premiums. Even so, a liability of £290,009 was disclosed, against an actual fund of £189,039.

The industrial branch was valued mainly on the English Life Table No. 3, with interest at 4 per cent., reserving 40 per cent. of the premiums for future expenses.

Only a small proportion of the total business could be valued at all, for during 1917 the City Life had taken over the Law Integrity Insurance Company and the Irish United Assurance Friendly Society, and it was "found impracticable to afford any adequate data on which to base a reliable opinion as to the additional liabilities thus cast upon the company." The valuation, indeed, only referred to sums assured of £876,664, producing annual premiums of £42,287. The liability under these contracts amounted to £74,623, and the accumulated fund to £17,166, a deficiency of £57,461. These data refer, however, to the company before it came under the control of the present management. The City Life report for 1920—issued towards the end of October, 1921—stated that a valuation as at December 31, 1918, had been completed, and that it disclosed a material increase in the actuarial deficiency previously reported. At the City Life meeting the Chairman omitted to give any information as to the amount of this deficiency, and as the Board of Trade has not yet published the valuation statement, copies cannot be obtained either from the company or the Board of Trade. It has, however, been stated, and on inquiry from the Board of Trade we were informed that the statement was correct, that the 1918 valuation was made on a 4 per cent. basis, reserving 15 per cent. of the office premiums for future expenses in the ordinary department and 40 per cent. of weekly and 15 per cent. of monthly premiums in the industrial department. On this basis the liability in the ordinary department amounted to £375,547, as against funds of £234,803, while in the industrial department the liability amounted to £552,699, as against funds of £105,678. Thus by the end of 1918, on the far from rigid standard indicated, the deficiency in these two departments had risen to the large total of £587,765. Since that date the deficiency must have increased still further. In the first place, as our table shows, the expenses of the ordinary department have been not 15 per cent., but some 60 per cent. of the premium income, and, in the second place, the interest earned, even on the funds actually held, has been nearer 3 per cent. than 4 per cent., and has represented, of course, a very much lower rate on the full amount of the actuarial liability.

The 1920 balance-sheet showed the following funds:—

Life assurance funds—	£
Ordinary branch	389,357
Industrial branch	80,417
Endowment certificate fund	341,223
Mortgage redemption account	37,038
Total	848,036

The total balance-sheet assets amounted to £1,328,680, but this included the following paper assets:—

Establishment account	297,748
Office furniture, &c.	2,562
Shares in Law Integrity Insurance in liquidation	8,277
Total	308,587

The tangible assets are thus reduced to £1,020,093.

Against this, sums actually due from the company, including £110,563 loan against securities, amounted to £171,732, so that the free assets were reduced to £848,361, or just the amount of the funds.

The true position is, however, worse than this, for the City Life has incurred a contingent liability of £30,000 in respect of a guarantee, against which the company's securities have been deposited. Moreover, all investments are shown at cost, and no provision has been made for depreciation in values. Lastly, the assets include £160,000, the cost to the company of 320,000 shares of £1 each, 10s paid, in the United General Commercial Insurance. The report of the United General Commercial Insurance Company for the period December, 1919-June, 1921, showed a premium income of £145,964, of which £59,747 was derived from marine insurance. The issued capital of the company consists of 50,007 shares of £1

each fully paid and 431,993 shares of £1 each 10s paid, but after clearing up outstanding items on either side of the balance-sheet the net assets are reduced to £55,125, plus 99,556 ordinary shares and 9,950 deferred shares in the City Life.

It would thus appear that the United General shares are of somewhat uncertain value, and that, therefore, not only are the 320,000 shares held by the City Life not worth the £160,000 at which they stand in the balance-sheet, but also the liability of £160,000 on these shares is a very real one.

Those of our readers who have followed these arguments thus far will have grasped that the funds set out by the City Life in its accounts are still not adequate to meet its liabilities, and, further, that those funds include at least £160,000 which could not be realised, and that they are liable to be depleted by a further £160,000 in respect of uncalled liability on United General shares.

The policy of excessively rapid development, which has outrun the possibility of building up adequate funds, and the indication that the investments have not left the company in a sufficiently independent position are features which may reasonably give rise to anxiety.

THE FIVE-POWER NAVAL TREATY.

ALTHOUGH the general outlines of the Naval Agreement have been reported from time to time in the British Press, the text of this and of other arrangements made by the Washington Conference have received no publicity in this country. The final documents will shortly be published as a White Paper, but in the meantime it may be of interest to our readers to have before them a summary of the Five-Power Naval Limitation Treaty. It will be remembered that the figures originally proposed as the ultimate maxima for capital ships were 500,000 tons for America and Great Britain and 300,000 tons for Japan. But these figures would have involved the scrapping of the Mutsu by Japan, and as this ship appeals very strongly to Japanese public sentiment, having been built partly by public subscription as a memorial to the late Emperor, the Conference decided that it could not press this particular point. The retaining of this ship would, however, have given Japan two post-Jutland vessels compared with one for Great Britain and three for the United States, and the proposed ratio of war power would therefore not have been secured during the first ten years or so of the Agreement. The Treaty, therefore, now provides for ultimate maxima of 525,000 tons for America and Great Britain, 315,000 tons for Japan, and 175,000 tons for France and Italy.

In the first instance, the United States is to retain 18 ships (17 pre-Jutland and one post-Jutland) of a tonnage of 500,650. On the completion this year of two ships of the West Virginia class the North Dakota and the Delaware are to be scrapped, leaving America's tonnage at 525,850. Great Britain is to retain 22 ships (21 pre-Jutland and one post-Jutland) of a tonnage of 580,450, namely, Royal Sovereign (25,750), Royal Oak (25,750), Revenge (25,750), Resolution (25,750), Ramillies (25,750), Malaya (27,500), Valiant (27,500), Barham (27,500), Queen Elizabeth (27,500), Warspite (27,500), Benbow (25,000), Emperor of India (25,000), Iron Duke (25,000), Marlborough (25,000), Hood (41,200), Renown (26,500), Repulse (26,500), Tiger (28,500), Thunderer (22,500), King George V. (23,000), Ajax (23,000), and Centurion (23,000). In order, however, to bring Great Britain's strength in modern ships to an equality with the United States, the Treaty provides that "the British Empire may construct two new capital ships not exceeding 35,000 tons standard displacement each. On the completion of the said two ships, the Thunderer (13), King George V. (13), Ajax (12), and Centurion (12) shall be disposed of as described in chapter 2, part 2." In the detailed table for Great Britain, which we reproduce in detail, it is presumed that these new ships will be laid down in 1922, and that the four ships mentioned will be scrapped on their completion in 1925, thus reducing our strength in that year to 20 capital ships (17 pre-Jutland and three post-Jutland).

REPLACEMENT AND SCRAPPING OF CAPITAL SHIPS—BRITISH EMPIRE.

Year.	Ships Laid Down.	Ships Completed.	Ships Scrapped (Age in Parentheses).	Ships Retained Summary.	
				Pre-Jutland	Post-Jutland
1922....	A. B.†	..	Commonwealth (16), Agamemnon (13), Dreadnought (15), Bellerophon (12), St Vincent (11), Inflexible (13), Superb (12), Neptune (10), Hercules (12), Indomitable (15), Temeraire (12), New Zealand (9), Lion (9), Princess Royal (9), Conqueror (3), Monarch (9), Orion (9), Australia (8), Agincourt (7), Erin (7), 4 building or projected*	21	1
1923....	..	..	..	21	1
1924....	..	..	..	21	1
1925....	..	A. B.	King George V. (13), Ajax (12), Centurion (12), Thunderer (13)	17	3
1926....	..	..	..	17	3
1927....	..	..	..	17	3
1928....	..	..	..	17	3
1929....	..	..	..	17	3
1930....	..	..	..	17	3
1931....	C. D.	..	..	17	3
1932....	E. F.	..	..	17	3
1933....	G.	..	..	17	3
1934....	H. I.	C. D.	Iron Duke (20), Marlborough (20), Emperor of India (20), Benbow (20)	13	5
1935....	J.	E. F.	Tiger (21), Queen Elizabeth (20), Warspite (20), Barham (20)	9	7
1936....	K. L.	G.	Malaya (20), Royal Sovereign (20)	7	8
1937....	M.	H. I.	Revenge (21), Resolution (21)	5	10
1938....	N. O.	J.	Royal Oak (22)	4	11
1939....	P. Q.	K. L.	Valiant (23), Repulse (23)	2	13
1940....	..	M.	Renown (24)	1	14
1941....	..	N. O.	Ramillies (24), Hood (21)	0	15
1942....	..	P. Q.	A (17), B (17)	0	15

* The British Empire may retain the Colossus and Collingwood for non-combatant purposes, after complying with the provisions of Part 2, III. (b).
† Two 35,000-ton ships, standard displacement.

Note.—A, B, C, D, &c., represent individual capital ships of 35,000 tons standard displacement laid down and completed in the years specified.

Japan and the United States will not recommence construction until 1931, but France and Italy may lay down a ship each in 1927 and a second in 1929, in order that France in 1930 and Italy in 1931 may add a post-Jutland ship to their naval strength. The detailed tables, which run in the case of the larger naval Powers to 1942, are so designed that no Power lays down more than two ships in any one year, even when the period of re-building commences, while the scrapping is so arranged that by 1941 the United States and Great Britain will retain 15 post-Jutland ships each and Japan nine post-Jutland ships.

In connection with this programme, which relates to all vessels of war (other than aircraft carriers) whose displacement exceeds 10,000 tons standard displacement, or which carry guns with a calibre exceeding eight inches, the chief provisions are as follows:—

No capital ship exceeding 35,000 tons (35,560 metric tons) standard displacement shall be acquired by, or constructed by, for, or within the jurisdiction of, any of the contracting Powers.

No capital ship of any of the contracting Powers shall carry a gun with a calibre in excess of 16 inches (406 millimetres).

No vessel of war exceeding 10,000 tons (10,160 metric tons) standard displacement, other than a capital ship or aircraft carrier, shall be acquired by, or constructed by, for, or within the jurisdiction of, any of the contracting Powers.

No vessel of war of any of the contracting Powers hereafter laid down, other than a capital ship, shall carry a gun with a calibre in excess of 8 inches (203 millimetres).

Except as provided in Article IX. (permitting two vessels to be converted into aircraft carriers), no ship designated in the present Treaty to be scrapped may be reconverted into a vessel of war.

No preparations shall be made in merchant ships in time of peace for the installation of warlike armaments for the purpose of converting such ships into vessels of war, other than the necessary stiffening of decks for the mounting of guns not exceeding 6-inch (152 millimetres) calibre.

No vessel of war constructed within the jurisdiction of any of the contracting Powers for a non-contracting Power shall exceed the limitations as to displacement and armament prescribed by the present Treaty for vessels of a similar type which may be constructed by or for any of the contracting Powers.

If the construction of any vessel of war for a non-contracting Power is undertaken within the jurisdiction of any of the contracting Powers, such Power shall promptly inform the other contracting Powers of the date of the signing of the contract, and the date on which the keel of the ship is laid; and shall also communicate to them the particulars relating to the ship prescribed in Chapter II., Part 3, Section I. (b) (4) and (5).

In the event of a contracting Power being engaged in war, such Power shall not use as a vessel of war any vessel of war which may be under construction within its jurisdiction for any other Power, or which may have been constructed within its jurisdiction for another Power and not delivered.

Each of the contracting Powers undertakes not to dispose by gift, sale or any mode of transfer of any vessel of war in such a manner that such vessel may become a vessel of war in the Navy of any foreign Power.

The Treaty further provides for maintaining the status

quo with regard to fortifications and naval bases in the Pacific.

Vessels to be scrapped under the Treaty must be ultimately sunk, broken up, or converted for use as practice targets, except in the case of two ships which France may retain in a sea-going condition for training purposes. The first stage of scrapping which is to be immediately undertaken consists in the removal or destruction of guns, fire-control tops and revolving parts of all barbetstes and turrets, machinery for working hydraulic or electric mountings, fire-control instruments and range-finders, ammunition, explosives, mines, torpedoes, wireless telegraph installations, conning tower and all side armour, or alternatively all main propelling machinery and aviation accessories. The work of rendering vessels incapable of warlike service must be finished within six months. The final scrapping within eighteen months. As regards replacement, the contracting Powers undertake to communicate to each other the names and essential information in regard to new vessels laid down.

In order to deal with problems that will arise when the replacement commences towards the end of the ten years' holiday, the Treaty provides for a meeting of the contracting parties at the end of the expiry of eight years from the coming into force of the present Treaty, to consider what changes, if any, are rendered necessary by technical, scientific, or other developments. It also provides that if the national security of any of the Powers is materially affected by any change of circumstances, the contracting Powers will, at the request of such Power, meet to consider amendments. The present Treaty will remain in force until the end of 1936, and thereafter subject to two years' notice.

The Treaty also deals with aircraft carriers, which are limited to the following:—United States, 135,000 tons; British Empire, 135,000 tons; Japan, 81,000 tons; France, 60,000 tons; and Italy, 60,000 tons. No aircraft carrier is to exceed 27,000 tons standard displacement, except that any of the Powers may build not more than two such carriers with a displacement of 33,000 tons. No such vessel may carry a gun of more than 8 inches calibre. The number of anti-aircraft guns and guns of less than 5 inches calibre are unlimited, and no limit is placed if none of the guns exceeds 6 inches. But if this limit is exceeded there may be not more than ten guns in all of more than 5 inches calibre.

Owing to the attitude of France, the Powers were unable to reach any agreement upon the subject of submarines, and consequently were also unable to deal with the type of vessels required to deal with a submarine menace. Cruisers of less than 10,000 tons, torpedo boats and destroyers are, therefore, unaffected by the agreement.

LATIN AMERICAN NOTES.

(BY OUR CORRESPONDENT.)

PERU.—The introduction into the Peruvian Legislature of a Bill for the establishment of a National Bank—Banco de la Nación—represents the long projected design of the present Executive head, whose intimate knowledge of and association with European finance have enabled him to appreciate the serious drawback sustained by Peru by its lack of a national monetary institution. Until lately the Republic attracted but a small amount of foreign banking, owing in a measure to its comparative poverty, and, to a lesser degree, to its disadvantageous geographical situation. The opening of the Panama Canal greatly lessened the last objection, while, since the war, Peru has advanced materially in its foreign commerce. A certain amount of opposition to the establishment of a national bank had been met with on the part of local institutions, but this has since given way to offers of co-operation, it being recognised that a bank of issue is urgently needed to insure the stability of governmental economics. The proposed life of the new bank is 50 years, subject to prolongation. The capital will be £10,000,000, divided into one million shares, of £10 each, issued in two series, "A" and "B," in equal numbers. Of this capital, 20 per cent. will be paid up at the time of the bank's organisation, the balance being called as required by resolution of the directorate, to be passed by a minimum of

80 per cent. of its members. Operations by the bank may commence so soon as the Government shall have subscribed and paid in 20 per cent. on its stock. Over 18 different sections in the Bill serve to control the operations of the bank, rigorously curtailing the powers of the directors, all of whom must be Peruvians by birth possessing a well-established reputation for commercial knowledge and probity. The term of office is for one year certain, but this may be extended once or oftener. Both president and vice-president are to be appointed from among the members, in whose hands also will repose the appointment of the manager and the entire personnel of the staff, the Government making no claim to the exercise of influence in this direction. On the other hand, the Administration will have to approve of the articles of association before these are adopted.

CHILE.—In view of the present condition of Chilean Government finances, the announcement that the conversion of paper currency, so often deferred, has been further postponed until the last day of the current year, upon the recommendation of the Commission of the Exchequer of the Senate, has occasioned little surprise. Political and financial circles alike recognise the disadvantages of the country's unstable currency; but, while frequent promises of reform have been made, no definite steps have been taken since 1895, when the first law was passed to redeem the paper currency then outstanding at the rate of 18d. per peso. From June, 1898, until the end of 1904, however, Chile consistently accumulated a conversion fund out of the proceeds of certain taxes, the object being to provide for ultimate redemption in gold of all outstanding currency at the exchange rate mentioned. This conversion fund—never employed, but always accumulating—has served to give to Chilean currency a certain stability and resiliency which otherwise it could not have possessed. When in December, 1904, a fresh law was passed postponing conversion, from the date previously set (January 1, 1905), until the end of 1910, a blow was given to exchange values. Other decrees to the same effect have been passed at various dates, but conversion has been put off, owing, it is believed, to political influences, while repeated changes in the administrative personnel of the Chilean Government—many Cabinets remaining in power only for a few months—have still further adversely affected the situation.

It is stated that the Chilean Treasury—owing to various obligations—will this year be faced with a deficit of more than \$25,000,000 (gold), while some anxiety is expressed at the Governmental habit of adding loan to loan. The total of the loans contracted for during the past year are declared to have exceeded 623 million pesos (currency), while further loans, not yet carried into effect but arranged for, add to this sum a further 305 million pesos. According to Señor Echinique, a member of the Senate, the position of Chilean finances "is a very critical one." Notwithstanding the heavy borrowing, however, the credit and reputation of Chile remain inherently sound, a fact clearly demonstrated by the readiness with which the last loan offered abroad was subscribed.

BRAZIL.—The affairs of the Banca Italiana di Sconto possess particular interest for Brazil, which has attracted special attention as a field of operation. The clients of the bank seem to have suffered heavily, while the institution itself, during the three years of its operations, lost over 120,000,000 lire, of which more than 80,000,000 lire was debited to the first year's transactions in Rio de Janeiro, owing to unsuccessful exchange speculation. Both of the other branches, at Santos and Sao Paulo, suffered substantial losses, and are admitted by the bank's officials to be in liquidation, the advantages of a moratorium being denied to the institution in Brazil. It is regrettable to learn that many of the Italian emigrants, who have been labouring against heavy odds for some years past to save from their earnings, have now lost their accumulated hoards, with little prospect of any recovery. Nor does the Banca di Sconto stand alone in this respect. La Banque Française pour le Brésil is reported to have called its 1,200 creditors together. On the other hand, La Banque Française et Italienne, which is closely associated with the Banca Commercial Italiana, with widely distributed Italian and French interests in Brazil, Argentina,

Chile, and Colombia, seems to have carried on a sound and progressive business, enabling a dividend of 13 per cent. to be distributed for the past financial year, while maintaining a balance in hand exceeding 2,550,000 francs. The institution, for the most part, has confined its attentions to legitimate banking business, excluding all outside operations, with the exception of French and Italian Government loans. Speculation in exchange has been discouraged, and to this wise decision the success of the bank's trading may be largely attributed. Italian trade with Brazil continues to expand, even while it shows a sensible decline with other European countries, except those of Central Europe. There is little doubt that the new telegraphic cable to be installed between Italy and South America will further promote trade with the Kingdom. The Italian Government, having abolished the official monopoly of coffee, Brazilian interests in the berry will benefit, and an increased exportation to Italy will result. Brazil has also brighter prospects in regard to its principal export by reason of the permission lately granted by the Government of Czecho-Slovakia for the importation of coffee during the period of six months commencing in September last, and likely to be renewed. In the meantime, several new Italian Consulates have been opened on the West Coast of South America, including five in Ecuador. The Banca de Roma is arranging to despatch 3,000 Italian workmen to Bolivia to assist in the exploitation of important timber concessions held there.

Notes of the Week.

Genoa and Geneva.—The French Government has this week formally requested the Italian Government to postpone the Genoa Conference, and the arguments in favour of this course put forward in M. Poincaré's original Memorandum have been strongly reinforced by the failure

tour of Sir Drummond Fraser in America at the end of last year has largely dispelled the objections of American financial circles to the ter Meulen scheme and the Austrian plans of the Financial Committee of the League. There is now little reason to fear that Americans would be less ready to co-operate with the League in financial efforts in Europe than with a European group called by some other name. On the other hand, in the last few weeks it has become increasingly evident that, in contrast with the method of casual conference, the League, with its more formal procedure and more clearly defined status of the participating nations, has been acquiring a prestige among the large and small nations of Europe not fully realised by the British Cabinet. In the case of France, it is easy to understand that a body which takes its origin from, and has functions of the greatest responsibility arising out of, the Peace Treaties has many attractions for France. In the League, the rights of minorities and the standing of the members of Council are all very carefully defined and respected. It is these reasons, rather than a desire to take up an organisation that Mr Lloyd George appeared to have slighted, that explain the recent attitude of Paris. Again, the smaller countries of Europe guard with the greatest jealousy their prerogatives in the Assembly of the League, the constitution of which has been expressly designed to maintain their position against the Great Powers. These nations are highly suspicious of any attempt to displace this organisation, with its nicely balanced elements and its independent secretariat. Some of these considerations have doubtless been brought to the notice of the Prime Minister by the visit of the Czecho-Slovak Foreign Minister, M. Benes, and will be present to his mind when he meets M. Poincaré on Saturday at Boulogne for a private talk. If Mr Lloyd George can contrive to create at Genoa the atmosphere of Geneva and Washington, and not that of the Paris Conference and the Supreme Council, it may yet constitute another step towards an ordered Europe.

The Cost of Living.—The Labour Gazette's calculation of the cost of living for an average working-class family as at the beginning of February shows a decline of 4 points as compared with the previous month, the figure for February 1st being an increase of 88 per cent. over that in force at the outbreak of war. The table below gives the monthly movements since the beginning of 1918:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.
(Food, Rent, Clothing, Fuel, and Light, &c.)

		1918.	1919.	1920.	1921.	1922.
January	1st	85.90	120	125	165	92
February	"	90	120	130	151	88
March	"	90	115	130	141	..
April	"	90.95	110	132	133	..
May	"	95.100	105	141	128	..
June	"	100	105	150	119	..
July	"	100.105	105.110	152	119	..
August	"	110	115	155	122	..
September	"	110	115	161	120	..
October	"	115.120	120	164	110	..
November	"	120.125	125	176	103	..
December	"	120	125	169	99	..

any questions that are not finally settled at Genoa. Such an arrangement would put an end to the fears voiced by Lord Grey that an attempt might be made to set up a rival international organisation. If any such intention was ever seriously entertained by our Government, it has been dispelled by several recent events, which have strengthened the position of the League. In the first place, the Washington Conference has adjourned without any attempt being made to provide for a new Association of Nations, and those who have returned from Washington have gathered the impression that this idea is not now likely to be proceeded with. Moreover, Mr Balfour, whose two years' experience with the League is undoubtedly largely responsible for the new enthusiasm and international outlook which characterised his masterly handling of our affairs at Washington, declared on Monday that, in his judgment, "there is no conflict in ideals between these two great instruments. The most ardent devotee of the League never supposes, in his most sanguine moments, that the League could have done what has been done at Washington. The severest critic of the League would be equally ready to admit that the League has undertaken, and is carrying out, work for which no occasional conference could provide. The League supplies that continuing organisation which is required in order to carry out a continuing policy." Finally, the

The latest figure is the lowest recorded since January, 1918. The decrease during last month was mainly due to reductions in food prices, including eggs, butter, flour, bread and margarine. It may here be mentioned that an announcement has been made this week to the effect that the price of the 4 lb loaf in London is to be raised from 9d to 10d on Monday next. Food prices alone stand 79 per cent. above the pre-war level, as compared with 85 per cent. at the beginning of January.

Employment in January.—The statistics of unemployment in January show no improvement. Indeed, the Labour Gazette for February shows that there was a further increase in the percentage of members of trade unions unemployed—namely, from 16.5 per cent. at the end of December to 16.8 per cent. at the end of January. The monthly figures for a number of years are set out below:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.

End of—	1913.	1917.	1918.	1919.	1920.	1921.	1922.
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8
February ..	2.0	0.3	0.9	2.8	1.6	8.5	..
March	1.9	0.3	1.2	2.9	1.1	10.0	..
April	1.7	0.3	0.9	2.8	0.9	17.6	..
May	1.9	0.4	0.9	2.1	1.1	22.2	..
June	1.9	0.4	0.7	1.7	1.2	23.1	..
July	1.9	0.4	0.6	2.0	1.4	16.7	..
August	2.0	0.5	0.5	2.2	1.6	18.3	..
September ..	2.3	1.3	0.5	1.6	2.2	14.8	..
October	2.2	1.1	0.4	2.6	5.3	15.6	..
November ..	2.0	1.1	0.5	2.9	3.7	15.9	..
December ..	2.6	1.4	1.2	3.2	6.0	16.5	..

* Excluding coal miners. † Revised figure.

In practically all the principal industries large numbers were unemployed and short-time working was general. The percentage of unemployed among workpeople insured under the Unemployment Insurance Act was unchanged at 16.2 per cent. The total number registered at the Employment Exchanges on January 31st was 1,906,000, as against 1,868,000 at December 31st. In addition to those unemployed 288,000 were registered as working systematic short time.

The Building Guilds.—In connection with the recent issue of the first reports of the London and National Building Guilds, a correspondent writes:—Although the Building Guild movement is but two years old, it is already by far the most considerable experiment that has yet been made in the control of industry by the organised workers. It is, in its own words, an attempt at "industry organised for service" under the direct control of the operatives, and on a strictly non-profit-making basis. It arose directly out of the systematic propaganda of Guild Socialism which has been carried on for a number of years by the National Guild League. The Guild Socialists, who aim at a complete reconstruction of industry on a basis of "free and self-governing service by the organised producers," have always made their appeal primarily to the trade unions and to the professional workers. The peculiar situation of the building industry after the war afforded the opportunity, not merely for making plans, but for positive action. The first groups to take action were the various branches of building trades operatives in and around Manchester, who, with the aid of the Guild Socialist leader, Mr S. G. Hobson, formed in January, 1920, the Manchester Building Guild. Other areas speedily followed Manchester's example. In London, where Mr Malcolm Sparkes, formerly an employer-manager in the trade, and a group of trade unionists had for some time been attempting to get a guild started by consent between employers and workers, the failure to make progress on these lines led to the establishment of the London Guild of Builders, which has just issued its first annual report*. There are now in England, Scotland, and Wales about 135 local or regional building guild organisations, united, since last autumn, in the National Building Guild, which has its headquarters in Manchester. The Building Guilds have now in all about two and a-quarter million pounds' worth of work in hand. The bulk of this is work for local authorities on Government housing schemes; but it also includes a substantial amount of general building and decorating work. As practically all the large contracts undertaken by the Guild are still in progress, the reports issued can as yet give no final account of the financial results secured. But, on the work completed, a substantial saving has been made in each case on the estimated prices, which were the lowest competitive tenders submitted. The Guild does not work for profit, and it is a fundamental rule of its constitution that no profit may under any circumstances be distributed. It has two main forms of contract. Under the first, actual cost, including a percentage for administration, &c., alone is charged, i.e., the purchaser pays the actual cost of the job, whether it is higher or lower than the estimate submitted by the Guild. In fact, it has been uniformly lower. Under the second form of contract the Guild quotes a maximum price, which is not exceeded under any conditions. In order to cover its risk, it charges against all

* "The Building Guild in London." Price 6d. Published at 52 Russell square, London, W.C. 1.

contracts made on this basis a small percentage, which goes to an insurance fund. If the actual cost works out at less than the estimate, the balance is shared between the Guild and the purchaser. Local authorities in many cases have saved considerable sums on their estimates under these contracts. In the cost price charged by the Guild is included one item which is of vital importance. According to Guild theory, every worker belonging to an industry is entitled to continuous pay at the standard rate from that industry. This principle the Guild applies to its own workers, who receive pay in time of involuntary standing off or sickness. The guildsmen themselves believe that the Guild is capable of forming the basis of a new industrial system which will replace capitalism. Their conviction can be neither proved nor disproved on the basis of the experience so far available; but there seems to be evidence enough that the Guild operatives are working in a new spirit, under the stimulus of the new incentive of "self-governing service," to make the Building Guild well worth watching, and to render it very important that it should be afforded the fullest and fairest opportunity of proving its capacity, and thereby the capacity of the organised workers to "control industry," and thus implement the claim so often made on their behalf.

Engineering Crisis.—On Wednesday the Engineering and National Employers' Federation gave notice to the Amalgamated Engineering Union that from March 11th it would be a condition of employment that the workers should recognise the right of the management to decide when overtime and nightwork should be worked. The men have already rejected this demand by a ballot vote. The dispute is confined to the engineering industry, and hopes are entertained that a conference between the employers' and the workers' executives will shortly be convened to discuss the situation. The Engineering Union has a membership of 407,000, of which over 90,000 are unemployed, while a large number are on short time.

The Re-insurance Habit.—In dealing with the affairs of the City Equitable last week we commented on the fashion of re-insurance by treaty, which is now so popular among fire and marine insurance companies. At the annual meeting of Lloyds' Underwriters Association, held this week, the chairman, Mr Hargreaves, dealt with the same topic, considering it from the point of view of an underwriter who has no treaty to shoot his risks into, but carries what he writes. Mr Hargreaves pointed out the difficulty in which such an underwriter is placed on a risk which is started below the proper rate by a company which intends to shoot its line, and therefore cares very little whether the risk is adequately paid or not. It introduces an element of confusion into the market, and makes it almost impossible for the treatyless underwriter to conduct his business as it should be conducted, the risk being led by an underwriter who is acting really as agent for his re-insuring companies. In principle, this practice of writing to re-insure is not sound. It impairs confidence, disguises the true position, and makes the company which ought to be an insurer become little more than a jobber in credit, giving a policy with good security and covering its liability with inferior security. The answer given to this criticism is that risks of present-day size could never be covered unless the companies had a ready market for re-

insurance in which they could undo their bargains. As the market is at present organised, there is something in this argument, but as all the risks are covered ultimately the market must be large enough to carry the whole, even though some of the security given is not of the first class. If the market organised itself rather differently, and the companies who now fortify themselves with re-insurance treaties adopted the policy of running larger lines themselves, would not the difficulty of the big risk be solved? The resources of our big offices are very large indeed, and we should imagine that much larger lines than those actually run by some of them would be well within their scope. Some companies do actually run much larger lines than others of equal standing, and some have been able, without endangering their security, to increase very largely their lines within the past few years. Theoretically, at any rate, it is much more sound for the lines to be increased than for the risk to be handed on from one company to another down a ladder of diminishing credit. The underwriters on the lowest rungs of the ladder would soon die of starvation, but would the world be worse off by their death?

The Situation in Mexico.—While Washington delays its recognition of President Obregon's Government, disquieting rumours are reaching the outer world indicating a general revival of unrest. It seems certain that a revolution in Chihuahua has only been checked by the sudden arrest and execution last week of the Federal General Prudenias and a number of officers—two of whom were betrayed into the hands of the Federal authorities by ex-General Villa, now reformed and peacefully directing his own ranch. It has also been stated that 5,000 United States troops are encamped on the frontier, ready to act in case of an attack by revolutionists on Ciudad Juarez, opposite El Paso. But United States troops are always stationed on the frontier, and it is quite possible that the rest of the story may be merely conjectural and decorative. A message, however, has reached London from a trustworthy business source in Mexico City to the effect that disturbances are taking place in Puebla—an industrial centre, and repeatedly the scene in the past of strike riots, summarily and savagely repressed—and that there are risings all over the country, but that business is as usual in the capital. These reports are unconfirmed by Mexican official advices, and the disorders may be merely the outcome of the unsettlement and suspense existing everywhere and aggravated in Mexico by the delay of recognition. Last week it was announced that Mr Lamont, who visited Mexico last year in connection with the negotiations for a loan from United States bankers, had just expressed his expectation of a satisfactory understanding between the two Governments at an early date, and that Señor de la Huerta, Provisional President after the fall of Carranza and now delegate to a Conference with the authorities at Washington, had stated that arrangements were proceeding satisfactorily for the adjustment of the terms of the long-desired American loan, without which, apparently, the service of the Foreign Debt is not likely to be resumed. President Obregon has recently reaffirmed his hopes of an early resumption; but he has expressed them so often that European opinion is sceptical, and Mexican securities have not shared in the general rise which has marked this week in London.

Anglo-Czech Bank.—A correspondent writes:—It is reported from Prague that the negotiations between the Bohemian Banking Corporation, Prague, and an influential financial group consisting of representatives of the malt, spirit, and sugar industries have now been concluded. As a result, the management of the bank will be reorganised and its capital raised considerably. Among the new members of the board of directors will be Mr Hugo Schwarz, one of the managers of the Anglo-Austrian Bank, the branches of which will in the near future be taken over by the Anglo-Czech Bank, now in course of formation. Thus the Bohemia Bank will stand in close contact with the latter concern, and will take over 25 per cent. of its joint-stock capital. The remaining 75 per cent. will be subscribed by English financiers. In addition to this, the

Bohemia Bank has succeeded in concluding a favourable agreement with the Internationale Handelsbank in Vienna, according to which it will take over the Czechoslovak branches of this bank, thus acquiring a footing in the porcelain industry of Western Bohemia. The plan to utilise the branches of the Internationale Handelsbank for establishing a special bank for the porcelain industry, to be known as the Bank for Foreign Trade, has been abandoned, and the organisers intend to support the Bohemia Bank, which will carry out their original programme in this direction. In this way the Bohemia Bank has secured a strong foothold in the home industry which may soon prove to be of mutual advantage, as the industries mentioned above depend to a great extent on export trade, and the well-organised intelligence service of the bank will therefore be of great use to them. In addition to several branches at home, the bank has a branch in Paris, and is affiliated with the Bank of Europe and the firm of Brodsky and Sovak in New York, the Bulgarian Trading Company in Sofia, with branches in Varna, Rustchuk, and Plovdiv, the Import and Export Company at Belgrade, and the "Exportul" Import and Export Company in Bucharest. The intelligence service of the bank will be still further improved by the close co-operation with the Anglo-Czech Bank. As already mentioned, the Anglo-Czech Bank will be formed as a new concern, with headquarters in London, by taking over the branches of the Anglo-Austrian Bank, of which there are 30 in Czechoslovakia. The bank is specially interested in the sugar industry, and after its transformation it will be one of the biggest banking concerns in Czechoslovakia.

The New Baltic States.—Estonia and Latvia, with populations respectively of 1,750,000 and 1,503,000, will serve through their State railways as the chief outlets of Russian overseas trade. In Estonia, Reval—now officially called Tallinn—can take ships drawing 28 feet alongside the quays; a railway 210 kilometres (about 131 miles) in length connects it with Narva, on the Russian frontier, and gives access to Petrograd and Northern Russia: another line of 48 kil. (30 miles) with Baltic Port, which serves for winter traffic when Reval is closed. From Taps, on the Narva line, there is a branch of 195 kil. (122 miles) to Vulk, on the Lithuanian frontier, and on to Irbosha (120 kil., or 75 miles), on the Russian border; and the total of 651 kil. (407 miles) is completed by a line from Reval to Hapsal of 78 kil., or 49 miles. All these are of the Russian gauge of 5 ft. (A direct railway from Reval to Moscow hereafter is provided for by treaty with Soviet Russia.) The proportion of rolling stock to mileage compares favourably with that in Finland, Latvia, Lithuania, and Poland, which compete for a share in Russian through traffic. Last year that through Estonia amounted to 18,926 carloads, totalling 211,615 metric tons, mainly railway material, locomotives, machinery, tools, and food; from Russia only empty cars came till November, and of the 240 loaded cars in that month and December a large proportion carried the property of refugees. The Latvian system serves Central and South-Eastern as well as South-Western Russia. Three trunk lines, of the Russian gauge, terminate at Latvian ports: from Tsaritsin, on the Volga, through Tambov, Smolensk, and Vitebsk, to Riga; from Moscow, through Pskov, by Riga to Windau, which should eventually again carry much Siberian produce; and from Romni, in the Poltava Government, through Minsk and Vilna (now to be Polish) to Libau, thus serving much of South-Western Russia. Of these lines, the Latvian portion amounts to some 516 miles in all. Riga admits vessels of nearly 20 ft. draught, Libau of 27 ft., Windau of 28 ft.; normally both the latter are always, or nearly always, ice-free, though this winter ice-breakers have been needed, and one is to be obtained from Russia. Neither State can yet export much native produce beyond flax and timber, though Latvia also exports paper pulp and meat. Conventions have dealt with the relations of the two railway systems with one another and that of Lithuania; probably all three will be under joint management; and also with through traffic arrangements between Prague, Warsaw, Riga, and Reval. Agrarian reforms, specially drastic in Estonia, have substituted peasant holdings for the large estates of the "Baltic barons" of

German race and speech. Both States need foreign capital. A holding in the Bank of Dorpat (now called Tartu) has been acquired by the British Overseas Bank, and a British group has made inquiries with a view to purchasing factories in Latvia disused since the war. The Latvian Budget estimates of 1920-21 were only made to balance by the issue of paper currency and "prospective internal loans," and it is argued locally that taxation has reached its limit, that the rate of exchange (about 1,000 roubles to £1) hampers foreign trade, and that the only hope for economic reconstruction lies in a foreign loan. But the terms now would be onerous, if not prohibitive.

The Rand Strike.—The news to hand with reference to the progress of affairs on the Witwatersrand has been on the whole encouraging to holders of shares, both in coal and gold mining companies—who, however, should not lose sight of the point that time will be required for the restoration of normal conditions. At the collieries the trouble is virtually over, and, despite intimidation, the gold miners are filtering back to work. With the assistance of the enginemen and the officials, crushing is proceeding on a partial scale at a number of the properties. A fresh scheme put forward by the Industrial Federation—once again—overlooks the economic factor. More or less in correspondence with the improvement in the sterling exchange on the United States, the premium on gold continues to decline; the price of the metal is now more than 20s below last year's average. Half-and-half measures, consequently, are useless. And the proposals of the Chamber of Mines are quite moderate. Indeed, as pointed out by General Smuts in his detailed statement before the Union House of Assembly, the Chamber is in one important item merely acting in accordance with the report of the Low Grade Mines Commission.

Housing Problems in Germany.—The German Government has now carried through its new housing legislation. The official rationing of housing and the maximum rent system are to remain for four more years. The principle of the "basic rent" of 1914, to which is added a small supplement (in Berlin at present 70 per cent.) to compensate for the currency depreciation, is retained. At present, according to official statistics, the Berlin citizen pays in rent 1.8 per cent. of his income. As the houses are going to ruin, the new law provides for making tenants pay for repairs; but the present *de facto* complete expropriation of house owners is perpetuated. This is reflected in the reports of the mortgage banks for 1921. While between 1905 and 1913, with a stable currency, the total of mortgages outstanding rose from 8,668,430,000 marks to 11,893,240,000 marks gold, the total at the end of 1921 was only 12,181,100,000 marks paper. The mortgage banks refuse to increase mortgages, on the ground that the 30 to 50-fold rise in the paper-mark value of houses cannot, owing to the maximum rent system, be realised. The mortgage bondholders, like the house owners, have been expropriated. In September the Government planned to raise rents 600 per cent., and itself to appropriate the new revenue; but this has not been carried out, and at present the house owners have lost their property and the State and municipalities have lost a source of revenue, while the citizen lives practically rent free.

Lancashire Cotton Dividends.—The stocktaking results to the end of January of 78 Lancashire cotton firms engaged in the production of cotton yarn only, and having a total paid-up ordinary share capital of nearly £11,000,000 and a total spindles of more than eight millions, have been announced during the past few days. Dividends ranging from 3½ per cent. to 20 per cent. per annum, absorbing £122,500, have been declared by 35 mills, but the directors of 43 concerns have been unable to recommend any payment at all. Out of the companies whose reports relate to the three months trading to the end of January, 31 have been forced to pass the dividend. The average dividend per company for the quarter is 4.88 per cent. per annum, compared with 5.71 in October, 6.44 in July, 7.33 in April, and 22.11 in January, 1921, and the aggregate paid-up ordinary share capital amounts to £10,423,735. Of the remaining 22 mills, with a total paid-up ordinary share capital of £4,645,241, 12 firms

could not pay a dividend over a period of six months. The average per company for the half-year works out at 3.86 per cent. per annum, against 4.68 last July and 13.44 12 months ago.

Non-Ferrous Metal Prices.—Our mining correspondent writes:—This week several of the leading non-ferrous metals have touched quotations lower than those recorded at any time during the past eight years, apart from the collapse which occurred after the outbreak of war in 1914. To carry the comparison no further back, copper was over £9, tin about £35, lead £6 5s, and spelter £3 5s per ton below the levels ruling on December 16th, when the summit was reached of the little rally brought about by purchases in anticipation of better business in the new year. More particularly as regards copper and zinc, the recent fall has been contributed to by the continued appreciation in the sterling exchange, which facilitates shipments from the United States. But the governing factor consists in the slackness of demand, combined in several cases with the existence of large and increasing stocks. Although the accumulations of copper on the other side of the Atlantic are stated to have been reduced, they are still appreciable; and will shortly be added to through the resumption of operations on the part of several of the leading producers. The end-January tin statistics showed an expansion of over 1,000 tons in the visible supplies—to 25,350 tons. The stocks in the hands of the Malayan and Dutch East Indian Governments are estimated at 10,000 to 12,000 tons. This tin, it may be recalled, was purchased for the purpose of assisting the industry, and an official assurance has been given that it will be kept until it can be sold at a profit. Should, however, the period of nursing prove a long one, the Governments concerned may be unable to carry out their declared intentions. In any case, the known existence of these stocks casts something of a shadow on the market. With spelter an artificial position exists owing to the contract between the British Board of Trade and the Australian producers. This agreement was entered into for the very laudable purpose of preventing a return of the German domination of the zinc smelting industry; still, it is like to cost the taxpayer dear. Strangely enough, efforts on the part of home producers to secure terms equivalent to those granted to the Australians have been entirely without effect. Metal exchange experts take a very chastened view of the prospects for some time to come. No sustained improvement in values can occur until the demand expands, and an expansion in the demand waits upon a recovery in the purchasing power of the world.

Jute Industries.—In November, 1920, the "offer for sale" of shares in Jute Industries, Limited, appeared in which the value of the net assets of the various associated companies comprised in this undertaking were stated as £8,158,217. Combined profits of the associated companies were given from 1916, and these varied between £628,390 in that year and £1,497,557 for 1920. In the accounts and report now issued for the "period from the incorporation of the company to September 30, 1921," profits are given as £308,251. Of this amount £58,466 went in payment of interest on the purchase price, and after distributing the preference dividend of 9 per cent. and writing down expenses by £59,355, the directors have carried £12,693 to next year's accounts. The associated companies have advanced during the year £1,244,695 to the main undertaking to enable the directors to acquire certain shares "without increasing the capital of the company." Depreciation of stocks have been met by writing down all stocks to market values, which has been provided for, "except in the case of one of the associated companies," out of profits. The report states that the directors have revised the inventories of assets "on the basis of present prices, and after allowing for the full depreciation shown by these revisions there still remains a surplus of values of something over two and a-quarter million pounds over and above the issued capital." Total assets appear as £5,911,741, as against share capital of £4,500,000, advances from subsidiary companies at £1,244,695, unclaimed dividends £497, and a credit balance at profit and loss account of £166,548.

Conditions in Japan.—Cable advices from Tokyo state that, as a result of the quick return of money from the provinces after the turn of the month, the quotation for short loans continued to drop daily, having fallen at one time to 3½ per cent., but the rate has now hardened to 4½ per cent. Time money is 7½, with the discount rate unchanged. While there is a tendency for bank deposits to decline, the adverse balance of foreign trade, which has been increasing of late, foreshadows a stringency of money in the future, and rumours of a rise of bankers' deposit rate are increasing. The rice crop of last year is reported to be 55,000,000 koku (about 262,000,000 bushels), which shows a decrease of 800,000 koku for the previous year. The silk yarn market remains weak, while rice and cotton yarns are unchanged. The Stock Exchange has been dull, with little movement. The index number of wholesale prices in Tokyo for January was 271.63, as against 265.84 in the corresponding month of 1921.

By the courtesy of the Lord Mayor of London the annual meeting of the Sound Currency Association will take place at the Mansion House, London, on Tuesday, March 7th, at 2.30 p.m. The Earl Beauchamp, K.G., will preside, and a number of eminent bankers, economists, and merchants will take part in the proceedings. The meeting will be open to the public. Admission will be by ticket, obtainable upon application to the hon. secretary, Mr F. C. Goodall, 115 Cannon street, London, E.C.

At the fourth ordinary meeting of the present session of the Institute of Actuaries, on the 27th instant, at 5 p.m., at the Hall of the Institute, Staple Inn, Mr C. H. Maltby, F.I.A., will read a paper on the "Results of an Investigation into the Effects of Different Valuation Bases upon Surplus."

At the public meeting to be held on March 3rd, at 8 p.m., in the Central Hall, Westminster, under the auspices of the Fight the Famine and European Reconstruction Council, Professor Pigou, we are informed, will speak on Reparations, Lord Beauchamp and Mr A. G. Gardiner on the French Pact, and Mr H. N. Brailsford and Mr Arthur Ponsonby on the Fate of Russia.

Oversea Correspondence.

UNITED STATES.—FINANCIAL AND BUSINESS CONDITIONS.—RAILROAD OUTLOOK CONSIDERED BETTER.—ADVANCE IN FARM PRODUCTS.—BONDS ACTIVE.

(FROM OUR CORRESPONDENT.)

NEW YORK, February 11.

VARIOUS developments during the past week or so have created a much more cheerful feeling in financial and business circles generally. One of the most noteworthy features is the continued strength of farm products, the advancing tendency which began in January having become more pronounced within the last few days. Wheat has advanced sharply, as have other grains, though to a lesser extent, cotton has rallied, and other farm staples have displayed increased firmness. As a result, farmers are marketing their products more freely, and at rising prices. The significance of the upturn in such commodity prices lies in the fact that for months agricultural sections of this country have been greatly depressed, the purchasing power of such communities having been diminished owing to the extremely low and unprofitable prices which prevailed for farm products generally. Obviously, higher and remunerative prices will increase the purchasing power of people in those districts, and in turn will serve to stimulate trade in many directions. Other factors which have contributed materially to the greater optimism are the vigorous rally in European exchanges, particularly sterling; that development has overshadowed all others in importance in financial markets. Railroad traffic is increasing, as is indicated by the heavy reduction

in the number of idle freight cars, and there appears reason to expect that railroad wage readjustments will be effected in more orderly fashion than heretofore, and without undue delay. Prospects are now much brighter for railway equipment companies; some of the largest railroad systems are planning to spend many millions for new rolling stock, and several substantial orders have already been placed. More activity is noted in the iron and steel industries, and a further increase in demand for steel products is confidently expected as spring approaches. In this connection it is worth noting that iron and steel prices have recently shown further weakness, and are now down to 1916 and 1915 levels respectively, and only 15 to 20 per cent. above pre-war averages. Both wholesale and retail distributive trade is steadily expanding, and the larger movement of merchandise and commodities is reflected in the increase in the number of railroad car loadings; from December 31st to January 28th the number of loaded cars showed a gain of 40 per cent., as against a gain in the same period last year of only 16 per cent. The building trades are evidently anticipating a big year; total building expenditure for which permits were issued last month, according to reports from 152 leading cities, amount to \$136,200,000 approximately, representing a slight increase over the total for last December, but a gain of 138 per cent. over January a year ago. The automobile trade is somewhat more active, with increased operation noted in leading manufacturing centres, where the total employment is about up to last year's maximum. A conspicuous exception to the improvement in most lines of trade and industry is found in textiles, although some branches of the latter are very active. Woollen and worsted dress goods, for instance, have enjoyed a marked revival, reflecting principally the spring demands of garment manufacturers, who are trying to make up for time lost during the recent strike here of garment-workers. There has been good buying of dress fabrics also for the autumn, 1922, season, the American Woollen Company's lines, which were offered at substantial reductions from the opening for last Fall, having been quickly sold up and withdrawn. In men's wear piece goods, fancy overcoatings for next autumn have moved briskly, but suitings continue relatively slow. Clothiers are confronted, on the one hand, by comparatively high costs of fabrics and high operating costs, and on the other by the popular demand for lower-priced clothing. Manufacturers of men's wear fabrics are endeavouring to meet the situation by naming lower prices on their products than a year ago, but they are greatly handicapped by the higher cost and scarcity of desirable grades of clothing wools. Print cloths, sheetings, and other unfinished cotton cloths are extremely dull in primary markets, buying being restricted by uncertainty over the possible effect of wage readjustments in New England mills. Prices generally for grey goods have weakened somewhat during the past few days, owing principally to slackening demand; but mills generally are reluctant to book far ahead at current levels. Broad silks that are being offered from stocks find a ready market, but at prices which are still far below replacement costs based on the present price of raw silk. The latter has declined sharply, especially Japan sorts, reflecting the slump in Yokohama; but raw material prices could decline fully one dollar a pound more without disturbing prices now prevailing for stock silk goods. Forward business in broad silks—that is, in goods to be made from raw silk yet to be purchased—is retarded by the uncertain price outlook for raws, and silk goods mills are still operating at a low percentage of capacity. There is widespread criticism here of the raw silk speculation indulged in lately on the Yokohama Bourse, which has been an unsettling factor in the American silk trade and industry in recent months. Leading authorities are strongly urging remedial measures to check such speculation.

During January there were many counter currents in different lines of trade and industry, which are reflected in the price records for that period. *Bradstreet's* index number for February 1st—namely, \$11.4190—marks a slight gain—four-fifths of 1 per cent.—over the January 1st number, which in turn showed half of 1 per cent. gain over the December 1, 1921, number. Reasons for the increase are found largely in breadstuffs, live stock and

textiles, which, with vegetable oils and naval stores, advanced, while prices of provisions, hides and leather, metal, building materials, chemicals, drugs and miscellaneous groups declined. The rise shown is the seventh gain in eight months since June of last year. The February 1, 1922, number, however, is still 7.7 per cent. above February 1st a year ago, and 45 per cent. below the peak point on February 1, 1920. Compared with the index number on December 1, 1918, after the Armistice, the current number is 40 per cent. lower.

The bond market has resumed its upward trend, and demand has steadily broadened during the past week. Activity has been stimulated by a number of developments, such as the heavy over-subscription to the recent offering of Treasury notes; the Government's action in calling the outstanding 3½ per cent. Victory notes (approximately \$400,000,000) for redemption on or before June 15, 1922; the rapidity with which investors have snapped up large offerings of new securities, including the \$30,000,000 Great Northern Railway 5½ per cent. first mortgage bonds and the \$75,000,000 Federal Land Bank 5 per cent. bonds; and the rise in sterling and other European exchanges, which served to lift prices of various European Government bonds which are traded in here. The recalling of the tax-exempt Victory 3½ per cent. notes—the first of a series of refunding operations by the Treasury in its plan to refinance gradually the Government's short-dated debt of some \$6,500,000,000—naturally stimulated demand for other Government issues, especially the tax-exempt bonds. Several new foreign loans are pending, and it is understood some may be floated here shortly, including a sizeable loan to Holland, and possibly one to Peru, and others to smaller countries.

FRANCE.—BUDGET BILL—INCOME-TAX—REDUCTION OF GOVERNMENT BOND INTEREST—M. LOUCHEUR'S SPEECH—NEW CREDIT NATIONAL BONDS—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, February 21.

THE new Finance Minister, M. de Lasteyrie, has already given indications that he intends to follow the example set by his recent predecessors, and make every possible effort to secure the passage of the Budget Bill for the year 1923 before the coming financial year actually begins. The initial difficulty facing the new Minister is that the Treasury will be unable during the next twelve months to count on the exceptional resources derived from the liquidation of war stocks and the tax on war profits, which figure in the Budget for 1922 for a total sum of 3,500,000,000. Simultaneously with this decline in revenue, the Treasury has to look forward to an inevitable increase in expenditure in connection with the public debt.

Some part of the deficit due to these causes will no doubt be met by a more efficient method of collecting the revenue already provided for. Exactly what method the Finance Minister proposes to adopt to render the present taxes more productive has not yet been disclosed. An interesting proposal that has been made by M. Léon Bailby, in his journal, *L'Intransigeant*, however, merits reproduction. He suggests that the chief surveyor of taxes in every district should be empowered to select every year by ballot 100 names of taxpayers, and that the declarations made by each of these should be strictly verified by the Treasury officials. In the event of fraud being disclosed, the guilty parties should be compelled to pay three times the amount of their proper assessments, with other penalties that would ensure that few people would be inclined to follow similar practices in the future.

The reduction of the Bank rate in England has had the effect of drawing immediate attention to the possibility of the Banque de France following the same road. Nothing has apparently yet been decided in this regard, but opinion generally appears to be unanimous that a reduction in the price of money in this country would be followed, as in England, by an immediate improvement all round in the quotations for securities of all kinds, and by a marked revival in business on the Bourse. One direct effect of the step taken by the Bank of England has been the

announcement by the Finance Minister of his intention to carry out with the least possible delay two important operations—namely, a reduction of the rate of interest payable on Bons de la Défense, and the reopening of the Rente market. The existing rates of interest on Bons de la Défense National, which is payable in advance and free of taxation, is 5 per cent. on 12 months' bonds, 4½ per cent. on six months, and 4 per cent. on those for three months. It is understood that the Finance Minister is in favour of an all-round reduction of ½ per cent., as it is evident that a proportional reduction in connection with the existing three, six, and twelve months' bonds respectively would result in complications that would seriously upset the market in these securities that has been organised on the Bourse. It is significant that the formal announcement is made that this reduction will not come into effect until after the close on February 28th of the subscription lists for the issue of Crédit National bonds which is now in progress, in view of the repercussion such a step would have on the present issue.

It is understood that if the proposed reduction in the rate of interest in question results in the expected rise in security prices, the Finance Minister will then take into active consideration the possibility of declaring a free market in Rentes—which, as everybody knows, are officially quoted at entirely artificial fixed prices, that make anything like a volume of business impossible. The wisdom of this régime of fixed prices, when it was instituted, was recognised by all concerned, but there is now a large body of opinion in support of the belief that the time has come when such restrictions should be removed. While expressing his desire to render the Rente market free at the earliest possible moment in the near future, the Minister gives it clearly to be understood that the date at which such a step will become possible depends entirely on the measure of success that may attend his proposal to reduce the rate of interest on Bons de la Défense. He foreshadows further that, if both the projected operations proved successful, he contemplates, probably before the close of the present year, the issue of a huge consolidation loan, that will interest the holders of the 90,000,000,000 odd of existing Rentes.

In a striking speech at Lyons yesterday, M. Loucheur, the former Minister for the Liberated Regions, argued strongly that it is impossible for this country to borrow at present rates, in view of the enormous amounts which she will be compelled to raise during the next and following years to bring about the reconstitution of her devastated departments. He urged that the interest rate of future issues of Treasury bonds should be reduced to 4 per cent., and foreshadowed the reduction of the Bank of France rate to 3 per cent. Equally firmly, he opposed any reduction of the present note circulation, which, he said, he did not consider excessive, whereas in present circumstances its reduction would be as dangerous as its increase would prove.

Referring to the present unsatisfactory economic situation in Europe as a whole, M. Loucheur asserted that the original cause of the present state of affairs was over-production in the metallurgical industry immediately after the war, "and then, and above all, to the mistake of Mr Chamberlain, who in 1919 decided that the situation of Great Britain rendered further loans of one State to another impossible. That step brought about the slump in the exchange and precipitated the economic crisis. Neighbouring countries suffered the same crisis owing to the disordered condition of their currency, and especially in consequence of the absolute lack of equilibrium between production and consumption." M. Loucheur strongly condemned Customs barriers, which, he insisted, were obstacles to commercial currents and a negation of the economic independence of nations.

Coming to the question of French debts to Great Britain and the United States, M. Loucheur said that last December, at the Chequers, he proposed to Mr Lloyd George that France would forego part of her claim against Germany if Great Britain would cancel a corresponding amount of the debt owing by this country to her. Mr Lloyd George agreed, on condition the United States Government was willing to act in the same way with regard to Great Britain. Unhappily, at that moment

the United States decided to consolidate its war debt, and the proposal fell to the ground. "Nevertheless," he added, "the United States will certainly have to recognise that it is impossible for us to repay them. They have obtained all our gold, and they want no more, or scarcely any more, of our merchandise."

The new issue of Crédit National Bonds, referred to above as being now in progress, is on a basis entirely different from its predecessors. In those cases the bonds were long term bonds, and the issues were all accompanied with the usual monthly drawings, in connection with which "prizes" ranging from 1,000,000 of downwards were awarded to holders of bonds bearing the first numbers drawn. In the present issue the "premium bond" principle has been entirely omitted. The new bonds bear interest at 6 per cent., and are redeemable at the choice of the subscriber in ten, five, or two years, at 525f, 507.50f, or 500f, according to their term. The issue price is 497f.

The position on the Bourse shows very little change in comparison with last week, and the dominating features of the market are the new issues either actually made or proposed, and the considerable losses sustained by those who have had to realise securities. Speculators have been particularly hard hit, and have extended the depression by a series of forced sales. The French 3 per cents. are rather stronger at 58.60, as against 57.90, and Argentines, Brazilians, Egyptians and Japanese have been well supported, while Chinese 4 per cents. have advanced from 150 to 165. Banks have shown a certain improvement on last week, Union Parisienne rising from 637 to 650, Banque de Paris from 1175 to 1190, and Crédit Lyonnais from 1375 to 1390. There has been no very definite tendency in railways, P.L.M. being at 825, as against 821, Nord at 915, as against 911, and Orléans at 884, as against 886. Suez have dropped to 5600. Shipping shares are rather better, after a very long depression, Chargeurs Réunis rising from 386 to 400, Transatlantique from 183 to 190, while Messageries have dropped back from 185 to 175.

GERMANY.—REPARATIONS—DEBT—EXCHANGE AND BOURSE—INDUSTRY—PRICES.

(FROM OUR CORRESPONDENT.)

BERLIN, February 21.

As the result of a division in the Independent Socialist party, nearly half of whom abstained from voting, the Wirth Cabinet last week gained a vote of confidence in the Reichstag. By demanding this vote of confidence Dr Wirth forestalled five votes of non-confidence submitted by the German Nationals, German people's party, Independents, and two Communist groups. Though the majority was only 35 in a Reichstag of 469 members, the Cabinet's position is materially improved. There is a new threat of a strike by railway employees, but the Government has threatened to take all possible measures against strikers. The fourth reparations instalment of 31,000,000 gold marks has been paid. Negotiations are again proceeding over the method of deliveries in kind. The method discussed is the so-called "free communication," under which individual foreign claimants have a right to make their own purchases of German goods, paying, according to one statement, only the value of the foreign raw materials used, while for goods containing home-produced raw materials the German deliverer will be compensated by his Government both for materials and for other production costs. The paper mark cost to Germany would be booked at its gold value to the reparations account. In so far as this would mean unrestricted export, Germany is believed to be unfavourable; at present, export of most goods is allowed only under licence, the reason being that, with the present disparity between home and world market prices, free export would denude Germany of necessities. According to an unofficial statement, this last objection is accepted as good by England, but not by all claimant countries.

The Bill restricting dealings in foreign exchange has become law. Such dealings must be carried out through banks, the dealer must be identified, and every deal must be reported to the taxation authorities. Purchases and

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sales of exchange in violation of the law are declared void. The new income-tax formulas require the taxpayer to report every single sale of exchanges and stocks. A report on loans states that of 97,400,000,000 marks War Loans, 32,300,000,000 marks, or nearly a third, has been withdrawn, 17,542,000,000 marks being accepted in payment of taxes, in addition to which there have been intervention purchases for maintenance of the quotation totalling 6,810,000,000 marks, and sales of Army property of 4,207,000,000 marks. At the end of January the Floating Debt had increased to 270,269,452,208 marks, of which 255,678,210,300 marks consisted of discounted Treasury bills. These discounts increased in the present financial year (April, 1921, to February 10, 1922) by 93,781,123,000 marks. The Reichsbank's weekly statement for February 15th shows an increase in Treasury bill discounts from 124,829,121,000 marks to 131,955,141,000 marks, of State deposits from 4,001,492,000 marks to 5,985,017,000 marks, and of private deposits from 19,076,457,000 marks to 23,474,631,000 marks, while note circulation fell from 116,606,017,000 marks to 115,755,536,000 marks. "Kassenschein" circulation was 7,934,000,000 marks. Revenue in the first nine months of the financial year (ending December 31st) was:—

	M.
Property taxes, permanent	36,448,162,285
Do do non-recurring	4,458,236,169
Customs and taxes on consumption	40,966,398,454
Export duties	12,897,734,398
	1,288,065,140
Posts and Telegraphs	54,892,197,992
Railways	5,596,200,660
	24,396,764,000

The mark exchange, after slowly receding during the first weeks of the year, yesterday fell sharply, sterling reaching 953.50, a level not touched since November. The Bourse was firm. In the last few weeks stocks have moved upward, regardless of the fairly stable mark ex-

change. The reason seems to have been the general price rise, which has been going on also independently of the exchanges. Until lately the mark exchange was the predominant factor in all price movements, and with a falling exchange stocks appreciated, because the solid industrial and other properties which they represent rose in value as the currency depreciated, but it was plain that a price rise caused by any other factor than a declining mark exchange would also send up stocks. That has of late been happening. A special influence was heavy buying of Silesian industrials, mainly Laurahütte, for English account. Silesian stocks rose rapidly, Laurahütte moving from 1,605 to 2,490 between February 10th-17th, and the movement reacted on other industrials. The *Frankfurter Zeitung's* index for 15 industrials shows for the 17th 38,685 against 33,442 on January 5th, and a high point of 40,250 on November 10th. Buying of other industrials than Silesians is under way. Yesterday Silesians suffered a slight reaction, and this affected Western metal and mining papers, but other stocks, in particular chemicals and electricals, rose considerably. In State loans Federal 3 per cent. continue to lead, being yesterday 109.90, nearly their highest point so far. War Loan was 77.50, 4 per cent. 87.75, 3½ per cent. 75.10, colonial 4 per cent. 110.75, and savings and premium 80.10. A report of impending reduction of the 5 per cent. interest on War Loan has been denied. Such reduction before October, 1924, is forbidden by the conditions of the loan. Prussian loans continue depressed, 3 per cent. quoting only 59.75; and in the Diet the question has been raised whether measures should not be taken to support these loans.

Industrial conditions continue good. The setback which began after the mark exchange recovery of November-December has not developed. The stagnation tendencies formerly noticed after mark recoveries were caused by falling prices. In January, with prices still rising, the number of industrial concerns reporting good employment increased slightly. A campaign, directed mainly from Hamburg, is being carried on against the system of foreign trade control by the "Aussenhandelsstellen"; and accusations of corruption, betrayal of trade secrets, and inefficient fixing of the minimum export prices are made. The exporters complain that with home production cost rapidly rising, and the mark exchange holding or possibly recovering, they will be unable to compete. Sugar production for the sugar-year 1921-22 (September to September) is estimated at 12,858,000 double-centners (of one-tenth metric ton), against 10,994,679 double-centners in the preceding year. The area under sugar-beet has risen from 272,839 to 340,188 hectares, and the quantity of sugar-beet consumed from 64,760,980 to 73,882,500 double-centners. Smelters are reported to have contracted to import 3,000,000 tons annually of Canadian Wabana iron ore. The aim is to have an easily smeltable ore, coke being scarce and dear, and also to attain independence of Lorraine and Luxemburg minette, and to influence Swedish prices. The price-rise is fostering the foundation of new enterprises. Hitherto new capital has mainly gone on equipping existing concerns with additional working capital, made necessary by higher wages and dearer raw materials; but the greater increase in cost of building and equipping workshops than in selling prices of goods prevented the opening of entirely new works. Of late this disparity has decreased, and new industrial foundations are the result.

The price-rise described above as proceeding independently of the mark exchange may be ascribed largely to State measures aimed at meeting Ally complaints against "subsidies" to industry at the cost of the State finances, and at the supposed cost of reparations claimants. The Government has raised the price of bread by 75 per cent., the price of the 2,050-gramme loaf now being 13.80 marks, has announced a new increase of railway freight rates of 20 per cent. from March 1st, and has raised the gold supplement on Customs duties paid in paper marks from 3,900 to 4,400 per cent., so that the new paper-mark duty is 45 times the nominal. The gold supplement was 475 per cent. before March, 1920, 775 per cent. in November, 1920, 1,900 per cent. on October 20th last, and 3,900 per cent. after November 23rd. As Dr Wirth is doubling certain duties, the consumer will some-

times pay 90 paper marks in duty where he formerly paid 1 gold mark; and with incomes up only 15-20 fold, the effect will be to reduce the buying power for foreign goods. Like other measures taken under Ally pressure, this is not in Ally, certainly not in British, interests. Free prices and prices fixed by the compulsory syndicates are rising under the influence of the railway rate, and bread price increases. Potash prices have been raised from February 20th, and are now 100 per cent. over those of September, 1921, and about 2,000 per cent. over those of September, 1915. Produce market prices are also going up, in particular wheat. The *Frankfurter Zeitung's* wholesale index for February 1st shows 352 for 77 commodities, against 317 on January 1st, 298 on December 1st, 249 on November 1st, 143 on January 1, 1921, and 100 on January 1, 1920. Reckoned on the basis of 100 for 1914, the February 1st index figure is 3,955. The official index figure for middle of January is 3,492. Cost of living index figures are:—Food only for a working-class family, 2,219 in January; food, housing, heating, and lighting, 1,640, which is a rise of 73.7 per cent. over the figure for January, 1921. According to the municipal statistician, Kuczynski, the minimum cost of living, taxes included, for a family of four rose from 330 marks weekly in December, 1920, to 557 marks in December, 1921.

POLAND.—FRANCO-POLISH COMMERCIAL AGREEMENTS—TRADE RELATIONS WITH RUSSIA.

WARSAW, February 18.

On February 6th, M. Poincaré, the French Prime Minister, and Count Zamojski, the Polish Minister, signed in Paris three economic agreements. The first was a commercial agreement, the second an agreement with regard to private property and interests, and the third an agreement dealing with the petroleum industry. The negotiations lasted nearly one year, and the long delay in arriving at an agreement is explained by the divergence of economic interests. Poland is interested in retaining an open hand with regard to her oil deposits in Galicia; France, on the contrary, tried to secure a privilege. Poland is endeavouring to prevent the import of luxuries; France is opposed to such a policy, which is closing the Polish market to an important group of French products. The details of the agreements have not yet been made public, but it may be assumed as certain. The Polish Press is in this respect nearly unanimous that the economic agreements are more favourable to France than to Poland. This may partly be due to political concessions obtained by the Polish Republic. It is known that France refused to sign the political agreements without a preliminary signature of the commercial treaty. The commercial agreement contains the following clauses relating to Customs duties:—1. In respect of most of her imports France benefits by the most-favoured-nation clause. 2. The most-favoured-nation treatment is also accorded to certain articles not of French origin which are imported into Poland by French or Polish firms. Colonial products benefit in the first instance by this clause. 3. A large number of French products, including wines, liqueurs, jewellery, machinery, threads and textiles, will enjoy reduced duties not exceeding 50 per cent. As regards Polish imports into France, they enjoy partly the minimum tariff, partly abatements varying from 25 to 75 per cent. According to a special paragraph, certificates of origin will be introduced, so as to prevent producers in other countries from taking advantage of the reduced duties. As far as the emigration is concerned, Poland has undertaken to give the greatest facilities to ships sailing under the French flag.

Negotiations for the signature of a commercial treaty between Poland and Russia will shortly be opened in Warsaw. It is certain that such a treaty is necessary for regulating the commercial relations between the two countries, which already show some signs of activity. Mr Sortchakow, the representative of the Russian Wneshnorg (Office for Foreign Trade), has signed with the Lodz manufactory of Geyer an agreement for the delivery of textile goods of the value of half-a-milliard Polish marks. The first transport is already leaving Lodz this week. Mr Sortchakow is continuing in Lodz his

negotiations with other important firms. In the future economic relations between Polish Silesia and the Ukraine will become very intimate. The import of iron ore from South Russia is for Silesia very advantageous.

HOLLAND.—NEW ISSUES—NEW GOVERNMENT LOAN—BANKS—INSURANCE.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, February 15.

NOTWITHSTANDING the "malaise," the total of new issues last month reached 35,582,000 fl, as against 50,465,000 fl in the corresponding month of 1921. The city of Rotterdam, the province of Gelderland, and the Netherlands Railway Company issued considerable amounts of 6 per cent. bonds at prices round about par, which were all well received by the investing public. The market situation for the new Government loan which is shortly to be launched is consequently fairly good. It may be expected that the rate of interest will be also 6 per cent., and as the loan will be a big one—the Finance Minister has authorised to float 300,000,000 fl—without any compulsion to subscribe, the price has to be attractive, and will probably be well under par. It would not be astonishing if American financial circles were also to be interested. The floating debt was at the end of January 855,000,000 fl, of which 727,000,000 fl was Treasury bills held by the public, and 57,000,000 fl placed with the Netherlands Bank.

The position of the banks in this country is good. For many months they have been occupied in eliminating bad and doubtful debtors, of which many have succumbed after having risen during the war to undeserved success. All losses in 1921 have been written down, and it may be expected that sufficient reserves have been put aside for possible further losses. One or two absorptions of smaller banks by some of the larger institutions may possibly occur, but, as a whole, the situation seems to be sound. Industry suffers badly from foreign competition, and steamship companies, especially those which are handicapped with building contracts, are not in an enviable condition. The insurance market is not as disquieting as it was a few months ago. Insurance brokers have been busy in transferring commitments with weak companies to such companies as appear to be in a stronger position. It must be said that the English companies during the time of crisis and failure were looked upon as first-class security, and it is therefore regrettable that events in connection with the City Equitable tend to make people feel a little uneasy also in this direction.

ARGENTINA.—TRADE IMPROVEMENT—RAILWAY RATES—LIVESTOCK—PUBLIC FINANCE.

(FROM OUR CORRESPONDENT.)

BUENOS AYRES, January 25.

WITHIN the last ten days the general commercial outlook for Argentina has brightened perceptibly, and the reaction is all the more noticeable, seeing that the first fortnight of the New Year accentuated, if anything, the extreme depression of November and December. This improvement is due to the sharp renewal of interest on the part of European buyers in Argentine cereals, to the firm demand of North American wool buyers, and to the consequent improvement that is already manifest in the exchanges; an improvement which should in due course tend to help the importers. Reports from Rosario and Bahia Blanca bear out the result of local observation, and confirm the fact that wheat is being shipped in ever-increasing quantity, and that the inquiry for maize is fast approaching the normal movement noticeable at this period of the year. It goes without saying that this will speedily react on the traffic returns of the great railway systems, as it has already reacted on the freight rates for overseas transport, which are firm both for February and March loading. Buenos Ayres to United Kingdom mid-February has been done at 30s; 32s 6d has been offered for March, and for North Italian ports 35s is recorded. The market is bare of prompt tonnage, and it is credibly reported that nothing unfixed is on its way to the Plate at the present

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time—a statement which may or may not be an exact fact. There is also a sharp rise in freight rates to the United States, most of it parcel business. Wool is being booked at \$7, hides (salted) at \$12, quebracho extract at \$6, and so on down the list. Coming thus promptly, and almost unexpectedly in so far as the general mercantile community were concerned, the movement has acted as a tonic all round, which in a country where temperament plays such a large part, even in business matters, means far more than many people accustomed to the cooler and more deliberate views of the older countries are able to realise.

In the railway traffic receipts published to date the improvement is not yet visible, if one contrasts the takings between July 1, 1921, and January 14, 1922, with those for the corresponding period of last year. Meanwhile, the matter of the tariffs is being pressed on as fast as possible by Dr Torello, Minister of Public Works. The mixed committees, composed of shippers and railway interests, are meeting at frequent intervals, and although official statements have been made reviewing the many reductions which the railways must now be gaining in regard to their exploitation charges—e.g., in the matter of coal or oil fuel, and the drop in the price of material generally, there has also been an admission that the reductions have nevertheless been discounted by a heavy falling off in gross receipts. It is yet too early to do more than speculate as to what the finding of the committees will be, but local opinion believes that a fair increase on certain classes of cargo will be sanctioned, though it is safe to say that cattle freights, a most important item, will not suffer any change. This is due to the general depression which still weighs on the pastoralists, but it is satisfactory to be able to add that even here there is a slight improvement noticeable in the prices obtainable for cattle. The usual complaint that the freezing interests are deliberately forcing owners to sell at unprofitable figures has again been made, but it is not taken seriously by the best Argentine commercial opinion. Argentines are well aware that without the steady insistence of the freezers upon fine quality beef improvement in the horned stock of the Republic could never have been attained. Moreover, it is open to Argentine capital to compete to-morrow, if it will; but, as has been proved on more than one occasion, there is not the necessary cohesion and fixity of purpose available to make anything in the nature of a breeders' co-operative freezing and shipping company a workable proposition. Even the suggested Hispano-Argentine concern, which was to supply the Peninsula with Argentine beef and be financed jointly by Spanish and Argentine capital, failed to attract sufficient interest on the part of investors to enable its promoters to begin the erection of a factory. While on this topic one may add that the grandiose scheme for financing needy estancieros, which was detailed in this correspondence a month ago, has as yet made no further progress. Hence there is good reason to hope that it will not, as was first feared, lead to the locking up of far too much liquid capital in loans of a somewhat doubtful character.

It being now the summer period, and the Legislature in recess, there is nothing to record concerning the Government's views on the financial situation. Nothing, that is to say, of an official nature. Rumours concerning the Budget estimates for 1922 there are in plenty, and it is very evident that unless new forms of taxation that actually yield revenue can be enforced, the Administration will be hard put to it to meet its routine expenditure. The 1921 Customs returns show a drop of \$50,000,000 Argentine paper (£4,500,000), and this will perforce be accentuated during 1922, seeing that export dues have practically disappeared and imports are not likely to increase to any great extent. Some of the suggestions now before the Budget Committee have leaked out, but do not sound

very practical. They include a tax on unoccupied land, ranging from 3 to 24 per cent. on the estimated value, the idea being to encourage sub-division and exploitation, and the income-tax proposal is again to the fore, though there are neither the data nor the means available to render such a tax readily and equitably collectable. Heavy increases of the internal taxes are also mooted, but until the Budget estimates have been drafted and discussed by Congress any further expression of opinion is futile. It may be of interest to point out that the present Government, which took office in 1918, has never yet succeeded in getting the Legislature to accept its Budget estimates. Thus the country is still ruled financially under the last Budget of the Plaza régime, which has been renewed year after year by the passing of special monthly apportionments known locally as "duodecimos." The inevitable deficit has been made up by borrowing, and the floating debt is now generally assumed to be round about \$900,000,000 Argentine paper. Further discussion of the national finances may, however, be postponed until some authoritative figures are available, when Congress meets after the summer recess. Meanwhile, rates for money are distinctly easier. Banks have reduced their interest on deposit accounts to 3 to 4 per cent., according to whether the money is left for three or six months, while discount charges range from 5½ to 8 per cent. Sterling exchange is very firm at 44½, sight drawing by banks on London, with the United States dollar rate weaker at \$127 Argentine gold paper \$100 United States. Continental currencies have not improved in relation, and the mark is still weak. Incidentally, it may be mentioned that Berlin now quotes both the Argentine gold and paper dollar daily in its official exchanges. National bonds and the Cédulas of the National Mortgage Bank remain firm, but there is small interest shown in local industrial companies, many of whom have found it advisable to pass their profits, earned during the first half of the year, to meet subsequent losses or to strengthen their reserves against probable doubtful results during their next financial period.

Letters to the Editor.

THE REINSTITUTION OF CONTANGOES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Referring to the article on "Contangoes" (*Economist*, page 224), I think that many stockbrokers in the country, and their clients, would be interested to know why "some amongst the jobbers are anxious to see the marking of bargains made a purely voluntary matter, and they would not be dissatisfied if the present Supplementary Stock Exchange Official List were to be given up."

Surely these two temporary regulations have proved their usefulness, and should be retained. I hope that your Stock Exchange correspondent will enlighten your readers further on these points.—I am, Sir, your obedient servant,

L. M. SING.

February 17th, 1922.

THE BANKERS' DIAGNOSIS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The attainment of a reliable standard of value is an issue of the utmost urgency, for without it the present economic dislocation and subnormal production will continue to afflict the world. For this reason, I cannot help feeling some indignation at Mr Mason's flippant and sweeping condemnation of Prof. Gustav Cassel and his proposals, more especially as his letter displays very little grasp of the problem.

Mr Mason's one ground for rejecting the proposal to regulate the monetary demand for gold by international agreement is that he thinks such control might be abused. He does not appear to realise in the very least how

greatly the purchasing power of gold has been affected at various times by changes in monetary policy on the part of different nations, and that the point at issue is not the choice between control and no control, but between co-ordinated international control and the chaotic vagaries of a score of Governments.

Mr W. T. Layton ("An Introduction to the Study of Prices") gives the following summary of price movements in the 19th century:—

	Percentage Movement.
1821-25	- 25 %
1846-50	- 25 %
1871-75	+ 20 %
1894-98	- 40 %
1906-10	+ 25 %

The striking fall of 40 per cent. in prices from 1871-75 to 1894-98 was due in a large part to monetary policy. Germany adopted the gold standard in 1871-73 and the Scandinavian Monetary Union in 1873. Between 1873 and 1878 the Latin Union countries stopped the free coinage of silver, and thus came on a gold basis, and in 1879 the United States came back to a gold basis. There is little room for doubt that the piecemeal return to the gold standard now will have similar results.

To come to recent history, the substitution of paper money for gold in so many countries during the war had (by May, 1920) reduced the purchasing power of gold in countries which maintained the gold standard by 60 per cent., and since then credit restriction in U.S.A. and elsewhere has raised it again to within 20 per cent. of the 1914 level. After giving those two instances, I ask Mr Mason to state whether he admits that the purchasing power of gold is liable to be affected by the policy of foreign Governments, and, if so, why he prefers this influence to be exercised capriciously, and not by international agreement?

Mr Mason makes too light of the injustice and economic and social dislocation which result from wide movements in the price level. It is impossible for any business man who has lived through 1920 and 1921 to deny that a sharp fall in prices checks the production of wealth. It is also sheer nonsense to say that a fall in prices does not increase the burden of debt. If a man borrowed £10 when he was earning £6 a week and shortly afterwards his wages were reduced to £4 a week, he would find it much harder to pay back the loan. Mr Mason seems to have a notion that good results flow from a low price level. It is quite obvious that the absolute price level makes no difference to anything except to the number of counters necessary to carry on the exchange of a given quantity of goods. It is only changes in the price level that matters, because of debts and money contracts.

The other day I heard Prof. Irving Fisher remark that rising prices produce the "profiteer" and falling prices the "battered bondholder." As the lion's share of the profits of rising prices were taken by E.P.D., justice demands, now that prices are falling and producers are losing, that a new form of E.P.D. should be devised to tap the appreciation in the purchasing power of money, and fixed interest securities. If the Chancellor of the Exchequer were to consider this proposal seriously it might do much to damp the ardour of the price deflators, and bring us nearer to that reliable standard of value to which I am glad to note Mr Mason renders at least lip service.—I am, Sir, your obedient servant,

C. CRAIGS.

4 Bunhill row, London, E.C., February 18th, 1922.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr Mason in his letter to you this week has not referred to a very important possibility, namely, the extension of our banking system so that payments to and disbursements by weekly wage earners were made by cheque. This would be a big step towards the gold standard, while not requiring the handling of gold metal. To make it possible the stamp on cheques must be abolished.—I am, Sir, your obedient servant,

A. HOARE.

37 Fleet street, E.C., February 18th, 1922.

Books and Publications.

RECENT ECONOMIC LITERATURE—A MONTH'S REVIEW.

THE healthy man takes very little interest in medicine, whether in its preventive or curative aspects. So soon as there is anything the matter with him, however, he begins to take note of, to question and study, all that is written, whether by recognised practitioners or by quacks, on the science of health and the temporarily lost art of feeling fit. So now, one of the effects of the war and its terrible aftermath has been immensely to increase the output of books on, and the interest of ordinary readers in, economics. While the machine functioned normally, its workings were taken as matter of course; the profound shocks it has sustained, the doubt dimly felt as to whether it can, in the form in which we have been used to it, be got going again, is making more people interested in it than ever was the case before.

Obviously, it is impossible that, in the limited space available in the columns of a weekly periodical, notice should be given to more than a small fraction of the steady and growing stream of books, articles, and pamphlets—the revival of the pamphlet is one of the phenomena of our time—of a more or less economic character that pours from the Press, despite the groans of the publishers, who declare that they are ruined, and that nothing pays but works on psycho-analysis and auto-suggestion. All that can be done, through direct reviewing, is to notice works of outstanding merit. The average reader wants something more. He wants to be able to distinguish volumes of general interest, or accessible to the reader without special training, from those only readable by experts in this or that branch; and to have made for him some kind of rough-and-ready distinction between the works that are, in a broad sense, instructive only and those that have some sort of propagandist bias.

What is here aimed at is to give such a guide through the publications received by the *Economist* month by month. For this purpose it is necessary to adopt some broad principle of classification. Obviously, no such division can be quite water-tight, but, with that caution, it may be possible roughly to divide the publications of the last six weeks under the heads (1) Elementary, (2) Advanced and Technical, (3) Descriptive and Reference, and (4) Political and Propagandist.

(1) Elementary Books.

Too many of the books written for the elementary student are no more than boilings down of standard works, and so dull as to be repulsive. Writers of the "orthodox" school, in particular, have tended towards the repetition of a particularly unattractive style of exposition. Happily, however, a complete break with this bad tradition is represented by the two admirable volumes with which the series of Cambridge Economic Handbooks, edited by Mr J. M. Keynes and published by Nisbets and the Cambridge University Press at 5s, has been opened. Both Mr H. D. Henderson's "Supply and Demand" and Mr D. H. Robertson's "Money" are so written and arranged as to be readable, with pleasure, by anyone who is prepared to use his head as he goes along. The vitality of Mr Keynes' own style has, with the happiest results, been communicated to his disciples, and something of his dry wit. Originality of substance neither of these writers would claim; but each has achieved originality of treatment. In the endeavour to convey, in a form accessible to the untrained, and yet interesting to the trained, the general principles that underlie sound thinking on economics, they have been remarkably successful. A word of warning should perhaps be issued. Anyone who thinks that economics can be made as simple as A B C, that its whole "truth" can be put in a nutshell, advances a proposition whose absurdity he would at once perceive were he to apply it to any other department of scientific study. The same is true of any claim to have discovered some easy expedient for solving and removing, at a hand's turn, all the ills from which society is suffering. There is no short cut to economic or to any other truth. But the roads laid down by Mr Henderson and Mr Robertson are fairly

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laid and solidly engineered; the reader who walks along them will have to take some trouble, but his map is reliable.

"A Primer of Taxation," by E. A. Lever (P. S. King, 2s 6d), is, as it claims to be, an introduction to public finance, clear and well arranged.

(2) Advanced and Technical.

Not for the general reader, but interesting and suggestive to the specialist, is the examination of the causes of cyclical trade fluctuations by Professor Bouniatian, of Tiflis, translated into German some fourteen years ago, and recently into French, under the title of "Les Crises Economiques" (Paris, Marcel Girard), reviewed in the *Economist* of February 18th. It represents the highly theoretical treatment of the subject. For specialists, again, but of a rather different kind, are intended such works as the new edition of Sir E. E. Spicer's "The Money Market in Relation to Trade and Finance" (H. Foulks, Lynch and Co., London, 8s 6d), "Economics for the Accountant," by Mr Kemper Simpson, published in the United States, but obtainable in London from Messrs Appleton at 8s 6d, who also publish (15s net), a new and revised edition of Mr John J. Sullivan's well-known study of "American Corporations." Alongside of this should be placed Mr Hemmatt's new edition of his "The Companies Acts, 1908-17" (Jordan and Sons, 10s). Of primary interest for accountants, and at the same time a work of reference that should stand upon the shelves of the up-to-date manufacturer is the revised and up-to-date edition of Garcke and Fells' "Factory Accounts in Principle and Practice" (Crosby, Lockwood and Son, London, 15s). With this might be placed the elaborate study of Industrial Waste, a report based upon the examination of a group of establishments in the building, clothing, engineering, and other industries, by the Federation of American Engineering Societies, with a preface by Mr Hoover. The reporters state, as their general conclusion, that of the very large degree of industrial waste that they found to exist, the responsibility for 50 per cent., in their view, lies at the door of manufacturers, the responsibility for less than 25 per cent. at that of labour.

In this same general category should be mentioned the study of French Banking, a most thorough and well documented work, by M. Edmond Baldy, "Les Banques d'Affaires en France depuis 1900" (Librairie Générale de Droit et de Jurisprudence, Paris, 25f); and Mr K. T. Shak's "Sixty Years of Indian Finance" (P. S. King 21s).

(3) Descriptive, and Works of Reference.

Many more or less technical works of a descriptive character are for the general student of "real" economics useful as works of reference. Between these categories no hard-and-fast line can be drawn.

A descriptive book, but one so interesting that it has a claim on the attention of the general reader, is Mr H. D. Henderson's account of the working of the Cotton Control Board, of which he acted as secretary. Published by the Clarendon Press at 10s 6d, on behalf of the Carnegie Endowment for International Peace, this is the latest work to appear in the series being published by the Committee responsible for the series of monographs dealing with the Economic and Social History of the World-War as it affected this country. Mr J. A. Salter's account of the working of Allied Shipping Control and Mr A. L. Bowley's study of Wages and Prices are earlier volumes in the same series. Similar works are

being prepared in France and in the group of countries of which Austria remains the centre. Mr Henderson describes a social experiment of remarkable significance, and describes it very well.

A work of reference in the stricter sense is the Swedish Year-Book, a new venture in English, printed by Messrs Williams and Norgate at 7s 6d net, and the report on Prices and Wages in India, issued by the Calcutta Department of Statistics (2 rupees). With the Report, by the Labour Research Department on "Wages, Prices and Profits" (Labour Publishing Co., 6s), with a preface by Mr Sidney Webb, and Mr J. T. Sutcliffe's admirable "History of Trade Unionism in Australia" (Macmillan, 6s), one passes from the descriptive across to the political.

(4) Political and Propagandist.

It is indicative of the state of the world that this should, at the moment, be much the largest category. Appropriately enough, the first work of any importance to appear in the New Year was Mr J. M. Keynes' supplement, to use his own modest description, to the now classic "Economic Consequences of the Peace"—the work entitled "A Revision of the Treaty" (Macmillan, 7s 6d). This is, of course, an examination of the basic cause of European economic malaise, the Treaty, unexecuted but unrevised; of the modifications in its impossible terms effected at the long series of Allied Conferences; with a clear and simple plan for revision, on lines that will make economic recovery, at home and abroad, possible. Incidental to this is an argument about inter-Ally debt. In connection with this there are passages of the highest interest in Mr Elisha M. Friedmann's monumental "International Finance and its Reorganisation" (Dutton, New York, \$7), in which the whole question of the debts is examined from the American standpoint. As the descriptive work tends to become technical, so the political tends to become propagandist. This propaganda may be for or against the existing system. In two little books issued by the Labour Publishing Company—"The Foundation of Imperialist Policy," by Michael Pavlovitch (3s 6d), and "Oil," by Francis Delasi (3s 6d), it is, of course, wholeheartedly against. M. Pavlovitch is an official exponent of Bolshevik theory. His book consists of lectures delivered to their general staff, on perfectly familiar lines and in perfectly familiar phraseology. Mr Delasi, author of a remarkable study of the French armour plate interest, errs in his study of British oil expansion, as theorists so often do, in attributing too much consciousness to the process he describes. His book was reviewed in the *Economist* of February 11th.

A very readable and engaging little work is Mr George Radford's "Labour and the Moneyed Man" (Hodder and Stoughton, 6s net). Mr Radford is an agricultural authority of some standing, and his argument that "English land is a manufactured article" is probably the most interesting and original part of his book. His view of the moneyed man may be compared with those set out in the current number of the *Nineteenth Century*, in an article on the Millionaire, by Mr G. R. S. Taylor. Other articles in the reviews worth attention from an economic point of view are that by Mr A. W. Kiddy on the Exchanges, in the *Edinburgh*; on Cinnamon, in the *Bulletin of the Imperial Institute*; and in *Economica*, issued terminally by the London School of Economics, a discussion on Probability between Professors Wolf and Bowley.

BOOKS RECEIVED.

The International Protection of Labour. By Boutelle Ellsworth Lowe. (New York) The Macmillan Company. Obtainable from Messrs Macmillan and Co., Limited, London, 12s 6d net.

Freedom of Communications and Transit. League of Nations' Barcelona Conference. (Lausanne) Librairie Payot et Cie.

The Effects of the War on Credit, Currency, Finance, and Foreign Exchanges. One of a New Series of Reprints. (London) British Association for the Advancement of Science, Burlington House, Piccadilly, W. 1. 1s 6d.

Rapport sur la Statistique du Coton. (Rome) L'Institut International d'Agriculture.

Compte Rendu des Opérations de la Banque de France Pendant l'Année, 1921. (Paris) Banque de France.

Annual Statement of the Foreign Trade of Egypt, 1920. (Cairo) Government Press. PT.35.

Business Conditions in Argentina. Report No. 153. January 1, 1922. (Buenos Ayres) Ernesto Tornquist & Cia.

Japan. Department of Railways. Annual Report for the year ending March 31, 1919. English Edition. (Tokyo) Department of Railways.

Institute of Chartered Accountants. List of Members, 1922. (London) Gee and Co. (Publishers), Limited, 14 Queen Victoria street, E.C. 4.

The Irish Economist. A Quarterly Journal of Co-operative Thought and Progress. (Dublin) The Co-operative Reference Library, The Plunkett House. 2s net.

Third Netherlands Indies Fair at Bandoeng. From September 18 till October 8, 1922. (Bandoeng, Java) Offices of the Management, Menadostraat.

The Pan-American Magazine. February, 1922. (London) 50 Great Russell street.

The Free Trader. February, 1922. (London) Free Trade Union, 69 Victoria street, S.W. 1. 3d.

Monthly Movements of Raw Jute and Hessian Cloth During 1916-21. (Dundee) Low and Bonar, Limited.

BANK CIRCULARS.

Monthly Trade Report. December 31, 1921. (Pretoria) The National Bank of South Africa.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
March 14.	March 15.

The activity in the Stock Exchange markets has been increasing cumulatively from day to day. If animation died down for a time in the Consol market, it sprang up in another part of the House. Where investors have been unable to buy Colonials, they have turned their attention to other stocks. If they found no Home Railway Debentures on offer, they have not been unwilling to embark upon more speculative purchases. Scarcity of stock is a predominant feature in the investment markets. Speculation has caught the infection from investment, and is rearing its head in some of the hitherto neglected sections. Many hundreds of rises have occurred in the Stock Exchange lists this week. The amount of business done has more than doubled, as compared with that of a month ago. Brokers and jobbers are working at high pressure, and only the markets for rubber shares and base metal mining issues fail to exhibit any trace of vitality.

After touching 97½, the War Loan gave way upon large lines of stock coming in. National War Bonds are lower on the week, and the tendency in the Consol market proved to be a trifle hesitating after the almost perpendicular rise which had taken place previously. Stock Exchange men have been too busy to discuss possibilities of a Government funding scheme. Every energy has been required to cope with the rush of business, and the great difficulty presenting itself in the minds of every broker in the House is to furnish sufficiently attractive lists of obtainable investments for those clients who, day after day, anxiously demand stocks and shares into which they can place the money which they are removing from deposit accounts.

French issues are amongst the prominent features in the foreign market. Practically every day there have been long strings of rises in Argentine, Brazilian, Chilean, Uruguay, Japanese, Chinese, Norwegian, and other such bonds. A five million sterling issue is projected by the famous P.L.M. Railway.

Home Railways went up in spectacular fashion, the rises including every stock in the market from Little Chatham to

North-Western Debentures. It is impossible to particularise, and, although the fine fervour of the rise was qualified by a cautious amount of selling towards the end of the week, there are many gains on balance. Canadians have been neglected. Mexican Railways shot up on Wednesday, and Argentine Rails have been spectacularly strong, with Brazilians keeping them quieter company.

Rubber shares are dormant, rubber itself having touched the lowest price recorded. The oil market is busy with orders in its good-class Preference shares, but the more speculative section is quiet. Textiles advanced sharply, and South Wales has been buying its iron, coal, and steel favourites. In the shipping market, prices have materially recovered. Banking shares further improved, in consequence of the appreciation in gilt-edged stocks. The insurance market has shaken off its recent depression, and prices show many good rises. The catering group exhibits pronounced strength. Gas stocks have been rising by points per diem. Electricity supply shares came into favour, in consequence of the excellent results being shown by the companies' reports now current. Recently issued Debentures and Preference shares gained substantial premiums in most cases. India stocks—Government, railway, manufacturing, tea, and banking—are somewhat heavy, though a fair number have rallied since last Saturday. Cable stocks are buoyant. It would be monotonous to reiterate the rises which have occurred in other parts of the Stock Exchange.

South Africans, including diamonds and Rhodesians, are generally firmer. The Transvaal strike, while still unsettled, ceases to disturb the market. Tin shares have been flat in consequence of the weakness of the metal. Esperanzas moved spasmodically, and are well below the best price lately reached. Indian mining shares slightly hardened. Kihkland Lakes experienced a sudden advance. Russians attract little fresh notice.

We are officially informed that Mr Bernard Edmondson Bishop (trading as Booth, Bishop and Co.) and Mr Arthur Smith have ceased to be members of the Stock Exchange.

To complete our record of new issues and summary of profit and loss accounts, company secretaries are requested to furnish us with copies of new prospectuses and report and accounts. Our readers can also assist by forwarding copies of prospectuses and company reports and accounts which may fall into their hands.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—				
Amount previously recorded	..	189,324,642	..	..
TREASURY BONDS.				
5½% 1929 receipts to February 11, 1922	..	283,435,011	..	..
Further receipts	..	20,000	..	..
Total receipts 5½%	..	283,455,011	..	..
5% 1927 receipts to February 11, 1922	..	8,490,000	..	..
Week to February 18, 1922	..	31,965,000	..	..
Total receipts to date	..	40,455,000	..	..
NATIONAL SAVINGS CERTIFICATES.				
Net Receipts into the Exchequer Week Ended February 18, 1922.				
April 1 to February 18, 1922, £26,680,000	1,650,000	..	1,650,000	..

To the Public—				
Government of Victoria, £4,000,000 5½% Stock, 1930-40 (red. in London at par), issued at 99½ (Feb. 20)	4,000,000	3,960,000	200,000	3,760,000
Dorset & Exeter Railway, £250,000 8% Second Mt. Deb. red. at 105 July 1, 1937, issued at 95½ (Feb. 23)	250,000	237,500	25,000	212,500
North Metropolitan Electric Power Supply Co., £250,000 8% Cum. Second Pref. Stock (red. at par after Jan. 1, 1927), issued at par (Feb. 20)	250,000	250,000	12,500	237,500
Yorkshire Electric Power, 111,672 6½% Cum. Pref., £5, issued at 94½ (Feb. 23)	558,360	446,688	55,836	390,852
Charles Marsden and Sons, 7½% "Chadwick and Taylor" Mort. Debts, issued at 98, repayable by July 1, 1948 (Feb. 23)	250,000	245,000	12,500	232,500
H. Newsum, Sons, and Co., 100,000 6% (inc. tax free) Cum. Pref. Shares, £1, at par (Feb. 20)	100,000	100,000	12,500	87,500
British Part-Matral, 49,000 Ord., 10s, at par (Feb. 23)	24,500	24,500	12,250	12,250
Total offered to Public	5,263,868	330,586	4,933,102	..
Total offered for subscription to date				
1922	6228,223,330	1921	6388,978,203	..
1921	30,343,342	1920	367,949,666	..
1920	71,369,838	1919	1,036,089,961	..
1919	255,622,654	1918	1,393,381,441	..
1918	222,556,329	1917	1,518,589,210	..
1917	507,085,831	1916	585,436,860	..
1916	120,371,190	1915	686,326,386	..
1915	10,870,096	1914	512,528,633	..

Liverpool Corporation Bills.—The Corporation of Liverpool hereby give notice that tenders will be received at the Chief Cashier's Office, at the Bank of England, London, on Monday, February 27th, at one o'clock, for Liverpool Corporation Bills, to the amount of £1,000,000, in replacement of bills falling due on March 4th. The bills will be in amounts of £1,000, £5,000, or £10,000. They will be dated March 4, 1922, and will be payable at twelve months after date, viz., March 4, 1923. The tenders must specify the net amount per cent. which will be given for the amounts applied for, and the tenders of private individuals must be made through a London banker.

Government of Victoria 5½ per Cent. Stock.—This is an issue of £4,000,000 5½ per cent. stock at 99 per cent. The principal is repayable in London at par on October 1, 1940, but the Government of Victoria has the option to redeem at par on or after October 1, 1930. The proceeds of the loan will be used for the construction of railways and rolling stock, irrigation work, and water supply. The prospectus points out that the London loan liability of the State of Victoria has been reduced by £4,728,000 during the last three years. The revenue of the State for the financial year ended June 30, 1921, shows a surplus, and it is stated that this is the fourth consecutive year in which a surplus has been realised without increasing taxation. The stock is free of any taxation by the Victorian Government while held by people not domiciled in Victoria. A sound trustee security which had a remarkably good reception.

The Yorkshire Electric Power Company.—Incorporated by Special Act of Parliament. Authorised share capital £2,000,000, of which 83,000 ordinary shares of £10 each, and 54,328 6 per cent. cumulative preference shares of £5 each, all fully paid, have been issued. Thus the paid-up and issued capital totals £1,101,640. A Bill has been placed before Parliament to convert each £5 preference share into five preference shares of £1 each, and each £10 ordinary share into 10 ordinary shares of £1 each. It is proposed by the same Bill to increase the authorised share capital to £4,000,000. One half of the authorised share capital may be issued as preference shares provided that the nominal amount of the preference shares issued does not at any time exceed the amount actually paid up on the issued ordinary share capital, and this will apply also to the increased share capital. The Company's Acts authorise the company to borrow on mortgage of the company's undertaking or to issue debenture stock charged on the undertaking to an amount not exceeding in the whole one-third of the issued share capital upon which not less than one-half of the nominal amount has been paid up. Under these powers the company has issued 5½ per cent. redeemable debenture stock for £360,000, to be repaid at par on December 31, 1944, or earlier at the option of the company. This is an offer of 111,672 6 per cent. cumulative preference fully-paid shares of £5 each at £4 per share. Profits and dividends are given from 1914, and these show that for each of the last three years 8 per cent. has been paid on the ordinary capital. It is pointed out that the net profit for 1921 shows an increase of £9,577 on that for 1920, in spite of the coal stoppage and trade depression. The certified net assets on December 31, 1921, with the net proceeds of the present issue, total £1,587,226. The prospectus states that "the amount required to pay the dividend (less income-tax at 6s in the pound) on the preference shares already issued and those now being issued is £34,860, and the profit for 1921, after providing for income-tax liability and writing back interest on bankers' overdraft which will be repaid out of the proceeds of the present issue, is £79,979." The issue has been underwritten for 3½ per cent., and may be considered a reasonable offer in its class.

The North Metropolitan Electric Power Supply Company.—Incorporated by special Act of Parliament. Authorised share capital £1,500,000. There has been issued and paid up 599,980 6 per cent. cumulative preference shares of £1 each, 30,002 ordinary shares of £10 each, fully paid, and 10,000 ordinary shares of £10 each, £5 paid. This is an issue of £250,000 8 per cent. cumulative second preference stock at par. There are outstanding £231,800 5 per cent. mortgages and £228,460 7½ per cent. debenture stock. The second preference stock is limited to an amount not exceeding the paid-up ordinary capital of the company, but holders have no voting powers as long as dividends are regularly paid. The company undertakes not to create any further preference shares, ranking in priority to the present issue, except with the consent of a certain specified company. Thus preference stockholders have no voice in matters whenever their rights are threatened, and it will no doubt be observed that no mention is made as to obtaining preference share and stock holders' consent before making further loan capital issues. The company reserves the right to redeem this issue at par after January, 1927. Surplus assets available for security of the second preference stock are given as £518,696, not including the proceeds of the present issue. Profits are given from 1908, and the prospectus shows that there is a reasonable margin to meet the charges of the present issue after paying debenture interest service and dividends on the 6 per cent. cumulative preference

shares. The issue has been underwritten for 4 per cent., but the generous rate offered perhaps denotes that there is a slight element of speculative risk attached to the stock.

The Dorada Extension Railway, Limited.—Authorised share capital £350,000, all fully paid and issued. The company has outstanding £332,806 6 per cent. first mortgage debenture stock, and a second mortgage debenture stock which will be discharged out of the proceeds of the present issue. This is an issue of £250,000 8 per cent. second mortgage debenture stock at 95. This stock is limited to this amount, and will be secured by a trust deed constituting a specific charge on fixed assets subject to the existing prior charge and a floating charge on other assets. A part is also specifically secured on a first charge on the Dorada Railway (Ropeway Extension), Limited. It is "redeemable" on July 1, 1937, at 105 per cent., the company reserving the right at any time after July 1, 1927, to pay off the stock at 105 per cent., subject to six months' notice. The proceeds of the present issue are required for general purposes, as well as to provide for the discharge of the existing £155,200 6 per cent. second mortgage debentures, and the repayment of other loans incurred by the company for capital purposes connected with the railway and the aerial ropeway which has been built by the Dorada Railway (Ropeway Extension), Limited, to connect the town of Manizales with the Dorada Extension Railway system. The Dorada Extension Railway is 70 miles in length, and situated in the Republic of Colombia. It owns £150,000 Ropeway shares out of a total issued capital of £230,000. An excellent table of profits, dividend distribution and traffic receipts is given from 1912. Of course, the high yield on the issue must be considered in relation to the risks of the capital evolved.

Charles Marsden and Sons, Limited.—Authorised share capital £600,000, divided into 300,000 7½ per cent. cumulative participating preference and 300,000 ordinary shares of £1 each, all of which have been issued and are fully paid. The capital of the company is, it is stated, about to be increased by a further 200,000 ordinary shares of £1 each, mainly for the purpose of acquiring the business of Chadwick and Taylor. Six per cent. first mortgage debentures, interest free of tax up to 6s in the pound, for a total of £296,100 are outstanding, the authorised amount being £300,000. This is an offer for sale of £250,000 7½ per cent. "Chadwick and Taylor" mortgage debentures at 98 per cent. These debentures are to be secured by a trust deed as a specific first charge on Chadwick and Taylor's fixed assets, independently valued at £564,000, taking to-day's building costs as the basis of valuation. These debentures are, however, further secured by a floating charge on total assets of this company, valued at £1,505,664, also by a floating charge upon the assets of Charles Marsden and Sons, Limited, subject to the first mortgage debentures. They will be repayable on or before July 1, 1948, by annual drawings at 102½ per cent., or purchased at or under this price. The company reserves the right to pay off these debentures at 105 at any time on giving six months' notice. Charles Marsden and Sons, Limited, was formed in 1903 for the purpose of acquiring a business of paper and paper bag manufacturers which had been carried on for 70 years previously. Chadwick and Taylor was established in 1875, and manufactures news paper. Profits of both businesses are given from 1916. This offer for sale is an informative statement of affairs and subject to the future prospects of the paper making industry in this country, the debentures are attractive. The vendors acquire the issue for 91½ per cent., and it has been underwritten for 2½ per cent., with an overriding commission of ½ per cent.

H. Newsam, Sons, and Co., Limited.—Authorised capital £250,000, of which 100,000 ordinary and 20,000 6 per cent., income-tax free, cumulative preference shares, all of £1 each, have been issued. This is an additional issue of 100,000 6 per cent., income-tax free, cumulative preference shares of £1 each at par. The advertised prospectus states that the company was formed in 1894 to acquire a timber merchant's business carried on at Lincoln, Hull, Gainsborough, and London. Net profits are given from 1913. Surplus assets are valued at £183,915. In March, 1920, reserves were partly capitalised by issuing 25,000 ordinary shares to existing shareholders. This is a clear statement of affairs, but it is difficult to forecast the future for the English saw milling industry.

Ideal Sewing Machine Company, Limited.—Authorised capital £100,000, divided into 2,000,000 shares of 1s each, all of which have been issued and are fully paid up. The original capital was £50,000, but was increased in September, 1920, to £70,000, and in December, 1921, to the above amount. The company was formed in July, 1919, to acquire patent rights of a sewing machine. Between August, 1919, and January, 1922, 600,000 shares of 1s each were issued privately at par. The remaining 600,000 shares were offered in January, 1922, at 1s 3d per share, and were underwritten by a syndicate for a commission of 3d per share. These particulars are taken from an announcement in the Press made by the directors of the company to comply with the regulations of the Stock Exchange Committee. An underwriting commission of 3d per cent. may be taken as either a sign that the under-

writers have considerable doubts about the success of the issue or that the directors of the company have not made a good business deal. Although much information is given about the number of machines produced, the advertisement is singularly reticent over past profits.

British Pari-Mutuel, Limited.—Nominal capital £50,000, divided into 99,500 shares of 10s each, and 5,000 deferred shares of 1s each. This is an issue of 49,000 ordinary shares at par. Apparently a betting business is to be acquired for £25,250, payable in shares. It is, however, difficult to discover from the prospectus why this sum, or for the matter of that any other sum, should be fixed for the purchase price, as no past profits or figures of expenditure, assets, or liabilities are offered. No part of the issue has been underwritten, and the statement that "application may (the italics are ours) in due course be made to the Stock Exchange for a quotation of the shares" leaves one wondering if it is the intention of the directors to apply for a quotation. Assuming that the business is a lawful proposition, there is nothing attractive about the prospectus.

ACTIVE SECURITIES.

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.

	Price	Change	Price	Change	
War 5½, 1925-28	92½	.. + 1	Local Loans 3½	101	.. + 1
4½, 1925-46	88	.. + 1	Aust. 5½, 1925-27	99	.. + 1
Loans 5½, 1925-47	92½	.. + 1	Canada 4½, 1925-26	99	.. + 1
4½, 1925-48	100	.. + 1	India 5½, 1925-26	60	.. + 1
Funding Loan 4½	83	.. + 1	Do 7½, 1925-26	102	.. + 1
Victory Bonds 4½	83	.. + 1	N.S.W. 5½, 1925-26	100	.. + 1
Conversion Loan 3½	73	.. + 1	U.S.A. 5½, 1930-40	97	.. + 1
Consols 2½	58	.. + 1	Victoria 5½, 1924-34	96	.. + 1
Irish Land Stock 2½	55	.. + 1			

Banks.

Barclays B. (Ld.)	2½	.. + 1	Net. Bank of Egypt	19	.. + 1
Lloyds (Ld.)	2½	.. + 1	Net. Bank of S. Africa	102	.. + 1
London Joint City & Midland (Ld.)	7½	.. + 1	Net. Prov. & Union of England	102	.. + 1
London County West. Minster and Parr's (Ld.)	15½	.. + 1	Standard of S. Africa	112	.. + 1

Colonial and Foreign Railways.

Asiatic Petroleum	44	.. + 1	Grand Trunk 3d Pref.	32	.. + 1
B. A. & Pacific	39	.. + 1	Neapolitan	23	.. + 1
B. A. & Southern	33	.. + 1	Mexican Railways	12	.. + 1
Bombay & Central	33	.. + 1	Do 1st Pref.	33	.. + 1
Bombay & Central	33	.. + 1	Do 2nd Pref.	23	.. + 1
Canadian Pacific	140	.. + 1	San Paulo	111	.. + 1
Central Argentine	55	.. + 1	United Havana	52	.. + 1
Grand Trunk Ord.	18	.. + 1			

Foreign Government Securities.

Argentine 5½, 1928-7	97	.. + 1	Italian 5½, Rentes	23½	.. + 1
Belgian 5½	62	.. + 1	Greek Monopoly 4½	31	.. + 1
Brussels 4½, 1928-34	66	.. + 1	Japanese 4½	100½	.. + 1
Chilian 4½, 1928-34	67	.. + 1	Do 4½, 1910	65	.. + 1
Chinese 5½, 1912	69	.. + 1	Mexican Cons. 1896	62	.. + 1
Egyptian 5½	64	.. + 1	Peruvian Corp. Pref.	16	.. + 1
French 5½	402	.. + 1	Russian 5½, 1906	134	.. + 1
Do 4½	33	.. + 1	Spanish 4½	74	.. + 1

Telegraphs.

Anglo-American "A"	19	.. + 1	Marconi Canada	13	.. + 1
Marconi Wireless	138	.. + 1	Marconi Marine	13	.. + 1

British Railways.

Great Central Pref.	9½	.. + 1	L. & S. Western, Def.	23	.. + 1
Great Eastern	30½	.. + 1	Metropolitan	32	.. + 1
Great Northern Def.	28	.. + 1	Metropolitan District	28	.. + 1
Great Western	85	.. + 1	Midland Deferred	53	.. + 1
London & Brighton	46	.. + 1	North British Def.	20	.. + 1
London, Chatham & Do. Arb.	51	.. + 1	North-Eastern	83	.. + 1
L. & N.W. (New)	78	.. + 1	South-Eastern "A"	26½	.. + 1

American Railroads.

Chesapeake & Ohio	65	.. + 1	Southern	21	.. + 1
Erie	12	.. + 1	Do Non-conv. Pref.	58	.. + 1
Do 4½ 1st Pref.	19	.. + 1			

Mines.

Brakpan (Ld.)	2½	.. + 1	Knights	33	.. + 1
Broken Hill Prop. (Ld.)	1½	.. + 1	Modderfontein (Ld.)	33	.. + 1
Chartered (Ld.)	1½	.. + 1	Modderfontein "B" (Ld.)	12	.. + 1
Cons. Gold Fields (Ld.)	1½	.. + 1	Modderfontein, Deep (Ld.)	12	.. + 1
Crown Mines (Ld.)	1½	.. + 1	Premier Def. (Ld.)	8	.. + 1
De Beers Def. (Ld.)	108	.. + 1	Rand Mines (Ld.)	24	.. + 1
East Rand Prop. (Ld.)	1½	.. + 1	Rio Tinto (Ld.)	25	.. + 1
Gold Fields (Ld.)	1½	.. + 1	Spring Mines (Ld.)	14	.. + 1
Gov. Gold Areas (Ld.)	1½	.. + 1			

Miscellaneous.

Aerated Bread (Ld.)	1½	.. + 1	Lever Bros. 7½, Comp. (Ld.)	33	.. + 1
Armstrong (Sir W. G.) and Co. (Ld.)	13½	.. + 1	Do 8½, Om. A. Pref. (Ld.)	33	.. + 1
As. P. & Cement (Ld.)	13½	.. + 1	Do 20½, Om. P. Ord. (Ld.)	33	.. + 1
B. & S. Small Arms (Ld.)	7½	.. + 1	Loblois Offsets (Ld.)	48	.. + 1
British American Tobacco (Ld.)	3½	.. + 1	Lyons (S. & Co.) (Ld.)	53	.. + 1
Brit. & Arg. Meat (Ld.)	1½	.. + 1	Magnad Sels (Ld.)	48	.. + 1
Burmah Oil (Ld.)	58	.. + 1	North Canadian (Ld.)	13	.. + 1
Canal (J. and F.) (Ld.)	24	.. + 1	Pekin (Ld.)	33	.. + 1
Courtauld (Ld.)	13	.. + 1	Rebber Plantations	33	.. + 1
Cusson (Ld.)	13	.. + 1	Investment (Ld.)	33	.. + 1
Dorman, Long (Ld.)	13	.. + 1	Shell Transport (Ld.)	48	.. + 1
Dunlop Rubber (Ld.)	13	.. + 1	Smithfield & Argentine	33	.. + 1
Electric & Chemical (Ld.)	13	.. + 1	Meat (Ld.)	33	.. + 1
Forestal Land (Ld.)	13	.. + 1	Underground Electric (Ld.)	13	.. + 1
Furness, Withy (Ld.)	13	.. + 1	Do "A" (Ld.)	13	.. + 1
Highlands and Lowlands Rubber (Ld.)	13	.. + 1	Do Inc. Bds. (Ld.)	78	.. + 1
Hudson's Bay (Ld.)	13	.. + 1	United Berdard (Ld.)	13	.. + 1
Imperial Tobacco (Ld.)	13	.. + 1	United Tobacco (Ld.)	13	.. + 1
Largest Plastics (Ld.)	13	.. + 1	Valambana (Ld.)	13	.. + 1
Lyons (Ld.)	13	.. + 1	Victory (Ld.)	13	.. + 1
			Watney Ltd. 5½	136	.. + 1

COMPANY MEETINGS, &c.

LONDON AND NORTH-WESTERN RAILWAY COMPANY.

HON. CHARLES NAPIER LAWRENCE ON THE RAILWAY ACT.

ROAD MOTORS AND POSSIBLE LEGISLATION.

BURDEN OF RATES AND TAXES.

ECONOMIC AND INDUSTRIAL CONDITIONS.

The annual meeting of the London and North-Western Railway Company was held, on the 24th instant, at Euston Station, London, the Hon. Chas. Napier Lawrence, the chairman of the company, presiding.

The secretary, Mr R. C. Irwin, having read the notice calling the meeting and the auditors' report,

The Chairman said:—Ladies and Gentlemen,—In the first place, and before I come to the business of this meeting, I am sure you will all deplore with me the death of the late chairman, Sir Gilbert Claughton. You may remember that twelve months ago, when I took his place in this chair, I referred to his illness, but hoped with you that he would be restored to his accustomed health and be able to take his place amongst us again. To our great loss that hope was not to be fulfilled, and he died on June 27th last.

When Mr Claughton (as he then was) was appointed chairman of the company eleven years ago, he brought to its service a very wide and varied experience gained in great industrial and commercial concerns. Wise, conciliatory, and courteous, his was a lovable personality which we shall greatly miss, and we will always hold his character in affectionate remembrance.

Most of you will be aware that after acting as chairman since December, 1920, I was appointed chairman of this great undertaking in May last in succession to Sir Gilbert Claughton, and I need hardly say that I am fully alive to the responsibilities attaching to the position, and can assure you that no effort shall be wanting on my part to discharge the duties of my high office to the full satisfaction of the shareholders.

TRIBUTE TO MR RALPH BROCKLEBANK.

We deeply regret that death has also robbed us of Mr Ralph Brocklebank, who had so well served the company for over 38 years—longer than any member of the board, with one exception. In addition to presiding for many years over important committees, Mr Brocklebank imposed upon himself the task of keeping in personal touch with the company's establishments in the country, and of interesting himself in the welfare of the working staff.

Owing to the state of his health, he retired from the board in November last, and, to our sorrow, the end came on December 19th.

Words he never wasted, his advice always carried great weight, and we are very sorry to lose a colleague who has been so actively and agreeably associated with us, and to whom all his fellow directors were deeply attached.

THE LATE SIR EDWARD TOOTAL BROADHURST.

We have also to deplore the death of Sir Edward Tootal Broadhurst, who passed away on the 2nd instant, after a short illness, and whose loss to this company is irreparable. He represented our interests in one of the world's greatest commercial centres, and it is impossible to find words to adequately convey to you the invaluable assistance he rendered to the deliberations of your board. Apart from his charming personality, he was a man of sound common sense and good judgment, and in all matters his advice was a most valuable contribution to the deliberations of the board.

THE ACCOUNTS.

Turning to the accounts, of which you have all been supplied with a copy, I think it only right to say that the old North-Western Company, under the scheme of amalgamation, ceased to exist on December 31st last, and all that we can do to-day is to pass the accounts for the past year, and unless any shareholder has some question to raise I do not propose to trouble you with any reference to the figures, which you have all had an opportunity of considering, beyond pointing out that the company's revenue amounted to £38,492,619, whilst the expenditure for the year amounted to £32,837,186, leaving a net revenue of £5,655,433, to which should be added the sum of £400,000 appropriated from the £3,065,088 received from the Government under the Railways Act of 1921, the balance of the sum referred to

appears as a special item in the balance-sheet. We are thus able to declare a dividend of 5 per cent. actual, making 7½ per cent. for the year, carrying forward a balance of £269,461.

CAPITAL EXPENDITURE.

With regard to capital expenditure, we have spent during the year £1,703,000, of which £912,600 is in respect of steamers, £521,000 in connection with the electrification of the Euston to Watford Line, and the balance for sundry works.

I am glad to be able to say that for some time past the company's financial position has been appreciably improving, and has never stood higher than it does at the present moment.

RAILWAYS ACT.

Since the last meeting an Act has been added to the Statute Book, which in its far-reaching importance stands by itself in railway legislation. It consists of 86 clauses and 9 schedules, and I may allay any apprehensions on your part by saying at once that I have no intention of entering upon an analysis of these voluminous and complicated provisions.

You have had before you from time to time, by means of the various statements issued by the board, the different phases through which the question of the future of railways has passed since the proposals of the Government were first promulgated in the form of the White Paper with which we are all familiar, and which formed the basis of the legislation which resulted in the passing of the Railways Act. It is true the Act differs in some important respects from the proposals contained in the White Paper, but substantially it formed, as I have said, the basis of the Act.

I propose, however, only to refer now to the four main features of the Act, viz.:—

- The grouping of railways.
- The fixing of charges.
- The settlement of claims by payment of 60 millions.
- The machinery for adjusting the relations between the companies and their employees.

GROUPING OF THE RAILWAYS.

With regard to the grouping of railways, the Act, as you are aware, provides for a series of amalgamations and absorptions, which, when completed, will leave the British railway system divided into four large undertakings.

That in which you are immediately interested will consist of the following railways:—

- The London and North-Western,
- Midland,
- Lancashire and Yorkshire,
- North Staffordshire,
- Furness,
- Caledonian,
- Glasgow and South-Western,
- Highland,

and a number of minor railways which will be absorbed by the amalgamated or group company, which is called the North-Western, Midland, and West Scottish Group. I may say that this group is now constituted exactly as proposed by the Railway Companies' Association when criticising the proposals of the Government in December, 1920.

LONDON AND NORTH-WESTERN AND LANCASHIRE AND YORKSHIRE.

As you are aware, the machinery of the Act has already been brought into operation for the purpose of obtaining the approval of the Amalgamation Tribunal set up by the Act to a preliminary amalgamation of the London and North-Western and Lancashire and Yorkshire Companies on terms which, as you know, received the sanction of the proprietors of both undertakings. The tribunal consists of three members, viz., Sir Henry Babington Smith, G.B.E., Sir William Plender, G.B.E., and Mr George John Tabbot, K.C., gentlemen, it is almost needless to add, of high character and great ability.

The Act contemplates the submission to the Amalgamation Tribunal for their approval of agreed schemes of amalgamation, each of which will comprise the several companies in the group on or

before January 1, 1923, but in the absence of agreement the terms of amalgamation will be settled by the Amalgamation Tribunal.

You will, I am sure, appreciate that the problems calling for solution are difficult and complicated, and that the terms of amalgamation will require considerable negotiation for their adjustment.

But the advantages of presenting an agreed scheme to the tribunal are so obvious and overwhelming that the difficulties in the way of arriving at agreement should not prove insuperable, and I have good hopes that they will not.

In any case you may rely upon the board using every means open to them to safeguard fully the interests of the proprietors of this railway.

RATES AND FARES.

Now from the very beginning of railways the powers of the companies as regards their rates and fares have been controlled by statutory maxima, within which they could charge what they pleased. That arrangement had this advantage, that railway companies could, within the statutory limit, assist for instance a new industry by quoting a specially low rate for a time, without which the industry could not be developed, knowing as they did that as the industry prospered they could increase the rate (always within the legal maxima) to a standard which would provide a reasonable return for the services rendered; but in 1894 Parliament passed legislation which required the companies to justify before the Railway Commissioners any increase of charges, the reasonableness of which was challenged by a trader, so that in the very case I have illustrated we were liable to be called upon to justify any increase which we had ourselves proposed to make in the specially low rate which we had quoted, possibly without any profit whatever to the railway, to set an industry on its feet. Obviously that tied the companies' hands, and prevented them from assisting the trader to the extent they had previously done, and which reacted in turn upon the railway company.

In my judgment, that Act was not only useless but thoroughly mischievous. With scarcely an exception, the companies have always justified their increases, but the burden of doing so has been grievous, not only in time and in cost, but in the diversion of the energies of railway officers from their legitimate duties.

NEW METHOD FOR REGULATING CHARGES.

I am glad to say that the Railways Act gets rid of this objectionable method of control of charges, and substitutes another which I may shortly describe in this way:—

In future, charges will be fixed by a tribunal who are expressly directed so to fix them as to produce a standard revenue which will be equivalent to the net revenue of 1913, with certain additions specified in the Act.

There are provisions for periodical review by the tribunal, which, roughly speaking, amount to this: The Standard Revenue to be produced by the charges fixed can never be less than that of 1913, but may in certain events be more. For example, if the rates first fixed should turn out to have produced a surplus over the standard revenue, 80 per cent. of that surplus goes in reduction of charges, the remaining 20 per cent. being added to the original standard revenue, and therefore retained by the company, who, of course, also retain the entire surplus up to the date of revision. It must not, however, be forgotten that the most careful adjustment of charges by the tribunal will not necessarily result in the production of the standard revenue budgeted for, inasmuch as the charges fixed may possibly affect adversely the volume of traffic estimated to pass. That, however, is an ordinary commercial risk, which has always been incidental to any rates fixed, even when the fixing of such rates was in the hands of the companies subject to their statutory maxima. This scheme of rate fixing has two great advantages as compared with the system which it replaces. The rates have to be fixed with direct reference to a standard revenue which is reasonably satisfactory. They are to be fixed by a skilled Tribunal as compared with a committee of Members of Parliament who may or may not have any special knowledge of the subject.

THE TRIBUNAL.

The tribunal has been set up already. Two of the three permanent members, namely, Sir Frank Gore-Brown, K.C., and Mr W. A. Jepson, are members of the Rates Advisory Committee set up under the Ministry of Transport Act, 1919, and having regard to our experience of that Committee, I think the railway companies may rest perfectly satisfied that they will receive justice at the hands of the rates tribunal. The third member of the tribunal is Mr G. C. Locket, a large and representative trader, who comes to the position with a great reputation.

CLAIMS AGAINST THE GOVERNMENT.

I turn now to the provision for the settlement of the claims of the railway companies arising out of the Government possession of the railways.

No part of the negotiations with the Government has caused the representatives of the companies more anxious thought than this subject.

What I may call the current deficiency in net revenue during Government control was covered by the arrangement made on the outbreak of the war, and all that remains to be done in regard to this is the adjustment of the final account between the Government and the railways up to the end of that control.

But there were other very important matters not covered by the arrangement in respect of which the companies were advised that they had claims against the Government for compensation of considerable magnitude. But the establishment of these claims before the Railway Commissioners, however well founded they might be, must necessarily have been a matter of enormous labour and great cost.

What was even more important, payment of the sums ultimately found to be due would have been postponed to the end of a protracted litigation.

The advisers of the railway companies felt that if they could obtain by negotiation with the Government prompt payment of a reasonable sum, they would be doing better for the shareholders than by fighting for, possibly, a larger sum, the payment of which would certainly be postponed to a period when the money would be far less useful.

After protracted negotiation an agreement for a settlement was arrived at, which is embodied in the Act.

TERMS OF SETTLEMENT.

Omitting details of minor importance, the settlement amounts to this—the Government pay to the companies 60 million pounds in two equal instalments. The first 30 millions became due on December 31st last and has been paid, less certain deductions in respect of items which required adjustment; the second 30 millions becomes due on December 31st next.

In our judgment the settlement arrived at was, under all the circumstances, a wise and reasonable one.

COMPANIES AND EMPLOYEES.

I now come to the last of the four points I specifically mentioned at the beginning of my remarks—viz., the machinery for adjusting the relations between the companies and their employees.

This, in my opinion, is one of the most important features of the Act, for upon the satisfactory working of it depends very largely the prosperity or otherwise of the company and of our employees.

During the control of railways by the Government they set up as the machinery for the settlement of disputes between the Government and the railway employees a Central Wages Board, with a National Wages Board to settle questions upon which the Central Board were unable to agree.

The proposals of the Government which preceded the introduction of the Railways Bill included a proposal to continue this machinery after the end of the Government control, as a permanent institution, and a further proposal that representatives of the employees should be by them elected as directors upon the boards of the new amalgamated companies.

COMPANIES' OBJECTIONS.

Both proposals were objected to by the companies, particularly that relating to directors.

The companies' representatives early intimated to the Government that they regarded that proposal as cutting at the very root of the principle, hitherto universally accepted, that directors should be elected by those, and those only, who had subscribed or who held the capital of the undertaking, and they further intimated that this proposal would be strenuously opposed. On that point I think I need say nothing more than this, that an agreement was happily arrived at between the companies and their employees, which was subsequently embodied in the Bill and became a part of the Railways Act.

THE AGREEMENT.

The effect of that agreement is shortly this:—

The Central and National Boards are continued, or rather re-constituted, subject to determination by 12 months' notice on either side, such notice not to be given before January 1, 1923.

A system of councils on the lines of the Whitley Councils is to be established for each amalgamated company, consisting of officers of the company and representatives of the men employed.

I am bound to say that this settlement, and the way it was arrived at, constitute to my mind the most hopeful circumstances in the whole history of the relations between railway employers and employed, and I will tell you why I say so.

The men's representatives well knew that if they chose to press the question of employee directors they would have the full support of the Government. Indeed, attempts were made during the passage of the Bill to introduce into it the original proposal of the Government, but the men's authorised representatives in Parliament, to their honour, remained loyal to the agreement they had made.

They took the broad and statesmanlike view that a system arrived at by friendly discussion was more likely to lead to results beneficial to the men they represented than a system forced by Parliament upon the companies against their will.

I cannot help thinking that the exhibition of such a spirit in such circumstances augurs well for the success of the scheme which it has produced, and I invite you to join with me in heartily wishing it success, and our best endeavours will be given to make it so.

COMPARISON BETWEEN ORIGINAL PROPOSALS AND THE ACT.

I will only add a word of comparison between the original proposals of the Government and the Act as passed on the main features of its provisions.

The original proposals as to grouping were on a compulsory basis pure and simple, while the Act allows some 16 months from its passing for possible agreement.

It is true that in the absence of agreement compulsion comes in, but without it no comprehensive system of grouping of railways could be carried into effect so long as one or two companies, however small, might refuse their assent.

The original proposals as to rates and charges have been considerably modified during the passage of the Bill—mainly by agreement with the traders—in the direction of greater freedom in the quotation of exceptional rates to meet the constantly changing circumstances of trade.

The settlement of claims against the Government is a new feature which found no place in their original proposals. I have said all I need say about this.

There is one other important subject upon which the original proposals of the Government have undergone considerable modification, and that is the subject of future powers of the State in relation to railways.

It was originally proposed to confer upon the Minister of Transport powers of the most drastic character in respect to the granting of facilities and the provision of additional accommodation, involving the expenditure of capital, and the railway companies were to be under obligation to submit to the Minister for approval their proposals involving capital expenditure and also their plans for raising capital required.

Also the Minister was to have power to dictate to the companies as to the reserves they should provide.

These latter objectionable financial provisions, which would have practically withdrawn finance from the control of the directors, have found no place in the Act.

With regard to the other matters, the railway companies have now, as the Act stands, either the protection of a judicial tribunal, namely, the Railway Commissioners, or of a committee consisting of a representative of each of the amalgamated companies, and three persons of experience in the subject matter of the proposed order. The committee will, therefore, have a permanent majority of railway representatives.

With these safeguards the measure of State control embodied in the Act is far more tolerable than as originally proposed.

POSSIBLE AMENDMENT.

It is quite possible that the Act may turn out to require amendment in some details. Most Acts of 86 clauses do, especially when passed under considerable pressure as regards time. I believe, however, that in its main features the legislation is on sound lines, and will, in the results, be beneficial both to railway shareholders and to those who use the railways.

I am sure that I shall carry you with me when I say that a considerable debt of gratitude is due from railway shareholders to those upon whom has chiefly fallen the business of safeguarding your interests through the recent strenuous times.

LANCASHIRE AND YORKSHIRE AMALGAMATION.

You are, of course, all aware that special general meetings of the proprietors of the London and North-Western and Lancashire and Yorkshire companies were held on November 17th last, and approved the preliminary scheme for the amalgamation of the two companies. The matter came before the tribunal set up by the Railways Act of 1921, towards the end of December, when the scheme was approved with certain slight alterations which do not affect its principle.

Seven directors of the Lancashire and Yorkshire Company have joined the board of the new company, and the administration and reorganisation of the enlarged undertaking became effective as from January 1st.

Under the scheme stockholders of the Lancashire and Yorkshire Company are entitled to receive certificates for their relative holdings in the London and North-Western Company, but I may say it is unnecessary for the old certificates to be sent in for exchange until the new ones have been prepared, of which the stockholders will be advised in due course. As you are aware, in accordance with the Railways Act, 1921, further groupings must take place, and until this has been done it is impossible to arrive at any

finality as to the issue of new certificates. For current transactions on the Stock Exchange, Lancashire and Yorkshire certificates are deemed under the amalgamation scheme equal to relative London and North-Western stock, and they will be accepted in the secretary's office as good delivery in the event of any of the proprietors wishing to dispose of their interest. We have adopted this policy to save the company unnecessary expense.

ROAD MOTORS.

Your attention has no doubt been directed to a Bill to be promoted in the next Session of Parliament by the constituent companies in the North-Western and Midland group for the purpose of conferring powers on the companies in that group to provide and maintain transport services by road, similar to powers already possessed by certain railway companies, viz., North-Eastern, Great Eastern, and North Staffordshire. The promotion of this Bill will be submitted for the approval of the shareholders of the company at a special meeting to be held on February 28, 1922, but it is only right that I should explain quite briefly the nature of the proposals to be submitted to Parliament. It is a matter of common knowledge that the development of road transport during the last few years has created a new and very serious competition, and has resulted in the railway companies being unable to provide the facilities desired by the traders. Another factor to be borne in mind is that railway companies are, in almost every township, the largest contributors, through their rates, to the maintenance of roads to which they are not allowed the free use.

As the law stands at present, it is uncertain to what extent railway companies (unless they have special powers) may carry traffic in road vehicles, except such traffic as arises from or is destined for conveyance by railway, or, as it is generally called, "collection and delivery" traffic.

In the opinion of your board the time has arrived when it is imperative that, not only in the interests of the shareholders, but in the interests of traders generally, an application to Parliament should be made to define the powers of the railway companies as to the conveyance of traffic by road. The provisions of the Bill have received the careful consideration of the company's advisers, and, in the view of the board, ample safeguards have been inserted for the protection of competing road carriers and of the traders of the country.

RATES AND TAXES.

One of the heaviest charges a company of this character has to meet is that of "rates and taxes," as you will appreciate when I tell you that the payment in respect of the year 1921 was £1,435,880, or a sum equal to a dividend of 3½ per cent. on the ordinary stock.

This sum compares with an amount of £639,401 paid in 1913, and as there was practically no increase in the authorised assessments, the increase, which amounted to 125 per cent., is merely the increase in the poundage. You will all be glad to hear, however, that we expect some relief in the current year, an arrangement having been arrived at with the National Conference of Assessment Committees under which, if the net receipts for 1921, after allowing for the Government subsidy up to August 15th, fall below those of 1913, the assessments are to be reduced proportionately. As, however, this would not by itself provide for the enhanced amount of tenant's capital required to earn the receipts, by reason of the increased value of locomotives and rolling-stock, it has been agreed that a further deduction of 15 per cent. should be made from the reduced assessment arrived at in the way I have described. This arrangement will continue in respect of the years 1922-23 and 1923-24, by which time it is expected that the Bill which the Government is believed to have in contemplation will change the situation. It is, perhaps, needless for me to say that the Government proposals when formulated will receive careful consideration.

CORPORATION PROFITS TAX.

I have received a communication from our old friend, Mr G. Hamilton Hargreaves, intimating his intention of proposing the following resolution:—That this meeting views with much concern the prospect of the dividends on their ordinary stock being appreciably reduced by the corporation profits tax on the expiration of the present year. This meeting protests against the imposition of this tax, constituting, as it does, an additional income-tax upon that part of their incomes derived from a company whose charges are fixed or dividends restricted by statute, and calls upon the Government to exempt permanently railways and other public utility companies mentioned in Section 52, Sub-Section 2, paragraphs (i) and (ii), of the Finance Act, 1920, from corporation profits tax.

"That a copy of this resolution be sent to the Prime Minister and the Chancellor of the Exchequer."

Of course, as far as we are concerned, it is a resolution which has our hearty approval; but as many of the shareholders are aware, railway companies were exempted from the incidence of

the corporation tax of 1s in the £ on the net revenue for a period of three years, which expires on December 31st next. Public utility companies, such as railway companies, differ fundamentally from ordinary trading concerns, inasmuch as their charging powers are subject to State control, and there is no doubt that the object of the corporation profits tax is to spread a net for fluctuating trading profits in the nature of excess profits duty.

Although the matter is not one of immediate urgency, efforts are being made to secure the permanent exemption from this tax so far as railways are concerned. This is one of the most objectionable forms of taxation, seeing that it is the ordinary shareholder who is called upon to bear the burden of the tax, as if he had not already sufficient troubles on his back, and the railway companies expect to have a meeting with the Chancellor of the Exchequer on the subject shortly, and which in your interests I shall attend.

RETIREMENT OF MR BISHOP.

The shareholders will have noticed that Mr Bishop, who has been secretary of the company for the past 18 years, has retired, and I feel sure you would not wish to let the occasion pass without expressing to him your appreciation of the services he has rendered for so long a period, and your good wishes for his welfare in his retirement.

We have appointed as his successor Mr R. C. Irwin, who, many of you will be aware, has been secretary of the Lancashire and Yorkshire Railway for many years.

IRISH PRIVY COUNCILLORSHIP FOR MR BURGESS.

You will, I am sure, be pleased to know that Mr Burgess, the principal assistant to the general manager, was mentioned in the New Year Honours, the unique and well-deserved distinction, so far as railwaymen are concerned, of an Irish Privy Councillorship having been conferred upon him.

IRELAND.

Since I had the honour of last addressing you great changes have taken place in the Government of Ireland, which we all hope are destined to bring peace and prosperity to that unhappy country.

As the proprietors know, this company, in which there are many Irish shareholders, has expended a large amount of capital in the construction and equipment of railways in that country; and, in addition, they have provided, at enormous cost, a fleet of splendid steamships for the speedy transit of mails, passengers, merchandise, and live stock between Ireland and the Welsh and English ports.

Therefore, I look forward with great pleasure to the intensive development of Ireland's resources, and this company will in the future, as in the past, leave nothing undone to stimulate the development of that country, which will, of course, all tend to its prosperity and contentment.

RAILWAY BENEVOLENT INSTITUTION.

It may interest the shareholders to know that this year I have consented to preside over the Railway Benevolent Institution. It is the custom of the company whose chairman undertakes this duty to appeal to his shareholders for support on behalf of a charity which is doing a very useful work for railwaymen, and you will receive with your dividend warrants some particulars of the work performed by the Railway Benevolent Institution and an appeal for help on its behalf. May I take this opportunity of saying that, notwithstanding the great depression in trade and the many calls upon your generosity in other directions, I hope the response will be worthy of the cause, and of the company of which we are all proud to be shareholders.

In this connection I should like to express the keen appreciation of the board, in which I am sure you will participate, of the way in which the whole of the company's staff have worked through one of the most arduous years within our experience. From the highest to the lowest all have given whole-hearted and devoted service.

TRADE—POSITION AND PROSPECTS.

As you are all aware, trade has been very depressed, and the outlook still leaves a good deal to be desired, and whilst taking a long view, I have faith in the future. I think everyone in the room will agree with me that no considerable improvement in trade can take place until a solution has been found for the riddle of the international exchanges, and the currency of the countries with whom we wish to trade placed on a basis which will eliminate the fluctuations which at present make business almost impossible.

It is clearer than ever, and especially at this moment, that the business of Government is to keep the peace abroad, and to maintain social stability and security at home, leaving it to private enterprise, based on the interests of the trading parties, to develop and maintain the exchange of goods and services on which the world's wealth is ultimately based.

NECESSITY FOR GREATER PRODUCTION.

Production is the source of all wages, interest, replacement of capital, and, of course, of all private and public expenditure. The first step, therefore, towards economic health is greater production at a remunerative cost, both in the interests of the working classes as well as in that of the so-called capitalist, for there must be a reasonable return on capital employed, otherwise trade would be impossible. The loss of the productive services of the men who were unfortunately killed in the war, and of those who are unhappily permanently injured, and are now a charge on the community, must be made good by better organisation and more effective co-operation.

Another hindrance to the recovery of trade in this country is, of course, the present high scale of taxation. Therefore, it is of vital importance, in the interests of our shareholders, employees, and the country generally, that the currency and taxation questions should be dealt with, and I gladly recognise that the Government are fully alive to both these vital subjects.

In the peaceful but strenuous commercial struggle which will follow the settlement of questions arising out of the Great War, that nation will, in my judgment, win the prize of the most abundant and best remunerated employment of its people, and the greater progress and prosperity for itself, which will know how best to adjust its affairs in such a manner as to strike the right balance between, on the one hand the requirements of economics, the promotion of trade, and the stimulation of enterprise, and on the other hand the dictates of social justice and the welfare and contentment of the masses of the people.

I now beg to move: "That the report now read, with the financial accounts, be received and adopted."

The Hon. A. H. Holland-Hibbert seconded the motion.

The Chairman having invited questions,

SIR WILLIAM FRY'S SPEECH.

Sir William Fry, after a pause, said: Ireland naturally waits for England to give her a lead. I had expected that several speakers to-day would have voiced an expression of approval on the part of the proprietors to the chairman and other members of the board for the skilful manner in which the affairs of this great company have been managed during the past twelve months. Last year when we met here during the unfortunate illness of our late distinguished chairman you, feeling that the atmosphere was full of electricity, and that no one could tell what the effect on the future of this company or any other British railway might be as a result of the Government Bill, asked us to "wait and see." We followed your wholesome advice, and the result has been that, thanks to you and your colleagues, you have steered the ship of the London and North-Western Railway into comparatively safe water, and we see to-day that this company, given back into your hands in the month of August last, is freed to a great extent from the interfering hand of Government control, for which we are all truly thankful. Further than that, sir, congratulations are due to the board for the very careful and satisfactory result of their negotiations with the Lancashire and Yorkshire Company. Why, sir, one can imagine—for an Irishman's imagination is sometimes brilliant—a sea of litigation between your company and the Lancashire and Yorkshire before an agreement was come to. Thanks to the good commonsense of our board and the equally good commonsense of the board of the Lancashire and Yorkshire Company, we have seen satisfactory results, and to-day there is one harmonious whole. We can only hope that the result of your negotiations with that great company will be that the negotiations to take place with the other companies will be equally satisfactory, and that the outcome of the great companies that have to come in under the Railways Act will prove equally satisfactory to all the proprietors. I am glad you have taken the opportunity of referring to my unhappy country, because if ever a ray of sunshine was required—an encouraging word—it is required to-day. Ireland has undergone many troubles and many sorrows, but I am glad to think, as a resident in that country in the past, that your company has never failed in doing its best to develop Irish resources, and the magnificent fleet of steamers which have recently been launched, and which to-day are carrying the traffic between the Irish shores and the Welsh ports are second to none. I am glad to think and to hope that English tourists will find their way across to Ireland, and will visit that country, the beauty of which has yet to be revealed to many an Englishman. I am glad also to join with you in congratulations to my fellow-countryman, Mr Burgess, on the honour conferred upon him by his Majesty on January 1st last, and to think that the honour was conferred upon one who has done so much for Ireland, for if any man deserves credit from Ireland it is my friend, Mr Henry G. Burgess. You, sir, have referred to the danger of competition from motor traffic. To think that last year something like 4,500,000 people travelled by motors instead of by trains, and that 8,000,000 or 9,000,000 tons of goods were carried by them, is a

serious matter for the proprietors. Something like £1,300,000,000 of your money has been sunk in British railways, and surely we, as shareholders—and there are many hundreds of thousands of shareholders who to-day are dependent on the dividends from railways—ought to combine in every possible way to support our chairman and his colleagues on the board. I do believe that if we made our voices heard and our influence felt in the districts in which we reside, rates and taxes would not soar as high as they are doing at present, and there would be protest put forth to prevent the unfortunate dumb people—shareholders—from being crushed by oppressive taxation. To-day, sir, we go forth from this meeting encouraged by your words. You have lifted the veil a little, and told us things we did not know before. You have given us an analysis of the Railways Act in convincing language, and we see some prospect—some hope—that, untrammelled by Government control and uninterfered with by too many Committees, there is a great future for British railways, and shareholders ought to be slow in throwing away their stock. I have great pleasure in supporting the motion for the adoption of the report and accounts.

VIEWS OF SIR FORTESCUE FLANNERY.

Sir Fortescue Flannery, Bart.: I desire to say a very few words in support of the statement of our fellow-shareholder who has just sat down. He has uttered one of the most cheerful, in fact, the most cheerful, statement that I have ever heard coming from Ireland—the distressful country. I am sure that shareholders generally, and I myself from the point of view of one of the oldest ordinary shareholders, and from the point of view of a member of the House of Commons who took some part in the recent legislation to the best of my ability—I am sure the shareholders generally regard your speech, and the public, when it is made known, will regard your speech, as one of the most comprehensive and statesmanlike utterances that have ever come from the chair at a meeting of the London and North-Western Railway. There is not a single point that I know of in connection with the general records of the business of our great company that has not been referred to by you, both as regards the past, the present, and the future, and if our legislators and our Government will take their stand by some of the suggestions, if not by all, that have fallen from the chair of the London and North-Western Railway Company to-day, well, I think the community at large, as well as the shareholders and the employees of railway companies, will be benefited and wisely guided. There is just one point in connection

with the accounts to which I think attention has not yet been fully directed, but which has certainly struck me in reading them over, and that is that the expenditure in the year that we are dealing with is less than the expenditure in the previous year. The expenditure in 1920 was £34,000,000; the expenditure in 1921 was £32,800,000, which is a saving of one million and a quarter in expenditure, although you only got control of your enterprise in August last in the comparison of these two years. It is true that the traffic receipts have gone down very much, but here is my point; everyone of you who is in business knows perfectly well that it is easy enough for receipts to go down, but difficult enough, as a matter of management, to make the expenditure go the same way, yet we find in these figures of this great enterprise that the management have succeeded so largely that in a reduction of about £1,600,000 upon the receipts they have caused a corresponding—almost an equal—reduction of 1½ millions in expenditure. If that is not an indication of good management in detail, I do not know what is. However, I am not going to detain this meeting any longer, but I do think that there should be an expression from this side of the table of the great satisfaction of the shareholders with what has been done in their interests. Their confidence in you, sir, as chairman, their confidence in the board—the newly constituted board—which will be generally felt, should be voiced in a definite manner. From the point of view, therefore, of an old shareholder, from the point of view of one who is most anxious to see proper legislation in Parliament with regard to the railways, I do most heartily express to you the congratulations of all in this meeting upon what we have done and what we shall accomplish in the future.

The motion was carried unanimously, and further resolutions were passed approving the dividends recommended, and re-electing Mr H. W. Deacon, C.B.E., an auditor of the company's accounts.

Mr G. Hamilton Hargreaves then moved the resolution of protest with regard to the corporation profits tax, which had already been read by the chairman. In doing so he reminded the shareholders that if, in the approaching Budget, the present exemption of railways and other public utility companies was not made permanent, they would always be liable for this tax. The exemption would expire at the end of the present year, having been fixed for three years.

Sir William Fry seconded the resolution, which was unanimously adopted.

A vote of thanks to the chairman, directors, officials and staff concluded the proceedings.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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SOUTH-EASTERN AND CHATHAM RAILWAYS. DIFFICULTIES OF THE MANAGING COMMITTEE. COMPLETE FUSION ADVOCATED.

A joint general meeting of the proprietors of the South-Eastern and London, Chatham and Dover Railway Companies was held, on the 23rd instant, at Cannon street Hotel, London, Mr H. Cosmo O. Bonsor (the chairman) presiding.

The Chairman, in the course of his speech, said that he had a difficult task, as he was anxious that every stockholder of each company should appreciate the position of the managing committee, its difficulties and its future. On August 16th last the Government had given them back their railways, after seven years of State control. To say the least of it, the damage done to them as a commercial undertaking was serious. Their working expenses during Government control had increased by over 300 per cent., and on the other side of the accounts goods rates had increased by only 110 per cent. and passenger fares by 75 per cent. The heavy lines had naturally the better of them because, having an increase of 110 per cent. on goods traffic, they could show a better return than this, which was practically a passenger line. The compensation given to the railway companies by the Government was £24,500,000, of which the managing committee's share was £1,031,000. They had had to draw £382,000 of that for the purpose of making up the revenue of 1920, and £649,000 remained over for use in the current year, and he presumed that there was a further sum of something over £1,000,000 to come to them when the accounts were made up in January, 1923.

LARGE ECONOMIES EFFECTED.

Large economies had taken place all over the system. As a proof of the economies effected, he might say that in 1921 they had carried three million more passengers than in 1913, but the train mileage was down 23 per cent. They had carried 8½ million passengers in 1921, which was 14½ millions less than in 1920. Their financial position was that, as a commercial company, they had a balance against them, and had to look to Government compensation to make up the difference.

AN EXTRAORDINARY POSITION.

He proceeded to deal with the position under the Railways Act, by which, he said, the managing committee was ordered to be a constituent company. It had no capital, and no shareholders, and yet was ordered to be a party to the fusion of the Southern Group under the Act. That Act was a most extraordinary production. For the first time in Parliamentary history commercial businesses were ordered to amalgamate, whether they liked it or not. They were given a year in which to come to a voluntary agreement, and, failing that, there was a tribunal appointed to compel them. That was an extraordinary position for any commercial undertaking to be placed in.

For the last six months the Managing Committee had been considering their position, and had also had discussions as to the machinery to be employed for amalgamation with the South-Western and Brighton Companies. The Managing Committee were agreed that the first step in the interests of both companies must be the fusion of the South-Eastern and Chatham Companies and the extinction of the Managing Committee. It was obvious that the position of the companies would be strengthened for purposes of amalgamation by complete fusion.

PROPOSED ELECTRIFICATION OF THE SYSTEM.

Dealing with the proposed electrification of their system, he said that a scheme had been in existence before the war, but the war had prevented it, and at the end of the war Government control had so diminished railway credit that it was impossible to raise capital for that most necessary undertaking. On the passing of the Trades Facilities Act they had made proposals to the Government whereby the necessary capital should be guaranteed by them as to capital and interest, and those proposals had met with favourable consideration. The money borrowed would carry Government guarantee. It was proposed to form a construction company to do the work, and that company would lease the undertaking to the Managing Committee or their successors on a lease for 25 years at a rent sufficient to repay capital and interest on the expiration of the lease, when the works would become the property of the Managing Committee or their successors.

SOUTH-EASTERN RAILWAY COMPANY. "STRONG FINANCIAL POSITION."

DIFFICULTIES OF THE AMALGAMATION.

The ordinary general meeting of the South-Eastern Railway Company was held, on the 23rd inst., at Cannon Street Hotel, London, Mr H. Cosmo O. Bonsor, the chairman, presiding.

The Chairman, in the course of his speech, said: You will see

that our miscellaneous receipts are up, and our rent roll is continually increasing, but it would be much better if it was not for the Rent Restriction Act. We have preferred a claim against the Government of some £24,000 on our hotel account, and a portion of the Eastbourne traffic. There is no doubt that we shall get a certain sum of money. We want it. As regards amalgamation, the difficulties which we allude to in the report are apparent, but they are not altogether common to the whole of the stockholders. Our financial condition compared with that of the Chatham Company is absolutely different. The South-Eastern Company is in a very strong financial position, and all our premier stocks, annuities, debentures and preference are trustee stocks in Great Britain, and are consequently held very largely by insurance companies, other corporations, and trustees.

The Chatham Company's debenture stocks are in amount far in excess of the ordinary proportion of debenture stocks to preference and ordinary stock, and, owing to that, and the fact that the Chatham ordinary stocks receive no dividend, the Chatham Company's debentures are trustee stocks in Scotland only. This creates great difficulty as regards the fusion of stocks. The South-Eastern shareholders are not going to be asked to consent to anything that will materially interfere with the securities that they now hold. Consequently the amalgamation must be on the question of revenue and not by putting debenture for debenture and preference for preference. Those are some of the difficulties, but our friends of the Chatham Company are just as anxious as we are to arrive at an equitable solution. There are other difficulties which will crop up when we come to deal with the Brighton and South-Western companies. It is a difficult subject altogether, and one which will require a great deal of care in bringing about an equitable solution. I presume that we shall be able to do it, but I will repeat that I am more or less in favour of the suggestion which Mr Macrae made to his stockholders that we should try to get the Act amended so as to have a fusion of income rather than of capital.

Our balance-sheet is a very satisfactory one, and I should like to call your attention to the fact that our capital is over-spent to the amount of under £200,000. If you look at the capital accounts of other companies that have been under control you will find them very considerably in excess. Here is another difficulty with which we have not to deal in amalgamating with other companies with overdrawn capital accounts, while we are in the position that we could wipe out our overdrawn capital account from reserve. It puts us in a very favourable position to negotiate.

The report and accounts were unanimously adopted.

LONDON, CHATHAM, AND DOVER RAILWAY COMPANY. ELECTRIFICATION OF SUBURBAN LINES.

The ordinary general meeting of the London, Chatham, and Dover Railway Company was held, on the 23rd instant, at Cannon street Hotel, London. The Right Hon. Sir William Hart Dyke, Bart. (chairman), presided.

The Chairman, in moving the adoption of the report and accounts, said that the number of passengers and season-ticket holders and tons of goods carried showed a considerable decrease as compared with 1920. The net result of the year's working of the two railways was a profit balance of £1,648,171, as against £2,031,236, so that in order to make up the difference a sum of £382,000 had been taken from the amount received under Section 11 of the Railways Act, 1921, leaving a balance of £649,071 in the hands of the managing committee. The board recommended the payment of the balance for the past year of the full dividend on the arbitration preference stock, and also the full dividend for the year of £4 10s per cent. on the second preference stock. This was the first occasion for many years that that stock had received its full dividend.

The stockholders would have seen in the managing committee's report that it was decided to amalgamate the resources of the Chatham and South-Eastern Railway Companies, the negotiations being based on the net income of both. Those net incomes must be adjusted, and the large asset of £94,000 which belonged to the Chatham Company stockholders would have the full advantage of when the scheme was framed and brought before them for consideration.

The managing committee had decided to seize the opportunity for availing themselves of the necessary capital to carry out a scheme of electrification for the suburban traffic. Ample evidence was forthcoming as regarded the financial success of such an enterprise. The electrification of their southern lines would be a valuable asset for the new group. They had unanimously resolved to amalgamate the resources of the Chatham and South-Eastern Companies.

The Chairman, in reply to criticisms in regard to the proposed scheme of amalgamation with the South-Eastern Company, said that much time had been devoted by the board in considering the

matter. In their opinion it would strengthen the position of the Chatham company, and, in any case, stockholders could rest assured that their interests would not be lost sight of. The report and accounts were unanimously agreed to.

METROPOLITAN DISTRICT RAILWAY COMPANY.

COMPANY'S POSITION AND PROSPECTS—DIVIDEND ON ORDINARY STOCK.

The ordinary general meeting of the Metropolitan District Railway Company was held, on the 23rd instant, at Caxton Hall, Westminster, London, the Right Hon. Lord Ashfield (the chairman) presiding.

The secretary and treasurer (Mr J. C. Mitchell) read the notice convening the meeting.

The Chairman, in the course of his speech, said:—When last I spoke to you upon the position of your company I was in hopes that a plan might be agreed which would secure the co-ordination of all the traffic facilities in London and bring to an end the vexed question of London transport. Unfortunately, for reasons which I need not trouble you with at this time, the hopes were not realised. But the question is reopened once again by the appointment of the Royal Commission on London Government, presided over by Lord Ullswater and now sitting. Your company, in concert with its associates, is giving careful consideration to the evidence to be submitted to the Commission at a later date, and here perhaps I may again affirm the principles upon which our action has been governed in the past. We do not object to an adequate and safeguarded measure of public control by an independent body. We believe that will tend to good results, but to ensure them we think that with control should also go a measure of protection. While agreeing with public control, we believe that only by private enterprise can the operation of London's transport facilities be carried out successfully. It is not at all a question of large profits. Urban transport is no field in which to seek such profits, for they can never amount to more than a reasonable return upon the capital invested, and this is all that we are seeking.

REVISION OF FARES.

When the fares were placed upon a revised and uniform basis on September 26, 1920, I confidently expected that a reasonable return upon the capital invested in this group of companies would have been secured. All our estimates at that time pointed to this result, and but for the disastrous coal strike extending from April to June of last year, and the subsequent growing depression in trade and industry, the actual results for last year would, I think, have reached our expectations. Certainly we were right in so far as the revised level of fares was concerned. Taking the four railway companies together, the passengers carried in 1921 amounted to 339,000,000 in round figures, or 65,000,000 less than in 1920, equivalent to a decline of 16 per cent. No fewer than 21,000,000 of these lost passengers were workmen, representing in their case a decline of 28 per cent., and indicating only too clearly the stagnation of trade and industry. In fact, it might be claimed that the volume of traffic carried in London is a barometer, closely measuring the country's prosperity. Taking the passengers carried by both railways and omnibuses in the common fund group, the total number for the year 1921 is 1,100,000,000, or 72,000,000 fewer than in the previous year, from which you will observe that the falling off in omnibus passengers is under 7,000,000, or less than 1 per cent. If I look at the reports and returns of other London traffic undertakings, I see a corresponding, if not a more marked, decline.

The depression in trade is reflected in other businesses dependent upon the prosperity of London. The year past has been unfortunate in theatrical, concert, and entertainment ventures. Hotels have experienced a poor season by the absence of visitors, and London has—I think undeservedly—earned the description of being dull. The time has come to counter this suggestion, and the common fund companies are able and ready to provide for all the traffic that may come to them from a brighter London. They are willing to join in any scheme which will assure this. The rolling stock and equipment purchased in previous years has all been delivered, and is more than sufficient to meet the needs of the present traffic. There is a reserve of accommodation available from which to augment the services now being run, and we can look forward to being able to deal effectively with many more passengers than are now carried.

After reviewing at some length proposals he made to the Government for providing employment for large numbers of men, he continued:—

As I have said, these proposals were not accepted, and the Government invited me to make new proposals to the committee which was set up under the Trade Facilities Act of last year. We have availed ourselves of this invitation, and a revised



HEAD OFFICE:
1 Dale Street,
LIVERPOOL.

LONDON:
Chief Office,
1 Cornhill, E.C.2

TOTAL ASSETS exceed - - £20,000,000
TOTAL CLAIMS PAID over - £102,000,000

FIRE. LIFE. ACCIDENT. ANNUITIES.

Marine, Leasehold Redemption, Burglary, Fidelity Guarantee, Motor Car, Plate Glass, Personal Accident, Workmen's Compensation, Sickness, Live Stock, Loss of Profits, &c.

OFFICES IN ALL THE CHIEF COMMERCIAL CENTRES

scheme has been sent in to the committee, which I hope will be approved by them, and be one which they can recommend to the Government for acceptance. It would not be proper that I should at this moment disclose in detail what this scheme is, as it is still in negotiation, but I should assure the proprietors of the common fund companies that, while it is in every respect fair to the Government, it has due regard to their interests, and I and my colleagues will have no hesitancy in recommending it for their approval if it should become a practical measure.

CLAIMS AGAINST THE GOVERNMENT.

Your company, by reason of its special accounting arrangements with the Government consequent upon the institution of the common fund, was not a party to the general settlement with the Government by which £60,000,000 was set aside for distribution among the controlled companies in full discharge of all their claims. Your company has been allowed to retain the increased earnings which it secured in consequence of its increased fares in exchange for the surrender of its claim against the Government subsequent to September 26, 1920, with one exception—namely, the adjustment of its stores account. By agreement with the Government, on the advice of a committee of the Railway Association, this latter claim has now been settled for a payment of £40,000. I think from a survey of all the figures that the special arrangements were, if anything, beneficial to your company.

I ought to point out how much the common fund strengthens the position of your company and of all the other companies associated together in it. After all the companies' prior charge securities (other than the second preference stock of your company in respect of the first half of the last year) had been met in full and the agreed reserves had been put aside, there was for the year 1921 a sum of £909,272 to be distributed. This is the largest common fund that has been obtained since the institution of the scheme, and while it has not proved sufficient to pay a reasonable return upon the whole of the ordinary capital dependent upon the common fund, it represents a considerable advance towards that goal.

The gross receipts of your company for the year 1921 after the operation of the common fund amounted in round figures to £1,849,000. The working expenses were £1,351,000, leaving net receipts of £498,000, as against £334,000 in the previous year, an increase of £164,000.

CAPITAL EXPENDITURE.

The expenditure on capital account exceeds the receipts by £1,007,000, and during the year 1921 the net expenditure on capital account has been £773,000. The principal item here is an expenditure of £707,000 on rolling stock. This rolling stock was ordered as far back as the year 1918, but owing to difficulties of one sort or another, delivery was only completed during last year. It was impossible for your company to have refrained from ordering this rolling stock. The congestion of traffic during the years 1919 and 1920 necessitated the provision of additional accommodation, but it is unfortunate that this rolling stock had to be ordered at a time when costs of all kinds were at a maximum. The cost of this rolling stock represents an advance of about 27½ per cent. above pre-war prices of similar rolling stock. In order to meet the commitments of the company in respect of this expenditure, a temporary loan of £400,000 was secured from your company's bankers, Messrs Glyn, Mills, Currie and Co. You will therefore readily appreciate how it is that the receipts in respect of general interest have practically disappeared.

I should also point out that further expenditure is still being

incurred on capital account. With the provision of the additional rolling stock the car sheds and shops of your company were inadequate for the work of properly maintaining the rolling stock, and advantage was taken of the opportunity to provide accommodation for the overhaul and maintenance of the rolling stock of all the associated railway companies in a single centralised establishment with its resultant economies. A site has therefore been acquired adjacent to the Acton Town Station, upon which a commencement has been made in the erection of a new central works. The total amount which it is expected will be spent in the next two years upon these works is £176,000, making a total expenditure of about £350,000.

THE DIVIDEND.

Your directors recommend a dividend on the ordinary stock of 1 per cent. for the whole year. This dividend is practically paid out of the proceeds of the second half of 1921, as it was not until the distribution of the common fund was revised, as from July 1st of last year, that the ordinary stocks of the District Company had an immediate chance of earning a dividend. It must, therefore, be regarded as equivalent to a per cent. for the year.

Your directors are carrying over to next year's account an amount of £60,500, an increase of £40,000 over the previous year.

Having regard to all the circumstances of the year, the results are, I think, extremely satisfactory. It is the first time since 1882 that your company has declared a dividend upon its ordinary stock, and I am sure you will agree with me that we have much cause for satisfaction in the knowledge that after so many years your company should have at last achieved a position in which it can contemplate making some return upon its ordinary share capital. The dividend is not a large one, and may seem to those who so many years ago invested their money in providing traffic facilities for London a poor return for the patience which they have shown, but your directors have deemed it wise to pursue a cautious policy. No one can speak with a decided voice about the future, but with the knowledge which I have of the affairs of your company and those associated with it, I have reason to hope that having once succeeded in paying a dividend on the ordinary stock it should be possible to gradually increase the rate of dividend in future years.

The report was unanimously adopted.

LONDON ELECTRIC RAILWAY COMPANY. LARGE REDUCTION IN EXPENDITURE.

The ordinary meeting of the London Electric Railway Company was held, on the 23rd inst., at Caxton Hall, Westminster, London, the Right Hon. Lord Ashfield, the chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said: I wish to refer especially to the economic factors which tend to improve and stabilise the position of your company as well as of the other railway companies in the group. The reductions in wages obtained in 1921 are equivalent to a saving of about £240,000 a year for the four railways. And with the reductions still in prospect the total saving in expenditure on this account in 1922 would seem to be about £400,000.

Many economies have been inaugurated during the last year. A committee of officers has been sitting from week to week reviewing in detail the whole of our organisation and methods. I should like to take this opportunity of commending the labours of this committee and of thanking them for their efforts.

COST OF MATERIALS.

Turning to the cost of materials, the fall in prices occurred rather late in last year, and as the companies necessarily carry large stocks the benefit from the fall has hardly accrued. In the coming year there should be appreciable savings under this head. The commodity in which we are mainly interested is coal. Owing to the regrettable strike extending over three months of last year the cost of coal during the year was abnormally high. The average price paid for the supplies at the power house (including the oil used experimentally) worked out at about 52s 6d per ton. I am happy to say that for the current year to date the cost is less than 32s 6d per ton, with a definite promise of a still lower price. The ratio of working expenses to receipts on the railways during 1921 was 70 per cent. This is much too high for remunerative operation, but from the explanations which I have given you, you will see that there is lively hope of its being reduced to a more normal proportion.

I have dealt with the question of expenditure at some length, because when the fares were increased in 1920 I recognised that there was a definite obligation cast upon those of us responsible for the operation of the companies to make sure that the expenditures were reduced to a minimum. You will see that we have taken this obligation seriously.

The one factor which prejudices the situation is a heavy falling off in the volume of traffic to be carried, and so far this year there have been practically no signs of a revival, though I trust these are not far off. At any rate, I can assure you that if nothing occurs still further to rob our traffic, the economies that we can now count on would appear sufficient to maintain the companies in their present position, so that if the revival comes, as come it soon must, your companies should occupy a strong position.

THE ACCOUNTS.

Your company received as its share of the common fund £320,552, as against £106,348 in 1920, an increase of £214,204. This is a substantial change for the good which it is hoped to maintain in future.

I must now ask you to turn to the accounts and statistics relating to your company. The debenture capital has been increased by £200,000, being the balance of the debenture stocks already created remaining unissued. You will also see from the note in account No. 4 that the expenditure in respect of which £785,472 has been received by way of loan from the London and North-Western Railway Company, as shown in Account No. 18, now amounts to £796,557, an increase of about £41,000 since last year. This represents the expenditure upon the completion of the Queen's Park Extension Railway. Altogether the net expenditure on capital account during the last year amounted to £66,121. From the revenue accounts, you will see that the receipts from railway working, after operation of the common fund, amounted in round figures to £2,040,000, an increase of £223,000 over the preceding year. The working expenses amounted to £1,369,000, or £19,000 less than in the preceding year, leaving net receipts of £671,000. The miscellaneous receipts this year were approximately the same as last year, and the total net income of your company is £808,000, an increase of £243,000 on the previous year. This, I suggest, is a very satisfactory result. The balance brought forward from the previous year's account is £22,000, which makes the sum to be dealt with £830,000 approximately. Interest, rentals, and other fixed charges amount to £296,000, very little more than in the preceding year. The reserve for contingencies and renewals set aside this year is £65,000, as against £45,000 in the previous year, an increase of £20,000, which is much needed to place the reserve funds upon a more satisfactory footing. The dividend on the preference stock is £127,000, the same as last year. When all these deductions are made the balance available for dividend on the ordinary shares is £343,000, an increase of £216,000. An interim dividend of 1½ per cent. has already been paid upon the ordinary shares in respect of the first half of the year, and it is now proposed that a further dividend of 1½ per cent. should be paid, making 3½ per cent. for the whole year. This requires a sum of £303,000, and leaves £40,000 to be carried forward to this year's accounts, as compared with the £22,000 brought in.

In conclusion, I consider that the year which has passed has been a satisfactory one from the point of view of your company, and while the traffics are now less than they were a year ago, and, therefore, are a source of anxiety to those engaged in the management of your undertaking, the continuing fall in expenditure is, in my opinion, sufficient to maintain your company in its present position.

The resolution was carried unanimously.

CENTRAL LONDON RAILWAY COMPANY. SATISFACTORY RESULTS OF YEAR'S TRAFFIC.

The ordinary meeting of the Central London Railway Company was held, at Caxton Hall, London, on the 23rd instant, the Right Hon. Lord Ashfield (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said:—The year 1921 is the first year during which the extension railway from Shepherd's Bush to Ealing has been continuously worked. Under the agreement with the Great Western Railway Company that company maintains the railway and stations, and your company works the train service. For its services in working the train service your company receives a share of the traffic receipts attributable to the extension railway. I regret to inform you that this share of the traffic receipts has barely been sufficient to meet the expenses incurred during this last year. I think that the results of working this extension railway are very disappointing. This is due to the higher fares which are charged for journeys upon this route, and these higher fares are necessitated by the fact that the railway from Shepherd's Bush to Ealing Broadway is a part of the Great Western Railway, upon which the fares are based upon the pre-war rate of fare increased by 75 per cent. We have been in negotiation with the Great Western Railway Company for an adjustment of this fares situation, and while we have made some progress with these negotiations, we have not yet reached a settlement.

The expectations which were raised by the revision of fares in September, 1920, have not been realised. Experience has shown the general correctness of the level of fares then introduced, but the financial results have fallen somewhat short by reason of the acute depression of trade and industry, which, commencing with the regretful coal strike of last year, still continues.

Your company received as its share of the common fund £164,483, as against £70,898 in 1920—an increase of £93,585. This is a substantial change for the good.

Progress is being continued with the transfer of the power supply from the generating station at Wood Lane to the Lots road power-house, and further expenditure amounting to £11,900 is shown as contemplated in this connection.

The total net income is £261,122, as against £166,569 in 1920—an increase of £94,553. This result seems to be very satisfactory, especially if all the conditions affecting the traffic of last year are kept in mind.

After meeting all the prior charges in full and setting aside £29,000 to reserve, there is a sum of £179,644 available for dividends on the ordinary stocks. This is sufficient to pay dividends at the rate of 4 per cent. for the year upon all three classes of stock—namely, the undivided ordinary stock, the preferred ordinary stock, and the deferred ordinary stock—and represents a great improvement upon the position of your company in the years 1920 and 1919, and restores the position gained for the first time after many years in 1918.

There has been a decline in passengers, the number carried falling approximately from 50 millions to 43½ millions, or by 13 per cent. Having regard to the general fall in traffic upon other undertakings, this is not severe.

The resolution was carried unanimously.

CITY AND SOUTH LONDON RAILWAY COMPANY. CHAIRMAN OPTIMISTIC OF THE FUTURE.

The ordinary meeting of the City and South London Railway was held, on the 23rd instant, at Caxton Hall, London, the Right Hon. Lord Ashfield (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: The revision of fares instituted in September, 1920, has proved to be successful and justified. Unfortunately, first the coal strike of last year and then the continued and growing depression in trade and industry led to such a restriction in the volume of traffic to be carried that the expected results were not secured.

Your company has joined with the London Electric Railway Company in putting forward an application to the Government under the Trade Facilities Act for a grant of sufficient money to enable this reconstruction to be carried out, and the line to be re-equipped with rolling-stock to modern standards and of larger size. The necessity for this has not grown any less during the recent year, and I would point out that in the supplement to the annual accounts and returns some particulars are given of the traffic carried upon the City and South London Railway in comparison with the traffic of the previous year, from which you will see that your traffic has declined by more than 9,300,000 passengers during the year, representing a drop of 23 per cent. It is most severe upon this railway of any of the railways in the group. We hope, therefore, that we shall receive a favourable answer from the Government to our application, and that we shall be enabled to proceed with this work during the course of the present year.

Your company received as its share of the common fund £54,556, as against £21,270 in 1920, an increase of £33,286. The total net income £180,000, as against £138,000 in 1920, an increase of £42,000. This result seems to me to be very satisfactory, especially if all the conditions affecting the traffic of last year are kept in mind. Resuming exact figures, the amount brought forward from last year's accounts is £18,820, so that altogether there is a sum of £198,687 to be dealt with. This sum has been applied in meeting the rentals and other fixed charges and in paying in full the whole of the interest and dividends upon the prior charge securities, and carrying to reserve a sum of £36,000, which is £11,000 more than the amount carried to reserve a year ago. In explanation of this I can only point to the general inadequacy in the reserves of your company which has been created by the enhancement in price of railway equipment occasioned by the war.

Your directors have felt it their duty to commence to take steps to put the reserves upon a post-war footing, making use of some proportion of the increased earnings attributable to last year. When all these payments are deducted there is a sum of £73,376 available for dividend on the consolidated ordinary stock. In August last an interim dividend, at the rate of 2 per cent. was paid, and it is now proposed to pay a further dividend of 1½ per cent., making 3½ per cent. for the year. This requires a sum of £44,000, and is an increase of 1½ per cent. over the distribution of last year. The balance carried forward to next year's account

is £25,276, or, in round figures, £6,500 more than the amount brought in. The falling off in earnings in the later months of 1921 is sufficient to account for the reduction in the rate of dividend as between the first and second half of that year.

Looking towards the future, I see no reason why the position of your company should not improve.

The resolution was carried unanimously.

PORT TALBOT RAILWAY AND DOCKS COMPANY. PROVISIONAL ARRANGEMENT WITH THE GREAT WESTERN.

The forty-sixth ordinary general meeting of the Port Talbot Railway and Docks Company was held, on the 23rd inst., at the Great Western Royal Hotel, Paddington, London. Colonel Sir J. R. Wright, Bart., presided.

The Chairman, in proposing the adoption of the report, said: Gentlemen, I must apologise for the absence of Mr Berry, who is unable to be present to-day. We deeply deplore that our old and valued colleague, Sir Thomas Watson, who had been a member of your board from its inception, has been taken from us owing to a regrettable accident which took place on May 1, 1921.

I now lay on the table the report of the directors and accounts for the year 1921. The accounts call for hardly any comment from me. The amount spent on capital account was £41,537, principally on deepening certain portions of the dock area in connection with the new works of Messrs Baldwins and the Phoenix Patent Fuel Company. The revenue account No. 8 is practically on all fours with the previous year, the balance of which permits of dividends on the ordinary and preference shares of 9 per cent. and 4 per cent. respectively for the year, with a carry forward of £2,647.

I am gratified to be able to inform you that terms for taking over your company by the Great Western Railway Company have been provisionally arranged, which will give to our ordinary shareholders for each £10 ordinary share £18 of Great Western 5 per cent. guaranteed stock. The £10 4 per cent. preference shares will be exchanged for £8 5 per cent. Great Western preference stock and the 4 per cent. debenture stock will be exchanged for an equal amount of 4 per cent. Great Western debenture stock. In the opinion of your directors these terms are satisfactory to both concerns. There is no doubt but that the exchange will be beneficial to the Port Talbot holders in their having a larger and better market for their new holdings when the exchange is completed, whilst the yield in interest and dividends will be the same as has been paid for some years past. In due course you will be invited to a meeting to consider and approve the formal agreement.

Mr S. H. Byass: I beg to second the motion.

Mr W. H. Skeel said that he had very pleasant memories of the way the directors had managed the affairs of the company for the shareholders, and he personally had to thank the chairman for the warning he had previously given that the shareholders would be wise to hold on to their shares.

The motion was carried unanimously.

The dividends as recommended were approved, the retiring directors, Colonel Sir W. Charles Wright and Mr Godfrey Lipscomb, were re-elected, and a vote of thanks to the chairman terminated the proceedings.

CHAMBER OF SHIPPING OF THE UNITED KINGDOM. COMPETITION BETWEEN AMERICAN AND ENGLISH SHIPPING.

The forty-fifth annual general meeting of the Chamber of Shipping of the United Kingdom was held, on the 24th instant, at Skinners' Hall, London, Sir Owen Phillips, G.C.M.G., M.P. (the retiring president), in the chair.

On the motion of the chairman, seconded by Sir Frederick Lewis, Bart., the report and statement of accounts for the past year were unanimously approved.

Sir Alan Anderson, K.B.E., then proposed the election of Sir Frederick Lewis, Bart., as president for the ensuing year, which was seconded by Mr. J. Denholm, and carried unanimously.

Sir Frederick Lewis, Bart., then took the chair.

A vote of thanks was accorded to the retiring president, and Sir Ernest Glover, Bart., was elected vice-president.

Sir Frederick W. Lewis, Bart., in the course of his presidential address, after referring to the services of British shipping during the war, said: British shipowners remain faithful to the traditions of the past. They still believe in the four "F's"—Freedom of seas, Freedom of ports, Freedom of trade, and Freedom of contract. Experience has taught them that these principles are the foundations of efficiency and prosperity. British shipowners ask no favours from their own or any other Government, but ask only for elbow-room to provide sea transport for trade cheaply and efficiently. In the future, as in the past, it is their ambition to look the whole world in the face with the assurance that

whatever success they may achieve will be due to their own efforts as shipowners, the heirs of priceless traditions, and to the support they have received from their incomparable officers and men.

BRITISH AND AMERICAN SHIPPING INTERESTS.

The situation at sea, as well as the balance of sea-carrying power, has undergone a dramatic change. A great deal has been said and written about the United States merchant fleet, and I am very glad to have this opportunity of assuring our friends across the water of one thing. British shipping interests have been pointed to as being the greatest opponents of the United States merchant marine, and it has even been suggested that active but secret propaganda is being conducted or encouraged from this side of the Atlantic. If such is the case, I for one have never seen or heard any evidence of it, and I can say with confidence that it does not exist. Even in the United States this propaganda, which is said to be more harmful to good relationships between the United States and Great Britain than the most effective German propaganda during the war, has never, so far as I know, been more clearly defined than by vague references to articles in English newspapers. We appreciate to the full the circumstances under which the United States became possessed of her present great merchant fleet, and we appreciate also the aspirations of the American people. We know that its construction followed an urgent appeal for tonnage from this country, and it would have been both futile and unreasonable to expect its destruction at the termination of hostilities. The administrators of this merchant fleet have been faced with a unique industrial problem—how best to organise a huge war-time built fleet of merchant vessels of all descriptions, from wooden freighters to big passenger boats, comprising some 1,800 vessels of about 11,500,000 deadweight tons, and apparently standing in their books at twenty-five hundred million dollars, or, say, an average of £50 per deadweight ton. The report of the Shipping Board, issued recently, records that for the year ended June 30th last the revenue fell short of expenses by \$82,419,000, or about £20,000,000, and this notwithstanding that the receipts included \$105,872,000 appropriations received from Congress and \$57,672,000 from sales.

RESULTS OF A NATIONALISED FLEET.

That is what a nationalised fleet means—burden on the general body of taxpayers. The United States, unlike Canada and Australia, have not sought to retain a nationalised fleet. The disadvantages of Government ownership have been recognised, and whilst it may be that the decision to sell the United States Government vessels has been arrived at a little late in the day, the fact remains that the principle has been recognised.

There have been suggestions to grant preferential railroad rates on cargo exported or imported in American vessels, and to impose dues on foreign ships in excess of the dues imposed on American vessels, or place taxes on cargo imported or exported in vessels other than American. In that connection one country's exports are other countries' imports, and buyers as well as sellers want the cheapest and most efficient transport that they can obtain.

SITUATION OF THE INDUSTRY.

An estimate of British tonnage at present laid up in 36 ports in the United Kingdom puts the figure at 2½ million gross register tons. The United States Shipping Board (apart from privately owned vessels and wooden and composite vessels) has, it is stated, some 1,000 vessels lying idle, representing possibly something over 4,000,000 gross register tons, and most other maritime countries are in much the same unfortunate position. Although it is said that figures can be made to prove almost anything, it is sometimes instructive to study statistics, and in the case of the shipping industry I think it is worth while noting the important changes that have occurred since 1914. In that year, according to Lloyd's Register, the world's total steam and motor tonnage was 13,443,000 gross tons less than at June 30, 1921, but of this difference 1,832,000 tons represent wooden and composite tonnage, so that for all practical purposes the increase can fairly be reduced to 11,611,000 tons. According to Lloyd's Register, of this increase 1,064,900 tons are British and colonial owned, and 11,417,000 are American. Most of the allied countries have also added to their tonnage since 1914, but on the other hand, Germany's quota stands at 4,480,000 gross tons less than in that year. When account is taken of the increased tanker tonnage—which represents 2,940,000 tons in excess of the 1914 figures—and the increased number of obsolete vessels over, say, 25 years of age, which are now on the register, combined with other considerations, it becomes apparent that the surplus of effective tonnage for carrying International trade is much less than the bare statistics suggest.

TONNAGE SUPPLY AND DEMAND.

On the one hand, the supply of tonnage has increased, and, on the other hand, the demand for tonnage for overseas trade has diminished. The Board of Trade Returns for 1921, whilst showing an increase in the value of both our imports and exports, as

compared with 1913, reveal that, when expressed in terms of weight, a serious decline in trade has occurred—something like 30 per cent. in our imports and 64 per cent. in our exports. Consequently, with other nations experiencing similar serious declines in trade, it is difficult—I had almost said impossible—to find any profitable employment for shipping, in spite of the great volume of tonnage at present lying idle.

I am not prepared with any sovereign remedy for the existing depression. Schemes for proportionate laying-up of tonnage, for breaking up—or even sinking—old and obsolete tonnage, have all been canvassed. But these schemes, excellent in their way, all start with the idea of cutting down the supply to meet the demand, whereas I think we should all like to see the demand increased up to and beyond the supply; and, so far as I can see, all that we, as shipowners, can do is to get our operating costs down to a minimum and raise the efficiency of cargo handling in our ports to the maximum.

During the past year the question of State-owned shipping and State subsidies for shipping have been very much to the fore. Great Britain had a State-owned fleet at the conclusion of the war, and our Government was fortunate in getting rid of all its vessels at high prices. The United States has not been so fortunate, although, as we have seen, the principle of private ownership in preference to State ownership is admitted. Canada also retains a considerable fleet of State-owned vessels, as well as Australia. All these nationalised vessels are to-day keenly competing with private interests; a great many of them are undoubtedly running at a loss, apart from depreciation, and the public purse is consequently finding an indirect subsidy. It has recently been disclosed that Dominion vessels pay no taxes to their own or the Imperial Government.

REDUCTION IN COSTS.

I have spoken of the need for reduction in costs in every direction as the first essential in bringing about a trade revival. I do not suppose anyone here would have the temerity to suggest that the Government should give shipowners a subsidy to enable them to perform public services profitably, which they can at present only perform at a loss; and if anyone had the temerity to make the suggestion I don't believe for one moment that any shipowner would support the suggestion, if for no other reason than that it would be creating a precedent and encourage every other industry to ask for similar assistance. We do not ask favours from the Government, but we do, in common with other industries, look to the Government to help us and the whole community by itself cutting down all unnecessary expenditure on the national services, subject only to the needs, as was stated in the King's Speech in opening Parliament, of "national security and efficiency." Shipowners look to the Government with great expectation to effect economies in administration, and to do everything possible to relieve industry from the present burden of taxation. We are admittedly the most heavily taxed nation in the world, notwithstanding that we were on the winning side in the war.

We are at the present time particularly handicapped by the existence of a great many circumstances entirely without precedent—an impoverished Europe, the big markets of Russia practically entirely closed, high taxation, coupled with chaotic exchanges and unstable financial conditions throughout practically the whole world. I am afraid that we shall have to possess our souls with a considerable amount of patience before these conditions fully adjust themselves.

Sir Wm. J. Noble, Bart., in proposing a resolution calling attention to the continued urgency of the need for early and substantial reduction in wages afloat and ashore, said that it was often said that if prosperity was to return to this country, all classes engaged in industry must pull together, and there must be goodwill and co-operation between employers and employed instead of antagonism, suspicion, and selfishness. The mere aspiration for goodwill did not carry them very far. It was often asked why employers, when it was imperative to reduce costs, always attacked wages. It was simply because nine-tenths of the cost of every commodity was directly or indirectly, a wage cost. The so-called attack on wages was not an attack on the workmen. Reduction in labour costs was a necessary step towards finding him more employment and a better standard of living by stimulating the demand for the work on his hands. A substantial reduction in the rate of wages afloat had been effected by open negotiations. He was far from saying that increased costs were the only cause of their decreased overseas trade, but they were undoubtedly the prime cause, and until their manufacturers could produce at a price that their buyers could afford to pay their export trade, as well as the shipping industry must continue to suffer and unemployment continue.

The resolution was seconded by Mr Cuthbert Laws and carried unanimously.

A resolution directing the attention of foreign Governments who had recently adopted or threatened measures of flag discrimination to the prejudicial reaction of such measures on the trade of the

world was carried, and a resolution urging upon the Government the need for establishing and maintaining the mutual recognition as between all the maritime countries of the principle that the profits of shipping were earned on the high seas, and as such were taxable in the country of domicile, was passed. A further resolution drawing attention to the unwisdom of the continued departmental interference with shipping was also passed.

A vote of thanks to the chairman concluded the proceedings.

THE SCOTTISH LIFE ASSURANCE COMPANY, LIMITED.

GRATIFYING RESULTS OF THE YEAR.

SATISFACTORY INVESTMENT POSITION.

Sir John M. Clark, Bart., presiding at the annual meeting, held in Edinburgh on 21st inst., said that, considering the acute commercial depression prevailing during 1921, it was particularly gratifying to be able to submit results of the most satisfactory nature. They and life offices, speaking generally, had felt the effect upon new business of the unfortunate state of trade. In 1919 and 1920 there was a boom in life assurance, due in no small degree to the period of apparent prosperity through which the country was then passing, but which they rightly anticipated would be followed by a reaction.

NEW BUSINESS.

During 1921 their new assurances amounted to £862,000, of which £79,000 was reassured, leaving a net business of £783,000. Although this showed a reduction on the figures of 1920 and 1919, it was nevertheless by far the greatest amount which they had done in any year with the exception of these two; indeed, it represented an increase of 50 per cent. above any pre-war total. The net life premium income was £346,000, showing an increase of £8,400. The interest on the funds, after deducting income-tax, showed a yield of £4 11s 8d per cent., being much the largest yet attained. It was an increase of 5s 6d on 1920, and the rise was only partly due to the writing down of securities last year. To the public that figure might not convey much, but it did to the insurance expert. Their actuarial valuation was made on the basis of a net rate of interest of £3 per cent., and if they were fortunate enough to maintain their net rate at, say, 4½ per cent., that would mean a profit for the present quinquennium of over £250,000 from interest alone.

MORTALITY EXPERIENCE.

Claims by death showed a ratio of actual to expected of only 67 per cent., being thus practically two-thirds of the amount expected under the mortality tables. The ratio of expenses (including commission) to premium income was 15.6 per cent., being a reduction of 1 per cent. for the year. This reduction was due mainly to the decrease in the new business, but he thought they might take a little credit for careful oversight in expenditure, because the ratio of expenses had been actually a trifle less than it was in any year before the war, although the new business was 50 per cent. greater. At the close of the year the life funds amounted to £3,239,000, the addition being the record one of £229,000.

INVESTMENTS.

It gave him great satisfaction to state that at the present time the market value of the investments of the company was very largely in excess of those at which they appeared in the balance-sheet. It was a welcome state of matters, because for so many years there had inevitably been a tale of depreciation to be told. With investments in this satisfactory position, with their low claim ratio, their moderate rate of expenses, and with the increased rate of interest which they were obtaining on their investments, the position was such that, whatever the future might bring forth, he felt that he was justified in expressing the belief that strong as the position of the company had been in the past, it had never been so strong as it was to-day.

The report was adopted, and a dividend of 15 per cent. declared.

NATIONAL PROVIDENT INSTITUTION.

RESULTS "ENTIRELY SATISFACTORY."

The eighty-sixth annual meeting of the members of the National Provident Institution was held, on the 24th inst., at the Cannon Street Hotel, London, the Hon. Vicary Gibbs (the chairman) presiding.

The Chairman, in the course of his speech, said: The report first gives details of the new business transacted. They show that new policies were effected for a net amount of £897,445, carrying an annual premium income of £38,369. These figures show an appreciable drop from those of the previous two years, but this only means that we have left behind us for the institution's good, and that of the country, the inflated values of 1919 and 1920. We

are now gradually returning to a normal condition of affairs. A more reasonable method for us to adopt, therefore, is to compare last year's new business with pre-war figures.

The mortality experience has again been quite favourable, the death claims representing only 66 per cent. of those expected according to the tables which we employ in measuring our liabilities. The incidence of the claims, too, has been favourable, and, as a result, a substantial amount of profit has accrued to the institution.

We are glad to be able to report some decline, although small, in our expense ratio, which is this year £3 10s 6d per cent. of the year's premium receipts against last year's figure of £3 13s.

I now come to the statement which appeals to the board as being the most satisfactory in the whole report, namely, that which tells you that the net rate of interest after deduction of income-tax has increased from £4 1s 3d to £4 4s. You would have to go back 40 or 50 years in the history of the institution to find an equally good rate, and you would have to bear in mind that in those happy times income-tax was about 6d in the £.

I should like to draw your attention to a new policy which we are issuing. We are calling it "the sixty policy." It is issued nominally as a whole-life policy without profits, subject to premiums ceasing before the age of 60, and is convertible at the end of five years into a with-profit endowment assurance, payable at age 60 or previous death; the assured having the option to continue it, as originally drafted, if he desires to do so. The payment of a small premium now will secure full cover, and will make immediate provision for dependents in the event of premature death. An increased premium in five years' time will convert the policy into an endowment assurance, thus combining family provision with an augmented income on retirement.

With regard to the bonus prospects, on November 20th last, after allowing for a net depreciation of £80,000, which then existed, we had surplus in hand quite sufficient to pay a full five years' bonus at normal rates without trenching on the profits of the current year, which, if a normal one, should amount to about £200,000. Since November 20th last, as you all know, securities, particularly of the gilt-edged type which we so largely hold, have substantially risen in value, and the £80,000 depreciation has long since disappeared.

The report was unanimously adopted.

WINTERBOTHAM, STRACHAN, AND PLAYNE, LIMITED.

HIGHLY SATISFACTORY RESULTS—BURDEN OF TAXATION.

The second ordinary general meeting of Winterbotham, Strachan, and Playne, Limited, was held, on the 24th instant, at 7 Argyle street, London, Mr H. B. Winterbotham presiding.

The Chairman, in proposing the adoption of the report and accounts, said: Our second ordinary general meeting is being held during a period of depression which is fortunately rare, and perhaps unparalleled in the history of world trade. It is necessary, before reviewing the accounts before us, that we should carry our minds back to a year ago. We had then passed through an anxious and trying period, and when better trading conditions were in sight the complete stoppage in the coal industry, lasting for three months, effectually checked all chance of revival. During the nine months that were left industry was seriously hampered by the high cost of production and a general loss of buying power, due largely to an entire lack of confidence in the future, while the abnormality of foreign exchange rates rendered export conditions practically impossible, much idle machinery, a further fall in prices, with a general shrinkage of profits, some failures, stupendous difficulties encountered by the high-class distributing houses, with whom the bulk of our business is done. Very little can be looked for in the way of increased buying capacity until substantial relief is given from the heavy burden of taxation under which the nation continues to stagger; indeed, the present 35 per cent. taxation basis for income and corporation tax unquestionably accentuates the unemployment and distress of the country, and is, perhaps, "one of the principal causes" of the stagnation of trade.

CORPORATION TAX.

The iniquitous corporation tax especially singles out for destruction the ordinary shareholder, who largely supplies the enterprise and backing of the commerce of the country, and it is sincerely to be hoped that after the able manner in which this has been brought to the attention of the Chancellor of the Exchequer, we may shortly be attending its obsequies, and be witnessing the removal of one of the obstacles to all healthy enterprise.

The pre-war predominance of British trade cannot be recovered until a system of taxation is evolved, which, seeking to promote and not retard industry, offers some inducement to the taxpayer to husband his resources, and some assurance that the main part of his income will not be swallowed up, as at present, in the upkeep of Departments which destroy but do not create, which to-day are unnecessary.

Given a relaxation of this stranglehold of taxation, and a resump-

tion of national policy to more sane economic conditions, the necessary confidence would be established, giving that impetus to the recovery of prosperity which the trade of the country so urgently needs.

The high costs of production are still preventing orders being available for British industry, though wage-earners are gradually becoming alive to the fact that the value of work can only be what it will fetch in the world's markets, and that the attempt to restrict production is only adding to the burdens already carried.

Turning, for a moment, from the more immediate causes and effects of trade depression at home, we cannot lose sight of the fact that the cloud which darkened the economic outlook of Central Europe and the Near East a year ago still exists, in spite of the many conferences held at salubrious watering-places. Some of the most valuable outlets for our productions lay in these more thickly populated countries, and until there is a possibility of free interchange of commodities between these nations and ourselves, we cannot hope for that full commercial revival which we all so ardently desire.

Our company is prepared to deal with any increased business; the plant and buildings are maintained at their usual standard of excellence; the reputation of our manufactures has never stood higher, and the excellence of our productions remains unequalled. Our financial position is strong, and we are, in every way, ready to bear our full share in whatever revival of trade the immediate future may hold.

THE ACCOUNTS.

We will now pass to the consideration of the accounts which have been in your hands for some days. This company has had to provide an amount exceeding £25,000 for income and corporation tax before the sum of £17,885 18s 2d (the profit for the year) is arrived at—a result which, having regard to the conditions prevailing during the twelve months covered by the accounts, your directors consider to be highly satisfactory.

The trading results of the year have been dealt with on the same prudent basis as heretofore. Before arriving at the profit of the associated companies, an amount of £16,120 13s 5d has been written off as depreciation from the buildings, machinery, and plant, and the total reserves of those companies now amount to £56,200 9s 8d. A sum of £1,846 3s 5d has been further expended in additional plant and machinery, and all necessary repairs and maintenance have been properly dealt with.

From the summary of assets before you it will be seen that the surplus assets stood on November 30th last, after deduction of all liabilities, at £537,628 5s 9d, an increase of assets of £2,127 13s 2d over those of last year.

The report was unanimously adopted.

IMPERIAL TOBACCO COMPANY (OF GREAT BRITAIN AND IRELAND), LIMITED.

INCREASED TRADING PROFIT.

SELLING PRICES AND THE DUTY.

The annual meeting of the Imperial Tobacco Co. (of Great Britain and Ireland), Limited, was held, on the 21st inst., at the head offices, Bristol, Mr George A. Wills, chairman of directors, presiding.

The Chairman, in moving the adoption of the report and accounts, said: During the last 48 hours we have heard by cable of the sudden death of Mr E. S. Carlton, one of the directors of the company, and the head of our organisation in the United States of America. Mr Carlton's unrivalled knowledge of tobacco and sound business judgment have been of inestimable value to the company for many years past, while his personality was such as to have endeared him to all who came in touch with him, both here and in his own country.

BALANCE-SHEET FIGURES.

Referring to the credit side of the balance-sheet, you will observe that the total assets of the company at October 31st last amounted to £63,380,108, an addition of about £2,000,000 to the corresponding total at October 31, 1920. The first item of land, buildings, plant, and machinery, now standing at £4,190,000, has been added to by £1,366,275, this increase being chiefly accounted for by substantial additions to buildings and plant in America, and extensions to several of our branches at home. Figures do not readily convey an appreciation of the actual assets which they represent. You will, however, have received during the last few days an album, in which many of the company's buildings and workrooms are illustrated, and which will, I think, have given you a very just idea of their extent and value. As usual, normal depreciation of buildings and plant has been provided for in the accounts, and this year, having regard to the high costs of building, we have written off out of profits, in reduction of these outlays, an additional sum of £500,000. Goodwill and patent rights remain unchanged at their book figure. The investments

in associated companies stated at cost—or below cost in those cases where depreciation has taken place—stand at £5,538,318—an increase during the year of £660,338. As stated in the balance-sheet, the aggregate market value of investments in associated companies is largely in excess of the book figure.

NET VALUE OF STOCKS £32,721,996.

Stock in trade now stands at a net figure of £32,721,996, as compared with £31,838,620 in the previous balance-sheet, an increase of £883,376. Payments on account of leaf in transit, &c., at £1,094,736, have decreased £1,537,897. This item is always a fluctuating one. Debtors stands at £6,142,603, and show a decrease of £341,935. Investments in Government and other stocks, valued at prices ruling on October 31st last, stand at £845,667—practically the same figure as last year. No depreciation has arisen between the values in 1920 and the values in 1921. Corporation loans, at £200,000, show a reduction of £50,000, that amount having been repaid during the year; while the cash at bankers and in hand, £3,223,297, has increased by £1,063,572.

Turning to the liabilities side of the balance-sheet, you will find that the issued capital amounts to £35,330,594, which is the same as last year. Creditors, including provision for taxation, estimated capital liability under dividend guarantees, employers' liability, marine and other funds, have increased by £1,310,044 as compared with the same item at October 31, 1920. The provision for pensions, &c., £1,410,367, has increased by £104,521. The increase is made up of £100,000, which we have transferred from the profit and loss account for the year, and £4,521, the difference between the year's interest upon the fund and the pensions paid during the year. The premium of £1 per share received on the issue of ordinary shares in April, 1920, remains at £5,595,446. The general reserve fund now stands at £6,178,877, a further sum of £500,000 having been added from the profits of the year.

PROFIT AND LOSS ACCOUNT.

The next, and perhaps the most interesting, matter to be considered is the profit and loss account, which you will find set out in pages 10 and 11 of the print. The net trading profit for the year, including sums derived from dividends on investments in companies operating abroad, which are substantially in excess of last year's figures, and after fully providing for all charges, including income-tax and corporation profits tax, amounted to £6,927,641, as compared with £6,659,791 for the previous year, an increase of £267,850. This, I think, may be regarded as a subject for congratulation, having regard to the difficult business conditions which obtained during the year throughout the country. The year's profits have been relieved of the burden of excess profits duty, the company's last accounting period being the year to October, 1920. On the other hand, the profits of the home trade have suffered from the smaller spending power of the public. On the debit side of the profit and loss account are charged the items of "provision for pensions," "amount written off freehold buildings," and "transfer to general reserve," to which I have already referred, leaving a balance of profit for the year of £5,827,641.

THE DIVIDENDS.

In the appropriation account you will find that the profit for the year has been added to the balance of undivided profits from the previous year, less bonus to customers paid thereout, leaving the balance of profit to be dealt with £5,867,489. Out of this sum the dividends upon the preference capital have been, or will be, paid—that is to say, 5½ per cent. upon the "A" cumulative preference shares, 6 per cent. upon the "B" non-cumulative preference shares, and 10 per cent. upon the "C" non-cumulative preference shares. Upon the ordinary shares an interim dividend of 5 per cent. was paid, free of income-tax, on September 1, 1921, and it is now proposed to declare a final dividend of 10 per cent., and a bonus of 6d per share, both free of income-tax, these dividends being the same as those for the previous year. Added, providing for these dividends, and an interim payment of £352,908 as bonus to customers, there will remain a balance of £729,657 to be carried forward, out of which will have to be met the balance of the bonus to customers for the year to October 31st last.

GIFT TO STAFF AND WORKPEOPLE.

For some years past, as you are aware, a gift has been made to the company's staff and workpeople, both at home and abroad, over and above their normal salaries and wages. The board have felt it to be a fitting thing to recognise in this way the part which the employees of the company play in maintaining and enhancing the value of your property, and you have always shown by your reception of the announcement of these gifts that you approve our policy in this respect. I may say, without fear of contradiction, that no company in the world can boast of a more loyal body of employees, and it is therefore with great pleasure that I am able to say that the board have again decided to make a gift to staff and workpeople in respect of the

financial year under review. Under this gift each person who has been in receipt of a salary or wage from the company during the twelve months, or any lesser period, ended October 31, 1921, and who still remains in the service of the company to-day, will receive a sum equivalent to 15 per cent. of the salary or wage received by him or her during the said twelve months or lesser period. I am confident that you will share the desire of the board to acknowledge in this way the contribution which each recipient has made and is making towards the success of our undertaking.

WAR MEMORIAL.

When you entered the building to-day you can hardly have failed to notice the memorial which, since our last meeting, has been erected at the end of the entrance hall. The memorial is the work of Sir Edwin Lutyens, R.A., and I am sure you will agree with me that, in the beauty and dignity of its design, it fulfils not unworthily the purpose for which it was erected, to keep fresh in our own minds and in the minds of those who come after us the memory of the 597 brave men whose names stand recorded there.

OUTLOOK FOR THE FUTURE.

I think you may wish me to express some opinion about the outlook for the future, and also in the same connection to say a word on the subject of selling prices. When Mr Gunn addressed you a year ago he was able to point to the fact that the course of the American leaf market during the autumn and winter of 1920 had given a welcome check in the long process of rising averages of our leaf costs. I am sorry to say that during the season now closing the leaf markets have again shown an upward tendency, and, failing a substantial reduction in the tobacco duty, which now stands at 8s 2d per lb, compared with 3s 8d at the beginning of the war, I see no possibility whatever of a reduction in prices.

Now as to prospects generally. Any statement on this subject must be made with great reserve, inasmuch as the directors of a company such as this are in no better position to predict the future than any member of the general public. We have no knowledge that is not common to everybody upon the broad questions, many of them international questions, which affect the trade of the country as a whole. We know, as you all know, that trade generally has been seriously depressed and that there has been, and still is, much unemployment in the country. As regards our company, I have indicated already that the profits from our home trade have to some extent felt the effect of this depression. That they have not felt it more is due partly to the fact that tobacco is a friend to man no less in bad times than in good, and partly to the strong position which a conservative policy, pursued over a long series of years, has secured for the company. Bearing these two considerations in mind, I know of no business undertaking, large or small, in whose future I should have greater confidence than in our own.

The Deputy-Chairman seconded the resolution, which was carried unanimously, and the usual formal business terminated the proceedings.

LONDON GENERAL OMNIBUS COMPANY, LIMITED.

RESUMPTION OF PROGRESS.

The ordinary meeting of the London General Omnibus Company, Limited, was held, on the 23rd inst., at Electric Railway House, Westminster, London, the Right Hon. Lord Ashfield (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: Considerable progress has been made in the replacement of the pre-war type of omnibus by larger omnibuses of modern and improved design. The seating capacity of the active fleet at January 1, 1921, was 95,000, and at December 31, 1921, 114,000, an increase of 20 per cent.

During the year the Central Overhaul Works at Chiswick have been opened. This has enabled the standard of maintenance to be made uniform throughout the whole fleet, and has added to its efficiency. With the purchase of the additional omnibuses it will be necessary to provide further garage accommodation. The development of the services in the north-eastern and eastern quarters of London will particularly require additional garage accommodation.

You will know that the London General Omnibus Company works and maintains, under agreement, the motor omnibuses of the Gearless Motor Omnibus Company, Limited, and the Tramways (M.E.T.) Omnibus Company, Limited. In fact, these companies share on a percentage basis with the London General Omnibus Company in a pool comprised of the earnings of all the motor omnibuses in the London area, and while these companies have to be kept distinct, having separate capital accounts and separate reports and returns, no useful purpose seemed to be served by this.

Your company has, therefore, taken steps to acquire, as from January 1, 1922, the shares and undertakings of these companies, so that there may be a further consolidation of interests.

PROGRESS RESUMED.

To summarise the principal feature of the year 1921, it has been a resumption of progress interrupted by the war, and the development of motor omnibus services to provide satisfactorily and fully for the whole of the Greater London area.

The number of passengers carried by your company during the year has been 761,250,000, or 6,700,000 less than in the previous year. The decline in traffic is of recent occurrence, as owing to the abnormally fine weather of the summer of 1921 the traffics carried during those months exceeded our ordinary expectations. If the motor omnibus companies of London as a whole are considered, the total number of passengers carried during the year was 931,750,000, or approximately one-third of the whole local traffic movement in the Metropolitan area. This compares with 936,000,000 carried in the year 1920. The decline is slight, though I regret to say it is continuing. It is necessary, therefore, for us to pursue a conservative policy.

The revised fares which were brought into effect on September 26, 1920, continued in force until December 1, 1921. These revised fares met, as was expected, the financial requirements of the companies, and served to put transport upon a reasonably remunerative basis. On December 1, 1921, the London County Council decided to revert to the fares which had been in force upon its tramways prior to this revision, and in order to protect their own traffic the omnibus companies were compelled to adopt similar fares in the London County Council's area. Since this alteration in fares it is admitted that the London County Council have not gained. I see one estimate is given that the loss is £10,000 a week.

If you will turn to the accounts of your company you will see that the expenses for the year 1921 are somewhat more than they were in the year 1920. The increase is 4 per cent. The mileage worked by omnibuses has increased from about 86 millions to 87 millions of miles, or by just over 1 per cent.

It will be in the recollection of the shareholders that in the session of 1920 the London County Council promoted a Bill for the acquisition of motor omnibus powers in London, and in particular they desired to have the power to run motor omnibuses upon short routes in the central area connecting the tramway systems north and south of the river across the central area. Your officers met the officers of the London County Council and have carried out during the last year various experiments in the way of short services and through bookings to see just what the requirements of the traffic were. I can only repeat now the undertaking that was given before the House of Lords Committee, that if there is any traffic in London which requires motor omnibus facilities, then your company is able and willing to give those facilities, but I think you will agree that we should not be asked to give facilities which it is clear are not required.

YEAR'S RESULTS.

Your company received as its share of the common fund £260,568, as against £113,437 in 1920, an increase of £147,131.

The traffic receipts after the operation of the common fund amounted to, in round figures £7,501,000, as compared with £6,934,000 in the previous year, an increase of £567,000. Miscellaneous receipts amounted to £157,000, as against £132,000 in the previous year, an increase of £25,000, which may be attributed chiefly to advertising upon the motor omnibuses. The total receipts of your company, therefore, amounted to £7,684,000. The

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 288,700,000.00
Deposits and Cheque Accounts
(31/12/21) - Fmk. 1,284,000,000.00

124 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

working expenses amounted to £6,936,000, leaving a net amount of £748,000 or £241,000 more than a year ago.

After all the expenses and charges for the year have been met, the balance available for dividend on the ordinary shares is £319,411, an increase of £146,248 over that available in 1920. An interim dividend of 4½ per cent., free of income-tax, was paid on the ordinary shares of the company in August last. This required £141,459, and leaves £177,952 available. Your directors therefore recommend the payment of a final dividend of 3½ per cent., free of income-tax, making for the year 8 per cent. free of tax.

The report and accounts were adopted.

MAPLE AND CO., LIMITED.

EFFECT OF TRADE DEPRESSION.

The thirty-second annual general meeting of Maple and Co., Limited, was held, on the 22nd inst., on the company's premises, Tottenham Court road, London, Mr. Clare H. Regnart, J.P. (the president), in the chair.

The Chairman, in moving the adoption of the report and accounts, said that in common with most businesses theirs had been affected by the generally adverse conditions which had prevailed during the last 18 months and more, and although they had not felt the depression in trade so much as some concerns, yet they had suffered pretty badly. The writing down of the values of stocks had been the most important factor in their deficiency. In a large house like theirs, the one great essential was to have a vast liquid stock. Such stock must needs represent a large figure, and although for the past 18 months they had been manufacturing and buying as little as possible, they had had to maintain a certain amount of current purchases, which within themselves assumed importance. On the other hand, they had been doing a large trade, and they had been forced to buy at the prices of the day. Consequently they had found themselves with an expensive stock in hand when prices began to decline. Then they had decided to reduce their selling prices, and when their stock was taken at December 31st last all goods had been reduced to the actual market value of that date.

That was the cause of part of the deficiency, and the rest was accounted for by a decreased turnover and a temporary loss of their shipping trade, and the selling of a considerable quantity of goods at reduced prices. They were doing all they could to effect economies. For instance, they had extended the system of delivery by motor-vans to 38 counties, which had resulted in a very important reduction in the cost of conveyance and delivery, and as a means of advertisement that had been of the greatest value, and again in the near future they hoped to be able to record a substantial saving in both the price of labour and the quantity of individual production.

The shrinkage of the profits in 1921 was due to falling values, temporary loss of their shipping trade, and a restricted home trade, owing to the reduced spending power of the public. Foreign trade had not yet re-established itself, and their shipments abroad had diminished to small dimensions. That had made a great difference to them, as their shipping trade in prosperous times represented a considerable proportion of their business. They were looking forward to better times, and hoping that circumstances would soon improve sufficiently to enable them to recover some of that trade.

The report was unanimously adopted.

NIGER COMPANY, LIMITED.

ENLARGED INTERESTS—COLONIAL POLICY CRITICISED.

The forty-first ordinary general meeting of the Niger Company, Limited, was held, on the 22nd inst., at the Cannon street Hotel, London, the Hon. W. Hulme Lever presiding. The directors present were Mr. H. R. Greenhalgh, Mr. L. H. Moseley, Brig.-Gen. A. McNulty, Sir Edgar Sanders, Mr. J. E. Trigge, and Mr. H. G. Shave. There were also present Mr. S. N. Braithwaite (solicitor), Mr. D'Arcy Cooper (Cooper Brothers, auditors) and Mr. W. G. Rand, secretary.

The Chairman said it was proposed to adjourn the meeting to a later date for the presentation of accounts for the two years 1920 and 1921. Last year, the then chairman, Lord Scarborough, stated that Lever Brothers proposed to bring into the Niger Company the whole of their West African interests, and this had been accomplished. They now tapped a coast line of over 3,000 miles, and touched spots as far inland as 1,500 miles. They owned and controlled 31 companies, and the accounts to be submitted later would show the position after the inclusion of all these extensive interests. They had also extended the home organisation, and were reorganising the West African end of the business as rapidly as possible. The difficulties caused by the slump had been accentuated by the fact that despite the great fall in value of pro-

duce, no effort was made by the Colonial Government to remove or even to modify the heavy export and differential duties which they imposed during the war. In addition, the Nigerian Government railway rates still remained at the high war figures for freight, the special surcharge of 30 per cent. imposed towards the end of hostilities having been merged into the standard rate. He could not over-emphasise the handicap under which British West Africa trade was suffering owing to this policy of the Colonial Government. The effect of the policy was shown in the steady decrease in the export from Nigeria during the past three years, and it was probable that the figures for 1921 would be only 75 per cent. of those of the previous year. Native producers in a French West African Colony were less heavily handicapped with excessive freights and export duties than the native producers in a British West African Colony, with the result that the latter were becoming sullen and discontented, and refused to work to produce his native goods under such unfair conditions. There were also heavy duties on all imported goods—mainly cottons—bought by the natives, so that the British West African natives were taxed twice over—on what he produced and on what he consumed. The policy of the Colonial Government, especially with regard to high railway freights, was seriously hindering the development of the country. The whole question of taxation in Nigeria had been inquired into by a Select Committee, and they were awaiting the findings of that committee with the greatest interest, and trusted that the recommendations of the committee would result in an entire abolition of export duties and an amelioration of the impossible conditions by which Nigerian trade was at present so severely handicapped. He concluded by moving that the meeting should be adjourned to a date to be fixed by the directors for the production of the accounts.

Mr. Trigge seconded the resolution, and it was carried unanimously.

UNITED SERDANG (SUMATRA) RUBBER PLANTATIONS, LIMITED.

INCREASE OF CAPITAL AGREED TO.

The fourteenth annual ordinary general meeting of the United Serdang (Sumatra) Rubber Plantations, Limited, was held, on the 23rd inst., at 38 Eastcheap, London, Mr. C. Heath Clark presiding.

The Chairman, in moving the adoption of the report and accounts, said that, with regard to the current year, they should, under normal conditions, harvest a crop of some 3,760,000 lbs, but no reliable estimate of production could be given owing to the necessity for the continuation of the restriction of crops. The heavy loss on rice had now practically disappeared, and with that, and the most drastic economies which had been introduced, their cost of production already showed a reduction of several pence per lb, as compared with last year, in addition to which their capital expenditure had been reduced to an absolute minimum. Last year's working had resulted in a heavy loss, amounting to rather over £60,000.

The report and accounts were unanimously adopted, and an extraordinary general meeting was then held to consider a resolution increasing the capital of the company.

The Chairman, in moving the resolution, said that the protracted depression of the rubber market had resulted in a considerable stock of rubber being accumulated, and the reduced production was still probably equal to the amount going into consumption. The duration of the crisis could not be estimated with any certainty, and meanwhile the problem before them was to maintain their estates as cheaply as possible. It would be agreed that considerable economies should result from the consolidation of estates in larger aggregates. Clearly a large group would have in that matter a great advantage over a single unit. It was with that in view that they were proposing to the shareholders to increase the nominal capital of the company from £750,000 to £1,000,000. They had not, in anticipation of such powers being granted, entered into any negotiations in any way committing the company, but, on being placed in a position to do so, they proposed to investigate opportunities, which they had reason to know existed, of acquiring additional properties on advantageous terms. It was their opinion that consolidation on those lines should still further improve the standing and eventual profit-earning capacity of the company.

In the course of a somewhat lengthy discussion, the policy of the board was criticised, but on the resolution being put to the meeting, it was carried by a considerable majority. A poll was demanded which was taken at once, and the Chairman announced that the result of the poll was a large majority in favour of the resolution.

Orders for the publication in these columns of the reports of Company Meetings should be addressed to the Reporting Manager of the Economist, 3 Abchurch Lane, Strand, London, W.C.2.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1921-22. (See Note.)	Total Receipts into the Exchequer from		Receipts.	
		Apr. 1, 1921, to Feb. 18, 1922.	Apr. 1, 1920, to Feb. 19, 1921.	Week Ended Feb. 18, 1922.	Week Ended Feb. 19, 1921.
Balances in Exchequer on 1st April.	£	£	£	£	£
Bank of England....	2,591,051	7,159,773	..	..	..
Bank of Ireland....	483,455	2,209,324	..	..	..
REVENUE.	3,074,506	9,369,097	..	..	..
Customs.....	125,800,000	115,387,000	117,892,000	1,441,000	1,426,000
Excise.....	196,800,000	177,350,000	180,320,000	9,775,000	11,315,000
Motor Vehicle Duties..	9,000,000	10,332,000	5,876,000	5,876,000	..
Stamps, &c., Duties..	48,000,000	44,265,000	41,803,000	1,447,000	1,134,000
Land Tax.....	21,000,000	14,037,000	22,124,000	100,000	134,000
House Duty.....	2,500,000	1,690,000	1,700,000	210,000	210,000
Property & Income Tax (including Super-Tax & Mineral Rights Duty)	410,500,000	276,197,000	270,252,000	17,900,000	21,368,000
Excess Profits Duties, &c.	29,714,000	29,714,000	192,174,000	5,919,000	..
Corporation Profits Tax	30,000,000	14,021,000	210,000	592,000	40,000
Post Office.....	60,000,000	48,000,000	42,700,000	1,250,000	1,250,000
Crown Lands.....	650,000	670,000	560,000	..	..
Interest on Sundry Loans.....	12,000,000	10,958,875	21,701,950	..	386,460
Miscellaneous.....	21,500,000	21,160,360	21,418,994	355,000	539,402
Ordinary Receipts..	158,500,000	127,233,314	927,921,178	3,378,577	2,946,540
Special Receipts.....	1,218,550,000	891,015,549	1,146,653,122	36,448,577	52,544,402
Revenue.....	1,218,550,000	891,015,549	1,146,653,122	36,448,577	52,544,402
Total, inc. Balance ..	..	894,090,055	1,156,022,219	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	9,080,000	4,540,000	300,000	200,000	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	169,818	169,818	..	..	..
Under the Unemployment Insurance Act, 1921.....	520,000	..	..	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1913 to 1921.....	5,561,474	4,000,000	..	..	..
Under the Post Office (London) Railway Act, 1913.....	27,500	115,000	..	..	..
Under the Housing Act, 1914.....	50,000	30,000	..	..	..
(b) Under the Unemployment Insurance Act, 1921.....	9,540,000	..	..	..	..
(c) For other Issues: By Treasury Bills for Supply.....	3,429,075,000	3,698,578,000	38,716,000	65,744,000	..
By 4½% Funding Loan, 1920-21.....	..	270,553	..	..	..
By 4½% Victory Bonds.....	..	789,061	..	..	..
By 5½% Exchequer Bonds, 1920-21.....	..	258,784	..	..	..
By National Savings Certificates: Under the War Loan Act, 1914-1919.....	46,180,000	20,760,794	15,970,000	2,300,000	950,000
Under the Finance Act, 1920 By National War Bonds.....	..	..	..	..	..
By Treasury Bonds: 5-15 year, 1920-21.....	1,062,317	21,008,150	..	..	345,000
5½%, 1921.....	283,518,110	..	20,000	..	..
5½%, 1921.....	40,465,000	..	31,985,000	..	..
By Other Debt created under the War Loan Act, 1914 to 1919.....	10,951,454	45,856,846	..	2,074,796	..
(d) Ways and Means Advances.....	1,200,846,000	1,246,612,000	9,100,000	16,250,000	..
Anglo-Persian Oil Company—Dividends on Shares acquired Repayments:—	5,010	297,405	..	292,409	..
In respect of Suez Canal Drawn Shares.....	7,111	7,853	..	..	..
Do Cunard Loan.....	130,000	130,000	..	..	..
Do East African Protectorate Loan.....	127,368	5,940	..	..	..
Do Issues under Civil Contingencies Fund Act, 1919.....	7,350,000	..	..	..	..
Do Issues under Land Settlement (Facilities) Act, 1919.....	51,617	13,770	..	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	13,490,950	..	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	426,340	..	..	..	..
Total.....	..	5,951,625,029	6,215,415,992	118,848,577	134,400,607

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1921-22, including Supplementary Grants.	Total Issues out of the Exchequer to meet Payments from		Issues.	
		Apr. 1, 1921, to Feb. 18, 1922.	Apr. 1, 1920, to Feb. 19, 1921.	Week Ended Feb. 18, 1922.	Week Ended Feb. 19, 1921.
EXPENDITURE.					
Permanent Charge of Debt.....	94,500,000	22,366,149	20,025,131	..	668,732
Interest, &c., on War Debt.....	220,500,000	279,475,248	293,380,560	353,178	1,435,378
Road Fund.....	8,400,000	10,031,000	2,966,689	861,000	..
Payments to Local Taxation Authorities, &c.....	11,115,000	7,762,869	7,703,368	61,200	595,440
Payments to Northern Irish Exchequer.....	..	753,393	..	3,393	..
Land Settlement.....	5,000,000	2,475,135	6,405,538	..	..
Other Consolidated Fund Services.....	1,757,000	1,744,574	1,671,138	221	..
Grants-in-Aid.....	94,951,000	878,379,182	647,682,236	12,502,827	12,502,827
Expenditure.....	1,200,131,000	902,777,559	979,381,466	13,721,819	15,508,190

	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1921, to Feb. 18, 1922.	Apr. 1, 1920, to Feb. 19, 1921.	Week Ended Feb. 18, 1922.	Week Ended Feb. 19, 1921.
OTHER ISSUES.				
Temporary Advances:—				
Bullion.....	9,350,000	4,600,000	300,000	150,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	11,820,000	..	590,000	..
Issues to meet Capital Expenditure: Under the Telegraph (Money) Act, 1913 and 1921.....	5,561,474	4,700,000	..	..
Under the Post Office (London) Railway Act, 1913.....	27,500	144,000	..	..
Under the Housing Act, 1914.....	50,000	38,500	..	..
Redemption of Unfunded Debt: Treasury Bills for Supply.....	5,573,171,000	3,685,284,000	53,505,000	77,150,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917.....	30,190,079	64,517,315	499,405	3,958,655
Principal of National Savings Certificates:—				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920.....	18,100,000	27,600,000	650,000	450,000
(b) Repaid otherwise.....	10,400,000	..	..	..
Principal of Exchequer Bonds paid off:—				
5½%, 1921.....	42,781,133	27,623,160	..	..
5½%, 1922, £31,618,313; less: paid off by the National Debt Commissioners, £8,000,000. 23,618,313	..	..	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	57,162,123	83,812,848	..	4,244,821
Principal of American Loan under the American Loan Act, 1915.....	..	58,229,221	..	..
Ways and Means Advances Repaid.....	1,242,270,000	1,239,927,000	48,100,000	35,900,000
Depreciation Fund, under the Finance Act, 1917.....	27,100,223	27,100,223	500,000	500,000
Issues to National Debt Commissioners to Reduce Debt: Suez Canal Drawn Shares Repayments.....	7,111	7,853	..	..
Cunard Loan Repayments.....	130,000	130,000	..	..
East Africa Protectorate Loan Repayments.....	127,368	5,940	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	15,390,000	5,425,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	212,450	257,766	..	..
Balances in Exchequer:—	5,946,747,729	6,209,954,294	117,866,224	137,653,026
Bank of England.....	2,497,736	1,833,756	543,773	54,832
Bank of Ireland.....	2,379,564	1,557,942	433,580	822,413
Total.....	4,877,300	5,461,698	983,353	837,581

NOTE.—Budget Estimate as in House of Commons, Paper No. 89 of 1921, Treasury, February 20, 1922.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to		Redemption Account.		Ratio to Notes.	Government Securities.	Total.
			Bankers.	Savings Banks.	Gold and Silver Coin and Bullion.	Bank of England Notes.			
1914.	£	£	£	£	£	£	%	£	£
Aug. 26.....	21,535	..	6,302	3,810	..	..	48.1	2,088	11,423
Dec. 30.....	38,478	..	169	600	18,500	..	48.1	2,088	9,286
1915.									
Dec. 29.....	103,125	729	159	949	28,500	..	27.6	64,821	20,536
1916.									
Dec. 27.....	150,144	2,430	64	40	28,500	..	19.0	118,102	6,968
1917.									
Dec. 26.....	212,782	8,554	39	675	28,500	..	13.4	186,637	5,486
1918.									
Dec. 31.....	323,241	15,529	..	570	28,500	..	8.9	305,133	4,568
1919.									
Dec. 31.....	556,158	17,182	250	940	28,500	4,000	9.1	537,537	2,802
1920.									
June 30.....	357,256	16,700	..	190	28,500	13,400	11.7	331,660	205
Dec. 29.....	367,626	16,962	..	..	28,500	19,450	13.0	338,604	134
1921.									
Mar. 30.....	343,826	15,999	..	..	28,500	19,450	13.9	311,334	141</

The following table shows Treasury Bills by tender outstanding:—

Date of Bills.	Amount Offered.	Amount Applied for.	Average Rate of Discount.	Rate for Additional Bills.
1922.				
January 27	35,000,000	47,925,000	3 9 0.43	3 1/2
February 3	35,000,000	55,480,000	3 6 11.26	3 1/2
February 10	25,000,000	41,440,000	3 1 0.77	3 1/2
February 17	30,000,000	48,565,000	3 1 3.89	3 1/2
February 24	25,000,000	39,345,000	3 0 8.26	3 1/2

The amount to be issued on March 3rd will be £35,000,000.

DEPRECIATION IN INDUSTRIAL INVESTMENTS

can best be covered by a
Limited Payment Policy
in the

SCOTTISH PROVIDENT INSTITUTION

HEAD OFFICE:

6, St. Andrew-square, Edinburgh.
London: 3, Lombard-street, E.C.3.
West End: 17, Pall Mall, S.W.1.

ACCUMULATED FUNDS - £17,000,000

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, February 22, 1922.
ISSUE DEPARTMENT.

Notes issued	145,379,690	Government debt	11,015,100
		Other securities	7,434,900
		Gold coin & bullion	126,923,690
145,379,690		145,379,690	

BANKING DEPARTMENT.

Proprietors' capital ..	14,553,000	Government securities ..	48,545,566
Reserve	3,527,110	Other securities	81,638,700
Public deposits	27,808,127	Notes	23,833,995
Other deposits	109,947,335	Gold and silver coin ..	1,831,847
Seven-day & other bills ..	14,536		
185,850,108		155,850,108	

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Account

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, Feb. 22, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Reserve	3,527,110	+ 19,788	+ 6,191
Public deposits	27,808,127	+ 18,896,454	+ 11,820,285
Other deposits	109,947,335	+ 15,879,999	+ 15,879,999
Government securities ..	48,545,566	+ 1,072,774	+ 13,581,401
Other securities	81,638,700	+ 205,815	+ 6,586,765
Notes	23,833,995	+ 206,795	+ 6,152,215
Gold and silver coin ..	1,831,847	+ 982	+ 433,560
% of reserve to liabilities ..	18 1/2	+ 1 1/2	+ 3 1/2

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.
Nov. 30, 1921.	128,442,540	125,114,960	144,172,509	21,779,380	15,913,159	15 1/2	5 1/2
Dec. 31, 1921.	128,433,576	124,981,865	150,700,774	21,921,711	15,913,159	14 1/2	5 1/2
Jan. 31, 1922.	128,437,371	124,734,480	150,482,425	22,162,821	15,913,159	14 1/2	5 1/2
Feb. 22, 1922.	128,431,144	126,971,025	132,322,943	20,210,119	15,913,159	14 1/2	5 1/2
1922.	128,434,359	126,920,245	130,364,114	20,364,114	15,913,159	14 1/2	5 1/2
1921.	128,430,940	125,694,450	139,021,827	21,195,490	15,913,159	11	5 1/2
1920.	128,433,733	123,626,990	140,168,176	23,275,743	15,913,159	18	5 1/2
1919.	128,444,738	123,699,960	137,444,810	24,294,246	15,913,159	17 1/2	5 1/2
1918.	128,447,117	123,925,740	135,433,786	24,881,877	15,913,159	14 1/2	5 1/2
1917.	128,450,276	123,666,288	134,783,512	25,615,512	15,913,159	14 1/2	5 1/2
1916.	128,453,419	123,734,420	134,973,424	25,460,089	15,913,159	14 1/2	5 1/2
1915.	128,456,562	123,803,555	135,163,482	25,305,248	15,913,159	14 1/2	5 1/2

TEN YEARS' RECORD.

At corresponding date with the present week.	Feb. 21, 1912.	May 27, 1914.	Feb. 25, 1920.	Feb. 23, 1921.	Feb. 22, 1922.
Circulation (excluding Bank post bills)	27,684,660	28,933,380	96,526,440	127,697,910	121,545,695
Public deposits	19,014,809	17,322,060	15,987,902	17,808,127	27,808,127
Other deposits	40,282,511	41,248,964	172,824,755	111,259,305	109,947,335
Government securities ..	15,151,287	11,046,570	85,152,523	31,030,156	48,545,566
Other securities	35,343,726	41,461,280	90,704,526	95,220,101	81,638,700
Reserve of notes and coin ..	30,670,309	25,463,980	32,369,259	19,280,077	25,665,842
Coin and bullion	39,904,969	35,947,360	110,445,699	128,327,987	126,761,537
Proportion of reserve to liabilities ..	48 1/2	42 1/2	17 1/2	15 1/2	18 1/2
Bank rate of discount	3 1/2	3 1/2	5 1/2	5 1/2	5 1/2
Market rate, 3 months' bills ..	3 1/2	3 1/2	5 1/2	5 1/2	5 1/2
Price of Consols	7 1/2	7 1/2	4 1/2	4 1/2	4 1/2
Price of silver per oz.	27 1/2	26 1/2	32 1/2	32 1/2	32 1/2
Average price of wheat	34s 4d	33s 0d	72s 7d	76s 4d	48s 1d
Exchanges	25-27 1/2	25-27 1/2	47-70 1/2	53-40 1/2	48-30 1/2
on New York	84-84 1/2	84-79	83-39 1/2	83-88 1/2	84-40 1/2
on Amsterdam	12-12 1/2	12-10 1/2	9-19 1/2	11-33 1/2	11-42 1/2
on Berlin	20-20 1/2	20-20 1/2	32-32 1/2	32-32 1/2	32-32 1/2
Clearing house return	324,556,000	199,913,300	739,434,000	653,385,000	789,334,000

BANKERS' CLEARING RETURNS.

Week Ending	Town Clearing.	Country Clearing.	Total.
1922.			
January 1-February 15	4,633,318,000	375,158,000	5,008,476,000
February 22	736,412,000	52,922,000	789,334,000
Total to date 1922	5,369,730,000	428,080,000	5,797,810,000
Do 1921	5,000,273,000	535,583,000	5,535,856,000
Increase or decrease in 1922 ..	+ 369,457,000	+ 92,500,000	+ 461,957,000
	7 1/2	20 1/2	4 1/2
Total for 1921	31,928,380,000	3,002,179,000	34,930,559,000
Do 1920	34,946,683,000	4,072,220,000	39,018,903,000
Increase or decrease in 1921 ..	- 3,018,303,000	- 1,070,041,000	- 4,088,344,000
	8 1/2	26 1/2	10 1/2

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Inc. or Dec.
Aggregate Totals to February 15.			
BIRMINGHAM	24,639,500	16,049,200	- 8,590,300
BRISTOL	11,634,000	10,236,000	- 1,398,000
DUBLIN	54,903,800	47,662,100	- 7,241,700
LIVERPOOL	9,544,500	7,649,500	- 1,895,000
LEICESTER	9,711,700	8,446,800	- 1,264,900
LONDON	81,064,900	58,937,300	- 22,127,600
MANCHESTER	125,206,800	103,062,600	- 22,144,200
NEWCASTLE-ON-TYNE ..	17,398,900	11,700,400	- 5,698,500
NOTTINGHAM	5,734,500	4,899,800	- 834,700
SHEFFIELD	11,322,500	6,638,800	- 4,683,700

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

	Feb. 17, 1922.	Feb. 10, 1922.	Feb. 14, 1921.	Week's Movement.
RESOURCES.				
Total gold reserve	2,935,050	2,921,350	2,121,980	+ 14,700
Legal tender notes and silver reserve ..	139,880	141,280	220,220	- 1,390
Bills discounted for member banks	785,620	823,460	2,405,520	- 37,840
Bills bought in open market	78,920	94,960	175,870	- 16,970
Government obligations owned	384,600	342,110	289,440	+ 42,460
All other resources	60,430	59,290	34,480	+ 1,130
LIABILITIES.				
Government deposits	79,320	112,720	48,460	- 33,400
Other deposits	1,778,180	1,748,780	1,622,300	+ 32,380
Federal Reserve Notes in actual circulation ..	2,169,950	2,166,180	3,050,420	- 3,770
Federal Reserve Bank Notes in actual circulation ..	82,990	83,510	198,180	- 580
Capital and surplus	15,840	15,770	33,170	- 70
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined ..	76 1/4	76 1/4	49 1/2	+ 0 1/2

STATEMENT OF CANADIAN BANKS.

	Oct. 31, 1921.	Sept. 30, 1921.	Oct. 31, 1920.
ASSETS.			
Cash and bank balances	509,820,101	480,457,342	594,793,585
Bank balances abroad	69,888,192	74,325,335	82,446,315
Call and short loans	277,375,321	280,020,026	301,503,261
Securities	345,581,094	350,975,142	367,481,462
Loans in Canada	1,343,445,512	1,343,445,512	1,343,445,512
Loans abroad	156,518,933	151,489,821	133,749,587
Other assets	102,305,236	101,970,681	117,853,035
LIABILITIES.			
Note circulation	193,546,363	186,797,922	349,165,707
Deposits	136,968,833	136,180,510	185,072,150
Public in Canada	1,816,974,475	1,798,071,304	1,958,927,538
Foreign	284,264,860	286,574,601	339,955,333
Bank balances—Canadian	11,581,996	12,577,625	15,377,031
Foreign	39,048,300	47,444,013	59,578,460
Bills payable and acceptances ..	33,630,439	33,073,315	57,183,917
Other liabilities	3,213,425	2,865,354	3,584,099
Capital and rest	264,338,629	264,334,153	297,828,760

BANK OF FRANCE.

	Feb. 23, 1922.	Feb. 23, 1921.	Week's Movement.	Position May 30, 1914.
ASSETS.				
Gold coin and bullion	5,525,251	5,503,010	+ 22,241	5,503,010
Of which held abroad	1,948,367	1,948,367	—	1,948,367
Silver coin and bullion	280,890	280,890	—	280,890
Discount and advances	5,024,733	4,775,548	+ 249,185	2,497,795
LIABILITIES.				
Notes	86,120,000	84,424,000	+ 1,696,000	84,424,000
Government deposits	57,494	57,494	—	57,494
Private deposits	2,371,538	2,371,538	—	2,371,538

BANK OF SPAIN.

	Feb. 18, 1922.	Feb. 11, 1922.	Feb. 4, 1922.	Feb. 19, 1921.	Week's Movement.	Position May 30, 1914.
ASSETS.						
Gold	2,517,291	2,516,376	2,516,040	2,469,306	+ 915	521,775
Silver	820,049	820,074	820,074	820,074	—	720,000
Loans	2,636,136	2,714,885	2,714,885	2,714,885	—	78,749
Spanish 4% stock	344,475	344,475	344,475	344,475	—	344,475
Treasury bills	150,000	150,000	150,000	150,000	—	150,000
LIABILITIES.						
Circulation	4,207,257	4,239,150	4,234,887	4,265,108	- 31,893	1,901,550
Deposits	1,099,458	1,083,443	1,063,524	1,134,786	+ 16,015	477,500

NATIONAL BANK OF GREECE.

	Jan. 13, 1922.	Dec. 28, 1921.	Jan. 15, 1921.	Previous Return.	Last Year.
ASSETS.					
Gold and balances	1,373,434,738	1,355,930,474	1,439,646,046	+ 7,504,264	- 66,211,308
Government loans	2,317,822,856	2,171,155,856	1,669,269,743	+ 14,664,704	+ 114,850,315
Discounts and loans	752,217,820	706,539,791	730,040,119	+ 45,678,029	+ 22,177,701
LIABILITIES.					
Notes in circulation	2,161,182,802	2,130,045,605	1,508,366,049	+ 31,137,197	+ 652,816,753
Government deposits	164,443,444	154,015,469	160,338,738	+ 10,427,975	+ 4,104,705
Private sight deposits	951,579,032	875,227,977	805,218,034	+ 76,351,055	+ 146,360,998
Private deposits at fixed dates	955,175,911	945,189,900	638,768,941	+ 9,986,011	+ 316,406,970

BANK OF JAPAN.

	(000's omitted).					
	Jan. 14, 1922.	Jan. 7, 1922.	Dec. 24, 1921.	Dec. 17, 1921.	Jan. 15, 1921.	Position Jan. 30, 1914.
ASSETS.	Yen.	Yen.	Yen.	Yen.	Yen.	Yen.
Gold and silver ..	1,246,166	1,246,987	1,264,636	1,264,733	1,252,811	221,320
Discounts	56,818	115,654	153,553	72,351	58,690	41,740
Advances	95,039	117,081	116,274	93,561	168,886	70,540
LIABILITIES.						
Notes	1,202,236	1,281,249	1,351,123	1,205,338	1,102,052	362,270
Govt. deposits ..	1,214,848	1,210,517	1,274,801	1,347,361	1,290,914	87,340
Private deposits ..	63,735	81,745	56,290	33,986	209,141	11,440

NATIONAL BANK OF EGYPT.

(000's omitted.)

Assets.	Nov. 30, 1921.	Oct. 31, 1921.	Nov. 30, 1920.	Month's Movement.	Position May 31, 1914.
Gold	3,362	3,364	3,360	—	1,571
Government securities	39,994	41,575	48,847	—	2,084
LIABILITIES.					
Notes in circulation	34,722	35,875	39,445	—	2,400
Government deposits	2,520	2,276	3,696	—	2,315
Other deposits	12,707	13,847	18,411	—	2,560

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF PORTUGAL.

(000's omitted.)

Assets.	Dec. 28, 1921.	Dec. 21, 1921.	Dec. 14, 1921.	Dec. 29, 1920.	Week's Movement.
Gold and bullion ..	27,355	27,376	27,592	27,592	—
Foreign coin	13,057	14,080	14,647	14,647	—
Discounts	131,032	121,475	121,063	122,713	—
Government loans ..	620,109	620,109	620,109	496,120	—
LIABILITIES.					
Notes in circulation ..	722,754	712,405	707,214	605,491	—
Deposits	59,866	59,302	59,870	29,089	—

NATIONAL BANK OF BULGARIA.

(000's omitted.)

Assets.	April 30, 1921.	Mar. 31, 1921.	Feb. 28, 1921.	Jan. 31, 1921.	Nov. 14, 1920.	Dec. 30, 1920.
Gold	37,461	37,244	37,150	37,092	35,239	37,075
Silver	216,700	244,535	258,899	263,735	—	16,910
Notes in circulation ..	7,002	7,034	7,088	7,185	—	7,246
LIABILITIES.						
Notes in circulation ..	1,193,777	1,216,879	1,248,315	1,274,938	1,299,379	1,354,139
Deposits	1,426,138	1,381,737	1,367,469	1,329,268	—	1,236,438

POLISH NATIONAL BANK.

(000's omitted.)

Assets.	Jan. 31, 1922.	Dec. 31, 1921.	Nov. 30, 1921.	Oct. 31, 1921.	Month's Movement.
Gold	26,300	24,900	22,500	20,200	—
Silver	42,900	42,800	42,200	41,600	—
Foreign coin	120,700	94,500	76,700	65,300	—
Advances to the Govt ..	227,350,000	221,000,000	214,000,000	194,500,000	—
Private loans and discounts ..	37,728,500	34,624,400	29,491,400	21,551,900	—
Other assets	38,258,100	27,145,600	25,137,200	19,813,300	—
LIABILITIES.					
Notes in circulation ..	239,615,300	229,537,600	207,029,100	182,777,300	—
Government accounts ..	30,084,800	29,440,100	34,484,800	30,255,500	—
Other accounts	2,639,000	15,573,900	19,034,800	14,792,700	—
Reserve	11,339,000	2,867,000	68,900	68,900	—
Other liabilities	2,287,100	15,872,600	17,210,700	16,977,900	—

* Sums deposited were transformed at par of exchange.

THE STATE SAVINGS AND CREDIT BANK OF LATVIA.

Assets.	December 31, 1921.	December 16, 1921.	December 1, 1921.	November 16, 1921.
Total cash	12,677,635	12,118,634	12,118,634	31,198,484
Foreign bank	328,194,387	321,901,646	321,901,646	374,315,168
Discounts and loans ..	108,268,974	165,161,575	370,873,394	391,498,306
Other assets	213,786,954	300,000,000	74,336,921	169,953,318
LIABILITIES.				
Capital	300,000,000	300,000,000	300,000,000	300,000,000
Deposits	233,317,483	295,116,253	341,892,091	410,849,503
Other liabilities	230,600,462	299,201,036	308,353,578	316,115,773

BANK OF ESTHONIA.

Assets.	Nov. 30, 1921.	Oct. 31, 1921.	Dec. 31, 1920.	Monthly Movement.
Total cash	342,493,106	307,256,714	66,743,399	—
Discounts and loans ..	1,397,925,805	1,267,295,858	564,738,756	—
Other assets	200,000,000	286,808,113	300,000,000	—
LIABILITIES.				
Capital paid up	250,000,000	250,000,000	10,000,000	—
Reserve	11,674,154	10,674,155	184,663	—
Notes in circulation ..	350,000,000	250,000,000	—	—
Deposits	1,021,017,110	976,595,597	565,448,243	—

BANK OF CZECHO-SLOVAK REPUBLIC.

(000's omitted.)

Assets.	Feb. 7, 1922.	Jan. 31, 1922.	Jan. 23, 1922.	Feb. 7, 1921.	Week's Movement.
Gold	74,223	74,227	74,249	64,062	—
Other coin and notes ..	10,276	17,264	18,268	18,068	—
Foreign credits	308,917	307,983	307,908	349,627	—
State notes	581,589	518,386	502,493	516,108	—
Govt. advances	4,418,421	4,418,421	4,418,407	3,383,375	—
LIABILITIES.					
Notes in circulation ..	4,640,342	4,570,896	4,593,827	3,388,656	—
State credits	334,274	334,274	334,274	377,418	—
Deposits	437,630	444,645	419,855	274,771	—

* Resulting from bank notes, current accounts, Exchequer bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENES.

(000's omitted.)

Assets.	Feb. 8, 1922.	Jan. 31, 1922.	Jan. 22, 1922.	Feb. 8, 1921.	Week's Movement.
Gold	74,223	74,227	74,249	64,062	—
Other coin and notes ..	10,276	17,264	18,268	18,068	—
Foreign credits	308,917	307,983	307,908	349,627	—
State notes	581,589	518,386	502,493	516,108	—
Govt. advances	4,418,421	4,418,421	4,418,407	3,383,375	—
LIABILITIES.					
Notes in circulation ..	4,640,342	4,570,896	4,593,827	3,388,656	—
State credits	334,274	334,274	334,274	377,418	—
Deposits	437,630	444,645	419,855	274,771	—

LONDON RATES.

	Feb. 17, 1922.	Feb. 18, 1922.	Feb. 20, 1922.	Feb. 21, 1922.	Feb. 22, 1922.	Feb. 23, 1922.	Feb. 24, 1922.
Bank rate (reduced from 5% Feb. 16, 1922)	4%	4%	4%	4%	4%	4%	4%
Market rates of discount—							
60 days' bankers' drafts	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4
3 months' do.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
6 months' do.	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
Discount (Treasury Bills):—							
3 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

		Previous week.					
		Bank Bills.			Trade Bills.		
Short Loans.		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1921.		%	%	%	%	%	%
Dec.	9.....	3 1/4	3 1/4	3 1/4	4 1/4	5 5/8	5 5/8
	16.....	3 1/4	3 1/4	3 1/4	4 1/4	5 5/8	5 5/8
	22.....	3 1/4	3 1/4	3 1/4	4 1/4	5 5/8	5 5/8
	30.....	3 1/4	3 1/4	3 1/4	4 1/4	5 5/8	5 5/8
1922.							
Jan.	6.....	3 1/4	3 1/4	3 1/4	4 1/4	5 5/8	5 5/8
	13.....	3 1/4	3 1/4	3 1/4	4 1/4	5 5/8	5 5/8
	20.....	3 1/4	3 1/4	3 1/4	4 1/4	5 5/8	5 5/8
	27.....	3 1/4	3 1/4	3 1/4	4 1/4	5 5/8	5 5/8
Feb.	3.....	3 1/4	3 1/4	3 1/4	4 1/4	5 5/8	5 5/8
	10.....	3 1/4	3 1/4	3 1/4	4 1/4	5 5/8	5 5/8
	17.....	3 1/4	3 1/4	3 1/4	4 1/4	5 5/8	5 5/8
	24.....	3 1/4	3 1/4	3 1/4	4 1/4	5 5/8	5 5/8

IRISH BANKS' RATE.

	Present Rate.	Date Changed.	Previous Rate.	Date Changed.
Discount	5 1/2	Feb. 16, 1922	5	July 21, 1921
Deposits	2 1/2	Nov. 4, 1921	3	June 23, 1921

OVERSEAS BANK RATES.

	Bank Rate	Bank Rate
Amsterdam	July 1, 1915 .. 4 1/2	Nov. 1, 1920 .. 5
Athens	May 15, 1920 .. 6 1/2	July 25, 1921 .. 5 1/2
Berlin	Dec. 23, 1914 .. 5	Aug. 16, 1921 .. 5 1/2
Brussels	May 19, 1921 .. 5	May 11, 1920 .. 5
Bucharest	Sept. 4, 1920 .. 6	June 14, 1919 .. 5 1/2
Calcutta	Jan. 26, 1922 .. 8	Oct. 19, 1921 .. 5 1/2
Christiana	Jan. 26, 1922 .. 8	Oct. 19, 1921 .. 5 1/2
Copenhagen	Nov. 5, 1921 .. 5 1/2	Aug. 11, 1921 .. 4
Helsingfors	Nov. 5, 1921 .. 9	Nov. 18, 1919 .. 8
Lisbon	Sept. 3, 1920 .. 7	Nov. 29, 1921 .. 7
New York Federal Reserve ..	Nov. 2, 1921 .. 4 1/2	Sep., 1921 .. 7

RATES OF EXCHANGE.

London on	Usance	Par.	Feb. 25, 1921.	Feb. 17, 1922.	Feb. 24, 1922.
Paris	francs to £1	T.T.	25-22 1/2	54-25-30	49-93-98
Berlin	marks to £1	T.T.	20-43	240-242	897-900
Vienna	krone to £1	T.T.	24-02	1750-1800	14750-15750
Prague	krone to £1	T.T.	24-02	305-310	227-232
Warsaw	zlotys to £1	T.T.	20-43	3200-3300	248-253
Bukarest	lei to £1	T.T.	25-22 1/2	290-295	14500-15500
Budapest	kr. to £1	T.T.	24-02	550-555nom.	16750-17750
Constantinople	piastres to £	T.T.	110	575-595	540-560nom.
Sofia	levas to £1	T.T.	25-22 1/2	325-350	635-665
Belgrade	dinas to £1	T.T.	25-22 1/2	130-135	330-350
Amsterdam	guilder to £1	T.T.	12-107	11-32-34	11-61-63
Brussels	francs to £1	T.T.	25-22 1/2	51-90-95	52-45-50
Christiana	krone to £1	T.T.	18-159	22-40-45	25-45-50
Stockholm	kroner to £1	T.T.	18-159	21-31-35	16-51-54
Copenhagen	krone to £1	T.T.	25-22 1/2	140-145	21-02-07
Helsingfors	F. marks to £1	T.T.	25-22 1/2	219-222	216-219
Greece	drachmas to £1	T.T.	25-22 1/2	513-52	859-864
Italy	lire to £1	T.T.	25-22 1/2	1063-1062	979-974
Switzerland	francs to £1	T.T.	25-22 1/2	23-34-38	22-46-61
Madrid	pesetas to £1	T.T.	25-22 1/2	27-65-70	24-60-63
Lisbon	pence to £1	T.T.	53-4d	54-6	54-6
Alexandria	piastres to £1	Sight	97 1/2	97 1/2	97 1/2
New York	dollars to £1	Cable	4-66 1/2	3-86 1/2-86 1/2	4-40-40 1/2
Montreal	dollars to £1	Cable	4-66 1/2	4-41-42	4-40-40 1/2
Buenos Ayres	pence to £1	T.T.	47-58d	48-49 1/2	45-46
Rio de Janeiro	pence to £1	T.T.	18	110-112	45-46
Montevideo	pence to £1	T.T.	51	47 1/2-48 1/2	44-45 1/2
Valparaiso	pence to £1	T.T.	13-33	9-4-10	44-45 1/2
Lima	Per. to £1	T.T.	12 1/2	12 1/2	40-40
Calcutta	ster. to rupee	T.T.	10 to 1	1s 3d-3d	1s 3d-3d
Bombay	ster. to rupee	T.T.	10 to 1	1s 3d-3d	1s 3d-3d
Madras	ster. to rupee	T.T.	10 to 1	1s 3d-3d	1s 3d-3d
Hong Kong	ster. to dollar	T.T.	2s 3d-3d	2s 3d-3d	2s 3d-3d
Shanghai	ster. to dollar	T.T.	2s 3d-3d	2s 3d-3d	2s 3d-3d
Singapore	ster. to dollar	T.T.	2s 3d-3d	2s 3d-3d	2s 3d-3d
Yokohama	ster. to dollar	T.T.	2s 3d-3d	2s 3d-3d	2s 3d-3d
Manila	ster. to dollar	T.T.	2s 3d-3d	2s 3d-3d	2s 3d-3d
Mexico	pence to £1	T.T.	24-06 1/2	24-06 1/2	24-06 1/2

† Rate for previous day. (a) Pence to peso. (b) Sellers.

CURRENT RATES IN NEW YORK.

The Irving National Bank of New York cable the following money and exchange rates in New York:—

	Feb. 24, 1921.	Jan. 26, 1922.	Feb. 2, 1922.	Feb. 9, 1922.	Feb. 16, 1922.	Feb. 23, 1
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the lowest fixed since April 5, 1921, and May 20, 1921, respectively. We append a comparison of the monthly balance of Indian trade. The figures are in lacs of rupees, and include bullion and rupee paper movements ("plus" denotes balance in favour of India, and "minus" an adverse balance):—

	1920-21.	1921-22.		1920-21.	1921-22.
April	+ 13.87 ..	- 6.83	October	- 10.32 ..	- 8.65
May	+ 5.74 ..	- 2.00	November	- 11.07 ..	- 9.22
June	- 82 ..	- 1.67	December	- 9.02 ..	- 2.55
July	- 3.14 ..	+ 1.35	January	- 8.97 ..	- 7.12
August	- 9.36 ..	+ 2.34	February	- 7.03 ..	..
September ..	- 4.69 ..	+ 93	March	- 4.86 ..	..

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Jan. 31, 1922.	Feb. 7, 1922.	Feb. 15, 1922.
Notes in circulation	17,440 ..	17,343 ..	17,295
Silver coin and bullion in India ..	7,484 ..	7,485 ..	7,535
Silver coin and bullion out of India ..	..	..	..
Gold coin and bullion in India	2,432 ..	2,432 ..	2,432
Gold coin and bullion out of India ..	..	..	..
Securities (Indian Government) ..	6,939 ..	6,841 ..	6,743
Securities (British Government) ..	585 ..	585 ..	585

The silver coinage during the week ending 15th inst. amounted to 5 lacs of rupees. The stock in Shanghai on the 18th inst. consisted of about 37,900,000 ounces in sycee, 25,500,000 dollars, and 1,260 silver bars, as compared with about 37,000,000 ounces in sycee, 23,000,000 dollars, and 1,760 silver bars on the 11th inst. The Shanghai exchange is quoted at 3s 2½d the taël.

GOLD AND SILVER PRICES.

The price of gold and cash and forward prices of bar silver during this week and in previous years are as below:—

1922.	Gold.		Silver.		Date.	Silver.
	Per Ounce.	Cash Per Ounce.	Forward, Per Ounce.	Cash, Per Ounce.		
Feb. 18 ..	s 95 7	d 33 1	d 33 1	d 33 1	Mar. 3, 1916	d 27
20 ..	95 4	33 1	33 1	33 1	2, 1917	37 1
21 ..	94 9	33 1	33 1	33 1	1, 1918	42 1
22 ..	93 10	33 1	32 1	32 1	1, 1919	47 1
23 ..	93 9	33 1	32 1	32 1	Feb. 27, 1920	82 1
24 ..	93 10	32 1	32 1	32 1	25, 1921	31 1

NOTICES.

Barclays Bank, Limited, announce that as from Monday next they will remove their office at Gorseinon (South Wales) from High street to more commodious premises at 130 Alexandra road, under the management of Mr W. Scurlock. They also announce that they will open on Monday next, the 27th inst., a new branch at 349-351 Bethnal Green road, E. 2, under the management of Mr E. T. Anderson.

The British Overseas Bank is informed that the Reval branch of the Dorpat Bank was opened for business as from February 1st. The British Overseas Bank has recently acquired a shareholding interest in the Dorpat Bank, thus establishing the first direct banking connection between this country and Esthonia.

The London Joint City and Midland Bank, Limited, announce the opening of a new branch at Moorland road, Burslem, Staffs, under the management of Mr H. E. Wilde. It is also announced that the office at 99 Oxford street, Pontycymmer, Glam., has been converted into a full branch, with Mr V. A. Piercy as manager.

A branch of the London Joint City and Midland Bank will be open at the British Industries Fair, Castle Bromwich, Birmingham, from February 27th to March 10th.

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, February 15, 1922, amounted to 869 tons.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.		Dividend for Whole Years.
	Interim or Final.	Method of Payment.	
Railways.			
Carrizal and Cerro Blanco	4 %	..	%
Cathcart District	13 1/2 %	..	3 1/2 %
Cork and Macroom	2 1/2 %	..	4 %
Deane Valley	2 1/2 %	Less tax	2 1/2 %
Delaware and Hudson	2 1/2 %	Mar. 20	..
East and West Yorkshire Union ..	..	..	..
Furness	..	..	..
Guernsey	..	..	..
Llandudno & Colwyn Bay Elec. ..	3 1/2 %	Less tax	..
Rhondda and Swansea Bay	2 1/2 %	..	..
Union Pacific	2 1/2 %	Apr. 1	..
Waterford and Tramore, Original ..	3 1/2 %	..	..
Wrexham and Ellesmere	..	..	..
Banks.			
Göteborgs Bank	12 %	..	..
Insurance.			
Port of Manchester Marine	..	Less tax	5
Tea and Rubber.			
Borjan Tea	10 %	Feb. 21	Less tax
Dumbulla Vagor	10 1/2 %	..	Less tax
Mining.			
Mysore Gold	1/6 p.s.	Mar. 31	Less tax 6/ in £
Wankie	5 %	Mar. 8	Less tax
Other Companies.			
Aberdeen Fish Supply	20 (& bonus 8 1/2)	..	Less tax
Aberdeen Steam Navigation	1/6 p.s.	..	..
A. Millar and Co.	9 1/2	..	Less tax
Artizans' Dwellings	5 1/2	..	Less tax
Assets Company	6 %	Mar. 18	Less tax
Ashtley and Tydesley Collieries ..	..	..	Tax free
Bagots, Sutton, and Co.	6	..	Less tax
Barlow and Jones	..	..	..
Barnet District Gas and Water ..	9	Mar. 15	Less tax
"A" and "C"	8	Mar. 15	Less tax
Do "B"	6 1/2	Mar. 15	Less tax
Do "D"	5	..	..
Belgrave Spinning	10	..	..
Bent's Brewery	3 1/2	(& bonus 1s p.s.)	Less tax
Bolsover Colliery	1/6 p.s.	..	Less tax
Borax Consolidated, Deftd.	4 1/2 p.s.	..	Less tax
British Wagon (£3 paid)	1/4 p.s.	..	Less tax
Do £1 paid	1/4 p.s.	..	..
Brompton and Kensington Elec. ..	15 1/2	..	Less tax
Brooks, Thomas, and Co.	10	Feb. 25	Less tax
Do Bonus	1/6 p.s.	..	Tax free
Bruse, Peaches, and Co.	7 1/2	Mar. 31	Less tax
Burlington Hotels, Pref.	7 1/2	..	Less tax
Buttons, Limited	2/6 p.s.	..	Tax free
C. and B. Morton, Ord.	..	Mar. 16	..
Do Pref.	..	Mar. 16	..
Charles Clifford and Son	10	(& bonus 5%)	Tax free
China Mutual Steam Navigation ..	£5/6 p.s.	Mar. 31	..
Do Ord. "B"	3 1/2	Mar. 31	..
City of London Real Property ..	10	Mar. 13	Tax free
City Property Investment, Deftd. ..	20	..	Less tax
Civil Service Supply Association ..	14/10 (for every 10	..	£1 share)
Consolidated Gas, & Co., Baltimore ..	£2 p.s.	Apr. 1	..
Courtauld's	1/3 p.s.	Mar. 13	..
D. Davis and Sons	6	Mar. 1	Less tax
Direct West India Cable	£1 1/2 p.s.	Apr. 1	Tax free
Dominion Glass	1 1/4 p.s.	..	Less tax
Edinburgh American Land	1 1/4 p.s.	..	Less tax
Faulds, Limited	7 1/2	Feb. 28	Less tax
Fife Coal	7 1/2	..	Tax free
Fife Tramway, & Co.	..	..	..
Fleetwood Estate, Pref.	5 1/2	..	Less tax
Fleming, Reid	..	(& bonus 2 p.s.)	Tax free
Gas, Water, and General Invest- ..	..	..	..
General Hydraulic Power	..	Mar. 18	..
Gloucester Gas Light	5	..	Less tax
Goodson's Mantle and Costume ..	..	..	Tax free
Hastings and St. Leonards Gas, ..	£3/6/3 1/2	..	Less tax
5 % Con.	£2/7/6 1/2	..	Less tax
Do 5 % Additional	£3/5/1 1/2	..	Less tax
Hawthornes Hotel (Bournemouth) ..	1 1/2 p.s.	..	Less tax
Heritable Securities and Mort. ..	1 1/2	Mar. 9	Less tax
Hornsey Gas "A"	1 1/2	..	..
Do Cons.	1 1/2	..	..
International Cold Storage, Pref. ..	10 %	..	Less tax
Do Bonus	1/6 p.s.	..	Tax free
Do Ord.	7 1/2	..	Less tax
Do Bonus	5/ p.s.	..	Tax free
International Investment, Deftd. ..	7 1/2	..	Less tax
Isle of Man Steam Packet	..	Mar. 1	..
J. and R. Allen	..	..	..
Leatherhead and District Water- ..	10	Mar. 15	Less tax
works, Original	7	Mar. 15	Less tax
Do Remainder	..	..	..
Lee and Green	1/ p.s.	..	Tax free
Leeds Industrial Dwellings	5	..	..
Leyland & Birmingham Rubber ..	2 1/2 %	..	..
Liverpool Gas	..	..	..
Llandudno Pier	..	..	Less tax
Lincoln Manufacturing	10 %	..	Tax free
London Commercial Sale	7 1/2	Feb. 28	Less tax
Rooms	3/ p.s.	Feb. 16	Less tax
London Parcels Delivery	5	Mar. 11	Less tax
London United Laundries	..	..	..
Manchester Ship Canal	..	..	..
Maroon Dry Docks	..	..	..
Merchants' Trust	7 1/2	..	Less tax
Metropolitan Electric Supply	5/ p.s.	..	..
North British Locomotive	..	..	Tax free
North's Navigation Collieries	..	..	Less tax
Oakhill Brewery	5 1/2	..	Tax free
Pawsons and Lewis	6/ p.s.	..	..
Peter Walker and Son	10 1/2	..	Tax free
Pim Brothers	..	..	..
Pimms, Limited	6 %	..	..
Portfield Steamship	..	..	Tax free
Portman Building Society, 1st ..	..	..	..
Issue	5	..	..
Do 2nd Issue	4	..	..
Powell-Duffryn Steam Coal	5 1/2	..	Tax free at 6/ in £

DIVIDEND ANNOUNCEMENTS.—Continued.

Railway Investment, Deftd.	..	Mar. 1	Less tax	27 1/4 %	30 1/2 %	..	..	..	..
Redhill Gas Co., Ord. "B"	..	..	..	3	7	..	..	..	..
Scottish Power Co.	..	..	..	..	..	..	..	..	..
Shawinigan Water and Power ..	1 1/2 %	Apr. 10	..	..	..	..	..	..	..
Slazengers	..	..	Less tax	12 1/2	..	..	..	..	..
South Met. Electric Light	..	..	Less tax	10	8	..	..	..	..
South Met. Electric Trams	..	..	..	7 1/2	..	..	..	..	..
Speedie Brothers	9 1/2	..	..	7 1/2	..	..	..	..	..
Spencer, Turner, and Boldero ..	9 1/2	..	..	6	11	..	..	..	..
Swan, Hunter, and Richardson ..	..	Mar. 7	Tax free	5	5	..	..	..	..
Telegraph Construction and ..	7 1/2 %	..	Tax free	..	..	..	..	..	..
Maintenance	..	..	..	..	..	..	..	..	..
Temperance Permanent Bldg. ..	..	..	..	..	..	..	..	..	..
Society	..	..	..	..	..	..	..	..	..
Do Subsequent Issues	..	..	..	..	..	..	..	..	..
Tending Hundred Waterworks ..	2 1/2 %	Mar. 1	Less tax	4 1/2	4 1/2	..	..	..	..
Thomas Dockell, Sons, and Co. ..	12 1/2	Feb. 25	Less tax	..	..	..	..	..	..
Thomas Wallis	9 1/2	..	..	10	14	..	..	..	..
Todd, Burns, and Co.	..	..	..	8 1/2	8 1/2	..	..	..	..
Traction, Power, and Securities ..	4/6 p.s.	..	Tax free	8/ p.s.	7/6 p.s.	..	..	..	..
United Grain Elevators	1/6 p.s.	..	..	..	..	..	..	..	..
United States Debenture Corp'n. ..	1/6 p.s.	..	Less tax	12 1/2	12 1/2	..	..	..	..
Wakefield Gaslight, Ord.	1 1/2 %	Mar. 1	Less tax	32	32	..	..	..	..
Do Maximum	2 1/2 %	Mar. 1	Less tax	5	5	..	..	..	..
Walshend Slipway & Engineering ..	..	..	..	10	..	..	..	..	..
Westinghouse Brake and Saxby ..	2 1/2 %	Feb. 25	Less tax	..	..	..	..	..	..
Signal	..	..	..	..	..	..	..	..	..
Welsh Navigation Steam Coal	12 1/2	..	Less tax	..	..	..	..	..	..
Westminster Electric Supply	..	..	Less tax	10	10	..	..	..	..
Winterbotham, Strachan, and ..	..	..	..	..	..	..	..	..	..
Payne	..	..	Less tax	5	10	..	..	..	..
Woolcombers	2/ p.s.	..	..	15	15	..	..	..	..
W. T. Henley's Telegraph	2/ p.s.	..	Less tax	..	..	..	..	..	..
Wolverhampton Gas, Cons. Stk. ..	3 %	..	Less tax	..	..	..	..	..	..
Do New Ord.	..	..	..	..	..	..	..	..	..

(a) Capitalised bonus.

(b) Plus bonus in shares of 200 per cent.

ALLANDEALE AND SON.—Owing to miners' strike and depressed condition of trade during year, company has been unable to maintain normal output of works, and as outlook is still no brighter, directors do not consider it prudent to pay any dividend on ordinary shares.

BRITISH HYDRAULIC FOUNDRY has decided to pay no further dividend for past year. An interim dividend of 5s per share, free of tax, was paid in July last.

CROCKERS.—No dividend on preference or ordinary shares.

CROSSLAND BROS.—Interim dividend was paid on preference shares, but no further distribution is proposed.

J. AND N. PHILLIPS.—No dividend being recommended on the 700,000 ordinary shares of £1 each.

MANCHESTER COMMERCIAL BUILDINGS.—Dividend of 5s 9d per share on No. 1 Series, 6s 8d on No. 2, 4s on No. 3, and 3s 6d on No. 4.

UNDERGROUND ELECTRIC announce that, subject to final audit of the accounts, interest on the 6 per cent. first cumulative income debenture stock will be paid on March 1st next, less tax, at 3 per cent., and coupon No. 28 of the 6 per cent. income bonds will be paid, free of tax, at 2 per cent. on the same date.

UNITED TURKEY RAIL.—The directors are unable to recommend the payment of a dividend for the year 1921 on the ordinary shares. For 1920 the ordinary shares received 10 per cent.

VICKERS announce the following final dividends for half-year ended December 31, 1921.—2 1/2 per cent. on preferred 5 per cent. stock, less tax; 2 1/2 per cent. on 5 per cent. preference shares, less tax; 2 1/2 per cent. on cumulative preference shares.

WILKES OVERLAND CROSSLAND.—Loss for year 1921, £36,486. After paying dividend of 5 per cent. on 10 per cent. preference shares in March, 1921, a debit balance is carried forward of £84,275.

WOLSELEY SHEEP-SHEARING MACHINE COMPANY.—No interim dividend this year.

Reports and Notices.

At a meeting of the Council of the Nigerian Chamber of Mines held on the 17th inst., Mr James Gardiner was elected chairman of the Council in place of the Rt. Hon. the Earl of Scarborough, K.C.B., who has resigned that position, and Mr Oliver Wethered and Mr A. W. Berry were elected deputy-chairmen of the council for the ensuing year.

GOVERNMENT STOCKS, &c.

REPUBLIC OF NICARAGUA GOLD BONDS, 1909.—With reference to the above bonds, the Council of Foreign Bondholders have received a telegram from the bankers in New York notifying the payment of the February instalment of the debt service in accordance with the arrangement of May 25, 1912.

MISCELLANEOUS.

BRADFORD DYERS' ASSOCIATION.—The directors regret that they are unable to present the annual accounts until a settlement has been made with the Inland Revenue authorities regarding the final adjustment of excess profits duty. It will, therefore, be necessary to adjourn the meeting called by the notice until the accounts can be completed. When the directors declared an interim dividend in August last they announced that in arriving at their decision they were influenced by the amount of excess profits duty they are entitled to recover, and by the fact that substantial reserve funds had been accumulated, as otherwise, owing to the loss in working for the six months ended June 30th last, no dividend on the ordinary shares could have been paid. Although business in the second half of the year showed some improvement, were it not for

the same reasons, the directors would not be justified in recommending, as they now do, a dividend on the ordinary shares for the six months to December 31, 1921, at the rate of 1s per share, making, with the interim dividend, 2s per share for the year. Mr Herbert Shaw has resigned his membership of the board.

VICKERS, LIMITED.—The directors give notice that the following final dividends for the half-year ended December 31, 1921, will be paid to the holders of the preferred stock and preference shares of the company who are registered in the books of the company on Saturday, March 18, 1922:—2 1/2 per cent. on the preferred 5 per cent. stock (less income-tax); 2 1/2 per cent. on the 5 per cent. preference shares (less income-tax); 2 1/2 per cent. on the cumulative preference shares (free of income-tax up to 6s in the £). Payment will be made on Thursday, March 30, 1922. The transfer books of the company relating to these issues will be closed from Monday, March 20, to Saturday, March 25, 1922, inclusive.

INSURANCE.

NATIONAL BOILER.—The report for last year shows that the premiums, &c., were £268,261, and the claims and expenses £236,292. Interest yielded £11,155, and there was a balance on the revenue account of £41,059. The directors recommend a final dividend of 20s a share, making 32s a share, less tax, for the year. The reserve fund on December 31st last was £211,000, and the credit balance at profit and loss £23,709.

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Week Ended Feb. 19, 1922.				Aggregate 7 Weeks 1922.			
	Passenger, &c.	Goods, &c.	Total for Week.		Passenger, &c.	Goods, &c.	Total for Week.	
Brecon and Merthyr	60	937	3,506	4,443	6,423	26,591	33,014	
Great Central (c)	676	40,700	141,000	181,700	285,100	875,500	1,160,600	
Do Joint Lines	161	1,000	10,000	11,000	1,000	10,000	11,000	
Great Eastern (c)	1,207	91,800	105,200	197,000	642,200	701,400	1,343,600	
Great Northern (c)	1,050	66,700	163,800	230,500	510,300	1,032,700	1,543,000	
Great Western	2,964	211,000	309,000	520,000	1,521,000	1,998,000	3,519,000	
Hull and Barnsley	92	976	21,347	22,323	5,446	141,417	146,863	
Do Dock Receipts				8,303			56,020	
London & N. Western	2,633	291,000	456,000	747,000	2,065,000	2,986,000	5,051,000	
London & South Western	968	100,700	59,700	160,400	718,000	377,300	1,095,300	
Maryport and Carlisle (c)	423	1,021	1,559	2,580	7,727	9,403	17,130	
Metropolitan (c)	794	32,250	3,782	36,032	231,589	26,624	258,213	
Midland (c)	1,585	150,000	365,000	515,000	1,035,000	2,093,000	3,128,000	
Midland & S. W. Jnc.	63	1,299	2,628	3,927	8,011	9,014	17,025	
North Eastern (c)	1,758	103,900	231,200	335,100	728,100	1,389,600	2,117,700	
North London	16	5,152	10,167	15,319	37,144	69,114	106,258	
Rhymney	51	2,744	9,355	12,099	20,271	63,515	83,786	
Taff Vale	124	7,888	22,939	30,827	56,291	147,820	204,111	
Do Docks, &c.				5,625			38,265	
Underground E.R. (c)				208,250			1,434,904	
Lon. and Sub. Group (c)				45,430			301,277	
Gloucester and S. W. (c)	1,097	58,800	106,300	165,100	391,600	605,800	997,400	
Gloucester and S. W. (c)	476	23,500	38,200	61,700	165,100	236,000	401,100	
Gt. North of Scotland (c)	336	7,470	10,380	17,850	53,216	60,146	113,362	
Highland (c)	492	9,462	11,782	21,244	64,130	67,912	132,050	
North British (c)	1,378	48,900	128,400	177,300	359,900	785,500	1,145,400	
Belfast & County Down (b)	80	3,777	1,741	5,518	27,455	10,177	37,632	
Dublin and G. Eastern (b)	150	4,394	4,057	8,451	33,880	22,944	56,824	
Midland Gt. Western (b)	538	14,662	17,518	32,180	81,484	92,994	174,478	

(a) Including 10 miles temporarily closed. (b) Week ended Feb. 17, 1922.
(c) Week ended Feb. 18, 1922.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1921-22.	+ or -	1921-22.	+ or -
INDIAN.							
Assam Bengal	41 weeks	Jan. 14	993	Rs. 2,21,774	Rs. - 2,022	Rs. 70,47,574	Rs. - 18,34,495
Batali & Co.	41 weeks	Jan. 14	118	58,340	+ 7,800	10,94,200	- 55,700
Bombay & N. Western	41 weeks	Jan. 14	2,067	5,30,640	+ 2,660	84,01,816	+ 5,49,678
Bombay Nagpur	41 weeks	Jan. 14	2,697	13,25,000	+ 1,23,000	5,18,85,110	+ 5,43,256
Bombay, Bar. & C.L.	20 weeks	Feb. 18	2,871	21,51,000	+ 18,000	3,88,48,000	+ 12,97,000
Burma	42 weeks	Jan. 21	1,343	63,161	+ 13,822	2,41,92,652	+ 13,10,041
Delhi, Umballa & Kalka	19 weeks	Feb. 11	239	58,000	+ 29,382	18,56,458	+ 1,23,684
East Indian	19 weeks	Jan. 11	2,772	22,83,000	+ 4,77,000	5,20,12,000	+ 1,75,000
Madras & S. India	45 weeks	Jan. 11	1,312	28,85,200	+ 1,37,910	1,67,42,633	+ 1,75,007
Madras & S. India	45 weeks	Jan. 11	1,312	28,85,200	+ 1,37,910	1,67,42,633	+ 1,75,007
Rohtak & Kumaon	16 weeks	Jan. 21	269	42,253	+ 4,042	7,41,106	+ 6,466
Do Lucknow-Breilly	16 weeks	Jan. 21	302	68,677	+ 3,799	9,63,306	+ 1,34,266
South Indian	42 weeks	Feb. 18	2,852	8,01,835	+ 2,16,631	5,61,73,786	+ 2,45,635
Stth. Punjabimonth (a)	1 mth	Oct. 31	717	6,27,356	- 2,73,237		
Argentine (a).							
Argentine N.E.	33 weeks	Feb. 18	752	9,100	+ 2,400	360,700	+ 30,600
Argentine Trans.	33 weeks	Feb. 18	111	2,940	+ 632	66,415	+ 22,003
B. A. and Pacific	33 weeks	Feb. 18	3,428	172,000	+ 23,000	4,430,000	+ 108,000
B. A. Gt. Southern	33 weeks	Feb. 18	5,889	187,000	+ 27,000	5,128,000	+ 143,000
B. A. Western	33 weeks	Feb. 18	1,822	70,000	+ 3,000	1,018,000	+ 249,000
Buenos Ayres Cent.	6 mths	Dec. 31	190	24,000	+ 6,000	340,000	+ 110,000
Central Argentine	33 weeks	Feb. 18	1,305	39,213	+ 794	2,82,972	+ 17,105
Cordoba Central	33 weeks	Feb. 18	1,205	46,000	+ 19,000	1,687,300	+ 77,500
Entre Rios	33 weeks	Feb. 18	811	22,700	+ 200	635,200	+ 100,000
Brazilian (b).							
Brazil Gt. Southern	1 mth	Jan. 31	1,006	Ma 43,750	+ 3,500		
Gt. West. of Brazil	7 weeks	Feb. 18	1,006	15,800	+ 3,200	102,800	+ 18,800
Leopoldina	7 weeks	Feb. 18	1,831	29,006	+ 10,164	201,868	+ 28,544
San Paulo	7 weeks	Feb. 18	1,539	27,855	+ 5,215	205,805	+ 49,220
State of Bahia, S.W.	12 mths	Jan. 31	62	Ma 87,000	+ 42,000	953,000	+ 549,000
Chile and Peru.							
Antofagasta	7 weeks	Feb. 19	838	17,325	+ 21,815	117,370	+ 119,160
Arauco	1 mth	Apr. 30	644	14,000	+ 500		
Nitrato (2 weeks)	6 weeks	Feb. 15	366	12,742	+ 15,698		
Peruvian Corp.	7 mths	Jan. 31	1,059	81,365	+ 73,015	8,906,500	+ 651,150
Atal	7 mths	Jan. 31	172	(b) 8,183	+ 15,692	65,762	+ 133,695
Cuban.							
Havana Central	32 weeks	Feb. 11	1,210	12,813	+ 3,725	34,017	+ 114,370
United of Havana	33 weeks	Feb. 18	1,210	117,966	+ 56,668	2,003,676	+ 1,101,748
Uruguayan.							
Central Uruguay	33 weeks	Feb. 18	273	28,256	+ 3,905	325,365	+ 81,741
C. Urug. (East Ext.)	33 weeks	Feb. 18	311	5,470	+ 1,631	162,355	+ 20,520
C. Urug. (North Ext.)	33 weeks	Feb. 18	185	3,116	+ 9	90,732	+ 7,127
C. Urug. (West Ext.)	33 weeks	Feb. 18	211	3,589	+ 1,108	79,044	+ 8,272
Midland Uruguay	7 mths	Jan. 31	319	15,298	+ 4,790	101,256	+ 25,091
North-West Urug.	4 mths	Oct. 31	113	9,574	+ 3,154	34,314	+ 4,168
Uruguay North	7 mths	Jan. 31	73	1,915	+ 29	14,735	+ 71
Other Foreign.							
Alooy and Gandia	7 weeks	Feb. 18	15	Ps 23,000	+ 3,000	132,000	+ 6,900
Bahia	1 mth	Jan. 31	15	9,953	+ 2,022		
Bolivar	1 mth	Jan. 31	136	9,900	+ 2,776		
Colombian Nat. Ry.	10 mths	Oct. 31	186	17,240	+ 1,340	193,391	+ 3,531
Costa Rica	6 mths	Nov. 30	126	18,065	+ 3,306	90,137	+ 31,220
Dorado Extension	11 mths	Nov. 30	70	17,250	+ 1,000	209,000	+ 24,822
Egyptian Delta	44 weeks	Jan. 31	559	110,808	+ 3,483	339,514	+ 94,244
Gt. Southern of Spain	6 weeks	Feb. 11	104	Pe 63,402	+ 4,089	378,919	+ 175,240
International of Central America	1 mth	Jan. 31	352	(b) 9,360	+ 974		
La Guaira & Caracas	12 mths	Jan. 31	403	(b) 9,360	+ 974		
Mexican Railway	6 weeks	Feb. 14	403	(b) 9,360	+ 974		
Do	6 mths	Dec. 31	403	(b) 9,360	+ 974		
Nasir Oosarham	11 mths	Nov. 30	193	6,500	+ 5,097	144,134	+ 86,895
Ottoman Railway	11 mths	Nov. 30	193	6,500	+ 5,097	144,134	+ 86,895
Paraguay Central	9 weeks	Dec. 31	28	2,590	+ 1,170	119,190	+ 35,340
Piraeus-Athens, &c.	12 mths	Dec. 31	35	6,000	+ 1,000	56,000	+ 4,750
Porto Cabello, &c.	33 weeks	Feb. 18	100	5,363	+ 570	94,507	+ 22,648
Salvador	1 mth	Jan. 31	1	140,778	+ 6,413		
Santa Fe Province	1 mth	Jan. 31	1	4,330	+ 2,180		
Santos & Santiago	1 mth	Jan. 31	112	(a) 11,496	+ 5,970		
Santa Fe de Buena	1 mth	Jan. 31	112	(a) 11,496	+ 5,970		

(a) 11 days. (b) Converted at par.
(c) Converted at the current rate of exchange.

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.

Name.	Period.	Ending.	Receipts for Week or Month.	Inc. or Dec.	Aggregate Receipts.	Inc. or Dec.
Algoma Cent. & Hudson Bay	6 mths	Dec. 31	Gross \$104,122	- 69,101	1,002,900	- 684,740
Canadian Nat.	6 weeks	Feb. 14	Gross \$883,300	- 538,038	5,592,700	- 3,213,384
Canadian Nat.	11 mths	Nov. 30	Gross \$6,977,300	- 625,400	63,619,930	- 4,576,107
Canadian Pac.	6 weeks	Feb. 14	Gross \$2,630,000	- 414,000	16,415,000	- 4,434,000
Canadian Pac.	12 mths	Dec. 31	Gross \$15,757,000	- 4,847,000	133,024,000	- 23,619,000
Grand Trunk	5 weeks	Feb. 14	Gross \$2,222,000	- 304,000	34,322,000	- 1,049,000
Grand Trunk	3 mths	Mar. 31	Gross \$1,278,700	- 95,900	3,772,300	- 593,200
Temiscouata	1 mth	Dec. 31	Gross \$122,900	- 68,400	91,400	- 306,500

* Net earnings before deducting taxes. † Railway and Steamship receipts.

OTHER BRITISH OVERSEAS RAILWAYS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1920-21. + or -	1920-21. + or -
Beira and Mashona-land	1 mth	Nov. 30	810	100,187	- 5,232
Mid. of W. Aust.	6 mths	Dec. 31	277	13,249	+ 216
New Cape Central	3 weeks	Jan. 21	205	2,615	+ 14
Rhodesia Railways	1 mth	Nov. 30	1,397	137,708	- 2,204

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
				1921-22. + or -	1921-22. + or -
Anglo-Argentine	7 weeks	Feb. 18	329	\$81,559	+ 3,558
Burnley Corporation	1 week	Feb. 18	12	22,996	- 430
Calcutta Tramways	7 weeks	Feb. 18	354	\$109,538	+ 106,250
Chatham & District	6 weeks	Feb. 18	9	11,537	- 75
Egyptian Markets	7 weeks	Feb. 18	15	21,941	- 438
Glasgow Corporation	36 weeks	Feb. 18	99	\$43,935	- 1,901
Iale of Thanet	20 weeks	Feb. 18	15	5,506	- 25
Lancashire United	6 weeks	Feb. 18	14	\$3,123	- 644
Liverpool Corporation	7 weeks	Feb. 18	18	\$27,644	+ 1,436
L.C.C. Tramways	47 weeks	Feb. 18	22	\$50,826	- 9,867
Madras Elect. (4 wks)	6 weeks	Feb. 18	15	\$48,860	- 905
Perambur Tram.	7 weeks	Feb. 18	19	\$3,750	- 905
Singapore Electric	1 week	Jan. 7	1	\$14,832	+ 4,913

TRAMWAY & OTHER MONTHLY GROSS & NET RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
				1920-21. + or -	1920-21. + or -
Barcelona Trac.	12 mths	Dec. 31	12	\$3,200,393	+ 672

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Climatic conditions have been generally favourable to agricultural pursuits, and recent rains have rendered the ground workable for ploughing, so that preparations for spring sowings are well advanced. Reports from most districts are very favourable respecting growing crops. Firmness was again the prevailing characteristic at market during the week, and prices continue to move in an upward direction, especially for breadstuffs, but demand restricted at the advance. Native wheat in moderate supply, and values further improved in sympathy with imported descriptions. Best milling grades quoted at 55s to 57s, and inferior down to 47s per qr 504 lbs, free on rail. Imported qualities were held for more money owing to higher c.i.f. offers. No. 1 Northern Manitoba quoted 69s 6d, No. 3 ditto, 65s, Argentine, 63s 6d to 65s, and Australian 63s 6d to 65s, all ex ship to arrive per 480 lbs. In the floating and forward cargo market values again advanced sharply on liberal buying, especially on Continental account, and some 100,000 tons of wheat were purchased by Germany, chiefly Argentine qualities. A large business also transpired in Australian cargoes, while North American grades were also dealt in at advancing prices. Sales included: Rosafe, 64 lbs, afloat, 59s 9d to 59s 3d as to position, loading 59s to 59s 3d, Australian arrived 60s 6d, afloat 57s 9d, March 15th 56s 9d, No. 2 Northern Manitoba, May, 59s, June 58s 9d, July shipment 58s 6d per 480 lbs. Parcels were also dealt in freely, chiefly Plate descriptions at dearer rates. U. K. stocks continue light, which tends to keep millers constantly in the market, but liberal quantities on passage should afford some relief on arrival. Flour continues very firm, and prices further hardened owing to the wheat position, while bakers operate very cautiously at the higher levels reached. London standard straight run was advanced to 52s, town households 50s, patents 55s, all-English straight run 49s per sack, delivered London area. All English country straights 43s to 45s, free on rail at London stations. Imported also firmer, but trade quiet. Manitoba export patents 49s, straights 46s, and Australian 45s to 45s 6d per 280 lbs, ex store. On c.i.f. terms Kansas top patents, March seaboard, quoted 50s, Canadian patents 49s, straights 47s, and Australian 41s 6d per 280 lbs. Millers' offers firm. Broad bran quoted 59 to 59 5s, ordinary 58 10s, middlings 58 15s per ton, ex mill. Fancy Plate middlings 59, pollards 57 to 57 2s 6d, Dutch pollards 57 10s 6d, all ex ship. Barley steady, but generally quiet. Native malting ranges from 43s to 70s, feeding bulks 39s to 44s per 448 lbs, free on rail. Irish 44s, Californian 40s to 49s, landed per 448 lbs. Morocco 32s, Plate 31s, No. 3 Canada Western 36s 6d, Danubian 37s, all landed per 400 lbs. Maize dearer owing to forward stability. Plate quoted 44s, yellow round African 42s, white flat ditto 38s, and American mixed 37s 6d, all landed. On c.i.f. terms a cargo of La Plata, January 11th bill of lading, changed hands at 40s 3d; ditto February 11th, 40s 1 1/2d, and ditto expected to load end February, 40s; March 15th, 40s 6d, and No. 6 yellow, African loading, 39s 4 1/2d per 480 lbs. Parcels in fair request, and prices irregular, but firmer on balance. Oats firmly held. Native ranges from 30s to 35s, as to sample per 336 lbs. Of imported, Plate f.a.q., 30s 3d; ditto, clipped, 30s 6d; No. 2 Canadian Western, 32s, No. 2 Canadian feed 29s 9d, and New Zealand 35s to 40s, all landed per 320 lbs. Oatmeal firm. London made, coarse 42s to 42 1/2d; medium cut, also whole groats, 41s 10d to 42s; fine cut 41s 10d to 42s; rolled oats 41s to 42s, flaked oats 42s to 43s, ordinary Scottish oatmeal 41s to 42s, and American 41s 10s to 42s 10s per ton. English beans firmly held. Springs quoted 57s to 62s, new winters 50s to 52s per 532 lbs, free on rail, and Madagascar 15s 9d to 21s per cwt. English peas in fair request at full rates. Maples 85s to 95s, Duns 65s to 70s per 504 lbs. Of imported, Tasmanian 23s-25s, New Zealand blues 20s to 24s, Dutch blue 23s to 30s per cwt. Lentils quiet. No. 1 Split, 31s to 32s; No. 2 ditto, 26s to 27s, Egyptian 26s to 27s per cwt. Homeward grain chartering was on a fair scale, chiefly from North America and Australia at full to firmer rates. The River Plate section, however, proved quiet, but tone fully steady. Steamers to load heavy grain prompt quoted 33s 9d, March 32s 6d, April done 30s to U.K./Continent, with options of light cargoes at proportionate increases. North America firm, especially for prompt loading, and steamers from Northern Range to Continent done at 18 cents one, 19 cents two ports of discharge, with 17-18 cents quoted March, West Italy 22 cents, three ports 24 cents, and Riga 30 cents per 100 lbs. To Ireland 5s was paid one port, and 5s 3d two discharging ports. There is some inquiry from the North Pacific at 42s 6d to 45s to Ireland, February-March, and 40s Continent. Montreal to U.K. May done at 4s per qr. Eastern markets quietly steady, and 22s paid on dead weight from Bombay to U.K./Continent. Rice ports and Dalry beans inactive. Australia firm, with a good demand, and handy steamers, loading at usual ports to U.K./Continent, done at 52s 6d, with rather more now indicated for early positions. Other markets without new feature.

COMPARATIVE AVERAGES OF GRAIN.
The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919.
Estimated sales of home-grown wheat—				
1 week to February 18	598,721	237,819	423,268	437,877
24 weeks to February 18	10,149,034	8,166,446	7,689,635	7,859,292
Average price of English wheat per				
quarter	48 1	76 4	72 7	73 8
= per cwt	11 2 1/2	17 9 1/2	16 11	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1918 to 1921:—

	QUANTITIES SOLD.			AVERAGE PRICES.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1922.	qrs bsh	qrs bsh	qrs bsh	s d	s d	s d
Feb. 11	105,550 2	59,730 3	23,562 7	46 5	42 11	38 10
17	139,701 5	56,670 3	33,480 0	48 1	43 2	29 2
1918	78,676 1	47,726 2	18,635 1	72 2	58 9	52 3
1919	102,171 4	68,221 0	22,781 3	72 8	62 6	49 4
1920	98,762 4	45,672 4	25,552 1	72 7	100 7	60 0
1921	55,491 2	62,936 0	15,628 6	76 4	56 2	36 1

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated February 23rd, is as follows:—Pig iron: There is a more optimistic tone prevailing throughout the market, and business in both Cleveland and hematite pig iron has showed considerable development, particularly in regard to the latter. In addition to the increased demand of home consumers, there has been a fair amount of new business done for export. The price of Cleveland No. 3 G.M.B. remains at 90s, but, whereas hematite could be bought a week or two ago at about 92s 6d, or even less, to-day's general quotation for mixed numbers is 97s 6d per ton at makers' works. Manufactured iron and steel: There is no improvement yet, but there are signs that some of the works may shortly be able to resume operations on a small scale. Steel ship plates, 10 to 10s; steel angles, 10 to 10s; iron bars, 12 to 12s; steel rails, 9 to 10s (home) net. Iron ore: There is very little new business doing, but deliveries are coming forward more freely, and with the increased demand for hematite we may look forward to further buying of small quantities of foreign ore, but makers will not commit themselves for forward delivery. They are content to buy odd cargoes at to-day's price. Best Bilbao rubio is quoted about 26s per ton, but Mediterranean ores are procurable at lower figures.

Our Sheffield correspondent writes:—A firmer tone has developed in the pig-iron department, and the output of the hematite furnaces is fully sold for a couple of months ahead. Prices have hardened. There is practically no foreign competition in hematite iron, and as steel-making extends more furnaces will go into commission. The demand for foundry iron, however, continues quiet. There are distinct signs of more activity in the heavy branches of steel and engineering, so that the prospects for the next quarter of the year are fairly good. Locally the position is not actually any better, gains in the heavy sections being outweighed by losses in the lighter branches. The unemployment roll tends to increase, and is heavier than at any time since the coal strike last year. The few orders coming in for tool steel can easily be executed from stocks. Makers are still suffering from the vast quantities of surplus war stores in existence. These stores also include all kinds of tools and hardware, and the liquidation of them is a slow process. The goods are being offered at absurdly low prices. The hand-tool trade is being badly hit by German competition. German prices being generally lower than British pre-war prices. Silver electroplate and cutlery makers are experiencing the most profound slump in the history of their trade. So far this year buying in the ordinary sense has not yet begun. Fortunately there are a few good contracts about from ships and hotels. The export trade is dead, with the promise of some early revival in the British colonies. The inland demand for steam coal continues limited, but a rather heavier tonnage is being exported, and the market is steady. Producers of coke have on hand a large number of orders for export, and there is a fair home demand at higher prices. The house coal market continues strong, but sales are disposed to fall off owing to the advancing season. Deliveries to gas companies are small on account of the limited consumption of gas in industry.

HEAD OFFICES: LIVERPOOL AND LONDON
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Our Glasgow correspondent (writing on Thursday) says:—Though one or two adverse influences, in labour connections, have come to the surface this week, there is no doubt as to the general industrial state having improved, and as to the tone in iron and steel trade circles being the turn cheerier. Ironmasters report a fair amount of buying during the past eight days, and at the same time an increase of inquiries for both Scotch No. 1 and No. 3 on foreign account. The former remains at 55s, and the latter at 55s, f.o.t. makers' works. Dealers, however, continue to operate only in small hand-to-mouth lots. In sympathy with the harder tendency of English hematites, Scotch hematite has been put up 2s 6d a ton at 55s 7s 6d, yet no business of value is passing. Local producers state that there can be no expansion of consumption locally until the heavy stocks of scrap accumulated are got rid of, and that won't be immediately, even though consumers are absorbing 80 per cent. of scrap in every 100 tons of manufactured material turned out. Speaking on the steel position to-day, a leading maker expresses the conviction that since last November there has been a marked, though not pronounced, change for the better throughout the Clyde district, adding that in his opinion the movement will be maintained. In support of these views the directors of Messrs. David Colville and Co. (the largest steel producers this side of the Border) write that "undoubtedly there are more inquiries from abroad for steel and iron," and that all now a-waiting to confirm improvement in that relation is some concession in shipping freights. Messrs. Beardmore also advise more hopefully as to the home outlook. They have just booked some decent orders from home buyers, including bridge and boiler material, and a respectable line for rails for the Caledonian Company. Beardmore's people are laying down a powerful up-to-date rail plant, with equipments. Good progress is being made at Clydebridge works with the big boiler-plate mill lately resolved upon. All things considered, the home demand for ship plates is as general as could be expected. That department rests mainly on the requirements of shipbuilders, whose state leaves much to be desired. A variety of rumours are in circulation as to inquiries concerning the placing of contracts for new steamers. There is no question as to several building firms having been sounded, but it does not appear that any of the negotiations have borne fruit. The most positive statement bruited about this afternoon is that a line for no fewer than 16 steamers of large size has been submitted to a combination of well-known and influential constructors here, and that the order will go through if a reasonable price can be agreed upon, which, it is added, will be found between 58 and 59 a ton. This story is a most heartening one, but it must be candidly said to lack confirmation in details, while at the same time it is vouched for in usually reliable quarters.

CUMBERLAND IRON.

(FROM OUR WORKINGTON CORRESPONDENT.)

A marked change has come over the iron and steel and allied industries in Cumberland and North Lancashire during the past few weeks. A further reduction of 10s in the price of ordinary iron, bringing the quotation for Bessemer mixed numbers down to 44 18s 6d per ton at works, has quickened business considerably, and though users are still exercising great caution, and are, in fact, declining to buy for forward delivery, they are placing their orders as regards immediate requirements with a good deal more freedom than has been the case for over six months. Most of the stocks that lay in the works' yards have been cleared away, and makers, possessing a fairly well filled order book, have been encouraged to increase their production. Four additional furnaces have been put into blast since the end of January, and two more will in all likelihood be blown in before the middle of March. Ordinary iron is, of course, in most active demand, if only for the reason that the steelworks at Workington resumed rolling this week, and the greater part of the output will therefore go into local consumption. But the Midlands also is taking a not inconsiderable portion of the make, and this district and Scotland are absorbing practically all the low phosphorus iron that is being smelted, though some small parcels are being shipped to the Continent. A furnace has also been put in on ferro-manganese to meet export needs, most of which come from America. Ferro stands at 14 10s per ton. There is quite a brisk inquiry in the steel trade, and the orders held represent between six and seven weeks' rolling at the rail, fish plate, axle, and tyre mills. The iron ore industry in West Cumberland is more fully employed than for 12 months past. Medium and ordinary sorts of ore are going to the local furnaces, and some of the high-class ore, but Scotland requires a good deal of the better class of metal. A substantial improvement has taken place in the coal trade. It is due in part to the lesser competition from Scotland in the Irish market, and in part to the restarting of the coking plants in West Cumberland. Some of the collieries are disposing of nearly two-thirds of their output in Ireland. The local land sale demand is brisk, and nearly all the small can now be taken at the coke ovens, two-thirds of which are in operation. There is a larger make of such by-products as benzol and sulphate of ammonia, and the chemical industry is working more than half time.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—All sections of the wool textile industry are much quieter than at the beginning of the month, but while values have declined since the beginning of February there is really no serious weakness. Top-makers are well sold ahead, and spinners have covered their requirements in most cases up to about the end of April, so there is no disposition on either side to force matters. Probably a good deal of latent business will be brought out when wool values have settled on the new basis, and most firms are waiting for the London auctions to establish values. It hardly seems possible for merinos to fall much more, and although spinners would like to see 64's tops at about 3s 9d per lb, that price is not yet in sight. For spot delivery topmakers are wanting about 4s 2d for 64's. There and business could be done for May delivery at about 4s. There is not much doing in crossbreds, and prices are again slightly in buyers' favour. Spinners are not doing much new business on current quotations, but it is believed that a fair amount of trade would be available at a lower basis. For one thing, there is an improving tendency in the manufacturing section, especially in dress goods, and it is probable that orders could be worked if

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quotations were back to the old level which ruled before the advance in December. The output of tops is still inadequate, but it is interesting to note that, after extremely protracted negotiations, the Emergency Committee of the Industrial Council agreed at a meeting to-day to grant permission to woolcombing firms to employ "protected" persons overtime. It remains to be seen whether the operatives' leaders will place any further obstacle in the way of working longer hours, and thus affording much-needed relief to those who for several weeks past have been unable to obtain suitable supplies of tops.

COLONIAL WOOL. (FROM A CORRESPONDENT.)

Easier markets everywhere seem to be the order of the day, and yet the decline can only be regarded as a natural reaction from the activity and sensibly advanced values which have been experienced since last September. It is true we have had rises and falls since then, the present decline being at the outside 10 per cent. for good combing wools. This does not bring values to last December level, good topmaking wools last series appreciating 15 per cent., and often more. Last week 30,000 bales of only average merinos and crossbreds were disposed of at Hull, the selection being distinctly worse than at Liverpool the week previous. All the same competition was very good, much better than the majority expected. There was another decline of fully 5 per cent. of most merinos, and a little more on crossbreds. The general feelings of optimism expressed stood out in distinct contrast to what has been seen during recent months. It was plain to be seen that buyers still had confidence in the raw material, although all alike were certain that a lower level of values ought to operate. Nobody need be surprised at this. The complaints of spinners and manufacturers that they cannot sell yarns and pieces on a 4s 6d basis for 64's are quite genuine. There are spinners who, having had the pluck to buy heavily when 64's were at 3s 6d, and in some cases lower, can to-day offer yarns at sensibly below what can be accepted by those who adopted a hand-to-mouth policy, and only bought when a rise had taken place. We do not think much contracting was done on a 4s 6d basis, although this price was frequently made, even more being paid by those who could not get deliveries of earlier contracts, and were compelled to buy in order to keep machinery running. The outstanding feature is that combing and spinning machinery continues to be well occupied, consumption is fully maintained, and there are unmistakable signs of improvement in fully-made goods.

The depreciation in most of the currencies on the Continent during the past week has again raised the question of what is going to be Germany's attitude, as well as that of France and Belgium, when future sales are held. Antwerp this week should give a lead. Germany seems able to buy wool under almost any adverse circumstances, the resources of that country being remarkable. The latest deal of Krupp's is only one more evidence of selling German products and spending the money in the raw materials available in the country to which the goods are sold. The very fact of Hugo Stinnes establishing a wool-buying house at Cape Town shows clearly enough that Germany is making practical attempts at sound commercial development. German firms recognise how imperative it is that mills should have sufficient raw material to go on with. Given this the textile industry of that country cannot help but continue busy.

During the week B.A.W.R.A. has published a statement of the stocks of wool on hand on January 31st last, compared with the corresponding date of 1921. The total was 1,776,906 bales, compared with 2,521,160 bales a year ago. Of this total, 1,100,556 bales in Australia and 601,042 bales in New Zealand, as against 1,758,996 bales and 762,164 bales respectively at the end of January last year. This shows that the total number of bales of B.A.W.R.A. wool from all sources disposed of last year was 744,254 bales. If during the current year the same quantity of B.A.W.R.A. wool is disposed of as last, there will still remain on hand at the beginning of 1923 over 1,000,000 bales of wool. Everything points that this will consist almost entirely of crossbreds.

THE COTTON TRADE.

MANCHESTER, February 23.

The tone of the market continues much firmer, and in most quarters there has been more activity than for some time back. Buying has been patchy, but the tone is distinctly better, and in some districts more work is being found for the operatives. Cloth offers for India remain on a low basis, but some Manchester shippers have bought speculatively to a very fair extent in light fabrics and grey shirtings. Of course, they have got the goods very cheaply. A considerable demand has been met with in white shirtings for China, and a few more lines have been booked in grey staples for that outlet. Business has been of moderate extent for the minor markets of the Far East, such as Java and Singapore. Not much has been done for Egypt and the Levant, but some improvement is showing itself in the offtake for South America. There is a tendency to restart idle looms. Home trade fabrics have moved off rather more freely. An encouraging turnover has taken place in American yarns for home use, chiefly in coarse and medium counts, and quotations have hardened. Some fair contracts have been arranged in export yarns for Eastern and European markets. Egyptian spinnings have been in improved request, and rates are firmer.

(I.) Comparative Statement of the Cotton Trade.

	Price, Feb. 23, 1922.	Previous Weeks in 1922.					
		Feb. 16.	Feb. 9.	Feb. 2.	Jan. 26.	Jan. 19.	
Raw Cotton—Fully Mid. American .. per lb	10.70	10.56	9.99	9.70	10.07	10.46	
— Sakellaridis Fully Good Fair							
— Egyptian .. per lb	17.75	17.50	16.25	16.25	17.00	19.00	
Yarns—32's twist .. per lb	17.75	17.75	17.75	17.75	17.75	17.75	
— 40's twist .. per lb	16.25	16.25	16.25	16.25	16.25	16.25	
— 60's twist (Egyptian) .. per lb	28	28	27	27	28	29.5	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	28 6	28 6	28 0	28 0	28 6	29 0	
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	28 6	28 6	28 0	28 0	28 6	29 0	
38-in. ditto, 38 yds, 18 by 16, 10 lbs	17 9	17 9	17 6	17 6	17 9	18 0	
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	16 9	16 9	16 6	16 6	16 9	17 3	

(II.) Compared with Previous Years.

	Price, Feb. 23, 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American .. per lb	10.70	8.33	31.44	18.10	24.27	11.49
— Sakellaridis Fully Good Fair						
— Egyptian .. per lb	17.75	14.50	95.00	27.09	29.14	22.40
Yarns—32's twist .. per lb	17.75	19	62½	28	40	17
— 40's twist .. per lb	16.25	18	57½	29	39½	16½
— 60's twist (Egyptian) .. per lb	28	26	148	58	47½	36½
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	28 6	38 6	98	0 53	62	0 43
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	28 6	35	0	51	0	50
38-in. ditto, 38 yds, 18 by 16, 10 lbs	17 9	21	0	50	6	28
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	16 9	19	0	45	6	25

LIVERPOOL OFFICIAL QUOTATIONS—February 17, 1922.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.			Same Period 1920.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
American ..	d	d	d	d	d	d	d	d	d	d	d	d
Sea Island .. per lb	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Florida ditto ..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American ..	Ord	G O L M	Mid	G M	MF	MF	G O L M	G M	G O L M	G M	MF	MF
	706	781	906	1001	1071	1176	562	712	962	2426	2746	3276
Brazilian ..	Mid	M F	Fr.	G	Fr.	Gd.	MF	Fr.	Gd.	MF	Fr.	Gd.
Pernambuco, &c.	791	1041	1191	..	..	..	562	862	..	2751	3601	..
Paraiba ..	791	1041	1191	..	..	..	562	862	..	2751	3601	..
Macao ..	791	1041	1191	..	..	..	562	862	..	2751	3601	..
Mossoro, &c.	791	1041	1191	..	..	..	562	862	..	2751	3601	..
Ceara ..	791	1041	1191	..	..	..	562	862	..	2751	3601	..
Maranhão ..	791	1041	1191	..	..	..	562	862	..	2751	3601	..
Egyptian ..	..	1300	1450	1700	1875	..	1050	1600	..	nm	8600	..
Brown ..	..	1275	1375	1575	1675	..	950	1300	..	nm	7650	..
Upper ..	..	2330	2600	2900	3100	..	2700	3300	..	nm	..	..
West Indian—Sea Island ..	..	1225	1300	1375	..	..	1500	..	..	..	4900	..
Peruvian—Rough ..	..	1050	1200	1250	..	..	850	1300	..	3750	4400	..
Ditto Mod. Rough ..	..	916	1116	1241	1291	1391	462	962	1262	3751	4011	4601
Ditto Smooth ..	..	..	..	..	..	..	..	..	..	..	..	..
Ditto Sea Island ..	..	..	..	..	..	..	..	..	..	..	..	..
African, East, &c.	676	775	975	1075	1175	1275	750	950	1250	3500	4000	5300
East Indian ..	G F	Fr.	G	Fr.	G	Fr.	Fr.	G	Fr.	Fr.	G	Fr.
Surat—Mao. Ginned Surtee ..	..	..	910	960	1010	..	865	..	..	2560	..	..
Broach ..	..	760	810	860	910	960	740	765	815	2410	2435	2485
M. Ginned Bhownagar ..	610	685	760	810	860	910	569	619	694	2004	2079	2204
M. Ginned Comra, No. 1 ..	620	695	770	820	870	920	575	625	700	2010	2085	2210
M. Ginned Khandelah ..	..	620	695	745	795	845	425	475	550	1960	2035	2160
M. Ginned Comptah ..	790	..	840	..	..	..	765	..	..	2235	..	..
M. Ginned Bengal ..	525	575	625	675	725	775	425	475	550	1650	1725	1850
M. Ginned Scinde ..	515	565	615	665	715	765	415	465	538	1632	1707	1832
Tinnivelly ..	910	960	1010	..	..	..	840	865	..	2485	2510	..
Madras, Western ..	715	765	815	865	..	..	765	790	..	2285	2310	..
Madras, Northern ..	..	..	840	..	..	..	..	..	..	..	..	..
M. Ginned Coconada, Red ..	Fr.	800	..	..	..	..	765	..	..	2110	..	..

THE TIMBER TRADE.

(FROM OUR CORRESPONDENT.)

Import statistics for January show plainly that we are getting our timber material from abroad much cheaper than a year ago. In sawn wood, i.e., battens, boards, scantlings, and deals, the import last month was 222,300 loads, of the value of £1,234,000, compared with 133,000 loads, value £1,486,000, in January, 1921; planed and/or dressed boards 37,000 loads, value £245,000, against 28,810 loads, value £385,000 for the similar period of last year. While prices per load work out much lower, the imports of building timbers, it will be observed, are larger than those in January last year, contrary to expectations at November last, when climatic conditions then prevailing gave timber traders impressions of an early close of the shipping season, and only a moderate stock for winter requirements.

These larger imports have had some influence in weakening the

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spot market for woods for the builder and packing-case maker, but undoubtedly the principal reason for lower rates is the bad state of trade generally. Consumers are buying only from hand to mouth.

The hint of "what will Russia do," in my last month's notes to the *Economist* has, since I wrote them, got to more definite shape, as specifications of timber from Russian agents are now in the hands of importers. I learn that "considerable quantities" of White Sea and other Russian timber will be shipped this season, which must have an influence on the f.o.b. market here.

As regards furniture woods, the imports of mahogany legs and lumber were much larger last month, compared with January, 1921, as the following statistics show:—

	1921.		1922.	
	Cub. Ft.	Value.	Cub. Ft.	Value.
Hewn mahogany	100,835	£ 61,743	243,382	£ 74,142
Sawn mahogany	39,248	£ 30,364	112,213	£ 47,617

This market is quiet, and at sales held in London prices weakened. Honduras logs sold average 8½d; African, 3½d to 6d per foot super. Many logs, both of Honduras and African timber, did not come up to holders' reserve prices, and were consequently withdrawn.

Other hardwoods were imported more freely last month, compared with a year ago, including increased imports to hand from the United States, which country supplied quite three-quarters of our sawn hardwoods. The market for these furniture woods is not brisk, notwithstanding that prices have decreased since this time last year.

But for the energies of the associations connected with the native timber trade, the latter would have by now retired into the insignificant position it held before the war. Praise is well deserved to those who are putting themselves to trouble and expense to improve, by co-operation of landowners, merchants and others, the conversion and sale of native woods—infinite compared with the way the regular timber shipping countries work, but commendable. The Geddes Committee state in their second report that "while we recognise the enthusiasm and public spirit of the (Forestry) Commissioners.....the scheme of the State should be discontinued." Unfortunately, even foreign pitwood is preferred to that growing within a few miles radius of our collieries.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The home hide market remains steady, with unimportant alterations. Best ox made from 6½d to 7½d at the Bermondsey auctions, with slight fractional alterations both up and down. Calf were also fairly steady at last prices, with the exception of lights, which fell ½d. Calf are again being bought for export to the United States, as there is little demand for shoe calf leather here at the moment. Wools sold at recent prices—viz., 3s 3d to 3s 3d each. The demand for overseas hides has improved, as importers are taking less money. Tanners are very cautious, and seem only to take bargain lots. The American market is cabled as weak, with best heavy packers now selling at 15 cents and dry hides offered at lower prices.

The tone of the leather market is better, and leather buyers have been more in evidence of late. Wet salted bends have sold fairly well, whilst the demand for cheap, dry hide bends is unabated. Tanners are firmer in their ideas of price, as there are very few accumulations now in the yards. Dressing leather is moving off better, and a little more export trade is doing. There also seems an improving business in upper stock, although glacé kid tanners have fallen slack of late. Suedes in grey and nigger brown are still the favourite upper stock, and quite a lot of this is coming over from France. Wax butts are dull, but a fair trade is passing in waxed and russet butt splits. Chrome patents are selling from 1s 3d to 2s a foot, the bulk of this material being imported.

The improvement in the boot trade is not yet very manifest, and export orders still rare. Light shoes are, however, being ordered for summer wear, and, judging by the big dividends paid by the distributing concerns last year, the margin of profit on this class of stock must be very considerable.

VEGETABLE OILS AND OLSEEDS.

The quieter tone in the market for linseed and the oil product has persisted throughout the week, being a reflex in part of easier conditions in Argentina and the official report that the new crop yield will exceed 800,000 tons. This about squares with recent anticipations on this side, although there have been estimates as low as 600,000 and 700,000 tons. Much, however, depends upon the weather and harvesting, which might easily turn the balance in favour of a larger outturn. The conflicting reports have caused a want of confidence, and with the uncertain outlook for consumption, active buying has been held up. Crushers with oil on their hands are not buying at the present high level of values and the poor demand for oil until the trade position shows some definite signs of recovery. The salvation of the market has been the considerable purchases of linseed oil for American account, but this demand appears to have been satisfied for the moment. Trade in this commodity for export to the Continent is seriously hampered by the state of the exchange, while the demand for consumption by the home allied industries is still very disappoint-

ing. Prices have eased off, and raw linseed oil is offering freely at £35 per ton prompt, and a discount is obtainable for forward delivery.

Cotton oils have continued firm, a good demand for deodorised having stimulated interest in crude, which is substantially dearer at £36 10s, ex Hull mill for Egyptians. Rape oil continues scarce on spot, and maintains its value, but quotations forward are at a considerably lower level. Crude soya bean oil has been a fair trade below current market prices, and is now rather more money to buy. Palm kernel and ground nut oils are steady and in moderate demand.

The demand for oil cakes has slackened, but linseeds are still in small supply, with prices maintained. Cottons steady, but a poor trade.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, February 24.

The markets again disclosed rather quiet features, though in some directions there was a slight increase of business, with but little alteration in prices.

SUGAR.—Spot parcels fully steady, and a fair amount of business was effected. With imported white descriptions still scarce, British attracted a good share of attention. Messrs Tate and Lyle's cubes, 51s to 52s; crushed, 48s 6d; granulated, 46s 6d to 47s; caster, 48s 6d to 49s; yellow crystals, 41s; granulated, March, 46s 3d; May-June, 46s 6d. Crystallised West India sold from 39s 6d to 42s 6d. American granulated, spot, sold, 46s to 46s 3d; March, and also March-April, 18s 10½d to 18s 6d, c.f. and i. terms. White Mauritius, spot, 44s to 44s 6d, as to sample; ditto, afloat, steamer, 20s 6d to 20s 9d, as to position, c.f. and i. terms. White Natal, spot, sold, 45s; W.S.R., granulated, prompt, 19s 6d; J. 19s; W.S.R., cubes, 23s, f.o.b., Amsterdam. Czechoslovakian sugars largely nominal, though some bids were accepted during the week at previous quotations. Terminal market after being firmer, became easier. White, May delivery, sold, 19s 10½d to 18s 7½d and 18s 9d; August, 19s 3d to 18s 9d. Cuban stock, 792,200 tons, against 517,300 same time last year.

COFFEE.—Spot market firm, with Costa Rica dearer on the week, and there is a fair demand for the finer descriptions. East India, fair bold, sold, 128s 6d; Costa Rica, bold, 125s 6d to 144s; peas, up to 166s. Futures dearer. March, sold, 51s 7½d to 51s 9d; May, 52s to 52s 9d; December, 54s.

COCOA.—Market quieter this week, and no auctions were held. Accra, F/F quality, February-April, quoted 46s, ex quay terms, Liverpool. Butter, 1s 1½d to 1s 1½d per lb.

TEA.—During the week 40,200 packages Indian were offered, and with a good demand for all desirable descriptions, full rates were obtained; but in the case of common, easier prices ruled, with some irregularity in attendance. 15,300 packages Ceylon aroused active support, and recent values were fully maintained.

RICE.—Market quiet, but steady. Two stars, Rangoon, spot, 14s; No. 1 garden Siam, 15s. Broken kinds quietly steady. Bran quiet, and Burma forward quoted £6 per ton, ex ship terms. Rangoon beans, spot, quoted 7s 9d. Japanese peas, spot, 45s; Dutch ditto from 25s to 27s.

SPICE.—Pepper market generally quiet, though steady. Fair black Singapore, spot, 4d; ditto, March-May, sold, 3½d. Aleppy, spot, quoted 4½d. Tellicherry ditto, 4½d; fair white Singapore, spot, 7½d, sellers. Muntok, 8d; ditto March-May, sold, 7½d to 7½d. Zanzibar cloves, spot, 1s 4½d; February-April, 1s 1½d, c.f. and i. terms. Pimento, spot, 2½d; fair flake tapioca, spot, 1½d, all per lb. Fair Penang seed pearl tapioca, spot, 17s 3d; sago flour, February-April, sold, 13s 10½d to 14s 4½d. Desiccated coconut, spot, lots sold, 40s for halves, and March-April held for 39s 6d.

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Vol. XCIV.

SATURDAY, MARCH 4, 1922.

No. 4,097.

ALLIANCE

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CAPITAL AND SURPLUS

1 Jan., 1920... Kr. 69,000,000

CREDITO ITALIANO.

Capital Fully Paid ... Lire 300,000,000

Reserve ... Lire 80,000,000

Deposits and Current Accounts at 30th June, 1921 ... Lire 4,683,270,156

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TABLE OF CONTENTS.

The Money Market	439	Books and Publications—	
Leading Articles—		The War and Finance	457
Coalition and Economy....	441	The Resources of Sweden..	458
A Better Outlook in Egypt	442	AMiningCompanyDirectory	458
Our Index Number	443	Books Received	458
The Case for Lower Railway		Stock Exchange News—	
Charges	444	The Stock Markets	459
The Engineering Crisis....	445	New Issues	459
A French Suggestion on		Active Securities.....	460
Reparations	446	Company Meetings.....	461
Notes of the Week—		Government Returns—	
The Preliminaries of Genoa	447	Public Income and Expen-	
Indian Budget Statement,		diture.....	467
1922-23	448	Currency Notes Account ..	468
Lancashire and the Indian		Treasury Bills by Public	
Cotton Duties	448	Tender	468
The Financial Difficulties		Bankers' Gazette—	
of Greece	448	Bank of England	468
The Financial Deadlock in		Clearing Returns	469
China	449	Overseas Bank Returns....	469
Security Values	449	Loan and Discount Rates..	471
Prudential Assurance Com-		Overseas Bank Rates.....	471
pany	449	Rates of Exchange	471
United Kingdom Provident		Indian Treasury Bills	472
Institution	449	Bullion	472
An Insurance Company's		Imports and Exports of Gold	
Investments	450	Gold and Silver Prices	472
The Underground Electric		Company News—	
Report	450	Mining Output Statistics	460
Pearl Assurance Company		Oil Outputs	467
Harrods' Profits	450	Railway & Tramway Traffic	473
Co-operative Business	450	Dividend Announcements..	474
Borax Consolidated	451	Analysis of Balance-sheets	474
Courtauld's Year	451	Rhodesian Gold Output ..	474
The Finances of the Falcon	451	Reports and Notices	475
		Profit and Loss Accounts ..	476
Overseas Correspondence—		Commercial Reports—	
United States	452	Corn Trade	475
France	452	Iron and Coal Trade	477
Germany	453	Wool Trade	478
Italy	454	Cotton Trade	478
Canada	455	Vegetable Oil and Oilseeds	479
Japan	456	Hides and Leather Trades ..	479
		Belfast Linen Trade Report	479
Letters to the Editor—		Overseas Produce Markets ..	480
Labour and a Capital Levy	456	Price Current	481

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street (Room 1,709).

THE MONEY MARKET.

SUPPLIES of money remain adequate for the market's re-
quirements, despite revenue collections, holding-up of
credit for dividend payments and other reasons, and a
slight increase in the supply of bills. The little due to
the Bank on Thursday was repaid, and the average cost
of loans is now under 3 per cent. The increased supply
of ordinary bills—some estimate a 50 per cent. growth
since the beginning of January—is balanced by the

FRUIT.—There was a moderate demand for currants, and market ruled steady. Pyrgos quoted 54s; Amalia, 56s to 58s; and Vostizza, 65s to 78s. Valencia raisins quietly steady. Half-boxes quoted 110s to 115s. Sultanias command steady prices.

JUTE.—Market easier. Actual dealings were on a moderate scale. More interest was shown this week in manufactured goods. New first grade, February-April, usual continental ports, sold, £24 7s 6d to £23 5s; lightning ditto, £20 5s to £19 15s; 10-oz hessians, spot, 22s 3d; 8-oz, spot, 17s 6d. A twills, spot, 75s; B ditto, 60s.

HEMP.—Manila generally slow, and quotations in some cases nominal. C grade, February-April, quoted £50; D, £48; E, £46; G, £38 10s; J, £38; K, £37 10s; sellers, L, £36 10s; M, £33 10s; and streaky threes, at £38 10s. New Zealand neglected, and nominal. African sisal ditto. No. 1 G.E.A., January-March, £37; B.E.A., ditto, £35 10s.

SHELLAC.—Market dearer, with a good demand. T.N., spot, sold, 350s; March, 345s to 350s; May, 340s to 350s and 335s.

COPRA.—There was only a moderate amount of business effected this week, but market ruled steady. F.M.S. Straits, February-April to April-June, Rotterdam, sold, £25 7s 6d to £25 12s 6d; F.M. Straits, February-April, Marseilles, done, £24 17s 6d; Ceylon ditto to London, £26 10s; South Sea Islands ditto, quoted £24 15s, and Cebu to Hamburg, £25. Palm kernels quietly steady. April-June, Liverpool, sold, £18 12s 6d to £18 10s.

RUBBER.—Market dull and easier on increased pressure to sell, and irregularity prevailed at times. Standard crepe and sheet, spot, sold, 8½d to 7½d and 8d; March, 8½d to 7½d and 8½d; April-June, 8½d to 8½d and 8½d; July-September, 9d to 8½d and 8½d. Fine hard Para, spot, 11d; Caucho ball, 7½d.

MENTHOL.—Spot, 23s 6d; forward, 22s 6d. Japanese peppermint oil, spot, 35s 3d; aniseed, spot, 2s; slab camphor, 3s 10d; crude ditto, 3s 6d per lb. Japanese wax, spot, 9s per cwt.

EGG PRODUCTS.—Market quietly steady. Prime liquid yolk, spot, 130s per cwt; albumen, spot, 2s 10d per lb.

OILS.—Linseed opened firmer, but irregular and easier since, with spot sparingly offered. Spot, net, naked, nominally 38s 6d; March-April, 35s; May-August, 34s 3d. Rape firm. Crude, spot, 51s; refined, 57s. Cotton firm. Crude Egyptian, 37s; Bombay, nominal; common edible, 45s. Chinawood; Hankow, spot (barrels), 60s; and shipment, 59s 6d. Coconut steady. Ceylon, spot, 43s 6d; February-March, 41s 6d; Cochin, ditto, 43s. Soya firm. Oriental, barrels, ditto, 36s 6d. Japan fish quiet. January-February, cases, 21s. Cod quiet. English, spot, 29s. Groundnuts steady. English crushed, naked, spot, 44s; deodorised, barrels, 45s. Turpentine inactive. American, spot, 68s 3d; March-April, 68s 3d. Rosin easier. American, grade B, 13s; F, 13s; G, 13s; WW, 19s. French, F/G, 13s; WW, 16s 6d; extra pale, nominal. Petroleum quiet. American standard white, 1s 4½d; and water-white, 1s 5d per gallon.

OILSEEDS.—Linseed market dull, and values weaker. Bold Bombay, January-February, £21. Small Bombay, January-February, £20 10s. Calcutta, January-February, £20 10s; April-May, £19 7s 6d. Plate, January-February, £20; February-March, £19 10s; April-May, £18 15s. Chinese, February-March, £19. Rapeseed steady. Toria, February-March, £16 10s; March-April, £16 5s. Cottonseed firm. Egyptian black, February, sold, £13; and white, £12 10s. Bombay, February-March, £9 12s 6d. Gingly steady. Chinese, January-February, Continent, £23 15s. Castor, Bombay, February-March, £15 15s. Ground nuts quiet. Coromandel, machine-dried, March-April, Hull, £20 10s; Continent, £20 10s; Chinese decorticated, f.a.q., February-March, Continent, £22 per ton.

METALS.—Tin exhibited a sharp decline until last Tuesday on free selling, while cash fluctuated down to £140, and three months' to £142. An improvement characterised movements during the middle of the week, although values since the opening were below the best, cash sold £143 to £140 5s, and three months' at £144 10s to £142. Prices further hardened at Thursday's market, while somewhat irregular, cash realised £140 to £139 15s, improving to £142, and three months' at £141 10s to £144 10s, finally £144. At Friday's session renewed good buying led to a further rise. Cash changed hands at £143 to £142 15s, improving to £144 10s, with three months' at £145 to £144 15s, and settling down at £146 5s. English ingots, £143 10s to £144. Copper continued lower until last Wednesday, with a good business done, when standard cash moved down to £57 7s 6d, and three months' to £58 7s 6d. The tendency was steady at Thursday's market. Standard cash sold at £57 5s to £57 7s 6d, and three months' chiefly at £58 5s. At Friday's session cash sold at £57 15s and three months' at £58 15s to £59. Electros £63 10s to £65 10s; best selected, £61 to £63; strong sheets, £60 and wire bars, £64 10s to £65 10s per ton. Lead firmer, £20 10s. Spelter dearer at £24 10s to £24 15s. Antimony: English regulus quoted at £34 to £37. Aluminium, home delivery, £120; export, £125 per ton.

METROPOLITAN CATTLE.—FEBRUARY 23.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.

Beasts—Herefords....	nominal	Sheep—Downs.....	10 8 to 11 0
Shorthorns.....	7 4 to 8 0	Ewes.....	8 0 to 0 0
Devons.....	7 8 to 8 0	Crossbred.....	10 4 to 10 8
Norths.....	7 4 to 8 0	Scottish.....	nominal
Scottish.....	nominal	Lamb—Downs.....	12 0 to 0 0
Irish.....	nominal		

LONDON POTATO MARKETS.—FEBRUARY 23.

Per Cwt.	s	d	s	d	Per Cwt.	s	d	s	d
King Edwards.....	10	0	11	0	Evergoods.....	6	0	7	0
British Queen.....	8	0	9	0	Blacklands.....	6	0	9	0

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.									
COCOA—Dutch, British grown									
35s. foreign 42s. cwt.	54	0	65	0					
Trinidad, per cwt.	54	0	65	0					
Grandia	54	0	65	0					
Ceylon, plantation	54	0	65	0					
Guayquil	54	0	65	0					
Bahia, finest	54	0	65	0					
OFFERS—British grown									
35s. foreign 42s. cwt.	54	0	65	0					
E India fine good ditto	70	0	95	0					
Do good to fine	165	0	130	0					
Costa Rica, ord. to mid 75	0	115	0						
Good to fine	120	0	137	0					
Central American	75	0	115	0					
ord. to mid	117	0	120	0					
Mid. to fine	117	0	120	0					
Columbian, ordinary	60	0	65	0					
Do good to low mid	70	0	95	0					
Do mid. to low mid	95	0	115	0					
CHEMICALS—									
Acid, citric	1 11	1 11							
Nitric	0 22	0 4							
Oxalic, net	0 8	0 8							
Tartaric, English	1 3	1 3							
Foreign	1 3	1 4							
Alum ground	10 10	10 10							
Do lump	10 10	10 10							
Ammonia, carb. lb	4 9	4 4							
Muriatic, white, ton	60	0	20	0					
Sulphate	210	0	20	0					
Arsonic, lump, per ton	65	0	70	0					
Powder	60	0	40	0					
Ashe, pot., per cwt	90	0	100	0					
Pearl do	nom								
Bleaching pwr. p.tn	15 0	15 0							
Brax, crystals	51	0	0	0					
Do powder	32	0	0	0					
Cream Tartar	120	0	122	0					
SX powder	120	0	122	0					
Calomel	4 11	5 0							
Iodine, drp	1 1	1 1							
Nitrate of Soda, p.tn	15 0	15 0							
Potash	8 10	9 5							
Chlorate, net	0 5	0 6							
Prismatic	1 24	1 3							
Do Foreign	1 24	1 3							
Sulphate	per ton	25 0	30 0						
Na-Acetate	per lb	1 18	2 0						
Na-Ammoniac, pwt	65	0	70	0					
Soda Bicar., per ton	210	0	20	0					
Crystals, exship, p.tn	27 0	8 0							
Alkali	8 10	9 5							
Carbide	25 0	26 0							
Sugar of lead white, ton	0 0	0 0							
Foreign white	40	0	45	0					
Sulphate Quinine	nom								
English Brands	nom								
Foreign do	1 11	1 1							
Sulphate Copper, p.tn	22 0	20 0							
Zinc, cut	nom								
Sulphur Flour	15 0	17 0							
Do Roll	15 0	16 0							
Vermilion, Chinese, p.tn	1 1	1 4							
English	1 1	1 4							
COPRA—per ton c.i.f.									
Malabar, Mar. M.Y.	nom								
Ceylon	26 15	6							
F.M.S. Singapore	25 12	6							
F.M. Straits	24 17	6							
COCHINEAL per lb	8	0							

Treasury's temporary ability to repay some of its bills, so the rate is little higher at $3\frac{1}{2}$ per cent.

	Mar. 3, 1922.	Feb. 24, 1922.	Feb. 17, 1922.	Feb. 10, 1922.	Previous Rate and Date Changed.
Bank Rate	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	5	5 (Feb. 16, '22)
Banks Deposit Rate	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	3	3 (Feb. 16, '22)
Discount Call	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	3	3 (Feb. 16, '22)
Houses Notice	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$ (Feb. 16, '22)
Market rate (3 months' bills)	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$

* Additional to those offered by tender the preceding week.

The Bank return showed an increase of £1,547,600 in the circulation, and a decline of £1,546,900 in the Reserve. Government securities were reduced by £560,000, and Other securities increased by £91,100, so that deposits were £2,112,100 lower, Public falling by £10,657,200, and Other rising by £8,545,000. There was an increase of £534,497 in outstanding currency notes to £298,810,833, which includes £1,674,041 for notes called in, but not yet cancelled. The fiduciary issue is £249,186,800, or £60,801,600 below the maximum.

THE STOCK MARKETS.

The feverish activity of last week in the Stock Exchange has given way to steadier conditions. Unconfirmed rumours have been current of a resumption of Treasury bond sales, the terms suggested being $4\frac{1}{2}$ per cent. at 99. This helped gilt-edged quotations after a dull opening, and India stocks moved up sympathetically. Attention in the Home Railway market has been turned to the prior charge stocks, but foreign railways have been dull. Nitrates have improved on reports that Germany is buying the commodity again. Industrials were irregular, and there was no improvement in the rubber market. The Kaffir market has been quieter than ever, following the disturbance on the Rand.

COMMODITY MARKETS.

The fall in raw cotton prices, and the easier tendency of the Eastern exchanges, adversely affected the cotton market during the week, and the volume of dealings is considerably less than a week ago. Markets in the wool trade have been quiet, and business has been limited to hand to mouth buying. The price of Cleveland pig-iron remains unchanged, but hematite has again advanced, the price now being 100s per ton, as against 97s 6d last week. Our trade correspondents take pessimistic views of the labour situation in the engineering and shipbuilding trade, while unemployment remains a very serious problem in Sheffield and other centres of the iron and steel industry. An active demand continues for Welsh coal, and the price has advanced to 27s 3d per ton. The position was easier in the wheat markets, and, with a poor demand, prices were slightly lower. Spasmodic buying, in the vegetable, oil, and oilseed markets for immediate requirements is the only feature worthy of notice. Further reductions were recorded at the Bermondsey auctions for hides, but shoe manufacturers are reported to be busier. Supplies of flax in the Irish markets were smaller, and weavers have received promising enquiries.

FOREIGN EXCHANGES.

Wedding celebrations, telephone disturbances, and holidays in Paris have somewhat interrupted business on one or two days, but on the whole dealings have been active. The dollar market has been irregular, and after a rise to over \$4.44 on Wednesday fell back again to \$4.41½ on the following day, to recover yesterday morning again to \$4.43. This uncertainty was perhaps to be expected, but on the whole a further upward movement may be looked for, although at a considerably less rapid rate than during the past few weeks. Future rates show a tendency to widen; one month ahead dollars are still on a parity

with spot, but two months have widened to $\frac{1}{2}$ cent., and three months' to $\frac{1}{4}$ cent. Paris has been even more irregular than New York, the rate being over 49 on the 25th, but after that moving up and down between 48.8 and 48.60, being quoted yesterday morning at 48.35. On the whole, although recovery is less certain than before, lower rates may still be expected. Future rates are unchanged at parity for one month, and one centime below for two. In the mark there is every appearance of another collapse, partly occasioned by disappointment over the exclusion of the discussion of reparation from the Genoa Conference, partly through a reduction of exports, following on the rapid rise in internal prices. From 971 a week ago the rate has moved pretty steadily upward to 108½ yesterday morning. In the lira the definite movement towards recovery, which has been shown during the last few weeks, continues, the rate having dropped from over 86½ to about 83½. Among the neutral exchanges Holland, after the fall, due perhaps to the movement of the proceeds of the recent Dutch loan from America, rose again, and remains about 11.56. It seems rather weak, however, and there is every chance of a further temporary fall. Switzerland, with some irregularity, has on the whole moved in our favour, and Madrid has also moved upward again after its recent recovery. In Scandinavia, Copenhagen and Christiania have improved slightly, while Stockholm has reversed its recent movement, and gone somewhat strongly in our favour. In Central Europe there has at last appeared the welcome information that the stupid distinction between the Austrian Inland and Auslandskrone is at last to be abolished. Unfortunately, no exact date as yet has been announced on which the distinction ends. In the meantime, the Inlands rate is being quoted at 28,000, the Auslands at 24,000 kronen. In Warsaw the recent renewal of depreciation continues, the rate having again reached 18,000 marks. Prague shows a further slight reaction to rather above 260, and information is still lacking as to the suggested loan on the London market. Belgrade, after being about 355, is suddenly quoted again at about 260. The recovery, however, is deceptive, being due apparently to the erection of a monopoly in exchange dealings for the National Bank, combined with an increased stringency on the control of imports, measures, which, as so many preceding ones in Jugoslavia, are almost certain to break down in a few weeks' time. Bucharest, Athens, Sofia, and Constantinople show little or no change. In the East the rupee is much the same, at 1s 3½d, Yokohama again a little cheaper. Silver was weak during the last seven days, and Hong Kong and Shanghai have both fallen in sympathy. In South America, Valparaiso has again moved against us (from 40.80s to 38.50s). Buenos Ayres and Montevideo show little change.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 25, 1922:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	34,570	Supply Services	11,885
Taken from Exchequer balances	664	Interest on Debt	4,090
		Sundries	1,515
		Reduction of Debt	19,230
	35,234		35,234

Property and Income-tax yielded £18,412,000, Customs and Excise £5,265,000, Estate Duties, &c., £1,849,000, and Special Receipts £5,663,528. The substantial surplus of revenue over expenditure which is normal at this time of the year has brought the total receipts for the year above the total expenditure. This will, however, be reversed in the current week by the payment of nearly 20 millions of interest, including the half-yearly dividend on Victory Bonds and certain series of National War Bonds.

The week's operations reduced the National Debt by the sum of £19,290,447, and caused the following changes:—

	Min. £		Min. £
5% Treasury Bonds	+ 975	Treasury Bills	- 12,176
National Savings Certificates	+ 1,775	Surrounders of Bonds, &c.	- 261
5% Treasury Bonds	+ 969	Unemployment Insurance	- 1,515
Sundries	+ 943	Public Department Advances	- 1,515
		Telegraph (Money) Acts	- 700
	+ 1,962		- 11,948

The floating debt was reduced by £19,600,000 to £1,068,866,000.

FINANCIAL YEAR, 1921-22 (TO DATE) APRIL 1 TO FEBRUARY 25, 1922.

Total spent	918,721,097	Raised by revenue ..	925,585,936
Inc. in balances	1,139,187	Net repayments	5,725,652
Total	919,860,284	Total	919,860,284

REVISED ESTIMATES for YEAR 1921-22.

Ordinary Expenditure ..	1,080,418,000	Ordinary Receipts ..	1,058,150,000
Special Expenditure ..	65,705,000	Special Receipts ..	158,500,000
Total	1,146,123,000	Total	1,216,650,000

Surplus 70,527,000

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Dec. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Feb. 25, 1922.
Funded Debt	588	318	318	315	315	315	315	315	315
Term Annuities	30	22	22	20	19	19	18	17	17
3% War Stock	16	14	14	15	15	15	15	15	15
4½% War Stock	2,031	2,063	2,063	2,040	2,008	1,996	1,956	1,948	1,948
4½% War Stock	649	1,636	1,509	1,476	1,441	1,413	1,301	1,201	1,201
National War Bonds ..	..	..	..	..	..	..	..	..	..
4% Funding Loan	..	..	..	409	409	407	405	405	405
4% Victory Bonds	..	..	..	360	367	368	348	346	346
3% Conversion Lm. ..	..	..	..	..	..	..	266	266	266
5-15 year Treas. Bonds ..	..	..	..	..	..	18	23	24	24
5% Treasury Bonds	..	..	..	..	..	..	275	280	280
5% Treasury Bonds	15	961	957	1,107	1,107	1,102	1,060	957	957
Treasury Bills	20	392	384	323	319	292	289	218	194
Exchequer Bonds	..	138	287	267	274	279	285	294	307
Natnl Savings Certs.	..	23	..	..	..	..	..	..	..
War Expend. Certs.	..	944	1,341	1,306	1,181	1,184	1,132	1,097	1,091
Other Debt	..	51	51	51	51	..	..	..	..
American Loan	1	204	455	443	205	306	154	200	112
Temporary Advances	..	..	..	..	..	..	..	..	..
Other Capital Liabilities ..	54	5,872	7,435	8,033	7,829	7,785	7,574	7,748	7,679
Total Liabilities	57	49	46	46	47	47	49	51	50
Total Liabilities	711	5,921	7,481	8,079	7,876	7,832	7,623	7,799	7,729

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.

	Temporary Advances	Out.	Feb. 26, '21.	Mar. 31, '21.	Feb. 25, '22.	week ended Feb. 25, '22.
	standing—	£	£	£	£	£
Advances by Bank of England..						
Advances by Public Departments		189,622,000	154,489,000	111,600,000	111,600,000	1,515,000
Treasury Bills outstanding		1,109,799,000	1,120,841,000	957,265,000	957,265,000	-18,085,000
Total Floating Debt		1,299,421,000	1,275,330,000	1,068,866,000	1,068,866,000	-19,600,000

COALITION AND ECONOMY.

THE political storm which has been brewing for weeks past has burst at last. The continued stagnation of trade, the recommendations of the Geddes Committee in regard to education and other social services, and the failure of the Prime Minister to reproduce in Europe the dramatic success of the Washington Conference are the three chief causes of the Government's rapidly waning popularity. Even in Ireland the outlook is at the moment too unsettled to yield any electoral credit to offset these disadvantages. The by-elections, which appear to be equally fatal to Government supporters, whether they stand as out-and-out Coalitionists or allies reserving a right of independent action, have emphatically underlined this drift of public opinion. The signs can no longer be ignored, and Mr Lloyd George has issued a demand for discipline in the Conservative section of the Coalition, the response to which will determine within the next few days whether the Government can carry on. Even if the present crisis is adjusted, the Prime Minister's drift towards the left in both home and foreign politics is a factor which must very soon make inevitable a change in his relations to the Tory party.

In the meantime, the problems of the moment will not wait. The country has been clamouring to know the Government's decisions on the Geddes Report, and on Wednesday the Chancellor of the Exchequer let the cat out of the bag in a lengthy but well-constructed statement to the House. In total these have proved very disappointing to the business world, for they confirm our forecast that the Government would not embody more than half of the proposed cuts in the coming Budget. Indeed, it is a little worse than we expected, for the Cabinet have only found it possible to adopt half of the lower total of the Geddes Committee. The decisions may be seen in the following summary:—

	Miln.
Total economies proposed by the Geddes Committee	86
Deduct economies which are not definitely specified but are dependent upon policy (Navy, 7 millions; Army, 7 millions; Air Force, 1 million)	15
Deduct specific economies rejected by the Cabinet (including Education, 11½ millions; Navy, 4 millions; Air Force, 1½ millions)	18
Deduct estimated amount of economies accepted which will not become effective in the coming year	10

Net savings in the coming Budget

To this has to be added the 11 millions saved on the naval building programme as the result of the Washington Conference. Hence the net reduction from the Supply estimates will be 54 millions in addition to the 75 millions already saved by the departments.

The detail of the savings is as follows:—

	(Million £.)	Geddes Cut.	Government Out.
Navy	21	..	10
Army (excluding Middle East)	20	..	14½*
Air Force	5½	..	3
Education	18	..	6½
Other items	21½	..	19
Not applicable in 1922	..	..	10
Net cut	86	..	53
Net cut	..	..	43

* This figure includes 1½ millions representing an appropriation in aid receivable in respect of the Rhine Army. The figure quoted by the Chancellor includes 2½ millions saved in the Middle East.

On education the Government rejects the idea of raising the school age, and proposes to take no drastic step in regard to school teachers' salaries, except to deduct a premium for a pensions fund, but it is prepared to increase the size of classes wherever practicable. They have also undertaken to appoint a Commission to consider the question of percentage *versus* block grants to local authorities. Practically all the remaining cuts in civil departments have been accepted. The Government have also done well to accept the principle that the State should cut the very heavy loss on their post-war housing schemes by selling the houses at best market prices. But they have refused to abolish the Overseas Department, and have rejected the proposals to break up the Mines Department into its component parts, and to absorb the Ministry of Transport into the Board of Trade. In these matters we think the Government is well advised to look forward to a better grouping of State functions rather than to attempt merely to return to the pre-war grouping.

As regards the fighting services, the Government has compromised with the economists to an extent which is largely responsible for the whittling down of the Geddes recommendations. If we exclude expenditure in the Middle East, the three services were estimated to cost 158½ millions in the coming year. The Geddes Committee proposed to reduce this to 100 millions after allowing for the saving of 11 millions at the Washington Conference. The Government propose to reduce the figure to 120½ millions. These figures may conveniently be compared with the fact that in 1907 the combined cost of the British Navy and Army was 57 millions, and that the last pre-war estimate, when we were at the height of our naval competition with Germany, was 80 millions.

Industrialists and others who see in the Chancellor's declaration a blow to their hopes of lower taxation would

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well to concentrate on this section of his statement, and ask the Government whether it has even yet given full weight to the diminished necessity for armaments under the new conditions, or have acted up to their own declaration that we may assume there will be no first-class war for at least ten years.

The Government decisions have been interpreted in some quarters as foreshadowing an early election. We do not think this is a fair deduction. Except as regards the fighting services, they seem to us the only possible conclusions at which the Cabinet could have arrived. The education cut is one which no Government could or should adopt, and many of the Geddes recommendations are of a kind which could not be introduced without a change of policy that would not produce results until after a substantial interval. The Committee themselves recall in their last report that though the current Budget is well over £1,100 millions, the items capable of being cut are a comparatively small part of the whole. Their division between the items which can and those which can not be substantially reduced is the following:—

Items Not Substantially Reducible.	Reducible Items.
Million £.	Million £.
Debt charges	345
Other Consolidated Fund services	213
Pensions (civil and military)	158
Expenses arising out of war	191
	710
Fighting services	167
Middle East	27
Civil services	241
	435

The first column the Committee describe as "in the main outside the effective control of the administrative machine," pensions and war charges automatically decline in the next few years, and some important items will drop out altogether. When the departmental and other cuts are compared with the size of the joint from which they are carved, a fair critic must recognise that they represent a very substantial commencement. In asking for a reduction of 100 millions, in addition to the 75 millions cut by the departments, the Chancellor admits that he "had some margin in view," and that he "named a figure which was well outside the actual sum of money which he expected to save." The country will probably regard this remark with suspicion, and it will rightly insist that the pressure must not for one moment be relaxed. But, except as regards the fighting services, the supply departments do not afford a source of further large reductions except in so far as wages, &c., may fall with a reduction in the general price level.

Sir Robert Horne was less successful in showing the relation of the Government decisions to the general financial position, and confused the issue by quoting figures which included supplementary estimates, some of which relate to special liabilities such as the railway subsidy, &c. His statement, however, does not in any way modify our view that a saving of about 50 millions in addition to the departmental economies would not do more than offset next year's declining revenue; and that any remission of taxation can only be achieved by reduction in items outside the supply services proper, notably in the debt charges, or in an unexpectedly favourable balance between receipts and liabilities in the war liquidation account. In saying this we assume that the Government will refrain from the unsound device of borrowing to pay pensions. Industry can only be assisted by reduced expenditure. The capital available for trade cannot be increased by merely substituting loans for taxation.

A BETTER OUTLOOK IN EGYPT.

WITH the Prime Minister's statement in the House of Commons on Tuesday, and the formation of a new Ministry in Cairo, Egypt emerges from the deadlock quite needlessly created three months ago by the rupture of the London negotiations and the British Government's departure from the statesmanlike recommendations of the Milner Commission. No Minister can probably be expected to confess to a complete reversal of policy, even when it is as clearly shown as in the two White Books laid before Parliament twelve weeks ago and this week, and one may dismiss as a mere piece of rather clumsy camouflage Mr. Lloyd George's assurance that the policy which he has now pronounced is only a development of the policy

which at the end of last year denied to Egypt, or at least postponed indefinitely, the far-reaching concessions now made to her. Nor is there any need to stress the point that the new policy has been clearly wrung out of Ministers by Lord Allenby's insistence that in his opinion, and in that of his British advisers on the spot, it is the only practicable policy at the present juncture, unless this country is prepared to do now what His Majesty's Government were not prepared to do during the war—i.e., to proceed to the formal annexation of Egypt. We prefer to take Mr. Lloyd George's latest declaration as it stands. His Majesty's Government desire forthwith to recognise Egypt as an independent sovereign State, and in view of the vital interest to the British Empire of the relations between His Majesty's Government and Egypt, they place the following principles on record—viz., that the British Protectorate over Egypt is terminated, and Egypt is declared to be an independent sovereign State; that martial law is to be withdrawn as soon as the Egyptian Government shall have passed the necessary Act of Indemnity, and that, pending agreements by free discussion and friendly accommodation on both sides, His Majesty's Government reserve to their own absolute discretion the security of the communications of the British Empire in Egypt, the defence of Egypt against all foreign aggression or interference, direct or indirect, the protection of foreign interests and of minorities, and, finally, the Sudan. Pending the conclusion of agreements on these reserved matters, the *status quo* in regard to them shall remain intact.

This is obviously not yet a solution of the Egyptian problem, which will only be reached when agreements are concluded in regard to the very matters on which an agreement failed to be reached during the negotiations last summer between Lord Curzon and Adly Pasha, then Egyptian Prime Minister. But the new declaration of British policy re-opens the door for "free discussion and friendly accommodation," which the British Note of December 3rd seemed to have closed with a bang, and it re-opens it—let us not hope once more too late—under conditions which, in so far as it constitutes a genuine attempt to meet Egyptian national aspirations, may be expected to promote in Egypt a reciprocal understanding of reasonable British demands. It would be unwise optimism, however, to forget that partly through our own blunders in the past, and partly owing to the prolonged and devastating agitation conducted by Zaghlul Pasha and his Extremist followers, a profound distrust of British good faith has grown up in Egypt, and a declaration, however satisfactory in terms, will not be accepted, perhaps, without very close scrutiny when it is seen to be in substance conditioned upon ulterior agreements of a still vaguely defined scope and purpose.

The best hope, that a sufficiently large body of responsible opinion in Egypt will at least give His Majesty's Government the benefit of the doubt in regard to the all-important matters still reserved for "free discussion and friendly accommodation," rests, it must be admitted, not so much on the effect which Mr. Lloyd George's statement itself will produce upon the Egyptian people as on the new-born confidence which the courage and determination of the High Commissioner has inspired, even amongst Egyptians who had begun to despair of British honesty of purpose. Lord Allenby has undoubtedly gone back to Cairo with an authority and prestige comparable only with Lord Cromer's at the apogee of his great career, and Egyptians will be all the more ready to rely on his determination to secure a real and permanent adjustment of the essential interests of Great Britain to the new status of Egypt as an independent sovereign State in that he has himself frankly recognised the impossibility of carrying on without the co-operation of a friendly Egyptian Government, which cannot be secured except on the basis of such an adjustment as our many promises before, during, and since the war, have led Egypt to expect. It is of happy augury for a settlement that Lord Allenby, who is a great soldier, evidently sees no insurmountable obstacle to it in the question of the British military force, to be retained in Egypt, which appears to have bulked unduly large at one time in the eyes of some of our amateur militarists in the Cabinet.

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From his own experience in command of the expeditionary force which conquered Syria, he knows better than anyone that if we were able to make free and full use of Egyptian territory during the war as a safe base of operations, it was due not merely to the presence there of a small army of occupation when hostilities broke out in 1914, but also the assistance abundantly rendered by the Egyptian Government and, whatever the sentiments of some sections of the population may have been, by the Egyptian people as a whole.

By no means the least noteworthy passage in the Prime Minister's pronouncement was his extremely emphatic "hands-off" to foreign Powers. It was a warning, however, not only to them but to the Egyptians, and one which it may be hoped the latter will take seriously to heart. For one of the many extraordinary anomalies of the Egyptian situation is that owing to the backwardness of the Egyptian people almost the whole financial, industrial and commercial machinery which ministers to the economic life of Egypt is still in the hands not of the Egyptians but of the large foreign communities established in Egypt. Under existing treaties concluded when Egypt was a province of the Ottoman Empire, the system of capitulations has conferred upon those communities a privileged position, which in many ways affects very prejudicially the fiscal independence and even the good government and administration of Egypt. It is not unnatural that Egyptians should resent the continuance of that system, and the British Government have undertaken to obtain its modification by friendly negotiations with the Powers concerned. But the Powers, on the other hand, cannot be expected to consent to its modification unless they are assured that the vital interests of their subjects resident in Egypt will be equally safeguarded without the capitulations by the effective maintenance of law and order in an independent Egypt released from obsolete Treaty servitudes. Here everything depends on the capacity of the Egyptian people for the self-governing institutions which are in a great measure to replace the control hitherto exercised by Great Britain. So far as internal administration goes, the standards of a self-governing Egypt may fall short in efficiency of those which the British control has done a great deal to establish. That may be said to concern in the main the Egyptians themselves. What is essential to everyone is that they should maintain sufficiently high standards to safeguard the legitimate interests of the foreign communities in Egypt—and the British community, it must be remembered, is only one amongst many, and not, in some respects, the most important—not only because Egypt cannot do without them, but because if she were to fail in her duty towards them no Monroe Doctrine that we may proclaim in relation to Egypt would avert the danger of foreign intervention, and that would inevitably mean, as it did in 1882, and in spite of all our best intentions, the assumption once more by this country of responsibilities which His Majesty's Government are now rightly anxious to devolve at last upon a free and independent Egyptian nation.

OUR INDEX NUMBER.

ANOTHER small decline in wholesale prices of commodities is recorded in our Index Number for February, the total falling by 25 points from 4284 to 4259. This compares with 5176 a year ago, 8352 at the end of March, 1920, the highest point, and 2565 at the outbreak of war. During February, movements were more irregular than in recent months, and as will be seen from the table below, two of the five groups show an increase on balance:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	Percentage Change.
Basis (avg. 1901-5)...	500	300	500	400	500	2200	100.0
End July, 1914....	579	352	616	464	553	2568	116.7
" Dec., 1915....	897	446	731	711	848	3634	165.1
" Dec., 1917....	1286	686	1684	839	1348	5845	263.8
" Nov., 1918....	1289	782	1848	903	1889	6212	282.8
" Dec., 1918....	1303	782	1805	866	1337	6094	277.0
" Dec., 1919....	1441	881	2442	1145	1453	7364	334.7
" Mar., 1920....	1508	914	2974	1248	1709	8352	377.6
" Dec., 1921....	1344	805	1284	1216	1275	5924	269.8
" Dec., 1921....	921	636	1106	762	931	4357	198.0
" Jan., 1922....	907	654	1066	730	925	4284	194.7
" Feb. "....	948	640	1037	696	936	4259	193.6

The indices for each individual commodity as at the end of February are set out below, together with the changes in comparison with the end of January figures. The figure 50 represents in each case the average price during the base period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	107	+ 12	Cotton A.	97	+ 5	Copper	484	- 5
English	89	- 7	Cotton E.	122	+ 5	Minerals	696	- 33
Flour	102	+ 18	Yarn	106	+ 1			
Barley	91	- 2	Cloth	189	- 1			
Oats	85	- 2	Wool, Eng.	92	- 2	Baltic timber	1114	..
Potatoes	89	- 1	Ass. Wool	184	- 1	Amer. timber	974	..
Rice	101	- 2	Silk	142	- 2	Leather	734	- 5
Beef	92	- 2	Flax	142	- 2	Petroleum	137	..
Mutton	92	+ 3	Hemp	54	- 2	Oils	79	..
Pork	100	+ 3	Jute	79	- 1	Oilseed	88	+ 15
						Tallow	63	+ 3
Cereals & Meat	948	+ 40	Textiles	1037	- 29	Indigo	149	..
						Crystals	125	..
Tea	103	- 4	Pig-iron	97	..	Rubber	114	- 1
Coffee	144	- 5	Steel rails	79	..			
Sugar cane	106	- 1	Iron bars	92	- 4	Miscellaneous	936	+ 11
Sugar beet	84	- 3	Coal, steam	122	- 4			
Butter	116	- 3	House coal	115	- 2	Total	4259	- 25
Tobacco	116	- 3	Lead	86	- 12			
			Tin	56	- 5			
Other foods	640	- 14						

Primary foodstuffs show an advance of over 40 points. Wheat, both home and foreign, and flour were responsible for this, for there were no other movements of importance. Mutton and pork were slightly higher, but beef dropped a little, and a slight rise in oats was offset by a small decline in barley. The advance in wheat prices has followed a similar movement in America, which has resulted from unfavourable crop reports from the United States and an increase in buying on the part of European

countries. In the second group of foodstuffs, tea, coffee, sugar, and butter all show slight downward movements.

In the textile division, cotton and cotton yarn were higher on balance, but cotton cloth was a shade lower, while a slight advance in home-grown wool was balanced by a drop in Colonial wool. The decline in the total for the group is due to a sharp fall in silk and flax.

The tone of the cotton market showed an appreciable improvement towards the end of the month. In their monthly cotton market report, Robert Barbour and Brother, Ltd., write:—

The amount of business booked is still far from sufficient to absorb existing output, reduced as this is, much less provide work for machinery at present lying idle, but still there is encouragement in the knowledge that inquiry has broadened out both in quantity and importance, and the new note of optimism which has spread over the market generally has, at any rate, something behind it to warrant the hope that relief may not after all be very far off.....Whilst China has again led the way in purchases of a more or less miscellaneous character, moderate in quantity and embracing principally grey and bleaching shirtings, there has been more activity displayed by India. Light fabrics have predominated, and Calcutta has been the principal buyer. In the majority of cases offers have had to be referred back, but there are numerous concerns prepared to keep their looms going at unprofitable rates rather than stop altogether, and, unsatisfactory as the prices may be at which transactions have recently been negotiated, so-called weak sellers are still sufficiently plentiful to account for bids from abroad being pitched on so low a basis.

In the wool trade, worsted spinners are still employed on old contracts, while several woollen and worsted cloth mills have resumed full-time working, and others are engaged on overtime. Further heavy reductions have been made in accumulated stocks.

In the minerals section, coal prices show little change on balance, but a considerable improvement in the export trade was reported at the end of the month. The output for the week ended February 18th reached the satisfactory total of 5,000,800 tons, as against 4,912,500 tons in the previous week. No change has been made in quotations for pig-iron and steel rails, but iron bars have again fallen. Reports from the North speak of increasing demand for pig-iron, and of the blowing in of additional blast furnaces.

Lead, tin, and copper are considerably lower on balance. The improvement in the New York exchange rate is partially responsible for the decline in copper, and excess of supply is one of the chief reasons for the weakness of tin quotations. Copper now stands below the basis figure, which is the average for the years 1901-5. In the miscellaneous group, leather and rubber were down, but there was a sharp advance in oilseeds.

The end of February total is 66 per cent. above the pre-war level, as may be seen from the following table, which shows how each of the groups at present compares with the level prevailing at the end of July, 1914, the figure for which is taken as 100:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100
Dec., 1918	226	222	293	186	241	236
Dec., 1919	249	250	396	247	263	287
March, 1920	261	260	484	269	309	325
June, 1920	261	263	415	278	281	305
Dec., 1920	233	229	209	261	230	231
March, 1921	209	206	167	216	203	198
June, 1921	203	188	158	210	185	188
Sept., 1921	193	195	204	189	178	192
Dec., 1921	159	180	180	164	168	170
Jan., 1922	157	186	173	158	167	167
Feb., 1922	164	182	168	150	169	166

Last month's reduction in the minerals section has reduced the average to 50 per cent. above the pre-war figure, the lowest level which any group has yet touched since the end of the war. Subsidiary foodstuffs still remain the furthest from the normal, but the percentage increases in the three other groups approximate to that of the total. *Bradstreet's* index number of wholesale prices in the United States for the end of January, at \$11.4190, shows an increase of 31 per cent. on the pre-war level, a slight increase as compared with the previous month. The *Frankfurter Zeitung's* figure for Germany as at February 1st stands at 3955, as against 3585 at the beginning of January. The official figure for France for December shows an increase of 220 per cent. over 1914, as against 206 for November. The *International*

Labour Review, issued by the League of Nations, in an examination of retail food prices in various countries, states that while at the end of 1921 food prices in the United Kingdom were 1.85 times higher than in July, 1914, in France they were more than three times, in Belgium more than four times, in Italy more than five times, in Berlin more than twenty times, and in Vienna no less than 605 times as high as the pre-war level.

THE CASE FOR LOWER RAILWAY CHARGES.

In an article on Home Railway Results, last week, we endeavoured to analyse results for the year 1921, so as to show how the railways had fared since decontrol. The approximate figures, in which there is a considerable element of estimation which we explained last week, are as follows:—

	(Million £.)	Jan. to March.	April to July.	Aug. to Dec.
Receipts	56	59½	104½	
Expenses	59½	76	90	
Surplus or deficit.....	—3½	—16½	+14½	
Ratio of expenses to receipts....	106%	126%	86%	

Broadly, the analysis justifies the conclusion that the companies made since August a profit of nearly three millions sterling per month—i.e., at the rate of £36 millions a year. In order to pay dividends at the rate of 1921, the net income should be £45 millions, since the railway companies in the year that is past brought into account, by means of the Government subsidy, £45½ millions, and reduced their carry forward by nearly half-a-million. The statistics published up to the present are not very satisfactory as an indication of the trend of traffic, and the period is too short to draw very definite conclusions; but in four months of last year there is evidence of increased carriage of goods, though the number of passenger journeys did not increase:—

	Passenger Journeys. Millions.	Goods Carried. Tonnage.
August	115	22,961,199
September.....	104½	23,235,223
October	101½	23,699,158
November	95½	24,610,539

It is, however, significant that in comparing 1921 with 1920 the passenger train miles increased substantially, whereas the number of passengers was some 10 per cent. below the previous year. But as the economic situation improves and unemployment falls, there is likely to be an increased carriage both of goods and passengers, though the recovery may be slow. On the other hand, working costs are still falling through the reduction of wages (there was a fall of 4s per head per week as from January 1st), fuel and other commodities. These factors will steadily enlarge the present margin between receipts and expenditure of three millions a month in the direction of the four millions per month required to pay existing dividends out of current income.

There remains, however, at the disposal of the railway companies the very substantial sum of nearly £19 millions, the amount left over after using four millions as dividend out of the £23 millions which they have this year received from the Government. There will also be a second instalment, amounting to £28 millions, which the companies are to receive 12 months hence. In the Railways Act no limitation has been put upon the use of the compensation fund, which even specifically states that it may be used for payment of dividends. The compensation fund itself is the result of a bargain between the companies and the Government, and compromises a large number of claims based on the very vague agreement under which the Government assumed control at the outbreak of war. The nature of the negotiations makes it impossible to allocate the fund to any particular purpose, and its proper application can only be based upon general considerations of public policy. The justification for the payment is twofold. On the one hand, it may be claimed that the property returned to the proprietors in August of last year was a depreciated one

THE ENGINEERING CRISIS.

(FROM A LABOUR CORRESPONDENT.)

AFTER railways and mines, engineering. Since the end of the war there have been serious disputes involving stoppages of work in the mining and railway industries. And now it appears probable, at the moment, that there may be a national stoppage in the engineering industry. Should the efforts to end the dispute by negotiation fail, it is not unlikely that the engineering lock-out will be as serious in every way as the railway strike of 1920 or the long stoppage in the mining industry nearly a year ago.

The Engineering and National Employers' Federations have declared a lock-out of the members of the Amalgamated Engineering Union, the largest union in the industry, for March 11th. There is no doubt that if such notices to the men be not withdrawn the stoppage will involve the whole industry. The question at issue is not one of wages and hours, though these may be drawn into the dispute. Where wages and hours are concerned compromise is possible, and, as often as not, settlements are reached by compromise. The question in the engineering trade is one of principle, and on such questions what purports to be a compromise is in reality a defeat for one of the parties to the dispute. The issue which has been raised has been described by the Employers' Federation as one "which affects not only the engineering industry, but the whole industry of the country and other countries besides—namely, have the employers the right to exercise their managerial functions, or is industry to be carried on under dual control or subject to the right of veto by the union?" Sir Allan Smith, indeed, has gone so far as to say that "the issue at stake is no less than this: Is industry in this country to be carried on on a Soviet basis, or on the basis of private enterprise?"

This extravagant language may be intended to scarify the public into support of the employers, but it is not a statement of fact. No question of Sovietism or the abolition of private enterprise is involved. On the other hand, the unfettered right of employers to dictate working conditions is certainly raised. A difference has arisen as to whether the employers alone shall determine when overtime is necessary, or whether it shall be determined jointly by the employers and the workers. The employers interpret the agreement of September, 1920, as meaning that they shall, in the exercise of their "managerial functions," decide. Nearly a year ago trouble arose on the question of overtime, but open hostilities were averted. In November last the representatives of the Employers' Federation and the Amalgamated Engineering Union agreed to a memorandum as follows:—

"1. The trade union shall not interfere with the right of the employers to exercise managerial functions in their establishments, and the Federation shall not interfere with the proper functions of the trade union.

"2. In the exercise of these functions the parties shall have regard to the provisions for avoiding disputes of April 17, 1914, which are amplified by the shop stewards and works committees' agreement of May 20, 1919, and to the terms of other national and local agreements between the parties.

"3. Instructions of the management shall be observed pending any question in connection therewith being discussed in accordance with the provisions referred to. It is agreed that in terms of the overtime and night agreement of September, 1920, the employers have the right to decide when overtime is necessary, the workpeople or their representatives being entitled to bring forward, under the provisions referred to, any case of overtime they desire discussed. Meantime, the overtime required shall be proceeded with."

This agreement appears to be a complete surrender on the part of the A.E.U. executive. In fact, they submitted to *force majeure*. The union executive realised that nearly a quarter of their members were already unemployed, that during the previous eighteen months the union had distributed nearly two and a-quarter million pounds in out-of-work pay to members, and that its invested funds amounted only to three-quarters of a million. Anxious to avoid a stoppage, the committee recommended the

owing to inadequate renewals and maintenance, or because the stores were at a lower level than when the companies were taken over. On the other, it may be said that the companies were handed back an enterprise less capable of making profits than before, because labour and other costs, thanks in part to agreements made by the Government during control, are much higher than in 1914, while rates and fares are limited by Government action and by the state of trade. In so far as the compensation fund is justified by the first of these, a conservative financial policy would reserve the money for capital replacement. It is, however, the prevalent opinion—and we believe a well-grounded one—that the greater part of the war deterioration of the railways was made good before control ceased, and that if the whole of the present fund were used for capital purposes it would definitely involve the betterment of the property compared with its condition in 1914. In so far as the fund was intended to enable the companies to meet abnormally high and possibly temporary costs, the trading community may well urge that, in the interests of trade revival, rates and fares should be lowered and the fund used while it lasts to make good whatever deficit there may be below the £46 millions required for dividends.

This is, however, by no means the whole of the case of the traders and the travelling public. Evidence is accumulating daily that many industries are at a point where a slight reduction of cost or a little encouragement to enterprise will make the difference between the placing and non-placing of orders. The railway spokesmen, in discussing rates with the traders, have frequently urged that any concessions they might make are so small compared with the big margin between British and foreign prices, that lower rates would not produce larger traffic, and that therefore it would be better to wait for the psychological moment when trade is on the turn. We believe that moment has come, and that a bold policy by the railway managers would give a distinct impetus to trade generally, which, by increasing the volume of traffic, would maintain, or at the worst only very slightly diminish the railway companies' net receipts.

Even if the railways only contemplate subsidising dividends in January, 1922, from the compensation fund, to the same extent as they have done this year, the users of the railways can fairly claim that the whole reduction of costs since January 1st should be returned to them in lower rates and fares; while the argument as to the probable development of traffic, combined with the fact that the companies can in emergency draw on the compensation fund to a very much larger extent, are strong arguments for a policy of much larger reductions of rates and fares.

These arguments assume that it is necessary to maintain the present level of railway dividends, a course eminently to be desired by the railway shareholder. But we must remember that in passing the Railways Act of 1921 Parliament deliberately refused to concede the request of the railway companies that the doctrine of "standard revenue" should apply as from the passing of the Act. The complicated instructions to the rates tribunal on this subject are only applicable when the new rating system comes into force on the "appointed day." In the clauses dealing with the interim period which Parliament and the Minister of Transport realised would include a period of very bad trade, the Rates Tribunal was deliberately left a free hand. It is hard to see on what grounds of equity holders of ordinary railway shares can claim to receive an invariable dividend while every other undertaking in the country is suffering diminished profits. Still less have they a claim to retain that dividend by keeping rates and fares at a maximum and at the same time to put aside for the betterment of their property or use for supplementary dividends a very large sum of money provided out of the taxpayers' pocket. This is the case for the public as we understand it, and unless our general impression with regard to renewals and the present state of railway property is radically wrong, something more helpful is required from the companies than the *non possumus* attitude adopted by some of the chairmen in their recent speeches. The public is finding it a little difficult to reconcile the plea of poverty with the boom in all classes of railway shares.

members to accept the agreement. Before the agreement could become operative it was necessary to take a ballot of the members. Notwithstanding the recommendation of the A.E.U. executive 35,525 members voted for and 50,240 against acceptance of the employers' ultimatum. No doubt, feeling against the agreement was strengthened by what appears to the members of the engineering union to be the absurdity of men working overtime when others are out of work, but the decision of the ballot vote was primarily determined by the new temper and attitude of the active rank and file.

In no union has the idea of "industrial control" made more headway than amongst the engineers. It was in the engineering industry during the war that the shop stewards and workers' committees movement took the firmest root and coloured the outlook of the organised workers. The issue presents itself to them not as one between soviet government and private enterprise, but as one between industrial autocracy and an approach towards industrial democracy. It is not even, as the Employers' Federation suggest, a question of "the right of veto by the union"; rather is the question one of "the consent of the governed." Is overtime to be worked on the unchallenged fiat of the employers, or is it to be worked subject to joint agreement between the employer and the workers? To the employers it may appear that the principle of the "consent of the governed" would be unwarrantable interference with their "managerial functions," an attack upon their "divine right" to govern. But on the workers' side it appears as a straight issue between autocracy and democracy.

It will be clear, therefore, the point in dispute is one of principle, and consequently there can be no real compromise. Overtime will be worked either with or without the consent of the workers. Either the employers will have their way or they will be driven to concede the principle. It is, of course, possible that an agreement may be reached in which one side appears to have saved its face, but it will have gained the shadow and not the substance. It may be admitted that the Employers' Federation holds all the cards. Circumstances are against the Union; and whether a lock-out is averted or not, it seems likely that the employers will for the time succeed in upholding the theory of divine right.

It can, however, only be for the time. The conception of industrial democracy is rapidly spreading through the trade union movement, and it will not be stamped out by the victory of the Engineering and National Employers' Federations. On the contrary, it may but strengthen the new movement. A British monarch lost his head for defending the same principle as the Employers' Federation are now striving to maintain. It ought to be a warning to employers who believe that industry is static and governed by principles different from, and alien to, those which govern other sides of human activity and the life of the State itself. The day has gone by when the workers (many of whom are at least as well educated as their employers) will continue to submit to the dictatorship of employers and to admit that employers have undisputed rights to the exercise of "managerial functions." It is not suggested that the adaptation of industry to the ideas of democracy will be an easy business. It is not supposed that the transition can be made without at the same time the prevailing ideas of industrial democracy being modified in the light of experience. But it is certain that the new outlook of Labour will tend to press this question more to the front in the future. And future prospects will not be rendered any brighter by the temporary defeat of the engineers.

As regards the immediate situation, it is one of the utmost gravity. The A.E.U. asked for a meeting with the employers after the Federation had issued lock-out notices. The meeting ended in a deadlock. There is another complicating factor in the shipbuilding situation. The employers have suggested a reduction of 26s 6d per week, the first cut of 16s 6d to be made on March 15th. On a ballot vote the Engineering and Shipbuilding Trades Federation decided by 10 to 1 against acceptance of these terms. If no compromise can be reached it is expected that the shipbuilding employers will declare a lock-out which will synchronise with that declared by the engineering employers. It may be, therefore, that the

allied industries of engineering and shipbuilding will become involved in a common stoppage. This is the more likely since the Engineering and National Employers' Federations have intimated their intention of raising questions of wages and working conditions. If the engineering and shipbuilding industries both come to a standstill, a more serious social crisis will arise than arose during the last railway and mining disputes.

A FRENCH SUGGESTION ON REPARATIONS.

THE outstanding importance which is evidently assigned in the British financial and business world to the Reparations question is arousing discussion in France, where there is clearly a desire among many sections to see the problem as Great Britain sees it. This has given rise, as it did some months ago in this country, to many schemes and suggestions, one of which has recently come into our hands from a source representative of a liberal school of thought. As it brings out the points at which opinion in the two countries converges and diverges, we reproduce it in full.

Any practical scheme for the reconstruction of Europe must needs provide for a settlement of the Reparations problem which will allow France to rebuild her devastated provinces without being crushed under an iniquitous and disastrous financial burden; will exact the maximum effort from Germany without driving her to ruin, despair and bad faith; and will give both countries such security as to lead to their moral and material disarmament. The following scheme has been inspired by the above considerations:—

1. The whole of that part of the German indemnity which does not arise from the devastations is to be made the object of special treatment. It is impossible to cancel it as long as the Inter-Allied debts are being maintained. But a declaration must be made to the effect that this part of the German indemnity is to follow exactly the fate of the Inter-Allied debts as regards both interest and capital, and that any cancellation of Inter-Allied debts will immediately be followed by the cancellation of a proportionate amount of German indemnity.

2. The sums claimed for rebuilding the devastated area are to be revalued according to the experience acquired in the reconstruction work. Mr Keynes, while trying to reconcile what is just and what is possible, has adopted a figure of 21 milliards of marks. But he neglects the claim of Italy and of other small nations, and there are in his estimates obvious errors and omissions, the possibility of which he himself admits. France alone has already spent, on reconstruction only, a sum equivalent to 18 milliard gold marks, and the work is not even half completed; whatever waste there may have been can only be a small percentage of the total.

We believe that the revaluation will come to an approximate figure of 50 milliards of gold marks—i.e., about 35 milliards for France, 6 for Belgium, 6 for Italy, and 3 for the other smaller nations.

3. To redeem this debt of 50 milliards of gold marks on the basis of interest at 6 per cent. plus amortisation at 1 per cent., an annuity of 3½ milliards of gold marks will be necessary during 33 years. Germany can deliver yearly over one milliard in goods or services, and she can pay without excessive difficulties about another half-milliard in cash. This total amount of 1½ milliard marks she must go on paying every year to her creditors, as she is doing now.

This leaves an outstanding balance of 2 milliards, representing a capital of nearly 30 milliards of gold marks. Of course, we may hope that, with an amelioration in the economic conditions of the world, Germany will be able to increase her annual payments. But it is not certain, and it is dependent on the restoration of the general economic situation, which is itself conditional on the settlement of the Reparations problem.

But it is now or in the next few years that France and Belgium need capital, either to reimburse expenses already incurred or to pay for reconstruction work while it is going on. It is therefore necessary to issue from 1922 to 1930 a series of international loans for an amount of nearly 30 milliards of gold marks. Under present conditions, nobody will subscribe to any loan secured only with German annuities.

Additional guarantees are indispensable. The already suggested delivery of preference shares of German industries and mortgages on German property might be useful, but will be still insufficient as a guarantee.

Now, we appeal to the world's conscience and to the Government's sagacity, and we ask each of the countries interested in the salvation of Europe: Are you ready to take a comparatively small risk, or even to pay a sort of insurance premium for the world's peace and the restoration of economic stability? You need only yourself give an additional guarantee, each of you undertaking to pay a proportion of the interest on the loans in case of German default.

The answer to this question will, of course, depend upon the size of the commitments which the adoption of this proposal would entail. The following schedule will show approximately what each country's share would be according to the number of its population, its wealth, and the degree of interest it had in the settlement of the question. The co-operation of the United States of

America being doubtful during the first few years, column 2 shows the percentages in case they refuse to participate:—

United States of America	1.	2.
Great Britain and Dominions	30	..
France	25	..
Italy, Japan	15	..
Belgium	7	..
Spain	2	..
Holland, Sweden, Norway, China, Brazil, Argentine, each	3	..
Denmark, Switzerland, each, and smaller South American Republics	1	..
Czecho-Slovakia and Chile, each	1	..
Roumania	1	..
Poland, Greece, Yugo Slavia, each	1	..

NOTE.—The figure mentioned is a percentage, but the annuity to be guaranteed being £100,000,000 (gold), it also shows in million sterling the maximum annuity any given country may be called upon to pay in case of Germany failing to pay more than 1½ millions in any year.

Let us take, for instance, the case of Great Britain and her Dominions. If Germany defaulted, they would be called upon to make annual payments which would reach in 1930, when all the loans provided for are issued, a maximum of £25,000,000 (gold) in the first case, or £33,000,000 in the second. This maximum liability for Great Britain and her Dominions would not be more than 2½ to 3 per cent. of the British Budget alone.

Is it necessary to say that it is highly improbable that Germany will totally default, especially if Europe is restored thanks to the solution of the great problems, including that of Reparations? And even if this eventuality did arise, would it not be in the interest of Great Britain to bear this financial charge rather than see Europe's peace indefinitely threatened, both France and Germany ruined, and the world unable to regain its economic balance? Would not this comparatively small sum be easily recovered through economies in armaments or in unemployment doles; economies which the great progress towards the reconstruction of Europe will render possible?

One may take two different views. Either one believes that Germany can pay the sums necessary for Reparations—what objection can there be to underwriting a risk which will not materialise?

Or one believes that Germany will not be able to pay. Does this mean that Belgium, who saved the world in 1914, and France, who has paid more than her share in men, alone should bear the burden of devastation which they suffered in the struggle for a common cause.

A refusal to participate in the risk of a German default would be an admission that their former Allies do not care if France and Belgium, having nothing more than a bad debt in hand, alone pay the price of the common victory, even at the cost of their ruin. We have no doubt that the adoption of this scheme, since it would alleviate the crushing burden of the Reparations problem, would immediately be followed by the most favourable consequences, from the political, the economic, and the moral point of view. Its success would enable the Governments to deal with other problems, and to consider the advisability of adopting a similar plan for the reconstruction of Russia.

This scheme is interesting as giving expression to what we believe is now a widespread view in France, namely, that the French reparation claim should be written off *pari passu* with the inter-Allied debt. It also recognises that there is a case for revaluation of damage, though it does not go quite so far as Mr Keynes in appreciating that this revaluation may have to be made a variable figure depending upon changes in the value of gold. It is also significant as recognising the very definite limitation to the amount which it is practicable for Germany to pay as an annuity, at all events in the near future. In these matters opinion in the two countries is on common ground. We think, however, that there is little likelihood that, in addition to surrendering the Allied debt and her share of reparation, Great Britain would also guarantee an annual sum as is suggested in this article.

Notes of the Week.

The Preliminaries of Genoa.—The meeting of M Poincaré and Mr. Lloyd George at Boulogne on Saturday has confirmed the anticipation that the Anglo-French situation would become clearer, and that sharper definition was about to be given to the task of the Genoa Conference. The result of the conversation of the Premiers is briefly that revision of the Treaties is not to come up for discussion at Genoa, that reparation is to be excluded, that recognition of the Soviet Government is to depend upon the behaviour of the Soviet Government at the Conference, and upon the guarantees which it gives for the recognition of private property, and finally, that any developments arising out of the Conference will be brought into proper relation to the

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League of Nations, which must remain the permanent machinery for international co-operation. It is said that as a result of this understanding, negotiations are proceeding which, it is believed, will enable an Anglo-French Pact to be signed within a few days. But, though the decisions are calculated to remove some of the causes of friction between England and France, and will certainly enable preparations for the Genoa Conference to proceed more smoothly, they do not remove the greatest of the difficulties between the two countries. In the first place, the problem of the Anglo-French Pact does not appear to have been simplified in any way. If Mr Lloyd George retains his old sense of the drift of public opinion he will have realised that no special Anglo-French Pact will be acceptable in Great Britain until the views of the two nations on outstanding political questions are harmonised. The chief of these are Reparations and the situation in Asia Minor. A Pact should be the keystone of an arch built upon the solid foundations of mutual understanding on either side. It is futile to attempt to build it from the top downwards. Moreover, it is contemplated that the Genoa Conference may give rise to a general undertaking to be entered into by many of the nations of Europe to prevent aggression. In other words these countries would undertake a more binding obligation than is imposed by Article 10 of the Covenant of the League. Such an undertaking would, it is hoped, be a preliminary to substantial land disarmament. But it would surely be a mistake to precede such an undertaking with a Two-Power Pact to be signed in the next few weeks. Its form would prejudice the discussion of the wider undertaking to be taken at Genoa, and if its observance is dependent upon the interpretation of the two Powers concerned, it may clash with the more general understanding whose interpretation must be subject to the Council of the League of Nations. As regards Reparation, the Chancellor of the Exchequer is to meet the Allied Finance Ministers on the 8th inst., to consider the division of the German payments, the assessment of the expenses of the Army of Occupation, the Wiesbaden Agreement, and the National Convention of August 13th. There is reason to believe that the attitude of the French Government, as well as opinion in France generally, is not so far from the British point of view as has recently seemed to be the case, and this meeting may, perhaps, be an important step towards a better understanding. But even if all difficulties were removed, there remains in the background of any discussion which may take place at Genoa, or elsewhere, the problem of the relation of politics to financial reconstruction. This is illustrated in the case both of Austria and Russia. In the case of Austria the loans shortly to be made to that Government must clearly be safeguarded by some sort of guarantee as to internal finance, but at the moment only one Government is definitely committed to an advance. It is, therefore, not unnatural that a representative of the lending Government should be in Vienna to secure the observance of the necessary financial conditions, and the Austrian Government has this week indicated to the Finance Committee of the League of Nations that it holds this view. But clearly there are serious difficulties in this principle, for if no other Government advances money, the borrowing country places itself in a position of undesirable dependence upon a particular lending nation, and we should be in danger of seeing once more a scramble for financial influence

over the various countries in Europe and elsewhere. On the other hand, if other countries lend and appoint their "controllers," there is confusion of policy. It was this consideration which led the Brussels Conference to conceive the idea of a League of Nations Committee which would be free from the suspicion of encouraging the interests of any one nation. It is most important to preserve this principle of reserving any financial pressure or guidance in the hands of a body with the neutral standing which connection with the League confers. The principle applies with equal force to the larger field of Russia.

Indian Budget Statement, 1922-23.—The Finance Member of the Indian Legislative Assembly, Sir W. M. Hailey, presented the Budget statement of the Government of India on March 1, 1922, according to a report issued by the India Office. He began by pointing out that the balance of trade for the 10 months ended January was 33 crores against India, and proceeded to state that the anticipated small surplus of 71 lakhs in revenue and expenditure for 1921-22 had turned into a deficit of 34 crores, revenue being down by over 20½ crores, and expenditure higher by 14½ crores. The chief item of the deficit was a reduction of 13 crores in railway receipts, "due partly to fall in traffic receipts from 87 to 83 crores, but mainly to high prices and purchase of foreign coal." The Finance Member explained that revenue and expenditure for 1922-23 were based on hopes of revival in trade. The total estimated expenditure was 142½ crores against revenue of 110½ crores, estimated on the existing basis of taxation. Exchange is assumed at 1s 4d per rupee and military expenditure at nearly 62½ crores, as before. In dealing with the problem of how to meet the deficit Sir W. M. Hailey observed that "during the past four years expenditure had exceeded revenue by 90 crores, and it was impossible to continue living on credit. Increasing the floating debt might create grave monetary stringency. Relying on sterling and rupee loans was impracticable, as these were fully required for financing existing capital liabilities and productive railway expenditure. The inevitable result of leaving the greater part of the deficit uncovered would be large issues of unbacked currency notes, with serious effects on prices and India's credit." He could not hold out much hope of reducing expenditure, and the only solution was to increase revenue by additional taxation. It was proposed to increase railway passenger fares by approximately one quarter and also increase inland postage charges. An additional yield of nearly 15 crores was estimated from Customs. This would be obtained from (1) increase of general *ad valorem* duty from 11 per cent. to 15 per cent., the cotton Excise duty being at the same time correspondingly increased from 3½ per cent. to 7½ per cent., with the object of taxing consumption of cotton goods in the present emergency and not for the purpose of counterbalancing the increase in the import duty; (2) increase of duty on sugar from 15 per cent. to 25 per cent.; (3) imposition of a 5 per cent. duty on imported yarn; (4) increase of duty on machinery, iron steel and railway material from 2½ per cent. to 10 per cent.; (5) increase of duty by approximately 20 per cent. on alcoholic liquors excepting wines; (6) increase of duty on matches from 12 annas to Rs 1½ per gross of boxes; (7) increase of duty on imported petroleum from 1½ annas to 2½ annas per gallon, with an Excise duty on Indian-produced kerosene of 1 anna per gallon; and (8) increase of duty on luxury articles from 20 per cent. to 30 per cent. The salt duty would be raised from Rs 1½ to Rs 2½ per maund, and is estimated to bring in over 4½ crores, while increases in the rates of income-tax on annual incomes exceeding Rs 30,000, "leading to new maximum of 18 pies in the rupee, and increases in the rates of super-tax on incomes over 4 lakhs, bringing maximum to 6 annas in the rupee on portion of income over 5½ lakhs," are estimated to yield 2½ crores. This additional taxation should provide 29 crores, which will leave an uncovered deficit of approximately 2½ crores. For Ways and Means 1921-22 the total liabilities were 90 crores, which were met by a rupee loan of 49 crores, a sterling loan of 15 crores and miscellaneous receipts of 23 crores; Treasury Bills with the public increased by Rs 2½ crores.

In Ways and Means for 1922-23, total liabilities at 58 crores, including 30 crores for railway capital, are mainly to be met by borrowings by means of a rupee loan for 25 crores and sterling loan for 17½ crores. The Secretary of State for India "will require remittances of funds from India of £18,000,000, which would be effected by transfer of sterling reserves to India or by sale of Council drafts." The Finance Minister, however, pointed out that "the former involved cancellation of notes in India, and too rapid deflation might lead to dangerously acute monetary stringency. Hence they might have to sell Council bills in addition, though no provision was made for this in the Budget."

Lancashire and the Indian Cotton Duties.—Our Manchester correspondent writes:—Details of the Indian Budget proposals were circulated late on Wednesday, and it must be said that, on the whole, Lancashire is pleased that things are not any worse, but it is recognised that the new cotton duties are now very high, and mean dear goods for the natives at a time when it was never more necessary to place goods in the bazaars at cheap rates. In the past there has not been any duty on cotton yarn entering India, but 2½ per cent. has now been put on for revenue purposes, and this may have a vital effect on Lancashire's important trade in yarn with India. Cotton spinners and manufacturers in this country are rather pleased at the increase from 2½ per cent. to 10 per cent. on machinery, iron, steel, and railway material. During the last year or two shipments from Lancashire to India of textile machinery have been heavy, and it is thought that the additional tax may check the mill extensions in Bombay and district, which threaten to injure Lancashire trade. The general outlook for Lancashire is causing much uneasiness, and the rise in the Indian import duties on cotton goods must mean another hindrance to a trade revival, and comes at a time when the industry is in a state of severe depression and extensive unemployment for the operatives.

The Financial Difficulties of Greece.—The failure of M. Gounaris to raise a loan, or even a trade credit, in London, suspends the controversy as to the attitude of Great Britain towards the Greek kingdom. The negotiations, it is stated, will continue, but we can hardly expect them to succeed. The obstacles to their success, however, are not so much financial as political. True, the Greek foreign debt exceeds £41,000,000, exclusive of the advances accorded in 1918 by Great Britain, France, and the United States, of which the equivalent of between 10 and 11 million sterling was paid before the return of King Constantine occasioned the "financial blockade." Of the £41 millions rather more than half is secured on the revenues assigned in 1898 to the International Financial Commission for the service of earlier loans; the remainder, now not much below £20 millions, is secured partly on the share (40 per cent.) of the surplus of these revenues which falls to the Government. But we believe that after providing for these charges there is a considerable balance available as a basis for further borrowing. Otherwise the financial position is serious. There cannot now be much margin. The Budget of 1920-21 showed a large deficit, though nearly 38 per cent. of the expenditure was met out of loans; the Government has been so pressed that it has resorted to illicit and petty methods of delaying or postponing payments of interest on certain of its bond issues; a leading Paris paper has even attempted to show that the whole revenue barely covers the debt service. With the Turkish Peace Treaty still unratified, and likely to be revised, the whole outlook is uncertain, except that the service of the issues supervised by the International Financial Commission is safe enough. But the Commissioners are appointed by the Allied Powers, and will follow their lead. Whether the British Government should afford facilities to Greece for borrowing here is a hotly controverted question, on political rather than financial grounds. While not officially aiding the Greek efforts, it has not checked them, and its inaction, it is argued, may be interpreted by Indian and Egyptian Mohammedans as

favouring Greece to the detriment of the Porte. On the other hand, if Greece is not enabled to obtain the means of resisting the Kemalist army at Angora—which has been allowed to obtain equipment, and has even received some war material from the French Government—that army, it is maintained, will be able to march on Constantinople, secure control of the Straits, and make an end, in spite of the Allied Powers, of Greek claims in Asia Minor. Then Greece, after having been used as a weapon against the Turkish Nationalists, will have been sacrificed by the Powers to the necessity of placating their Mohammedan subjects by bolstering up the decrepit Turkish Empire. All this emphasises more than ever the urgent necessity of revising the Turkish Peace Treaty, and clearing up the situation in the Near East.

The Financial Deadlock in China.—For the second time the Peking Government has defaulted on the £600,000 8 per cent. "Marconi" bonds, issued in 1918 on behalf of the Marconi Company to provide payment for wireless installations, and constituting, with the 8 per cent. bonds for £1,803,000 issued similarly in 1919 on behalf of Vickers, Limited, the only Chinese loans not specially secured which are quoted in London, though there are doubtless others, raised at home or in Japan. It appears that the British Bank for Foreign Trade, which issued the Marconi loan, was prepared to lend the sum necessary to pay the interest, on the security of the surplus of the salt revenue, but that the Consortium, revived in 1920 as an association of British, French, Japanese, and American banks acting through a representative committee, stopped the transaction by claiming a lien on this surplus in virtue of an engagement entered into by the Chinese Government with the Consortium as it existed in 1913. The bank in question stands high; but it is obvious that the needs of the Peking Government are so multifarious, and the pressure put on it by the various military leaders is so serious and so likely to recur, that, were it left free to pledge its revenues to any borrower, it would soon be the prey of other and entirely irresponsible financiers, and verging on bankruptcy. But the right of the Consortium to interfere has been questioned, on the ground that this body was in abeyance from 1914 to 1920, and is now reconstituted differently by the inclusion of the United States and the exclusion of Germany and Russia, in consequence respectively of the war and the revolution. But it was never dissolved; its existence has been continuous, and it may be mentioned incidentally that provision has been made for the re-entry of Russian banks whenever that country has again a stable Government. Its rights are unaffected by its reconstruction. It is not, as some observers have represented, a dog in the manger, refusing either to lend or to allow others to do so. Its "control" consists mainly in providing that money lent for a specific purpose shall not be diverted to something else; and, except perhaps for such strictly defined objects as railway construction, it cannot lend to a Government which does not represent the whole of China. More revenue, however, will shortly be available from the increased Customs duties, and, perhaps, from other sources; and it may fairly be expected that all foreign debtors, at any rate, will eventually be paid in full. The Marconi bondholders, therefore, must have patience. The postponement of the payments due them, indeed, may be regarded as an incident in the process of conserving the credit of the Chinese Republic.

Security Values.—A welcome innovation in the monthly computation by the *Bankers' Magazine* of the market value of Stock Exchange securities has been made in a division between fixed interest stocks and variable dividend securities. In February there was an increase in the total market value of 387 securities of 3.6 per cent., but while 94 fixed interest stocks advanced by 4.7 per cent., the remaining 293 variable dividend securities appreciated by only 1.4 per cent. Ten British and Indian Funds, representing about one half of the British Debt, increased by no less than £156 millions, or 5.3 per cent. It is pointed out that the total capital appreciation in British loans has been even greater, and that nearly

£1,000 millions of British debt is in the form of Treasury Bills, where the appreciation is shown not in the terms of market quotation but in interest yield. Most of the other fixed interest stocks have moved in sympathy with British Funds, but United States Gold Bonds, with a decline of 3.6 per cent., were an exception. In the variable dividend section the feature was the advance of 9.8 per cent. in 28 Home Railway ordinary stocks. Foreign Railway stocks also improved by 8.2 per cent. The security values index number compiled by our contemporary stands at 105.8, as against 102.1 for January, December, 1921, being taken as 100. Fixed interest stocks are 107.3 against 102.5 in January, and the remainder 102.8 as against 101.3.

Prudential Assurance Company.—If all companies and collecting societies which transact industrial life assurance business—for small amounts at weekly premiums—were as strong and well managed as the Prudential there would be small occasion for the threatened restrictive legislation. The trouble is that there is no legal power at present to deal with companies or societies which are conducted at excessive cost to the working classes, or are actuarially insolvent. The Prudential began in 1912 a "block system," under which agents were allotted specific areas and wasteful overlapping was greatly reduced. It was pointed out by the chairman on Thursday that this concentration of the industrial agents' work has enabled a smaller number to do much more collection at improved pay, and at the same time has reduced the company's rate of expenses. Last year 24 millions of premiums were collected by 14,408 agents, while in 1903 12 millions of premiums occupied the energies of 20,475 agents. The valuation of the industrial branch showed a surplus of £1,309,096, of which £200,000 is to be allotted to industrial policyholders as an addition of 2½ per cent. to sums assured which become claims during the next two years and are entitled to participate, provided that premiums have been paid for 10 years or more. In the ordinary branch there was a surplus of £1,779,146, and participating policyholders are to get a reversionary bonus of 26s per cent. against one of 20s per cent. last year. One of the most interesting features in the chairman's speech was his announcement of the pending developments in the recently established "general branch." The Prudential is to embark on fire reinsurance business in the United States under treaty with the Liverpool and London and Globe. A subsidiary American company will be formed for the purpose. Other reinsurance treaties for home and foreign business are also at the company's disposal. The paid-up capital is to be increased by calling up 2s on the "B" shares—which will yield £100,000 and make the total paid-up capital £1,200,000. The life funds cannot, of course, be used for "general" business, but the free resources of the company, in addition to the capital, consist of the general branch funds, £535,685, the common contingency fund of £400,000, and the profit and loss balance of £550,000. The premiums last year were £314,448 in the fire and miscellaneous accounts, and £339,320 in the marine account, so that the funds other than life are ample for present needs, and will allow of considerable expansion.

United Kingdom Provident Institution.—A feature of this strong life assurance society has always been its low rates of mortality, especially in the "temperance section." Last year the total death claims were 63 per cent. of the number expected, and 67.8 per cent. of the amounts expected. In the temperance section the percentages of actual to expected claims were 55.1 in number and 63 in amount. The new business done was smaller than in 1920 and 1919, but at £1,879,213 net was much larger than in the preceding years. The net rate of interest earned after deducting tax was £4 7s 4d per cent., as against £4 1s 11d per cent. in 1920 and £3 13s 10d per cent. in 1919. The guarantee of bonuses given in respect of premiums paid in 1921 has been renewed for 1922, and the scale of interim bonuses has been increased.

An Insurance Company's Investments.—The less well-known insurance companies might, in these days, do worse than follow the example of the British General, a London office allied with the Scottish Temperance of Glasgow. At the end of their report for last year the directors publish a detailed list of the securities in which the funds are invested. The nominal amounts of the stocks or shares are given, and also the market values at which they stood on December 31st last. It is explained that the book value on that date was £1,143,532, and the market value £1,126,634. A valuation made on February 22nd showed an appreciation to £1,169,440. In the New York State all insurance companies which make returns are required to set out their investments in full. We do not suggest that a legal requirement of this kind has yet been proved to be necessary in this country, but the minor and newer insurance companies will do well to adopt the system voluntarily in view of the suspicions aroused by the collapse of the City Equitable. The report shows that the total premium income of the fire, accident, and marine departments was £750,183, and that the reserves applicable to the liabilities of these departments were £757,253, or more than a full year's premium income. That is a sound position, especially as the liabilities in the marine account have been considerably reduced. The 20 per cent. dividend, less tax, absorbed £24,421, against net interest earnings of £39,441.

The Underground Electric Report.—The report of the Underground Electric Railways Company of London, Limited, for the year 1921, shows an increase in revenue of £190,323. Of this amount income-tax absorbs £43,089, compared with £35,897, and commission and discount on issue of 6 per cent. three-year notes £14,668, the same amount as in 1920. The following table summarises the financial history of the company for the past five years:—

	1917.	1918.	1919.	1920.	1921.
Revenue from—					
London Electric Railway	140,388	232,543	198,932	154,118	344,578
District Railway	35,438	76,650	61,950	47,250	94,465
City and South London	28,331	45,687	46,374	38,385	63,942
London General	112,034	179,758	160,048	114,320	251,483
Metropolitan Railway	250	250	250	300	450
London and Suburban Traction	126,000	205,468	208,571	208,571	5,320
Associated Equipment Co.	164,390	16,109	16,239	16,734	9,763
Surpluses (including income-tax returnable)	606,731	760,265	692,364	579,678	770,001
Appropriation—					
Directors', &c., fees and expenses	10,798	7,960	10,116	14,329	14,099
Loss on foreign exchange	13,180	31,932	67,932	65,171	89,926
Interest on 4½ per cent. bonds	109,944	115,766	117,797	117,797	117,797
Interest, &c., on 4½ per cent. 3-year secured notes	44,860	..	..	..	..
Interest on 5 per cent. 3-year secured notes	..	35,000	35,000	8,750	..
Interest on 6 per cent. 3-year secured notes	..	..	11,466	31,500	42,000
Central London guarantee	13,466	..	47,130	..	..
Interest on 6 per cent. income stock ..	76,320	76,380	76,380	76,380	76,380
Interest on 6 per cent. income bonds ..	337,602	448,910	361,717	180,859	361,717
	(4 %)	(5 %)	(4 %)	(2 %)	(4 %)
Inc. or dec. in balance forward	+ 508	+ 5,265	- 13,754	- 2,803	+ 6,106

The interest on the 4½ per cent. bonds and 6 per cent. income bonds is payable in New York at the fixed rate of exchange of \$4.86 2-3 and in Amsterdam at Fl. 12.12 to the £ sterling, and, as the interest paid on the 6 per cent. income bonds is 4 per cent. compared with 2 per cent. in 1920, an increase in "loss on foreign exchange" from £55,171 to £82,925 is accounted for. During the year a loan of £1,100,000 was obtained from the company's bankers "to meet capital requirements and the needs of subsidiary companies." This accounts for an expenditure item of "general interest (net) £11,220." Stocks and shares held increased by £609,232 during the year, the purchase by the company of 60,000 additional £10 ordinary shares of the London General Omnibus Company, Limited, accounting for the greater part of the increase. Treasury bills held decreased from £249,259 to £99,614, and cash at bankers and at short call shows an increase from £4,719 to £115,329.

Pearl Assurance Company.—There are two features of interest about the new report of the Pearl Assurance Company. The first is the substantial amount of business done. It is remarkable that a company which caters for the

working classes in its "industrial" branch, and for the lower middle classes in its "ordinary" branches, should have felt so slightly the prevailing depression in trade. In the ordinary branch there was, of course, a falling-off in the number of new entrants, but 34,504 policies assuring over six millions is a very substantial volume of business in a year like 1921. In the ordinary branch the premium income increased by £175,908 to £2,258,381, and in the industrial branch the premiums increased by £202,699 to £4,530,770. The second feature of interest is the fall in the ratio of expenses to premiums in the industrial branch. After the settlement with the agents some two years ago, following the strike, the percentage of expenses rose from 40.4 per cent. of the premiums to 45.5 per cent. Last year the corresponding percentage dropped back to 40 per cent. The annual valuation showed a surplus over liabilities of £530,076, including £121,841 brought forward. A sum of £325,121 is to be distributed among participating policyholders and ordinary shareholders. The dividends paid to ordinary shareholders last year amounted to £150,125, which nearly all came from the profits on the industrial business.

Harrods' Profits.—The report of Harrods, Limited, for the year ended January 31st last shows a sharp relapse in profits, the gross figures falling from £2,309,200 to £1,623,400, and the net figure from £532,500 to £196,100. The table below compares results for the past four years:—

Year Ended	1918-19.	1919-20.	1920-21.	1921-22.
January 31st.				
Gross profit.....	1,204,700	1,879,201	2,209,213	1,623,392
Net profit.....	335,143	552,955	532,503	196,072
Brought forward....	35,102	66,481	208,890	220,768
	370,345	619,436	741,393	416,840
Reserve.....	77,514	79,295	39,000	..
Prof. dividend.....	60,000	60,000	142,500	286,233
Ord. dividend.....	166,250	261,250	335,125	95,750
	(17½ %)	(20 %)	(17½ %)	(5 %)
Carried forward	66,481	218,890	224,768	34,857

The report says that the volume of merchandise sold showed a substantial increase over the previous year, but that owing to the decrease in prices the value of business done was less. Working expenses fell from £1,529,900 to £1,293,600, and the large decline in net profit is attributed to the necessity for writing off heavy amounts for depreciation in value of stocks. The latter shows a reduction of £543,000 in the balance-sheet, in which there is a general improvement. The preference capital was increased by £1,000,000 in March last, and a bank loan of £584,400 has been wiped out. On the assets side, cash has been increased by £265,400, and property is £494,000 higher, nearly all the leaseholds having been converted into freeholds by the purchase of the Brompton road site. The Belgian business, Harrods (Continental), Limited, has proved a failure, and the directors have wisely decided to close it down, and have written-off £480,000 from reserve, which they state "will amply provide for all losses, including the loss on trading, depreciation in exchange, and the liquidation of the remaining stocks." This reduces the reserve fund to £669,100. Deposit and current account balances in the banking department—the only blemish in an otherwise strong and liquid balance-sheet—stand at £1,078,400, or £5,000 more than a year ago.

Co-operative Business.—Last December we chronicled the results of the half-year's operations of representative distributive co-operative societies, showing that these concerns were not wholly immune from the difficulties besetting traders generally. Balance-sheets issued during the past month show that the slump in sales, profits, and dividends has not been arrested, and that in centres like Bradford, Birmingham, and Liverpool the committees need to concentrate on trading rather than politics if they are to continue their progressive development. At Barnsley the trade for 1921 was £2,997,414—a fall of nearly half-a-million as compared with 1920, while the dividend has declined from 2s 9d in pre-war years to 1s 9d in 1918, 1s 7½d in 1920, and 1s 4½d last year. This society, like

that at Liverpool, has about 60,000 members. At Liverpool, in 1921 the average weekly purchases per member were 9s 11d as compared with 14s 2½d in 1921. The trade fell from £2,160,000 to £1,840,000, and the dividend to 9d. Whilst it is generally assumed that lower prices have accounted for about 25 per cent. of the decreased trade, some societies have recognised that they have been affected by a degree of disloyalty as well as the general trade depression. The notable fact of the present position is the equanimity with which members are taking the declining dividend. At Leicester this has fallen to 1s; at Leeds (where sales fell £597,000 for the last six months) to 1s 7d; at Bradford to 9d; at Soho (Birmingham) to 5d; and at Grimsby to 3d. At Derby where close associations with the villages have widened the interests of the Co-operative Society, the dividend has been maintained at 1s 6d; and a larger volume of foodstuffs was sold than in the corresponding period. Expenses are still rising, and advanced from 2s 8½d to 3s 3d in the £—an advance that can be reduced mainly by the return of trade. The experience through which the co-operative movement is now passing should demonstrate to those who seek to add new expenses to its accounts that it has to operate in a competitive world, the consumer is still inclined towards the cheapest market, and all co-operators are not idealists.

Borax Consolidated.—For the year ended September 30, 1921, Borax Consolidated, Limited, show a net trading profit of £378,966, as against £476,581 for the previous year. The directors have, in consequence, decided to distribute only 12½ per cent. on the deferred ordinary shares as compared with 15 per cent. for each of the five preceding years. Fortunately, a year ago an additional amount was allocated to reserves, so that this year in allotting only £70,825 in this direction the approximate annual reserve allowance average is maintained. A summary of the company's results for the past 11 years is given below:—

Year Ended	Net	Depre-	Deben-	Total	Carried	Rate
Sept. 30.	Trading	ciation	ture	Divi-	Forward	on
	Profit.	and	Interest.	dends		Deferred
	£	£	£	£	£	%
1911.....	293,086	27,880	65,000	194,750	75,995	13½
1912.....	293,598	56,732	69,000	194,750	43,297	13½
1913.....	361,921	78,297	74,164	207,361	45,397	15
1914.....	344,050	90,692	82,909	147,500	68,345	7½
1915.....	349,357	81,290	87,678	170,000	74,171	10
1916*.....	569,907	227,331	87,850	215,000	112,913	15
1917.....	385,527	96,267	87,850	215,000	92,703	15
1918.....	431,342	115,825	87,850	215,000	105,370	15
1919.....	442,023	103,697	87,850	252,500	103,348	15
1920.....	476,581	120,062	87,728	252,440	119,639	15
1921.....	378,966	70,825	86,392	223,750	117,638	12½

* Excess profits duty, £134,470, included in these figures.

The report states that "the company has shared in the general depression in business during the past financial year. This has been widespread, and has extended to all the countries in which the company operates. There are indications of a somewhat better demand at the present time, but as the company depends largely upon the requirements of industrial users of its products, the recovery, in view of the general condition of trade, will in all probability be very gradual." Turning to the balance-sheet, the item "Mines" is up by £289,403 to £3,057,201, having been increased by a transfer from "Investments" for this amount. Stocks at or under cost are also up from £506,618 to £585,261. Advances, investments, shareholdings, &c., is a portmanteau item which might well be separated. At £941,236, after making allowance for the transfer to "Mines," it compares with £823,889 a year ago. The balance-sheet will be found on another page fully analysed.

Courtauld's Year.—The accounts of Courtaulds, Limited, for the year 1921 record a further decline in profits from the high-water mark figures of 1919, profits having fallen from £2,280,861 in the boom year, to £1,804,796 in 1920, and £1,684,593 in 1921. But all additions to plant and

buildings during the last three years have been written down to their approximate current values—an achievement which should be remembered when comparing profits with past years. How profits have been distributed during the last six years may be seen from the following table:—

	1916.	1917.	1918.	1919.	1920.	1921.
	£	£	£	£	£	£
Profit	1,099,078	1,173,891	1,184,938	2,280,861	1,804,796	1,684,593
Brought forward	329,684	315,894	62,935	148,211	229,078	383,874
	1,428,762	1,489,785	1,247,873	2,429,072	2,033,874	2,068,467
Debtenture int.	15,155	3,028	..	..	..	..
Ordinary div....	600,002	512,502	650,002	1,200,001	1,450,000	1,350,000
	(30 %)	(30 %)	(32½ %)	(30 %)	(25 %)	(11½ %)
Reserve	536,197	911,320	449,660	999,993	200,000	300,000
Carried forward	277,408	62,935	148,211	229,078	383,874	418,467

* Free of tax.

The dividend has been reduced from 25 per cent., free of tax, to 11½, free of tax, but it will be recalled that the company increased its capital in 1920 from £4,000,000 to £12,000,000 by capitalising £8,000,000 of reserves. Thus to pay this decreased rate of dividend a sum only £100,000 under the amount required for the ordinary dividend in 1920 was needed, as will be seen in the table set out above. Total assets are down from £18,652,620 to £17,999,200. The main item in assets is "Investments" at £13,229,217, which lumps together holdings of British Government securities and investments in commercial and allied undertakings, including the Viscose Company of America. It would perhaps be better if the directors could see their way clear to separate this big entry. The report states: "During 1921 the company has experienced an improving demand for artificial silk, and for some months past the plant has been working full time." The balance-sheet will be found analysed in the usual column.

The Finances of the Falcon.—In 1916, writes our mining correspondent, copper touched its record for recent years, and in respect of the twelve months ended June 30, 1917, the Falcon Mines paid its first and, so far, only dividend of 4s per share. Since then the record of the undertaking has been a struggle against adversity. The effects of decline in the value of the metals produced—copper, gold, and silver—added to expansion in working costs, have been accentuated by the requirements for debenture interest and redemption. Last year bonds to the nominal value of £30,100 were redeemed, and the balance of the issue—£68,000—falls due for repayment on July 31st next. Income-tax to the tune of nearly £25,000 is now payable. Hence the position will shortly become very embarrassing unless a marked advance should occur in the metal markets, and of this there is little purport. In the financial period ended June 30th last the company made a working profit of £15,750, which by taxation, interest, &c., was converted into a deficit of practically corresponding amount. A supplementary statement for the half-year to December 31st shows that, despite the reduction in costs due to the suspension of development, operations resulted in a loss. Doubtless the Gold Fields Rhodesian Development—the principal debenture holder—will accommodate the company by an extension of the date of repayment, but unless it also makes an advance the shareholders may be called upon to put their hands into their pockets. The latest balance-sheet indicates a cash deficit of £28,300.

The Corporation of Insurance Brokers announces that Mr H. A. Krailing, of Messrs William Owen and Co., London, will deliver a lecture on "Fire Claims from the Assessor's Point of View," on Wednesday, March 8th, at 5.45 p.m., at 59A London wall.

At the Royal Society of Arts, John street, Adelphi, on Wednesday, March 15, 1922, at 8 p.m., a paper will be read entitled "Certain Aspects of the Problem of Exchange Stabilisation," by Oswald Toynbee Falk, C.B.E. Sir Robert Molesworth Kindersley, G.B.E., will preside.

Overseas Correspondence.

UNITED STATES.—COTTON MILL STRIKE—DECEMBER RAILWAY EARNINGS—MONEY EASING.

(FROM OUR CORRESPONDENT.)

NEW YORK, February 18.

THE strike of cotton textile workers, which began in Rhode Island about a month ago, spread to 40 or more mills in other New England States this week, when a 20 per cent. reduction in wages became effective. Fully 50,000 operatives are now idle. Practically all cotton goods mills in New Hampshire, where the wage cuts were accompanied by an increase in working time from 48 to 54 hours a week, have been affected by this week's walk-out. Many plants have shut down entirely for an indefinite period, while others have been obliged to go on shorter time than heretofore. Thus far mills in Maine, Vermont, and Massachusetts are not involved, with the exception of a few in the latter State. The strikers refuse to accept the reduction, notwithstanding the fact that for many months they have not shared in the general readjustment in all industries, but, on the contrary, have been receiving wages much higher than those paid by southern mills for the same kind of labour. New England wages have been at least 50 per cent. above southern. With their lower wage costs, mills in the south have been able to establish market prices for cloths of standard construction with which New England manufacturers cannot compete at a profit. The latter have cut wages as a last resort, and only after enforcing the most rigid economies and reducing overhead and operating costs, as well as executives' salaries. Any prolonged curtailment of production is likely to have an important effect upon the market for many constructions of printcloths and grey goods, and also numerous lines of finished cottons, for mills generally have not been accumulating stocks. That consideration is responsible in a measure for the increased firmness of prices for some cloths this week. The feeling in most quarters is, however, that unemployment, with all that it entails, will put an end to the strike before long.

December railroad earnings statements that have come to hand make a favourable exhibit. Reports filed by 189 of the 201 Class 1 carriers show total net operating income of \$42,652,398, as compared with only \$10,410,404 for the same number of roads in the corresponding month of 1920. Gross revenue aggregated \$302,118,733, as against \$507,427,358 in the same month of the preceding year, representing a decrease of 22.7 per cent. The increase in net operating income, therefore, was due entirely to a marked reduction in operating expenses, which, for the roads reporting, totalled \$326,694,642 for the last month of 1921, and showed a decrease of 29.6 per cent. from the figures for December, 1920. The greatest saving in expenses was effected by carriers in the eastern section of the country, which reported a reduction of more than 35 per cent.

Money rates are easier, the relaxation at present being more marked in call money than in fixed-date funds. Federal reserve banks' reserve ratios are again improving after recent declines, and one central reserve institution, namely, the Cleveland Federal Reserve Bank, has lowered its rediscount rate from 5 to 4½ per cent.; other bank rate reductions, especially in the East, are expected shortly.

Reflecting the lower tendency of money rates, the bond market is more active at rising prices. Other factors that have helped sentiment in that quarter are the further strength in foreign exchanges, notably sterling, and less likelihood of a big Government bond issue to finance the proposed soldiers' bonus.

FRANCE.—SPECIAL BUDGET—REPARATION—BOND INTEREST REDUCTION—NEW CAPITAL ISSUES—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, March 1.

THE Chamber, during the past week, has succeeded in advancing by yet another stage the Special Budget for Expenditure Recoverable (from Germany), which was passed through the Lower House on Thursday last. It was hoped, in spite of the near approach of the end of the month, that even then it might be possible for the Senate to consider and approve the Bill, and thus render a third monthly Vote on Account (or *douzième provisoire*) unnecessary, but little optimism was felt by the Government in this regard. In order to be on the safe side, the Finance Minister took the precaution to make the necessary demand for a Vote on Account for the month of March, and on Friday the Chamber acceded to the request without a division. The credits asked for amounted to 634,810,473f on account of the Special Budget (Devastated Regions), and 46,852,000f on account of the maintenance of the armies of occupation in Germany, these figures being based on the estimates comprised in the Special Budget for 1922. The Minister's foresight proved to be justified. The Senate has, so far, found it impossible to begin its consideration of the Bill adopted by the Chamber last week, and has accordingly followed the example set by the Chamber and passed a Vote on Account for the amounts asked for by the Government.

The *Journal Officiel* has now published figures drawn up by the Ministry for the Liberated Regions, showing the total amount of the claims sent in for indemnities in respect of material losses suffered in the ten departments of the North and North-East of France that are known as the devastated regions. This total amounts to 114,034,399,415f, required to make good damage done, the 1914 value of which was 36,505,827,772f. Of this total, 92,226,992,718f remains to be dealt with. It is now hoped that the Senate will be able to complete its examination of the Special Budget by the end of the current or the beginning of the coming week.

Meanwhile, it is reported by the Reparations Commission that the fifth of the payments of 31,000,000 marks gold, which the German Government is required to make every ten days under the temporary arrangement concluded at Cannes, has been received from Berlin by the various Allied national banks, the payment, like its predecessors, being made in dollars, sterling, francs, and other non-German currencies. The Reparations Commission has now received back from the various Allied Governments the statement forwarded from Berlin, in which the German Government sets forth the financial reforms it is prepared to institute, the guarantees it proposes to give to ensure its future Reparation payments, and the list of payments it proposes to make during the rest of the current year if the moratorium proposals it has submitted are agreed to by the Commission. As already stated, the "temporary arrangements" agreed to at Cannes, which is in itself, for all practical purposes, a moratorium for Germany, is to continue until the Allied Governments, through the intermediary of the Reparations Commission, are satisfied with the proposals as to financial reforms, guarantees, &c., agreed to by Germany. The Reparations Commission is now busily considering these proposals, and upon its action in the immediate future depends whether they will be accepted or not.

The reduction of the rate of interest payable on *Bons de la Défense Nationale* and *Bons de Trésor*, which was foreshadowed last week as probable, has now become an accomplished fact. By a decree signed by the Minister of Finance and promulgated in the *Journal Officiel*, it is announced that on and after March 10th the rate of interest on all categories of these securities will be reduced by ½ per cent. M. de Lasteyrie has also repeated his statement to the effect that he hopes it will soon be possible to bring to an end the régime of fixed prices for the Rentes, and to throw the market freely open once more.

It is now possible to furnish complete figures showing how French savings responded during the past year to appeals made by the State and by private enterprises, as compared with 1919 and 1920. The total issues of new

capital by industrial undertakings during 1921 amounted to 10,730,800,000f, of which 4,437,200,000f was absorbed by banks and *Crédit Foncier* institutions, the next largest categories being the metallurgical industry (1,368,500,000f) and colliery concerns (1,366,500,000f), no other category of investments reaching to anything like half the latter amount. The important figure represented by banking issues included an issue of 1,200 million francs by the *Crédit Foncier* in February, and another of 3,000 millions by the *Crédit National* in October. In the other figures quoted, further, are included the important industrial issues made by groups of undertakings in, respectively, the colliery, metallurgical, sugar, and other industries. These issues, totalling to some 1,513,500,000f, ought properly to be regarded as State loans, since they were made for the purpose of reconstruction in the devastated areas, and their bonds are guaranteed by the State against payments to be received from Germany. If these issues are excluded it will be found that the regular industrial issues, properly so called, which amounted to 3,128,800,000f in 1919 and to 8,197,000,000f in 1920, totalled 6,530,800,000f only last year. The total issues for the year (including State guaranteed securities, railway stock, municipal and colonial loans, and industrials of all kinds) amounted to 38,975,800,000f, as compared with 45,421,000,000f in 1920 and 35,068,600,000f in 1919.

The enormous proportion of this total that was represented in each of the past three years by direct issue by the State will be seen from the table given below. The feature first to be noted is that simultaneously with a healthier form of Budget and with the progress of reconstruction in the North, the demands of the Treasury have decreased markedly. Another point to be noted is that the figures coming under the heading of "Treasury" by no means represent (as will be gathered from the foregoing) all the money that has been raised for national purposes, as the total under this heading must also include the *Crédit National* and some of the other items recorded. The detailed classification, showing the comparative figures for the past three years, is as follows:—

Issues.	1919.	1920.	1921.
Treasury	24,293.0	31,782.6	22,699.5
Colonies	..	..	275.0
Towns and Departments	1,500.0	230.0	2,164.7
Railway—			
State system	750.0	1,211.3	3,104.9
Private companies	1,396.8	..	..
French companies—			
<i>Crédit National</i>	4,000.0	4,000.0	3,000.0
<i>Crédit Foncier</i>	..	1,000.0	1,200.0
"Reconstruction groups" ..	..	..	1,513.5
Industrial concerns	2,930.5	6,856.7	4,799.7
French companies abroad ..	81.8	311.0	121.1
Foreign issues—			
Industrial companies	96.5	29.4	97.3
State Loans	20.0	..	..
Total	35,068.6	45,421.0	38,975.5

There has been a conspicuous recovery this week on the Bourse, owing to the announcement that there would be a reduction of ½ per cent. in the rate of interest for *Bons de la Défense Nationale*. The measure is as greatly welcomed on the Bourse as it is in circles connected with State finance, because the fall in the rate of interest will naturally improve the position of the various industrials that have fixed rates of interest. By a curious paradox, so far the effect of the change has been felt not by securities of this class, but by those of fluctuating interest, and buyers have been somewhat shy, influenced no doubt by the prospect of the issue of fresh loans. An important factor in the improved position is that advantage has been taken by buyers of sales inspired by panic, so that, unless real purchasers are found to take up the stock so acquired, one must expect the present improvement to be followed by a decline. Three per cents. have dropped back from 59.50 to 58.60. Banks have been in demand, *Crédit Lyonnais* rising from 1,385 to between 1,415 and 1,400, *Banque de Paris* advancing from 1,185 to between 1,225 and 1,208, and *Union Parisienne* from 654 to between 685 and 665. French railways, under the proposed reduction of interest, have advanced, P.L.M. fetching 845 against 825, Nord 955 against 915, and Orléans 915 against 886. Shipping has been very irregular, *Chargeurs Réunis* being typical in starting at 400 and fluctuating between 415 and 398.

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GERMANY.—POLITICS—FINANCES—EXCHANGE AND BOURSE—TRADE—PRICES.

(FROM OUR CORRESPONDENT.)

BERLIN, February 27.

THE announcements to-day made concerning the Boulogne Conference produced no visible effect on business. The belief held immediately after Cannes that the Genoa Conference might result in measures of alleviation for Europe generally and Germany in particular has of late been weakened. The definite announcement that on the question of the discussion of the Peace Treaties and of Reparations M. Poincaré has had his way caused some Berlin newspapers to declare that there is no object in Germany's going to Genoa at all. The final form of the Reparations Budget for 1922, which is still based on the London Ultimatum conditions, is:—

	Milliards of M. Paper.
General Reparations expenditure	135.0
Occupation Army	6.27
Interallied Commissions	1.85
Peace Treaty deliveries outside Reparations	20.72
Clearing	18.0
Home expenditure arising out of Peace Treaty	5.7

The total "for execution of the Peace Treaty" is put at 187.53 milliards, of which 147.69 milliards appear in the Ordinary Reparations Budget and 39.84 milliards in the Extraordinary. The 135 milliards at the top of the table are Reparations proper—that is, the estimated paper mark cost at 45 p m = 1 gold m, of 3 milliard gold m, consisting of the fixed 2 milliards, and 1 milliard, the latest valuation of the 26 per cent. levy on exports. In the Reparations proper, cash payments will cost 76.7 milliards; coal, benzol, dyes, &c., 13 milliards; living animals, 1.3 milliards; and goods for the restoration of devastated territory, 45 milliards. Of the total 187 milliards all but 16½ milliards will have to be raised by Funded Loan or Floating Debt operations.

The Floating Debt of discounted Treasury bills increased in the second ten days of February by 610,930,000m, and the total of discounted Treasury bills on February 20th was 259,738,240,000m. The Reichsbank reports clearings of 116,680,000,000m in January, as against 120,835,000,000m in December, and 79,971,000,000m in January, 1921. The Government has submitted a Bill prolonging until March 31, 1923, the Law against Capital Flight, which would have expired on March 31, 1922. The amount that may be taken abroad by travellers is raised from 3,000 to 20,000m. Negotiations are proceeding with several States for mutual help against tax evaders. An agreement has already been concluded with Czecho-Slovakia, but it seems that most of the former neutral States object to abandoning their tradition of secrecy for banking accounts.

The Bourse, despite growing tightness of money, was last week active and rising. Although the mark exchange is still considerably higher than in early November, a great many stocks quote higher than then. The *Frankfurter Zeitung's* Bourse Index of 15 industrial stocks shows for February 24th 38,705 against a high point of 40,250 on November 10th. Another index shows that

glass and pottery stocks stand highest, with an average quotation of 1,400, as against 575 in July, 1921, next mining stocks with 1,320, metal 1,250, textiles 1,150, machines 1,080 and chemicals 1,000. Other groups of stocks are mostly between 400 and 700. Under leadership of the Disconto Bank, the Aschersleben, Westeregeln and Salzdorf potash concerns are fusing into a syndicate which will control 152 out of 1,000 shares in the official potash syndicate, and will eclipse in size the Deutsche Kali and Wintershall concerns, which are at present the largest. Continuing favourable company reports encourage stock speculators. The average net profits of 30 leading industrial companies are 52 per cent. more than in the business year ending June, 1920. The real profits have, however, fallen, whether counted by the mark's gold exchange or, as is more reasonable, by its buying power at home. To-day, with the foreign exchanges rising, most stocks, in particular mining and chemical, made considerable gains. Home loans were firm, Federal 3 per cent. rising to 111, 3½ per cent. to 75½, and Colonial 4 per cent. to 115½, while War Loan remained at 77.50 and 4 per cent. at 88. Negotiations are being carried on with the Federal Coal Syndicate as to the desirability of raising the price of home-produced coal to the world-market level. The difference between these prices has been dwindling for some time past, and will be reduced to probably 200-300 marks a ton by the intended further increase of railway rates of 20 per cent. on March 1st, and by the increase of the coal tax from 20 to 40 per cent. *ad valorem*. The extra yield would be partly or wholly used, as recommended by Herr Stinnes, for creation of a fund for the opening of new mines. The plan to hold coal prices permanently at about the world-market level will not be easy to realise. If, as is intended, the German price is fixed in marks, the first considerable exchange variation will make the coal either too cheap again or too dear; and the fixing of the price in gold would lead to great oscillations in the paper-mark price at home. The present system of compulsory maximum prices was not designed in order to keep coal below world-market level, but in order to prevent the coal scarcity being exploited, and the maximum prices, being mainly based on cost of labour, were inevitably lower than foreign, as is the general price level. Higher prices would mean a considerable German gain on the Reparations account.

For January is reported a new active trade balance, the second in succession. Imports are valued provisionally at 12,800,000,000, as against 13,702,000,000 in December; and exports at 14,500,000,000, against 14,468,000,000; the export surplus being 1,700 millions, against 766 millions. In weight, January's imports were 2,310,000 metric tons, against 2,085,800 metric tons, in December; and exports 2,030,000 metric tons against 1,929,500 metric tons. Details for January are not yet published, but it is stated that the export surplus is due to a smaller proportion in imports of dear food and a larger proportion of ores and raw materials. Published also is a belated statement of values of imports in 1920. The trade account for 1920 is: Imports, 98,130 million m; exports, 69,311 million m; import surplus, 28,819 million m. As the import surplus in eight months of 1921 (for which only reports have appeared) is around 13 milliard marks, it is evident that the relation of exports to imports in all 1921 will be more favourable than in 1920. As compared with before the war, imports in 1920 and 1921 show an increase in food and a decrease in raw materials; while exports show an increase in the proportion of manufactured goods.

Railway receipts in 1921 were practically double those of 1920:—

(In Millions of Marks.)				
	Passenger Traffic.	Goods Traffic.	All Sources.	Thereof from State Railways.
1920	4,050.4	9,742.8	14,383.3	14,131.0
1921	6,220.5	21,049.0	28,604.6	28,104.9

With the new 20 per cent. rise, the average increase in the goods rates since 1914 will be 3,315 per cent., but the percentage varies between 2,316 and 4,243 for different chief classes of goods, and for certain goods and distances it is over 6,000 per cent. The number of State Railway employees provided for in the 1922

Estimates is 997,055, as against 1,122,505 actually employed in 1919. Traffic in 1922 is estimated at 865 million locomotive-kilometres, against 832.4 millions in 1921 and 746.9 millions in 1920; 32.8 milliard person-kilometres, against 31.4 milliards; and goods, 53.13 milliard ton-kilometres, against 50.6 milliards. The estimated receipts in 1922 are: Passenger traffic 11.6 milliards, goods traffic 58.6 milliards, total 70.2 milliards.

ITALY.—POLITICAL CRISIS—FINANCIAL SITUATION: EXCHANGES FALLING AND CONSOLS RISING—LEVY ON CAPITAL.

(FROM OUR CORRESPONDENT.)

TURIN, February 25.

THE debate in the House of Deputies ended in an overwhelming vote against Signor Bonomi's Cabinet, but the renewed efforts of Signori Giolitti, De Nicola and Orlando to form a new Cabinet were fruitless. Signor Giolitti encountered the veto of the popular (Catholic) party, and De Nicola and Orlando refused to give their support to Giolitti in the building up of a strong coalition. At the bottom the struggle is against Signor Giolitti, the old man, who for a long time was supreme in the Government of Italy, and without whose consent no one ever dared to form a Cabinet; and against whom no one revolted, save Signor Salandra on the memorable event of the declaration of war against Austria. But for this very reason Signor Salandra was ostracised. The man who has set his face against Giolitti and vetoes his return to power is a Sicilian priest, Don Sturzo, the organiser of the popular party. A little, nervous, indefatigable man in his forties, Don Sturzo is the soul and inspiration of the Catholic party, and keeps his party under an iron hand. In the meantime, Signor Bonomi, who remains in charge until the appointment of his successor, was obliged to postpone for a few days or weeks the Genoa Conference, perhaps interpreting the secret wishes of the Premiers of Great Britain and France.

The absence of a Government and the Banca di Sconto's crisis have not been obstacles to a marked betterment in the Bourse situation. A beginning was made by the reduction from 6 to 5½ per cent. in the rate of interest on nine-twelve months' Exchequer bills. The rates on three-five and six-seven months' bills were reduced respectively to 4.75 and 5.25 per cent. This move of the Treasury was the consequence of the improved situation of the public Exchequer, whose liquid funds passed, as may be seen in the last accounts, published February 17th, from 2,173 million lire at September 30, 1921, to 2,932 millions at October 31, 1921.

However much we may regret the delay in publication, these figures are a testimony to an improving situation. The difference between the public income and public expenditure, which in July, 1921, was 145.5 million lire, in August 195.2 and in September 521.2 on the wrong side, was in October 17.1 millions on the right side. The average monthly deficit, from July to October, was 212 million lire, or at the rate of about 2,500 million lire for the whole year. The Bourses at once instinctively felt the beginning of the improvement, and the hope that an end will at last be put to the usual huge increase of public debt sufficed to give new life to prices. Senator Wollemborg has recently calculated that public debt of all classes reached at December 31, 1921, the sum of about 120 billion lire, including 21 billions of external debt, taken at the par of exchanges. If the increase had continued at the rate of 12 billions a year there would have been little hope of salvation, but the efforts to put new burdens on the shoulders of taxpayers are bearing well-won fruits: 5 per cent. Consols rose in a few days from 75 to 78-79, and 3½ per cent. from 72 to 74. Foreign exchanges are falling: pounds sterling from 95-96 to 87-88, dollars from 24 to 20, Swiss francs from 450 to 390, and the tendency is towards lower quotations.

A new Royal legislative decree was published in the *Gazzetta Ufficiale* of February 15th modifying the extraordinary levy on capital. No changes are made in the sections relating to foreigners having possessions in Italy. They remain subject to the levy. A new term is fixed for compulsory declaration of assets for all taxpayers, who

have not as yet sent their declaration or who had sent an incomplete or inexact one: June 30th for residents in Italy, July 31st for residents in Europe, and August 31st for non-European residents. The declarations in foreign countries may be sent to Italian Consulates. As the decree contains many new regulations about valuations of land, houses, and securities, and gives reductions for immediate lump payment of the tax, I think that foreigners, who are taxpayers in Italy, should carefully read this legislative decree, which is dated February 5, 1922, and bears the number 78 of the official series of laws and decrees of 1922.

CANADA.—BUSINESS CONDITIONS—CATTLE EMBARGO DECISION—WESTERN AGRICULTURE—IMMIGRATION—MERCHANTS' BANK DISASTER—FEDERAL FINANCES—MR. FIELDING'S POLICY.

(FROM OUR CORRESPONDENT.)

OTTAWA, February 14.

BUSINESS conditions throughout Canada show only a very slight improvement since the beginning of the year. In Montreal, Toronto, and other Eastern cities wholesalers report some increase in orders from country points, houses dealing in dry goods and hardware being the chief beneficiaries. In the West, business is not improving as fast as was expected; wholesale houses, having failed to collect more than a limited proportion of their debts, have been obliged to curtail credits, and this has naturally affected their orders. The disappointing returns from the last crop have left the farmers very short of money, and their expenditure is on a very meagre scale compared with previous years. However, as the result of unfavourable crop reports in the U.S., there has been a welcome rise in the price of grain, which will help such farmers as have not disposed of their crops. The price of live-stock is also a little better. Among the cattlemen the decision of the British Government to maintain the cattle embargo has come as a serious but not altogether unexpected disappointment. There is, however, general impatience with Sir Griffith Boscawen's effort to whittle down the value of the quite definite pledge given in 1917 by Lord Ernle. The cause is by no means abandoned as lost, for it is felt that with the embargo now resting on a nakedly protectionist basis the advent to power of a Liberal or Labour administration which might have no sympathy with protection, and be interested in a reduction of the cost of living, would procure the termination of the embargo. Mixed farmers have weathered the agrarian crisis fairly well, but agriculturists who concentrated upon the raising either of grain or beef to the exclusion of other products have been very hard hit.

Immigration policy is now a subject of constant discussion. There is general agreement that the settlement of the unoccupied lands of the West is necessary, not only as a stimulus to national development, but as a remedy for the appalling railway deficits. Even if the national railways were operated up to the highest pitch of efficiency they could not find profitable traffic in areas occupied only by a scanty population. From an economic standpoint, more population is a pressing need, but it is clear that there was a large element of waste and mismanagement in the old immigration policy. It is realised that Britain would gladly see hundreds and thousands of her present people comfortably settled in Canada, but unfortunately the transference has many difficulties. Most British immigrants to Canada are confirmed urbanites, and their record as settlers on the land is not altogether satisfactory. Yet there is no room for them in Canadian cities until Canadian agriculture is extended over wider areas and able to provide more work for manufacturing industries and mercantile services. On the other hand, the spokesmen of the farmers roundly declare that it is utterly wrong to bring more agriculturists into the country until better conditions and more satisfactory markets have been provided for the farmers already in the country. Labour also shows a disposition to be lukewarm to any immigration policy. At present Canada maintains very stiff barriers, and is spending practically no money upon immigration propaganda. Complaints are heard that she is missing a great opportunity, and that Australia and

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New Zealand are securing thousands of most desirable colonists who, if any inducements had been offered, would have preferred Canada as being more accessible. The C.P.R. are understood to have worked out the details of a comprehensive immigration scheme, which will require the co-operation of the Government, and the King Government will doubtless give it consideration.

On February 8th a special general meeting of the shareholders of the Merchants' Bank ratified, with a small dissentient minority, the merger of their shattered institution with the Bank of Montreal. The transaction must receive the final endorsement of the Finance Department, but there is no expectation that it will be refused. The report of Mr H. B. Mackenzie, who had investigated the bank's position last autumn, was read. Sir Montagu Allan, the president, and Mr D. C. Macarow, the manager, made explanatory speeches, some well-known counsel conducted a rigorous and illuminating cross-examination, and as a result a worse state of affairs than was at first revealed is now disclosed. It staggers public confidence to find that a leading Canadian bank could drop four million dollars financing a brokerage firm, could lose another million in an effort to save \$65,000, and could lend two million more on security which was often seriously deficient. In August, 1921, Mr Mackenzie found \$7,343,302 of "manifest and probable losses from bad debts," and as in addition over four million dollars of other debts had already been met out of the bank's reserve, the total loss to the shareholders has been in excess of 12 million dollars.

At the meeting Mr W. F. Nickle, the same politician who headed the movement for the abolition of titles in Canada, voiced a popular demand for a public inquiry "to determine upon whom the responsibility shall rest, and what amendments to the Bank Act are required to protect shareholders and also the public." The Government have so far not acceded to this request, but if they fail to grant it they will properly come under the suspicion that they have succumbed to the pressure of the other banks, who naturally do not relish the prospect of such an investigation. In other quarters it is urged that criminal proceedings be immediately instituted.

The publication of the revenue figures for the first ten months of the current fiscal year up to January 31st provide some basis for a survey of Canada's financial position. They show that there has been an ominous increase of \$69,862,971 in the total net debt of Canada, which now stands at \$2,372,585,984. The total revenue collected on account of the consolidated funds for the ten months was \$318,489,889, as compared with \$383,835,567 in the corresponding period of the previous year, which means a decrease of \$65,345,678. There has been a steep decline of about 57 millions in customs receipts, but it has, thanks to the improved machinery and the rigorous collection of arrears, been largely offset by an increase of over 47 million dollars in the income-tax returns. The other items mostly show substantial decreases. The expenditure for the ten months amounts to \$260,313,250, which is a decline of \$44,496,028 as compared with last year. But it is plain that the revenues will not come within measurable distance of the \$435 millions which Sir Henry Drayton planned to raise in his last Budget. Taking the returns of revenue now available for ten months, it is estimated that Mr Fielding will have a total revenue for the whole fiscal year of about \$375 millions, which virtually means that the railway deficit, estimated for the current year at about \$57 millions, will have to be added

to the capital debt. But the problem of the financial year 1922-23 is viewed with considerable apprehension. The business profits tax, which was abolished last May, but has yielded almost 20 millions this year, will soon cease to bring in anything, and income-tax returns calculated on the incomes of 1921, when an acute industrial and agricultural depression prevailed, will be seriously lowered. It seems altogether probable that the existing sources of taxation, unless amplified, will leave in 1922-23 a grim gap between the revenue and the irreducible expenditure of the country. Mr Fielding, the new Finance Minister, is an experienced statesman, and is at present seeking to convince his colleagues of the need of the most drastic economies. They are doubly difficult for a newly-elected administration with hungry supporters clamouring for public works of all kinds, but a good beginning has already been made by the cancellation of some extravagant contracts given by the late Government for political purposes. There will also be a drastic cut in the military and naval expenditures, and all the defence services will be consolidated under one department. Mr Fielding is widely trusted, but unfortunately he is now 73 years of age, and it is doubtful if his health will stand the strain of such an onerous department for many months.

JAPAN'S FOREIGN TRADE IN 1921.

(FROM OUR CORRESPONDENT.)

TOKYO, January 20.

THE foreign trade of Japan for the twelve months ending December, 1921, has resulted in a very heavy adverse balance; and, indeed, trade for the period was unsatisfactory in almost every way. Exports for the year fell off more than 32 per cent. and imports more than 34 per cent., the decline in total trade amounting to over 34 per cent., but the adverse balance was some 9 per cent. less than in the previous year. The total value of the nation's foreign trade for 1921 was 2,865,111,000 yen, a decline of 1,418,677,000 yen on the previous year. Exports represented a value of 1,252,241,000 yen, a fall of 696,006,000 yen on last year, while imports reached a value of 1,612,870,000 yen, a decline of 722,671,000 yen on the previous year. The following table will indicate the situation at a glance:—

	1920. Yen.		1921. Yen.
Exports.....	1,948,247,000	.....	1,252,241,000
Imports.....	2,336,541,000	.....	1,612,870,000
Total.....	4,283,788,000	.....	2,865,111,000
Balance.....	387,294,000	.....	360,629,000

Unfavourable as the situation may appear in comparison with the war years, it is an improvement of about 116 per cent. on the pre-war record as far as concerns imports, and an improvement of over 98 per cent. as regards exports. The adverse balance, however, represents an increase of 264 per cent., compared with the pre-war situation. The following figures, representing Japan's foreign trade every five years during the last decade, will indicate the truth of the above statements:—

Year.	Exports. Yen.	Imports. Yen.	Balance. Yen.
1912.....	526,981,842	618,992,277	92,010,435
1916.....	1,127,468,118	756,427,938	371,040,208
1921.....	1,252,241,000	1,612,870,000	360,629,000

A detailed examination of Japan's export trade for the past year shows that a steady decline was registered every month except November and December, and in the import trade there was a steady decline during the first seven months of the year, with a gain in each of the succeeding months on the corresponding months of the previous year. While this may be taken as a sign of improvement, there is every reason to believe that it is but a temporary turn due to abnormal fluctuations in prices. Nor is the outlook any brighter when an analysis of the year's trade is made with regard to countries. In the export trade only shipments to Germany witnessed any degree of increase, those to all other destinations being on the wane. In the import trade, on the other hand, nine countries experienced an increase of trade with Japan, which are named in the order of importance: Germany, the Straits Settlements, Siam, Canada, Asiatic

Russia, Switzerland, Portugal, Mexico, and Austria. Trade with Asia declined, while that with Europe was cut down by one-half. Trade with South America fell off by about one-tenth, and with South Africa about one-fifth.

In the export list of 1921 it is clear that beer, copper, and raw silk are exceptions to the general decline, beer showing an increase of 1,211,000 yen, raw silk a gain of 34,480,000 yen, and copper a gain of 1,328,000 yen on the previous year. All other important commodities showed a decrease, the largest decline being in cotton cloth, which fell off by 131,297,000 yen. The second largest decline was in cotton yarn, which fell off to the extent of 71,788,000 yen. Next comes a decline in silk tissues to the extent of 68,523,000 yen. The decline represents some 28 of Japan's most representative items of export trade, including foodstuffs, which fell off to the extent of 63,882,000 yen; raw materials, which showed a decline of over 60,000,000 yen; semi-manufactured articles, which declined by 187,000,000 yen; manufactured articles, which lost by 438,294,000 yen. Cotton hosiery fell off to the extent of 22,990,000 yen. The situation clearly shows that the attempts of filatures and cotton mills to maintain prices and profits by artificial restriction on production and supply are chiefly responsible for much of the adverse tendency in the trade of 1921.

Turning to the list of imports it is seen that seven important articles register increases: rice, sugar, rubber, copra, lead, woollen tissues, and machinery. The largest increase was in rice, which gained by 10,706,000 yen; next comes sugar with a gain of 9,219,000 yen, and then machinery, which gained by some nine million yen. The biggest drop on the list is in raw cotton, which went down to the extent of 283,210,000 yen; next comes wool, which declined by 89,451,000 yen; steel shapes went down by 85,521,000 yen, oil cakes by 56,997,000 yen, and pig-iron by 22,926,000 yen. Speaking generally, it may be said that foodstuff imports declined to the extent of 37,079,000 yen; raw materials, 539,256,000 yen; semi-manufactured articles by 187,133,000 yen; and manufactured articles by 8,314,000 yen. The decline in semi-manufactured goods is attributed to the decline in iron and steel. The situation clearly reflects the depression that has so long prevailed in Japanese industry as well as the high cost of living, which, comparatively speaking, is now higher in Japan than in any other country in the world. Japanese authorities attribute the general decline in export trade to a decline in the world's buying capacity, the fall in silver, the instability of exchange, and the return of western industrial nations to the markets controlled by Japan during the war, to say nothing of the abnormally high prices prevailing in Japan. With regard to import trade, it was no doubt affected by the decline in consumption in Japan as a result of depression in export trade, a plentiful supply of home food products, and a reduced consumption of fertilizers by the farmers. It may be stated, further, that as there was an adverse balance of trade in Formosa and Korea to the extent of some 65,000,000 yen, the total adverse balance for the nation will amount to more than 420,000,000 yen. Bullion movements in 1921 showed 138,620,000 yen in imports, a decline of 266,107,000 yen as compared with 1920.

Letters to the Editor.

LABOUR AND A CAPITAL LEVY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Would your Labour correspondent (page 271) be kind enough to explain what he means by this sentence:—"The Labour Party would take the view that the income-taxpayer is now reaping the results of his opposition to the 'capital levy,' which would have reduced the annual national expenditure by an amount larger than the economisers (the Geddes Committee) are likely to achieve."

Does your correspondent really think that if this Government could have laid its hands on a lump sum of £500 or £1,000 millions, it would have used the sum to

reduce expenditure? I shall believe it when housewives keep their butter in the dog's mouth and entrust the cream jug to the cat.

Surely it is only the difficulty of getting money from the taxpayer which has brought this Administration to the death-bed repentance of the Geddes Report. If we are to have retrenchment we must make it more, and not less, difficult for the Government to get money.

Even supposing that the money obtained by a capital levy was not squandered, was there any guarantee that it would be used to lower the income-tax? Mr J. A. Hobson, I believe, expressly declines to give any such guarantee, and I should agree that certain other taxes are more oppressive. What we need, in fact, is to sweep away some of the indirect taxes altogether, to halve some of the rest, and to make up the deficiency by lowering the point of total exemption from income-tax to £100 a year.

—Yours, &c.,

J. E. ALLEN.

1 Mitre court buildings, Temple, E.C. 4,
February 20th, 1922.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The sentence to which Mr Allen refers is surely clear enough. If during the boom period a portion of the war debt had been liquidated in money of a value approximating to that which was borrowed, the taxpayer would not to-day and in the future be required to pay interest on the sum liquidated and to make provision for capital repayment in money of much greater purchasing power.

As to whether the sum raised by a levy would be used to reduce expenditure, the object of the scheme would be the repayment of a portion of the debt; and no Government would dare to spend the equivalent of the interest saved in some other way.

Those who support a graduated levy on wealth can obviously give no "guarantee" that income-tax would be reduced in consequence. Mr Allen's question on this point should be addressed to the Chancellor of the Exchequer.

Mr Allen would be supported by the Labour Party in his desire to reduce indirect taxation; but his proposal drastically to reduce the income-tax limit is another story.—I am, Sir, your obedient servant,

YOUR LABOUR CORRESPONDENT.

March 1st, 1922.

Books and Publications.

THE WAR AND FINANCE.

THE financial methods adopted during the great war and their subsequent effect upon currency, credit, and the foreign exchanges will furnish a theme for economic writers for many generations to come, and we are still too deeply involved in the different problems that have been created to be able to anticipate the judgment of history upon them. The task of recording and of studying these events is, however, a most suitable one for contemporary economists, and we therefore heartily commend the very thorough compilation which has been made by the Lecturer on Finance of the New York University. This painstaking record should be much appreciated by those who wish to have in convenient form a book which gives the substance of most of the important official publications, public speeches, &c., on war finance in Great Britain, France, and Germany.

Two-thirds of the 700 closely printed pages are devoted to exposition, in which such comment as the author permits himself is mainly directed to illustrating the soundness of British methods of financing the war as compared with those adopted on the Continent. He, however, recognises that France's difficulties were due to her pre-war fiscal policy, and to the expectation of a short war, which led her to shun the task of imposing burdens on her people

"International Finance and its Reorganisation." By Elisha M. Friedman. (New York) E. P. Dutton and Co., 681 Fifth Avenue.

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when facing the supreme test of national existence. Germany's policy of loan finance was also conceived in the same spirit, and though efficiently carried out, proved a failure. Dr Friedman is appreciative of the efforts made in Germany since the Armistice to restore a condition of solvency under very difficult circumstances. The author has not travelled far from what may be termed the average view, and it would be unreasonable to expect a strong personal opinion over so wide a field.

In the last portion of his book, however, Dr Friedman allows himself greater latitude, and discusses the pros and cons of a capital levy, the possibility of the German indemnity being realised, and the problem of cancellation of inter-allied war debts. On this last topic an interesting chapter is devoted to rebutting both the financial and political arguments urged in favour of cancelling either a part or the whole of the debt. Under the former category he deals with the claim "that our debtors cannot pay, that the sum is too great, that the Budgets of the debtor countries have deficits, that their exchange rates are upset, that Europe can only pay in goods, and will therefore resort to dumping in the United States, and that the United States sacrificed relatively least in the world war."

As regards ability to pay it is pointed out that the resale of British investments in the United States ceased when America came into the war, and that the greater part of these investments are still held by Great Britain; and again that since the Armistice the nationals of both Great Britain and France made large foreign investments—in Germany, Austria, the succession States, and Turkey—to an amount which, though unknown, probably exceeds the interest due to the United States Government. As regards the amount of the debt, it is pointed out that the total is much less than the Premiers of Great Britain and France decided in 1921 that Germany could pay, and that foreign debt is, in both countries, a relatively small fraction of the total debt. It is true that there are important differences between domestic and foreign debt, but it is pointed out that the greater part of the debt of the South American States has commonly been held abroad. The Budget deficit argument is dismissed, on the ground that the interest owed to the United States is only 1.6 per cent. of the total Budget expenditure of France in 1920, 1.7 per cent. of Italian expenditure, and 1 per cent. of Belgian expenditure. As to the effect upon exchange rates, it is pointed out that an important cause of the unsettlement of the exchange rates is the tremendous increase in the excess of imports, which in 1920 had grown for Great Britain threefold, for France eightfold, for Italy ninefold, and for Belgium twofold as compared with 1913. The interest on the United States debt compared with these import surpluses is only 11 per cent. for Great Britain, 6 per cent. for France, 4 per cent. for Italy, and 3 per cent. for Belgium. In any case, the interest, which has been deferred for three years, has no immediate effect on the exchange. As to the relative sacrifices of the various belligerents, the facts do not bear out the argument if account is taken of the respective periods of belligerency. "In 19 months the United States incurred a national debt of 25,000 million dollars, as compared with 34,000 million dollars, the war debt incurred by Great Britain during the four years and three months of war, or a debt of 24,000 million dollars incurred by France during the same period." Or, again, "during the six months of fighting after the battle of Chateau-Thierry, the actual loss of men in the United States was relatively as heavy as that of any

of the other belligerents." The author proceeds, that the threat to Great Britain's carrying trade has been removed, the spectre of the German Navy has vanished, Britain's Colonial Empire been strengthened, and the threat to India of German intrigue in the Near East is dispelled. France has gained territory, ships, dyes, coal, German property in Morocco, and a mandate over German colonies, in addition to her claim for reparation. The United States asked for nothing and obtained nothing. "Only from the point of view of wealth did the United States make a small sacrifice, though by no means the least.....The post-war debt, expressed in terms of national wealth, is 10.97 per cent. for Japan, 12.59 per cent. for Belgium, 13.01 for the United States. Similarly, the post-war per capita debt of the United States is not the least of the Allied Powers. The per capita debt of Japan is \$22.14, of Greece \$105.25, of Canada \$189.45, of Belgium \$246.67, and of the United States \$249.38."

On the question of the dumping of European goods in the payment of debt, the author concludes that "If the Allies pay us in goods we may also ultimately have an excess of imports of merchandise, but the economic conditions of the country will have become adjusted to it. The overturn of the balance of trade is a normal phenomenon of an industrially maturing country."

With regard to the political argument, the claim that victors should not be mulcted in an indemnity is met by the assertion "that if the inter-Allied debts are cancelled America will be paying the indemnity to the European Allies." The suggestion that such cancellation should be the contribution of rich countries towards the destruction of militarism is met by the declaration that militarism is very much alive. Finally, in reply to the argument that such debts are the cause of international irritation, it is urged that "A heavy foreign indebtedness to a peace-loving power like the United States is to a degree a guarantee of the peace of Europe. The world is temporarily insured against war by reason of the fact that the unsatisfied nations of Europe will have to pay off the debts of one war before they can obtain credit to enter upon another."

The author adds one or two positive arguments, of which the most important is that, just as a bankrupt's credit though temporarily improved after composition with his creditors is really weakened for a long period by the stigma of having failed to observe his obligations, so the proposed cancellation would weaken international credit in a crucial period.

This straight talking is a very useful corrective to misconceptions of American opinion which gain ready credence on this side of the Atlantic; and though there is another view widely held in America it is well to pay attention to those American publicists who hold that "the assumptions and hypotheses put forth by the advocates of cancellation are not convincing arguments for the release of the foreign Governments from their formal obligations, although they have value in supporting an attitude of reasonableness and moderation."

THE RESOURCES OF SWEDEN.*

This book describes Sweden from an economic standpoint in order to promote her foreign trade. The first issue contains a number of general articles dealing with the geography, people, language, history, Constitution, agriculture, and natural resources, and also more special articles on mining, manufactures, banking, shipping, finance, and State and private institutions, from the Jernkontor downwards, concerned with the economic life of the nation. Some of these will reappear annually, with the figures brought up to date; others will give place to articles on other subjects, so that the whole series will have to be read together, and no volume will ever be quite obsolete. This volume makes an excellent beginning; the geographical section is specially excellent, and that on the attractions for tourists should fulfil its purpose. Incidentally information is given as to coinage, weights and measures, and the diplomatic and Consular representation. Unhappily, it has been necessary to postpone illustrations and maps.

* "The Swedish Year-Book, 1921." First year of issue. (Stockholm) A. B. Svenska Teknologföreningens Förlag. (London) Williams and Morrow. 7s 6d net.

A MINING COMPANY DIRECTORY.*

THE "Mining Manual and Mining Year Book" for 1922 is, it is claimed, the only annual book published dealing with mining companies operating in all parts of the world. This year's issue contains particulars of 1,400 mining, exploration and mining investment companies, arranged in alphabetical order. Particulars given of each company include the directors and other officials, date of establishment, seat of operations, description of the property with the purchase consideration, plant erected or in course of erection, present working results, ore reserves, details of capital, calls, dividends paid, and the financial position as disclosed by the latest accounts. Highest and lowest prices of the shares for the last three years, and also latest price, are given. There is in addition a supplementary index of private and dormant companies, and also of those undertakings which have ceased to possess market interest.

BOOKS RECEIVED.

Capital Control in New York. By Donald C. Baldwin. (Menasha, Wis.) The Collegiate Press, George Banta Publishing Company.

Le Contrôle Ouvrier sur la Gestion des Entreprises. Par Roger Picard. (Paris) Marcel Riviere. 4 fr 50.

The Development of Economics, 1750-1900. By O. Fred Boucke. (New York) The Macmillan Company.

Obtainable from Messrs Macmillan and Co., Limited, London. 12s net.

Production and Fair Profits. The Key to Industrial Peace. By James Turner. (Manchester) Sherratt and Hughes. 6s net.

Journal of the Royal Statistical Society. January, 1922. (London) Royal Statistical Society. 7s 6d.

Les Relations Economiques entre la Grande-Bretagne et la Suisse dans le Passé et le Présent. By William Waldvogel. (Neuveville) W. Henry.

Wages and Hours of Labor in Cotton Goods Manufacturing, 1920.

Union Scale of Wages and Hours of Labor, May 15, 1920.

The two above-mentioned volumes were published by the Bureau of Labor Statistics, United States Department of Labor, at Washington.

Monographs on Mineral Resources, with Special Reference to the British Empire. Potash. By Sidney J. Johnstone. (London) John Murray. 6s net.

The Nineteenth Century. March, 1922. (London) Constable and Co., Limited. 4s.

Our Fiscal Policy. By C. N. Vakil. (Bombay) C. N. Vakil, Vallabhdas Meghji's Bungalow, Charni road.

The Existing Conditions of Cotton Cultivation in Nyasaland and Suggestions for their Improvement. (London) Empire Cotton Growing Corporation, Millbank House, Millbank, S.W. 1.

The Canadian Bank of Commerce Year Book. A Review of Business Conditions during 1921. (Toronto) Canadian Bank of Commerce.

The Douglas Theory. A Reply to Mr J. A. Hobson. By Major C. H. Douglas. (London) Cecil Palmer. 6d.

Statistical Bulletin for January, 1922. (London) National Federation of Iron and Steel Manufacturers, Caxton House, Tothill street, Westminster, S.W. 1.

We notice that this publication, which has hitherto been reserved for circulation among members of the Federation only, is now available to the general public for an annual subscription of 14s, post-free. The Bulletin summarises each month the production of iron and steel in each of the chief producing countries, and deals in considerable detail with the production and foreign trade of the United Kingdom. Another feature of the Bulletin is a fortnightly index of the value of iron and steel shares.

Sell's Directory of Registered Telegraphic Addresses, 1922. (London) Business Directories, Limited, E.C. 4. 45s.

The publishers claim that this book is the only list published of registered abbreviated telegraphic addresses compiled from Official Lists supplied by the authority of His Majesty's Postmaster-General. It is certainly a very valuable work of reference, and worthy of a place on the bookshelves of a busy office.

* "The Mining Manual and Mining Year Book." (London) Walter R. Skinner. 20s net.

Headway. A Review of the World's Affairs. March, 1922. (London) League of Nations Union, 15 Grosvenor crescent, S.W. 1. 3d.

"Headway," the organ of the League of Nations Union, has recently been subjected, it is stated, to drastic overhauling, and an excellent international monthly has emerged. Anyone who wishes to follow the progress of the League of Nations and to keep in touch with the international situation month by month will do well to subscribe to this magazine.

BANK CIRCULARS.

Reports from Branches. February 28, 1922. (London) Anglo-South American Bank, Limited.

Monthly Review. January 31, 1922. (Cape Town) Standard Bank of South Africa.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. ACCOUNT.
March 14. March 15.

The feature of the week is the manner in which the War Loan, after touching 95½, rose to 97, on expectations that were aroused of the Treasury putting on tap an issue of 4½ per cent. bonds at 99. Although the rumour was thought to be a little premature, the Stock Exchange considered that it possessed elements of probability. Consequently, gilt-edged stocks, after being rather dull and heavy on the chance of an early General Election, turned better. The presentation of the Government of India accounts, showing a heavy deficit for last year, failed to stop a sympathetic improvement amongst India securities, while the lists for Home Railway prior-charge stocks show many rises on the week, money flowing readily into this particular channel of security.

Various new issues are expected to be made in the near future by French Departments and railways. The instantaneous success of the five million pounds issue of P.L.M. 6 per cent. bonds, offered at 86, encouraged the idea that two or three of the big French railways will shortly follow the example of the P.L.M. With Seine 7 per cent. bonds up to 5 premium, it would be somewhat astonishing if other French Departments failed to accept the obvious hint. French Government bonds, however, are quiet, and Germans have been weak. Chinese issues gave way somewhat sharply on the postponement of a second interest payment on the 8 per cent. bonds commonly called the Chinese Marconi loan. Brazilians have been erratic; Argentines failed to hold all the strength developed early in the week. Siamese scrip, after touching 2½ premium, recovered to 3; and amongst Chileans, the outstanding feature is a sharp rise in the 7½ per cent. scrip.

Home Railway stocks are generally firmer. The strength of the Consol market led to the Home Railway list being searched for cheap-looking stock, with the result that the Heavies advanced steadily. Scottish railways are also noticeably better, and the Welsh stocks maintain their big rises of the past fortnight. There is nothing doing in Canadian railways. Argentines are languid, prices going back on a little selling. The same dullness spread to Brazilian railways, but Nitrates were better, on the strength of the market in the producing companies' shares, brought about by statements to the effect that Germany has started to buy nitrate once more.

The Rubber market is no better, and amongst oil shares the principal activity of the week centred in Shell new preference dealings. The small investor has been liberally dealt with by the Shell Company, and the price of 2s premium offers a tempting profit to the stag. The Courtauld report led to the company's shares giving way, though the price firmed up later on; the Textile market generally kept steady, although the much-discussed "textile boom" seems to tarry on its way. The Shipping market, after a display of strength, went back a little, and the movements amongst insurance shares make a mixed showing. The Bank Share market is undecided. Eastern banking shares were depressed at the beginning of the week, though buyers at the lower prices have come along during the past few days. Electricity supply shares are mainly better, in consequence of the excellent set of dividends now declared. Gas stocks have been further rising day by day. In the iron and steel group, South Wales is still something of a seller, and armaments show no special variation. There have been numbers of improvements in the stocks and shares of trust companies, land, finance and similar undertakings, the scarcity of stock being as marked as ever.

Bloodshed occurred on the Rand in a collision between police and strikers, but prices remained quiescent, and the Kaffir market merely became rather quieter than it was before. Rhodesians are dullish, and the slight activity in diamonds has given place to stagnation. Most of the tin shares are easier, where they have moved at all. Rio Tintos fell to 25. The Russian and Mexican mining markets attract no particular interest from the public. Broken Hills are better on the week.

Stock Exchange shares, credited with £25 paid, have risen to £100. Nominations, which generally advance in value on the eve of the Stock Exchange new financial year, stand about £35 to £40. Two years ago, with business booming, £650 was paid for a nomination.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

ISSUES OF THE WEEK—	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£228,223,330	£	£	£

TREASURY BONDS.

5½% 1929 receipts to February 18, 1922.....	283,518,110
Further receipts	58,954
Total receipts 5½%	283,577,064
5% 1927 receipts to February 18, 1922	40,455,000
Week to February 25, 1922.....	75,000
Total receipts to date	40,530,000

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED FEBRUARY 25, 1922.

April 1 to February 25, 1918, 455,000	1,775,000	1,775,000
To the Public—		
Belfast Corporation, £1,000,000		
5½% Red. Stock (red. at par 1937-47), issued at 96% (Feb. 27) 1,000,000 ..	960,000	50,000
P.L.M. Railway Co., £5,000,000 6% Sterling Bonds (red. at par 1929-58), issued at 86% (Feb. 28) 5,000,000 ..	4,300,000	500,000
Peter Robinson, Ltd., £750,000 7% Gen. Pref. Shares, £1, at par (Feb. 27) ..	750,000	93,750
Croydon Gas, £70,000 6% Deb. Stks., at 98%, red. at par July 1, 1932 (March 1) ..	70,000	68,600
Total offered to Public	6,078,600	650,750
Total offered for subscription to date ..	5,427,850	

1922	£236,210,884	1921	£388,978,203
1921	37,349,992	1920	367,549,626
1920	89,719,034	1919	1,036,069,261
1919	261,376,387	1918	1,293,381,441
1918	254,155,881	1917	1,516,598,010
1917	614,068,831	1916	1,516,438,850
1916	129,516,190	1915	686,336,396
1915	41,338,546	1914	512,592,533

To complete our record of new issues and summary of profit and loss accounts, company secretaries are requested to furnish us with copies of new prospectuses and report and accounts. Our readers can also assist by forwarding copies of prospectuses and company reports and accounts which may fall into their hands.

P.L.M. Railway Company (Compagnie des Chemins de Fer de Paris à Lyon et à la Méditerranée).—This is an offer of £5,000,000 6 per cent. sterling bonds at £86 per cent. The principal and interest are payable in sterling in London, and the bonds will be redeemed at par before the end of 1958 by the operation of a cumulative sinking fund, beginning January 1, 1929. The company has the option to redeem at 103 on or after July 1, 1932. Payment of interest and sinking fund is secured by (1) direct obligation of the company; (2) the joint fund of the large French railway systems; (3) undertakings by the French Treasury and French State. The company was formed in 1857, and owns 25 per cent. of the total mileage of all French broad gauge lines. Its share capital is 400 million francs, and the outstanding bonded debt consists of 16,131,601 bonds of 500 francs each. None of these bonds carry any special security, nor is any part of the railroad or assets specifically pledged, and the company undertakes not to pledge any assets without placing holders of the present loan on equal terms with such creditors. This is a well secured foreign railway bond, and deserved its popular reception.

Belfast Corporation 5½ per Cent. Stock.—Issue of £1,000,000 stock at £96 per cent. This stock will be redeemed at par on July 4, 1947, but the corporation has the option to redeem at par on or after July 4, 1937, on giving three months' notice. The corporation is bound by statute to pay into a consolidated loans fund every year the aggregate amount of all "dividends" payable in that year, and such further sums as shall be sufficient, with accumulation of interest, to redeem all issues of corporation stock at the end of the prescribed periods. For this latter purpose, a sum exceeding

Colonial and Foreign Railways.									
Antofagasta Cons.....	52	50 $\frac{1}{2}$	1 $\frac{1}{2}$	Grand Trunk 3d Pref.,	4	4	.....		
B. A. & Pacific.....	43	41	2	Leopoldina.....	26 $\frac{1}{2}$	24 $\frac{1}{2}$	.....	2	
B. A. & S. Southern.....	87	85	2	Mexican Railway.....	13 $\frac{1}{2}$	13	.....		
Central Ayres West.....	83	83	0	Do 1st Pref.....	39	38	.....	1	
Central Pacific.....	158	154 $\frac{1}{2}$ x	3 $\frac{1}{2}$	Do 2d Pref.....	94	93	.....	1	
Central Argentine.....	58	56	2	San Paulo.....	118	116 $\frac{1}{2}$	.....	2	
Grand Trunk Ind. 1 $\frac{1}{2}$	1 $\frac{1}{2}$	1 $\frac{1}{2}$	0	United Havana.....	56	55 $\frac{1}{2}$	.....		

Banks.					Banks.				
Price	Least	Latest	Price.	Rise or	Price	Least	Latest	Rise or	
Week.	Week.	Week.	Fall.	Fall.	Week.	Week.	Week.	Fall.	
Barclays B (£1, l.p.d.)	21 1/2	21 1/2	..	..	Nat. Bank of Egypt	192	192	..	
Lloyds (£5 with 1st pd.)	21 1/2	21 1/2	..	..	(£10)	..	..	..	
London Joint City & Midland (£12 with 2nd paid)	75	75	..	..	Nat. Bank of S. Africa	102	102	..	
(£20 paid)	75	75	..	..	(£10)	..	..	..	
London County West- minster and Parr's (£20 with 25 paid)	168	168	..	..	Nat. Prov. & Union of England (£30 with 24 paid)	104	104	..	
					Standard of S. Africa (£20 with 25 paid)	114	114	..	
Foreign Government Securities.					Foreign Government Securities.				
Argentine 5%, 1886-7	87	87	..	..	Italian 3% Rentes	25 1/2	25 1/2	..	
Belgian 3%	66 1/2	66 1/2	..	..	Greek Monopoly 4%	32 1/2	31 1/2	..	
Brazil 5% Fund, 1894	68	68	..	..	Japanese 4 1/2%	101	101	..	
Chilian 4%, 1886	68	68	..	..	Do 4%, 1910	68 1/2	68 1/2	..	
Chinese 5%, 1912	75	74	..	..	Mexican Cons. 1889	60 1/2	59 1/2	..	
Egyptian 4%	66	66 1/2	..	..	Peruvian Corp. Prof.	18 1/2	17 1/2	..	
French 5%	46 1/2	46 1/2	..	..	Russian 5%, 1908	15 1/2	15 1/2	..	
Do 4%	36 1/2	37	..	..	Spanish 4%	75	75	..	
Telegraphs.					Telegraphs.				
Anglo-American "A"	20 1/2	21 1/2	..	..	Marconi Canada	1 1/2	1 1/2	..	
Marconi Wireless	14 1/2	14 1/2	..	..	Marconi Marine	1 1/2	1 1/2	..	
British Railways.					British Railways.				
Great Central Pref.	11 1/2	12	..	..	L. & S. Western, Def.	25	25 1/2	..	
Great Eastern	32 1/2	32 1/2	..	..	Metropolitan	35	35	..	
Great Northern Def.	31 1/2	33 1/2	..	..	Metropolitan District	26	26	..	
Great Western	88	89	..	..	Midland Deferred	56 1/2	57 1/2	..	
London, Brighton, "A"	48 1/2	48 1/2	..	..	North British Def.	12 1/2	12 1/2	..	
London, Chatham	9	9	..	..	North-Eastern	89 1/2	89 1/2	..	
Do Arb. Pref.	57	58	..	..	South-Eastern "A"	30 1/2	30 1/2	..	
L. and N. W. (New)	84	85	..	..					
American Railroads.					American Railroads.				
Chesapeake & Ohio	56 1/2	56 1/2	..	..	Southern	23	23	..	
Erie	12	12	..	..	Do Non-cum Pref.	58	59	..	
Do 4% 1st Pref.	20	19	..	..					

Miscellaneous.			
Acorned Bread (£1) ..	1½	1½	..
Armstrong (Sir W. G.) and Co. (£1) ..	13/9	13/6	.. /3
Ass.Ptind.Cement (£1) 14/9 ..	14/9	..	..
B'hamSmall Arment (£1) 7/6 ..	7/6	..	..
Brail Fracton (£40) 40 ..	38½	..	.. 12
Brilliant American Tobacco (£1) ..	3½	3½	..
Brit. & Arg. Meat (£1) 14/9 ..	14/9	..	..
Burmah Oil (£1) 5/6 ..	5/6	..	..
Coats J. and P. (£1) ..	24	24½	.. ½
Courtauld (£1) ..	14	14	..
Cumand (£1) ..	14	14	..
Dorman, Long (£1) ..	11	11	.. ½
Dunlop Rubber (£1) ..	14	14	..
Fine Cotton Spinners (£1) ..	18½	13	.. ½
Forral Lead (£1) ..	14	14	.. ½
Furness, Withy (£1) ..	11	11	.. ½
Highlands and Low- lands Rubber (£1) ..	14½	14½	.. ½
Hudson's Bay (£1) ..	6½	6½	..
Imperial Tobacco (£1) ..	24	24½	.. ½
Linggi Plantain (£1) ..	1½	1½	..
Lupton (£1) ..	1½	1½	.. ½
Lever Br7½% CpPr (£1) 18 ..	18	..	.. ½
Do 8% Cp Pr (£1) ..	18	..	.. ½
Do 20% Cp Pr (£1) ..	18	..	.. ½
Do 20% Cp Pr (£1) ..	18	..	.. ½
Lister (£1) ..	1	1	..
Lobitos Oilfields (£1) ..	4½	4½	.. ½
Magadi Soda (£1) ..	3½	3½	.. ½
Magadi Soda (£1) Ord. ..	3½	3½	.. ½
Mexican Eagle (£10) ..	4½	4½	.. ½
North Caucasian (10) ..	18	18	.. ½
Pekin (2) ..	18	18	.. ½
Rubber Plantations (£10) ..	18	18	.. ½
Shell Transport (£1) ..	4½	4½	.. ½
Smithfield & Argentine Meat (£1) ..	18	18	.. ½
Underground Electric (£10) ..	18	18	.. ½
Do "A" (10) ..	18	18	.. ½
Do Inc. Bds. (£100) ..	77	73	.. ½
United Sengak (2) ..	18	18	.. ½
United Tobacco (£1) ..	18	18	.. ½
Vernon (2) ..	18	18	.. ½
Vickers (£1) ..	18	18	.. ½
Watney Det. Ssk. ..	138	140½	.. ½

MINES.										
Charleston (41).....	2 1/2	x.	2 1/2	x.	70	Knights	3 1/2	x.	8	+ +
Broken Hill Prop. (8)	1 1/2	x.	1 1/2	x.	70	Modderfontein (10)	5 1/2	x.	5 1/2	+ +
Cons. Gold Fields (1)	1 1/2	x.	1 1/2	x.	70	Modderfontein (B) (5)	1 1/2	x.	1 1/2	+ +
Crown Mines (10)	1 1/2	x.	1 1/2	x.	70	Modderfontein Deep (3)	2 1/2	x.	2 1/2	+ +
De Beers Del. (22)	10	x.	10	x.	70	Premier Del. (2 1/2)	4 1/2	x.	4 1/2	+ +
De Beers Del. Prop. (12)	10	x.	10	x.	70	Rand Mines (5 1/2)	2 1/2	x.	2 1/2	+ +
Gold Fields (1)	1 1/2	x.	1 1/2	x.	70	Rio Tinto (25)	26	x.	26	+ +
Gov. Gold Areas (1)	3 1/2	x.	3 1/2	x.	70	Spring Mines (21)	1 1/2	x.	1 1/2	+ +

MINING OUTPUT STATISTICS FOR FEBRUARY, 1922.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Gravide Works.	Mill.	Gravide Works.	Total.		
Gold.	Tons.	Tons.	Oss.	Oss.	Oss.	£	£
Frontino and Bolivia	1,800	..	..	..	..	7,488	..
London and Rhodesian, Jan.	3,695	..	..	..	..	3,585	..
Mexico Mines of El Oro, Jan.	13,000	..	..	..	..	\$188,200	..
Oroville:—Pato (23 days to Feb. 10th)	..	..	..	..	..	..	..
Waihi	12,661	..	3,751	gold	13,388	\$17,807 silver	..
Quarter ended Jan. 31st—	..	..	..	..	..	..	..
Glynn's Lydenburg	11,550	..	..	..	..	20,958	3,150

Tin.		Output.	Other Notes in Return.
Filani	Tons.	2	
South Bukuru	12		Shipped 12 tons. January return.
Coal.			
Chinese Engineering.....	64,073		Week ended Feb. 18th.
East Kent	3,100		Week ended Feb. 25th.
Miscellaneous.			
New Vasil River	..		Diamonds registered 405 carats, value £2,739

BRITISH BROKEN HILL.—Mill returns for fortnight ended February 25th: 7,608 tons crude ore produced 1,400 tons lead concentrates, containing 855 tons lead and 35,700 ozs silver; also 1,020 tons zinc concentrates, assaying 9.3 per cent. lead and 10 ozs silver per ton; also 455 per cent. zinc.

BROKEN HILL SOUTH.—Four weeks ended December 31st: 12,210 tons of crude ore were treated, assaying 14.8 per cent. pb., 6.9 ozs ag. and 13.3 per cent. zn., producing 2,245 tons concentrates assaying 67.3 per cent. pb., 25.4 ozs ag. and 7.7 per cent. zn. Of the foregoing 1,926 tons came from the lead-concentrating mill, assaying 67.8 per cent. pb., 22.7 ozs ag. and 7.8 per cent. zn., and 519 tons were produced from current slime, assaying 64.4 per cent. pb., 41.6 ozs ag. and 7.3 per cent. zn. 8,643 tons of dump slime were treated, assaying 10.8 per cent. pb., 67.7 ozs ag. and 35.3 ozs ag. and produced 1,226 tons concentrates assaying 48.2 per cent. pb., 12.7 per cent. zn. and 1.6 per cent. sn. The despatches of zinc telluride were:—To Zinc Corporation, 25,020 tons; to Anglo-American, 1,000 tons; to Anglo-Siam, 1,000 tons.

ELECTROLYTIC ZINC CO. LTD., Australasia, Limited.—Cable dated March 1st: Production for the period November 22 to December 14, 1921—322 tons silver and lead product, for shipment to Port Pirie for realisation, containing 21 tons lead, 15,693 ozs silver. Production for four weeks ended January 1922—1,235 tons zinc and silver product for realisation containing 35 tons lead and 31,407 ozs silver. Production for four weeks ended February 8, 1922—400 tons zinc and silver product for realisation containing 223 tons lead and 36,377 ozs silver.

THE MERCHANTS' TRUST, LIMITED.

MR ROBERT BENSON ON NATION'S FINANCIAL POLICY.

EFFECTS OF DEFLATION.

SPECULATION. AND THE BANK RATE.

The thirty-third ordinary general meeting of the company was held at Winchester House, Old Broad street, London, E.C., on Monday, the 27th ult., Robert Benson, Esq. (the chairman), presiding.

The Chairman, in moving the adoption of the report, said: Gentlemen,—The net income, after payment of expenses, taxes, and fixed charges (interest on debenture and dividend on preferred stocks) is £59,238, or the equivalent of 12½ per cent. on the ordinary stock. We recommend a dividend of 9 per cent. and to carry forward the balance of £16,026, making a total carried forward of £48,230.

THE AFTER EFFECTS OF DEAR MONEY.

You will naturally be asking—why not 10 per cent.? Now we are quite as desirous to pay 10 per cent. as you are to receive it; but 1920 and 1921 were critical years, and will have after-effects. The experiments of the deflationists have contributed to beggar many, labour included; and though the process of arbitrary deflation, instead of a natural down-grade of prices as supplies of commodities increase, is unpopular now, and money is easy with a 4½ per cent. Bank rate instead of 7 per cent., we are not yet out of the wood.

The ex-Governor of the Bank, as Mr Chamberlain stated on November 10, 1919, "convinced him of the necessity of raising the rate to 6 per cent." Sir Charles Addis, speaking on November 8th last, on his inauguration as President of the Institute of Bankers, and with all the authority of a director of the Bank of England and member of the Cunliffe Committee on Currency and the Foreign Exchanges, warned the City of London that "the process of reduction of currency notes is to be continued." And he went on to quote the Chancellor of the Exchequer, that is Mr Chamberlain, as having stated (December 15, 1919) that: "It is his intention to continue the policy of accelerating the process of reduction, as opportunity offers, by further transfers to the credit of Currency Note Account of Notes from the Banking Reserve of the Bank of England." Do the present Chancellor of the Exchequer and the present Governor of the Bank endorse these belated quotations from their predecessors? What are the Treasury officials saying? It is important for the City of London to know.

THE BANK RESERVE BELOW 8 PER CENT

You realise that it was this policy of transferring Bank of England notes to form part of the Reserve for Currency Notes which reduced the Bank's Reserve at one time below 8 per cent. and scared the outside world. It had the same effect as an export of gold, depriving the Bank of the most saleable thing in the world, and therefore the best reserve in case of need to support the value of sterling exchange. Instead of maintaining a liquid stock of gold, these transfers locked it up where it is merely a window-dressing. Thus we have had the anomaly of a 7 per cent. rate leading not to an import of gold as in pre-war days, but to what was tantamount to an export. It would be wiser to wait till our position as a creditor nation is restored, along with a free market for gold, before monkeying with the banking reserve and the Bank rate, whose "effectiveness" Sir Charles emphasises "as an instrument for contracting speculative credit and reducing the inflation of prices." Indeed, so effective was it that prices "fell three times as quickly as they had risen." Whether *post hoc* or *propter hoc* he wisely did not pause to inquire.

THE WRECKAGE OF DEFLATION.

The point I am making is that before raising your dividend to 10 per cent. we must ascertain the extent of the wreckage caused by these official experiments and their effect upon the dividends to come from British industrial investments. The deflationists are "laying low" just now, being somewhat alarmed at their handiwork. But Sir Charles Addis's warning is explicit, to the effect that they have a rod in pickle, as opportunity offers, to check what they call "the speculative expansion of credit," forgetting that "a country without speculation is a stagnant marsh." Rise of prices may not be speculative at all, but due to an actual shortage of new supplies—the consequence of reduced production of commodities of which the world was, and still is, in dire need. But producers have been scared by the slump. Thus the American

cotton crop in 1921 was about half the pre-war number of bales. Why? Because of the slump in prices.

A Bank rate put up arbitrarily and intended to punish speculators must be distinguished from a rise in the Bank rate in pre-war days. It is time for the Old Lady of Threadneedle Street to stop sending her disciplinarians round with instructions to "Go and see what Tommy is doing and tell him not to." The $4\frac{1}{2}$ per cent. rate of to-day is the result of industrial stagnation, as after the Baring crisis of 1890, when the rate came down to 2 per cent. A lower rate now than $4\frac{1}{2}$ per cent., to encourage speculation in the best sense, is a condition precedent of the renewal of employment.

AFTER THE ARMISTICE

You remember the fair prospect after the Armistice when war production began to give way to peace production. Expansion of credit for war purposes appeared to have ceased and Government borrowing to be limited to finding the £244,000,000 needed to balance the Budget, and to cases where for reconstruction purposes State guarantees, or subsidies, had to be given, or subscriptions of capital for key industries.

Thus it seemed that the larger portion of Government borrowings would not be disbursed so as to create fresh deposits or renew old ones, but would be used to repay Ways and Means Advances at the Bank of England and Treasury bills held by the banks. If used to repay ways and means, the supply of deposits would be contracted much more rapidly than if used to repay Treasury bills, and the money market might again become even more capricious than when it depended on the manipulation of gold. That was the position which confronted your directors in the spring of 1919. We saw clearly that if the theory of the Cunliffe Committee was to be put in force, viz., "Raising the Bank rate in order to check a drain of gold abroad and the speculative expansion of credit at home, together with limitation by law of fiduciary note issues," our money market would become more rigid than Peel's at the very time when expansion by means of gold imports had ceased to exist. Therefore, it would be time to sell everything and buy money. But if, on the other hand, a supply of money—currency notes and loans with their correlative deposits—were provided to meet all legitimate demands of trade and industry, *pari passu* with the cessation of Government disbursements and the natural contraction of deposits as prices fell, then public confidence would not be imperilled, and reconstruction would proceed smoothly. But in April, 1919, prices ceased to fall and began to rise again. Costs of production, and consequently prices, became higher than consumers could pay. By March, 1920, the *Economist's* Index Number (wholesale) touched its highest point, viz., 325, against 100 in July, 1914.

THE DEAR MONEY POLICY.

Upon this situation the 7 per cent. Bank rate was maintained. It was a public announcement that a policy of restriction had been adopted with a view to lowering prices, and thereupon the consuming public decided to suspend purchases till the fall matured, thus greatly accelerating and intensifying the fall, and leading to a state of frozen credits which completely defeated the desire of the banks to liquidate their position.* You can see the precipitate slump in prices owing to what may be called a consumers' strike from 321 in April, 1920, down to 167 in January last, in the chart and statistics that accompany the report of this meeting, compiled for us by Mr John A. Todd, of Balliol College, and which you will find of permanent value whenever the official policy comes up for judgment at the bar of history. Was the slump *post, or propter* the 7 per cent. rate? However this may be, war loans and Government credit slumped too. The Government, as the largest borrower, had to pay 7 per cent. instead of 5 per cent. on some 1,300 millions of floating debt; all trade was penalised; production was checked; general depression ensued; unemployment became acute; doles were multiplied; the banking system got tied up with frozen credit.

THE MANIA AGAINST SPECULATION.

That is what the mania against "speculation" has cost. Are the deflationists going to be allowed to play this game again? Are they incorrigible, and still to be taken seriously? For the present

* *Anglo-Italian Review*, December, 1921, p. 199.

the experiment of deflation in a hurry is closed. Ease of money has superseded tightness, and the recovery which has taken place in Government credit and gilt-edged securities is proceeding to the next grade, and so on. As in the spring of 1919 it was time to sell securities and buy money, so now, apparently, it is time to sell money and buy securities.

But the rise in the stock market is not based on increased prosperity of the country; it is based on idle money because trade is idle—that is, upon unhealthy conditions. Nor is the rapid rise in sterling exchange an entirely favourable symptom. What will happen when the Americans begin to sell the sterling they have bought? Some opportunity may occur for the tight money party to regain control of the money market.

Suppose they put the Bank rate again to 7 per cent. Will the American who has bought sterling leave his money here to get a rate of interest, or will he make haste to take it away before his capital is affected? Probably the latter, for speculators think more of capital profit or loss than of income. But we don't know. We are landed in a monetary system more rigid than Peel's, for a rise in Bank rate no longer commands gold and brings relief. It is no use going back to the past, or what they call "the normal," along with the Cunliffe Committee; we have got to face the present and go forward.

In the pre-war days the balance of trade was fairly close to equilibrium all the time (including invisible items which were more or less permanent), and any temporary balance was met by credit movements—not necessarily gold movements. But now international war debts, and reparations, dominate the balance of trade. The tail is swinging the dog.

We are back in 1844, when the address of the thirty bankers was presented to Peel, pointing out that "in the practical working of a system of currency acting (as he proposed) as if it were exclusively composed of metal, there will be moments when sudden voids will be created in the circulation, which under such a system cannot be provided for with sufficient readiness, and which, if not in some way provided for, may be the cause at times of a total suspension of business throughout the country."

Much more is this true to-day, when the elasticity of Peel's system, viz., the command of gold, has ceased. Nothing but State credit in the form of a supply of Treasury bills continually maturing in the hands of the clearing banks, and acting as their second line of defence, enabled them to deal with the recent crisis. The Chancellor complained that he was not master in his own house. It was fortunate.

It is hoped that our authorities will remember that for reconstruction purposes the rigidity of currency or rapid contraction of credit may be even more dangerous than expansion, which was the natural and inevitable consequence of war.

The report was unanimously adopted.

SPARE COPIES OF THE CHART AND STATISTICS CAN BE OBTAINED AT THE COMPANY'S OFFICE, 4 CROSBY SQUARE, E.C. 3.

PRUDENTIAL ASSURANCE COMPANY, LIMITED.

TOTAL ASSETS INCREASED BY OVER £10,000,000

LARGE INCREASE IN INCOME.

The annual general meeting of the Prudential Assurance Company, Limited, was held on Thursday, March 2, 1922, at the chief office, Holborn Bars, London, Mr A. C. Thompson, the chairman of the company, presiding.

The secretary, Sir George May, K.B.E., having read the notice convening the meeting and the auditors' report,

The Chairman said: Ladies and gentlemen,—I now have the pleasure to present to you the report for the 73rd year of the company's operations. This report reflects, like many of its predecessors, the general commercial and economic conditions which the nation has experienced during the period under review.

That this must inevitably be so will become clear from a consideration of the magnitude of the figures and the wide range of Prudential activities.

In my address to you a year ago reference was made to the period of trade depression upon which we were even then entering. We did not hide from ourselves the fact that this depression was likely to prove of a serious nature, and I regret to say our anticipations in this respect have unhappily been realised. This depression was due primarily to the inevitable reaction from an abnormal period of apparent prosperity. In addition, the depression and consequent unemployment which naturally followed were much aggravated in the early part of the year by trade disputes, which indeed at one time threatened to bring the commerce of the country to a standstill.

CONCESSIONS TO POLICYHOLDERS.

Our policyholders in the industrial branch found it difficult in many cases to maintain their premium payments. Your directors, therefore, after careful consideration delayed lapsing policies when

it appeared that the inability to pay premiums was due to unemployment or distress.

Instances may, however, arise in which the assured are unable, owing to prolonged unemployment, to pay the arrears due. In such cases the company are willing to assist the policyholders in the industrial branch by cancelling the arrears and reducing the sum assured under whole life assurances, or extending the term of War Bond and other endowment assurances. Due provision has been made in the valuation for the cost of this concession.

In view of the difficult conditions, the results secured by the company in the past twelve months must be considered to be as remarkable as those previously achieved, even though the actual figures may in some instances fail to create fresh records.

TOTAL INCOME OF THE COMPANY.

The total income of the company for the year, as shown by the accounts, was £31,112,827, an increase of nearly two and three-quarter million pounds over that of the previous year. The various items which make up this income and the sources from which they arise are as follows:—

Premiums Industrial Branch	13,998,392
Premiums Ordinary Branch	9,367,063
Premiums General Branch	686,299
Consideration for Annuities granted	109,661
Interest and dividends	6,274,065
Payment received for administration of the Approved Societies	677,347

£31,112,827

A comparison of these figures with those for 1920 shows that an increase, in some cases a substantial increase, has been obtained in the income from every one of the sources mentioned.

INDUSTRIAL BRANCH.

In the industrial branch the increase in the premiums received over those for 1920 was £1,006,784. This figure is not so large as that shown in the two preceding years of active trade; it is, however, satisfactory to note that not only is the increase in this branch for 1921 greater than that for any year prior to 1919, but that it actually exceeded the increase for this branch in the whole quinquennium immediately before the war.

ORDINARY BRANCH.

The year's business in the ordinary branch is equally satisfactory. The new premium income is £1,138,447, which, while not so large as in 1920, is more than double that of our best pre-war years. The number of policies issued during 1921 was 93,522, assuring the sum of £15,968,378, of which £6,240,376 was for sums assured of £500 and over. The new sums assured are not so great as those for 1919 and 1920, which were our previous best years, but are sufficiently impressive to indicate the confidence of the public in Prudential Life Assurance.

Ten years ago the average sum assured for policies issued in that year was £93. In 1921 it was £171. This constitutes a fresh record, and lends emphasis to my previous remark.

LIFE ASSURANCE WITHOUT MEDICAL EXAMINATION.

It has been the aim and the practice of the Prudential to extend the comfort and protection of life assurance to those who have previously refrained or have been excluded from obtaining these benefits owing to their dislike of medical examination or by reason of actual physical disability. I mentioned in March last the steps we had taken in granting assurance to persons of subnormal health; during the past year these have been continued with results satisfactory to all concerned. For those who dislike medical examination we have hitherto endeavoured to provide by the issue of special forms of assurance which did not necessitate the intervention of the doctor. During last year we offered to consider proposals without medical examination under our most popular tables subject to some limitations in the amount of assurance and in the cover given in the first two years of the currency of the policy. The amount of business done with those who have taken advantage of this offer is very considerable, and the experience has proved satisfactory. Judging by the results already available, we are satisfied that we are supplying a real demand of the assuring public, and also that we are justified in extending the scope of the scheme. There is little doubt this will be appreciated by prospective clients, and will prove mutually advantageous.

CLAIMS.

During the past year the total amount paid by the company in claims and surrenders was more than ten and a-half million pounds in all branches inclusive. This is rather more than £1,200,000 in excess of the previous year's total, and includes a sum of no less than £4,118,713 paid under matured endowment assurances in the ordinary branch. The amount paid in death claims in the ordinary branch was £1,634,290, and in the industrial branch was £3,128,068.

We learn from the Registrar-General that the death-rate in the United Kingdom during 1921 was lighter even than that of 1920, the previous lowest on record, and this has also been our own experience in the industrial branch, notwithstanding the increase in the claims paid. In this branch the death claims were £13.24 per £1,000 of the sums assured at risk as compared with £13.55 per £1,000 in 1920. The ordinary branch naturally shows lower rates of mortality than the industrial branch, because the bulk of the assurances in the latter branch are of necessity granted without the advantage of the company of medical selection.

VALUATION REPORT.

Turning now to our liabilities, you will see from the valuation report that the company holds as a total reserve against all future liability under its insurance contracts the sum of £127,184,621, in the ordinary branch £61,379,431, in the industrial branch £65,269,505, and in the general branch £535,685. The total increase in the reserve held in the three branches collectively is just under ten million pounds sterling.

ORDINARY BRANCH BONUS.

The surplus shown in the ordinary branch is £1,779,146, of which £500,000 has been added to investments reserve fund, and £993,453 has been allocated to the with-profit policyholders. This is sufficient to provide a reversionary bonus of 26s per cent. of the sum assured for the year, being an increase of 6s per cent. on the bonus declared last year. We have every reason, after careful consideration, to believe that we are leaving behind us the lean years resulting from the war, and that the continuous progress in our ordinary branch bonus, so violently interrupted in 1914, will be resumed.

You will see from the valuation report that in the industrial branch the surplus is £1,309,096, this being a substantial increase over the corresponding item for last year. Of this amount, £300,000 has been added to the investments reserve fund and £200,000 has been carried to the common contingency fund. Under our profit-sharing scheme the sum of £200,000 is available for distribution among the industrial branch policyholders who are entitled to participate, and £50,000 will be distributed among the outdoor staff.

INDUSTRIAL BRANCH BONUS.

You will remember that the method adopted before the war of distributing the policyholders' share of profits was to declare a bonus payable only on the claims arising within the year in which the surplus was distributed. Now that it is possible again to put the scheme into operation, we desire to effect an improvement, so that, instead of the bonus being a mortuary benefit limited to the year of distribution, provision shall be made so that the additions may ultimately become permanent. This ideal is impossible of immediate attainment, but it is hoped in the course of a reasonable period to pass completely from one system to the other. As a step towards this end we are this year distributing the policyholders' share of the surplus as an addition of 2½ per cent. to the sum assured under all claims emerging whether by death or maturity of endowment during the two years, March 3, 1922, to March 6, 1924, provided that premiums have been paid for ten years and upwards, and that the policy was not issued with the express condition that it would not participate under the profit-sharing scheme. It is hoped further to extend year by year the period over which the bonus is spread. That is to say, it is the intention, so far as surplus is available in 1923, to spread any industrial branch bonus, which may then be declared, over a period of three years, and in the following years over a period of four years, and so on. When the accumulation provides a bonus of 10 per cent. on policies on which ten years' premiums have been paid, it is intended to apply the surpluses to increase bonuses on policies of longer duration, until a bonus of 1 per cent. for each year of duration has been attained. It must, of course, be understood that I am not attempting in any way to forecast the future rates of bonus, but merely indicating the method which we intend to pursue in allocating any profits available.

POPULARITY OF ENDOWMENT ASSURANCE.

In our ordinary branch we paid during last year more than four million pounds sterling under matured endowment assurances, and it is interesting to note that the popularity of this form of policy is rapidly extending to the industrial branch. There is a real demand for a policy which combines life assurance with a means of saving, and which normally will result in the assured securing the benefit of his thrift in his own lifetime. The rate of expense entailed by weekly or monthly collections of premiums has hitherto made it impossible to offer a table sufficiently attractive from the investment or savings point of view, but that difficulty is being solved by the success attending our efforts to improve the methods and reduce the costs of administration. We anticipate that endowment assurance benefits offered in the industrial branch will steadily improve and become entirely comparable to those offered in the

ordinary branch, subject only to whatever reasonable difference is caused by the unavoidable and irreducible cost of the additional services rendered.

MODEL POLICY.

During the past year a new endowment assurance table was added to the attractions offered by the industrial branch: it marks a further endeavour to supply the type of contract needed by many of our clients, both existing and prospective, and under the title of the "Model Policy" it has already achieved considerable popularity.

INDUSTRIAL ASSURANCE BILL.

Since our meeting a year ago a Bill has been introduced into Parliament based upon the Report on the business of Industrial Assurance by the Departmental Committee, presided over by Lord Parmoor. Many of the clauses of the Bill attempt to make general some of the improved conditions and benefits which have already been introduced by the most successful of the organisations engaged in the business, but there are other clauses to which fundamental objection must be taken, and which are receiving, and will receive, our close attention.

No real reform of the system under which industrial assurance business has been conducted in the past can be secured merely by the legislative adoption of principles which, however desirable in theory, arbitrarily regulate the rate of expenses or the division of profits or by any amount of autocratic inspection.

Real reform is not only highly desirable, it is absolutely necessary for the true welfare of the business, but it must be based upon sound commercial principles.

The main difficulty to be surmounted is not new; it arises largely from the unavoidably heavy cost of collecting the premiums. At the present day there are thousands of agents or collectors engaged in business similar to our own who could without increased labour collect three or four times the amount they are in fact collecting if the area over which they have to travel were sufficiently circumscribed.

BLOCK SYSTEM.

This is the problem to solve which the Prudential experimentally introduced in 1912 the block system of collecting; the problem in our case did not present so great a difficulty as in the case of other industrial companies or societies, because, being the largest organisation of the kind, a given area yields us on the average a larger sum in premiums; but, even so, we have a number of agencies where the advantage of the block system is inconspicuous owing to the population being so widely scattered.

In my opinion our business was only just large enough to enable us to derive the full advantage of the block system; the advantage already gained would have been more easily recognised in our expense ratio had it not been for the increased cost of labour and material which has prevailed during recent years. The system now applies to 89 per cent. of our collections, and we are convinced that in the near future it will enable us to effect further important reductions in the cost of conducting the business.

In 1913, when the premium income was £12,806,009, our staff outside the chief office numbered 20,475. Now that our premium income is £24,051,754, the staff numbers 14,408. We have already been enabled to increase salaries, to the general contentment of our staff, while at the same time realising a very considerable economy.

FINANCIAL CONDITIONS.

For many years past your chairman has had to speak of depreciation in securities, and it is therefore with pleasure that I am able to report a very considerable appreciation for the year 1921. Last year I told you that the depreciation for 1920 was the heaviest we had ever had to face, and it will therefore be very gratifying to you to hear that on December 31st last the depreciation of the year 1920 had been considerably more than wiped out, and that since December 31st further considerable improvement has taken place.

Although this is the case, it is still necessary to carry amounts to investment and other reserve funds in order that we may regain the strong position we held before the war, and without which our difficulties which arose out of the war would have been greatly increased. As already mentioned, we have therefore this year credited £500,000 in the ordinary and £300,000 in the industrial branch to the investment reserve funds, and £200,000 to the common contingency fund. Apart from writing down securities, the investments reserve funds would thus have been increased to £3,000,000 in the ordinary branch and £1,900,000 in the industrial branch. Since, however, we have applied £1,000,000 and £400,000 in the respective branches to writing down securities the figures stand in the balance-sheet at £2,000,000 and £1,500,000 respectively. The sums used in writing down have in the main been devoted to the reduction of the ledger values of securities of a permanent nature.

The common contingency fund stands at £400,000, and is appli-

cable on the direction of your board to the support of any or all of the branches.

RATE OF INTEREST EARNED.

Our general branch assets now amount to £700,000, of which nearly £600,000 have been invested during the last few years, and the ledger values are considerably under the market values. Our total assets now stand at the large figure of nearly £1,350,000 and the rate of interest earned on the assurance funds during the year was £4 6s 6d per cent., after deducting income-tax. This compares with the yield for 1920 of £4 4s 6d, thus showing an increase of 2s per cent.

INCREASE IN FUNDS.

You will see from the balance-sheet that our assets show an increase of about £10,000,000, but the actual amount of new investments during the year was very much greater.

The rate at which these vast sums are invested is, of course, of the utmost importance, and the responsibility for their investment is a task of no mean magnitude to your board. A guiding principle in their policy is to ensure as far as they are able the safety of the capital.

GENERAL BRANCH.

I have already quoted the amount of premiums received in our general branch, and a comparison of this with the corresponding item for 1920 shows an increase of £463,634. Last year we were satisfied to be able to report that in this branch we had secured double the premium income of 1919, and our satisfaction should remain undiminished, seeing that we have during 1921 succeeded in doubling the premium income of 1920. The increase in our premium income in this branch is due to our constant endeavour to develop this class of business on sound lines, and notably to our entry into marine insurance, which, as I told you last year, we are transacting through the medium of the Royal Exchange Assurance. It is impossible to declare at the present moment to what degree this business has been profitable, since a considerable proportion of expected claims is not ascertainable immediately. Marine insurance business, as many of you know, has been passing through a difficult time, and, moreover, we only commenced the business on January 1, 1921. In these circumstances, it would be inadvisable to express any opinion on the results, except that our underwriter is satisfied that our business is up to the average of its class.

GENERAL BRANCH RESERVE.

Whilst our general branch business is making satisfactory progress, we still feel that the wise course is to reserve the whole of the balance of income after payment of claims and expenses. We feel sure that it will be readily recognised that the adoption of this course is to the advantage of everyone interested in this branch of our business, whether it be as a present or prospective policyholder or as a shareholder, even though to the latter it means further deferment of declaration of dividend on the "B" shares.

We have now gained very considerable experience, and several new departures in our methods of obtaining and conducting general branch business are being inaugurated. These changes are largely matters of internal organisation, but we think you should know at this, the earliest possible moment, that we propose to become a tariff office.

FURTHER DEVELOPMENTS.

At the present time, owing to various causes, it is apparent that there are exceptional opportunities for extending our general branch business, more particularly by means of re-insurance treaties, both home and foreign. It is felt that we should be lacking in foresight, and should not be serving the best interests of all concerned if we failed to take advantage of these favourable circumstances.

We have been offered by the Liverpool and London and Globe Insurance Company valuable re-insurance treaties for fire insurance business in the United States of America, and these we intend to accept.

For the more convenient transaction of this business it has been found advisable to form a subsidiary company in the U.S.A., the share capital of which will be held by this company. Other valuable re-insurance treaties for home and foreign business already placed at our disposal and the extension of our business by means of direct agencies will be undertaken by our general branch in the ordinary course.

It is felt that this extension of business, although backed by the reserve held in our common contingency fund, will be more properly represented by a larger paid-up capital, and we therefore propose to call up a further 2s on our "B" shares during the present year by means of two separate calls of 1s each.

INCOME-TAX.

One of the subjects uppermost in the minds of business men at the present time is the high rate of income-tax now prevailing. Income-tax is a matter that affects the whole community, even

that portion of it which does not receive a direct assessment. Manufacturers, distributors, and retailers each in their turn are assessed for income-tax, and it follows that the higher the rate of tax levied the more difficulty these sections of the trading community have in conducting their business. Trade is in consequence much curtailed, prices are maintained at too high a level, and the purchasing power of the general public is considerably reduced. The holders of the 25 million Prudential policies at the present time in force in the United Kingdom are drawn from all classes, and are, of course, seriously affected by the adverse influences which the high rate of income-tax has on their business and domestic finances. I think that our industrial and ordinary branch policyholders in the main probably realise this, but it seems possible that the effect upon their individual life assurance contracts is only very imperfectly understood. In our ordinary branch the with-profit policyholders receive 90 per cent. of the divisible surplus, while in the industrial branch, now that the fixed dividend is again being paid to shareholders, the participating policyholders are entitled to two-thirds of the surplus profits. Our policyholders should, if they consider the magnitude of our invested funds, realise that the extra benefits to be received at the termination of their contracts will be considerably affected by the rates of income-tax prevailing from year to year.

NATIONAL ECONOMY.

One of the chief causes of the present rate of tax is the heavy expenditure now involved in the administration of the various national services. During the past few weeks considerable light has been thrown on the various items which go to make up this expenditure, and recommendations for drastic curtailment have been made. While expressing no opinion as to the merits of the individual recommendations made by the Geddes Committee, we do feel that in substance an unanswerable case has been made for the overhauling of our national expenditure in order to effect the economies necessary if the rate of income-tax is to be reduced. In our opinion the future welfare of our country depends very largely on the lead that is given in this matter and to the extent to which such lead is followed by the nation at large and its business organisations.

The Prudential is one of the foremost financial institutions in the country, and the references I have already made to our efforts to improve our organisation and effect economies is sufficient to indicate, I think, that the Prudential in this great matter will play its part.

Although your board fully recognise the present unsettled state of the world, and realise the vast number of problems remaining unsolved, and although they see before them a period of unsettled conditions, with its attendant fluctuations, they feel that, on the whole, the tendency will be for improvement, and having regard to the present position of the company, they look forward with every confidence to the future.

The Chairman concluded by moving the adoption of the report and accounts.

Mr Edgar Horne (the deputy-chairman) seconded the resolution, which was carried unanimously, and the usual formal business terminated the proceedings.

NORTH BRITISH RAILWAY COMPANY. UNFAIR TREATMENT FROM THE GOVERNMENT.

The annual general meeting of the North British Railway Company was held, on the 24th ult., at Edinburgh, Mr William Whitelaw (the chairman) presiding.

The Chairman, in the course of moving the adoption of the report and accounts, said: The salaries and wages bill of the company for the year 1921 was £6,023,148, compared with £1,660,154 in 1913, an increase of £4,362,994, equal to 263 per cent. The Government having put us, by their interference with our management, into a financial quagmire calmly declined to do anything to help us out of it. The sum of 60 millions, less a large amount of income-tax, granted by the Government to the railway companies under the Railways Act, was, in my view, much too little to be regarded as a fair substitute for our claims under the Act of 1871, but in any case it had nothing to do with the wage bill. Railway labour declines to help by submitting to reductions in remuneration similar to those accepted by miners and workmen in many other trades, and traders decline to open their steelworks or put in their blast furnaces unless they get reductions of rates. Obviously, the situation is a difficult one to handle. After prolonged investigation of the whole problem, we have recently decided to make certain reductions in rates for coal carried to steelworks, blast furnaces, and oil works; for steel in class B and for shale and crude oil between pits and works; we have also made some concessions in dock charges and demurrage, and have agreed to a reduction in rates for home-grown pitwood; in this way we hope

to contribute to the re-establishment of some of the staple trades of Scotland.

Doubtless the shareholders are more concerned about the continued refusal of the Government to pay the money they are withholding from us, which has caused, and is causing, very great hardship to so many of the proprietors. Having succeeded in justifying, on its merits, every penny of the claim we submitted to the Arbitration Court, we have been held up by an adverse decision upon a legal point. The whole case, therefore, will have to be submitted afresh to the Railway and Canal Commission as soon as the final claim has been put in and examined by the Ministry of Transport, or whatever other Government Department takes its place on the happy and timely conclusion of that ruinous experiment in bureaucratic government. Nevertheless, we have just reasons for thinking that our company has been and is being most unfairly treated by the Government. The whole real matter of dispute concerns the amount spent in repairing our rolling stock in 1920 and 1921; there is not, I believe, another point which cannot be settled without recourse to legal proceedings. The persistent refusal of the Ministry of Transport to allow this one matter of serious dispute to be decided without the delay involved in waiting for the final account covering all the items of all the years of Government control is, in our view, most unreasonable. Let me remark, in passing, upon a point which has never yet been cleared up in public, and to which in his judgment the Lord President drew attention. *Why, it has been asked, was the North British Company's claim for rolling-stock expenditure so much greater than that of any other company? We now know that this question should never have arisen, because it now turns out that our percentage of excess was not greater than that of some other companies.* Since we were in Court we have discovered that among the Scottish companies alone there were two which were more in excess than we were.

We have during the last few months done what we could to obtain reasonable treatment from the Government. The outcome of all this is just nothing. The Ministry persist in adhering to the power which they claim has been given to them by the judgment of the Court of Appeal to delay any hearing of the real dispute until the final claim for the whole period of control can be submitted, although they are perfectly well aware that there is no point calling for settlement by litigation except the single one of our expenditure on repair of rolling stock. The final figures of this expenditure are known, and the matter can be submitted to the Railway and Canal Commission without delay if the Ministry will waive their technical right to hold up the whole case. I would like every shareholder fully to appreciate this point, because whatever plausible reasons the Ministry may put forward in answer to our claim and our complaints of unfair treatment, their refusal to let the arbiters deal without delay with this question of our expenditure on our rolling-stock is altogether indefensible. The shareholders will readily understand that our final claim for a period of over seven years must necessarily contain a mass of detail involving time and labour in its preparation. *The real dispute is a sharp and isolated one, and all the Ministry say, and can say, to our request is that they have the legal right to have the whole final account tried at one time, and that they are not going to waive that right.*

The report was adopted.

SELFRIDGE AND COMPANY, LIMITED. MR SELFRIDGE ON THE DIFFICULTIES OF THE YEAR. BUSINESS CONDITIONS AND PROSPECTS.

The 14th annual general meeting of Selfridge and Co., Limited, was held, on the 27th ult., at the company's store, Oxford street, London, W.

Mr H. Gordon Selfridge (the chairman and managing director) presided.

The secretary (Mr A. H. Youngman) having read the notice convening the meeting,

The Chairman said: The 12 months just past have brought little joy to the merchant and man of business, unless indeed he finds pleasure in tackling a difficult proposition and wrestling with it against very heavy odds.

If looked upon as a sport or game—and this is always our attitude toward that fine thing called business—the past year has provided a rough field upon which swift playing has been next to impossible, or, to change the simile, it has been like a river upon which a race must be rowed, but against a strong tide and heavy wind.

LARGE INCREASE IN CUSTOMERS.

1921 has, for the most part, been a year of declining prices and a growing disinclination on the part of the public to buy any but the real necessities.

Our increase in yardage or in numbers of articles sold over 1920 or any previous year is very large. The actual increase in customers or in individual transactions is over 1,700,000, but the decrease in values has made it less easy to show an increase in actual returns. It has also been a period of abnormal departmental expenses.

Prices which began to drop in June and July, of 1920, continued their downward course until about October or November of 1921, by which time values of general merchandise—except food—showed signs of becoming stabilised. There have been few reductions since then, and it must be remembered that the daily prices quoted by ourselves and some of our neighbours have, for some time, been lower than could possibly be named by manufacturers or wholesale sellers unless they were overstocked and were prepared to take the loss—in other words, the consuming public has received the full benefit of our very low prices.

We do not desire continually to keep referring to matters and decisions which have passed, but we may perhaps once again and finally say that it is owing to the fact that we thought we saw signs of the end of rising prices and the possible resulting slump as far back as April or May of 1920, and acted accordingly, that this house has been so agreeably circumstanced ever since. But let that go.

BALANCE-SHEET FIGURES.

Now as to the figures themselves as shown by our 13th balance-sheet, which has now for some days been in each shareholder's hands. The profit as shown for the year is £342,665, and this amount includes £50,000 as a credit on over provision of excess profits duty. We have not finally settled with the Inland Revenue. Authorities concerning the amount due, but it will somewhat exceed the above sum.

We have *per contra* charged to current expenses nearly an equal amount as added income-tax. We have, therefore, gained on paper in one direction and actually spent it all in another. And we may add that for this iniquitous and unhappy excess profits duty this new business, less than 13 years old, had set aside and contributed during the several years over £400,000 (less the above £50,000), and this large amount has from time to time been deducted from our profits. But such is one of the penalties of war, and one of the privileges of the great businesses to help pay for it.

This amount—£342,665—many of our friends and critics have been kind enough to call good. We ourselves are, however, in no way over-impressed with it. These figures are, it is true, well within the safety zone, and have only been arrived at after a very conservative treatment of our stocks and book accounts, and, in fact, of each item on the credit side of the balance-sheet.

The last thing we want to do, however, is to deceive ourselves and thereby deceive others, and we are, therefore, always inclined to halt some distance this side of the border line of actual values, and thus carry a margin of safety which is ample or more than ample.

Whilst our preference shares are quoted and dealt in on the Stock Exchange they can in no way be called speculative shares. They maintain themselves at their above-par rates absolutely on their merits. Neither I nor anyone interested supports them or protects their price in any way except to guarantee the payment of their dividend. It is always earnestly our desire that as an investment our preference shares shall win and hold the blue ribbon as being absolutely as safe and sure as any investment can be.

ALLOCATION OF PROFITS.

To the profits (£342,665 1s) is to be added the amount brought forward (£141,242 19s 6d), making £483,908 9s 6d, and after paying debenture interest and preference dividend, we have a paying balance in hand with which to depreciate our fittings and fixtures by £15,000 instead of £10,000 as heretofore; to write down our investments by £25,000 instead of £15,000 as heretofore; to write down leaseholds by £10,000; to reserve £16,500 for that not very agreeable item the corporation profits tax; to make a further contribution of £25,000 to reserve account; to pay 12 per cent. on our staff participating shares; to pay the usual 10 per cent. on the ordinary shares, and to carry forward the sum of £143,468 11s 9d, which is somewhat larger than last year.

On the credit side the further cost of our new building in Orchard street has been added to the first item. The first section of our rebuilding scheme is completed, but at too great a cost to please us. We shall not begin work on the second section, no matter how badly we wish it, until building costs are more nearly what they should be.

The fittings and fixtures have, of course, been increased, so has their depreciation. The stock-in-trade has already been referred to.

SATISFACTORY CONDITION—QUICK TURNOVER OF STOCKS.

This would seem to be a satisfactory condition of matters as a whole, and so it is except that we think we should have done a greater turnover and made a larger profit. A business like this

is capable of practically anything one chooses and is able to make it. A great distributing house can, if sufficiently wisely and progressively managed, carry trade and consequently money-making ability to practically any extent. Aside from understanding the business it is largely a matter of conserving its finance; in other words, retaining as much as possible of its profits instead of paying them out in dividends; of being alive to opportunity; of looking after details; of giving of the best and most liberal service; of doing these and many other things which when all added together build this, the most complicated of all kinds and of business, into an undertaking of great size of infinite interest and fair commensurate profit.

Another secret of our last year's result is the quick turnover of stocks at a very moderate gross profit. (It is not usually known, but it is true that the low gross profit per cent. which we and a few of our neighbours get on our returns is far less in per cent. than is obtained in America or France.) We turned our average stocks last year between seven and eight times, which means that the entire amount of our great stocks was, on the average, sold every 35 or 40 full days. Of course, our average stocks stand at a much higher amount than the depreciated low figure in the balance-sheet.

BRANCHES.

Our branches have as a rule done well—not as well as we would like because nothing is ever done as well as we would wish—but well, with one or two exceptions.

We have treated the question of buying branches just as we have the buying of merchandise. When it looked, about 20 months ago, like stormy commercial weather ahead we declined to consider further undertakings in the provinces, and while very many inviting proposals have been made to us from all over these islands, we have made no additions to our list. Of course, in time we shall increase the number of branches, but not yet.

A LOYAL AND CHEERFUL STAFF.

Our staff has worked loyally and with that same spirit of good cheer for which it is famous. Representatives from practically every great distributing house in the world have been our guests from time to time, and all have noticed and applauded the delightful courtesy and atmosphere of goodwill; the spirit of co-operation; the absence of jealousies. Another point in which our members are setting an example to all others is in thrift and money-saving habits. In this they are showing a splendid intelligence. We assist them in this by various methods—such as the staff savings bank, staff shares, &c.—and they fully appreciate these opportunities. We are justly proud of the staff of this house.

THE FUTURE.

And now how about the future? The period required for recovering from the war will be longer than we anticipated. It could never come quickly, but must be gradual. The upward turn has not yet manifested itself, at least not conspicuously. Some manufacturing businesses are increasing their export orders, and plenty of this is what the country needs. The coming six months will, to say the least, certainly require all of our best care and attention, and for the remainder of the year we can only issue a conservative hope. But with still difficult times, and plenty of them ahead, this business looks into the future with entire equanimity, and it will be our endeavour to make this year of 1922, no matter what happens, as full as we can of splendid progress.

The Chairman concluded by moving the adoption of the report and accounts.

Mr Ellis W. Davies seconded the motion, which was carried unanimously.

W. T. HENLEY'S TELEGRAPH WORKS COMPANY, LIMITED.

CHAIRMAN ON POSITION AND PROSPECTS OF THE INDUSTRY.

The forty-third ordinary general meeting of W. T. Henley's Telegraph Works Company, Limited, was held, on the 3rd inst., at the Abercorn Rooms, Great Eastern Hotel, Bishopsgate, London, Mr George Sutton, M.I.E.E. (chairman and managing director), presiding.

The secretary (Mr A. E. Salmon) having read the notice convening the meeting, and the report of the auditors having been read,

The Chairman, in moving the adoption of the report and accounts, said: The directors have once more the gratification of presenting a report which cannot but give you satisfaction. They desire to show you as well as time will permit the causes which have led to this report and the prospects for the business in the future.

The new issue of ordinary shares made in January last year you will see was sufficient for our needs, and the decision not then to issue the whole of the amount authorised is justified, as shown by the cash position to-day. On the other hand, because we have roundly £450,000 cash in hand, it must not be supposed that we were wrong in making an issue last year; at that time we were owing our bankers a large amount, and we desired to pay that off at once rather than wait until a possible further slackening of trade would increase our cash resources.

A careful perusal of the balance-sheet shows the falling off in trade we have experienced, notwithstanding that the result of the year's working shows, I think, the largest net profit the company has made in its long history, and that the assets have a higher value compared with the liabilities.

Let us see, then, how with this fall in trade we are enabled to produce a profit in excess of previous years. In the first case, and mainly, it is due to the circumstances which I reported to you at the last meeting that the value of orders we have brought into 1921 was a high record, so that in the earlier months of the year those orders, together with the current orders coming in, kept us busy; but gradually as the year advanced, and those old orders were completed, our factories became less busy. The next point to be observed is that the charges against revenue are in certain cases lower than they were a year ago.

HENLEY TYRE AND RUBBER COMPANY.

The Henley Tyre and Rubber Company has, I believe, in common with all other similar industries, had a bad year. Not only has there been a reduction in sales, but we have also had to maintain the trade by prices which are not as remunerative as they should be. The prices at which we sell must be principally governed by the prices at which our competitors sell, and there is the fact that our greatest competitor having made huge losses we cannot be entirely unaffected. I would say, of course, that if users want economy in tyres, due to durability, they should all buy ours, but users are not yet educated up to that, and we cannot expect to get better prices than are current in the trade. The business is improving, and we hope that this year will show us a better result. This company also makes the "Why Not" golf ball. The "Trellis" Why Not, which was put on the market last summer, has achieved a remarkable success.

Now, as regards the present position of trade, I regret to say that I cannot see any immediate prospect of improvement in the foreign trade; I told you last year that the outlook was not hopeful, and those anticipations have been realised. There is a demand in foreign countries; but we are unable to meet the low prices due to low wages and depreciated exchanges. What foreign orders we get are taken at unremunerative prices to enable us to

give as much employment in our factories as we possibly can; it is one of the contributions we make to set off against any sacrifice we have to ask our employees to make. Only one of our contributions, certainly a small one compared with the large sums of undivided profit which year by year we have set aside for the extension of our business, and consequent creation of new employment. Since 1914, it is true, these sums have not been so large as formerly, because so much has had to be provided for taxation.

POSITION AND PROSPECTS.

As regards the home trade, and trade with the British Overseas Dominions, there are decidedly signs of improvement. The demands for quotations have considerably increased in the past two months, and are many more than we were receiving in the latter months of last year. I do not think the home trade is going to boom yet, but it is satisfactory to be able to see signs of improvement.

In conclusion, let me say that, in my mature judgment, the future of the industry is very bright. That so far as the immediate future is concerned, I have no anxiety about maintaining dividends, and that, should circumstances be such as to admit of it, your board would not be averse to recommending a larger proportion of the profits being paid in dividend.

The report and accounts were unanimously adopted, and the formal business was duly transacted.

SPENCER, TURNER, AND BOLDERO, LIMITED.
COMPANY'S STRONG FINANCIAL POSITION.

The twenty-eighth annual general meeting of Spencer, Turner and Boldero, Limited, was held, on the 2nd inst., at 18 Duke street, Lisson grove, London.

Mr John Boldero, who presided, in moving the adoption of the report and accounts, expressed great regret at the serious reduction in the profits, remarking that the dominant cause was the unprecedented fall in price of the goods handled by the company. A contributing cause was the very large contracts for forward delivery placed by one of their departments dealing in Manchester cotton goods. For the previous two years this department had been very successful, but without the knowledge of the directors orders and repeats were placed, in a falling market, till an absolutely unjustifiable liability had been incurred. All these commitments had now been cancelled by arrangement or delivery accepted and all losses had been cut, and under different management this department had been trading for several months past at a normal rate of profit.

In spite of all adversities the company had made a net profit in the past year of £7,288, and with the large amount brought from the previous year they had a balance available of £53,864, and the directors recommended a final dividend on the ordinary shares at the rate of 7 per cent. per annum for the past half-year, making a total distribution of 6 per cent. for the year.

The balance-sheet showed a very strong and satisfactory position. In addition to cash in hand of £83,417 and investments £31,446, they had stock £207,334 and good book debts £350,723, making a total of liquid assets of £672,920. Against this large sum the total owing by the company—trade liabilities, deposits, and sundry creditors—came to only £81,800, so that the actual cash in bank sufficed to pay every liability and left a margin of £1,600 without trenching upon a single pound of their investments. Over and above all this, their reserves, which they had not drawn upon, came to close upon £140,000. In conclusion, he expressed the confident belief that a year hence the directors would be in a position to present more favourable results.

The motion was carried unanimously.

The National Provident Institution ask us to correct a figure which appeared in the report of their meeting in our issue of last week. The expense ratio was stated to be £3 10s 6d, as against £3 13s the previous year, but these figures should read £13 10s 6d and £13 13s.

OIL OUTPUTS.

COMMONWEALTH OIL CORPORATION, LIMITED.—Advice from Sydney reports for the four weeks ending February 24th:—Shale mined 2,305 tons. Shale retorted 2,099 tons. Crude oil and naphtha produced 212,270 gallons (equal to 101 gallons per ton of shale).

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending February 22nd amounted to 785 tons.

Orders for the publication in these columns of the reports at Company Meetings should be addressed to the Reporting Manager of THE ECONOMIST, 3 Abchurch Lane, Strand, London, W.C.2.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1921-22. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1921, to Feb. 25, 1922.	Total Receipts into the Exchequer from Apr. 1, 1920, to Feb. 25, 1921.	Receipts Week Ended Feb. 25, 1922.	Receipts Week Ended Feb. 25, 1921.
Balances in Exchequer on 1st April:—					
Bank of England....	..	2,591,051	7,159,773	..	..
Bank of Ireland....	..	463,455	2,209,324	..	..
REVENUE.					
Customs.....	126,800,000	118,772,000	121,258,000	3,385,000	3,365,000
Excise.....	196,200,000	179,230,000	182,481,000	1,880,000	2,161,000
Motor Vehicle Duties ..	9,000,000	10,439,000	5,876,000	104,000	..
Stamps, &c., Duties.....	48,000,000	46,114,000	43,707,000	1,849,000	1,904,000
Land Tax.....	21,000,000	24,377,000	22,745,000	340,000	..
House Duty.....	2,500,000	1,880,000	1,910,000	190,000	210,000
Property & Income Tax (including Super-Tax & Mineral Rights Duty)	410,500,000	294,609,000	293,823,000	18,412,000	23,571,000
Excess Profits Duties, &c.	120,000,000	29,714,000	196,622,000	..	5,448,000
Corporation Profits Tax	30,000,000	14,811,000	250,000	790,000	..
Post Office.....	60,000,000	49,500,000	43,950,000	1,500,000	1,250,000
Crown Lands.....	650,000	750,000	680,000	80,000	60,000
Interest on Sundry Loans.....	12,000,000	10,958,875	21,702,107	..	157
Miscellaneous.....	21,500,000	21,539,219	21,897,499	378,859	478,505
Ordinary Receipts ..	158,500,000	132,896,842	241,213,117	5,663,528	13,281,939
Special Receipts.....	1,216,650,000	925,585,936	1,197,054,723	34,570,387	50,401,601
Revenue.....	..	928,660,442	1,206,423,840	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	..	9,480,000	4,660,000	400,000	120,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	..	520,000	..	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1913 to 1921.....	..	5,561,474	4,000,000	..	..
Under the Post Office (London) Railway Act, 1913.....	..	27,500	115,000	..	..
Under the Housing Act, 1914 ..	..	50,000	30,000	..	..
(b) Under the Unemployment Insurance Act, 1921.....	..	9,540,000	..	..	..
(c) For other Issues:—					
By Treasury Bills for Supply ..	..	3,487,719,000	3,772,236,000	58,644,000	73,658,000
By 4% Funding Loan, 1920-21 ..	..	..	769,051	..	..
By 4% Victory Bonds.....	..	..	258,784	..	..
By 5% Exchequer Bonds, 1921 ..	..	..	..	..	..
By National Savings Certificates.....	..	..	..	..	..
Under the War Loan Acts, 1914-1919.....	..	..	20,760,794	..	..
Under the Finance Act, 1920 ..	..	48,155,000	16,770,000	2,975,000	800,000
By National War Bonds ..	..	..	..	..	..
By Treasury Bonds—					
5-15 year, 1925-35.....	..	1,062,317	21,308,150	..	300,000
5% 1927.....	..	283,577,064	..	58,954	..
5% 1927.....	..	40,530,000	..	75,000	..
By Other Debt created under the War Loan Acts, 1914 to 1919 ..	..	10,961,454	45,856,646	..	..
(d) Ways and Means Advances ..	..	1,214,546,000	1,349,212,000	15,700,000	2,600,000
Anglo-Persian Oil Company—					
Dividends on Shares acquired ..	..	5,010	297,405	..	..
Repayments:—					
In respect of Suez Canal Drawn Shares.....	..	7,111	7,853	..	..
Do Cunard Loan.....	..	130,000	130,000	..	..
Do East African Protectorate Loan.....	..	127,268	5,940	..	..
Do Issues under Civil Contingencies Fund Act, 1919 ..	..	7,350,000	..	..	..
Do Issues under Land Settlement (Facilities) Act, 1919 ..	..	51,617	13,770	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920 ..	..	13,490,860	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	426,340	..	..	..
Total.....	..	6,062,048,570	6,343,295,569	110,423,341	127,879,601

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1921-22. (See Note.)	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1921, to Feb. 25, 1922.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1920, to Feb. 25, 1921.	Issues Week Ended Feb. 25, 1922.	Issues Week Ended Feb. 25, 1921.
EXPENDITURE.					
Permanent Charge of Debt.....	24,500,000	22,374,314	20,525,131	8,165	500,000
Interest, &c., on War Debt.....	320,500,000	283,557,190	295,365,059	4,081,942	1,984,499
Road Fund.....	8,400,000	10,031,000	6,966,689	..	4,000,000
Payments to Local Taxation Accounts, &c.....	11,115,000	7,752,869	7,843,368	..	140,000
Payments to Northern Irish Exchequer.....	..	903,393	..	150,000	..
Land Settlement.....	5,000,000	2,482,891	6,507,894	7,756	102,366
Other Consolidated Fund Services.....	1,787,000	1,744,874	1,678,153	30	7,015
Supply Services.....	774,851,000	589,874,568	659,180,207	11,695,384	11,980,981
Expenditure.....	1,146,123,000	918,721,097	998,066,501	15,943,547	18,684,851

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

62, OLD BROAD STREET, LONDON, E.C.2.

AFFILIATIONS:

THE BRITISH BANK OF SOUTH AMERICA, LTD., and THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

OTHER ISSUES.	Total Issues out of the Exchequer to meet Payments from		Issues	
	Apl. 1, 1921, to Feb. 25, 1922.	Apl. 1, 1920, to Feb. 26, 1921.	Week Ended Feb. 25, 1922.	Week Ended Feb. 26, 1921.
TEMPORARY ISSUES.				
Bullion	9,650,000	4,750,000	300,000	150,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1911	12,410,000	..	590,000	..
Under the Telegraph (Money) Act, 1913 and 1921	6,261,474	5,300,000	700,000	600,000
Under the Post Office (London) Railway Act, 1913	27,500	144,000	..	..
Under the Housing Act, 1914	50,000	38,500	..	..
Redemption of Unfunded Debt—				
Treasury Bills for Supply	3,649,991,000	3,764,544,000	76,820,000	79,360,000
War Loans, Exchequer Bonds, &c. under Section 34 of the Finance Act, 1917	30,451,310	65,990,996	261,231	1,473,681
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (b) of the Finance Act, 1920	19,300,000	28,100,000	1,200,000	500,000
(b) Repaid otherwise	10,400,000	..	..	..
Principal of Exchequer Bonds paid off—				
5½% 1921	42,781,133	27,623,160	..	..
5½% 1922, £31,512,313; less: paid off by the National Debt Commissioners, £5,000,000. 23,512,313	..	..	..	..
Other Debt under the War Loan Act, 1914 to 1919	57,162,123	85,312,918	..	1,500,079
Principal of American Loan under the American Loan Act, 1915	..	59,229,221	..	..
WAYS AND MEANS ADVANCES REPAYED	1,257,435,000	1,264,477,000	15,215,000	24,550,000
Depreciation Fund, under the Finance Act, 1917	27,100,223	27,600,223	..	500,000
Issues to National Debt Commissioners to Reduce Debt—				
Suez Canal Drawn Shares Repayments	7,111	7,853	..	..
Unpaid Loan Repayments	130,000	130,000	..	..
East Africa Protectorate Loan Repayments	197,268	5,940	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	15,390,000	6,675,000	..	1,250,000
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	269,620	257,766	57,170	..
BALANCES IN EX-CHEQUEER—				
Bank of England	6,057,834,677	6,338,422,896	111,086,948	128,468,602
Bank of Ireland	2,378,359	1,805,899	..	219,377
Bank of Scotland	1,935,334	3,066,698	444,230	501,244
Total	4,213,693	4,872,697	665,607	589,001

Notes.—Budget Estimate as in House of Commons, Paper No. 89 of 1921, Treasury, February 27, 1922.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments in Exchequer Account.	Advances to		Redemption Account.		Ratio to Notes.	Government Securities.	Balance at End of Week.
			Bankers.	Savings Banks.	Gold and Bullion.	Bank of England Notes.			
1914.	21,535	..	6,302	3,810	18,500	..	48.1	9,924	11,423
Aug. 26, 1914.	38,478	..	169	600	..	..	..	..	9,386
Dec. 29, 1914.	103,125	729	159	249	28,500	..	27.6	54,621	20,536
Dec. 27, 1916.	150,144	2,430	64	40	28,500	..	19.0	118,102	6,868
Dec. 26, 1917.	212,782	8,554	39	675	28,500	..	13.4	186,637	5,486
Dec. 31, 1918.	323,241	15,529	..	570	28,500	..	8.9	305,133	4,566
Dec. 31, 1919.	356,152	17,182	250	245	28,500	4,000	9.1	337,537	2,802
June 30, 1920.	357,356	16,700	..	190	28,500	13,400	11.7	331,660	305
Dec. 29, 1920.	367,626	16,962	..	..	28,500	19,450	13.0	336,504	134
Mar. 30, 1921.	343,826	15,599	Silver Coin.	..	28,500	19,450	13.9	311,334	141
June 29, 1921.	323,894	14,965	3,000	..	28,500	19,450	14.8	287,750	150
Sept. 28, 1921.	314,382	14,830	3,000	..	28,500	19,450	15.2	278,119	143
Dec. 28, 1921.	325,594	14,658	3,000	..	28,500	19,450	14.7	289,131	161
Feb. 23, 1922.	298,276	13,387	3,000	..	28,500	19,450	16.1	260,518	197
Mar. 2, 1922.	298,811	13,677	3,000	..	28,500	19,450	16.1	261,366	172

Since July 31, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, and for 1922 at £309,989,400.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £35,000,000 in three months' Treasury Bills, dated from Monday to Saturday, Mar. 6th-Mar. 11th, were opened on Mar. 3rd, 1922, and the total amount applied for was £45,805,000. Tenders for Monday to Friday bills at 99 3/4 rd, about 77 per cent., above in full, and Saturday bills at 99 1/2 rd, and above in full.

Date of Bills.	Amount Offered.	Amount Applied for.	Average Rate of Discount.		Rate for Additional Bills.
			#	%	
February 5, 1922.	35,000,000	55,480,000	3	6 11/16	3
February 10, 1922.	25,000,000	41,440,000	3	1 0/77	2 1/2
February 17, 1922.	30,000,000	48,565,000	3	1 3/89	2 1/2
February 24, 1922.	25,000,000	39,348,000	3	0 8/26	2 1/2
March 3, 1922.	35,000,000	45,805,000	3	1 1/4	2 1/2

The amount to be issued on March 10th will be £35,000,000.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1894.
ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

Clerical, Medical & General LIFE ASSURANCE SOCIETY.

2½% Valuation and BONUS as BEFORE

Chief Office: 15, St. James's Square, S.W.1, London

The OCEAN ACCIDENT AND GUARANTEE CORPORATION, Limited.

ASSETS £7,472,380
CLAIMS PAID £225,000,000

Accidents and illness, Employers' Liability, Fidelity Guarantees, Fire and Burglary, Motor Cars, Public Liability, Inspection and Insurance of Boilers, Engines, Electrical Plant and Lifts, Executories and Trustships.

Head Office: 88-44 MOORGATE, LONDON, E.C.2.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, March 1, 1922.

ISSUE DEPARTMENT.		BANKING DEPARTMENT.	
Notes issued	145,382,135	Proprietors' capital ..	14,553,000
Government debt	11,015,100	Rest	3,621,598
Other securities	7,434,900	Public deposits	17,150,962
Gold coin & bullion ..	126,932,135	Other deposits	118,492,382
		Seven-day & other bills ..	16,411
			153,834,353

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.		THREE MONTHS' RECORD.	
Amount, Mar. 1, 1922.	Inc. or Dec. on Last Week.	Amount, Mar. 1, 1922.	Inc. or Dec. on Last Week.
Rest	..	Dec. 1, 1921.	128,433,576
Public deposits	..	14, 1921.	128,437,271
Other securities	..	21, 1921.	128,431,144
Notes	..	28, 1921.	128,434,359
Gold and silver coin ..	..	Jan. 4, 1922.	128,439,940
	..	11, 1922.	128,452,733
	..	18, 1922.	128,444,198
	..	25, 1922.	128,447,117
	..	Feb. 1, 1922.	128,762,375
	..	8, 1922.	128,749,360
	..	15, 1922.	128,762,519
	..	22, 1922.	128,761,537
	..	Mar. 1, 1922.	128,762,306

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	..	8, 1922.	128,749,360
	..	15, 1922.	128,762,519
	..	22, 1922.	128,761,537
	..	Mar. 1, 1922.	128,762,306

TEN YEARS' RECORD.						
At corresponding date with the present week.	Feb. 28, 1912.	May 27, 1914.	Mar. 3, 1920.	Mar. 2, 1921.	Mar. 1, 1922.	
Circulation (excluding Bank post bills)	27,988,795	28,933,380	101,154,960	129,259,950	123,033,340	
Public deposits	21,570,536	19,014,809	22,438,581	18,232,365	17,150,962	
Other deposits	15,829,649	14,248,964	135,411,806	129,468,748	118,492,382	
Government securities	15,116,036	11,046,570	52,720,786	44,393,742	47,985,566	
Other securities	38,860,739	41,461,280	92,331,805	98,925,281	81,723,821	
Reserve of notes and coin ..	30,532,328	25,463,980	30,892,932	17,477,192	24,118,966	
Coin and bullion	40,071,123	35,947,360	113,597,892	128,327,142	128,762,306	
Proportion of reserve to liabilities	46%	42½%	19½%	12½%	17½%	
Bank rate of discount	3½%	3½%	5½%	6%	3½%	
Market rate, 3 months' bills ..	5½%	5½%	18%	18%	18%	
Price of Consols	78½	78½	82½	82½	82½	
Price of silver per oz.	34s 6d	33s 6d	74s 6d	74s 7d	49s 11d	
Average price of wheat	25-23-25	25-17-20	48-70-92	54-20-70	48-10-30	
Exchanges—						
Paris	44-64	44-79	83-42-44	83-87-89	84-43-44	
New York	12-13-21	12-05-10	9-32-37	11-33-37	11-54-59	
Amsterdam	20-47	20-49	335-342	340-246	335-1020	
London	275,392,000	199,913,000	861,986,000	770,429,000	817,200,000	

BANKERS' CLEARING RETURNS.			
Week Ending	Town Clearing.	Country Clearing.	Total.
1922.			
January 1—February 22	5,369,730,000	428,080,000	5,797,810,000
March 1	766,817,000	50,383,000	817,200,000
Total to date 1922	6,136,547,000	478,463,000	6,615,010,000
Do 1921	5,708,576,000	597,709,000	6,306,285,000
Increase or decrease in 1922 ..	+ 427,971,000	+ 119,246,000	+ 308,725,000
	+ 7.4%	+ 19.9%	+ 4.9%
Total for 1921	31,928,390,000	3,302,179,000	34,330,569,000
Do 1920	34,946,683,000	4,072,000,000	39,018,683,000
Increase or decrease in 1921 ..	+ 5,018,303,000	+ 1,070,041,000	+ 6,088,344,000
	+ 8.6%	+ 26.2%	+ 10.4%

PROVINCIAL CLEARING RETURNS.				
	1921.	1922.	Inc. or Dec.	%
Aggregate Totals to February 25.				
BIRMINGHAM	27,039,300	17,921,400	- 9,117,900	33.7
BIRMINGHAM	13,019,000	11,393,000	- 1,626,000	12.4
BIRMINGHAM	61,701,800	53,296,300	- 8,405,500	13.6
DUBLIN	10,713,900	8,679,800	- 2,034,100	19.9
DUBLIN	6,571,500	6,341,200	- 230,300	3.5
DUBLIN	9,002,800	67,581,100	+ 22,540,700	33.3
LIVERPOOL	140,399,100	116,665,200	- 23,733,900	16.8
LIVERPOOL	19,836,400	13,721,700	- 6,114,700	30.8
LIVERPOOL	6,395,500	5,472,600	- 922,900	14.4
LIVERPOOL	12,281,500	7,437,200	- 4,844,300	39.4

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

(000's omitted.)

(000's omitted.)

	Feb. 24, 1922.	Feb. 17, 1921.	Feb. 21, 1921.	Week's Movement
RESOURCES.	\$	\$	\$	\$
Total gold reserve.....	2,946,840	2,936,060	1,133,680	+ 10,790
Legal tender notes and silver reserve.....	134,010	133,880	220,340	- 5,880
Bills discounted for member banks.....	721,280	785,680	2,364,410	- 64,340
Bills bought in open market.....	83,590	78,280	166,870	+ 4,270
Government obligations owned.....	385,010	394,620	287,630	- 39,590
All other resources.....	61,080	60,420	39,160	+ 660
LIABILITIES.				
Government deposits.....	63,910	79,320	61,520	- 15,410
Other deposits.....	1,708,270	1,776,160	1,583,600	- 69,890
Federal Reserve Notes in actual circulation.....	2,173,518	2,169,960	3,037,440	+ 3,560
Federal Reserve Bank Notes in actual circulation.....	81,170	83,990	193,430	- 1,220
All other liabilities.....	16,170	15,840	35,590	+ 460
Capital and surplus.....	319,080	319,720	302,780	+ 360
Ratio of total reserves to gross deposits and				
of total reserves to gross deposits and	79.4%	76.4%	50.7%	+ 1.7%

NATIONAL BANK OF BELGIUM.

(000's omitted.)

	Feb. 23, 1922.	Feb. 16, 1922.	Feb. 9, 1922.	Feb. 2, 1922.	Move- ment.	Position May 31, 1921.
Assets.						
Coin (gold & silver and bullion)	327,255	328,977	327,325	325,665	+ 278	329,650
Securities	444,848	424,669	428,937	813,814	+ 20,179	697,600
LIABILITIES.						
Notes in circulation	6,259,132	6,295,579	6,351,684	5,968,667	- 36,447	934,150
Current accounts	808,380	763,388	677,239	1,441,943	+ 44,992	112,125

AUSTRIAN BANK.

(000's omitted.)

	Jan. 31, 1922.	Jan. 23, 1922.	Jan. 15, 1922.	Week's Movement.
Assets.				
Gold coin and bullion, bills	2,503	2,936	3,070	+ 433
Silver coin	5	5	5	..
Bills, warrants, drafts, &c.	39,166,207	33,697,137	29,439,379	+ 5,469,070
Loans	598,714	599,268	586,391	+ 564
LIABILITIES.				
Notes in circulation	227,015,925	203,163,556	193,749,404	+ 23,852,369
Deposits	274,767	742,199	3,057,788	- 467,438

HUNGARIAN BANK.

(000's omitted.)

	Feb. 15, 1922.	Feb. 7, 1922.	Jan. 31, 1922.	Week's Movement.
Assets.				
Gold coin and bullion, bills	12,833	12,687	12,677	+ 146
Silver coin, &c.	696	696	696	..
Bills, warrants, drafts, &c.	24,079,919	24,187,315	24,194,778	- 107,396
Loans	1,147,699	1,146,166	1,146,850	- 1,533
LIABILITIES.				
Notes in circulation	26,041,683	25,924,674	25,680,032	+ 117,009
Deposits	2,165,774	2,292,929	2,488,474	- 127,155

NATIONAL BANK OF DENMARK.

(000's omitted.)

	Jan. 31, 1922.	Dec. 31, 1921.	Nov. 30, 1921.	Jan. 31, 1922.	Month's Movement.	Position May 31, 1921.
Assets.						
Coin and bullion ..	228,330	228,330	228,335	227,578	+ 13,934	78,644
Loans & discounts ..	417,255	403,321	379,791	348,237	+ 3,411	88,470
Securities	19,773	22,684	13,226	16,109	- 3,411	94,102
LIABILITIES.						
Circulation	450,018	470,964	465,041	522,163	- 20,946	157,968
Deposits	127,209	129,078	136,998	53,036	- 1,869	6,696

BANK OF NORWAY.

(000's omitted.)

	Feb. 22, 1922.	Feb. 15, 1922.	Feb. 8, 1922.	Week's Movement.	Position May 31, 1921.
Assets.					
Coin and bullion—Gold	147,293	147,293	147,292	..	44,294
Balance abroad and foreign bills	47,912	47,298	48,037	+ 614	28,533
Norwegian & Foreign Government securities	10,085	10,085	9,066	..	8,518
Discounts and loans	419,968	425,408	440,288	- 5,440	76,911
LIABILITIES.					
Notes in circulation	368,965	368,636	409,669	+ 329	113,484
Deposits at notice	139,255	136,793	135,210	+ 2,282	7,188

New rules for issuing bank notes have been given by Statute of November 2, 1920. We are authoritatively informed that the right of issue of the Bank of Norway is calculated at an amount of 250 million crowns above the stock of gold and at present extraordinary additional amount of 50 million crowns from July 25, 1921, until further order.

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

IMPERIAL BANK OF INDIA.

(000's omitted.)

	Feb. 3, 1922.	Jan. 27, 1922.	Jan. 20, 1922.	Jan. 13, 1922.	Jan. 6, 1922.	Dec. 30, 1921.
Assets.						
Govt. securities ..	10,35,97	11,82,34	11,06,80	11,07,90	11,17,55	11,10,16
Other securities ..	1,28,17	1,28,17	1,28,17	1,28,17	1,28,17	1,28,17
Loans	13,51,55	13,47,69	15,90,23	16,15,15	16,92,89	18,67,43
Cash credits	25,02,92	25,02,92	24,97,70	25,25,58	25,12,93	25,25,83
Inland bills	11,15,74	10,79,66	10,60,48	10,29,17	10,12,43	10,28,38
Foreign bills	5,29	5,29	5,27	4,30	3,32	2,01
Bullion	27	28	29	11	10	9
Dead stock	2,37,62	2,37,62	2,36,70	2,36,15	2,35,61	2,38,93
Sundries	34,58	31,13	32,92	42,91	44,53	80,73
With other banks ..	13,88	13,66	13,48	12,63	9,98	10,01
Cash	16,50,73	16,91,16	14,58,28	12,52,53	13,20,45	13,55,81
LIABILITIES.						
Subscribed capital ..	11,24,00	11,24,00	11,24,00	11,24,00	11,23,96	11,23,96
Capital paid up	5,62,25	5,62,25	5,62,25	5,62,24	5,62,24	5,62,24
Reserve	4,01,79	4,01,79	4,01,79	4,01,79	3,91,79	3,91,79
Public deposits	9,05,06	9,05,06	9,05,06	9,05,06	9,05,06	9,05,06
Other deposits	61,83,09	62,36,70	62,04,43	63,22,05	64,33,14	64,90,62
Loans against sec ..	31,36	27,37	27,37	31,81	36,28	39,91
Sundries	38,81	34,24	35,20	44,44	91,29	1,89,46
The above includes—						
Deposits in London	85,200	85,200	85,200	85,200	85,200	85,200
Advances in London	264,500	264,500	264,500	264,500	264,500	264,500
Cash, &c., at other banks in London	86,709	84,732	82,312	80,841	63,953	63,953

BANK OF FINLAND.

(000's omitted.)

	Feb. 15, 1922.	Feb. 8, 1922.	Feb. 1, 1922.	Movement.	Position May 31, 1921.
Assets.					
Gold	42,625	42,625	42,625	..	35,091
Balance abroad and foreign bills	162,266	195,746	240,757	- 33,490	80,279
Plant and Foreign Govt. securities	99,961	800,963	1,128,521	- 1,002	81,826
Discounts and loans	672,372	646,242	236,589	+ 26,130	106,151
LIABILITIES.					
Notes in circulation	1,572,349	1,356,932	1,396,285	+ 15,417	123,941
Deposits at notice	48,567	108,284	74,640	- 20,727	21,226

NATIONAL BANK OF EGYPT.

(000's omitted.)

	Nov. 30, 1921.	Oct. 31, 1921.	Nov. 30, 1920.	Month's Movement.	Position May 31, 1921.
Assets.					
Gold	3,362	3,364	3,360	- 2	1,871
Government securities ..	39,994	41,575	48,847	- 1,581	2,064
LIABILITIES.					
Notes in circulation	34,722	35,875	39,445	- 1,153	2,400
Government deposits ..	2,520	2,976	3,696	- 244	2,315
Other deposits	12,707	13,847	18,411	- 1,140	2,680

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF PORTUGAL.

(000's omitted.)

	Jan. 18, 1922.	Jan. 11, 1922.	Dec. 28, 1921.	Jan. 19, 1921.	Week's Movement.
Assets.					
Coin and bullion ..	27,338	27,330	27,355	27,574	..
Of which gold	8,577	8,577	8,577	8,577	..
Balance abroad	14,880	14,880	13,057	13,159	+ 3,922
Discounts	115,101	132,239	131,032	498,113	..
LIABILITIES.					
Notes in circulation	734,388	737,201	722,754	609,545	- 2,813
Deposits	58,746	52,131	59,866	27,644	+ 6,615

NATIONAL BANK OF BULGARIA.

(000's omitted.)

	April 30, 1921.	Mar. 31, 1921.	Feb. 28, 1921.	Jan. 31, 1921.	Nov. 14, 1920.	Dec. 31, 1920.
Assets.						
Gold	37,461	37,444	37,150	37,092	37,075	37,075
Silver	34,386	30,723	16,876	16,890	16,910	16,910
LIABILITIES.						
Notes in circulation	218,700	244,635	285,839	283,735	..	283,735
Deposits	7,002	7,034	7,068	7,185	..	7,185

POLISH NATIONAL BANK.

(000's omitted.)

	Jan. 31, 1922.	Dec. 31, 1921.	Nov. 30, 1921.	Oct. 31, 1921.	Month's Movement.
Assets.					
Gold	28,300	28,300	28,300	28,300	+ 1,400
Silver	42,900	42,900	42,900	42,900	+ 300
Foreign coin	120,700	94,500	76,700	65,300	+ 26,200
Foreign banks	869,800	13,115,100	7,446,100	2,747,300	+ 8,520,000
Advances to the Govt. ..	227,350,000	221,000,000	214,000,000	198,500,000	+ 8,500,000
Private loans and discounts ..	37,728,500	34,624,400	29,491,400	21,551,800	+ 3,104,100
Other assets	38,258,100	27,145,600	25,137,800	19,813,800	+ 11,112,500
LIABILITIES.					
Notes in circulation	239,615,300	229,537,600	207,029,100	182,777,300	+ 10,777,700
Government accounts	30,064,800	29,440,100	34,484,800	30,255,500	- 624,700
Other accounts	2,639,000	13,673,900	19,034,800	14,782,700	- 16,834,900
Reserve	11,332,900	2,867,700	68,900	68,900	- 8,464,300
Other liabilities	2,287,100	15,872,600	17,910,700	16,977,300	- 15,886,500

* Sums deposited were transformed at par of exchange.

THE STATE SAVINGS AND CREDIT BANK OF LATVIA.

	December 31, 1921.	December 16, 1921.	December 1, 1921.	November 16, 1921.
Assets.				
Total cash	113,677,630	120,445,955	123,118,634	91,198,494
Foreign bank	328,184,387	321,901,646	321,916,720	374,315,168
Discounts and loans	108,268,974	165,161,575	370,873,394	391,498,368
Other assets	213,786,954	..	74,336,921	169,953,318
LIABILITIES.				
Capital	300,000,000	286,808,113	300,000,000	300,000,000
Deposits	233,317,483	295,116,953	341,322,091	410,949,503
Other liabilities	230,600,462	295,201,036	306,353,578	316,115,773

BANK OF ESTHONIA.

	Nov. 30, 1921.	Oct. 31, 1921.	Dec. 31, 1920.	Monthly Movement.
Assets.				
Total cash	342,493,106	307,256,714	66,743,939	+ 35,236,391
Discounts and loans	1,397,925,805	1,267,285,858	564,738,756	+ 130,626,946
LIABILITIES.				
Capital paid up	250,000,000	250,000,000	10,000,000	+ 1,000,000
Reserve	11,674,154	10,674,155	184,663	+ 100,000,000
Notes in circulation	350,000,000	250,000,000	..	+ 100,000,000
Deposits	1,021,017,110	976,595,597	565,448,243	+ 44,421,510

BANK OF CZECHO-SLOVAK REPUBLIC.

(000's omitted.)

	Feb. 15, 1922.	Feb. 7, 1922.	Jan. 31, 1922.	Feb. 14, 1921.	Week's Movement.
Assets.					
*Liabilities of the Austro-Hungarian Bank to the Banking Office	10,096,692	10,096,692	10,096,692	9,522,925	- 573,767
Discounts and advances	2,887,433	2,916,711	2,870,337	3,867,904	- 99,172
Gold, silver, foreign bills and balance abroad	1,174,516	1,327,308	1,441,331	..	- 162,792
Other assets	806,793	943,643	1,027,917	952,728	- 136,850
LIABILITIES.					
State notes in circulation	10,757,127	11,038,195	11,230,055	10,659,702	- 281,099
Deposits	1,790,485	1,742,849	1,698,811	1,657,296	+ 47,616
Other liabilities	2,417,242	2,503,310	2,510,400	2,096,557	- 85,483

* Resulting from bank notes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENES.

(000's omitted.)

(000's omitted.)					
ASSETS.	Feb. 15, 1922.	Feb. 8, 1922.	Jan. 31, 1922.	Feb. 15, 1921.	Week's Movement.
	Dinars.	Dinars.	Dinars.	Dinars.	Dinars.
Gold	74,026	74,029	74,027	64,028	— + 133
Other coin and notes	17,412	17,379	17,264	18,256	— 11,890
Foreign credits	295,027	306,917	307,893	350,172	— 33,779
Bills	665,041	681,569	618,386	208,969	+ 4,418,242
Govt. advances	4,418,508	4,418,241	4,418,421	3,382,711	+ 1,036,516
LIABILITIES.					
Notes in circulation	4,641,278	4,640,242	4,570,896	3,368,356	+ 1,271,886
State credits	334,274	334,274	334,275	776,889	— 442,615
Deposits	467,799	337,620	444,445	291,869	+ 152,576

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus.	New	Aus.	New	Aus.	New	Aus.	New
100 days	96 1/2	96 1/2	99 1/2	99 1/2	100 1/2	99 1/2	101 1/2	101 1/2
30 days	96 1/2	96 1/2	99 1/2	99 1/2	100 1/2	99 1/2	101 1/2	101 1/2
100 days	96 1/2	96 1/2	99 1/2	99 1/2	100 1/2	99 1/2	101 1/2	101 1/2
30 days	96 1/2	96 1/2	99 1/2	99 1/2	100 1/2	99 1/2	101 1/2	101 1/2

INDIAN TREASURY BILLS.

	March 31, 1921.	Feb. 25, 1922.
Outstanding with public	43,67,10,000	49,23,45,000
In paper currency reserve	61,26,00,000	60,26,00,000
Total	104,93,10,000	109,49,45,000

India Office, March 1, 1922.

BULLION.

The gold movements to or from the Bank of England are no longer announced. For the week ended March 1, 1922, the stock of coin and bullion show an increase of £769, compared with the previous return.

IMPORTS AND EXPORTS OF GOLD.

Gold Imported into the United Kingdom.		Gold Exported from the United Kingdom.	
Countries from which Consigned.	Week Ended Mar. 1, 1922.	Countries to which Exported.	Week Ended Mar. 1, 1922.
British South Africa	71,556	Nil	Nil
British West Africa	42,396	Nil	Nil
Total value of imports of gold	113,952	Total declared value of exports registered in the week	Nil

Messrs Samuel Montagu and Co. write on March 2nd as follows:—

GOLD.

Most of the very moderate amount of gold on offer was taken for India and the Straits. Yesterday's price for exportable gold—93s 3d—represents a premium of about 10½ per cent. over the pre-war Bank of England buying price, and is the lowest fixed since September, 1919, when dealings in such gold were resumed. It is a matter of regret that the situation on the Rand has become more acute, but gratifying that some of the mines are able to continue working, though at a reduced rate of output. No arrivals of gold are reported in New York. The Dutch Minister of Agriculture, Industry, and Trade has suspended the operation of the Royal Decree of April 7, 1917, forbidding the export of all metals under any form, and of the Royal Decree of August 8, 1914, prohibiting the export of gold bullion, on the understanding that all such consignments take place through, or on account of, the Bank of Holland, and that the Minister of Finance offers no objection to such export.

SILVER.

Owing to the inactivity of the Indian bazaars pending the announcement of Indian Budget proposals, to the firmness of the American and to the weakness of the China exchanges, the tendency of the market has been distinctly heavy until yesterday, when the news arrived that no reimposition of an Indian import duty on silver was proposed. As silver does not figure in the list of commodities subject to the *ad valorem* duty of 15 per cent., it remains duty free. The effect was somewhat unexpected. The undertone continued poor, as a result of renewed weakness from China, and the rate for forward delivery drooped further to 3½d (the lowest price since March 17, 1921), but that for prompt delivery rose from 3½d (the lowest recorded for cash since March 11, 1921) to 3½d, owing to a spurt of Indian buying for immediate shipment coming upon a market rather short of supplies after the large shipment of last week. It is considered in some quarters that the very large consignments of silver to India during the last few months, prompted by fear of a fresh import duty, are really in excess of actual requirements, and that the bazaars will not be able to continue purchases on a large scale. Meanwhile, other

factors, such as China—where the stocks show a considerable increase—America, and the Continent, do not favour the look. When the mail just received left Bombay coined rupees were again returning to the currency offices; the latest currency return showed an increase of 152 lacs in the holding of silver. It is stated that the province which is returning the greatest number of rupees is the Punjab. This is probably owing to large imports of wheat, for which the people have to bring rupees from their hoards.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Feb. 7, 1922.	Feb. 15, 1922.	Feb. 22, 1922.
Notes in circulation	17,343	17,295	17,397
Silver coin and bullion in India ..	7,485	7,535	7,598
Gold coin and bullion out of India ..	2,432	2,432	2,432
Gold coin and bullion in India	2,432	2,432	2,432
Securities (Indian Government) ..	6,841	6,743	6,743
Securities (British Government) ..	585	585	584

The silver coinage during the week ending 22nd ult. amounted to 3 lacs of rupees. The stock in Shanghai on the 25th ult. consisted of about 39,200,000 ounces in sycee, 28,000,000 dollars, and 1,310 silver bars, as compared with about 37,900,000 ounces in sycee, 25,500,000 dollars, and 1,260 silver bars on the 18th ult. The Shanghai exchange is quoted at 3s 0½d the tael. Statistics for the month of February are appended:—

	Bar Silver.	Per Oz Standard.	Bar Gold.
	Cash Delivery.	2 Months' Delivery.	Per Oz Fine.
Highest price	35 1/2	34 1/2	96 3/4
Lowest "	32 1/2	31 1/2	93 6/8
Average "	33 8/10	33 5/10	94 11/16

GOLD AND SILVER PRICES.

The price of gold and cash and forward prices of bar silver during this week and in previous years are as below:—

1922.	Gold.		Silver.		Date.	Silver.
	Per Ounce.	Cash Per Ounce.	Forward, Per Ounce.	Per Ounce.		
Feb. 25 ..	93 10	32 1/2	32 1/2	d	Mar. 10, 1916	27
27 ..	93 7	32 1/2	32 1/2	d	9, 1917	37 1/2
28 ..	93 6	32 1/2	31 1/2	d	8, 1918	42 1/2
Mar. 1 ..	93 3	32 1/2	31 1/2	d	8, 1919	47 1/2
2 ..	93 6	32 1/2	31 1/2	d	5, 1920	77 1/2
3 ..	93 6 nom	32 1/2	32 1/2	d	4, 1921	31 1/2

NOTICES.

The London Joint City and Midland Bank, Limited, announce that Mr E. T. Parkes, manager of the Oldham branch, has been appointed a joint-general manager; also the opening of a new branch at 48 and 50 High street, Leighton Buzzard, under the management of Mr J. W. G. Williams.

Lloyds Bank, Limited, announce that an additional branch of the bank is now open in Birmingham at 7 and 8 Old square, under the management of Mr J. C. Bourne. A branch of the bank is also now open at 24 Battersea Park road, S.W. 11, the manager being Mr H. L. Powell.

The National Provincial and Union Bank of England, Limited, announce that an additional branch of the bank is now open in Southsea at 77 King's road, the resident officer being Mr O. H. Broome. Branches of the bank are also now open at 39 Market place, Kingston-on-Thames, under the management of Mr F. B. Ray, and at Market place, Richmond, Yorks, the resident officer being Mr T. Houston.

Barclays Bank, Limited, announce that as from Monday, March 6th, their temporary office at Cecil street, Margate, will be closed, and the business transferred to new and permanent premises at 66 High street, Margate (manager, Mr A. E. Coslett).

The Right Honourable the Earl of Home has been elected to all the vacant office of deputy governor of the British Linen Bank, caused by the death of the Right Hon. the Earl of Northesk.

The Union Bank of Australia, Limited, notify that a branch of the bank was opened on March 1, 1922, at Coraki, New South Wales.

The National Bank of New Zealand, Limited, is now at 8 Moorgate, E.C. 2.

The Imperial Ottoman Bank announce that they have opened a sub-branch at Ramallah, near Jerusalem.

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Name.	Miles Open.	Week Ended Feb. 26, 1922.		Aggregate 8 Weeks 1922.	
		Passengers, &c.	Goods, &c.	Passengers, &c.	Goods, &c.
Brecon and Merthyr	60	877	3,805	6,882	30,336
Great Central (a)	67 1/2	38,300	145,500	183,800	323,400
Do Joint Lines	16 1/2	1,200	105,100	199,600	736,700
Great Eastern (a)	1,200	71,400	159,300	230,700	581,700
Great Northern (a)	2,964	217,000	316,000	533,000	1,738,000
Great Western	92	875	27,087	27,962	6,321
Hull and Barnsley	2,833	309,000	458,000	767,000	3,444,000
London & N. Western	968	101,900	59,300	161,200	813,900
London & South Western	428	1,123	1,203	2,726	8,850
Marquart and Carlisle (a) ..	73	32,152	4,048	36,200	263,741
Metropolitan (a)	1,585 1/2	153,000	358,000	511,000	1,186,000
Midland (a)	63	991	1,357	2,348	9,002
Midland & S. W. Junc.	1,758	107,600	247,000	354,600	835,700
North Eastern (a)	16	4,321	10,449	14,770	79,563
North London	51	2,756	10,048	12,804	23,027
Rhymney	124	7,212	22,212	22,424	63,503
Taff Vale	..	..	..	..	..
Do Docks, &c.	..	..	..	..	..
Underground E.R. (a)	..	..	..	..	..
Lon. and Sub. Group (a) ..	1,097	56,400	109,000	165,400	450,000
Caledonian	476	22,700	40,300	63,000	187,800
Glasgow and S. W. (a)	3,362	7,540	10,890	18,430	60,750
Gt. North of Scotland (a) ..	492 (a)	10,575	12,121	22,696	74,713
Highland (a)	1,378	54,000	136,100	190,100	413,900
North British (a)	3	3,761	1,666	5,427	31,216
Belfast & County Down (a) ..	160	4,259	4,479	8,738	38,139
Dublin and S. Eastern (b) ..	538	13,765	14,339	28,104	96,249
Midland Gt. Western (b) ..	..	..	..	..	..

(a) Including 10 miles temporarily closed. (b) Week ended Feb. 24, 1922.

(c) Week ended Feb. 25, 1922.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1921-22.	+ or -	1921-22.	+ or -
INDIAN.							
Assam Bengal	43 weeks	Jan. 28	993	20,0120	- 27,225	74,46,976	- 18,95,254
Barru L. Ry.	44 weeks	Feb. 4	118	29,000	+ 8,700	11,23,200	- 47,000
Bengal & N. Western	43 weeks	Jan. 28	2,067	6,35,640	+ 1,32,415	90,37,456	+ 6,92,093
Bengal Nagpur	43 weeks	Jan. 28	1,637	14,20,000	+ 1,97,000	53,05,110	+ 7,40,563
Bombay, Bar. & C.L.	42 weeks	Jan. 21	1,342	6,31,661	- 13,822	24,19,452	+ 13,10,041
Delhi, Umbalikaitha	20 weeks	Feb. 18	239	32,000	- 49,636	1,88,458	- 1,73,320
East Indian	20 weeks	Feb. 18	2,772	13,03,000	- 14,97,000	5,33,150	- 27,72,000
G. Indian Peninsula	46 weeks	Jan. 28	5,121	28,28,500	- 53,700	1,19,57,133	- 1,35,946
Madras & S. Mahr.	43 weeks	Jan. 28	3,028	13,05,000	+ 1,07,773	5,39,83,584	+ 1,85,517
Robil'd & Kumaon	17 weeks	Jan. 28	259	48,730	- 1,591	1,87,836	- 8,057
Do Lucknow-Brailey	17 weeks	Jan. 28	302	87,305	- 24,581	10,50,611	- 1,58,783
South India	43 weeks	Jan. 28	1,852	8,01,835	+ 216,633	3,61,75,786	+ 24,45,635
8thn. Punjab (month)	1 mth	Oct. 31	717	6,37,356	- 2,73,237	..	..
Argentine (a).							
Argentine N.E.	34 weeks	Feb. 25	753	7,200	- 5,500	367,900	- 35,500
Argentine Trans.	34 weeks	Feb. 25	111	3,000	- 571	69,415	- 22,574
B. A. and Pacific	34 weeks	Feb. 25	2,438	180,000	+ 26,000	4,410,000	+ 134,000
B. A. Gt. Southern	34 weeks	Feb. 25	2,599	195,000	- 32,000	5,332,000	- 175,000
B. A. Western	34 weeks	Feb. 25	1,852	93,000	- 1,000	2,606,000	- 247,000
Buenos Ayres Cent.	6 mths	Dec. 31	190	37,213	- 794	282,972	- 17,105
Central Argentine	34 weeks	Feb. 25	3,305	196,000	+ 18,000	5,977,000	+ 684,000
Cordoba Central	34 weeks	Feb. 25	1,205	51,000	+ 18,500	1,738,300	+ 58,800
Entre Rios	34 weeks	Feb. 25	811	25,000	- 1,100	680,200	- 101,100
Brazilian (b).							
Brazil Gt. Southern	1 mth	Jan. 31	1,005	Me 43,750	+ 3,500	..	..
Gt. West. of Brazil	8 weeks	Feb. 25	1,005	16,000	- 2,000	118,800	- 20,800
Leopoldina	7 weeks	Feb. 25	1,831	29,006	- 10,164	201,868	- 28,544
San Paulo	3 weeks	Jan. 21	1,534	25,692	- 1,433	231,497	- 50,653
State of Bahia, S.W.	12 mths	Jan. 31	58	Me 57,000	- 42,000	953,000	- 549,000
Chile and Peru.							
Antofagasta	8 weeks	Feb. 25	838	19,710	- 16,020	137,000	- 135,180
1 mth Apr. 30	1 mth	Apr. 30	645	12,000	- 600	..	..
Atacama	8 weeks	Feb. 25	306	8,362	- 22,718	..	..
Nitrato (a) week	7 mths	Jan. 31	1,059	81,365,870	+ 73,015	8,908,500	+ 651,150
Peruvian Corp.	7 mths	Jan. 31	173	(b) 8,133	- 15,892	65,762	- 133,695
Taitai	7 mths	Jan. 31	173	(b) 8,133	- 15,892	65,762	- 133,695
Cuba.							
Havana Central	34 weeks	Feb. 25	13,072	3,943	- 367,531	192,604	- 192,604
United of Havana	34 weeks	Feb. 25	1,210	122,577	- 59,118	2,126,353	- 1,660,865
Uruguay.							
Central Uruguay	34 weeks	Feb. 25	873	30,534	- 3,912	855,889	+ 77,829
G. Urug. (East E.R.)	34 weeks	Feb. 25	311	6,992	- 1,449	168,447	- 21,969
G. Urug. (North E.R.)	34 weeks	Feb. 25	186	5,641	- 504	94,373	- 7,077
G. Urug. (West E.R.)	34 weeks	Feb. 25	211	5,682	- 1,091	82,926	- 7,031
Midland Uruguay	7 mths	Jan. 31	319	13,298	- 4,790	101,356	- 25,091
North-West Urug.	4 mths	Oct. 31	113	9,574	+ 3,154	34,314	+ 4,168
Uruguay North	7 mths	Jan. 31	73	1,915	- 29	14,735	- 71
Other Foreign.							
Alcoy and Gandia	8 weeks	Feb. 25	83	Pe 26,000	+ 8,000	158,000	+ 1,100
Bahia	1 mth	Jan. 31	15	953	- 2,522	..	..
Batavia	1 mth	Jan. 31	138	9,500	- 1,776	..	..
Batavia	1 mth	Jan. 31	138	9,500	- 1,776	..	..
Colombian Nat. Ry.	6 mths	Dec. 31	190	25,498	- 2,532	113,633	- 33,758
Donato Extension	11 mths	Nov. 30	70	17,250	+ 1,000	209,000	+ 24,822
Egyptian Delta	46 weeks	Jan. 10	559	11,320	- 2,826	349,834	- 97,070
Gt. Southern. of Spain	7 weeks	Feb. 18	104	Pe 92,494	+ 30,837	471,403	- 145,203
International of							
Central America	1 mth	Jan. 31	83	71,958	- 2,532	..	..
La Guadua & Caracas	12 mths	Jan. 31	138	(b) 9,500	- 1,776	..	..
Mexican Railway	7 weeks	Feb. 21	403	8,776,700	+ 9,700	2,097,400	- 28,500
Do	1 mth	Jan. 31	403	8,124,500	- 15,200	..	..
Do	1 mth	Jan. 31	403	Me 239,400	- 119,300	..	..
Manjo Occorhaman	12 mths	Dec. 31	193	10,758	- 6,408	154,892	- 93,304
Ottoman Railway	1 week	Feb. 18	193	8,235	- 2,522	..	..
Paraguay Central	33 weeks	Feb. 18	874	9,500	- 1,776	..	..
Peruquay-Athens, &c.	9 mths	Dec. 31	211	5,682	- 1,091	110,380,765	+ 5,899,662
Puerto Cabello, &c.	12 mths	Dec. 31	15	5,000	+ 1,000	66,000	+ 4,750
Rio de Janeiro	24 weeks	Feb. 25	180	5,497	- 619	100,004	- 22,029
Santa Fe	4 mth	Jan. 31	..	140,272	- 6,413	..	..
Santiago & Santiago	1 mth	Jan. 31	..	4,330	- 2,180	..	..
Santa and Bahia	1 mth	Jan. 31	118	(a) 11,992	- 3,670	..	..

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim div.	Final div.	Method of Payment.	Last Year.	Pre-vious.
Railways.						
Glasgow and S. Western, Defd.	5	(& bonus 1%)	..	..	1	24
Isle of Man	2 1/2	..	..	..	2	24
Kilguth and Bonnybridge	..	..	..	..	5	5
Liverpool Overhead, Pref.	9 1/2	Mar. 3	..	Less tax 3/1 in £	14	16
Southern Punjab	..	..	..	..	20 1/2	20 1/2
Stratford and Midland Junction ..	..	..	..	..	13	13
Banks.						
Bank of Australasia	..	Mar. 31	..	Tax free	12	14
Banco Commerciale Italiana	16 1/2	..	..	Less tax	16	16
British Linen Bank	3 %	Mar. 31	..	..	22	..
Guaranty Trust Co. (N.Y.)	..	..	..	..	9	9
Northern Union	..	..	..	..	8	8
Swiss Bank Corporation	..	..	..	..	12	11
Union Bank of Switzerland	25 p.s.	..	..	Less tax	50 p.s.	..
Insurance.						
Abtainers' and General	14 1/2	..	..	..	7 1/2	..
British and Foreign Marine	..	..	..	Less tax	15	15
English Association of American ..	..	..	..	..	..	..
Bond Holders	..	..	..	..	..	..
Scottish Life	5 p.s.	Mar. 29	..	Less tax 6/ in £	..	..
North Annapur Gold, Pref.	9 p.s.	Mar. 15	..	Less tax 6/ in £	20	20
Oroville Dredging	1 p.s.	..	..	Tax free	..	..
South African Gold Trust	..	..	..	..	..	..
Other Companies.						
Aplin and Barrett, & Co.	1 p.s.	(& bonus 4/ p.s.)	..	Less tax	5	nil
Beyer, Peacock and Co.	7 1/2	..	..	Less tax	10	10
B. Morris and Sons	3 %	Mar. 31	..	Tax free	4	9
British Mannesman Tube	5 %	..	..	Less tax	10	(a) 10
British Tobacco Co. (Australia) ..	8 1/2	..	..	Less tax	8	8
Cairn Line of Steamships	5 %	..	..	Less tax	7	7
Caledonian Trust	9 1/2	..	..	Tax free	10	..
Cardinal Investment Trust	6 p.s.	..	..	..	10	..
Cash and Co.	..	..	..	..	7	..
Charling Cross Electricity	..	..	..	..	10	..
Chester Grosvenor Hotel	..	..	..	..	7	..
City of Durham Gas, Original ..	..	..	..	..	5	..
Do Additional	..	..	..	..	10	..
Coal and Shipping Exchange	..	..	..	..	5	..
(Cardiff)	..	..	..	..	12 1/2	..
Colliery Syndicate	7 1/2	..	..	Less tax	10	..
Country Life	10 1/2	..	..	Less tax	10	..
Clyde Valley Electric	..	..	..	Tax free	10	..
Delta Metal Co.	3 %	..	..	..	6	..
Electrical Distribution of York ..	7 1/2	..	..	Tax free	15	12 1/2
Forest Hill Brewery	7 1/2	..	..	Less tax	15	12 1/2
Gale and Forder	4 %	..	..	Less tax	5	7
General Investors and Trustees ..	10 1/2	..	..	..	..	..
Hackney and Shepherd's Bush ..	..	..	..	..	..	..
Empire	..	..	..	..	..	..
Harrods	7 1/2	Mar. 7	..	Less tax	7 1/2	32
Hord Gas, "A" and "O"	5 1/2	Mar. 7	..	Less tax	5 1/2	24
Do "B"	3 1/2	..	..	Less tax	10	18 1/2
International Investment Def.	..	..	..	Tax free	..	..
Isaac Walton and Co.	..	..	..	..	..	..
John C. Parkes and Sons' Brewery ..	12 1/2	..	..	Less tax	..	..
John Davenport & Sons' Brewery ..	..	..	..	..	..	..
J.P. Restaurants	..	..	..	..	..	..
Kensington and Knightsbridge ..	..	..	..	..	..	..
Electric	..	..	..	..	..	..
Lambert Brothers	5 %	Mar. 21	..	..	..	..
Lee Bridge District Gas, Ord.	..	Mar. 14	..	Less tax	6 1/2	..
Leicester Palace Theatre	10 1/2	..	..	..	..	..
Linoleum Manufacturing	10 1/2	..	..	..	..	..
Macdonald, Fraser, and Co.	3/6 p.s.	..	..	Tax free	12 1/2	15
Manchester Bonding Warehouse ..	10 1/2	..	..	..	6 p.s.	5 p.s.
Manchester Hippodrome, & Co.	..	..	..	..	..	..
Manchester Royal Exchange	..	..	..	..	..	..
Manvers Main Collieries	1 p.s.	..	..	Less tax	..	..
Matlock Gas	..	..	..	Tax free	..	..
Midland Counties Electric	..	..	..	..	..	..
National Mortgage, & Co. of New ..	2/6 p.s.	..	..	Tax free	10	15
Zealand	1 p.s.	..	..	Tax free	..	..
New Moncton Collieries, Ltd.	6 p.s.	..	..	Tax free	..	..
Do part paid	..	..	..	..	..	..
North Middlesex Gas, Orig. Ord. ..	7 1/2	..	..	Less tax	..	..
Do Additional Ord.	5 1/2	..	..	Less tax	..	..
North of Scotland Steam	1 p.s.	..	..	Tax free	..	..
Nottingham Hill Electric	2 1/2	..	..	..	8 p.s.	5 p.s.
Oxford Electric	5 1/2	Mar. 11	..	Less tax	10	..
Pensarth Pontoon	12 1/2	Apr. 1	..	..	..	..
Pennsylvania Water	..	..	..	..	..	..
Prince of Wales Hotel, Southport ..	..	..	..	..	..	..
Property and Estates Company ..	..	..	..	..	..	..
Pump House Hotel, Llandrindod ..	4 1/2	..	..	..	..	..
Railway Debenture and General ..	3 1/2	..	..	..	..	..
Railway Share and Trust	..	..	..	..	..	..
R. and W. Hawthorn Leslie	12 1/2	Mar. 1	..	Tax free	12	12
Rhonda Valley & Ely Breweries ..	..	..	..	..	..	..
Rivet, Bolt, and Nut	..	..	..	..	..	..
Rosario Nitrate	..	Mar. 16	..	Tax free	10	20
Rutland Spinning	5 p.s.	Feb. 28	..	..	..	..
Sandown Park	7 1/2	Feb. 28	..	Less tax	..	..
Do (for 1917)	10 1/2	..	..	Less tax	..	..
Scottish Northern Investment	..	..	..	Less tax	10	10
Scottish Tube Company	..	..	..	..	7	..
Scottish Western Investment	..	..	..	..	11	11
Second Scottish Investment, Ltd. ..	3 %	..	..	Less tax	..	..
Smethley's Hydro	12 1/2	Mar. 1	..	Tax free	..	..
South-West Suburban Water	6 1/2	Mar. 11	..	Less tax	12 1/2	11 1/2
Spratt's Patent, Limited	1/6 p.s.	Mar. 31	..	Tax free	..	..
Stavley Coal and Iron	..	..	..	..	..	..
St Augustine's Parade Hippo- ..	10 1/2	..	..	Less tax	..	..
drome, Bristol	..	..	..	..	..	..
St Ivel, Limited	..	..	..	Tax free	10 1/2	10
Swansea Hotel	..	..	..	..	10	10
Telegraph Construction, & Co.	7 1/2	..	..	Tax free	10	15
Trevelyan, & Co.	..	(& bonus 3 %)	..	..	..	..
Walker, Parker, and Co.	..	..	..	..	..	..
W. and B. Cook	..	..	..	..	..	..
W. B. Reid and Co.	6 %	..	..	Tax free	10	12 1/2
William Whiteley	20 1/2	..	..	..	14	14
Wyllie and Lockhead	..	..	..	Tax free	6	12 1/2

(a) Tax free.

ALBION STEAM COAL COMPANY.—Directors recommend final dividend on preference shares for half-year ended December 31, 1921, at rate of 6 per cent. per annum, making 6 per cent. for year. Under present circumstances directors state they cannot see their way to recommend a dividend on ordinary shares for past year.

BELIZE MOTORS, LIMITED, in announcing that payment of the preference dividend is again postponed, report improving business, and express a hope in their ability to pay in the course of a short time.

BRIGHTON AND HOVE GENERAL GAS.—Final dividends, less tax, of £3 per cent. on "B" preference consolidated stock, £2 per cent. on "C" preference consolidated stock, £3 per cent. on "D" redeemable preference stock, £5 15s per cent. on "original" ordinary consolidated stock, and £4 5s per cent. on "A" ordinary consolidated stock, making, in case of last two, £11 per cent. and £8 per cent. respectively for year.

CONSOLIDATED CAMBRIAN.—Directors do not think it advisable to pay a dividend on ordinary shares, but recommend a dividend at the rate of 6 per cent. per annum on preference shares for half-year ended December 31st, less tax, carrying forward £43,198. The interim dividend on ordinary shares was at rate of 5 per cent. per annum. For previous four years dividends on ordinary shares were 10 per cent. per annum.

ANALYSIS OF BALANCE-SHEETS.

COURTAULDS, LIMITED.

December 31, 1921.

LIABILITIES.	Amount.	Inc. or Dec.	ASSETS.	Amount.	Inc. or Dec.
Ord. shares	12,000,000	..	Properties, &c.	1,533,286	..
Creditors	3,830,733	..	Stock-in-trade	1,115,823	..
General reserve	1,000,000	..	Investments	13,239,217	..
Profit and loss	1,163,467	..	Debtors	675,391	..
			Cash	1,446,583	..
Total	17,999,200	..	Total	17,999,200	..

BORAX CONSOLIDATED.

September 30, 1921.

LIABILITIES.	Amount.	Inc. or Dec.	ASSETS.	Amount.	Inc. or Dec.
Cum. pref. shares	800,000	..	Mines & goodwill	3,057,201	..
Pref. ord. shares	600,000	..	Land, &c.	534,386	..
Def. ord. shares	1,150,000	..	Stocks	585,261	..
First deb. stock	1,000,000	..	Deb. red. fund	165,544	..
Interest accrued	11,250	..	Advances, &c.	941,236	..
Second deb. stock	921,380	..	Sundry debtors	507,589	..
Interest accrued	15,548	..	Death Valley	..	..
Premium on def.	188,626	..	Railway Co.	82,801	..
Ord. shares	100,567	..	Cash	347,858	..
Buildings reserve	375,000	..	Investment in	..	..
General reserve	165,544	..	War Loan in	..	..
Deb. red. fund	10,928	..	respect to pen-	..	..
Second deb. red.	498,456	..	sions, &c.	26,653	..
reserve	58,180	..			
Sundry creditors	26,652	..			
Bills payable	326,388	..			
Pensions and	..	..			
grants fund	..	..			
Profit and loss	..	..			
Total	6,248,529	..	Total	6,248,529	..

HARRODS STORES.

January 31, 1922.

LIABILITIES.	Amount.	Inc. or Dec.	ASSETS.	Amount.	Inc. or Dec.
Ord. shares	1,915,000	..	Property and	90,000	..
Pref. shares	4,000,000	..	goodwill, &c.	..	..
Deposits, &c.	1,078,357	..	Brompton road	..	..
Sundry creditors	710,217	..	leasehold	..	..
Reserve	669,097	..	Sun. leaseholds	122,541	..
Loans	584,360	..	Freeholds	3,327,196	..
Pension funds	94,961	..	Plant, &c.	779,507	..
Sinking fund	176,808	..	Horses, vans, &c.	34,511	..
Unclaimed divs.	497	..	Sundry debtors	1,096,883	..
Profit and loss	280,807	..	Investments	1,665,564	..
			Stocks	1,229,983	..
			Unexpired insur.	8,410	..
			Cash	570,997	..
Total	8,925,992	..	Total	8,925,992	..

RHODESIAN GOLD OUTPUT.

Month.	1919.	1920.	1921.	1922.
January	211,917	211,851	293,794	240,066
February	220,885	280,020	388,235	..
March	225,008	199,881	134,932	..
April	213,459	208,934	282,398	..
May	218,087	194,265	285,941	..
June	214,215	194,194	238,500	..
July	214,918	213,196	273,269	..
August	207,338	241,370	286,151	..
September	223,719	231,228	271,452	..
October	204,184	248,086	365,374	..
November	186,482	282,237	308,838	..
December	188,836	274,470	267,006	..
Total Gold	2,400,492	3,056,549	3,217,278	..

NOTE.—The value of the gold output fluctuates each month in accordance with the amount of premium which may be declared to the Mines Department of Southern Rhodesia in that month.

Reports and Notices.

The offices of Furness, Withy, and Co., Limited, and associated companies are now at Furness House, Leadenhall street, London, E.C. 3.

Salomon and Co. announce that on and after March 1, 1922, they will be succeeded by Blair and Co. (London), Limited, 2 Austinfriars, E.C.2. The partnership of Salomon and Co. will in due course be dissolved.

Major Henry Halford Dawes, son of the late Sir Edwyn Dawes, of Gray, Dawes, and Co., has joined the board of directors of Ashanti-Obuasi Reefs, Limited, in the place of the late Mr William E. Harris.

Jacomb, Hoare, and Co. have removed to 19 London wall, E.C. 2. Telephone, London wall 6693.

The Essex and Suffolk Equitable Insurance Society, Limited, announce that it is not in any way connected with the Essex Union Insurance Company, which is now in voluntary liquidation. The shares of the Essex and Suffolk are almost entirely held by the Atlas Assurance Company, Limited, who guarantee all its contracts.

BANKS.

LONDON JOINT CITY AND MIDLAND.—Average weekly position during February, 1922:—

LIABILITIES.		£	ASSETS.		£	Ratio to Curr't, Deposit & Other Acct'ns. %
Capital paid up.....		10,860,852	Coin, bank and currency notes, and balances with the Bank of England...		55,432,793	148
Reserve fund.....		10,860,852	Balances with, and cheques in course of collection on, other banks in the United Kingdom		9,251,176	25
Current, deposit, and other accounts (includ- ing balance of profit and loss account)		372,816,105	Money at call and short notice		13,461,282	36
Acceptances and engage- ments on account of customers		18,628,081	Investments		61,175,439	164
			Bills discounted		71,599,656	192
			Advances to customers and other accounts		175,416,837	470
			Liabilities of customers for acceptances and engagements		18,628,081	
			Bank premises at head office and branches		4,941,361	
			Shares of the Belfast Banking Co., Lim., and the Clydesdale Bank, Lim.		3,258,665	
					413,165,890	
					413,165,890	

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward	Net Profit.	Dividend
					Prefce.	Ordinary.	Rate				
Electric Lighting and Power.		£	£	£	£	£	%	£	£	£	£
Charing Cross City Undertaking	Dec. 31	4,491	63,389	67,880	18,000	..	..	32,181	17,699	25,273	25,273
West-End, &c. } West-End	Dec. 31	18,897	82,587	101,484	18,000	36,000	9	34,500	12,984	85,001	85,001
County of London	Dec. 31	18,595	277,817	296,412	27,300	42,324	8	205,000	21,788	190,502	190,502
Electrical Distribution of York- shire	Dec. 31	1,570	8,086	9,656	..	4,722	6+	2,000	2,934	5,426	5,426
Kensington and Knightsbridge ..	Dec. 31	1,867	18,147	20,014	5,500	10,500	10	..	4,014	21,344	21,344
Metropolitan	Dec. 31	4,514	181,114	185,628	17,127	70,000	7	94,892	3,609	177,200	177,200
Midland Counties Electric	Dec. 31	2,257	30,837	33,094	..	21,000	4	9,654	2,440	..	..
Notting Hill	Dec. 31	3,647	23,141	26,788	6,048	10,820	800+	6,000	3,920	21,485	21,485
Financial, Land, &c.											
National Mortgage of New Zea- land	Sept. 30	42,941	Dr 9,605	33,336	..	24,598	10+	..	8,738	47,188	47,188
Gas.											
Brighton and Hove	Dec. 31	19,798	51,009	70,807	6,400	43,158	11Ord. 8 A	..	21,249	25,666	25,666
Dover	Dec. 31	881	3,449	4,330	..	3,500	5	600	230	..	..
Harrow and Stanmore	Dec. 31	6,676	8,013	14,689	525	6,815	6	..	7,349	6,236	6,236
Wandsworth, Wimbledon, &c. ..	Dec. 31	11,106	45,099	56,205	..	47,373	..	..	8,832	33,870	33,870
Hotels, Restaurants, &c.											
Prince of Wales Hotel (Southport)	Dec. 31	8,720	13,633	22,353	..	5,600	10	10,000	6,753	19,645	19,645
Iron, Coal, and Steel.											
Albion Steam Coal	Dec. 31	24,908	9,388	34,296	13,200	..	..	..	21,096	62,668	62,668
Consolidated Cambrian	Dec. 31	47,087	49,619	96,706	37,992	15,517	..	..	43,197	100,166	100,166
Ludlow Brothers (1913)	Dec. 31	13,269	Dr 20,527	Dr 7,258	2,520	1,500	5+	..	Dr 11,278	14,825	14,825
Nitrate.											
Rosario	Sept. 30	23,206	99,442	122,648	..	60,000	10+	..	62,648	125,666	125,666
Rubber, &c.											
Langen (Java)	Aug. 31	19,051	Dr 18,305	746	..	..	..	..	746	13,650	13,650
Pantiya Tea and Rubber	Dec. 31	1,775	Dr 558	1,217	..	..	..	500	717	Dr 4,439	4,439
Val d'Or	Oct. 31	11,321	Dr 338	10,983	..	..	..	..	10,988	3,757	3,757
Shipping.											
Cairn Line of Steamships	Dec. 31	62,938	170,617	233,555	..	120,000	10+	100,000	13,555	146,816	146,816
Shops and Stores.											
Harrods	Jan. 31	220,768	196,072	416,840	286,233	95,750	5	..	34,857	532,504	532,504
Textiles.											
Courtaulds	Dec. 31	383,874	1,684,593	2,068,467	..	1,350,000	11+	300,000	418,467	1,804,796	1,804,796
W. and B. Cook	Oct. 31	5,229	Dr 3,048	3,187	..	2,328	5	..	861	4,938	4,938
Woolcombers	Dec. 31	15,461	51,897	67,348	14,700	11,250	11+	25,000	16,398	87,430	87,430
Tramways.											
Para Electric	Nov. 30	18,193	Dr 12,308	5,391	..	..	..	5,391	..	59,128	59,128
Trucks.											
Cardinal Investment	Dec. 31	3,143	6,455	9,598	..	5,184	8	..	4,414	5,928	5,928
Colonial Securities	Jan. 31	5,864	13,706	19,570	8,308	6,924	5	..	4,338	17,092	17,092
Gas, Water, and General	Jan. 28	78	7,971	8,049	..	7,812	34 B Deb.	..	237	8,153	8,153
General Investors and Trustees ..	Jan. 31	13,780	37,524	51,304	9,450	14,700	7	16,000	11,154	41,510	41,510
Railway Debentures General	Jan. 15	10,810	60,169	70,979	22,505	30,006	6	5,480	12,993	67,368	67,368
Railway Share Trust and Agency ..	Jan. 15	14,552	54,205	68,757	28,278	20,000	5	4,902	15,577	64,464	64,464
Other Companies.											
Aplin and Barrett	Dec. 31	56,135	35,840	91,975	4,500	13,850	30	..	63,625	20,140	20,140
Borax Consolidated	Sept. 30	119,639	292,574	412,213	80,000	143,750	12+	70,825	117,638	388,853	388,853
Buttons, Limited	Dec. 31	15,683	44,627	60,310	6,333	35,210	20+	Dr 489	19,199	54,672	54,672
Henry Street Warehouse	Jan. 31	1,945	Dr 2,177	Dr 232	..	..	..	..	232	Dr 528	528
Linoleum Manufacturing	Dec. 31	27,334	91,634	118,968	..	62,500	12+	22,500	33,968	94,643	94,643
Manchester Royal Exchange	Feb. 28	56,891	31,006	87,897	..	17,662	5	..	70,235	33,682	33,682
Penarth Pontoon, &c.	Dec. 31	2,452	9,570	12,022	..	5,090	10	..	6,932	13,704	13,704
Radiation	Dec. 31	40,754	128,324	169,078	45,675	92,734	6+	..	30,669	154,552	154,552
St Ivel	Dec. 31	18,336	7,870	26,206	6,000	5,000	50+	2,500	12,706	9,045	9,045
Vyse, Sons, and Co.	Dec. 31	11,105	23,062	34,167	9,425	14,500	10	..	10,242	39,031	39,031
Wylie and Lochhead	Dec. 31	7,150	9,938	17,088	3,000	9,000	6+	2,000	3,088	20,929	20,929

* Half-year.

† Free of tax.

(b) This dividend took £1,450,000.

Range to U.K. 5s qr, ditto Continent done 18 cents, West Italy quoted 22-23 cents, three ports Denmark 24 cents, Stettin 25 cents, per 100 lbs, while New Orleans to Rotterdam paid 22 cents 100 lbs. Business was done from North Pacific at 45s, April loading to U.K. Eastern markets steadier, and Bombay on dead weight paid 24s 6d, with 25s now indicated March loading to U.K. Saigon rice quotes 30s, with option of meal at 32s 6d U.K. Australia continues to absorb tonnage for wheat at 52s 6d March-April and April-May to U.K./Continent.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919.
Estimated sales of home-grown wheat—				
1 week to February 25	Cwts. 691,756	Cwts. 176,849	Cwts. 384,628	Cwts. 372,310
25 weeks to February 25	10,840,790	8,343,295	8,074,263	8,231,503
Average price of English wheat per				
quarter	s d 49 11	s d 74 7	s d 72 6	s d 77 7
per cwt	11 7	17 5	16 11	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past

week, and for the corresponding week in each of the years from 1918 to 1921:—

	QUANTITIES SOLD.			AVERAGE PRICES.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1922.						
Feb. 18	qrs bsh 139,701 5	qrs bsh 56,670 3	qrs bsh 33,480 0	s d 48 1	s d 45 2	s d 42 0
24	161,409 6	54,833 2	36,134 1	49 11	42 0	38 7
1918	78,734 4	40,506 2	17,599 2	72 2	57 9	53 0
1919	87,705 6	62,727 2	22,372 0	72 7	62 7	58 0
1920	89,746 4	39,416 4	20,150 2	72 6	58 1	55 0
1921	41,364 7	62,377 7	18,118 5	74 7	62 7	58 0

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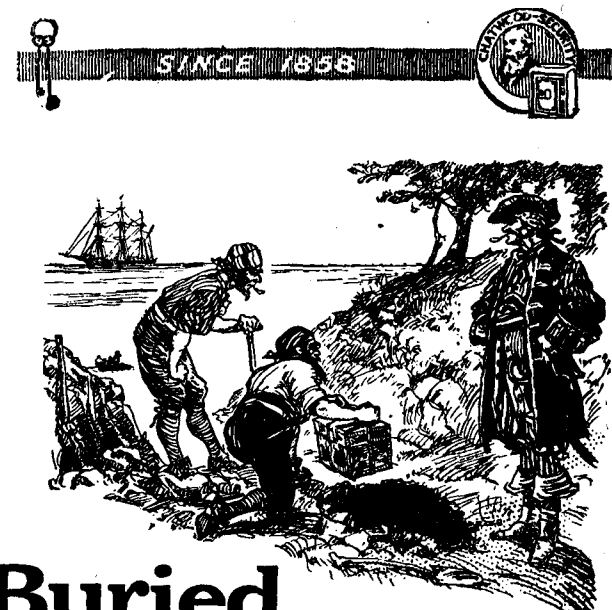
ASSETS EXCEED £1,000,000.

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated March 2nd, is as follows:—Pig-iron: Business is unsettled owing to possible trouble in the engineering trade, and prices of hematite pig-iron have been advanced, as coke is dearer now. Hematite makers have sold their limited output for this month. Prices are as follows:—No. 3 Cleveland G.M.B. pig-iron, 90s per ton; East Coast mixed numbers hematite, 100s per ton. Manufactured iron and steel: The steel trade, upon which after all we principally rely, shows no improvement. Steel ship plates (home), £10 10s; steel ship angles, £10; iron bars, £12; steel rails, £9 10s net. Iron ore: Imported ore is rather dearer as ore freights have risen. Any business is confined to prompt cargoes. Best Bilbao Rubio is 26s 6d, but good Mediterranean ores can be bought below this figure.

Our Sheffield correspondent writes:—There is a consensus of opinion among local business men that February was the worst month experienced since the slump in trade began. The aggregate turnover in that month was substantially below that of January, when business was interfered with by the lengthy holiday stoppage. The number of unemployed has been stationary for more than a month, but exceeds any figure recorded since the coal strike of last year. In spite of these depressing conditions there is a fair amount of optimism abroad as regards the prospects for next quarter. Steel makers have been buying hematite, and arrangements are in hand for re-starting blast furnaces and steel plants here and there, while the competition of Continental iron and steel has almost disappeared. Hints have been received of the general resumption of buying by the British railway companies, whose policy of starving their rolling stock, stores, &c., and allowing renewals and repairs to fall into arrears has reached its limit. Prices tend to stiffen, and buyers are beginning to realise that they cannot expect much further in the way of reductions. In the lighter branches regular trading is exceptional owing to the presence of war stores and the frequent unloading of stocks at cut prices to raise money. Many descriptions of material and tools can be picked up at below cost. The scrap market is quiet, but improving. Exports to Germany have lately reduced the accumulations of heavy steel scrap in this country. The breaking up of numerous discarded warships will, however, replenish the supply for home needs when consumption revives. The demand for steam coal for the home market is somewhat quieter than it has been, nor is the trade in house coal quite as good; nevertheless, the position at the collieries is fully as satisfactory as could be expected. Export trade is fairly good, and prices firm. The market for small fuels is irregular. There is still a certain amount of forced selling, but as more coke ovens go into operation the market will improve. The demand for coke is strong, and prices firm.

Our Glasgow correspondent (writing on Thursday) says:—The attitude of the engineers and shipwrights on the questions of wages and working arrangements is a matter of common knowledge, and until satisfactorily adjusted, not only must all hope of new work coming forward be abandoned, but prospects for the prosecution of work on hand become negligible. The situation created is probably the most serious in which the shipbuilding and engineering trades have ever been involved, and if it develops will unquestionably, in its intricacies, rope in more or less the steel, iron, coal, and related industries, particularly in the West of Scotland. It is nothing short of lamentable that this crisis should have loomed up at this time, when trade indications, as has been stated, were beginning to brighten a bit. There is nothing for it in the meantime but to trust that the clouds will pass. Official returns for last month show that only seven vessels of 20,500 tons were launched from Clyde yards, contrasting with 25 vessels of over 82,000 tons in February, 1921. There are still some new boats on the stocks waiting completion, and a goodly number of suspended contracts are being kept back. It is calculated that there are close on 50 steamers lying in the docks waiting on re-fitment, and in that operation a goodly quantity of steel plates and sections are absorbed, and that again benefits the steel works. Rolling mills are in operation in most of the establishments, but of heavy boiler plates production is indifferent, and is likely so to continue. Engine builders are kept busy on a variety of specialities, and machinery builders in general are fairly well off. Sheetmakers, and black and galvanised, have booked some good orders this week on both home and foreign account, and producers are hopeful as to the immediate future. Some very good lines continue to come to the hand from India and Australia. Trading in Scotch pig-iron is rather better. Over 1,000 tons of Nos. 1 and 3 have just been forwarded to Midland engineers, but the export inquiry is rather to the poor side. Hematite is in request for the Continent. This is believed to be for Germany, which Glasgow firms, with direct connections, are satisfied is genuinely short of this class of material. Of half-products in iron and steel, shipments from Bel-



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Chief Office: HOLBORN BARS, LONDON, E.C.1.

SUMMARY OF THE REPORT

Presented at the Seventy-Third Annual Meeting, held on March 2nd, 1922.

ORDINARY BRANCH.—The number of policies issued during the year was 92,522, assuring the sum of £15,968,378, and producing a new annual premium income of £1,138,447. The premiums received were £9,367,063, being an increase of £668,314 over those for the year 1920.

The claims of the year amounted to £5,753,003. The number of deaths was 10,845. The number of endowment assurances matured was 37,864, the annual premium income of which was £206,459.

The number of policies, including annuities, in force at the end of the year was 1,137,749.

INDUSTRIAL BRANCH.—The premiums received during the year were £13,998,392, being an increase of £1,006,784.

The claims of the year amounted to £3,588,321. The total number of claims and surrenders was 500,763 on 605,411 policies, of which 45,221 were matured endowment assurances.

The number of free policies granted during the year to those policyholders of five years' standing and upwards who desired to discontinue their payments was 104,577, the number in force being 2,151,409. The number of free policies which became claims was 52,458.

The total number of policies in force in this Branch at the end of the year was 23,802,250; their average duration is fifteen years.

GENERAL BRANCH.—The premiums received, after deduction of reinsurance, in respect of Fire, Sickness and Accident, Employers' Liability, and Miscellaneous Insurances, were £314,448, being an increase for the year of £103,604 over 1920. The claims of the year amounted to £138,823.

The premiums received under Sinking Fund policies were £52,531, being an increase of £20,710. The capital sum insured under these policies is £1,553,548.

The accounts now presented include for the first time particulars relating to Marine Insurance. The premiums received during the year on this class of business, after deduction of reinsurance, discounts, brokerages and returns, amounted to £239,320. The claims were £45,768.

The assets of the Company, in all branches, as shown in the balance sheet, are £134,827,239, which represents an increase for the year of £10,374,087 over 1920.

In the Ordinary Branch the surplus shown is £1,779,146, including the sum of £163,226 brought forward from last year. Out of this surplus the Directors have added £500,000 to the Investments Reserve Fund, which, after writing down book values of assets by £1,000,000, stands as at 31st December, 1921, at £2,000,000, and £176,996 has been carried forward.

A bonus of £1 6s. per cent. on the original sums assured will be allocated to participating policies in the Ordinary Branch which were in force on the 31st December, 1921.

In the Industrial Branch the surplus shown is £1,309,096, including the sum of £68,998 brought forward from last year. Out of this surplus the Directors have added £500,000 to the Investments Reserve Fund, which, after writing down book values of assets by £400,000, stands as at 31st December, 1921, at £1,500,000; £200,000 has been carried to the Common Contingency Fund, and £117,793 has been carried forward.

The profit-sharing scheme in the Industrial Branch provides that after payment of a fixed dividend to the shareholders any surplus profit shall be divided into six equal parts: one part

being retained by the shareholders, one distributed among the outdoor staff of the Company, the remaining four parts being allotted by way of bonus to the policyholders of the Industrial Branch.

The sum which has already been paid under this scheme by way of bonus to the Industrial Branch policyholders and outdoor staff amounts to £2,825,000.

It is with great pleasure that the Directors announce the resumption of bonuses under the profit-sharing scheme, which had to be suspended owing to the War.

A bonus addition of £2 10s. per cent. will be made to the sums assured on policies on which premiums have been paid for 10 years and upwards which become claims either by death or maturity of endowment from 3rd March, 1922, to 5th March, 1924, both dates inclusive.

The experience gained has shown the desirability of the bonus distribution being placed on a more permanent basis, especially having regard to the increasing numbers of endowment assurances entitled to participate in the Industrial Branch profits. Accordingly the distribution of the amount now allotted to policyholders is to be spread over a period of two years and succeeding distributions will be spread over longer periods. Thus it is intended that next year any bonus declared shall be spread over a period of three years instead of two years, and in the following year over a period of four years, and so on.

In order to make clear the effect of this method of bonus allotment, let it be assumed that each year the same rate of 2½ per cent. is maintained. The resulting total bonus rates following on the 2½ per cent. now declared would be 5 per cent. for second and third years, 7½ per cent. for fourth and fifth years and so on. When the accumulation provides a bonus of 10 per cent. on participating policies on which ten years' premiums have been paid it is intended to apply the surpluses to increase bonuses on policies of longer duration, until a bonus of 1 per cent. for each year of duration has been attained. These figures are used to illustrate the bonus method as there can of necessity be no guarantee as to future bonus distributions, which must depend on the profits earned by the Company; but aided by the more remunerative interest yield and by the more economical working of our business, it is hoped to be able to make bonus distributions in the future which will not only maintain but constantly increase the popularity of our profit-sharing Industrial Branch policies.

The total surplus of the two branches is £3,088,242. Of this amount £500,000 has been added to the Investments Reserve Fund of the Ordinary Branch, £500,000 has been added to the Investments Reserve Fund of the Industrial Branch, and £200,000 to the Common Contingency Fund; £1,793,453 will be distributed among participating policyholders in the Ordinary Branch, policyholders in the Industrial Branch, the Shareholders, and the Superintendency and Agency Staff in accordance with the Articles of Association of the Company, leaving £294,789 to be carried forward, namely, £176,996 in the Ordinary Branch, and £117,793 in the Industrial Branch.

The four Prudential Approved Societies have during the year paid to their members benefits amounting approximately to £2,742,400, making a total of over £15,059,000 paid since National Insurance was introduced. The number of persons admitted to membership of the Societies during the year was 311,596, of whom 127,816 were men and 183,780 women.

(Continued on next page)

MARCH 18, 1922.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCIV.

SATURDAY, MARCH 18, 1922.

No. 4,099.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2

ASSETS EXCEED £25,000,000.

The Hon. N. CHARLES ROTHSCHILD, President

The operations of the Company embrace all branches of Insurance

Full Information respecting
ESTATE DUTY

TABLE OF CONTENTS.

The Money Market	527	Books and Publications—	
Leading Articles—		American Labour Movement	545
Brussels and Genoa	529	Economic Effects of Con-	
The Indian Budget	530	scription in Japan	545
Overseas Trade in Feb-		Books Received	545
ruary	531	Stock Exchange News—	
London Electricity Supply		The Stock Markets	545
Companies	532	New Issues	546
The Engineering Lockout	534	Active Securities	547
The Rand Strike	535	Company Meetings	548
Notes of the Week—		Government Returns—	
Navy Estimates	536	Currency Notes Account ..	551
Army Estimates	536	Treasury Bills by Public	
Towards a Settlement in		Tender	551

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Frederikstad	Trondhjem

and all Norwegian places of any importance.

CAPITAL AND SURPLUS

1 Jan., 1920... .. Kr. 69,000,000

CREDITO ITALIANO.

Capital Fully Paid	Lire 300,000,000
Reserve	Lire 80,000,000
Deposits and Current Accounts at 30th June, 1921	Lire 4,683,270,158

Head Office of the Bank: MILAN.

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Overseas Correspondence—		Mining Output Statistics	559
United States	540	Profit and Loss Accounts ..	560
France	540	Commercial Reports—	
Germany	542	Corn Trade	559
Argentina	543	Iron and Coal Trade	559
Letters to the Editor—		Wool Trade	561
"Reparations—Two Points		Cotton Trade	562
of View"	544	Vegetable Oil and Oilseeds	562
Railways and Road Trans-		Hide and Leather Trades ..	562
port	544	Overseas Produce Markets ..	563
		Price Current	564

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Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's, 37 Avenue de l'Opera. New York: Economist Office, 20 Broad street (Room 1,709).

THE MONEY MARKET.

MONEY has again been quite usable this week, largely as a result of tax collections, which are becoming a daily rather than a weekly matter. There was a little more borrowing at the Bank on Monday, and with calls on various recent loans becoming payable, there was a considerable demand for short loans. In the middle of the week conditions became a little easier, and although 3½ per cent. was a fairly general rate, balances

were offered at much lower rates at the end of the day. On Thursday the usual heavy revenue collections caused stringency, but there was no borrowing at the Bank. Anticipations of firm money rates, in connection with the payment of taxes, until the end of the financial year have been responsible for a fairly firm tone in the discount market, which, on the other hand, was little affected by the prospect of easier conditions next month. Business, however, has been quiet, and there has been little change in rates. May and June Treasury bills have changed hands at about $3\frac{1}{8}$ per cent., but market rate has not been much below $3\frac{1}{8}$ per cent. The Port of London Authority is said to have placed a line of £500,000 3 months' bills at the latter rate on Wednesday. The result of the Treasury Bill tenders—the average rate was well over $3\frac{1}{8}$ per cent.—was higher than expected, and the discount rate was raised accordingly. The average price at which the £5 millions of 5 per cent. Treasury Bonds were allotted was £99 13s 7d.

	Mar. 17, 1922.	Mar. 10, 1922.	Mar. 3, 1922.	Feb. 24, 1922.	Previous Rate and Date Changed.
Bank Rate	4 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	5 (Feb. 16, '22)
Banks Deposit Rate	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	3 (Feb. 16, '22)
Discount (Call)	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	3 (Feb. 16, '22)
Houses (Notice)	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	3 $\frac{1}{2}$ (Feb. 16, '22)
Market rate (3 months' bills)	3 $\frac{1}{8}$	3 $\frac{1}{8}$	3 $\frac{1}{8}$	3 $\frac{1}{8}$	..

A further improvement was shown in the Bank Return. An addition of £11,500 was made to the gold stock, and the circulation was reduced by £476,000, and the Reserve thus rose by £487,500. Government securities fell by £3,415,000, and Other securities by £786,000, so that deposits fell by £3,716,400, Other falling by £7,484,200. The Proportion now stands at 19 per cent., as against 18 per cent. last week, and 14 $\frac{1}{2}$ per cent. in the corresponding week of last year. The circulation of currency notes declined by £74,300, to £300,339,000, which includes £1,669,300 for notes called in but not yet cancelled. The fiduciary issue is £250,724,900, or £59,263,500 below the maximum.

THE STOCK MARKETS.

Business on the Stock Exchange fell off this week owing to the growing uncertainty in the political outlook and the temporary tightness of money. A fairly general decline took place in British Government stocks, although there was some recovery from the lowest points touched. Colonial and municipal issues remained firm, and the market for railway prior charges did not lose its favourable tone. French and German bonds reacted with exchange movements, while the relapse in the New York rate sent up quotations of American and Canadian rails. Rubber shares are a little better, and the improvement in the Rand position caused some recovery in Kaffirs. Among industrials, brewery shares were in strong demand, while quotations of engineering companies' shares were not greatly affected by the lock-out. The Stock Exchange Committee election takes place on Monday, March 20th.

COMMODITY MARKETS.

Activity in the cotton trade continues, and prospects for spinners and manufacturers appear to be brighter; the demand from India is good, and many inquiries are being received from China. A better tone predominates in the

wool markets, and though home traders are substantial purchasers, buying for Belgian and German account is a significant feature of sales. In the iron markets, no changes occurred in Cleveland or hematite prices, although there is still a good market for hematite, but in manufactured iron and steel there is no sign of improvement. Our Sheffield correspondent points out that, though most of the Sheffield steel and tool makers employ engineers, these are not affected by the engineering lock-out. There is much activity in the Welsh coal market, but best Admiralty remains unchanged in price at 27s 3d. In the wheat markets slight declines are recorded, owing to selling pressure from Argentina. Prices for vegetable oil and oilseeds have displayed erratic tendencies, values falling on the arrival of heavy shipments. Sales in the hide market were steady, and prices were inclined to harden, although the demand for imported hides is small. Further particulars of markets from special correspondents will be found on later pages.

FOREIGN EXCHANGES.

Although business on the foreign exchange market has remained quiet, there has been more activity than a week ago, and the promise perhaps of more business to come. The dollar rate, after reaching as low as \$4.27 $\frac{1}{2}$ on Tuesday, has picked up again, and yesterday morning was quoted again at \$4.34 $\frac{1}{2}$, as compared with \$4.36 a week ago. It would seem that the profit-taking by American investors has spent its main force for the moment, and there are some indications of another, although this time probably more modest, rise, helped, perhaps, to some extent by the moneys raised a few days ago in New York on account of French railways. Future rates for month have moved back to parity with spot, two months forward being quoted at $\frac{1}{8}$ over spot. After moving up to over 49 on Monday, the French rate has been somewhat irregular within narrow limits, and yesterday morning was back at 48.50 as compared with 48.72 $\frac{1}{2}$ on the 10th. In view of money raised recently abroad, and the normal spring improvement, the franc, apart, of course, from political influences, may perhaps be expected to maintain or even improve its present value. Future francs are quoted for the time on a parity with spot. The Belgian franc yesterday stood at 52.25, showing a wider spread than before between it and the French franc. The lira, after irregular upward movements, was, at 85 $\frac{1}{2}$, very little higher than the preceding week. Among neutral exchanges Amsterdam is practically unchanged, after moving for one day rather sharply against us. Switzerland has gone somewhat in our favour to 22.35, while Spain has also depreciated slightly again. Lisbon, on the news of a £3,000,000 credit to be arranged in London, has improved to 5d, after being recently down to 4 $\frac{1}{2}$ d. The three Scandinavian currencies have all moved upward, but Helsingfors shows a slight improvement on the expectation of a loan to be raised in London. We are informed by the Finlands Bank that no new exchange restrictions are imposed. The German mark shows a further depreciation to over 1,200, the natural result of the drain of reparation payments, and there is general expectation of a serious crisis in the near future unless some definite arrangement is made. At the same time, the recent meeting of Finance Ministers in Paris would seem to mark the beginning of a possible solution as reasonable as could be expected under the circumstances. After rising as high as 35,000, the rate for Auslands Austrian kronen has improved to 29,000, and the beginning of some attempt to secure stabilisation may now be expected. The Auslands and Inlands rate would now appear to have come together, but we are still unfortunately without any authoritative explanation as to the exact nature of the regulations remaining in force. The Warsaw rate is remaining moderately steady on its new level of 18,000, and, if anything, shows a slight tendency to improve. Prague is rather better at about 245, Belgrade remains little more than nominal. In the East the rupee, in spite of the troubled outlook in India, remains about the same, at 1s 3 $\frac{1}{2}$ d. Yokohama is rather dearer at 2s 2 $\frac{1}{2}$ d. Although there has been some reaction on the

silver market, buying from the Indian bazaars has kept prices moderately steady, and absorbed most of the Continental offerings. Hong Kong and Shanghai are both slightly weaker. In South America, Rio is slightly lower at 7 $\frac{1}{2}$, Buenos Ayres has dropped to 45, and Monte Video to 44, while Valparaiso has moved up again to 38.40.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended March 11, 1922:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	34,056	Supply Services	1,080
		Interest on Debt	1,080
		Sundries	204
		Reduction of Debt	20,793
		Added to Exchequer balances ..	497
	34,056		34,056

Revenue from Property and Income-tax is down on the week from £26,413,000 to £21,348,000, and compares with £20,667,000 for the corresponding period last year. Customs amount to £2,939,000, as against £1,845,000 last week, and £3,587,000 for the similar period in 1921. Excise at £1,145,000 shows little change. Special Receipts under Miscellaneous amount to £3,318,938, compares with £5,867,421 a year ago.

The week's operations reduced the National Debt by the sum of £20,792,854, and caused the following changes:—

National Savings Certificates	Min. £	Treasury Bills	Min. £
+ 3,300		Surrenders of Bonds, &c.	14,202
		Unemployment Insurance	530
		Public Department Advances ..	8,826
		Sundries	406
	+ 3,300		24,093

The floating debt was reduced by £22,976,000 to £1,937,731,000.

FINANCIAL YEAR, 1921-22 (TO DATE) APRIL 1 to MARCH 11, 1922.

Total spent	£	Raised by revenue ..	£
962,229,488		997,666,922	
Inc. in balances	£	Net repayments	£
937,444		34,499,990	
Total	£	Total	£
963,166,932		963,166,932	

REVISED ESTIMATES for YEAR 1921-22.

Ordinary Expenditure	£	Ordinary Receipts ..	£
1,080,418,000		1,058,150,000	
Special Expenditure	£	Special Receipts ..	£
65,705,000		158,500,000	
Total	£	Total	£
1,146,123,000		1,216,650,000	
Surplus	£		£
		70,527,000	

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1915.	Mar. 31, 1916.	Dec. 31, 1916.	Mar. 31, 1917.	Dec. 31, 1917.	Mar. 31, 1918.	Dec. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Dec. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 11, 1922.
Funded Debt	588	518	518	515	515	515	515	515	515	515	515	515	515	515	515
Term Annuities	30	22	22	20	20	20	20	20	20	20	20	20	20	20	20
4 $\frac{1}{2}$ % War Stock	16	13	13	13	13	13	13	13	13	13	13	13	13	13	13
4 $\frac{1}{2}$ % War Stock	2,091	2,068	2,047	2,040	2,008	1,996	1,986	1,976	1,966	1,956	1,946	1,936	1,926	1,916	1,906
National War Bonds ..	649	1,636	1,505	1,476	1,441	1,413	1,385	1,357	1,329	1,301	1,273	1,245	1,217	1,189	1,161
4% Funding Loan	..	..	..	360	367	368	368	368	368	368	368	368	368	368	368
4% Victory Bonds	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
5-15 year Treasury Bonds	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
5% Treasury Bonds	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Treasury Bills	15	961	957	1,107	1,107	1,102	1,121	1,121	1,121	1,121	1,121	1,121	1,121	1,121	1,121
Exchequer Bonds	80	392	394	323	319	292	289	289	289	289	289	289	289	289	289
Natal Savings Certs.	..	13	287	267	274	279	285	285	285	285	285	285	285	285	285
War Expend. Certs.	..	944	1,341	1,306	1,181	1,164	1,133	1,097	1,069	1,041	1,013	985	957	929	901
Other Debt	..	51	51	51	51	51	51	51	51	51	51	51	51	51	51
American Loan	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Temporary Advances	1	804	455	943	905	806	754	702	650	600	550	500	450	400	350
Other Capital Liabilities	554	5,873	7,435	8,033	7,829	7,785	7,748	7,711	7,674	7,637	7,599	7,562	7,525	7,488	7,451
Total Liabilities	711	5,821	7,481	8,079	7,876	7,832	7,795	7,758	7,721	7,684	7,647	7,610	7,573	7,536	7,500

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.

Temporary Advances Out- standing—	Mar. 12, '21.	Mar. 31, '21.	Mar. 11, '22.	Mar. 11, '22.
Advances by Bank of England ..	2,750,000	154,489,000	118,730,000	8,826,000
Advances by Public Department ..	181,056,000	1,120,841,000	919,001,000	14,150,000
Treasury Bills outstanding	1,087,873,000	1,275,330,000	1,037,731,000	22,976,000
Total Floating Debt	1,275,679,000	1,550,660,000	1,156,461,000	25,952,000

BRUSSELS AND GENOA.

THOSE who regard the Premier's attention to his Criccieth kitchen-garden as an earnest of early retirement have the logic of recent events on their side. Indeed, the trend of domestic and international politics appears to bring his resignation, as soon as the Irish Bill is passed, into the sphere of probability. Whatever view is taken of the Montagu-Curzon dispute, the indictment by the former of the methods of a Government of which, curiously enough, he remains a supporter, has not enhanced Coalition prestige. Of far more importance is the fact that the failure of Unionist members at their meeting on Monday to pass a vote pledging support to the Coalition throws Unionist discontent into clearer relief, while Lord Derby, in declining the offer to succeed Mr Montagu at the India Office, has refused to supply the cohesive element which might, even at this eleventh hour, have tided over the Coalition crisis. But if the domestic events of this week operate against the chances of the Premier's retention of office, international developments now seem to tilt the balance further on the same side. The one influence that appeared to bind Mr Lloyd George to office was the prospect of success at Genoa. But the clouds have spread over the blue Genoan sky. The Government of the United States have categorically refused to attend the Conference, a decision backed by the very strong section of American opinion which intensely dislikes the prospect of any recognition of the Bolshevik Government. The prospective usefulness and prestige of the Conference may possibly be further reduced if the rumoured decision of M. Poincaré not to attend in person proves correct. Thirdly—but by no means least important—the problem of Russia's participation has not been solved. The Russian Government is taking Genoa very seriously and basing high hopes upon it. The special correspondent of the *Manchester Guardian*, states that nothing else is being talked of in Moscow, and that estimates of the duration of the Conference range from six months to a permanent session as an economic council of Europe. But it cannot be assumed that Russia will come on the terms agreed between Mr Lloyd George and M. Poincaré, at Boulogne, which amount practically to attendance on probation. The Bolsheviks wish for full and equal participation, which France and other States regard as intolerable. The deadlock may be removed, but, on the other hand, Russia may after all stay away from Genoa. In any case it is likely—in spite of Mr Chamberlain's definite statement—that the Conference will be further postponed.

In recalling these difficulties, however, we have no wish to minimise the importance of international conferences; nor do we ignore the necessity of co-operation in the task of setting Europe on the road to economic recovery. Unfortunately the Genoa project was conceived in haste, and launched without proper diplomatic preparation, and in this respect contrasts sharply with Washington, which was preceded by the most careful sounding of the proposed guests, and was called to deal with an agenda of which one important item, at least, viz., the principle of naval equality between U.S.A. and Great Britain, had been subsequently agreed two years ago. The troubled history of the Genoa scheme justifies the view expressed by the Finance Committee of the

LONDON JOINT CITY AND MIDLAND BANK LIMITED

CHAIRMAN:
The Right Hon. R. McKENNA
JOINT MANAGING DIRECTORS:
FREDERICK HYDE EDGAR W. WOOLLEY

Subscribed Capital ..	£38,117,103
Paid-up Capital ..	10,860,852
Reserve Fund ..	10,860,852
Deposits (Dec. 31st, 1921) ..	375,117,092

HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C.2
OVER 100 OFFICES IN ENGLAND AND WALES
OVERSEAS BRANCH: 65 & 66, OLD BROAD STREET, LONDON, E.C.2.

AFFILIATED BANKS:
BELFAST BANKING CO., LTD. THE CLYDESDALE BANK LTD.
OVER 110 OFFICES IN IRELAND OVER 100 OFFICES IN SCOTLAND

League of Nations, who, when asked by the Council whether it would be wise to hold a second financial conference in 1921, replied that time must be given for putting the ter Meulen scheme into operation, and for nations to apply the Brussels principles to their own financial administrations. When the question was repeated a year later (at the Assembly in September, 1921) by the Council of the League, the Committee, while recognising the importance of co-operative effort, advised that until certain preliminary conditions had been fulfilled, especially with regard to a settlement of the Reparations problem, the holding of a second conference would be premature.

These preliminary conditions have not yet been fulfilled. Progress with the task of clearing away the obstacles in the path is not rapid. But it is going on slowly, and certain very favourable signs have recently emerged. The Reparations problem is still the great stumbling-block, and the demand of the United States for payment of her Army's expenses on the Rhine out of the receipts from Germany has caused fresh irritation in France, where, however, it should have been realised that this priority claim was a contingent liability likely to be pressed as a reply to French policy at the Washington Conference. But, on the other hand, it is a fact full of high promise that the Allied Finance Ministers in their meeting at Paris have been discussing a most important and sane proposal by Sir Robert Horne, that the total German obligation of 132 milliards gold marks should be divided into two parts—one, corresponding to the amount of inter-Allied debts, to be postponed for future settlement, and to be dealt with on whatever principles may be applied to the inter-Allied debts, and the other of 70 or 80 milliards to be dealt with partly by payments in kind and partly through loans. If agreement can be reached on anything like this basis, a great step forward will have been taken. The discussions and decisions of the Allied Finance Ministers are reviewed by our Paris correspondent on a later page.

In other directions, also, progress is being made. The United States Senate has this week passed a resolution postponing for 25 years the collection of the \$50,000,000 lent to Austria. This step towards removing American liens on Austrian assets—the chief Allied countries have already removed theirs—paves the way to the application of the Finance Committee's scheme of Austrian financial reconstruction. Another favourable sign is the support that has been enlisted in the United States for the ter Meulen scheme. A highly significant reference to the question is made in the February issue of the *Federal Reserve Bulletin*. This official organ of the Federal Reserve Board, after criticising the proposed International Corporation, which was fathered at Cannes, and examining European and American schemes for regenerating Europe, says:—"None of these propositions has any considerable weight of public opinion behind it except the ter Meulen scheme." The article proceeds:—"This plan seems to have the support and approval of Western-European as well as American bankers and financial experts, probably because it appears to meet the needs of the various types of foreign trade financing. If the Genoa Conference could bring about a recognition on the part of potential borrowers of the necessity of domestic financial reforms, and on the part of the lenders of the desirability of the security furnished by the gold bonds, the necessary machinery could be almost immediately made effective." Such words from such a source are decidedly encouraging. For two or three years statesmen have been stumbling about in the dark groping for new specifics. The *Federal Reserve Bulletin* is unquestionably right in advocating, as it does in effect, that "Back to Brussels principles" should be the motto for Europe. What is to be the issue of these tangled events? The Baltic States, the Scandinavians, and the Little Entente are meeting in separate groups to consider their policy at Genoa, and such meetings are in themselves a step towards greater unity. These and other preparations have gone so far that the abandonment of the Conference would be a serious setback to the principle of co-operation and co-ordinated policy in international affairs. But the period of preparation must be substantially prolonged to give time for negotiation on the reparations and other issues, and to enable the ground to be properly prepared. Meanwhile, the Finance Committee's

scheme for Austria should proceed, and the possibility explored of useful undertakings by the International Corporation, whose functions should be carefully defined, and whose sphere, which is clearly non-political and should have nothing to do with the control of the finances of various countries concerned. To put the Genoa agenda in order requires the co-operation of the machinery of the League. This task should be placed in its hands, while the material arrangements for the conference remain, of course, with the Italian Government.

THE INDIAN BUDGET.

SIR MALCOLM HAILEY, the Finance Member of the Viceroy's Council, has many difficulties to get over, and there will be many criticisms and objections to be met before the Finance Bill containing the Budget provisions for the coming financial year is passed into law by the Legislative Assembly of India. The total estimated expenditure for the coming year is 142 crores 25 lakhs, against an estimated revenue of 110 crores 50 lakhs on the existing basis of taxation. The estimated deficit thus amounts to nearly 32 crores, or, translated into sterling at 1s 4d to the rupee, to over £21,000,000.

Of the estimated expenditure the cost of the Army, both European and Indian, accounts for 62 crores, almost exactly the same sum as figured in the Budget for the year now current, and this estimated Army expenditure is now being made the subject of bitter attack in the Assembly. Lord Rawlinson appears to have detailed in vain his drastic efforts to reduce expenditure—efforts which have been defeated by the rise in prices, and the necessity for an occupation of part of Waziristan as the only means of preventing raids and of protecting the inhabitants near the North-West frontier. Many speakers, according to the cabled reports, seem to have commented on the high percentage of the military expenditure, and to have compared it with the expenditure of other countries upon armaments. No just comparison, can, however, be made between the proportion of revenue which is applied by the Central Government of India to military purposes and that which is so applied by other countries, for while the whole of the military expenditure of India falls upon the Central Government, a very large part of the revenues of India are earmarked for Provincial purposes, and are used by the Provincial Government for such services as Police, Education, and Public Health. One reason why the military expenditure has been made the special object of attack may very probably be found in the fact that it is excluded, under the Government of India Act, from the vote of the Assembly, and the more ardent spirits of that body have consequently done what they can to produce a deadlock by threatening to refuse to vote other supplies which are under the control of the Assembly. The common sense of the members of the Assembly will, it is to be hoped, assert itself, for even the members who come from the South of India will realise, after the recent Moplah outbreak, that the wisdom of a spectacular reduction in the military forces in India is a question about which two views may be held. In the debates of last year it was a noticeable fact that the strongest opposition to military expenditure came from members representing constituencies in the Province of Madras, while those who represented constituencies in the Punjab realised with greater accuracy the dangers of the North-West frontier.

The estimated deficit of 31½ crores in the Budget is plainly due to stagnation of trade, for the largest losses of revenue are due to decrease in net railway receipts and in Customs. During the current financial year, with the exception of the months of July, August, and September, the balance of trade has been against India owing to the inability of the rest of the world to buy all the raw materials which India was in a position to offer; the result of this adverse balance of trade has been the low rate of exchange now prevailing, and the additional burden which has in consequence been thrown on the Indian Exchequer in respect of remittances to this country for the service of the sterling debt, for pensions, and other purposes.

Sir Malcolm Hailey, we are glad to note, proposes to deal with the estimated deficit in the only sound way—that is, by taxation. The general rate of Customs duty,

which was raised last year from 7½ per cent. to 11 per cent., is to be again raised to 15 per cent., and the cotton Excise duty is to be correspondingly increased from 3½ per cent. to 7½ per cent., "with the object of taxing consumption of cotton goods in the present emergency, and not for the purpose of counterbalancing the increase in the import duty." The duty on sugar is to be raised from 15 per cent. to 25 per cent. Yarn, which has hitherto been free, is to be subject to a duty of 5 per cent., and the duty on machinery, iron, steel, and railway material, which have hitherto only been liable to a duty of 7½ per cent., are in future to pay a duty of 10 per cent. Other proposals include an increased duty on alcoholic liquors, on luxuries, on matches, and on kerosene oil; the salt tax is to be doubled, railway fares are to be increased by 25 per cent., and postal charges, are also to be raised. Lastly, the income-tax and super tax on larger incomes is to be increased. The increases proposed in the Customs duties will probably be accepted with enthusiasm, for the average Indian politician is a believer in Protection, but the existing Excise duty on cotton piece goods has long been a point of soreness, and the increase of it from 3½ per cent. to 7½ per cent. is likely to give rise to much criticism and opposition. That the cotton mills of India are well able to bear the taxation proposed is not open to doubt, if we may judge from the dividends which are being paid and the quotations of the shares. To take a few examples among the cotton mill companies, the Ahmedabad Advance Company has lately paid a dividend of 200 rupees and the Central India Company a dividend of 380 rupees on each share of 500 rupees. The Khandesh S.W. Company, the Madras United, the Manackjee Petit, and the Morarjee Goculdas Companies, each with shares of 1,000 rupees, have lately paid dividends respectively of 500, 300, 300, and 350 rupees per share, while the Sholapur Mills have lately paid a dividend of no less than 1,400 rupees on each share of 1,000 rupees, and the quotation for the shares of this company stands at 17,000 rupees. Throughout the whole list it is difficult to find any mill which is not paying over 25 per cent. in dividends. This amazing prosperity has been in a great measure brought about by Mr Ghandi's advice to abjure foreign-made cloth; and as Indian mills cannot produce sufficient piece goods for the population of India, the mill owners have been able, in the absence of competition, to raise their prices, and the consumer has suffered proportionately. How long this will continue, no one can tell, but the elimination of Mr Ghandi's personal influence may have some effect, and, in any event, an increased world demand for Indian products must result in a general increase of the purchasing power in India, and with that general increase will come a demand at least for the finer cotton cloths which Indian mills cannot produce.

The largely increased tax on machinery, iron, steel, and railway material is to be regretted, but it will probably have but little effect on British trade, for India cannot yet produce steel cheaply, and has not so far been successful in building railway wagons at a cost which competes with builders in this country. The increase in postal rates and railway fares are both taxes on communications, and as such are bad taxes for the purpose of raising revenue, but, on the other hand, both postal rates and railway fares in India are as low as any in the world. At the present time a postcard can be sent from Peshawar to Madras, or from Rangoon to Aden, at a cost of a quarter of an anna—that is to say, a farthing—and a letter weighing about a third of an ounce can be sent the same distance at the cost of half an anna, the equivalent of a halfpenny.

Sir Malcolm Hailey's Budget is a courageous attempt to grapple with the financial position in India, and the burden of taxation has been distributed over all classes with an equal hand. It is to be regretted that he has been driven for revenue purposes to raise the Customs tariff to a protectionist level. In judging the merits or demerits of his Budget, we must, however, bear in mind that his choice of taxation is limited, for, though agriculture is the great industry of India, no income-tax can be charged on income arising from land; we must remember, too, that no one has yet been able to devise any system of death duties in India, owing to the legal difficulties arising from the Hindoo joint family.

OVERSEAS TRADE IN FEBRUARY.

FEBRUARY had two less working days than January, and the general level of prices still moves downwards. Those facts explain a part, but probably by no means all, of the decline in February import and export value figures as compared with the previous month. February imports were £7.1 millions lower, and exports of British produce and manufactures £4.8 millions lower than in January, but there was, on the other hand, a rise of £1.7 millions in re-exports of colonial and foreign produce. One feature of the February returns is the reduction of the import excess to the insignificant figure of £866,000. A summary of the value figures for February and the two months of 1921 and the present year reads as follows:—

MONTH OF FEBRUARY.

	1921.	1922.	Inc. or Dec. in February, 1922.	
	£	£	£	%
Imports	97,010,461	69,374,882	-27,635,579	-28.5
British exports	68,221,731	58,335,110	-9,886,621	-14.5
Re-exports	8,004,303	10,174,160	+2,169,857	+27.0
Total exports	76,226,034	68,509,270	-7,716,764	-10.2
Excess of imports over total exports	20,784,427	865,612	-19,918,815	-92.0

TWO MONTHS ENDED FEBRUARY 28.

	1921.	1922.	Increase or Decrease in 1922.	
	£	£	£	%
Imports	214,051,576	145,863,113	-68,188,463	-32.0
British exports	160,977,825	121,482,059	-39,495,766	-24.5
Re-exports	17,959,422	18,633,026	+673,604	+3.8
Total exports	178,937,247	140,115,085	-38,822,162	-21.7
Excess of imports over total exports	35,114,329	5,748,028	-29,366,301	-83.2

From a pre-war normal average of £10 millions or £11 millions a month, the import surplus on the merchandise figures for the first two months of the present year has fallen to an average of less than £3 millions, and approached vanishing point in February. Those whose hobby it is to play with figures note that if bullion and specie figures be combined with those for merchandise, February actually shows a visible export surplus. The combination is improper, but the result is one which probably cannot be matched from British trade history over a very long period. The exchanges in these times are subject to many and varied influences, but it can hardly be entirely fortuitous that the rise in sterling during the past two months coincided with this notable movement in the trade balance. The monthly surplus of merchandise imports averaged £31 millions in 1920 and £23 millions in 1921.

In many respects, it must be confessed, the February returns are disappointing. After allowing for the influences mentioned above, no encouragement can be derived from a decline of £4.8 millions in British exports or a fall of £4.5 millions in imports of raw materials, as compared with the previous month. On the other hand, it is very dangerous to draw conclusions from the figures of raw material imports in a single month, and some small consolation is provided by the increase in the activity of the *entrepôt* trade; while as regards the all-important figures of the volume of exports of some leading British industries, the February figures are not unsatisfactory. The following table gives some instances:—

BRITISH EXPORTS IN FEBRUARY.

	1920.	1921.	1922.
Coal.....(tons)	2,601,046	1,729,148	4,014,334
Iron and steel and manufactures thereof.....(tons)	226,387	166,869	223,616
Machinery.....(tons)	22,134	41,917	34,884
Cotton yarn.....(lbs)	11,902,700	8,525,700	14,913,200
Cotton piece goods.....(sq yds)	311,989,200	244,725,500	251,954,800
Woolen tissues.....(sq yds)	13,063,200	7,128,400	7,755,300
Worsted tissues.....(sq yds)	5,135,000	3,596,500	4,028,000
Linen piece goods.....(sq yds)	8,991,300	1,930,600	7,217,900

Coal exports are returning towards the pre-war level, and iron and steel exports are almost the same as those of February, 1920, when trade was brisk. Cotton yarn exports are larger than either one or two years ago, exports of cotton piece goods are better than in February, 1920,

while the last three items on the list show figures considerably better than a year ago, the increase in linen piece goods being remarkable. On the other hand, machinery export figures are not so good as of late, and figures in the immediate future will be adversely affected by the engineering dispute. But the figures at least suggest recovery in some leading industries from the depths of the depression.

At first sight the summary of the imports of raw materials appears suggestive of industrial stagnation; but closer investigation shows that this year's takings of certain important raw materials have increased in quantity as compared with the first two months of 1921, although value figures are, of course, affected by the great fall in prices. Comparing January and February of this year with the same period of last year, we imported 2,336,904 centals of cotton, against 2,307,392 centals, at a cost of £3.2 millions less; of sheep's and lambs' wool, 2,020,292 centals, against 1,407,816 centals, at a cost of £2.1 millions less; of hides, 150,374 cwts., against 92,661 cwts. Iron ore imports are still poor, being 419,183 tons for the first two months of this year, as against 853,354 tons in the similar period of 1921. Conspicuous among February re-exports are sheep's and lambs' wool, 415,568 centals against 233,725 a year ago, and rubber, 145,805 centals, against 37,900. Another promising figure is that relating to vessels clearing with cargoes during February, which was 3,903,142 tons, against 2,616,457 last year, and 3,098,909 two years ago. So that, altogether, the February returns contain some indications of betterment, such as is not suggested by a casual glance at the summary figures.

We append a summary of the value figures of imports and exports in February and the two first months of 1922 and 1921:—

IMPORTS (Value C.I.F.).				
	February.		Two Months, Jan. and Feb.	
	1921.	1922.	1921.	1922.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	8,124,993	4,842,133	19,366,830	10,667,885
B. Feeding stuffs for animals	509,622	428,323	1,311,837	939,772
C. Meat	12,936,145	6,555,982	24,719,770	13,343,859
D. Animals, living, for food	77,048	77,048	163,002	163,002
E. Other food and drink, non-dutiable ..	18,192,460	9,938,624	34,009,959	21,451,850
F. " " dutiable ..	6,425,745	8,962,876	14,060,409	16,505,844
G. Tobacco	1,597,432	1,452,273	3,466,120	3,157,133
Total, Class I	47,786,397	32,257,259	96,934,925	66,229,305
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	13,325	..	13,896	..
B. Other non-metallic mining and quarry products and the like	586,961	278,166	1,522,477	712,879
C. Iron ore and scrap	828,000	344,130	2,489,713	672,798
D. Non-ferrous metallic ores and scrap	1,169,442	468,240	2,172,164	921,408
E. Wood and timber	2,940,623	1,482,767	6,976,844	3,959,066
F. Raw cotton and cotton waste	6,564,525	6,239,646	18,162,863	14,850,994
G. Wool, raw and waste, and woollen rags	6,018,504	5,674,055	12,257,281	10,163,008
H. Silk, raw, knubs and noils	80,809	157,034	182,050	377,017
I. Other textile materials	1,330,755	655,487	3,377,155	1,382,309
J. Oil seeds, nuts, oils, fats, and resins ..	2,519,864	2,631,245	6,697,130	5,245,005
K. Hides and skins, undressed	664,526	871,860	1,777,233	2,633,905
L. Paper-making materials	851,995	258,133	2,264,284	1,156,749
M. Rubber	1,148,017	492,957	2,718,032	1,305,217
N. Miscellaneous raw materials and articles mainly unmanufactured ..	786,638	666,315	1,907,906	1,405,469
Total, Class II	25,503,984	20,220,035	62,509,028	44,784,824
III.—Articles Wholly or Mainly Manufactured—				
A. Coal and manufactured fuel	737,436	498,862	1,534,141	1,077,151
B. Earthenware, glass, abrasives, &c. ..	..	..	..	..
C. Iron and steel and manufactures thereof	3,042,867	772,872	6,601,320	1,835,029
D. Non-ferrous metals and manufactures thereof	1,682,569	1,301,285	3,764,570	3,116,507
E. Outfitters, hardware, implements, and instruments	677,767	415,868	1,310,135	844,317
F. Electrical goods and apparatus	217,335	89,442	459,878	201,152
G. Machinery	1,256,822	637,524	2,816,477	1,159,920
H. Manufactures of wood and timber ..	585,405	229,821	1,389,374	525,945
I. Cotton yarns and manufactures	469,925	491,328	993,657	969,643
J. Woollen and worsted yarns and manufactures	742,669	561,650	1,398,304	1,152,536
K. Silk and silk manufactures	1,861,398	1,732,933	3,605,875	3,471,944
L. Manufactures of other textile materials	960,331	733,477	1,840,197	1,533,631
M. Apparel	696,747	895,238	1,532,398	1,763,791
N. Chemicals, drugs, dyes, & colours ..	1,467,043	843,886	3,800,584	1,608,368
O. Oils, fats, and resins, manufactured ..	4,625,438	3,362,706	13,576,852	6,856,604
P. Leather and manufactures thereof ..	551,222	806,169	1,101,640	1,505,503
Q. Paper and cardboard	1,064,192	691,246	2,070,333	1,413,869
R. Vehicles (including locomotives, ships, and aircraft)	850,777	529,685	2,085,469	1,070,590
S. Rubber manufactures	294,292	501,567	692,435	816,429
T. Miscellaneous articles, mainly or wholly manufactured	1,631,287	1,576,985	3,487,307	3,355,514
Total, Class III	23,394,362	16,575,746	53,861,446	34,285,727
IV.—Animals, not for food	48,932	22,980	94,964	34,623
V.—Parcel post, non-dutiable articles ..	276,786	298,862	651,213	528,734
Total	97,010,461	69,374,882	214,051,576	145,863,113

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM (Value F.O.B.).

	February.		Two Months, Jan. and Feb.	
	1921.	1922.	1921.	1922.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	107,679	242,788	295,427	381,980
B. Feeding stuffs for animals	88,897	112,478	158,602	255,715
C. Meat	68,606	86,910	141,171	186,044
D. Animals living, for food	4,106	2,969	8,094	4,350
E. and F. Other food and drink	2,369,827	1,930,671	5,341,650	3,976,840
G. Tobacco	436,164	377,860	982,892	805,783
Total, Class I	3,075,279	2,753,676	6,927,336	5,614,712
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	4,240,620	4,446,225	9,796,328	9,229,764
B. Other non-metallic mining and quarry products and the like	129,569	126,470	213,876	241,078
C. Iron ore and scrap	5,367	21,639	15,787	61,909
D. Non-ferrous metallic ores and scrap	25,197	650,512	146,618	1,307,080
E. Wood and timber	49,640	26,479	89,856	40,938
F. Raw cotton and cotton waste	54,399	48,308	128,102	117,474
G. Wool, raw and waste, and woollen rags	329,932	490,106	680,755	848,518
H. Silk, raw, knubs and noils	1,751	2,441	2,263	4,394
I. Other textile materials	30,095	119,571	46,172	186,909
J. Oil seeds, nuts, oils, fats, resins, and gums	347,449	405,528	1,000,434	783,936
K. Hides and skins, undressed	123,035	192,993	255,948	389,761
L. Paper-making materials	51,232	90,488	118,139	194,743
M. Rubber	18,312	8,027	35,810	20,402
N. Miscellaneous raw materials and articles mainly unmanufactured ..	474,461	240,397	1,017,906	474,985
Total, Class II	5,881,039	6,869,384	13,548,894	13,901,831
III.—Articles Wholly or Mainly Manufactured—				
A. Coal and manufactured fuel	418,829	396,870	1,004,029	719,662
B. Earthenware, glass, abrasives, &c. ..	1,260,379	905,912	2,894,133	1,962,907
C. Iron and steel and manufactures thereof	7,222,559	4,665,353	17,914,128	10,525,069
D. Non-ferrous metals and manufactures thereof	1,135,828	887,803	2,632,623	1,980,186
E. Outfitters, hardware, implements, and instruments	848,828	450,483	2,105,555	1,020,671
F. Electrical goods and apparatus	1,123,801	608,763	2,418,699	1,410,972
G. Machinery	6,397,923	4,536,589	14,458,731	10,436,353
H. Manufactures of wood and timber ..	126,192	38,731	387,291	194,743
I. Cotton yarns and manufactures	20,136,783	13,446,460	44,109,355	30,269,866
J. Woollen and worsted yarns and manufactures	5,853,726	3,986,123	13,755,288	8,996,635
K. Silk and silk manufactures	217,439	159,940	517,537	359,732
L. Manufactures of other textile materials	1,367,604	1,790,801	3,559,483	3,767,970
M. Apparel	2,106,666	2,094,162	5,168,162	5,874,414
N. Chemicals, drugs, dyes, & colours ..	2,000,552	1,556,894	5,396,700	3,671,678
O. Oils, fats, and resins, manufactured ..	400,204	449,293	936,135	944,650
P. Leather and manufactures thereof ..	305,599	395,368	769,606	804,830
Q. Paper and cardboard	800,785	421,560	2,218,569	1,003,041
R. Vehicles (including locomotives, ships, and aircraft)	3,408,763	8,985,485	10,432,916	13,740,306
S. Rubber manufactures	391,865	362,356	1,146,837	742,280
T. Miscellaneous articles, mainly or wholly manufactured	2,649,600	2,073,653	6,116,348	4,081,530
Total, Class III	58,176,515	47,999,960	137,922,021	99,824,043
IV.—Animals, not for food	319,564	94,368	704,296	247,837
V.—Parcel Post	769,334	617,722	1,875,378	1,893,636
Total	68,221,731	58,336,110	160,977,825	121,482,059

LONDON ELECTRICITY SUPPLY COMPANIES.

THE London Electricity Supply Acts were passed in 1908 and 1910 with a view to improving and unifying electricity supply in the London area. By the terms of these Acts companies operating in London and its environs are purchasable by the London County Council in August, 1931. If, however, the option of purchase is to be exercised, three years' notice must be given, and all undertakings must be acquired at the same time. If not exercised in 1931 the right to purchase becomes operative at the expiration of any subsequent period of ten years. The Electricity (Supply) Act of 1919 was a further step in the direction of unified control. It provided for the appointment of Electricity Commissioners, and enabled the various companies, authorities, and others in areas to be agreed upon to combine to form a joint authority for districts. A further supplemental Bill was introduced into Parliament and withdrawn. It was, however, again introduced in the session of 1921, but made no progress. The Bill has now made an appearance in the House of Lords in a modified form. These Bills contain chiefly financial provisions relating to the Act of 1919, and the companies are mainly concerned in amending certain parts which are, it is contended, against the interests of existing undertakings. It is claimed by the companies that the electricity to be supplied in bulk, shall be sold to each dis-

tributing company at a price at least as cheap as each such company could generate it.

During 1920 the Electricity Commissioners provisionally determined the boundaries of the London Home Counties Electricity District, and invited schemes for the establishment of a joint authority over Greater London. But apparently no considerable amount of enthusiasm was shown. An inquiry was held during June and July of last year by the Commissioners, and various schemes submitted were considered. The companies interested formed an association under the name of the London Electricity Joint Committee, 1920, Limited, and its representatives gave evidence. After considering the various views put forward, the Commissioners published a report, but beyond confirming the provisionally determined district, and framing proposals, it cannot be claimed that the inquiry was productive of satisfactory concrete results. Apparently many of the big companies are not inclined to view favourably some of the proposals, but the chief complaint is against the small number of representatives allowed to companies on the joint authority. Meanwhile, it is stated that negotiations are proceeding in an endeavour to arrive at a satisfactory solution of the problem.

In the following analysis of the results of representative London electricity supply companies we tabulate from those reports which give the information the amount of Board of Trade units generated and sold:—

B.T. UNITS SOLD (in 1,000's).

	1913.	1915.	1916.	1917.	1918.	1919.	1920.	1921.
Charing Cross, W. End.	13,270	11,441	11,776	12,390	11,591	12,649	14,563	14,949
Do City	22,603	24,035	28,397	32,209	39,985	34,349	38,358	38,511
Chelsea	4,451	4,193	4,271	4,738	4,491	4,225	4,316	4,823
City of London	29,113	29,479	29,582	29,697	26,556	31,256	36,730	35,931
County of London	25,743	35,030	35,030	37,595	40,332	42,488	46,553	51,220
Kensington & Knightsbridge	5,671	4,800	4,697	5,149	4,581	4,628	5,811	6,507
London	35,336	50,758	49,810	49,014	46,357	42,908	47,366	47,491
Metropolitan	18,109	19,845	24,595	28,446	26,761	25,127	27,799	26,945
St James' and Pall Mall ..	11,605	10,675	11,472	11,986	10,594	12,190	13,510	13,464
Westminster	21,906	22,486	23,499	27,813	25,211	24,676	25,659	25,254
Total	187,807	208,274	222,329	239,037	226,553	254,496	264,265	265,101

The County of London as usual heads the list with 51,220 units, while the London comes second with 47,491, both companies having increased their output. On the whole the increase on the year is slight, although it may be contended that in view of the industrial depression it is surprising to find that most companies have not shown declines. Perhaps the movement for a brighter London has offset to some extent decreased demands for industrial and domestic supplies.

The next table shows gross annual earnings of the principal London companies for the past seven years. The figures for 1913 are appended for comparative purposes:—

GROSS REVENUE.

	1913.	1915.	1916.	1917.	1918.	1919.	1920.	1921.
Brompton & Kensington	56,482	56,469	55,878	61,898	58,759	74,045	103,372	110,130
Charing Cross, W. End.	151,240	138,964	150,473	166,136	193,858	265,855	311,045	312,532
Do City	149,819	158,357	176,464	212,542	238,074	331,323	418,746	439,772
Chelsea	72,602	71,480	76,314	86,602	86,698	92,629	115,404	120,416
City of London	311,822	309,050	330,752	347,979	389,899	521,116	649,391	676,456
County of London	255,670	298,269	343,066	379,836	451,811	576,116	698,625	769,634
Kensington & Knightsbridge	81,859	71,478	68,055	78,711	78,268	95,871	127,141	138,105
London	162,854	213,964	222,406	228,032	245,539	305,109	372,230	393,674
Metropolitan	217,605	225,201	277,509	318,215	348,726	415,059	516,594	538,471
St James' and Pall Mall ..	146,161	130,844	143,072	161,151	160,206	208,467	227,959	254,097
South Metropolitan	65,635	80,576	95,883	131,930	167,233	166,996	199,037	216,809
Westminster	256,800	247,060	262,624	306,184	286,712	362,839	404,010	437,093

Unfortunately, with the notable exception of the Brompton and Kensington Company, the companies do not give the average price obtained per unit over a period of years. Such figures throw an interesting light on figures of gross revenue. Thus the sale of electricity only in 1920 by the company mentioned brought in £97,610, and the price obtained per unit was 5.303 pence, while in 1920 sales of electricity amounted to £104,554, the price per unit being 5.236. In 1913 the price per unit was 4.08 pence, showing a comparatively steady fall from 1890, when the price was 8 pence. The general increase in revenue is not the least satisfactory part of these accounts, especially when compared with the figures of expenditure given in the next table:—

NORTH EASTERN RAILWAY.

HULL SERVING A POPULATION OF 12,000,000 PEOPLE

10 DOCKS · WATER AREA 235 ACRES

DEEP-WATER OIL-BUNKERING JETTY. 2 RIVERSIDE QUAYS. — WAREHOUSES TO HOLD 211,000 TONS. OPEN STORAGE 540 ACRES. COLD STORES FOR 345,000 CARCASSES. 34 COALING APPLIANCES. 154 CRANES—GRAIN SILO 40,000 TONS—WOOL SHEDS 144 ACRES

REGULAR STEAMSHIP SAILINGS TO ALL PARTS OF THE WORLD.

For further particulars of facilities and charges apply to:

Shares of electricity supply companies have been steadily advancing in price in the last month or so, and show a marked improvement as compared with a year ago. The rise in the preference shares is, of course, primarily due to the cheapening of money.

Future prospects may be regarded as satisfactory. It is true that the second reading of the Summer Time Bill in the House of Lords is not a favourable point as far as artificial lighting undertakings are concerned, but against this must be placed economies which could be effected under a sound scheme of association of all the London undertakings. Moreover, if as is indicated in the Commissioners' report, the joint authority is to raise fresh capital when required (and the joint authority is composed of representatives of Local Authorities, the London County Council, and companies), prior charge securities of London electricity supply companies are not without merit.

THE ENGINEERING LOCKOUT.

(FROM A LABOUR CORRESPONDENT.)

DURING the past three-quarters of a century there have been three big stoppages in the engineering industry, and in each case the fundamental issue has been the same. In 1851 the Amalgamated Society of Engineers, Machinists, Smiths, Millwrights, and Patternmakers came into existence. In the same year the Central Association of Employers of Operative Engineers was formed to resist the new union. At the beginning of 1852 the two bodies were at grips. The Amalgamated Society of Engineers had declared that systematic overtime and piecework were to be stopped. It offered to go to arbitration, but the employers declined. The members of the union declined to work overtime, and all the important engineering shops in London and Lancashire were closed against the men. The public took considerable interest in this lockout, and many people, including Lord Goderich (Marquis of Ripon) and the Christian Socialists, assisted the union financially. Not only did the employers insist on the full withdrawal of the men's demands, but also declared that before re-instatement the men must sign the "document" repudiating trade unionism. For over three months the bitter struggle continued, and then the men, utterly beaten, were compelled to return to work on the employers' terms. The employers remained masters in their own house, and overtime was worked according to their will.

The second struggle took place 25 years ago. The precipitate strike of the London engineers was met by a national lock-out of the workers in the federated shops. This stoppage lasted eight months, and the men were again beaten back to work on the employers' terms. Though the immediate question in dispute was the eight-hour day (and that only so far as the London district was concerned), the employers' federation retaliated that they would "admit no interference with the management of their business." Again they were determined to be masters in their own house.

The lock-out of 1922, if will be seen, bears a curious resemblance to the stoppages of seventy and twenty-five years ago, whilst the words of the chairman of the Engineering Employers' Federation in 1897 had the same ring and took almost the same form as the words of Sir Allan Smith in this present year of grace. It is interesting that the three great struggles in the engineering industry have not been wages disputes; they have centred upon the fundamental principles of "industrial government." In each case the particular point at issue has been thrust into the background before the emergency of a question of high policy.

The present lock-out is the result of a difference of interpretation of an industrial agreement—the engineering

agreement of September, 1920. It appears that, in point of fact, the employers themselves in different parts of the country have interpreted it in different ways. It became a bone of contention nearly a year ago, because it was suggested that the interpretation put upon the agreement by the union, viz., that apart from overtime in the case of breakdown, working against dates, &c., extra time should only be worked after consultation with the men, was a challenge to the authority of the employers. The union, however, were merely following the line laid down in a document of more general application signed by Sir Allan Smith, as chairman of the employers' side of the National Industrial Committee, set up on the initiative of Mr Lloyd George three years ago. In the unanimous report of the Committee it is recommended that unavoidable overtime should be worked under conditions to be determined "by the representatives of the trade."

The view of the engineering employers in the present case is that such a procedure would undermine their authority and encroach upon their "managerial functions." Hence the famous memorandum, which though it opened with a general statement regarding "managerial functions," was generally understood to have reference to overtime. On the very eve of the lock-out, however, a statement published by the Engineering and National Employers' Federations widened the area of the controversy. It refers to the vexed question of machine manning—a question far removed from that of overtime—and goes on to say that it is only one example among "a hundred and one other functions of management" to which the principle involved applies.

The wide front of the dispute renders a settlement all the more difficult. It appears in trade union circles, notwithstanding the disclaimers of the Engineering Employers' Federation, that the employers intend to take full advantage of their economic opportunity to deliver the A.E.U. a knock-out blow. The impression may be erroneous, but it exists, and in view of the tone of the various published statements of the Federation, it is hardly surprising. The impression has undoubtedly been deepened by the disclosure of the contents of the "secret" circular to employers, dated March 2nd. Both the date—for the circular was issued some days before the lock-out commenced—and the contents are important. It is suggested that "workmen who retire from membership of the Amalgamated Engineering Union, who intimated prior to the posting of the notice that they had done so, should be considered non-union men, and be allowed to continue at work." Further, "workmen who have retired from membership of the A.E.U. after the posting of the notice should be allowed to continue at work, providing they produce on or before the date the notice takes effect a membership card of another trade union." Lastly, "foremen are not affected by the notice, although they may be members of the Amalgamated Engineering Union. Opportunity should be taken to get foremen to become members of the Foremen's Mutual Benefit Society," which is, in effect, an employers' body. Trade union opinion is convinced that these proposals are an attempt to smash the Union, and the General Council of the Trades Union Congress has issued an appeal to all affiliated unions to prevent the policy of the employers taking effect. Suspicion has been further intensified by the employers' statement concerning machine manning, to which reference has been made above. It is regarded as a device to divide the semi-skilled workers in the general labour unions from the skilled men, for the interests of the two groups of workers on this question are not identical.

The stoppage has not, therefore, brought a settlement nearer. Persistent efforts have, however, been made on the trade union and Labour side to secure a termination of the lock-out. The most recent line of approach has been the proposal for an inquiry under the Industrial Courts Act, 1919. In the meantime, the ballot is being taken by the other unions concerned on the "managerial rights" memorandum. The Government have given no sign of an intention to intervene, though they have been pressed to do so by the Labour movement. It appears, therefore, at the moment that history is about to repeat itself, in a long and bitter lock-out.

THE RAND STRIKE.

THE capture of the suburb of Fordsburg on Tuesday, after a bombardment lasting over an hour, brings to a speedy end the armed revolt of the strikers on the Rand. The unwonted sight of a Prime Minister personally directing field operations has on this occasion been attended by brilliant success, and it is evident that the preparations for suppressing trouble had been carefully thought out and worked according to plan. The episode which, like the Rand strike of 1913, has been attended by loss of life, illustrates the greatly increased power which modern weapons have placed in the hands of Governments, for the rapid suppression of the revolt seems to have been the work very largely of aeroplanes and tanks.

The affair is somewhat outside the direct line of political controversy in South Africa. There are employed in the gold mines some 21,000 white workmen, of whom 11,000 work underground. Of the latter it is estimated that nearly 8,000 are Dutch, while a small number of the surface workers are also of that nationality. The Nationalist Party has not, however, been implicated in the disturbance, for though at the outset some sympathy with the strikers was shown by certain Dutch leaders on the ground that the strikers were standing for the status of the white men against the employers, who were trying to break down the colour bar, General Hertzog promptly dissociated his party from any sympathy with the strikers. Mr Cresswell, the leader of the 1913 strike, and formerly leader of the Labour Party in Parliament, appears to have taken no part in the contest, but the machinery of the Industrial Federation seems almost entirely to have been controlled by English officials, all but two of the delegation which has negotiated with the employers being English. It is believed by competent authorities that Bolshevik emissaries have been working behind the scenes and encouraging the movement, and as evidence the immigration statistics are quoted, which show that Russians form the second largest class of immigrants after Englishmen, and it is alleged that the atrocities recall those of the Russian revolution, that Russian agents have been captured in the recent operations. But, leaving that question aside, it is not necessary to go very far afield to explain the origin of the trouble in a community whose white population is of varied nationality, which is jealous in the extreme of anything savouring of the intrusion of the coloured man on the white man's prerogatives, and is faced with an economic crisis of peculiar intensity.

The economics of gold mining are complicated by the fact that gold is, or has been, the standard of value in most commercial countries of the world, and that the annual output, which forms a comparatively small proportion of the world's stock of gold, has only a moderate effect upon the relative value of gold and commodities. During the war the ratio of gold to goods has fallen very much—that is to say, prices have risen—not because gold has become more abundant, but because most nations have ceased to use gold for currency, and the European nations have between them shipped a very large fraction of their total stocks of the precious metal to the United States. Fortunately, the price level has not risen as fast in South Africa as in some other countries, otherwise production would have been materially curtailed. Native wages, which form a large part of the cost, have only shown a very slight increase, and though other costs, and particularly the wages of white labour, have risen much more, the total cost has only risen between 40 and 50 per cent. In an important but somewhat belated statement of the case by the Chamber of the Transvaal Mines, it is stated that early in February, 1920, the price of gold in British currency "reached 130s per fine ounce, which was the highest price touched, and is now below 95s, and that it has for some time been steadily declining and is believed (though no one who has carefully considered the matter will commit himself to any positive prediction) to be likely to decline further until the normal price of 84s 11d is reached.

Meanwhile the costs per ton of ore for Witwatersrand mines, which in 1913 were 17s 11d, have increased to

24s 11d in December, 1921, or more than 39 per cent." while, as shown above, the increase above normal of the price of the product is now less than 12 per cent. As a result, the cost of every ounce of gold produced by the mines has risen tremendously, in many cases to more than the amount which that ounce will fetch in the market. The following table shows the cost of production per fine ounce of each mine on the Reef in December, 1921:—

OLD RAND.		NEW RAND.	
	s d		s d
Meyer and Charlton....	42 6	Modder Deep	39 6
City Deep	68 10	New Modder	46 7
Crown Mines	79 1	Van Ryn Deep	49 1
Ferreira Deep (Nov.) ..	80 6	Government Areas ..	49 1
Cons. Langlaagte	81 10	Modder B	53 7
Langlaagte Estate	82 1	Geduld Prop.	58 10
New Primrose	83 0	Springs Mines	64 0
Robinson Deep	85 7	Brakpan Mines	66 9
Cons. Main Reef	85 8	Modder East	78 10
Witwatersrand Deep....	86 3	Van Ryn Estate	84 5
New Unified	86 11	New Kleinfontein.....	93 9
Witwatersrand Gold....	87 6		
Rose Deep	88 7		
Aurora West	91 0		
Knight Central	91 3		
Rodepoort United	92 2		
West Rand Cons.	92 3		
Nourse Mines.....	92 7		
Wolhuter	92 8		
Robinson	93 2		
East Rand	93 5		
Simmer and Jack	94 11		
Village Deep	95 8		
Randfontein Central ..	96 3		
New Goch	96 5		
Durban Rodepoort Deep	99 3		
Geldenhuis Deep	99 8		
Luipaards Vlei Estate ..	110 10		

The selling price is now less than 95s per ounce. The costs stated above are merely the working costs of the mine. Over and above these must in most cases be taken into account the gold realisation costs, amounting to about 1s 6d per ounce, and in some cases debenture interest and redemption.

The Chamber declares that the inevitable causes of increased cost were aggravated by slack methods of production which grew up during the war, together with a tendency on the part of the men to insist rigidly upon the doctrine of "one man one job," thus involving the employment of increasing numbers of white men, who very often were incompletely employed. The right of fixing prices for sub-contracts, which had always hitherto rested with the manager, was limited, and contract rates were not allowed to be changed, and finally the men succeeded in securing what has been called the *status quo* agreement, which means that if a particular job was then being done by a white man it must always be done by a white man, or if then done by a coloured man it must always be done by a coloured man. In view of the changing conditions underground which are met with as the workings extend, such a doctrine is in practice ridiculous. The owners, therefore, proposed last November to the South African Industrial Federation three measures:

1. Alteration of the existing contract system.
2. Reorganisation of underground working.
3. Modification of the *status quo* agreement.

It is particularly on the last point that the trouble has arisen, for the Chamber makes no secret of the fact that it intends, when the agreement is abandoned, to dispense with the labour of some 2,000 white men. This was subsequently modified in the first week in February by the offer of the Chamber to overcome the retrenchment of 1,000 white men on the higher grade mines until the whole question can be discussed by an impartial Government commission; but the Chamber is distinctly of opinion that unless there is a great change in the ratio between gold and commodities—that is to say, unless prices in gold-using countries fall—gold will only continue to be produced at a profit by employing the utmost amount of low-paid native labour. There is reason to believe that the force of economic arguments is realised by some of the leaders of the men, and it is clear that the white labour employed in Johannesburg was by no means unanimously behind the work of the strikers. This is shown by the fact that two mines on the New Rand, which opened in the third week of February, before the recent revolt, attained an output of 48 and 79 per cent. respectively in the third week of March. Nor is there

reason to suppose that the events of the last fortnight will permanently or seriously prejudice production. It is true that about 25 per cent of the natives have been temporarily lost, as no replacements have been made since the trouble began, but we are informed that these losses are likely to be replaced in a few months, and that output will almost immediately recover, since most mines have a reserve of development in hand, and will presumably put what native labour remains with them on to production, and get back to normal in regard to development, as opportunity allows.

The history of this revolt has more than a local interest to South Africa. During the war, the world's gold output has markedly declined, owing to the fact that with the high wages and prices which prevailed, mining in America and Australia, whose resources in any case were withering, has become unprofitable. South Africa is the one exception, her output, as the following table shows, having been very nearly maintained:—

(Millions of £'s.)

Year.	Transvaal.	The Rest of the Empire.	Total British Empire.	Foreign Countries.	Total for World.
1913.....	37.4	21.4	58.8	35.9	94.7
1914.....	35.6	20.9	56.5	33.9	90.4
1915.....	38.7	22.0	60.7	35.7	96.4
1916.....	39.5	20.1	59.6	33.9	93.5
1917.....	38.3	17.8	56.1	30.2	86.3
1918.....	35.8	15.2	51.0	28.0	79.0
1919.....	35.4	14.6	50.0	25.2	75.2
1920.....	34.7	13.5	48.2	21.3	69.5
1921 (est.) ..	34.5	12.0	46.5	19.5	66.0

Even in South Africa, the rapid tendency to the exhaustion of gold resources is illustrated by the enormous reduction which has taken place in the output from the old Rand. This has been replaced from the New Rand, which will shortly be responsible for half the output of South Africa; but there is very little sign that any big extension of production from the New Rand is imminent. It is believed by those competent to judge that the reduction in costs for which the Chamber is now contending will not increase output, but will only suffice to postpone the decline which must shortly be expected. These considerations have a most important bearing on international currency questions, for it is impossible to contemplate that any considerable number of the States of Europe can get their currencies back to a gold basis at a pre-war par of exchange unless gold prices rise—that is, gold becomes cheap in relation to goods.

Notes of the Week.

Navy Estimates.—The Navy estimates for the year 1922-23, issued this week, total £64,883,700, of which £54,774,200 is for "effective services." They have been prepared on the assumption that the Naval Treaty concluded at Washington will be effectively ratified by all the signatory Powers. The effective votes show a reduction of £20,791,000 as compared with 1921-22, and the non-effective votes an increase of £3,195,800, of which about £3,000,000 is for probable charges by way of pensions and retiring gratuities. The economies proposed include:—(a) The scrapping of 12 capital ships, in addition to the eight recently sold for breaking up, and the maintenance of only 15 in full commission (as compared with 38 in March, 1914). (b) The further reduction of the destroyer flotillas of the Atlantic Fleet. (c) The abolition of 27 submarines and the reduction of the number in full commission. (d) The abolition of two of the home commands (Coast of Scotland and Western Approaches). (e) The reduction of the personnel of the fleet during 1922-23 by over 20,000 officers and men. (f) The discharge of over 10,000 men from the Royal Dockyards, and a drastic reduction of civil staffs at the Admiralty and other establishments. (g) The rigorous pruning of all other services and Votes. The building of the four battle cruisers which had been sanctioned and commenced last year, has now been abandoned, and no provision is made in these Estimates for any new programme beyond the laying down early in 1923 of the two smaller battleships which are

specified in the Naval Treaty. The maximum personnel for the year, viz., on April 1, 1922, is given as 118,500, but it is to be reduced to 98,500 "as soon as practicable."

Army Estimates.—The net total of the Army Estimates for the year 1922-23 is £62,300,000, made up of £51,750,000 for normal current charges, £3,550,000 for charges arising out of the reduction in the Army, and £7,000,000 for terminal charges of the war, including settlements with other Governments for war services, &c. A sum of £4,930,000 in respect of the garrisons of Iraq and Palestine is balanced by a repayment from the Colonial Office. The gross total is £77,977,000, which compares with £130,285,000 for the current year, the latter being the revised estimate of May 30, 1921, together with supplementary estimates. The Geddes Committee recommended that the Army estimates for next year should be reduced to £55,000,000, a sum which, according to a Memorandum by the Secretary of State for War, is to be regarded as the sum recommended for the normal current charges of the Army in 1922-23, including the Middle East. The Memorandum further states that the establishment of British troops proposed in the Army estimates of the coming year is 152,800 officers and men, as compared with 186,400 in the sketch estimates communicated to Sir E. Geddes' Committee—a reduction of 33,600 officers and men. The total money provision is £62,300,000, of which £51,750,000 is for normal current charges, as shown in the Vote on Account. But the true figure for comparison with the £55,000,000 of the Committee's report is £58,500,000, as follows:—

Net provision for normal charges, as above	£ 51,750,000
Add Army charges in the Middle East, provided in gross	
Army Estimates and repaid from Colonial Office Votes	4,930,000
Provision originally made in Army Estimates to cover Indian troops and other military expenditure not in future to be administered by the War Office	1,820,000
Total	58,500,000

The reduction in British Army establishments, excluding Indian and Colonial troops, is 48,291—namely, from 201,127 to 152,836. Colonial and native Indian troops are reduced from 84,200 to 10,200. In a maiden speech in the House of Commons on Tuesday, Field-Marshal Sir Henry Wilson, late Chief of the Imperial General Staff, pointed out that, in spite of the drastic reductions in the German and Austrian armies, there are as many armed men in Europe to-day as in 1913, and that if the present estimates are passed "Great Britain and Ireland can produce in 15 days one division and a cavalry division, and then for the second division she has to wait anything between another 15 days and six weeks, and for a third and fourth division she has to wait months." He argued that the present is not the right moment to reduce the fighting forces, and pointed to the "dangerous state of affairs in Europe" and in many other parts of the world. From the military point of view, his arguments may be sound, but the financial and international situation is abnormal, and calls for exceptional measures of economy, risky though these may appear to military eyes.

Towards a Settlement in China.—The Chinese political kaleidoscope has shifted again. The next turn seems likely to bring the Northern and Southern leaders together, and possibly to effect their union. The Ministry set up in December under the ex-Monarchist Liang Shih-Yi and by Chang Tso-Lin, the Military (and reputedly militarist) Governor of Manchuria, appears, from the telegrams published by the *Times* last Saturday from its Peking correspondent, to have fallen to pieces under the stress of its financial difficulties and in view of the attack on Peking threatened by Wu Pei Fu. This military chief overthrew the Anfu party in 1920, and last year secured for himself the post of Inspector-General of Hupeh and Hunan, ousting Tsao-Kun, his former associate. The threat, so far, has not been carried out; and Chang Tso-Lin is now reported to be preparing a counter-attack with the support of the Anfu party, and with troops in Hunan and Kwangsi from Southern China. Wu Pei Fu was formerly regarded as a popular leader, the defender of the nation against the pro-Japanese Anfu party and of the Constitution against

the ultra-militarists of the North. Now the parts are inverted; he has alienated his provinces by his excessive taxation, and is regarded as an adventurer, bent on his own aggrandisement, while Chang Tso-Lin and his supporters are rallying to defend the Constitution and establish permanent peace. For Chang Tso-Lin announces that, after disposing of Wu Pei Fu, he proposes to summon the Parliament dissolved illegally by Tuan Chi Jui (who is now supporting him) in 1920, and since then in session at Canton, and leave it free to elect any President it pleases—whether Sun Yat Sen, the Southern leader, or anyone else. The cause of this general change of attitude is probably to be found in the financial difficulties of the Peking Government. It is urgently in need of money for current expenses; and the release by the Diplomatic Body of the surplus of the Salt Revenue for January goes only a little way to meet its needs. It has long been vainly endeavouring to raise an adequate internal loan. Security for an external loan will be provided by the salt surplus, and eventually by the Customs receipts from the increased tariff sanctioned by the Powers; but an adequate external loan can only be obtained from the Consortium, and the Consortium will only lend (except for railway construction) to a Government representing the whole of China. A loan will remove the difficulties of the Peking Government, and enable the military leaders to pay and disband their troops. It will also facilitate the consolidation of a number both of internal and of external loans, the latter chiefly held by Japanese financiers, but possibly including the Marconi loan. Hence the efforts of the military leaders and the Anfu party to establish peace and unity in China—and incidentally, no doubt, to obtain certain advantages for themselves. The richer classes, and above all the population of the occupied provinces, have everything to gain by a settlement. The contest with Wu Pei Fu is not expected to lead to serious fighting, and will probably be settled by a compromise. It remains to be seen whether the Southern leaders will respond.

Railway Traffic.—The Railway Statistics for December, 1921, show a considerable reduction in the total tonnage carried in comparison both with the previous month and with December, 1920. As will be seen from the comparative table below, the tonnage of coal and coke conveyed in December was higher than in November, the total of 16,240,000 tons being the highest monthly total of the year:—

(000's omitted.)									
1921.	General Merchandise.	Comparison with 1920.	Coal, Coke and Fuel.	Comparison with 1920.	Other Minerals.	Comparison with 1920.	Total.	Comparison with 1920.	Comparison with 1921.
October—									
Tons	4,934	-18.7	15,043	+66.6	3,722	-30.0	23,699	+16.0	
Ton miles	436,133	-18.5	702,208	+64.7	187,057	-29.4	1,325,398	+8.1	
November—									
Tons	4,971	-14.7	15,988	+8.4	3,642	-31.3	24,611	-4.9	
Ton miles	441,720	-13.1	745,538	+7.5	181,033	-30.0	1,368,291	-6.3	
December—									
Tons	4,506	-17.2	16,240	+6.1	3,325	-39.6	24,071	-14.8	
Ton miles	397,023	-14.1	742,740	+9.0	166,516	-38.0	1,306,279	-15.6	

As compared with the corresponding months in 1920, a heavy decrease is shown in each month in mineral traffic apart from coal. The large increase shown in October is due to the coal strike in 1920, which lasted from October 16th to November 3rd. In December freight train mileage was reduced by 1,137,335 miles, or 9.8 per cent., in comparison with December, 1920. The average wagon and train loads were 5.48 tons and 124.26 tons respectively, compared with 5.74 tons and 132.8 tons in December, 1920. The improvement in the rate of movement was maintained, and the net ton miles per engine hour were 420, as against 402 in the corresponding period of 1920. In November, 1921, the total freight receipts (less cost of collection and delivery) of standard gauge railways in Great Britain amounted to £10,581,241, as against £10,280,487 in October, and £10,343,554 in September. The number of passenger journeys in December, 1921, excluding season ticket-holders, was 103,143,131, as compared with 95,738,488 in

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November, and 101,441,616 in October. These totals represent decreases of 10.8, 13.2, and 10.5 per cent. respectively on the corresponding months of 1920.

North British Railway's Claim.—We are informed by the Ministry of Transport that on Tuesday last Mr Arthur Neal, M.P., Parliamentary Secretary of the Ministry of Transport, received a deputation from the directors of the North British Railway Company, the representatives of the Scottish Railway Stockholders' Protection Association, and shareholders of the North British Railway Company, on the subject of the company's claim against the Government in respect of the repairs of rolling stock during the period of Government control of the railways. Mr William Whitelaw, for the company, complained of the action of the Government in withholding the payment of the excess expenditure of the company on the repair of rolling stock, and pressed that steps should be taken to expedite a settlement of the claim by the Railway and Canal Commission at the earliest possible moment. Mr Neal pointed out that when a railway company had incurred expenditure in excess of the 1913 expenditure, after allowing for the increased cost of wages and materials, that claim had to be justified, and the ordinary procedure agreed with the railway companies required that claims of one company should be investigated in the first instance by the accountancy staff of another company, who make a report to the Railway Accountants' Committee. That committee report to an accountant appointed by the Government, in the case of the North British Company Sir Albert Wyon, and that accountant in turn reports to the Ministry of Transport. In the present case the company have not yet formulated their claim, and when this has been presented it will have to undergo investigation by persons who are not under the immediate control of the Government. It cannot, therefore, be said with any precision how long the process of investigation may last, but the Ministry have already agreed that the investigation by the accountancy staff of another company should proceed in advance of the presentation of the final claim. There will be no delay on the part of the Ministry, when once matters take a final shape, in allowing the whole claim to go to arbitration if a friendly settlement cannot be arrived at in the meantime.

French Railways and State Support.—In view of the several French railway issues made and to be made in the London market, it may be of interest to set out the terms, as given in the prospectus of the Midi and Orleans Railway companies, of the agreement made between the French Government and the principal French railway companies in June last, and approved by the French Law of October 29, 1921. This agreement secures to the principal French railway companies the payment of working expenses and the service of capital and loans of every kind. In the event of the receipts of the system proving insufficient to meet charges, the deficit has to be borne by a common fund formed for the benefit of all the large systems. Into this fund excess receipts of all the systems are paid, and tariffs have to be adjusted to meet the requirements of the fund, but if this adjustment of tariffs should not produce sufficient income for the purpose, the deficiency has to be made good by the

French Treasury. Further, at the expiration of the concession, the entire service of any bonds which may be outstanding will be borne by the State.

Canadian Pacific Results.—The London office of the Canadian Pacific Railway Company has received a cable from Montreal giving the preliminary results of the line for 1921. These compare with those of the two previous years as follows:—

	1919.	1920.	1921.
Gross earnings—railways and lake steamers	\$ 176,929,060	\$ 216,641,349	\$ 193,021,854
Working expenses	143,996,024	183,488,305	158,820,114
Net earnings	32,933,036	33,153,044	34,201,740
Deduct fixed charges	10,161,510	10,775,409	11,519,072
Surplus	22,771,526	22,377,635	22,682,668
Deduct—			
Contribution to pension fund....	500,000	500,000	500,000
Net revenue available for dividends	22,271,526	21,877,635	22,182,668

The decline in gross earnings was more than balanced by the reduction in working expenditure, net earnings being more than a million dollars higher than in 1920. Fixed charges show a further increase, but the balance available for dividends is still over \$300,000 higher than a year ago. After payment of all dividends for the year, the surplus from earnings of the railway and lake steamers is \$755,400, as compared with \$450,359 for 1920, and \$844,250 for 1919. The special income for the year, after making allowances for contingent reserves, is \$10,987,199, as against \$10,966,448 and \$9,049,342 for 1920 and 1919 respectively.

International Cotton Statistics.—Our Manchester correspondent writes:—This week the half-yearly statistics of the International Federation of Master Cotton Spinners' and Manufacturers' Associations have been published, particulars being given of the consumption of cotton for the half-year ending January 31st last, and stocks of cotton in spinners' hands on February 1st, with previous year's figures for comparison. The officials of the Federation have obtained information from the several countries of the world with regard to the amount of short time worked in the spinning mills during the half-year ending January 31st, and the table shows very clearly that in practically all countries more machinery was worked in that period than in the previous six months. The consumption of raw cotton, therefore, has tended to increase. With regard to England, it is stated that the returns received represent 683 firms owning 51,162,519 spindles, of which 32,204,981 curtailed production during the half-year to the extent of 460 hours. This stoppage, calculated over the whole industry, means an entire suspension during six weeks, against nearly 13 weeks in the previous half-year. An analysis of the returns shows that generally the Egyptian spinning section has been more fully employed than the American section. Out of the 15,725,198 spindles reported as being entirely on Egyptian cotton, 4,598,231 spindles had no curtailment whatever during the six months under review. Amongst the returns of the American spinning section, out of the 35,436,321 spindles reported, only 3,103,380 spindles had been kept working full hours. It is of interest to point out that the consumption of American cotton in Great Britain during the half-year ending January 31st amounted to 1,003,772 bales, against only 520,393 bales in the six months ending July 31, 1921. The stocks of American cotton held by spinners in Great Britain on February 1st totalled to 181,493 bales, against 204,533 bales on July 31, 1921. The total number of spinning spindles in Great Britain is given as 56,420,078, and the International Federation has obtained returns from the owners of 51,162,519 spindles. In taking a broad view of the statistics published most people contend that they should have a bullish effect upon the market; the consumption of raw cotton has certainly been larger than was generally understood.

Cotton Trade Failure.—Our Manchester correspondent writes:—In Lancashire cotton trade circles this week there has been considerable comment with regard to the report of the failure of Messrs Alexander Graham and Co., Limited, cotton manufacturers and merchants, Manchester. A creditors' meeting was held on Tuesday last, and according to a statement of affairs prepared by Messrs Jones, Crewdson, and Youatt, chartered accountants, Manchester, the liabilities are £804,120, and assets £33,823, leaving a deficiency of £770,297. The firm was formed about four years ago, the directors being Mr Walter Pollard, cotton manufacturer, Nelson, and Mr Alexander Graham, of Manchester. At the meeting an offer was made by the firm to pay 4s in the £, extending over a period of two years, the proposal being subject to the cancellation of debts due to differences and the completion of contracts. A committee of inspection was appointed of the leading creditors, and Mr C. M. Skinner, of Messrs Jones, Crewdson, and Youatt, was appointed liquidator. It is understood that the largest creditor is Messrs Walter Pollard, Limited, cotton manufacturers, Nelson.

Merchants' Marine Insurance Company.—This carefully-managed company—which is now one of the associates of the Employers' Liability Corporation—is not exempt from the common lot in respect of the underwriting year of 1920. The premiums were £587,075; the first year's claims were £174,244 (29.5 per cent.), and the second year's claims £221,371. The whole balance, after providing for expenses, has been transferred to suspense account to meet unsettled claims, so that the company expects to come out all square on the year, without loss or profit. The revenue from interest of £28,543 nearly provides the dividend of £30,000. A more favourable appearance is shown in the figures for the underwriting account of 1921. The premiums have been reduced to £423,373, and the first year's claims are £92,715, or 21.9 per cent. The Merchants' Marine had no great war expansion, for it kept out of the war risks, but it has a string of very satisfactory surpluses to its credit—£92,338 for 1919, £43,431 for 1918, £68,105 for 1917, £68,311 for 1916, and £65,253 for 1915. The investments of £751,958 are taken at their market value as on December 31st last.

Employers' Liability Assurance Corporation.—Although this insurance company, through its purchase of the shares of the Merchants' Marine and the Clerical, Medical and General Life Office, has become a composite office of high standing, the accounts which it issues still chiefly relate to accident business. It is building up fire insurance connections, but it has ceased since December, 1920, to transact marine business under its own name. The premium income for 1921 was £5,568,328, a decline of £1,231,557, which is attributable in part to the world-wide trade depression, unemployment, and falls in values. The bulk of the workmen's compensation business is done in America, where there is wider unemployment even than in this country. The claims were £3,604,767, or 64.7 per cent. of the premiums. The reduction in premiums caused a corresponding reduction in the reserve for unexpired risks, so that at the end of the year, after providing for expenses, there was an underwriting surplus of £718,446. The dividend, which costs £287,818, was provided out of the receipts from interests, £291,897; taxes absorbed £521,694, and after writing £49,820 off the share values of the associated companies, there was an increase in the general reserve of £413,106. The corporation's reserves, other than capital, amounted on December 31st to £8,208,830. The directors point out that they have made a special reserve to cover losses which may arise through the default of British and foreign re-insurance companies, although a very small part is due at the moment. A new and interesting course has been taken with the particulars of investments. It is recognised that the public mind has become uneasy at recent revelations of the way in which the assets of the City Equitable disappeared like a mirage when it was sought to touch them. The Employers' Liability Corporation does not issue a complete list of its securities, but it shows clearly the categories represented by its nearly eight million pounds' worth of investments, and the principles

upon which they have been valued. We give this statement below:—

The investments, after writing down, amount to £7,862,110, as follows:—

- (a) £4,838,417 Trustee and other securities of the highest class—all redeemable at par within the next 30 years;
- (b) £775,933 Trustee and other securities of the highest class—all similarly redeemable at later fixed dates;
- (c) £73,716 Trustee and other securities of the highest class—perpetual and not redeemable at any fixed dates;
- (d) £72,634 Miscellaneous securities;
- (e) £547,367 Freehold and leasehold premises (occupied as offices by the corporation); and
- (f) £1,554,043 the shares of the associated companies, set out on the balance-sheet.

The value of the investments under headings (a), (b) and (c) stands in the balance-sheet at cost or under, and in no case above par; whilst that under headings (d), (e) and (f) is at cost or under. The value of the investments at December 31, 1921, has appreciated by £322,077 since December 31, 1920, and the total depreciation is now only £271,367, which is covered by the investment reserve.

Dividends Out of Reserve.—Early in 1920 the shareholders in the South African Gold Trust approved a scheme for the transfer of the assets to a new company, the whole of whose shares were to be held by the old one. This course was taken as an alternative to reorganisation, as the existing memorandum did not afford "adequate scope for the remunerative employment of the company's capital." Subsequent events suggest that the shareholders might possibly have fared better had matters been allowed to remain as they stood. For 1919 the Trust paid 2s 6d per share, tax free. In respect of the following year the rate was 1s 3d, but to permit this distribution—considerable depreciation having to be provided for—it was necessary to transfer £40,000 from the reserve. Last year's earnings on the part of the operating company were practically extinguished by further decline in the value of the investments. Hence the dividend of 1s per share declared by the holding company, besides the preference dividend, is mainly provided by the transfer of a further £40,000 from reserve; there were small receipts in the shape of interest, &c. Reserve has now been reduced to £50,000—a sum just about equivalent to the balance of cash assets over liabilities. The portfolio embraces over forty different undertakings—mining, industrial, oil, &c. The largest individual interest is in the American Trona Corporation, whose affairs have for some time past been under a cloud.

Redemption of Mine Capital.—Our Mining correspondent writes: Considerable discussion has at times centred round the question as to whether a mining company should or should not take measures for the repayment of its capital by the time the property is exhausted. A mine being a wasting asset, the scheme at first sight appears to have much to recommend it. In practice, however, the matter is not so simple. Only in a small minority of cases are the shareholders who are in at the end identical with those in at the beginning. *Force majeure* in the shape of death and the tax collector are responsible for much shifting of investment, to say nothing of "free will." Thus it would come about that those who took the risks in the early days of the enterprise would, in most cases, be deprived of a part of their profits for the benefit of posterity. The accumulation of large sums in this way would tend either to drive up the prices of gilt-edged investments or tempt the directors to speculate. In the latter case, many shareholders would prefer to operate for themselves. Of course, in theory the investor in mines should regard a suitable proportion of his dividends as in the nature of a return of capital, but in practice he frequently fails to do so. Large dividends are paid for a series of years, and on the strength thereof the shares command a high premium. Then suddenly it is realised that the mine is within measurable distance of exhaustion; the quotation comes down with a run, and the unfortunate holder who "gets left" finds himself faced with heavy capital loss. The subject has been brought to the fore again by the proposal of the Dome Mines—an important Canadian proposition—to return from time to time a proportion of its capital stock,

decreasing the par value of the shares correspondingly. This method of capital redemption is not only free from the objections pertaining to the old-fashioned idea, but possesses a particular advantage. Payments of such nature are exempt from taxation. As soon as this point is fully realised, it is probable that companies operating in other countries will take up the running.

William Whiteley.—A decrease in profits is shown in the report of William Whiteley, Limited, for the year ended February 14, 1922. Gross profits fell from £329,339 to £219,820, while net profits declined from £210,016 to £171,961. When the table given below is carefully studied, some striking changes are revealed, but the remarkable growth of the business in recent years is not without interest:—

Year end Feb.	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.	1922.
Trading profit...	£ 129,478	£ 117,655	£ 113,479	£ 136,325	£ 219,239	£ 331,874	£ 329,339	£ 219,820	£ 219,820
Net profit.....	70,632	59,545	55,481	77,745	151,562	258,567	264,989	152,231	152,231
Brought forward.	13,917	14,244	14,215	12,345	19,651	54,808	210,016	171,961	171,961
Prof. dividend...	84,549	73,789	69,696	90,090	171,213	313,375	475,005	324,192	324,192
Ord. dividend {	20,250	20,250	20,250	20,250	20,250	20,250	20,250	20,250	20,250
Reserves, &c. ...	31,500	22,500	22,500	27,000	36,000	63,000	63,000	63,000	63,000
To main't shrs.	7%	5%	5%	5%	6%	8%	14%	14%	14%
Carried forward	14,245	14,215	12,122	19,651	92,808	210,017	171,961	203,834	203,834

Allocations to reserve are on a much smaller scale this year, but the dividend of 14 per cent. on the ordinary shares is maintained, while the £100 of management shares obtain £5,108 of profits, as a year ago. Deposit and current accounts of the banking department are up from £402,874 to £495,239. Cash in hand and at bankers amount to £60,240, and investments at market value are £367,426. Freehold land and buildings are valued at £1,331,966, but against this must be placed the 4 per cent. first mortgage debenture stock for £900,000. Stock-in-trade is taken at £394,104, and a mixed item, "leasehold buildings, goodwill, &c., less depreciation," appears at £243,138. Total assets are £3,294,998.

R. E. Jones, Limited.—When in March, 1921, the directors of R. E. Jones, Limited, appealed to the public for fresh capital, and issued 700,000 10 per cent. cumulative £1 preference shares, with participating rights, at par, those responsible for drawing up the prospectus estimated that the 10 per cent. preference shareholders should receive 14 per cent. per annum on their investment, while ordinary shareholders would have 56 per cent. per annum distributed amongst them. But modesty in estimating future profits has never been a striking feature in company prospectuses. It is true that for the half-year ended April 30, 1921, dividends at the rate of 20 per cent. per annum were paid on the ordinary shares, and a distribution on the partly paid-up preference shares, for two months, calculated at the rate of 10 per cent. per annum was made. But these payments were charged at the end of the year to the reserve of premium on shares. The loss on the year's trading recorded in the report is £193,863. As this amount is arrived at after charging £5,000 for depreciation of certain leases, £15,688 for doubtful debts, and setting aside £40,017 for reserve contingencies, the actual net trading loss for the year amounts to £133,158. But this latter loss must be considered in conjunction with the figure must be considered in conjunction with the auditor's report, which points out that "no reserve for depreciation of furniture, fittings, trade utensils, plant and machinery, and freehold property has been provided during the year under review." On turning to the balance-sheet, freehold properties are valued at £363,382 and leasehold properties at £296,521. Investments are taken at cost and amount to £729,908. In connection with this item the auditor's report observes that "the investment in respect of Morgan and Co., Limited, stands in the books of the company, at a value, in our opinion very considerably in excess of its true value at October 31, 1921," and the directors in their report make the significant admission that "the profits which your directors were led to believe were being earned (the

italics are ours), and could be earned, by this business have not materialised." Shareholders will probably be interested to learn what proportion the Morgan Company represents of total investments. According to the previous report and balance-sheet, contracts had been entered into to purchase the business of Morgan and Co., Limited, Leighton Buzzard, for £280,172, to be satisfied by the allotment of preference shares. Another matter which calls for some explanation is the item of calls in arrear of Mr Stanley B. Jones, managing director, for £21,946, and the entry "calls in arrear due from Mr Stanley B. Jones," amounting to £33,919, debited to the premium on share reserve. Incidentally the premium on shares account, which stood at £133,910, has now been reduced to nil, although it is only fair to say that £57,808 has been devoted to writing-off capital increases. Cash in hand amounts to but £1,023. The ordinary general meeting is to be held on March 20th, at Swansea, when no doubt the chairman will shed some further light on the position of affairs and future prospects.

THE Sixth Swiss Industries Fair will be held at Basle from April 22 to May 2, 1922. Information regarding Swiss manufacturers and their goods may be obtained from the Swiss Bank Corporation, 43 Lothbury, E.C. 2, and from the Commercial Attaché, Swiss Legation, 32 Queen Anne street, W. 1.

Obersea Correspondence.

UNITED STATES.—CHANGE IN TRANSPORTATION ACT—BANK CLEARINGS INCREASE—FOREIGN LOANS.

(FROM OUR CORRESPONDENT.)

NEW YORK, March 4.

THE provision in the Transportation Act which permitted railroads to earn an annual return of 6 per cent. on the valuation of their property as fixed by the Interstate Commerce Commission for rate-making purposes, expired by limitation on March 1st. It is superseded by sections in the same Act which require the Commission to make rates that will afford the carriers a "reasonable return on the value of property used in transportation." It will, therefore, devolve upon the Commission to determine what earnings constitute a "reasonable" return, and to fix rates accordingly. As has been shown by the monthly earnings reports of the railroads, nothing like a 6 per cent. return on their property investment has been earned. The percentage has ranged around 3 and 4; for the last calendar year the combined net operating income of all the first-class railways of the country was less than 3½ per cent. The Commerce Commission some time ago granted increases in freight and passenger rates, which were intended to give the carriers earnings equivalent to a 6 per cent. return, but despite the most drastic economies in operating expenses, they have been unable even to approximate that figure. Their failure to do so is generally attributed to the fact that the volume of traffic, owing to the business depression, has been below normal, and also to inability to effect a complete readjustment of wages, such as has taken place in other industries. The matter of further wage reductions is still pending. Numerous conferences between managements and union employees have been held, and the controversy will again come before the United States Railroad Labour Board for settlement in the not distant future. So far as any increase in freight rates is concerned, that seems to be unlikely in view of the widespread demand on the part of shippers for lower rates. Furthermore, the railroads have expressed an intention of lowering freight rates wherever possible if wages are reduced. In many quarters it is considered unfortunate that the law, as it now stands, since the 6 per cent. return provision has expired, is not more definite. Naturally, opinions will vary widely as to what is a "reasonable" return, and it is quite probable that the Commerce Commission will experience considerable difficulty in reaching a conclusion.

The first of the current month also marked the expiration of the period in which railroads that were under Federal control and operation during the war were allowed to apply for Government loans to aid them in continuing operations after their return to private control and management. Just before March 1st many applications for such loans were filed by various companies.

When the Interstate Commerce Commission, some time ago, authorised an increase in freight and passenger rates throughout the country, many State Railroad Commissions refused to allow increases within the borders of their respective States. A prolonged controversy ensued, and the matter was finally carried to the United States Supreme Court which, in a decision delivered this week, held that the Interstate Commerce Commission has authority over intrastate rates. Whether or not an effort will be made to amend the Transportation Act to meet the situation created by that decision remains to be seen. State Railroad Commissions have always claimed full authority over interstate tariffs, and have regarded any Federal regulation of such rates within their own jurisdiction as a violation of States' rights.

Reports of bank clearings during February are more interesting than usual. Clearings at 119 cities throughout the United States for that month, as reported to *Bradstreet's*, totalled \$25,497,000,000 for the 24 business days last month. The total shows a decrease of 11.7 per cent. from the January total for 26 business days. The noteworthy feature of the February exhibit, however, is that it is the first month since June, 1920, to show a gain over the corresponding month a year ago, the increase being 2.1 per cent., whereas January clearings showed a decrease of 8.2 per cent. on January, 1921. This may be taken to indicate the first real reflection of a turn in the tide of clearings. The detailed returns show that in three groups of cities—those in New England, the middle States, and the far western States—clearings gained 5.3 per cent., 4.9 per cent., and 3 per cent. respectively over February, 1921; in New York City alone the increase was 5.6 per cent.

In addition to the 75,000,000 guilders bonds of the Kingdom of Netherlands, two other foreign loans were floated here this week, namely, \$4,000,000 City of San Paulo external sinking fund 30-year 8 per cent. gold bonds, and \$1,000,000 City of Montreal 10-year general improvement 5½ per cent. bonds; both issues were offered to investors at par, and interest to yield 8 per cent. and 5½ per cent. respectively, and were readily taken. It is announced to-day that Argentina has sold to a New York banking syndicate an issue of \$27,000,000 five-year 7 per cent. gold notes, which will be offered for public subscription next week at a price to yield approximately 7 per cent. The syndicate is composed of the same bankers who handled the Argentine flotations here last year. Argentina has done no financing here since last October, when \$50,000,000 two-year 7 per cent. notes were sold to American investors at 99½. During the war that Government floated loans in the New York market aggregating approximately \$73,000,000; all of those war-time obligations which have matured have been paid off, it is understood. Another foreign loan is expected to be offered here shortly, consisting of 25,000,000 francs 6 per cent. bonds, foreign series, of the Midi Railroad Company of France; a similar issue, it will be recalled, was sold here last spring. Negotiations for the floating of several other foreign loans are now under way.

FRANCE.—THE CONFERENCE OF ALLIED FINANCE MINISTERS — REPARATION DECISIONS — AMERICA'S CLAIM—BANK RATE—THE BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, March 14.

THE conference between the Allied Finance Ministers which took place in Paris last week, is generally regarded here as having cleared up in a satisfactory manner many of the outstanding questions that have stood in the way of a clear understanding between the British and French Governments since the conclusion of the much-discussed agreement of August last. That agreement, it will be remembered, M Doumer, then French Finance Minister, de-

clined to sign except under the reserve that it could not become effective until approved by the French Government. This approval has not yet been given.

The principal objection put forward by France was that the value of the Saar coal mines, which were provisionally valued at 300,000,000 gold marks, was to be debited to France against her share in the first milliard paid by Germany. This proposal, if carried into effect, meant that France would receive nothing in cash out of this first milliard to recoup her for the expenditure on her Rhine Army, while Great Britain would receive a large part of the total sum in hand, and the rest would be paid over to Belgium in satisfaction of her priority rights. Partial satisfaction was given to the French claim at the Cannes meeting of the Supreme Council, when it was decided that, in order to enable France to secure a certain amount of cash, the value of the Saar mines, which was still maintained provisionally at 300,000,000 gold marks, should not be debited to France until the current year, 1922. M Briand, it is understood, was prepared to accept this decision, but before he could return to Cannes for the purpose of formally signing the agreement his Ministry fell, and there the matter stood when last week's conference of Finance Ministers opened.

The outstanding event of that conference was a proposal suddenly put forward by M de Lasteyrie, the French Finance Minister, who presented a memorandum to his astounded colleagues asking, among other things, that the arrangement come to at Cannes in regard to the Saar mines should be entirely upset, and that instead of being debited to the French reparations account for 1922 the value of the mines should be set off against an equivalent amount of the German "Series C" bonds that will be allotted to her. It is no secret that this proposal was sharply opposed by the other Allied Finance Ministers, who unanimously insisted that they had merely come to Paris to dot the i's and cross the t's of the Cannes agreement. In the result, M de Lasteyrie accepted the Cannes decision, but it was agreed, as a small concession to France, that in the event of the Reparations Commission deciding that the value of the Saar mines exceeds 300 million gold marks, the surplus shall be deducted from the amount of "Series C" bonds that will be allotted to France (these being, it may be remembered, the last of the series to be issued).

This decision is significant from the fact that the German Government insists that the value of the mines is at least 1,057 million gold marks, on the ground that in July, 1914, the pits under exploitation were valued at 480 millions, while the unexploited part of the coalfield was estimated at a further 577 millions. The French argue against this that the reserves in sight make it probable it will be at least 100 years before the unexploited area will come into use, and that, instead of having a potential output of 19 million tons a year (as the German experts allege), the Germans themselves extracted only 13,217,000 tons in 1913, while last year, owing to the reckless manner in which the pits were exploited by Germany during the war, the output was only 9,823,000 tons, compared with 9,400,000 tons in 1920.

Another important decision came to by the conference of the Allied Finance Ministers was in regard to the Loucheur-Rathenau agreements signed at Wiesbaden (independent of the rest of the Allies), the object of which was to enable France to receive payments from Germany in kind, in order to expedite the reconstitution of the devastated area. (These agreements, it will be remembered, the British Government declined to approve, apparently as a retort to the French refusal to approve of the financial agreement of August last.) Under those agreements France was to be allowed to call on Germany, during any one year, for materials of all kinds to an almost unlimited value, it being understood that the value of these materials was to be debited to France against the sum of 1,400,000,000 marks gold which it was estimated Germany would have to pay to her every year on account of reparations, with the further proviso that this debit should not exceed 1,000,000,000 gold marks in any one year, no matter what amount of materials had been delivered. The conference agreed to the Wiesbaden agreement being brought into operation, but for a period of three years only (instead of, I believe,

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the five years originally stipulated). It was further agreed that the value of the materials delivered in excess of 1,000,000,000 gold marks, which are to be carried on to the next year's account, must not exceed 350 millions in 1922, 750 millions in 1923, and 750 millions in 1924; and that the other Allied Powers may make similar arrangements with Germany, subject to a limitation in the total value of payments of this kind that Germany may be called on to make. Another decision was that France will be entitled to 65 per cent. of the payments in kinds to be made by Germany during 1922.

France also received satisfaction in connection with the price to be paid for coal delivered to her by Germany, which by a previous decision was fixed at export rates. This has now been reduced to the much lower German internal rates, and it was decided that the lower rates shall be applied to the whole of the coal delivered to France from Germany since the treaty came into force.

As regards the reimbursement of the cost of the various armies of occupation before May 1, 1922, the amount to be paid by Germany has been fixed in national currencies as follows:—102,000,000 francs Belgian for Belgium; £2,000,000 to Great Britain, and 460,000,000 francs for France. The first milliard of gold marks paid by Germany, it was decided, will be divided as follows:—500,000,000 to Great Britain and 140,000,000 to France, in repayment of a portion of the cost of occupation prior to May 1, 1921; 172,000,000 paper lire to Italy; the balance towards the satisfaction of Belgian priority rights. The balances due to Great Britain and France in respect of their expenditure on their armies of occupation down to May 1, 1921, will be paid to them (after Belgian priority rights have been completely met) out of the first receipts in cash obtained by the Reparations Commission. Another decision satisfactory to France was that the cost (190,000,000 francs) of the mobilisation of her 1919 class (which was called back to the colours, it will be remembered, in order to support the last Allied ultimatum to Germany), shall be paid by Germany, instead of having to be paid by France herself, as had previously been decided.

The most disagreeable surprise of the conference was the letter put in by Mr Boyden, the American "observer," intimating that the United States Government, in view of the fact that the Allied Governments either have been or shortly will be reimbursed for their expenditure on their armies of occupation, expects to be repaid, with interest, the amount it has expended for similar purposes, down to May 1, 1921, before any portion of the future German payments is distributed for reparation purposes or other objects. The amount claimed by the United States is equivalent, to May 1, 1921, to 966 million gold marks, plus interest, of which it demands a first payment of 250 millions. It is argued here that the American claim is unfounded, if it is based on the Treaty of Versailles, which stipulated that the cost of the occupying armies was to be paid out of the 20 milliards Germany agreed to pay before May 1, 1921, whereas, as a matter of fact, she paid only eight. Further, the Spa agreement expressly provides only for the repayment of expenditure of this kind incurred by "the Allied Powers," and makes

no mention of the "Associated Powers," although subsequent clauses refer definitely to both "Allied or Associated Powers," in respect of other matters. The American argument appears to be that the claim is based, not on the Versailles Treaty, which the Washington Senate has never ratified, but on the terms of the armistice, which were approved by President Wilson. A section of opinion here is inclined to the view that the claim has not been put forward seriously, but merely in view of the pending American elections. Regarding the American claim as constituting a new interpretation of the Treaty, the assembled Finance Ministers decided to refer it to their respective Governments.

I understand that, incidentally, appreciable progress was made during last week's conference in the direction of bringing about the mobilisation of the German debt. This amounts, as is well known, to a total of 132 milliards gold marks, plus three milliards, the amount owing by Belgium to her Allies. During the conference Sir Robert Horne suggested that the total debt should be divided into two parts, in order to embody with it, in one settlement, the vexed problem of the inter-allied debts. The first of these two parts, corresponding to the amount of the inter-allied debts, should, it was suggested, be reserved for the time being, and utilised to serve in bringing about a settlement of the debts between the various Allies; this operation being, of course, subject to the consent of the United States, which so far has shown itself hostile to any such proposals. The second part of the total debt, amounting to between 70 and 80 milliards gold marks, should be the subject of an effort at mobilisation in the form of a series of international loans, the yield from which should be paid over to the Reparations Commission for distribution among the Allies, according to the proportions fixed at Spa (which gives 52 per cent. to France).

The Banque de France decided on Saturday to reduce the discount rate immediately from 5½ per cent. to 5 per cent. On the Bourse this week different categories of securities have reacted differently to the situation. Fixed interest, securities, and the leading industrials have benefited by the fall in the Bank rate, as have also railway shares, transports, and electrical undertakings. Those industrials, however, of a speculative order, are not affected by this cause, and the fact that in the last fortnight they have shown signs of recovery must be regarded as due to purchasers who found themselves uncovered. Banks have remained firm, transports are in marked advance, and shipping shares have been calm. Railway receipts returned as far from January 1st to February 18th show a marked advance on the figures for a similar period last year. Both metallurgical and mining securities have shown signs of strength, though advances in these groups have not been entirely consistent.

GERMANY. — POLITICS—REICHSBANK—EXCHANGE AND BOURSE—BUSINESS—PRICES.

(FROM OUR CORRESPONDENT.)

BERLIN, March 14.

THE "mantle law," embodying the inter-party compromise on taxation and the forced loan, has gone through the Reichstag, whereby fourteen new taxes or amendments of existing taxes and the loan are ensured. The prospects of the forced loan, nevertheless, remain vague, owing to the difficulty of combining immediate payment with a satisfactory reassessment of property values. After the mantle law passed, the Reichswirtschaftsrat passed a resolution condemning the forced loan altogether, on the ground that it would injure the market for further loans, while not stopping inflation. The Reichswirtschaftsrat proposes instead a voluntary loan, which, like the forced loan, should be on a gold basis as regards calculation of capital yield, and also, unlike the forced loan, of interest. This would mean that the paper-mark interest on the new bonds would be increased in measure as the gold exchange of the mark depreciated, so that the new bondholders would have a great advantage over present bondholders.

This would probably ensure the loan's success. Dr. Hermes, until now Food Minister and provisional Finance Minister, has been definitely appointed Finance Minister. As a condition for ceasing opposition to the taxation and loan agreement, the People's Party made a long list of demands which the Cabinet in principle accepted. The chief is that a Ministry for Savings be created. In September, 1920, on Dr. Wirth's initiative, a high official was appointed with power to revise departmental expenditure, but this measure bore no fruit. The Government has been obliged to concede new increases of official salaries and allowances, imposing an additional burden of 30 milliards of marks.

The Reichsbank's price for gold has been raised to 850 paper marks per 20 gold mark piece. The Floating Debt on February 28th is reported at 277,318,320,498m, of which 262,817,520,300m consists of discounted Treasury Bills. The Berlin Disconto Gesellschaft announces an increase in its capital from 400 to 610 millions, so placing itself in regard to capitalisation at the head of German banks. The Dresdner follows with 550, and the Deutsche with 400 millions. Increasing stringency in the money market is reported. Manufacturers, especially in the textiles branch, are asking for part payment in advance. Industrial company foundations are increasing, most of which are not new concerns but conversions of private firms and partnerships. The form of the share company (*Aktiengesellschaft*) is being preferred to the limited liability company, partly because taxation is somewhat lighter, partly because the regular Bourse quotations of share concerns facilitate the frequent increases of capital which are necessitated by the continual price-rise. The promised Bill establishing autonomy for the Reichsbank has been published. Under the existing law (March 14, 1875), the Bank is under the "guidance" of the State, and the State's supervision is exercised through a curatorium, of which the Chancellor is President. The Bank's own president and directorate are entirely separate from the curatorium; and the State through the curatorium has hardly ever exercised its right to interfere with the directors' policy. The Bill now submitted abolished this dual system, and transfers full power and responsibility to the directorate. The President of the Bank will continue to be nominated by the Government (formally by the President of the Republic) on the recommendation of the Reichsrat, while members of the directorate will be nominated by the Government on the recommendation of the directorate and with the consent of the Reichsrat. The salaries of the directorate will be fixed by special law, being detached from the State Budget. This reform is being put through on pressure from the Allies, who persist in believing that inflation (the sole cause of complaint) is in some way an outcome of State control over the Bank, and that if the Bank were independent inflation would cease. The Wirth Cabinet, following its rule of conceding Ally demands, however doubtfully advisable they are, is therefore creating a fictitious Reichsbank autonomy, in the knowledge that the reform is a sham. The Bank's present obligation to discount Treasury Bills without limit, and, therefore when necessary, to print paper marks without limit, is an outcome of a special war law made on August 4, 1914; and the repeal of that law would at once stop inflation by the Reichsbank. Dr. Wirth does not propose the repeal; because its effect must either be suspension of payment by the State, or inflation by direct issue of State notes—a still more objectionable system than the present. A summary examination of the Budget, and in particular of the paper cost of Reparations payment, which constitutes the whole deficit, is enough to show that the alternatives are: Headlong inflation; and collapse of the State from want of means to carry on. Germany's condition here is the condition of a great part of Europe, including countries which have no Reparations payments at all.

The Reichsbank statement for March 7th shows an increase of circulation of 1,903,779,000m to

121,930,166,000m, and of "Kassenscheine" of 90,900,000m to 8,067,600,000m. The Bourse during the past week was at first weak and dull, later fairly active. The *Frankfurter Zeitung's* stocks index shows a decline of 15 dividend-payers, from 41,008 on March 3rd to 38,249 on March 10th. Exchange movements exerted no visible influence on stocks. Bull speculators have not yet recovered from the heavy fall in quotations which accompanied the mark recovery of November-December, and are afraid of surprises from Genoa. The end of the week saw a sudden demand for bank stocks. Among bonds, Federal Threes continued strong, reaching a new top point of 120, where they remain. War Loan was yesterday 77.50, Federal 4 per cent. 91.50, 3½ per cent. 82.75, Colonial 4 per cent. 113.75, Savings and Premium 81.50. The Leipzig Pattern and Technical Messes, held last week, were a great success. The number of registered visitors exceeded 140,000, and very large sales were made both to natives and foreigners; but many manufacturers, having sold their output for months ahead, refused to take further orders; and a great part of the orders taken were qualified with the usual condition, "freibleibend," leaving the seller free to change his prices and delivery terms according to future developments in production cost and to other conditions. On this question the Federal Court of Appeal has come to an important decision which foreign buyers should note. A seller who has agreed upon a fixed price, but has inserted "freibleibend" in his contract, the Court ruled, can insist that the buyer accept delivery and pay any price demanded, unless it be proved that the demanded price is unreasonable when judged by conditions at time of delivery. The contract also binds the seller to deliver the goods. It follows that in all contracts for future delivery a buyer must be prepared to pay what will at delivery date be a fair price, and that the price in the contract, which is usually based on production cost at time of conclusion of the deal, has no meaning at all. This ruling clears up the law on a matter which has of late caused many disputes with foreigners.

The Hamburg-America Line reports for 1921 gross profits of 96,200,000m against 55,300,000m in 1920; net 29,500,000m against 16,900,000m; dividend, 10 per cent. against 8 per cent. The North German Lloyd reports net profits 45,700,000m against 14,043,082m; dividend, 10 per cent. against 8 per cent. Gross profits were 100,400,000m. At the close of 1921, the company owned 25 sea-going steamers against 116 in 1913. Shipping journals state that the next development will be the creation of a large service of tramp steamers, in which before the war Germany, with her extensive regular line services, was far behind England. The iron and coal "Heavy Industry," not the existing shipping concerns, will here take the lead.

The movement of prices towards world-market level will, unless a new decline takes place in Reichsmark exchange, check plans of this kind. The official wholesale index figure (average of all) for February is 4,103, against 3,665 for January. The rise is general: the group breadstuffs and potatoes rose from 3,363 to 3,773; fats, sugar, meat and fish, 3,555 to 3,849; colonial goods, 4,819 to 6,139; agricultural products and foodstuffs together, 3,509 to 3,956; hides and leather, 4,668 to 5,761; textiles, 5,939, to 6,538; metals, 4,313 to 4,489; coal and iron, 3,307 to 3,687; industrial raw materials together, 3,955 to 4,377. Goods mostly produced at home rose from 3,383 to 3,763; goods mostly imported, from 5,075 to 5,800. The official cost of living index figure—for food, heating, lighting, and housing—for February is 1,989, against 1,640 in January—an increase of 12.8 per cent. The high price of bread threatens fresh labour troubles. Wheat, which under State regulation was kept as low as 85m a centner (1-20th metric ton) sells around 550m, and rye, which cost 75m, 500m. Here world-market prices have nearly been reached. The Socialist Press demands that the quantity of home-grown breadstuffs requisitioned by the State be raised from the present 2½ million tons to 4½ million tons. From all quarters are reported demands for higher wages, which are as a rule conceded, as the selling boom makes it possible to transfer the burden immediately to the consumer.

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ARGENTINA. — BUDGET — NEW TAXES — RAILWAY RATES — BUSINESS CONDITIONS — FLOATING DEBT.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, February 16.

Laid before Congress on February 8, the 1922 Budget Estimates may be regarded as practically still-born. Indeed, it has already been proposed that in view of the lateness of their presentation, the lack of all data necessary to the carrying out of sundry innovations in taxation which are set down as important sources of revenue, and the certainty that political manoeuvres turning on the forthcoming presidential election will monopolise the time of the deputies, the 1922 Estimates be shelved. Their place would be taken by the 1921 administrative balance-sheet; and, as a matter of fact, two "duodecimos," or a sixth of the 1921 total, has already been voted to cover revenue collection and official outlay during January and February. Under the circumstances the suggestion is sound. The figures proposed are, however, interesting, as showing in the first place the trend of Argentine official views in the matter of taxation, and secondly as an admission of the enormous growth of official expenditure. This latter is placed at \$527,592,000 Arg. paper for direct administrative outlay, with a further fifty-one millions on public works to be met by bonds, and \$20,600,000 Arg. paper for charitable subsidies. The whole of the last-named amount is met by the proceeds of the national lottery. The figures outlined above are, roughly speaking, a hundred and twenty millions more than those of last year. Minimum wages based on a very liberal scale swell the charges of the various Ministries, public works are to be continued and extended, the service of the debt calls for more money; in short, nowhere is there any sign of a wish to economise. This is all the more remarkable seeing that revenues for 1921 were some thirty millions less than expenditure, and that Customs dues, the principal item of receipts, showed a drop of fifty millions. Of special interest to those having funds in Argentina is the proposal to institute an income-tax, and, in addition, a tax of 3 per cent. on net dividends, on the interest obtained from banking deposits, and on any other revenues derived from similar sources. All the arguments against this tax may be summed up by saying that while the Republic urgently needs capital for the development of its potential wealth, it is surely unwise to impose what is practically a super-tax on capital earnings. In short, the 1922 Estimates are too much even for the Radical majority of the Chamber of Deputies to swallow.

Far more important in reality has been the exhaustive report and recommendations of the special committee constituted to examine the claims of the railway companies to increased tariffs. That the balance has inclined to the Argentine user of the lines cannot be denied, but nevertheless, giving due weight to local conditions to-day, and the manifest drop in the running charges that were

so much to the fore when the companies first claimed the right to raise their rates, the fact that fairly comprehensive increases were recommended—and will be shortly enforced—is a good sign. Heavy grain, that is to say, wheat and maize, are to pay 10 per cent. more; linseed and similar cargo, e.g., oats, will be surcharged 15 per cent.; general merchandise from 10 to 25 per cent., the lower increase applying to rough goods and the higher rates to articles classed as luxuries, such as tobaccos, distilled liquors, and the like. Passengers pay 18 per cent. more, but not season-ticket holders. Cattle, dairy produce, and perishables will be carried at present rates of freight. Railway interests are naturally not satisfied, the more so as the schedules put in by them as evidence for the committee to investigate showed very plainly the full extent of their losses during recent years; losses rendered all the harder to bear owing to the knowledge that those whose goods they were carrying at pre-war rates were making unheard-of profits. These increases cannot do much to improve dividends for some time to come; certainly they will not bring them anywhere near the 6½ per cent. stipulated as the maximum for ordinary net capital earnings by the promoter of the Mitre Law. Increased traffic returns and harmonious working on the part of railway labour will, however, contribute to better results, and both factors exist to-day in all branches of the railway services. The success of the Western Railway's Debenture Issue in London came as somewhat of a surprise to many people here, and has upset to a certain extent the oft-repeated prediction concerning the boycotting of Argentine rails by the London money market owing to unfair Government intervention.

Business in general is quiet in tone, and convalescence from the fever of 1920-21 is slow. Cereals are steadily leaving the country in normal quantities for the time of year, or, say, 150,000 tons a week for wheat. Wool stocks in the central produce warehouses are down to 12,000,000 kilos, or five million kilos less than at this time last year. Hides and tallow are also being shipped in increasing quantities, but with little improvement in prices. Exchange, which during the month touched 47d for banks' sight drawings on London—or but ½d below par—receded to 45½d, but closes at 46½d at date of writing, with the American exchange much weaker at \$119.50 Argentine gold to the \$100 U.S. There is little inquiry for Continental exchange, but such movement as there has been is in favour of the Argentine dollar. Save for comparatively steady purchases of national and provincial bond issues, there has been little movement on the local stock exchange, and industrials, particularly shares of gunny factories, are in a very weak market, because in most branches of local manufacture to-day the imported article can compete on favourable terms with Argentine-made goods.

In the report of the Argentine Budget Committee are some interesting statistics which profess to disclose the position of the Republic's indebtedness, both as regards its consolidated obligations and its floating loans. The former is said to amount to \$1,200,000,000 Argentine paper—figures as at December 31, 1921—while the latter, taken from the returns made up by the Accounts Department, is \$644,417,475 Argentine paper at the same date, being made up as follows:—

	\$ Arg. Paper.
Government account in Banco de la Nacion Argentina ..	110,644,328
Banco de la Nacion Argentina, special account	71,999,663
Loan of \$50,000,000 U.S.	117,772,727
Treasury Bills	12,630,271
Short-date loans, mostly six months	229,119,886
Outstanding amounts, taken into account by Accounts Department as due, and not yet paid	102,250,000
	644,417,475

The last item is not taken into account by the Ministry of Finance, and that Department of State also reduces the debt to the Banco de la Nacion Argentina by offsetting credit balances held in other accounts, but for practical purposes the above total is the more reliable, and gives the actual sum of Argentina's floating debt. Contrasted with the figures for December 31, 1916, which was

\$489,146,542, the increase is not as great as it was popularly supposed to be, but nevertheless the aggregate is sufficiently important to make the matter of its consolidation a difficult financial proposition at the present time.

Letters to the Editor.

"REPARATIONS.—TWO POINTS OF VIEW."

TO THE EDITOR OF THE ECONOMIST.

SIR,—With reference to Mr Hannon's statement in last week's issue of the *Economist*, that France "is not a creditor of the Allies to any appreciable extent," may I state that the French war loans to her Allies amount to 14,082,000,000 francs, which are equivalent to over £550,000,000, at the rate of exchange ruling when these loans were made.—I am, &c.,

London, March 13th, 1922.

[The point raised by our correspondent is an important one, and we therefore reproduce the details of advances made by France to Allies as at September 30, 1920, as given in "International Finance and its Reorganisation," by E. M. Friedman, which are as follows: 4,949 million francs to Russia, 2,770 millions to Belgium, 1,541 millions to Serbia, 1,219 millions to Poland, 1,142 millions to Roumania, 889 millions to Italy, 806 millions to Greece, 221 millions to Czecho-Slovakia, and 80 millions to other countries. These figures represent a considerable proportion of France's external borrowings. According to a statement made by the French Finance Minister, the external debt of France in August last was 35,286 million francs, the franc being taken at par.—Ed. *Economist*.]

RAILWAYS AND ROAD TRANSPORT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—While I am in agreement with the broad outlines of your admirable article on "The Railways and Road Transport" in last week's *Economist*, I disagree with certain of your conclusions in the last paragraph.

The primary business of the railways is, as you say, to transport by rail. But for certain classes of goods, and particularly for short distances, railway haulage is neither the cheapest nor the most economical means of transportation. That is a fact which the railway companies themselves admit. Our railway system cannot, therefore, "prove its efficiency in competition with every form of transport." That, I think I am right in saying, is one of the chief reasons for the introduction of the present Bill by the North Western and Midland group.

At the present time the railway system is unable to meet the needs of every class of customer, and it is because it has "set its whole mind to improvements in handling" that it desires powers to undertake road transport. In my judgment, the granting of such powers will not, as you fear, dissipate its energies. On the contrary, it will encourage railways to conserve their energies much more than will the knowledge that they are being beaten on what was once their own ground.

The railways have not yet got back to normal pre-war working conditions. They never will. Conditions have changed so radically in the past seven years that a return to 1913 is impossible. To postpone for two years the granting of powers which you admit ought to be granted is to postpone them until too late. The sooner the present Bill becomes law the sooner will the railways increase that efficiency which is so necessary to the trading community and to their own development.—Yours very truly,

C. F. HIGHAM.

House of Commons, March 16th, 1922.

Books and Publications.

THE AMERICAN LABOUR MOVEMENT.*

THESE two weighty volumes of 1,200 pages provide the fullest history of Labour in the United States which has yet appeared. It is the work of a group of competent scholars, and covers with a great wealth of detail the whole of the comparatively short history of the States within the limits of the title. The two volumes are more than a history of Labour in any narrow sense of the term. Considerable space is given to the discussion of political and social theories and their influence on American life and thought, and the development of trade unionism receives exhaustive treatment. But the reader is also told of the single-tax movement and "green-backism," the free land agitation, and co-operation in their relation to the Labour movement. Unfortunately, the second volume draws too rapidly to a close. A concluding chapter of 20 pages attempts to cover the developments of the last quarter of a century. With the caution and detachment which characterises the true economic historian, it is said that "its facts are so recent that they belong more to a discussion of current problems than to a record of history. It is, nevertheless, a pity that this massive work, in addition to providing a complete and detailed background of Labour history, should not have provided also a picture of the American Labour movement as it is to-day. The lack of such a picture must restrict the circulation of a work which is indispensable to all who wish to understand the complex history of American Labour. The two volumes are well documented, and there is an excellent bibliography. Professor Commons and his colleagues have placed both British and American economists and students of history under a heavy debt.

* "History of Labour in the United States." By J. R. Commons and others. The Macmillan Co. 1921. 2 vols. 60s.

ECONOMIC EFFECTS OF CONSCRIPTION IN JAPAN.*

ALTHOUGH the name appearing upon the title page of this very thorough and scholarly examination of the military system of Japan is that of the Professor of Finance at Kyoto University, he explains in a brief preface that it is actually the work of Mr Takata, who here presents the results of two years' hard work—the harder that there are, apparently, no official statistics on the subject.

Conscription in Japan was introduced in 1873, and was regarded as a step in the restoration to power of the Imperial family, by the destruction of feudalism and the overwhelming ascendancy of the military class. Though Western in form, it represented a reversion to an older military institution that had preceded the class domination. How far it has been effective in that purpose Mr Takata does not say. With relatively minor modifications, as to exemptions and the actual term of active service, the 1873 Law is the basis of the present military system of Japan. Conscription is universal, and carried out by the drawing method. The normal term of service is seven years, of which, up to 1907, three, since two, in peace time are active service, followed by two or three in the active reserve. In the case of the Navy, the term is four years' active service.

The major part of Mr Takata's book is devoted to an examination of the economic consequences. He frankly admits the great difficulties in the way of an effort to detach, from records during the whole course of which the system has been operative, those results that may correctly be assigned as due to it. In general, however, he sees the economic effects as bad. The productive organisation of the country is, by it, "robbed of its most valuable labouring power." The soldiers actually retained in and supported in the army could, he thinks—and he always brings statistical material in support of his propositions—find productive employment on the land or in industry. There remains uncultivated, but capable of cultivation, an area of about a million cho, which, as wet and dry fields, could support "all the soldiers in the army, and all those who are getting their

* "Conscription System in Japan." By Gotaro Ogawa, D.C.L. Humphrey Milford. Oxford University Press.

livelihood from the army." Industrially there is perpetual complaint of the scarcity of labour. Manufacturing industry is actually being hampered by shortage of hands.

On the consumption side he develops an interesting argument to the effect that the demands of the services create an excessive demand for goods for immediate consumption, which correspondingly restricts the output of capital goods. Further, "Military expenses, especially in the rapid expansion of armament, cause the over-issue of currency on the one hand, and increase of taxes on the other. The increase of the indirect tax, especially, causes an increase of the expenses of production, and thereby causes a rise of prices."

An admirable feature of the book is the exclusion from it of arguments which "can only be discussed theoretically, and cannot be treated statistically."

BOOKS RECEIVED.

The Economic Journal. March, 1922. (London) Macmillan and Co., Limited. 6s net.

This number includes "The Definition of National Income," by Professor Bowley; "Internal and External Purchasing Power of Paper Currencies," by C. F. Bickerdike; Knapp's Theory of Money, by James Bonar; a review of The Consumers' Co-operative Movement, by Professor Pigou; and reviews of recent publications on currency problems, by Professor Cannan.

The Second Year of the League. A Study of the Second Assembly of the League of Nations. By Harold W. V. Temperley. (London) Hutchinson and Co. 6s net.

The Hague Rules, 1921, Explained. By Sanford D. Cole. Second Edition, revised and enlarged. (London) Effingham Wilson. 5s net.

Forty-Eighth Annual Report of the Council of the Corporation of Foreign Bondholders for the Year 1921. (London) Council House, 17 Moorgate. 2s 6d.

Annual Report of the Board of Regents of the Smithsonian Institution, 1919. (Washington) Government Printing Office.

L'Italia Economica nel 1920. (Milan) Albrighi, Segati, and Co.

Report of the Bombay Chamber of Commerce. Vols. 1 and 2. (Bombay) Offices of the Chamber of Commerce.

Statistical Tables Relating to Banks in India, 1920. (Calcutta) Department of Statistics. Rs.2.

Railway Amalgamations Up-to-Date. Railways Act, 1921. (London) Fredc. C. Mathieson and Sons. 6d.

The Crisis on the Rand Goldfields.

This is an outline of the case for the Transvaal Chamber of Mines in its dispute with the South African Industrial Federation. Copies can be obtained from the Transvaal Chamber of Mines, 202 and 203 Salisbury House, Finsbury Circus, E.C. 2.

La France: Revue de la Presse Française. (London) Evans Brothers, Limited, Montague House, Russell square, W.C. 1.

This interesting little illustrated paper is published in the interest of English students of the French language.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.
March 29.

ACCOUNT.
March 30.

Business has fallen off sufficiently in most of the markets round the Stock Exchange for members to be able to take a lively interest in the election of the Stock Exchange Committee, fixed for Monday next. For the 30 seats there are 36 candidates. One of the debatable points of the day is to what extent members shall be allowed to return a proportion of their commission to agents, including banks. The advisability of contingents is another subject dividing opinions.

Some little talk arose in the early part of the week of the possibility that there might be a fall in the Bank rate on Thursday last, but the idea was not seriously entertained, and after the War Loan had been up to 97½, it fell back about 10s. A fairly general decline occurred in other British Government stocks, though the heaviness of National War Bonds did not last, and, in the cases of the other stocks, recoveries occurred from the lowest prices touched. Colonial and Corporation stocks are well maintained as regards their prices, though business in them is quieter. Home Railway debenture and other prior charges remain good, stock coming to market,

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however, with rather more freedom than it has done of late. India Government stocks rallied on Thursday, but the railway descriptions are weak. Bank stock rose 9 on the increase in the dividend.

French bonds gave way somewhat sharply, and Germans also dropped, in consequence of the exchange movements. Brazilian and other Argentine bonds moved irregularly and narrowly. The premium on the Siamese Sevens kept fairly close to 3 for the greater part of the week. The foreign and the foreign railway markets continue to contend for the business which is going on in P.L.M. bonds. The price fell from 5 premium to 4½ premium before a rally occurred. Business is expected to begin on Monday in the Midi and the Paris-Orleans scrip. The issue was an instantaneous success.

Home Railway stocks are now ex dividend; the deductions have had little effect in bringing along fresh buyers. The market is tolerably steady, although the abstention of any considerable amount of public interest serves to accentuate the effect of any little profit-taking which may be indulged in by previous buyers. Several scores of American and Canadian railway stocks, municipal and industrial bonds, &c., have moved up from one to five points, in consequence of the decline in the value of the £ as compared with that of the dollar. Mexican railways have scarcely moved. The Argentine market is considerably better, on the hope that the forthcoming presidential election in the country will result in the return of a President who is likely to look with a kindly eye upon the interests of British investors.

The greater firmness in the rubber market is held, though business continues exceedingly quiet. In the oil market, speculation bestirred itself in connection with some of the Roumanian companies. The prices of shares advanced amid animated bidding, but there was not much public support at the back of the activity. Amongst the higher-priced shares, Mexican Eagles have been dull, upon the oft-repeated rumour that a new issue is about to be made. A long catalogue of brewery advances is one of the features of the week amongst industrial. The rises are due to pressing inquiries rather than to the actual transaction of business, for proprietors are as unwilling to sell as would-be purchasers are eager to buy. Shipping stocks have been on the dull side, with P. and O. again below £300. The insurance market is quiet, and amongst banking shares, apart from a further trifling recovery in the Indian group, the movements are unimportant, though prices keep firm. Jays, the well-known drapery house, shows a loss for the first time in its history, without, however, the price of its shares being affected. Harrods are better; other Stores shares hold their ground. A few textiles advanced, the support coming chiefly from the North. During the engineering lock-out the prices of shares in the companies likely to be affected were scarcely changed. Babcock and Wilcox, indeed, have advanced, while iron and steel shares, on the whole, retain the slightly dull tendency noticeable in their department for some time past. Tea shares continue to go back after their very sharp rises. Sudan Plantations improved, on the expectation of a new issue of shares at a bonus price, while Forestals kept a shade above par. Peter Robinson preference, offered at 6d premium, are not yet freed from the influence of the stage. A good many of the short-dated debentures of recent issue have given way from one to three points. Cable stocks are good, but the wireless list, after an exhibition of strength in the early part of the week, turned a trifle easier in the absence of business.

The collapse of the strike on the Rand led to improvement in Kaffir shares. There had not been a great deal of fall in advance, so the recovery was less than might otherwise have been the case. However, the leading shares are decidedly better on the week. The Johannesburg Stock Exchange has been closed, and Cape operators have done but little in the London market. Rhodesians sympathised with the firmness of Kaffirs. Several of the Mexican mining shares improved. Russo-Asiatics have given way. Indian mining shares are rather better, but the tin groups are still neglected in consequence of the depressed price of the metal.

Stock Exchange shares £25 paid, touched 100, to lose a couple of points before the week finished.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—				
Amount previously recorded	241,983,703			

TREASURY BONDS.

5½% 1929 total receipts	283,577,064
5% 1927 receipts to March 11, 1922	40,601,369

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED MARCH 11, 1922.	
April 1 to March 11, £23,405,000	3,300,000 .. 3,300,000

To the Public—				
Midi Railway Co., £3,000,000 6%				
Sterling Bonds (red. at par 1929-60), iss. at 89% (March 14) 3,000,000 ..	2,670,000	300,000	..	3,370,000
Orleans Railway Co., £2,000,000 6%				
Sterling Bonds (red. at par 1929-56), iss. at 89% (March 14) 2,000,000 ..	1,780,000	200,000	..	1,580,000
Peninsular and Oriental Steam Navigation Co., £3,500,000 5½%				
Deb. Stock (red. at par 1930-40), issued at 96½% (March 13) 3,500,000 ..	3,377,500	175,000	..	3,202,500
Mence Smith's Stores (Proprietors), Ltd., 155,000 10% Cum. Pref. Shares, £1, at par	155,000	19,375	..	135,625
Do 310,000 Ord. Shares, 1s (March 13)	15,500	15,500	..	
Total	7,998,000	709,875	..	7,288,125
Total offered for subscription to date	£253,281,703			£388,978,203
1922	57,914,729			367,549,656
1921	121,710,893			1,036,059,951
1920	275,506,437			1,331,381,441
1919	430,776,956			1,318,596,012
1918	783,908,468			585,436,860
1917	159,282,198			686,236,386
1916	46,313,546			612,522,633

To complete our record of new issues and summary of profit and loss accounts, company secretaries are requested to furnish us with copies of new prospectuses and report and accounts. Our readers can also assist by forwarding copies of prospectuses and company reports and accounts which may fall into their hands.

Midi and Orleans Railway Companies.—Offer by the former of £3,000,000 6 per cent. sterling bonds of the Compagnie des Chemins de Fer du Midi, due 1960, and by the latter of £2,000,000 6 per cent. sterling bonds of the Compagnie du Chemin de Fer de Paris à Orléans, due 1956. Both sets of bonds are offered at 89 per cent., and are direct obligations of the respective railway companies. The payment of interest and sinking fund is further secured by (a) the receipts arising from the working of the company's system; (b) the joint fund of all the large French railway systems, into which fund the excess receipts of all the systems are paid; (c) the payments which the French Public Treasury has undertaken to effect if necessary to make up any deficiency in the fund; and (d) the undertaking by the French State to bear the entire service of any bonds which may be outstanding at the expiration of the concession. Both principal and interest are payable in sterling in London, free from all present and future French taxes. The bonds will be redeemed by the operation of cumulative sinking funds, beginning in the year 1929, either by annual drawings at par, or by purchase under par. The sinking funds are calculated to be sufficient to redeem the whole of the bonds not later than September 1, 1960, in the case of the Midi Railway Company, and not later than September 1, 1956, in the case of the Orleans Railway Company. Each company reserves the right to repay all its bonds outstanding on or after September 1, 1934, at 103 per cent. and accrued interest, on giving three calendar months' notice. The Midi Company has a capital of 125,000,000f. At December 31, 1920, the outstanding bonds of the company amounted to 2,365,329,000f. None of the company's issues enjoys any special security, nor is any part of the system or rolling-stock charged in any way. The company undertakes not to charge assets without giving to the £3,000,000 sterling bonds the benefit of such charge. The share capital of the Orleans Company amounts to 300,000,000f. The total amount of bonds outstanding is 4,377,000,000f. The same conditions of issue apply to the Orleans undertaking as outlined for the Midi Company. These are two well-secured foreign bonds, and thoroughly deserved the good reception accorded to them.

Peninsular and Oriental Steam Navigation Company.—Incorporated by Royal charter in 1840. Issued and paid-up capital £6,632,518. The company has, in addition, at present outstanding debenture stock £1,487,560. This is an issue at 96½ per cent. of £3,500,000 5½ per cent. debenture stock. The company proposes later on to apply for powers to issue £3,500,000 more, to rank *pari passu* with the present

issue, making £7,000,000 in all. The present issue and any such further issue of the same stock will be secured as a floating charge on the company's undertaking and assets ranking next after the existing debentures already referred to. The company may on and after October 1, 1930, redeem the stock at par on three months' notice. Any stock not previously redeemed will be repaid at par on October 1, 1940. The interest on the present issue will be £102,500 per annum, and the board point out the cash dividend distributed during the last ten years on the preferred and deferred stocks after payment of interest on the then existing debenture stock has averaged £503,279 per annum. The assets of the company as given in its last balance-sheet are lumped together in one item, beginning with steamers and ending with debts owing to the company, and are valued at £23,236,598. Against this item are £1,487,560 of debentures and sundry debit balances amounting to £8,816,712. The following extract from the prospectus is interesting:—"The company's steamers built before the war which are less than 20 years old have been taken at cost price less 5 per cent. per annum depreciation, while those of a greater age than 20 years have been taken at £1,000 each. Those delivered, or which are now being built during the period of high prices, have been taken at pre-war costs, and in the case of such vessels as have been delivered, 5 per cent. per annum depreciation has been allowed for. The same formula has been applied to the associated companies." It would, however, be more interesting if we knew the value of the boats so treated. The issue has been underwritten for 1½ per cent. and an overriding commission of ½ per cent.—an eloquent tribute to the financial strength of the company. A good, sound debenture, without doubt, but we wish that many of these big shipping undertakings would set a better example in giving us more detailed prospectuses.

Mence Smith's Stores (Proprietors), Limited.—Authorised share capital £170,500, divided into 155,000 10 per cent. cumulative preference shares of £1 each and 310,000 ordinary shares of 1s. each. This is an issue at par of the whole of the share capital, of which all the preference and 77,500 ordinary shares are now offered to the public, 155,000 ordinary shares having been already subscribed for in cash and 77,500 reserved "for cash application by underwriters of the preference shares." Applicants for preference shares are entitled to have an allocation of ordinary shares in the proportion of one ordinary share for every two preference shares applied for. The business, founded about 60 years ago, is carried on at Southwark, and in 75 branches. The price paid by the present company for 125,000 fully-paid shares of George Mence Smith, Limited (the old company), forming the whole capital, is £155,000 cash. Profits are given from 1917, and a balance-sheet is published showing the position of the company at March 27, 1921. Stocks valued at this date amounted to £106,321, and the prospectus states that "there will be little depreciation on any unsold stock." Preference shareholders have limited voting powers, but no further shares can be issued in priority to or *pari passu* with the present preference issue "in excess of additional capital to the extent of £45,000," without the sanction of preference shareholders. If the company, however, has protected itself by reserving the right to itself to issue debentures (and we understand that this is the case), then this proviso is of little value. The directors, all of whom are directors of Goodson's Mantle and Costume Company (1920), Limited, have had considerable experience in the directing of multiple shop business, and it may be regarded as a fair industrial risk, although expectations must not be based on boom figures.

The Dominion Tar and Chemical Company, Limited.—Authorised capital £300,000, divided into ordinary shares of £1 each, of which 200,000 have been issued and are fully paid. The company was formed in 1903 to carry into effect an agreement between the Dominion Iron and Steel Company, Limited, and the company to carry on the business of tar distillers, &c., in Canada. The information given about the assets of the company is very meagre, but an excellent list of dividends distributed free of tax since 1908 is submitted. The company has certainly had a profitable career. The original capital was £30,007, but was increased in May, 1910, to £70,007; and again in April, 1913, to £100,000; in May, 1919, to £150,000, and in May, 1920, to £200,000. A further £100,000 was authorised in November, 1921, and of this amount 50,000 shares of £1 each have been issued at par. These details are taken from an advertisement in the Press to comply with Stock Exchange regulations.

The Corderoy Syndicate, Limited.—Authorised capital £100,000, divided into shares of 5s each, of which 268,028 shares have been issued and are fully paid. This company was incorporated in September, 1895, for the purpose of undertaking a general mining business, but until its acquisition of the properties mentioned below "it had carried on no business." Under an agreement the company has acquired three separate groups of gold-mining properties situated in the Departments of Leon and Nueva Legovia, Republic of Nicaragua, Central America, and held under

titles granted by the Government of Nicaragua. These mines have been partially developed and equipped, at a cost, it is stated, of about £90,000, and "about £50,000 worth of gold has been taken from the principal workings." The company acquired these and other assets in consideration of 120,000 fully-paid shares in the company and £35,000 in cash—the company taking over certain obligations of the vendors. The Underwriting Agency Syndicate, by an agreement with the Corderoy Syndicate, Limited, have agreed to underwrite 279,972 shares of the company (being the whole of the capital available for subscription) for a cash commission of 5 per cent. and an option for three months to acquire for £40,000 the property in Nicaragua known as San Juan de Talpaneca property in Nicaragua. Of the 279,972 shares underwritten, 148,000 have been taken up, and the remaining shares have to be subscribed by July 16, 1922. These particulars are extracted from an advertisement in the public Press made to comply with London Stock Exchange regulations. On the information published, the value of the shares may be computed by those with inside knowledge of the undertaking, but for the outside investor a purchase of such shares would be a "leap in the dark."

ACTIVE SECURITIES.

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.

	Price	Week	Latest	Price	Week	Latest
War 4½% 1925-28 ..	92½	91½	..	Local Loans 3% ..	63½	62½
Loans 4½% 1925-28 ..	94	93	..	Aust. 6% 1931-41 ..	102	102
4½% 1929-47 ..	97½	96½	..	Canada 4½% 1920-25 ..	99	99
4½% 1929-47 ..	101½	99½	..	India 5½% Stock ..	59	59
Funding Loan 4% ..	84	84	..	Do 7% Stock ..	103	103
Victory Bonds 4% ..	85	85	..	Do 8% ..	91	92
Conversion Loan 3½% ..	72	72	..	N.S.W. 5½% 1922-31 ..	101	101
Consols 2½% ..	55½	54½	..	U.S.A. 6% 1937-40 ..	105	105
Irish Land Stock 2½% ..	57½	56½	..	Victoria 5½% 1924-34 ..	100	100

Colonial and Foreign Railways.

Antofagasta Cons.	53	53	..	Grand Trunk 1st Pref. 17	17	..
B. A. & Pacific	42	45	..	Leopoldina	25	26½
B. A. Gt. Southern ..	65½	68	..	Mexican Railway ..	15	12½
Buenos Ayres West. ..	60	63½	..	Do 1st Pref.	38	37
Canadian Pacific ..	166½	165	..	Do 2nd Pref.	22	..
Central Argentine ..	55½	57½	..	San Paulo	117½	115
Grand Trunk Ord.	1½	1½	..	United Havana ..	55	55½

Banks.

Barclays B. (£1, l.p.d.) ..	2½	2½	..	Nat. Bank of Egypt		
Lloyds (£5 with £1 p.d.) ..	21½	21½	..	(£10)	20	20
London Joint City & Midland (£12 with £2½ paid) ..	7½	7½	..	Nat. Bank of S. Africa		
London County West- (minster and Parr's (£20 with £5 paid) 16½	16½	16½	..	(£10)	10½	10½
Standard of S. Africa (£20 with £5 paid) ..	11½	10½	..	Nat. Bank of S. Africa		

Foreign Government Securities.

Argentina 5% 1886-7 ..	97	97	..	Italian 3½% Rentes ..	24½	23½
Belgian 3% ..	66	68	..	Greek Monopoly 4% ..	30½	32½
Brazil 5% Fund. 1914 ..	72	70	..	Japanese 4½% ..	102	102
Chilian 4½% 1895 ..	70	70	..	Do 4% 1910 ..	68	69
Chinese 5% 1912 ..	74	74	..	Mexican Cons. 1899 ..	61	61
Egyptian 4% ..	66	66	..	Peruvian Corp. Pref. 17½	17½	..
French 5% ..	46½	44½	..	Russian 5% 1906 ..	14½	14½
Do 4% ..	36½	35	..	Spanish 4% ..	75	75

Telegraphs.

Anglo-American "A" ..	22	22	..	Marconi Canada	1½	1½
Marconi Wireless	18½	2	..	Marconi Marine	18½	18½

Railways.

Great Central Pref.	14	12	..	Metropolitan District	27½	26½
Great Eastern	36	34	..	Midland Deferred ..	57½	58½
Great Northern Def.	33½	31½	..	North British Def.	132	128
Great Western	91½	87½	..	North-Eastern	91½	86½
London, Brighton, & South Coast ..	52	49½	..	South-Eastern "A" ..	32	29½
London, Chatham & Dover ..	59	57½	..	Underground Electric	2	2
Do Arto. Pref.	88½	88½	..	Do "A" (1) ..	72½	72½
L. & N.W. (New) ..	25½	23½	..	Do Inc. Bds. (£100) 72½	72½	..
L. & S. Western, Def.	37	35½	..	Metropolitan	37	35½

American Railroads.

Chenapeake & Ohio ..	67	69	..	Southern	23	24
Erie ..	12	12	..	Do Non-conv. Pref. ..	59	60
Do 4½ 1st Pref.	19	20	..			

Miscellaneous.

Aerated Bread (£1) ..	1½	1½	..	Linggi Plants (£1) ..	1½	1½
Lipton (£1) ..	1½	1½	..	Liver Bury's Corp (£1)	1½	1½
Armstrong (Sir W. G.) & Co. (£1) ..	13½	13½	..	Do 8% Cm A Pref (£1)	1½	1½
Ass. Portland Cement (£1) 14½	14½	14½	..	Do 9% Cm P Ord (£5)	1½	1½
B'ham Small Arms (£1) 7½	7½	7½	..	Lister (£1) ..	1	1
Brazil Traction (£100) 39	40	40	..	Lobitos Oilfields (£1) ..	4	4
British-American Tobacco (£1) ..	38	38	..	Lyons (J. & Co. (£1) ..	38	38
Bris. & Arg. Meats (£1) 1½	1½	1½	..	Magadi Soda (£1 Ord.) ..	38	38
Burmah Oil (£1) ..	5½	5½	..	Mexican Eagle (£10) ..	38	38
Costs (J. and P.) (£1) ..	2½	2½	..	North Canadian (10) ..	38	38
Courtaulds (£1) ..	18	18	..	Pekin (2) ..	38	38
Canard (£1) ..	18	18	..	Rubber Plantations Investment (£1) ..	38	38
Dorman, Long (£1) ..	18	18	..	Shell Transport (£1) ..	48	48
Dunlop Rubber (£1) ..	18	18	..	Smithfield & Argentine Meat (£1) ..	38	38
Fine Cotton Spinners (£1) ..	18	18	..	United Borden (2) ..	38	38
Forestal Land (£1) ..	1	1	..	United Tobacco (£1) ..	18	18
Furness, Withy (£1) ..	18	18	..	Vallambrosa (2) ..	38	38
Highlands and Lowlands Rubber (£1) 18	18	18	..	Vickers (£1) ..	38	38
Hudson's Bay (£1) ..	6½	6½	..	Watney Def. Sdk.	149½	147½
Imperial Tobacco (£1) 21½	21½	21½	..			

Mines.

Brakpan (£1) ..	28½	28½	..	Knights	38	38
Broken Hill Prop. (2) ..	18	18	..	Modderfontein (10) ..	38	38
Charterhouse (£1) ..	18	18	..	Modderfont. "B" (5) ..	18	18
Cons. Gold Fields (£1) ..	18	18	..	Modderfont. Deep (5) ..	28	28
Crown Mines (10) ..	18	18	..	Premier Def. (2) ..	28	28
De Beers Def. (2) ..	10	10	..	Rand Mines (5) ..	28	28
East Rand Prop. (£1) ..	28	28	..	Rio Tinto (25) ..	28	28
Gold (£1) ..	28	28	..	Spring Mines (£1) ..	18	18
Gov. Gold Areas (£1) 38	38	38	..			

COMPANY MEETINGS, &c.

THE UNITED KINGDOM PROVIDENT INSTITUTION.

RECORD INCREASE IN TOTAL FUNDS.
MANAGEMENT AND INVESTMENT OF FUNDS.

The eighty-first annual meeting of the United Kingdom Temperance and General Provident Institution was held on March 14, 1922, at the Cannon street Hotel, London. The Right Honourable Walter Runciman (chairman) presided.

The Chairman, in moving the adoption of the report, said:

The report, the adoption of which I move, is one of the best the directors have ever laid before you.

The net amount of new business retained by the institution during 1921 was over £1,800,000. This, with the exception of the boom years, 1919-20, is the largest amount of new policies ever issued in one year in the history of the institution. When the conditions ruling throughout last year are considered—great trade depression and widespread unemployment—this affords convincing evidence of the strong appeal which this office makes to the insuring public, and of the efficiency of our organisation for new business.

MORTALITY.

The claims arising during the year were over £50,000 less than in the previous year. Not only were the claims lighter in themselves, but the incidence of the claims was also more favourable to the institution. We made, therefore, a larger mortality profit. After a period of years during which the institution's mortality experience has been of an abnormal character, owing to the war and the successive epidemics of influenza which ravaged the country, it is gratifying to record that the year 1921 shows a return to our normal pre-war figures, a light mortality experience being an outstanding feature of this institution's policyholders. The temperance section, as usual, shows an appreciably lower ratio than the general section. Taking the whole of the claims together, the ratio of actual to expected claims was less than 68 per cent., one of the lowest experienced in our history.

TOTAL FUNDS.

Our total funds have increased during the year by well over half a million; the largest increase yet recorded. This increase does not, of course, include any profit by way of appreciation in the value of the institution's investments, as these have been valued at the low prices existing as at December 31, 1920, when our last quinquennial valuation was made. As you know, it has always been the custom of this institution to revalue its securities at quinquennial investigations only.

The net rate of interest earned on our funds, after deducting tax, was £4 7s 4d per cent., as compared with £4 1s 11d last year. It is necessary to go back something like 40 years to find as high a net yield as this, and at that time income-tax was almost nominal, while in 1921 we paid no less than £124,210 in tax.

Our working expenses are low, although they show a slight increase over last year. This is due to the expenses of the quinquennial valuation.

BONUSES.

At the end of the report you will notice certain interim bonuses mentioned, payable in the event of death or survivorship. I have pleasure in announcing that, owing to the recent considerable rise in Stock Exchange securities, your directors have reconsidered the position, and under the advice of the actuary, have decided to increase these interim bonuses considerably.

You may remember that in my speech last year I pointed out that the conditions at that time were so uncertain that the directors considered it only prudent to declare an interim bonus of a comparatively small amount—and that was a simple bonus based on the sum assured only; but I added that as soon as the directors considered that conditions warranted it they intended to revert to the compound system that was in force before the war, and which they considered, in equity to the older policyholders, should be reverted to as soon as possible. The time has, in their opinion, now arrived when this can safely be done, and in lieu of the interim bonuses stated in the report, the following bonuses will be paid in respect of each full premium due and paid in the years 1921-22 on policies that become claims by death or survivorship in the year 1922:—

On whole life assurances with full profits: 34s and 32s per £100 of sum assured and existing bonuses, in the temperance and general sections respectively. On endowment assurances with full

profits, new series: 32s per £100 on the sum assured and existing bonuses for all endowment assurances, except that endowment assurances in the temperance section, where the original term is 25 years and upwards, will receive 33s, while interim bonuses on other classes of policies will be equitably adjusted.

It is, of course, impossible to forecast what may happen in the financial world in the next few years, but, assuming nothing unforeseen of a serious character arises, everything points to this institution being able to pay a substantial bonus in 1925.

OFFICES.

The balance-sheet shows you that our investments in business properties have increased. A favourable opportunity arose of acquiring suitable premises as branch offices in Glasgow and Newcastle. As an investment for the institution's funds the security was of the best, while, from a business point of view, it is to the institution's advantage to extend and consolidate its connections in the provinces. The directors propose to continue this policy of extension, and to acquire offices in other provincial towns when a favourable opportunity arises.

INVESTMENTS.

It has always been the practice of this institution to invest the funds in securities of the highest class only, and from such a practice we shall certainly not depart. We are bound to this sound and secure policy not only by our Act of Parliament, but also by our own invariable practice and good judgment.

The management and investment of the funds of a life office is one of the, if not *the*, most important of the duties its directors have to perform. On the management and investment of the funds, as much as on anything else, depends the greater or less success of our institution. The time has gone by when investments once made can be left to take care of themselves. The instability of the present financial conditions more than ever necessitates the constant examination, measurement, and testing of past investments. For the growing funds of an institution like ours, with well-defined obligations and a character for stability, the selection of investments has become a much more difficult business than in pre-war times. Rules of thumb and the guidance of simple common sense are not enough in these times. We must have at our command the fullest information and the best mathematical skill to make our judgment good and administration efficient. Before 1914 fluctuations were small and within the limits of British Government stocks there were barely half-a-dozen categories. Nowadays Consols, the most historic of all securities, are a proportionately small section, and they have lost their character for stolid and stately movement, having fluctuated between 48 and 58 in six months. The great issue of £2,000 million of 5 per cent. War Loan has recently fluctuated between 88 and 98. There are now 30 or more categories of British Government loans. It is not so much harmonious fluctuation which causes anxiety to your directors—especially fluctuation upwards—as the wide difference in conditions attached to short-dated and long-dated loans, with all their peculiarities of redemption and the options attached to them for the purpose of the moment at the time of issue during and since the war. These present new problems which within the limits of our own Government securities we have to meet most carefully, and we have to meet them in that spirit of sound finance by which the solidity and strength of our assurance funds are fortified. Security for the future, which is the main justification of a great life office, has been our constant aim and object, and in making our valuation at the end of the last quinquennium our foundations were built on the rock. In these days of rapid change in values we shall not depart from that practice which brings its certain reward, and we shall thus continue, I trust, to justify your faith in this institution.

GOVERNMENT FINANCE AND INSURANCE OFFICES.

Yet no matter what may be done by your board, the truth is that our prosperity is bound up with the credit of the British Government. As that credit goes up or down so we must all benefit or suffer. Any false step in finance taken by the Chancellor of the Exchequer will be at the expense in a peculiar degree of the great life offices. All Chancellors can go right in times of prosperity. The years of swollen expenditure when revenue is insufficient to make ends meet provide even the best of Ministers with their worst

temptations, and lead them near to dangerous expedients. We shall never feel safe until the national balance-sheets record one surplus after another, for that is the only road which makes financial virtue easy, and it is the simple and narrow way by which alone we can be assured of a steady and prosperous course.

The resolution was seconded by the Hon. Alexander Shaw and carried.

METROPOLITAN LIFE ASSURANCE SOCIETY.

RATES OF ABATEMENT INCREASED.

The ordinary general meeting of the Metropolitan Life Assurance Society was held, on the 16th instant, at Winchester House, Old Broad street, London.

Mr William F. Courthope presided in the absence of Sir John B. Wimple, K.B.E., through indisposition, and read the speech prepared by that gentleman, in the course of which he said that during 1921 the society received proposals for the assurance of £322,561, of which amount policies for £275,511 were issued at annual premiums of £8,773, and single premiums of £3,232. They reassured £12,500 at annual premiums of £572, and the net new business therefore amounted to £263,011, with annual premiums of £8,201. The claims by death were unusually light in 1920. Last year the society's experience in this respect was, unfortunately, much less favourable, the feature being the heavy mortality among older lives. In fact, the claims by death, amounting to £189,935, were actually slightly greater in amount than were expected according to the table of mortality used in their valuation—namely, £186,283—although the number of policies which became claims were only 75 per cent. of the expected number. As, however, the claims arose mostly under policies which had been in force for many years, and in respect of which large reserves were held, the society had incurred no loss, but, on the contrary, a surplus had resulted from the mortality experienced in 1921. The percentage of premium income spent in expenses of management was 7.8, which was the same figure as in 1920, and compared with 7 per cent. in 1913. This percentage was much below the average rate of expenditure of life assurance companies.

The rates of reduction of premiums were determined by the amount of the society's annual surplus, which depended to a large extent upon the profit derived through the rate of interest earned on the investments being greater than the rate assumed in the actuarial valuation. He was glad, therefore, to say that the rate of interest earned on the society's funds last year showed a marked improvement as compared with 1920, the net rate having increased by 4s 11d per cent.—from £3 13s 10d to £3 18s 9d.

IMPROVEMENT IN VALUE OF SECURITIES.

The amount of the depreciation in the society's investments in 1920 was no less than £116,231. A very considerable improvement in their market value had since occurred, with the result that the whole of the depreciation which arose in 1920 had now been more than wiped out. He trusted that this improvement might be maintained, and that the periodical increases in the rates of abatement of premiums might not in the future, as in the past two decades, be retarded by falls in the market values of their securities. Even after leaving out of account the further depreciation in 1920, the sums which they had had to provide since the year 1900 to meet depreciation in the value of their securities would have been sufficient to increase the rates of abatement of premiums by about 20 per cent.

The proper investment of the society's funds had always called for the most careful consideration and constant attention on the part of the board, and this was particularly the case at the present

time, owing to the unsettled financial and political conditions prevailing in this and other countries.

ABATEMENT RATES.

He had the pleasure to announce, as a result of the year's working, an increase of 1 per cent. in the rates of abatement, which for the year ending April 4, 1923, would range from 80 per cent. in the case of the first series to 35 per cent. for the fifth series. In addition, they carried forward an unappropriated balance of £12,901. The success of the society depended very largely upon the active co-operation of the members in extending its business. No commission was paid for the introduction of business, and therefore they relied upon the self-interest of the proposers and the goodwill of their policyholders, and he wished to take this opportunity of thanking those who had shown their practical interest in the welfare of the society by introducing new members.

Mr Bernard Woods seconded the motion, which was carried unanimously.

BRITISH GENERAL INSURANCE COMPANY, LIMITED.
COMPANY'S SATISFACTORY POSITION.

The eighteenth annual general meeting of shareholders was held, on the 15th instant, at the offices of the company, 66 Cheapside, London, Mr Henry C. Walker, M.I.M.E., the chairman, presiding.

The Chairman, in the course of moving the adoption of the report and accounts, said: We are able to present to you to-day figures, record in every way, which is, I think, a fine testimony to the place the "British General" holds in the eyes of the insuring public, and to the confidence which we enjoy of the brokers and agents on whom we so largely rely for our business.

Following the arrangements made in 1920, all new life business has been passed to our allied office, the Scottish Temperance and British General Assurance Company, Limited. The total of the policies issued in 1921 was £1,402,245 sums assured, whilst the life funds were increased during the year by no less than £255,447, and now approach £3,500,000. The prospects for the valuation which will be made at the end of the present year are very promising, as the mortality experience has continued to be very favourable, expenses show a slight reduction, whilst the net rate of interest earned has increased to over 4½ per cent., as compared with the rate of 3 per cent. on which all calculations are made.

As we hold some 97½ per cent. of the shares in the Life Office, it is very much in the interests of our shareholders to support that office with any new life policies that they may require. There are few investments to-day which yield a better return than a policy in a well-conducted life office, and the history of the "Scottish Temperance" is one which contains all that is best in life assurance, whilst the prospects were never brighter than to-day. For 1921 we received a dividend of 12½ per cent. on our holding of Scottish Temperance shares, as compared with 10 per cent. in 1920.

The fire department is generally recognised as the most stable branch of the business. Net premiums for 1921 were £251,983, as compared with £209,250 in 1920. We have thus passed the first quarter-million mark at the end of eighteen years. Claims paid and outstanding absorbed 52.66 per cent., as against 47.12 per cent. in the previous year. Actually the loss ratio in 1921 is lower than 1920, for in 1920 the premiums increased by no less than £102,000. The true test is to calculate the percentage of profit after allowing provision for unexpired risk, and the figures are: 1920, 2.64; 1921, 5.85.

For many years the accident department was the mainstay of our business, particularly the employers' liability department. We certainly have made most of our profit here, and 1921 has been no

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AFFILIATIONS:

THE BRITISH BANK OF SOUTH AMERICA, LTD., and THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

exception. Our experience has again been quite satisfactory, losses costing but 38.91 per cent. of the premiums written. The employers' liability department shows a reduction in premium owing to the fall in wages and unemployment.

The marine department has caused your directors some concern, but they are glad at the close of a difficult year to be able to show a position which is undoubtedly sound when tested by all the usual methods. The premiums show a reduction from £305,602 to £194,635. At the close of the year our general marine fund amounted to 95.06 per cent. of the year's premiums, whilst the fund is further strengthened by an additional reserve of £50,000, making 120 per cent. in all.

Like most other offices in London, we did business with the City Equitable, and we expect to make a loss by the liquidation of the company. At the date of the liquidation all moneys due from the City Equitable had been paid to us; in fact, we had actually some premiums in hand, so that whilst the experience is disagreeable, it is not, for us at least, more than an unwelcome incident.

The report and accounts were unanimously adopted and dividends declared as announced.

RIVER PLATE TRUST, LOAN, AND AGENCY COMPANY, LIMITED.

OIL INDUSTRY DEVELOPING.

The forty-first ordinary general meeting of the River Plate Trust, Loan, and Agency Company, Limited, was held, on the 16th instant, at 52 Moorgate, London, Mr James Anderson (the Chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the results of the past year's working were not so favourable as those of the preceding, but when the adverse conditions under which they were working were taken into account they must, he thought, be regarded as satisfactory. During the whole of the year trade conditions in the Argentine Republic had been bad. The demand for the staple products of the country had fallen off with the cessation of the war, and prices suffered a large decline. There had been an indisposition on the part of producers to sell at the lower values, and in consequence exports had fallen off seriously both in volume and in value. This had naturally had a depressing effect on the import trade. The present outlook for the stock-rearing industry was not encouraging. There was still a demand for fat cattle suitable for chilling, but inferior qualities were difficult of sale at any price. The position was not so bad as regarded agriculture. Although prices had declined heavily, they were still on a remunerative basis. There was no country in the world where grain could be grown cheaper than in Argentina. The capacity for increased production was enormous, and a greatly increased output at a low cost would keep the industry on a sounder basis and also be a benefit to the world at large.

In recent years a new industry had been gradually developing which promised to become of great importance to the country. A few years ago oil was struck in promising volume in the Comodoro Rivadavia district. The operations were for a time kept in the hands of the Government, but exploration by private capitalists was now permitted, and was making rapid progress. Three of the great railway companies had joined forces to develop a proved oilfield, and as the great oil magnates were also interested there would be no lack of enterprise or capital for development if the preliminary investigations gave sufficiently encouraging results.

The present prospects of the company's mortgage business were not encouraging. There was more disposition to repay, and practically no new business offering. The gross profits for the year amounted to £403,289, a decrease of £19,666, as compared with the preceding year. This decrease was entirely due to the lower rates of exchange prevailing during the year. The net profits came out at £263,478, a decline of £11,484 as compared with last year.

Sir Albert E. Bowen, Bart., seconded the resolution, which was carried unanimously.

COLISEUM SYNDICATE, LIMITED.

UNFAIR TAXATION OF ENTERTAINMENT INDUSTRY.

The fourteenth annual meeting of the Coliseum Syndicate, Limited, was held at the Coliseum, London, on Wednesday, March 15th, when the chairman and managing director, Sir Oswald Stoll, presided.

The Chairman, in moving the adoption of the report and accounts, said: I rise to move the adoption of the report and accounts, which I assume may be taken as read. It is a matter for congratulation that we are able to maintain our dividend by trespassing so little on our floating reserve of accumulated profits. We are amply justified in making that encroachment, because the loss of business due to the coal strike alone in April and May was twice the amount of the trespass. Other causes

have militated against the degree of success which a magnificent modern property like the Coliseum, standing in the centre of an area occupied by 8,000,000 people, ought to achieve.

ENTERTAINMENT DUTY.

One cause is the entertainment duty. The amount of the entertainment duty collected from our patrons for the Government during the past four and a half years is £122,120, an average of about £27,000 per annum. The tax has the double effect of a fine and an increased price of admission. What people have to pay a fine for doing they avoid as much as possible, and increased prices of admission in hard times is fatal to entertainment business. The theatres which are left with profits are becoming fewer every day. Most of them are paying large amounts of entertainment duty on heavy losses that are swallowing up their resources. They pay the duty on or in the losses, because the losses are not allowed off the duty. On the losses because the losses of one period are the first receipts of the next period; in the losses because, if these are not met, the tax will cease. The very least allowance that should be made is the percentage of tax on the amount of the loss.

INCOME AND PROPERTY TAX.

Another cause of decreased results at our theatre is indicated in the fact that our income-tax and property-tax on a falling business were over £11,000 higher for 1921 than for 1913. This load of taxation came when the increase in municipal rates and charges for lighting, to select only two items of unavoidable expenditure, as compared with like expenditure in 1917, represented a sum which for many theatres would be regarded as a very satisfactory profit. In our case, that increase in these two items alone was equal to a dividend on our capital of 6 7-10ths, or nearly 7 per cent.

EXCESS PROFITS DUTY.

Fortunately, we had a high pre-war standard of profits, so we have not been hit as some companies have been by excess profits duty. The amounts due for so-called excess profits duty in the entertainment world constitute a liability which, if early payment were pressed for, would bankrupt the major portion of the industry. That seems almost paradoxical. But the truth is that the word "profits," so used in the Act of Parliament, was a misnomer. In making a comparison with the pre-war minimum, the effect of the depreciated standard of value was not allowed for. The war-time profits should have been taken at varying rates up to three and four times the nominal amount of the pre-war minimum before the term "excess profits" was applied. The consequences of the error is that companies are being called upon to pay away their capital under the fictitious name of excess profits; to pay away large sums which never were profits, but were a mere bladder blown up to look like profits by manipulation of the legal tender currency in a way which depreciated the standard of value. Profits must be actualities, not mere definitions. The legal definition in the Act of Parliament could not, and did not, create profits. When there was no fixed standard to which the term used in the legal definition could be referred, the Act of Parliament sowed the wind of false taxation, to reap the whirlwind of industrial disaster. These capital sums, of so-called excess profits duty, cannot be paid in the actual capital values; first, because the Government want cash or banking credit, not commodities or properties; and next, because to part with the actual property would destroy the business; so, where payments have been made, the resources of companies have had to be pledged for loans at high interest with which to make the payments or to replace the payments made. Hence, this highly destructive duty, in addition to the other permanent harm that it has done, has imposed on business a new and separate and extra tax, payable by business undertakings to moneylenders. It is curious that the kind of official optimism which is fashionable requires to see the entertainment industry down and out before believing that such a fate can befall it through these extraordinary conditions. Such optimism is as little comforting to entertainment companies as it would be comforting to a man being shot at dawn to know that his life depended on an optimistic belief by the commanding officer of the firing party that the volley of lead would not kill him. Our industry, of course, is not alone in the stranglehold of both Government finance and an obsolete financial system. There are very few industries that are free from it. That is the most serious aspect of the matter.

BASIS OF ENTERTAINMENT REVENUE.

Entertainment revenue depends on the masses of the people having money to spare. Their impoverishment by the strangulation of general industry tends more and more to reduce our revenue. Those concerned in the entertainment industry, like everyone else, admit that the Government requires a large revenue for national purposes, but unless Parliament adds to its policy a system whereby production and consumption on a great scale may restore not merely pre-war prosperity, but the greater

prosperity that greater obligations demand, there is no possible escape from general collapse.

SHORTCOMINGS OF THE GOVERNMENT.

The coal strike of the past year and the lock-out of the present year are merely symptomatic of shortcomings in the economic policy supported by Parliament. This policy takes sides in the industrial war, and does nothing to obviate the sinister war itself. These recurring and growing disputes are vital questions to companies and individuals who have staked their all in the welfare of this country, who, as in the case of this company, cannot take their property elsewhere. In these disputes there is no moral difference between a few men fighting for supreme economic control through the agency of finance on the one hand, and a few men fighting with the same object through the agency of wage-earners on the other hand. There is no moral difference between attempts on the part of the financiers to control the employer on the one hand, and attempts by revolutionaries to control the employed on the other hand. There is no moral difference between the refined methods whereby financiers are obtaining control over the wage-payer and the coarser methods whereby revolutionaries, through the machinery of trade unions, are obtaining control over the wage-earner.

WHAT IS NEEDED.

Parliament should eschew both sides and take a national stand. Our economic system needs, and Parliament should provide, a safety valve for this uneconomic warfare, which, openly or secretly, is constant. The safety valve must be something real in economics, not a Whitley Council, an industrial court, or even compulsory arbitration. Just as profits cannot consist of mere legal definitions, or legalised extortion, so this safety valve cannot consist of mere discussion or punishment. Under free conditions, which would serve in due time to counter-balance the hampered conditions, this safety valve must consist of greater access to actual money and productive credit, for lack of which numerous employers, and the mass of dutiful and capable wage-earners, are victims of these vicious and needless disputes. The question is of paramount interest to all entertainment companies, because it is on the prosperity of the great body of employers and employed as distinct from a few financiers and revolutionaries that popular amusements depend for success.

The report, recommending a dividend of 25 per cent., was adopted, and the retiring director, Sir James W. McCraith, was re-elected.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £45,000,000 in three months' Treasury Bills and Treasury Bonds, dated from Monday to Saturday, Mar. 20th-Mar. 25th, were opened on Mar. 17th, 1922, and the total amount applied for was £70,825,700. Tenders for Monday to Friday bills at £99 2s 9d, about 30 per cent., above in full, and Saturday bills at £99 3s and above in full.

The following table shows Treasury Bills by tender outstanding:—

Date of Bills.	Amount Offered.	Amount Applied for.	Average Rate of Discount.	Rate for Additional Bills.
1922.				
February 17	30,000,000	48,565,000	3 1 3/8	23
February 24	25,000,000	33,345,000	3 0 8/16	23
March 3	35,000,000	45,805,000	3 3 1/4	24
March 10	35,000,000	58,270,000	3 3 1/8	24
March 17	40,000,000	(a) 70,825,700	3 7 2/8	24
Bonds	5,000,000	..	99 13 7/17	..

(a) Including Treasury Bonds.

Tenders will be received on Friday, March 24, 1922, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £60,000,000.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to		Redemption Account.						
			Bankers.	Savings Banks.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Govern- ment Securi- ties.	Balance at Bank of		
1914.	£	£	£	£	£	£	%		£		
Aug. 26.....	21,535	..	6,302	3,810	..	..	49.1	9,294	11,423		
Dec. 30.....	38,478	..	169	600	18,500	..	..	..	9,286		
1915.											
Dec. 29.....	103,125	729	159	249	28,500	..	27.6	54,621	20,533		
1916.											
Dec. 27.....	150,144	2,430	64	40	28,500	..	19.0	118,102	6,866		
1917.											
Dec. 27.....	212,782	8,554	39	675	28,500	..	13.4	186,637	5,486		
1918.											
Dec. 31.....	323,241	15,529	..	570	28,500	..	8.9	305,133	4,566		
1919.											
Dec. 31.....	356,152	17,182	250	245	28,500	4,000	9.1	337,537	2,802		
1920.											
June 30.....	357,356	16,700	..	190	28,500	13,400	11.7	331,660	305		
Dec. 29.....	367,686	16,962	..	..	28,500	19,450	13.0	336,504	134		
1921.											
Mar. 30.....	343,226	15,599	Silver Coin.	28,500	19,450	13.9	311,334	141	14		
June 29.....	323,884	14,955	3,000	28,500	19,450	14.8	287,750	150	15		
Sept. 28.....	314,382	14,830	3,000	28,500	19,450	15.2	278,119	143	15		
Dec. 28.....	325,584	14,658	3,000	28,500	19,450	14.7	289,131	161	16		
1922.											
Mar. 9.....	300,413	13,301	5,000	28,500	19,450	15.9	260,579	185	18		
16.....	300,339	13,571	6,000	28,500	19,450	15.9	260,804	158	15		

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £30,600,000, for 1921 at £31,755,200, and for 1922 at £30,988,400.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1921-22. (See Note.)	Total Receipts into the Exchequer from		Receipts.	
		Apr. 1, 1921, to Mar. 11, 1922.	Apr. 1, 1920, to Mar. 12, 1921.	Week Ended Mar. 11, 1922.	Week Ended Mar. 12, 1921.
Balances in Exchequer on 1st April:—					
Bank of England	2,591,051	7,159,773	..	..	..
Bank of Ireland	483,455	2,209,324	..	..	..
..	5,074,506	9,369,097	..	..	..
REVENUE.					
Customs	126,800,000	123,556,000	127,524,000	2,539,000	3,587,000
Excise	196,200,000	181,925,000	186,146,000	1,145,000	2,040,000
Motor Vehicle Duties	9,000,000	10,918,000	6,973,000	484,000	130,000
Stamp	48,000,000	48,145,000	45,232,000	1,180,000	687,000
Estate, &c., Duties	21,000,000	15,778,000	23,890,000	1,401,000	273,000
Land Tax	2,500,000	2,250,000	2,270,000	180,000	180,000
House Duty	..	..	..	..	..
Property & Income Tax (Including Super-Tax & Mineral Rights Duty)	410,500,000	342,370,000	340,735,000	21,348,000	20,667,000
Excess Profits Duties, &c.	120,000,000	29,714,000	204,001,000	..	3,393,000
Corporation Profits Tax	15,696,000	400,000	400,000	475,000	80,000
Post Office	60,000,000	52,250,000	45,960,000	1,250,000	1,000,000
Crown Lands	650,000	750,000	620,000	..	..
Interest on Sundry Loans	12,000,000	11,046,406	22,750,940	20,884	633,562
Miscellaneous	21,500,000	22,458,602	22,988,501	314,474	308,495
Ordinary Receipts	158,500,000	140,809,914	258,129,538	3,318,938	5,867,481
Special Receipts	..	987,666,922	1,287,609,979	34,056,296	38,847,476
Revenue	1,816,650,000	1,000,741,428	1,296,979,078	..	..
Total, Inc. Balance ..	..	..	..	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion	..	10,230,000	5,010,000	350,000	200,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	..	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921	..	520,000	..	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1913 to 1921	..	5,561,474	4,000,000	..	..
Under the Post Office (London) Railway Act, 1913	..	27,500	115,000	..	..
Under the Housing Act, 1914 ..	..	50,000	30,000	..	..
(b) Under the Unemployment Insurance Act, 1921	..	11,890,000	..	..	..
(c) For other Issues:—					
By Treasury Bills for Supply ..	..	3,575,636,000	3,913,357,000	48,678,000	56,686,000
By 4% Funding Loan, 1920-30 ..	..	..	270,552	..	..
By 4% Victory Bonds	..	..	769,061	..	..
By 5% Exchequer Bonds, 1925 ..	..	..	258,784	..	..
By National Savings Certificates ..	..	..	..	..	..
Under the War Loan Act, 1914-1919	..	56,205,000	18,670,000	4,300,000	950,000
Under the Finance Act, 1920 ..	..	..	..	..	..
By National War Bonds	..	..	..	..	..
By Treasury Bonds:—					
5-15 year, 1925-35	..	1,062,317	21,883,150	..	285,000
5%	..	283,577,064	..	..	..
5% 1927	..	40,601,369	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919	..	10,961,454	47,077,422	..	1,220,776
(d) Ways and Means Advances ..	..	1,241,596,000	1,283,346,000	1,950,000	5,350,000
Anglo-Persian Oil Company—					
Dividends on Shares acquired ..	..	5,010	427,756	..	..
Repayments:—					
In respect of Suez Canal Drawn Shares	..	7,111	7,853	..	..
Do Cunard Loan	..	130,000	130,000	..	..
Do East African Protectorate Loan	..	127,268	5,940	..	..
Do Issues under Civil Contingencies Fund Act, 1913	..	7,350,000	..	..	..
Do Issues under Land Settlement (Facilities) Act, 1913	..	63,128	16,780	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920	..	13,490,950	4,289,126	..	3,572,000
Do Issues under Section 59 (5) of the Finance Act, 1920	..	426,340	24,621	..	24,621
Interest received under Section 59 (5) of the Finance Act, 1920	..	6,360,329,216	6,617,591,712	89,334,266	107,135,876
Total	..	..	..	..	..

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1921-22. (See Note.)	Total Issues out of the Exchequer to meet Payments from		Issues.	
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	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1921, to Mar. 11, 1922.	Apr. 1, 1920, to Mar. 12, 1921.	Week Ended Mar. 11, 1922.	Week Ended Mar. 12, 1921.
OTHER ISSUES.				
Temporary Advances—				
Bullion	10,300,000	5,250,000	350,000	350,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921	13,470,000	..	530,000	..
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Acts, 1913 and 1921	6,261,474	5,300,000	..	..
Under the Post Office (London) Railway Act, 1913	27,500	144,000	..	..
Under the Housing Act, 1914	56,000	38,500	5,000	..
Redemption of Unfunded Debt—				
Treasury Bills for Supply	3,776,101,000	3,928,219,000	62,880,000	57,585,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917	31,228,495	69,140,463	528,854	1,222,775
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1922	21,100,000	29,150,000	1,000,000	500,000
(b) Repaid otherwise	10,400,000	..	..	..
Principal of Exchequer Bonds paid off	42,781,133	27,623,160	..	..
5%, 1921 ..	..	..	..	..
5%, 1922, £31,818,313; less: paid off by the National Debt Commissioners, £8,000,000..	..	..	..	..
23,818,313	..	..	..	..
Other Debt under the War Loan Act, 1914 to 1919	58,815,156	88,146,471	..	1,284,900
Principal of American Loan under the American Loan Act, 1915	..	59,229,221	..	..
Ways and Means Advances Repaid	1,277,355,000	1,304,427,000	10,776,000	21,670,000
Depreciation Fund, under the Finance Act, 1917	27,100,223	29,260,245	..	660,022
Issues to National Debt Commissioners to Reduce Debt—				
Suez Canal Drawn Shares Repayments	7,111	7,853	..	..
Cunard Loan Repayments	130,000	130,000	..	..
East Africa Protectorate Loan Repayments	127,268	5,940	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	17,390,000	7,425,000	..	750,000
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	269,620	257,766	..	..
Balances in Exchequer—	6,256,317,286	6,613,604,218	89,287,076	107,342,239
Bank of England	3,004,113	2,395,178	+ 490,569	+ 414,023
Bank of Ireland	1,007,837	1,592,318	- 445,149	- 616,387
Total	4,011,950	3,987,494	+ 47,220	- 206,364

Notes.—Budget Estimate as in House of Commons, Paper No. 88 of 1921. Treasury, March 13, 1922.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, March 15, 1922.

ISSUE DEPARTMENT.

	£		£
Notes issued	145,384,565	Government debt	11,015,100
		Other securities	7,434,900
		Gold coin & bullion ..	126,934,565
	145,384,565		145,384,565

BANKING DEPARTMENT.

	£		£
Proprietors' capital ..	14,553,000	Government securities	47,134,317
Reserve	3,617,681	Other securities	80,133,363
Public deposits	115,612,833	Notes	23,626,370
Other deposits	115,612,833	Gold and silver coin ..	1,840,876
Seven-day & other bills	15,101		
	152,734,926		152,734,926

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Account

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, Mar. 15, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Reserve	3,617,681	+ 1,602	+ 80,792
Public deposits	115,612,833	+ 3,767,776	+ 25,367
Government securities ..	47,134,317	+ 7,484,224	+ 8,353,739
Other securities	80,133,363	+ 3,415,000	+ 23,610,454
Notes	23,626,370	+ 786,013	+ 21,943,350
Gold and silver coin ..	1,840,876	+ 487,437	+ 6,797,842
Seven-day & other bills	15,101	+ 11,477	+ 6,347,900
Gold and bullion	126,934,565	+ 11,477	+ 449,942
% of reserve to liabilities	184%	+ 2%	+ 44%

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.
ESTABLISHED 1894.
ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

Clerical, Medical & General
LIFE ASSURANCE SOCIETY.
2½% Valuation
and
BONUS as BEFORE
Chief Office: 15, St. James's Square, S.W.1, London

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.
Dec. 21, 1921.	128,431,144	126,671,025	138,322,943	136,024,708	20,210,119	148%	6%
Jan. 18, 1922.	128,434,359	126,620,245	122,589,336	120,126,896	20,264,124	148%	11%
Feb. 11, 1922.	128,439,940	126,694,450	122,021,827	128,772,223	21,195,490	148%	11%
Mar. 11, 1922.	128,439,940	126,694,450	122,021,827	128,772,223	21,195,490	148%	11%
Mar. 11, 1922.	128,439,940	126,694,450	122,021,827	128,772,223	21,195,490	148%	11%
Mar. 11, 1922.	128,439,940	126,694,450	122,021,827	128,772,223	21,195,490	148%	11%
Mar. 11, 1922.	128,439,940	126,694,450	122,021,827	128,772,223	21,195,490	148%	11%
Mar. 11, 1922.	128,439,940	126,694,450	122,021,827	128,772,223	21,195,490	148%	11%
Mar. 11, 1922.	128,439,940	126,694,450	122,021,827	128,772,223	21,195,490	148%	11%
Mar. 11, 1922.	128,439,940	126,694,450	122,021,827	128,772,223	21,195,490	148%	11%

TEN YEARS' RECORD.

At corresponding date with the present week.	Mar. 13, 1912.	May 27, 1914.	Mar. 17, 1920.	Mar. 16, 1921.	Mar. 15, 1922.
Circulation (excluding Bank post bills)	28,118,725	28,933,380	101,171,915	128,106,095	121,758,195
Public deposits	23,771,313	19,014,809	18,416,000	18,910,444	18,936,311
Other deposits	43,589,822	41,248,964	133,036,922	107,259,094	115,612,833
Government securities	14,283,036	11,046,570	42,059,549	23,523,863	47,134,317
Other securities	43,055,918	41,461,280	91,954,013	102,076,713	80,133,363
Reserve of notes and coin	28,311,614	25,463,980	35,546,162	18,669,404	25,467,246
Coin and bullion	37,980,339	35,947,350	118,270,077	128,325,499	128,772,223
Proportion of reserve to liabilities	42%	42%	23%	14%	18%
Bank rate of discount	3½%	3½%	6%	7%	11%
Market rate, 3 months' bills	3½%	3½%	6%	7%	11%
Price of Consols	78	78	58-18	64	74
Price of silver per oz.	26-18	26-18	26-18	26-18	26-18
Average price of wheat	34s 1d	34s 1d	34s 1d	34s 1d	34s 1d
Exchanges on					
Paris	25-12-26	25-12-26	49-10-50	55-40-56	48-50
New York	84-84	84-79	83-71-75	83-90-91	84-34-34
Amsterdam	12-11-21	12-11-21	10-10-20	11-35-37	11-52-53
Berlin	20-45	20-45	280-312	244-246	1165-1167
Clearing house return	254,105,000	199,913,000	767,472,000	669,044,000	781,421,000

BANKERS' CLEARING RETURNS.

Week Ending	Town Clearing.	Country Clearing.	Total.
1922.			
January 1—March 8	6,849,187,000	542,422,000	7,391,609,000
March 15	727,325,000	54,056,000	781,381,000
Total to date 1922	7,576,512,000	596,478,000	8,172,990,000
Do 1921	6,913,675,000	738,563,000	7,652,238,000
Increase or decrease in 1922.	+ 662,837,000	- 142,085,000	+ 520,752,000
	+ 9.6%	- 19.2%	+ 6.8%
Total for 1921	31,928,380,000	3,002,179,000	34,930,559,000
Do 1920	34,946,683,000	4,072,220,000	39,018,903,000
Increase or decrease in 1921.	- 2,918,303,000	- 1,070,041,000	- 4,088,344,000
	- 8.6%	- 26.2%	- 10.4%

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Inc. or Dec.
Aggregate Totals to March 11.			
BIRMINGHAM	33,777,400	22,522,100	- 11,255,300
BRISTOL	16,225,000	14,117,000	- 2,108,000
DUBLIN	77,348,000	67,285,700	- 10,062,300
LIVERPOOL	10,896,300	10,896,300	0
LEICESTER	13,472,600	11,734,900	- 1,737,700
LONDON	8,598,800	7,983,700	- 615,100
MANCHESTER	111,699,900	86,763,800	- 24,936,100
NEWCASTLE-ON-TYNE	175,415,200	149,538,700	- 25,876,500
NOTTINGHAM	25,378,800	18,101,000	- 7,277,800
SHEFFIELD	8,038,400	6,971,000	- 1,067,400
	15,740,800	9,543,800	- 6,197,000

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.
(000's omitted.)

	Mar. 10, 1922.	Mar. 3, 1922.	Mar. 7, 1921.	Week's Movement.
RESOURCES.				
Total gold reserve	2,965,870	2,951,430	2,163,090	+ 14,440
Legal tender notes and silver reserve	128,080	129,360	212,670	- 1,270
Bills discounted for member banks	631,040	707,550	2,341,510	- 76,510
Bills bought in open market	101,930	95,730	164,000	+ 6,200
Government obligations owned	443,840	413,040	283,560	+ 30,800
All other resources	61,880	61,350	40,510	+ 530
LIABILITIES.				
Government deposits	24,210	60,770	56,940	- 36,560
Other deposits	1,755,850	1,757,670	1,579,860	- 1,820
Federal Reserve Notes in actual circulation	2,197,430	2,196,980	3,042,610	+ 450
Federal Reserve Bank Notes in actual circulation	79,630	80,100	185,110	- 470
All other liabilities	16,580	16,100	41,230	+ 780
Capital and surplus	319,200	319,130	302,900	+ 40
Ratio of total reserve to gross deposit and Federal Reserve note liabilities combined	77.8%	76.7%	50.8%	+ 1.1%

STATEMENT OF CANADIAN BANKS.
Oct. 31, 1921. Sept. 30, 1921. Oct. 31, 1920.

	Oct. 31, 1921.	Sept. 30, 1921.	Oct. 31, 1920.
ASSETS.			
Cash and bank balances	509,629,101	480,457,342	594,793,585
Bank balances abroad	69,886,192	74,325,335	82,446,915
Call and short loans	277,375,321	290,020,026	301,503,361
Securities	345,581,036	350,825,142	367,481,462
Loans in Canada	1,345,531,524	1,343,445,512	1,497,774,321
Loans abroad	156,518,933	151,488,861	133,749,657
Other assets	102,305,236	101,970,661	117,852,033
LIABILITIES.			
Note circulation	193,546,363	86,797,922	249,165,707
Deposits—			
Government	136,968,833	136,180,510	185,072,150
Public in Canada	1,816,974,475	1,798,071,504	1,968,927,532
Foreign	284,254,860	295,574,501	339,955,323
Bank balances—			
Canadian	11,561,996	12,577,629	15,377,031
Foreign	39,048,200	47,444,013	59,278,460
Bills payable and acceptances	33,530,439	33,073,315	57,183,917
Other liabilities	3,213,425	2,865,834	3,556,099
Capital and rest	264,338,629	264,334,153	257,682,750

BANK OF FRANCE.
(000's omitted.)

	Mar. 16, 1922.	Mar. 9, 1922.	Mar. 16, 1921.	Week's Movement.	Position May 28, 1914.
ASSETS.					
Gold coin and bullion	5,525,747	5,525,547	5,503,743	+ 200	3,730,625
Of which held abroad	1,948,367	1,948,367	1,948,367	..	632,650
Silver coin and bullion	281,592	281,341	264,930	+ 64	2,347,775
Discount and advances	5,285,165	5,350,088	5,373,862	+ 64,923	..
LIABILITIES.					
Notes	35,660,374	36,225,852	38,245,394	- 565,478	5,811,875
Government deposits	68,550	89,028	64,268	+ 20,478	183,700
Private deposits	2,124,881	2,276,330	3,087,598	- 151,449	845,950

BANK OF SPAIN.
(000's omitted.)

	Mar. 11, 1922.	Mar. 4, 1922.	Feb. 25, 1922.	Mar. 12, 1921.	Week's Movement.	Position May 30, 1914.
ASSETS.						
Gold	2,519,013	2,518,386	2,517,661	2,475,934	+ 657	221,775
Silver	631,605	631,419	634,988	632,337	+ 186	728,600
Loans and discounts	2,554,219	2,613,791	2,601,310	2,057,314	+ 59,572	800,725
Spanish 4% stock	344,475	344,475	344,475	344,474	..	344,475
Treasury bills	150,000	150,000	150,000	150,000	..	150,000
LIABILITIES.						
Circulation	4,196,908	4,205,214	4,172,442	4,249,701	- 9,306	1,901,

NATIONAL BANK OF DENMARK.

(000's omitted.)

Assets.	Feb. 28, 1922.	Jan. 31, 1922.	Dec. 31, 1921.	Feb. 28, 1921.	Month's Movement.	Position May 30, 1914.
Coin and bullion ..	228,330	228,330	228,330	228,330	—	228,330
Loans and discounts ..	434,127	417,255	403,381	353,553	+ 16,872	88,470
Debtors abroad ..	20,983	19,273	22,684	15,403	+ 1,710	94,102
Securities ..	23,926	37,679	39,397	50,984	- 13,765	11,988
LIABILITIES.						
Circulation ..	440,822	450,018	470,964	508,500	- 9,196	187,368
Deposits ..	124,730	127,209	129,078	64,286	- 2,479	6,896

IMPERIAL BANK OF INDIA.

(000's omitted.)

Assets.	Feb. 17, 1922.	Feb. 10, 1922.	Feb. 3, 1922.	Jan. 27, 1922.	Jan. 20, 1922.	Jan. 13, 1922.
Govt. securities ..	9,88,52	9,83,73	10,35,97	11,82,34	11,06,80	11,07,90
Other securities ..	1,28,17	1,28,17	1,28,17	1,28,17	1,28,17	1,28,17
Loans ..	14,83,94	14,05,11	13,51,55	13,47,09	15,90,33	16,15,15
Cash credits ..	26,67,49	26,02,92	25,50,84	24,97,70	25,25,38	25,25,38
Inland bills ..	10,21,94	10,10,61	11,15,74	10,79,66	10,60,48	10,29,17
Foreign bills ..	4,76	5,14	5,29	5,61	5,27	4,30
Bullion ..	24	23	27	28	29	11
Dead stock ..	3,39,56	2,38,47	2,37,64	2,37,62	2,36,70	2,36,15
Sundries ..	31,70	33,08	34,58	31,13	32,92	42,91
With other banks ..	12,25	13,78	13,88	13,66	13,48	12,63
Cash ..	14,19,40	14,68,65	16,50,73	16,91,16	14,58,28	12,52,53
LIABILITIES.						
Subscribed capital ..	11,24,00	11,24,00	11,24,00	11,24,00	11,24,00	11,24,00
Capital paid up ..	5,62,25	5,62,25	5,62,25	5,62,25	5,62,25	5,62,25
Reserve ..	4,01,79	4,01,79	4,01,79	4,01,79	4,01,79	4,01,79
Public deposits ..	11,35,80	9,56,04	9,48,44	9,05,06	9,08,28	5,92,06
Other deposits ..	58,23,97	59,21,92	61,93,09	62,36,70	62,04,43	63,22,05
Loans against secos ..	31,55	31,55	31,36	27,54	27,37	31,81
Sundries ..	42,32	41,64	39,81	34,22	35,20	44,44
The above includes—						
Deposits in London ..	247,600	247,600	63,000	55,200	56,100	56,000
Advances in London ..	247,600	247,600	285,500	264,500	262,900	263,700
Cash, &c., at other banks in London ..	76,442	86,713	86,709	84,732	82,312	

BANK OF FINLAND.

(000's omitted.)

Assets.	Feb. 28, 1922.	Feb. 22, 1922.	Feb. 15, 1922.	Feb. 8, 1922.	Week's Movement.	Position May 30, 1914.
Gold ..	42,625	42,625	42,625	42,625	—	35,081
Balance abroad and foreign bills ..	162,828	151,506	251,069	+ 11,322	90,379	
LIABILITIES.						
Notes in circulation ..	778,959	798,961	1,096,035	- 20,002	21,286	
Discounts and loans ..	757,187	743,292	292,565	+ 13,895	106,151	
Notes in circulation ..	1,442,089	1,385,083	1,464,380	+ 57,006	123,941	
Deposits at notice ..	88,363	141,465	45,132	- 53,103	21,286	

NATIONAL BANK OF EGYPT.

(000's omitted.)

Assets.	Nov. 30, 1921.	Oct. 31, 1921.	Nov. 30, 1921.	Month's Movement.	Position May 31, 1914.
Gold ..	3,362	3,364	3,360	- 2	1,571
Government securities ..	39,994	41,575	48,847	+ 1,581	2,084
LIABILITIES.					
Notes in circulation ..	34,722	35,875	39,445	- 1,153	2,400
Government deposits ..	2,520	2,776	3,696	+ 244	2,315
Other deposits ..	12,707	13,847	18,411	+ 1,140	2,660

BANK OF PORTUGAL.

(000's omitted.)

Assets.	Feb. 8, 1922.	Feb. 1, 1922.	Jan. 25, 1922.	Feb. 9, 1922.	Week's Movement.
Coin and bullion ..	27,207	27,899	27,285	27,628	- 92
Of which gold ..	8,577	8,577	8,577	8,577	—
Balance abroad ..	13,757	13,881	14,382	8,330	- 124
Discounts ..	138,957	138,709	134,964	130,781	+ 248
Government loans ..	620,101	620,101	620,101	518,113	—
LIABILITIES.					
Notes in circulation ..	738,619	742,153	735,711	618,822	- 3,534
Deposits ..	47,864	49,527	51,796	27,701	- 1,653

NATIONAL BANK OF BULGARIA.

(000's omitted.)

Assets.	Dec. 22, 1921.	Nov. 14, 1921.
Coin ..	62,715	63,239
Balance at foreign banks ..	989,123	1,051,116
LIABILITIES.		
Notes in circulation ..	3,570,374	3,592,379
State advances ..	3,691,997	3,578,312

POLISH NATIONAL BANK.

(000's omitted.)

Assets.	Jan. 31, 1922.	Dec. 31, 1921.	Nov. 30, 1921.	Oct. 31, 1921.	Month's Movement.
Gold ..	26,300	24,800	22,500	20,800	+ 1,400
Silver ..	42,900	42,900	42,900	41,600	+ 300
Foreign coin ..	120,700	94,500	76,700	65,300	+ 26,200
Foreign banks ..	889,900	13,115,100	7,446,100	2,747,200	—
Advances to the Govt. ..	227,350,000	221,000,000	214,000,000	198,500,000	+ 6,350,000
Private loans and discounts ..	37,728,500	34,894,400	29,491,400	21,551,800	+ 3,104,100
Other assets ..	38,265,100	27,145,800	25,137,200	19,813,200	+ 11,112,500
LIABILITIES.					
Notes in circulation ..	239,615,300	229,537,600	207,029,100	182,777,300	+ 10,777,700
Government accounts ..	30,064,800	29,440,100	34,484,800	30,255,500	- 594,700
Other accounts ..	2,639,900	19,573,900	19,639,800	14,722,700	- 18,354,800
Reserve ..	11,332,900	2,867,700	68,800	58,800	+ 8,464,300
Other liabilities ..	2,287,100	15,871,600	17,210,700	16,977,300	- 13,585,500

* Sums deposited were transformed at par of exchange.

THE STATE SAVINGS AND CREDIT BANK OF LATVIA.

Assets.	December 31, 1921.	December 16, 1921.	December 1, 1921.	November 16, 1921.
Total cash ..	11,567,730	120,445,955	123,118,634	91,198,484
Foreign bank ..	328,184,337	321,901,646	381,916,730	374,315,168
Discounts and loans ..	108,236,974	165,161,575	370,873,394	381,498,368
Other assets ..	213,766,954	74,336,921	169,953,318	
LIABILITIES.				
Capital ..	300,000,000	300,000,000	300,000,000	300,000,000
Deposits ..	233,317,483	295,116,253	341,892,091	410,849,603
Other liabilities ..	230,600,462	296,201,036	308,353,578	316,115,773

BANK OF ESTHONIA.

Assets.	Jan. 31, 1922.	Dec. 31, 1921.	Nov. 30, 1921.	Monthly Movement.
Total cash ..	288,331,898	240,601,141	342,493,106	+ 47,130,757
Discounts and loans ..	1,618,576,070	1,567,722,037	1,397,925,805	+ 250,853,973
LIABILITIES.				
Capital paid up ..	250,000,000	250,000,000	250,000,000	—
Reserve ..	10,674,155	10,674,155	11,674,154	—
Notes in circulation ..	500,000,000	350,000,000	350,000,000	+ 150,000,000
Deposits ..	1,109,122,171	1,069,786,091	1,021,017,110	+ 39,336,080

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

Assets.	Feb. 28, 1922.	Feb. 23, 1922.	Feb. 15, 1922.	Feb. 8, 1922.	Week's Movement.
* Liabilities of the Austro-Hungarian Bank to the Banking Office ..	10,096,692	10,096,692	10,096,692	9,526,086	+ 11,795
Discounts and advances ..	2,856,613	2,844,818	2,887,433	3,768,400	—
Gold, silver, foreign bills and balance abroad ..	982,685	966,204	1,174,516	—	+ 16,481
Other assets ..	716,100	841,919	806,793	1,349,700	- 125,819
LIABILITIES.					
State notes in circulation ..	10,743,958	10,543,282	10,757,127	10,914,786	+ 200,876
Deposits ..	1,805,996	1,730,465	1,524,490	1,524,490	—
Other liabilities ..	2,402,136	2,492,792	2,417,842	2,404,910	+ 90,685

* Resulting from bank notes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENES.

(000's omitted.)

Assets.	Feb. 28, 1922.	Feb. 23, 1922.	Feb. 15, 1922.	Feb. 8, 1922.	Week's Movement.
Gold ..	73,655	74,030	74,026	64,073	- 199
Other coin and notes ..	17,038	17,297	17,412	21,086	- 375
Foreign credits ..	306,439	300,549	296,027	359,528	+ 6,245
Bills ..	698,439	687,738	685,041	801,629	+ 10,701
Govt. advances ..	4,418,508	4,418,507	4,418,508	3,382,711	+ 1
LIABILITIES.					
Notes in circulation ..	4,638,312	4,630,049	4,641,278	3,405,944	+ 8,263
State credits ..	334,274	334,274	334,274	374,948	—
Deposits ..	568,862	521,675	467,793	219,751	+ 47,187

LONDON RATES.

Bank rate (reduced from 5% Feb. 16, 1922)	Mar. 10, 1922.	Mar. 11, 1922.	Mar. 12, 1922.	Mar. 13, 1922.	Mar. 14, 1922.	Mar. 15, 1922.	Mar. 16, 1922.	Mar. 17, 1922.
Market rates of discount—								
60 days' bankers' drafts ..	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
3 months' do. ..	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
6 months' do. ..	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Discount (Treasury Bills):—								
3 months' ..	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans:—Day to day ..	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short ..	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks ..	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call ..	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice ..	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

* Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—									
	Short Loans.	Bank Bills.			Trade Bills.				
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.		
1921.	%	%	%	%	%	%	%	%	%
Dec. 30.....	4 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5	5	2	5
1922.									
Jan. 6.....	4 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5	5	2	5
13.....	4 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5	5	2	5
20.....	4 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5	5	2	5
27.....	4 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5	5	2	5
Feb. 3.....	4 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5	5	2	5
10.....	4 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5	5	2	5
17.....	4 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5	5	2	5
24.....	4 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5	5	2	5
Mar. 3.....	4 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5	5	2	5
10.....	4 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5	5	2	5
17.....	4 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5	5	2	5

IRISH BANKS' RATE.

Discount ..	Present Rate.	Date Changed.	Previous Rate.	Date Changed.
Deposit ..	2 1/2	Feb. 16, 1922	3	July 21, 1921
	2 1/2	Nov. 4, 1921	3	June 23, 1921

OVERSEAS BANK RATES.

Bank Rate		Bank Rate	
Changed.		Changed.	
Amsterdam	July 1, 1915 .. 4 1/2	Madrid	Nov. 4, 1920 .. 5
Athens	May 15, 1920 .. 6 1/2	Paris	Nov. 11, 1922 .. 5
Berlin	Dec. 23, 1914 .. 5	Batavia	Aug. 16, 1921 .. 5 1/2
Brussels	May 19, 1921 .. 5	Bombay	May 11, 1920 .. 5
Bucharest	Sept. 4, 1920 .. 6	Rome	June 14, 1919 .. 5 1/2
Calcutta	Feb. 16, 1922 .. 6	Stockholm	Mar. 10, 1922 .. 5
Christiania	Jan. 25, 1922 .. 5 1/2	Swiss Bank	
Copenhagen	Nov. 8, 1921 .. 5 1/2	places	Mar. 2, 1922 .. 5 1/2
Helsingfors	Nov. 8, 1920 .. 5 1/2	Tokio	Nov. 12, 1919 .. 5 1/2
Lisbon	Sept. 3, 1920 .. 7	Vienna	Nov. 29, 1921 .. 5 1/2
New York Federal Reserve	Nov. 2, 1921 .. 4 1/2	Warsaw	Sep., 1921 .. 5 1/2

RATES OF EXCHANGE.

IMPORTS AND EXPORTS OF GOLD.

Gold Imported into the United Kingdom.		Gold Exported from the United Kingdom.	
Countries from which Consigned.	Week Ended Mar. 15, 1922.	Countries to which Exported.	Week Ended Mar. 15, 1922.
Anglo-Egyptian Sudan	£ 6,242	Netherlands	£ 3,950
British Guiana	3,400	Egypt	8,700
British South Africa	25,454	British India	221,758
		Spain	29,376
		Italy	3,210
Total value of imports of gold	35,096	Total declared value of exports registered in the week	266,994

Messrs Samuel Montagu and Co. write on March 16th as follows:—

GOLD.

The small amount of gold on offer has been taken for India. Gold valued at \$15,492,000 has been received in New York from Sweden. The great advance in the prosperity of India is revealed by statistics dealing with banking in that country, and is not without influence upon the imports of precious metal, which, subject to an occasional fluctuation as to quantity, have been on a remarkable scale in recent years. In the pre-war year 1913 there were 12 exchange banks doing business in the country, their aggregate capital and reserves amounting to £37,825,000, and their deposits actually in India to £31,035,000. By 1920, notwithstanding the elimination of the Deutsch-Asiatische Bank, the total number had risen to 15, the aggregate capital and reserves amounting to £90,217,000 and the deposits in India to £74,807,000. Indian joint-stock banks—other than exchange banks—having a paid-up capital and reserve of Rs. 5 lacs and over, numbered 18 in 1913 and 25 in 1920. Their capital and reserves increased in the same period from Rs. 364 lacs to Rs. 1,092 lacs, and their deposits from Rs. 2,259 lacs to Rs. 7,115 lacs. The deposits of the Presidency Banks, which are now amalgamated as the Imperial Bank of India, rose from Rs. 588 lacs in 1913 to Rs. 902 lacs in 1920. No Indian bank of any importance has gone into liquidation since 1917. The following were the United Kingdom imports and exports of gold during the month of February, 1922:—Imports, £2,400,633; exports, £3,239,560.

SILVER.

Following a rise on the 10th inst. to 33½d for cash and 33½d for forward delivery, owing to purchases on account of the Indian bazaars, prices moved downward, until 33½d and 32½d were reached yesterday. Offerings from America have not been much in evidence owing to weakness of the exchange with that country, but supplies from the Continent had been sufficient to meet the demand. To-day, however, further buying from the bazaars caused a reaction to 33½d for spot and 33d for two months' delivery. It is anticipated purchases will continue to be made by the Indian bazaars for shipment by next week's steamer, which is due to arrive in time for the Bombay April settlement.

INDIAN CURRENCY RETURNS.
(In Lacs of Rupees.)

	Feb. 22, 1922.	Feb. 28, 1922.	Mar. 7, 1922.
Notes in circulation	17,357	17,387	17,293
Silver coin and bullion in India ..	7,598	7,627	7,638
Silver coin and bullion out of India ..	2,432	2,432	2,432
Gold coin and bullion out of India ..	6,743	6,743	6,644
Securities (Indian Government) ..	584	585	584
Securities (British Government) ..			

No silver coinage was reported during the week ending 7th inst. The stock in Shanghai on the 10th inst. consisted of about 40,600,000 ounces in sycee, 31,500,000 dollars, and 2,000 silver bars, as compared with about 40,200,000 ounces in sycee, 29,500,000 dollars, and 1,980 silver bars on the 4th inst.

GOLD AND SILVER PRICES.

The price of gold and cash and forward prices of bar silver during this week and in previous years are as below:—

1922.	Gold.		Silver.		Date.	Silver.	
	Per Ounce.	Cash Per Ounce.	Forward Per Ounce.			Cash Per Ounce.	
Mar. 11 ..	95 0	33½	33		Mar. 24, 1916	28½	
13 ..	95 9	33½	33½		23, 1917	35½	
14 ..	96 9	33½	33		22, 1918	45	
15 ..	96 4	33½	32½		22, 1919	47½	
16 ..	95 11	33½	33		19, 1920	70½	
17 ..	95 9 nom.	33½	33½		18, 1921	32½	

NOTICES.

The National Provincial and Union Bank of England, Limited, has opened a branch at 256 Westminster Bridge road, S.E., under the management of Mr W. T. Shaw.

The Standard Bank of South Africa, Limited, announce the numbers of certain bonds and debentures of the City of Cape Town 5 per Cent. and 4 per Cent. Municipal Loans, drawn for repayment July 1st next.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Div.	Date of Payment.	Method of Payment.	Dividend for Whole Years.	
					Last Year.	Pre-vious.
Railways.						
Minn., St. Paul, &c.	2%		April 15	..	..	..
Sidmouth	2½%		..	..	4	..
Banks.						
Bank of England	6%		..	Less tax	..	..
Helsingfors Aktiebank	3%		..	..	8	..
Imperial of India	16%		..	Tax free	..	..
Royal Bank of Ireland	4½%		April 1	..	9	9
Swiss Bank Corporation	3½%		..	..	8	..
Union de Banques Suisses	3½%		..	..	8	..
Insurance.						
British and European	..		..	Less tax	10	..
Maritime	15½%		Mar. 25	Less tax	30	30
Profits and Income	10%		..	Tax free	20	20
West of Scotland	..		Mar. 30	Less tax	30	30
Mining.						
Gopeng Cons.	9 p.s.		April 7	Less tax	..	15
North's Navigation Collieries	..		..	Less tax	..	..
Tea and Rubber.						
Associated Tea of Ceylon, Pref.	3%		Mar. 31	Less tax	..	..
Other Companies.						
Arkwright Spinning	13 p.s.		May 4	Tax free	..	..
Australian Mercantile Land	5%		..	Tax free	12½	10
Bath and Portland Stone	10%		..	Tax free	..	..
Beaumont Coal and Coke	..		..	Tax free	..	..
Beyer, Peacock	13½%		..	10%	20	20
Bon Marché	..		..	..	6	..
Bournemouth Markets Ice	..		..	..	22	15
Bridges and Co.	20 p.s.		April 7	Less tax	15	15
British Gas Light	6½%		..	5%	7	6
British Insulated and Helsby	..		..	..	15	15
British Metal Corporation	12½%		April 1	Less tax	10	10
Brush Electrical Engineering	..		..	..	..	..
California Petroleum, Fred.	1%		May 1	Tax free	7	..
Cochran's Plow, Pref.	4½%		..	Tax free	8	25
Crowe, Wilson, and Co.	5%		..	Tax free	7½	20
Davis and Timmins	12½%		..	Tax free	17½	20
D. Davis and Sons	..		..	..	12	..
D. H. Evans	7%		..	Tax free	10	10
Dickins and Jones	14½%		..	..	5	..
Erith and Dartford Lighterage	..		..	..	15	5
Gaskell and Chambers	..		..	..	12	12
General Steam Fishing	..		..	..	15	15
George and John Nickson, Pref.	2½%		April 13	..	..	..
Brad's Crown Brewery	7½%		..	..	10	..
Harris and Sheldon	15%		..	..	6 p.s. 6 p.s.	..
Hayes, Candy, and Co.	..		..	..	5	15
Henry Thompson and Sons	10%		..	..	10	..
Hine, Parker, and Co.	10½%		..	..	15	5
Hugon and Co.	14½%		Mar. 29	..	..	..
Imperial Tobacco Co. (Canada) ..	10 p.s.		..	Tax free	15 p.s.	..
Imperial Tobacco Co. (Canada) ..	12½%		..	..	15	15
James W. Cook, Limited	..		..	..	12 p.s. 4 p.s.	..
Do Bonus	..		..	..	8	..
J. G. Mooney and Co.	4%		..	..	2½	10
J. and J. Lonsdale, Ord. & Deid.	10%		..	..	8	10
John Milligan and Co.	..		..	..	..	..
John Oakley and Sons	..		..	..	..	..
John Robertson and Son	..		..	..	..	..
Kern River Oilfields, California ..	..		..	..	..	..
Lampport and Holt	..		..	..	..	..
Liebig's Extract of Meat, Pref.	..		..	..	..	..
Limmer and Trinidad Asphalt	..		..	..	..	..
Liverpool Carriage Co.	..		..	..	..	..
Liverpool Exchange	..		..	..	..	..
Manila Electric	..		..	..	..	..
Matador Land and Cattle	..		..	..	..	..
Mexican Petroleum	..		..	..	..	..
Midland Elec. Corp., &c.	..		..	..	..	..
Mississippi River Power, Pref.	..		..	..	..	..
Newbury's	..		..	..	..	..
Newcastle, &c., Electric Lighting ..	..		..	..	..	..
New Egyptian Co.	..		..	..	..	..
Nicholson	..		..	..	..	..
North-Eastern Ice	..		..	..	..	..
North American Petroleum, "A" ..	..		..	..	..	..
Peck, Frenn, and Co.	3%		April 10	..	15	15
Peter Robinson	10½%		..	..	15	..
Pillsbury - Washington Flour Mills ..	..		..	..	..	..
R. and R. Macleod	..		..	..	..	..
Regents Canal and Dock	..		..	..	..	..
Robey and Co., Pref. and Ord.	..		..	..	..	..
S. African and Gen. Invest.	..		..	..	..	..
Samuel Jute	..		..	..	..	..
Samuel Webster and Sons	..		..	..	..	..
Sir Wm. Arrol and Co.	..		..	..	..	..
Smith's Dock	..		..	..	..	..
South African Gold Trust	..		..	..	..	..
Spa (Scarborough)	..		..	..	..	..
Staffe and Worcesterhire Canal	..		..	..	..	..
Steel Developments	..		..	..	..	..
Stewarts and Lloyds, Defd. l.p.	..		..	..	..	..
Do Defd. l.p. from Sept. 30 ..	..		..	..	..	..
Switzer & Co.	..		..	..	..	..
Thomas and James Bernard	..		..	..	..	..
Titagarh Jute	..		..	..	..	..
T. J. Harries and Co., Ord.	..		..	..	..	..
Do Defd. and Founders'	..		..	..	..	..
United Carlo Gatti	..		..	..	..	..
United Tobacco Cos. (South)	..		..	..	..	..
Venesta, Limited, Pref.	..		..	..	..	..
Victoria Jute	..		..	..	..	..
Vine Spinning	..		..	..	..	..
Welsh Navigation Steam Coal	..		..	..	..	..
Western Manions	..		..	..	..	..
William Hollins	..		..	..	..	..
William W. Nell	..		..	..	..	..
Yeoman and Co.	..		..	..	..	..

(a) And bonus issue of 24,000 l.p. ord. shares, £1, at the rate of one new share for every ten pref. or ord. shares now held.

COLTNESS IRON COMPANY have declared the usual half-yearly dividends on the first and second preference shares, payable on April 15th next, but they regret that, owing to the continued depression in trade, they are unable to pay any interim dividend on the ordinary shares at this time.

JOHN LOVEYS AND CO.—After payment of preference dividend of 5 per cent. for year there is a balance of £875 to carry forward. In the circumstances, it is not proposed to declare a dividend on ordinary shares.

R. E. JONES, LIMITED.—Interim dividends at the rate of 10 per cent. per annum on the preference and 20 per cent. per annum on the ordinary shares were paid in May, but no final dividends are being paid.

SAWERS do not propose to pay interim dividend on ordinary shares for current year.

THE PEARSON AND KNOWLES COAL AND IRON COMPANY have declared the usual half-year's dividend on the first and second preference shares, but consider it prudent not to declare an interim dividend on the ordinary shares owing to the present trade position.

UNITED TURKEY RED.—After allowing for preference dividends there is a debit at profit and loss of £188,469; no dividend is being paid on the ordinary shares.

ANALYSIS OF BALANCE-SHEETS.

LAMPFORT AND HOLT.
December 31, 1921.

LIABILITIES.		ASSETS.	
Amount.	Inc. or Dec.	Amount.	Inc. or Dec.
Ord. shares	1,100,000 ..	Investments in shipping	4,836,933 ..
Preference shares	2,000,000 ..	Investments	1,266,145 ..
Reserve account	800,000 ..	Sundry debtors	314,484 ..
Insurance account	250,000 ..	Cash	64,148 ..
Debiture stock	950,000 ..		
Sundry creditors	182,593 ..		
Bills payable	973,355 ..		
Profit and loss	225,162 ..		
Total	6,481,710 ..	Total	6,481,710 ..

WILLIAM WHITELEY.
February 14, 1922.

LIABILITIES.		ASSETS.	
Amount.	Inc. or Dec.	Amount.	Inc. or Dec.
4½% cum. pref. shares	450,000 ..	Land, bldgs., &c.	1,331,965 ..
Ord. shares	450,000 ..	Leaseholds, &c.	243,138 ..
Man & agent	100 ..	Plant, &c.	157,787 ..
4% deb. stock	900,000 ..	Working plant, &c.	42,785 ..
Int. accrued	16,620 ..	Horses, vans, &c.	40,972 ..
Loans on mort.	111,238 ..	Stock-in-trade	391,104 ..
Deposits and current accounts	495,239 ..	Book debts, &c.	666,581 ..
Sundry creditors	249,848 ..	Investments	367,426 ..
Reserve for excess profits, &c.	145,886 ..	Cash	60,240 ..
Reserve	210,000 ..		
Special reserve	..		
Profit and loss	266,067 ..		
Total	3,294,998 ..	Total	3,294,998 ..

Reports and Notices.

After March 18th, the address of the International General Electric Company Inc., will be Crown House, Aldwych, London, W.C.2.

The British Oak Insurance Company, Limited, has opened a marine underwriting office at 2 Cooper street, Manchester, in charge of Mr Donald Moores.

Messrs Jacob Schwarzschild and Sons announce that on Monday next, the 20th inst., they will remove their offices from 34A Throgmorton street to 2A Copthall court, E.C.2 (ground floor).

Messrs Coutts and Co. will pay on and after April 1st the coupons of the Peruvian Corporation first mortgage 6 per cent. debentures at the rate of £4 per cent. per annum, in accordance with the resolution passed at a meeting of holders on March 12, 1896, with the additional interest of £2 per cent., making a total payment of £4 per cent.

BANKS.

BANCO ITALIANO, LIMA.—The 34th annual report and balance-sheet for December 31, 1921, of the Banco Italiano, Lima (which is affiliated to the Banca Commerciale Italiana) shows the following results:—Net profits: Lp. 101,726, to which are to be added Lp. 70,191 carried forward from 1920, out of which a dividend of 18 per cent. (the same as 1919-20) is to be paid. After placing about Lp. 10,000 to the reserve, and Lp. 4,000 to the special emergency fund, and paying directors' fees and special staff allowances, there remain Lp. 73,247 to be carried forward. The bank's capital is Lp. 400,000; the reserve will now amount to about Lp. 255,850, in addition to which there is a special emergency fund of nearly Lp. 25,000. Besides their head office in Lima, the Banco Italiano now has branches in Arequipa, Callao, Chichas Alta, and Mollendo.

IMPERIAL BANK OF INDIA.—The report for the half-year ended December 31, 1921, states that:—"Throughout the greater part of the half-year the trade demand was poor, and the rate of interest on demand loans remained at 5 per cent. until near the close of the year, when a sharp demand for money arose in Bombay and Burmah. The rate was raised to 6 per cent. on December 15th, and again to 7 per cent. on December 29th. The average rate for the period from July 1st to December 31st was 5.108 per cent. The net profits of the bank for the half-year amounted to Rs. 62,27,657.0.9, which, with Rs. 10,14,136.13.8 brought forward from the period January 27 to June 30, 1921, made a total of Rs. 72,41,793.14.5. This sum the

governors of the bank disposed of as follows:—In payment of a dividend to the shareholders at the rate of 16 per cent. per annum, free of income-tax, Rs. 44,67,300; transferred to reserve fund, Rs. 10,00,000; transferred to pension funds, Rs. 5,00,000; carried forward to profit and loss account of the current half-year, Rs. 12,74,493. Since the publication of the report for the period ending June 30, 1921, new branches have been opened at Ambala, Amritsar, Bassein, Cuttack, Hubli, Larkana, Peshawar, and Rawalpindi, and further branches will be opened shortly at Ahmednagar, Cuddalore, Kumbakonam, Meerut, Moradabad, Mozuffarpore, Vellore, and Vizagapatam. Arrangements are being made to open a further number of new branches during the current year."

ASSURANCE.

BRITANNIC ASSURANCE.—Extracts from the directors' report, 1921, show the premium income in respect of life assurance for the year amounted to £2,303,865. Total claims paid up to December 31, 1921, was £15,887,077. The ordinary branch premium income amounted to £505,225. The new business completed amounted to £1,449,020 in sums assured. In the industrial branch the premium income amounted to £1,798,640. The gross income from all sources amounted to £2,640,325. The total outgo amounted to £1,893,804, leaving a balance of income over expenditure on the year's accounts of £746,521. The total funds amount to

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Week Ended Mar. 12, 1922.			Aggregate 10 Weeks 1922.		
	Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Re- ceipts.
Brecon and Merthyr	60	869	3,516	4,385	9,175	37,392
Great Central (c)	676	39,800	141,400	181,200	404,100	1,306,600
Do Joint Lines	161	103,300	32,200	32,200	1,710,700	309,600
Great Eastern (c)	1,207	97,400	300,700	931,000	1,016,400	1,947,400
Great Northern (c)	1,050	79,600	158,000	237,600	742,200	1,515,300
Great Western	2,964	221,000	327,000	548,000	2,181,000	2,959,000
Hull and Barnsley	92	1,223	21,742	22,965	8,744	210,436
Do Dock Receipts	2,633	310,000	452,000	762,000	2,993,000	4,342,000
London & N. Western	968	107,700	61,400	169,100	1,040,000	563,500
Lon. Brighton & S.C. (c)	487	73,526	29,330	102,756	748,070	281,740
Mar. & Carlisle (c)	428	1,024	2,908	11,033	14,642	35,735
Metropolitan (c)	73	32,481	4,027	36,508	328,199	38,398
Midland (c)	1,585	157,000	341,000	498,000	1,500,000	3,377,000
Midland & S.W. Jnc.	63	1,176	1,509	2,685	11,142	13,399
North Eastern (c)	1,758	110,900	228,200	339,100	1,060,600	1,221,100
North London	16	4,602	10,018	14,620	50,731	99,777
Rhymney	51	2,790	11,263	14,053	28,802	95,040
South-E. & Chatham (c)	645	107,100	45,100	152,200	1,051,500	415,600
Taff Vale	124	7,709	28,295	36,004	79,839	272,342
Underground E.R. (c)	..	..	..	..	..	2,938,538
Lon. & Sub. Group (c)	..	..	..	..	..	176,708
Caledonian	1,097	58,600	103,700	168,300	570,100	935,700
Glasgow & S.W. (c)	476	24,200	40,400	64,600	237,800	358,200
Gt. N. of Scotland (c)	334	7,980	12,660	20,640	76,900	96,470
Highland (c)	492	9,216	11,875	21,091	93,627	103,874
North British (c)	1,378	54,100	138,200	192,300	528,700	1,199,400
Belmont	..	..	..	..	..	1,728,100
Down (b)	80	4,949	1,645	6,594	40,411	15,053
Dublin & S. East. (b)	160	4,829	4,832	9,667	49,578	36,608
Midland Gt. West. (b)	538	9,311	16,256	25,567	117,667	137,478

(a) Including 10 miles temporarily closed. (b) Week ended March 10, 1922.
(c) Week ended March 11, 1922. (d) Includes Dock Receipts.

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.

Name.	Period.	Ending.	Receipts for Week or Month.	Inc. or Dec.	Aggregate Receipts.	Inc. or Dec.
Algoma Cent. & Hudson Bay	6 mths	Dec. 31	Gross \$104,122	- 69,101	1,002,900	- 694,740
Canadian N.W.	9 weeks	Mar. 7	Gross \$1,111,000	- 239,622	9,199,977	- 3,789,263
Canadian N.W.	1 mth	Jan. 31	Gross \$3,805,000	- 1,289,100	..	..
Canadian Pac.	9 weeks	Mar. 7	Gross \$3,029,000	- 236,000	25,290,000	- 5,199,000
Canadian Pac.	1 mth	Jan. 31	Gross \$11,338,000	- 3,127,000	..	..
Grand Trunk	9 weeks	Mar. 7	Net \$483,000	- 158,000	..	..
Temiscouata	1 mth	Dec. 31	Gross \$399,642	+ 119,426	3,381,314	+ 607,649

* Net earnings before deducting taxes. † Railway and Steamship receipts.

OTHER BRITISH OVERSEAS RAILWAYS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
Beira and Mashona-land	1 mth	Dec. 31	810	\$ 105,507	+ 4,046
Mid. of W. Aust.	7 mths	Jan. 31	777	12,644	+ 2,219
New Cape Central	7 weeks	Feb. 18	205	2,909	+ 288
Rhodesia Railways	1 mth	Dec. 31	1,397	134,575	- 5,786

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
Anglo-Argentine	10 weeks	Mar. 11	329	\$28,613	+ 5,910
Burley Corporation	1 week	11	12	\$3,178	- 353
Calcutta Tramways	10 weeks	Mar. 11	353	\$11,619	+ 30,316
Chatham & District	8 weeks	Feb. 25	15	\$1,444	- 148
Egyptian Markets	10 weeks	Mar. 11	..	\$1,734	- 541
Glasgow Corporation	41 weeks	11	99	\$44,230	- 2,119
Isle of Thanet	23 weeks	8	..	\$530	- 476
Leicester United	9 weeks	7	39	\$3,223	- 479
Liverpool Corporation	10 weeks	11	124	\$28,962	- 544
L.C.C. Tramways	50 weeks	15	155	\$93,723	- 7,825
Madras Electric	5 weeks	Feb. 28	..	\$39,503	- 193,602
Pernambuco Trams	10 weeks	Mar. 12	..	\$3,746	- 1,011
Singapore Electric	8 weeks	Feb. 11	..	\$16,676	+ 5,342

TRAMWAY & OTHER MONTHLY GROSS & NET RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
Barcelona Trac.	1 mth	Jan. 31	Gross	4,074,494	+ 920,177
Brooklyn Trac.	1 mth	Jan. 31	Net	2,519,811	+ 439,562
Brooklyn Trac.	1 mth	Jan. 31	Gross	15,032,000	+ 2,157,000
Brisbane Electric	2 mths	Feb. 28	Net	8,796,000	+ 2,579,000
Brit. Columbia	7 mths	28	Gross	\$43,800	- 595
Electric, do.	..	..	Net	\$907,242	- 1,143
Buenos Ayres La	8 mths	28	Gross	\$285,270	- 1,730
Croze Trams	..	..	Net	\$55,427	- 1,276
Burmah Electric	7 mths	Feb. 28	Gross	\$52,380	- 3,975
Trways & Lightg.	..	..	Net	\$13,465	- ..
Cape Elec. Trams	1 mth	Jan. 31	Gross	\$38,409	- ..
Canadian Wstrn	..	..	Net	\$13,465	- ..
Natural Gas	4 mths	Feb. 28	Gross	\$118,702	+ 19,213
Cartagena and	..	..	Net	2,773	- 66
Herreros Trms.	2 mths	Feb. 28	Gross	\$15,200	- 9,700
Catalinas Wareh.	1 mth	Jan. 31	Gross	\$21,923	- 427
Cities Service Co.	12 mths	31	Net	\$1,245,656	- 391,360
Cordoba Lightg. &	10 mths	31	Net	\$1,206,811	- 363,577
Elvaco, Stp. of Wch.	40 weeks	Jan. 1	Gross	\$22,152	- 3,456
Havana Elec. Rl.	..	..	Net	\$25,551	- 223
Lightg. & Power	12 mths	Dec. 31	Gross	\$1,147,726	- 36,497
Internat. Lightg. &	..	..	Net	\$633,225	- 167,478
Lightg. & Power	6 mths	31	Gross	\$21,923	- 427
Keystone Tele.	1 mth	Jan. 31	Gross	\$138,460	- 6,449
La Guaira Harbr.	1 mth	Jan. 31	Net	\$55,142	- 14,449
La Plata Electric	2 mths	Feb. 28	Gross	\$64,943	- 1,801
Lima Electric	12 mths	Dec. 31	Gross	\$18,231	- 2,789
Manila Electric	1 mth	Jan. 31	Gross	\$309,232	- 12,197
Railroad, do.	..	..	Net	\$127,085	- 2,651
Para Electric	3 mths	Feb. 28	Gross	\$21,532	- 1,637
Rangoon Electric	11 mths	Dec. 31	Gross	\$4,308,700	- 7,650
Shanghai Electric	2 mths	Feb. 28	Gross	\$155,532	- 13,652
United Electric T.	4 mths	Feb. 28	Gross	\$48,111	- 8
Victoria Falls &	..	..	Net	\$205,682	- ..
Winnipeg Electric	1 mth	Jan. 31	Gross	\$507,047	- 818

* 4 weeks return.

† Approximate receipts.

MINING OUTPUT STATISTICS FOR FEBRUARY, 1922.

Gold.	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyande Works.	Mill.	Cyande Works.		
Abosso	6,600	..	..	..	2,686 (a)	12,528
Abbotiakkoon	7,350	..	..	..	..	..
Esperanza (Jan.)	..	..	..	..	..	..
Galka	3,868	..	1,029	357	1,386 (d)	6,588
Globe and Phoenix	5,942	..	..	..	5,188	..
Mexico Mines	12,050	..	..	..	..	..
Oroville Dredging	..	..	..	..	..	..
Pato (13 days, Feb. 23rd)	..	..	..	..	..	..
Nechi (21 days Feb. 22nd)	..	..	..	..	..	..
Oroya Links	1,716	..	..	..	..	..
Planet-Areturus	5,730	..	872	1,361	2,233 (d)	10,610
Plymouth Cons.	7,000	..	..	..	..	..
Rhodesia G.M.	..	..	..	..	..	..
Humanam	246	..	..	..	330 (d)	1,567
Santa Gertrudis	10,937	..	..	..	..	..
Do El Bordo	21,360	..	..	..	..	..
Shamva	48,700	..	..	..	..	..
Taquah	2,960	..	..	..	1,911 (a)	8,993

(a) 94s per oz. (b) 84s per oz. (c) Premium not included. (d) 95s per oz.

Copper.	Output.	Other Notes in Return.	
		Blister copper.	3,044 ozs gold; 5,395 ozs silver.
Falcon	283 3/4	Assaying 20 per cent. copper.	..
Poderosa	260	..	..
Gurum River	8	..	..
Keffi Cons.	20	..	..
Kaduna Prospects	142	..	..
Kaduna Syndicate	20	..	..
Rukuba	4	Despatched 5 tons.	..
Yarde Kerr	11	..	..
Chinese Engineering	70,320	..	..
East Kent	3,417	..	..
Miscellaneous	..	..	..
Alkim	8,255	219 carats of diamonds.	..
Zinc Corporation	..	Zinc concentrates, 722 tons lead concentrates.	..

BRITISH BROKEN HILL.—Fortnight ended March 11th: 7,657 tons crude ore produced 1,400 tons lead concentrates containing 847 tons lead and 34,720 ozs silver; also 1,140 tons zinc concentrates, assaying 9.2 per cent. lead, 10.02s silver per ton and 45 per cent. zinc; 195 tons carbonates raised.

BROKEN HILL SOUTH.—For the four weeks ended March 11th, 16,190 tons of crude ore and 11,577 tons of dump slimes were treated, and produced 4,447 tons of concentrates, assaying 62 per cent. lead and 29 ozs silver per ton.

BURMA CORPORATION.—February: 13,708 tons of ore were milled in the treatment plant, producing 9,402 tons of lead concentrate; 9,747 tons of lead-bearing material were smelted in the blast furnaces, producing 3,262 tons refined lead and 299,223 ozs refined silver. (January, 3,202 tons lead, 355,573 ozs silver.)

MOUNT LYE.—From February 8th to March 8th, inclusive, ore treated by flotation plant, 6,275 tons; concentrates produced 1,614 tons. A total quantity of 8,517 tons of ore were smelted, being 5,654 tons from the Mount Lye mine and 2,863 tons from the North Mount Lye mine; also 1,927 tons concentrates. The converters have produced during the same period 580 tons of blister copper, containing—copper 576 tons, silver 16,533 ozs, gold 319 ozs. Furnace in blast 672 hours.

SULPHIDE CORPORATION.—During the four weeks ended February 25, 1922, 8,921 tons of ore and 2,202 tons of slimes were milled at the Central Mine, producing 2,106 tons of lead concentrates (including 245 tons from the de-leading plant), which assayed 46 ozs silver, 63 per cent. lead, together with 3,425 tons zinc concentrates, assaying 11 ozs silver, 7 per cent. lead, 47 per cent. zinc per ton. At Cooke Creek, 3,023 tons of lead concentrates and purchased ores were smelted, producing 1,898 tons lead bullion for treatment in the refinery. The refinery products for the same period were 1,752 tons soft lead, and 156,637 ozs silver.

OIL OUTPUTS.

BRITISH BURMAH PETROLEUM COMPANY.—Production of crude oil by this company and the Rangoon Oil Co., Limited, for the month of February, 1922, amounted to 63,454 barrels.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, March 8, 1922, amounted to 674 tons.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Drier conditions experienced during the week enabled farmers to resume spring work, and sowings were commenced in some districts, while latest official reports confirm the good promise of growing cereal crops. General course of trade proved quieter, buyers showing less disposition to operate in view of declining prices and some pressure to sell. Native wheat in fair supply, and values weaker at 54s to 56s for suitable milling grades, per 504 lbs free on rail. Imported descriptions also declined owing to lower forward offers. No. 1 Northern Manitoba quoted 64s, No. 3 ditto 60s, Australian 60s to 60s 6d, and Argentine 57s 6d to 58s 6d per 480 lbs, all ex ship to arrive. A very dull tone prevailed in the floating and forward cargo market, buyers being reserved in face of lower foreign advices and pressure to sell Argentine qualities, while improved crop prospects in countries of production also impart a "bearish" influence. Recent heavy shipments and in creased arrivals at United Kingdom ports also tend to strengthen buyers' hands and satisfy millers' requirements for the time being. Steamers of Victorian, afloat, sold 58s to Italy, ditto 56s to United Kingdom, Rosale 64 lbs, afloat, 57s to 56s 6d, and Baril 63 lbs, afloat, 56s 6d, all to Germany (German terms) per 480 lbs. Flour ruled quieter, and in view of the wheat position prices ruled 2s per sack easier for home milled. London standard straight run quoted 51s, town households 49s, patents 54s, all English straight run 48s per sack, delivered London area. All English country

straights 44s to 46s per sack, free on rail at London stations. Imported dull and values weak. Manitoba export patents 49s, straights 46s, Minneapolis first patents 49s, and Australian 48s per 280 lbs, ex store. On c.i.f. terms business proceeded slowly and prices were reduced, Manitoba export patents, March seaboard to 47s, straights 44s, Kansas top patents 48s to 49s, and Australian 44s per 280 lbs. Millers' offers quiet and tending easier. Broad bran quoted 49s, ordinary ditto 48s, middlings 48s 5s per ton, ex mill. Of imported, Plate pollards 47s 10s, landed, and Dutch pollards 47s 10s per ton, ex ship, to arrive. Barley quieter, and values nominally the turn easier. English malting ranges from 42s up to 68s according to sample, and feeding sorts 38s to 40s per 448 lbs, free on rail. Of imported, Californian 42s to 50s, Australian Chevalier 50s to 53s, Chilean Chevalier 48s to 58s, landed, per 448 lbs, Morocco 33s, Plate 33s, No. 3 Canadian Western 36s 6d, No. 4 ditto 35s 6d per 400 lbs, landed terms. Maize quieter and rates easier. Plate quoted 42s, ex ship, and 44s, landed, yellow round African 39s 6d, and American mixed 34s 6d, all landed, per 480 lbs. Forward business at a standstill as regards cargoes and prices lower, while moderate transactions occurred in parcels at declining rates. Oats quiet, and lower prices were accepted in order to trade. Native ranges from 29s to 34s as to quality per 336 lbs. Of imported, Plate f.a.q. quoted 27s, ditto clipped 28s 6d, No. 2 Canada Western 32s, and New Zealand 35s to 40s, landed, per 320 lbs. Oatmeal steady. London made ranges from 41s to 42s, rolled oats 41s to 42s, flaked ditto 41s to 42s, ordinary Scottish oatmeal 41s 10s to 42s 10s, and American ditto 41s to 42s 10s per ton. Beans quiet. English springs quoted 57s to 68s, and new winters 50s to 52s per 532 lbs. Of imported, Chinese horse beans 41s 10s to 42s 10s, ex store. Madagascar haricot old crop 13s to 15s, new 17s 6d to 19s 6d per cwt. Peas in fair demand and prices steady. English maples range from 8s to 9s, Duns 6s to 7s, small blues 8s to 9s 6d per 504 lbs. Of imported, Tasmanian best 23s to 25s, New Zealand blue 20s to 24s, Dutch screened 42s, hand picked 27s 6d per cwt. Lentils quiet. No. 1 split 29s to 30s, No. 2 ditto 25s to 26s, and Egyptian 24s to 25s per 100 lbs. Homeward grain chartering was on a reduced scale, merchants being afforded little encouragement to operate in view of dull markets on this side. The River Plate section ruled easier, and steamers up river loading to United Kingdom-Continent, March-April, indicate 23s 9d to 25s ton, heavy grain basis. North America also lacks interest, but rates nominally steady. Northern Range to Antwerp-Hamburg quoted 17 cents, West Italy 21 cents, Greece paid 27 1/2 cents prompt and 26 cents April, Denmark 25 cents, and Baltic done at 30 cents per 100 lbs. Gulf ports to Ireland quotes 5s 6d qr, and 21 cents to Continent. North Pacific, April, paid 44s 9d ton United Kingdom-Continent. India quieter, and Bombay on dead weight held for 27s 6d, with merchants indicating 23s 9d United Kingdom-Continent. There is a good demand for rice, and Burma to Germany paid 27s 6d to 30s, with full cargoes of rice meal from Saigon ruling at 38s 9d to 40s United Kingdom Continent-Mediterranean. Australia quieter and 50s paid, wheat basis, loading at usual ports April-May home. Alexandria cottonseed indicates 12s per 60 cubic feet to London or Hull.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919.
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SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward	Net Profit.	Dividend.
					Prefe.	Ordinary.	Rate				
					Amount.	Amount.	%				
Breweries.											
Mear's Brewery	Dec. 31	7,823	70,887	78,710	18,919	..	..	55,000	4,791	83,704	..
Canals and Docks.											
Regent's Canal and Dock	Dec. 31*	2,872	9,760	12,632	..	10,186	1½	..	2,446	9,620	1½
Electric Lighting and Power.											
Newcastle and District	Dec. 31	13,955	22,100	36,055	..	8,330	4	14,000	13,725	43,104	5
Financial, Land, &c.											
Law Land Company	Dec. 31	9,081	39,317	48,398	11,590	14,000	5	16,200	6,608	29,284	5
Matador Land and Cattle	Dec. 15	10,621	Dr 3,627	6,994	..	14,000	10	Dr 10,000	2,994	52,564	20
Gas.											
Ilford	Dec. 31	2,872	14,457	17,329	..	13,279	(7½ A & C 5½ B)	..	4,050	Dr 2,800	3½
Iron, Coal and Steel.											
Beyer, Peacock, and Co.	Dec. 31	18,257	70,954	89,211	16,500	15,000	5	50,000	7,711	Dr 17,870	..
Davis and Timmins	Dec. 31	53,535	Dr 12,849	40,686	3,600	3,760	8½	15,585	17,741	27,258	25½
D. Davis and Sons	Dec. 31	80,804	33,664	114,468	4,200	41,344	7½	..	68,924	221,089	20
Leeds Forge	Dec. 31	30,149	31,487	61,636	10,500	..	..	46,241	4,895	122,838	7½
North's Navigation Collieries	Dec. 31	55,140	26,349	81,489	5,000	32,455	5	..	44,034	172,962	15
Steel Developments	Dec. 31	1,280	3,537	4,817	..	3,744	5	..	1,073	4,466	5½
Welsh Navigation Steam Coal	Dec. 31	107,089	4,112	111,201	5,250	19,250	5	17,500	69,200	129,535	10½
Hotels, Restaurants, &c.											
R. E. Jones	Oct. 31	159	Dr 133,158	Dr 133,999	31,389	11,794	10	17,522	Dr 198,704	84,742	45
United Carlo Gatti, &c.	Dec. 31	10,063	28,975	39,038	5,500	20,000	10	..	13,538	33,935	8
Motor and Cycle.											
Swift of Coventry	Dec. 31	68,968	Dr 34,484	Dr 34,484	3,250	..	..	Dr 40,798	3,059	..	..
Rubber, &c.											
Malay Planters	Sept. 30	17,796	Dr 5,194	12,602	..	..	..	..	12,602	8,915	5
Pataling	Dec. 31	13,579	2,370	15,949	..	..	..	..	7,949	39,829	5
Shops and Stores.											
Dickins and Jones	Jan. 31	51,873	39,773	91,646	12,500	24,500	7	4,114	50,532	105,779	7
Jay's	Jan. 31	18,996	Dr 20,866	Dr 1,860	9,624	..	..	Dr 20,000	8,516	21,659	10
John Leveys and Co.	Dec. 31	5,369	Dr 895	4,474	3,600	..	..	..	874	8,220	6
Newbury's	Feb. 10	7,295	12,048	19,343	..	5,600	8	5,500	8,243	13,083	8
William Whiteley	Feb. 14	171,961	152,231	324,192	20,250	68,108	14	32,000	203,834	264,988	14
Shipping.											
Lampport and Holt	Dec. 31	100,497	189,665	290,162	125,000	63,000	8	65,000	137,162	379,371	10
Tea.											
Battalgalla Estate	Dec. 31	2,410	13,025	15,435	..	6,000	40	5,209	4,226	Dr 1,834	..
Telegraph.											
Direct Spanish	Dec. 31	25,173	Dr 7,529	17,644	3,000	6,466	10	5,000	3,178	26,310	10
Textiles.											
William Hollins and Co.	Dec. 31	25,415	103,292	128,707	18,000	57,783	5	30,000	22,924	164,181	10
Trust.											
General & Commercial Investment	Feb. 28	19,377	28,369	47,746	10,500	16,800	8	..	20,446	29,728	8
South African Gold	Dec. 31	6,863	3,264	10,127	21,000	25,000	5½	Dr 40,000	4,127	46,220	7½
Waterworks.											
Bexhill Water and Gas	Dec. 31*	3,534	1,336	4,870	557	1,207	..	..	3,106	3,006	5
Falmouth	Dec. 31	1,823	4,302	6,125	2,150	1,000	10	250	2,725	3,400	10
Other Companies.											
Bath and Portland Stone Firms	Dec. 31	9,515	35,010	44,525	..	30,870	12½	..	13,655	39,845	10
Brigdes and Co.	Feb. 17	6,057	30,650	36,707	1,785	13,200	22½	..	15,722	11,808	15½
Cerebos	Nov. 30	26,615	48,372	74,987	..	30,000	10	3,500	41,487	45,183	10
G. D. Peters and Co.	Dec. 31	15,342	5,791	21,133	6,195	2,581	2½	..	12,357	26,202	10
General Steam Fishing	Feb. 25	167	1,416	1,583	..	1,050	5	..	533	2,305	7½
Hayes, Candy, and Co.	Dec. 31	23,437	3,725	27,162	10,400	6,265	5	..	10,497	24,217	15
Hine, Parker, and Co.	Jan. 31	13,510	14,900	28,410	2,500	11,000	10	1,000	13,910	14,828	10
John Robertson and Son	Dec. 31	20,620	13,291	33,911	525	5,250	35	..	28,136	27,946	40
Limmer and Trinidad Lake	Dec. 31	13,603	77,435	91,038	..	36,750	15 Ord 15 Pr.	34,500	19,788	88,249	17½ Or 17½ Pr.
Asphalt	Dec. 31	107,913	164,320	272,233	55,000	73,320	15½	25,000	118,913	168,273	15½
Peck, Freen, and Co.	Dec. 31	..	48,963	48,963	..	29,780	6	..	19,183	..	..
Pillsbury-Washburn Flour	Dec. 31	..	..	..	..	..	..	..	..	..	..
Sir H. W. Trickett	Nov. 30	9,310	Dr 36,015	Dr 26,705	2,812	..	..	Dr 25,000	4,517	..	..
Switzer and Co.	Jan. 31	9,900	7,489	17,389	1,500	4,000	5½	..	2,000	9,989	6½
United Turkey Red	Dec. 31	53,295	Dr 199,700	Dr 146,405	42,064	..	..	Dr 200,000	11,531	131,216	10
Western Mansions	Dec. 31	1,589	5,582	7,171	..	4,305	3	1,000	1,866	6,084	3

* Half-year.

† Free of tax.

Our Sheffield correspondent writes:—The rupture in the engineering industry has occurred at a singularly inopportune time, so far as national interests are concerned, as it cannot fail to nip in the bud an undoubted upward movement in trade activity. A definite revival has been in operation for several weeks in the pig-iron section; exports of some classes of steel were increasing, and inquiries from various overseas markets have been more numerous than at any previous time. Inability to obtain prompt deliveries from Germany had also begun to throw certain foreign orders into the arms of British makers. This movement would eventually have extended to the staple Sheffield industries, which are still depressed. Large quantities of British hematite iron are going to Italy, France, Germany, and Belgium. About 5,000 men employed for the most part at three large engineering establishments have been locked out in the Sheffield district, and an equal number has been deprived of work in consequence of the stoppage of the engineers. Most of the steel and tool works also employ engineers, but these are not affected by the lock-out. Should the employers generally join forces with the engineers' federation they also will be locked out. The stoppage has checked the buying of tool steel, engineers' tools, motor requisites, and so forth, and local firms are looking next to nothing this month. Acute depression also prevails in the cutlery, electro plate, and silver branches. The

demand for farm tools is a little better, but the season is certain to be below the average owing to the large stocks held over from last year. The farming community is also too poor to spend much money on new mechanical equipment. In view of the stoppage in engineering work the demand for inland industrial fuel has dropped off, and works are reducing their floating stocks. The market, nevertheless, has not yet developed any weakness. Short-time working at the pits is inevitable if the present lock-out continues. The position of slacks has lately improved in this district, coke making having consumed a large tonnage. The demand for blast furnace coke is distinctly strong. Current prices at pits are as follows:—Best South Yorks steam, 22s to 23s; ditto Derbyshire, 21s to 22s; cobbles, 19s to 20s; nuts, 17s to 18s; best hard slacks, 12s to 13s; seconds, 10s to 11s; small, 4s to 5s; branch house, 37s to 39s; best Silkestone, 34s to 35s; blast furnace, 17s 6d to 25s.

Our Glasgow correspondent (writing on Thursday) says:—Pig-iron makers find prompt demand fairly good, and inquiries on export account not discouraging. This they attribute to the slackening off of Continental competition. Germany, it is stated, is not a seller, while Belgium is a moderate buyer. The first step in the reopening of the Scotch pig-iron ring was taken to-day,

when a respectable representation of members gathered in the Glasgow Royal Exchange. Proceedings were purely formal, no business resulting. There are no warrants available, and, of course, they could be neither bought nor sold. But one broker offered to take a quantity of No. 3 G.M.B. Cleveland at 95s a ton, and there was a presumed seller at 95s a ton. The market is meantime to meet once a week—on the Wednesday forenoons. Scotch makers of No. 1 and No. 3 express great disappointment at the course of industrial events, as last week they found export consumers more inclined to buy, and that far ahead, than they have been since the year came in. Now they are all holding off—for developments. Local founders seem pretty well situated, as, especially, are tube makers, black and galvanised sheet makers, and steel and iron bar makers. But heads of departments in these (and other) departments are greatly concerned as to what the future has in store for them. None can be said to be well provided with engagements, and they therefore with one voice pray for the success of the negotiations opened up to-day in London for bringing parties once more together with a view to devising a means to an end in a most delicate and difficult situation. The position in the coal trade has become very serious. Inland demand, through the shutting down of the engineering shops, has well-nigh collapsed, foreign export inquiry has been suspended (particularly from the Continent), stocks are accumulating, and a large number of collieries are likely to close down ere the week is out. Producers affirm that they cannot encourage business by reducing prices, as already quotations are under the payable standard.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The world demand for wool is again the dominating factor, and values are being regulated by the operations of buyers in the raw material markets rather than by the buyers of finished goods. The colonial sales in London have revealed the strength of the raw material position, and prices in Bradford have been adjusted accordingly. In addition to the upward movement in wool values, however, the scarcity of fine tops is exercising a pronounced influence on quotations, and the persistent refusal of the wool-combing operatives to work overtime in accordance with the decision of the Industrial Council makes it impossible to increase supplies. The combing "bottle-neck" remains, therefore, a serious feature, and though wool is available in ample quantities for all purposes, only topmakers who are fortunate enough to have booked combing turns can get their material through the combs. In sympathy with the course of trade in Coleman street during the past two weeks topmakers have advanced their quotations for merino tops, and in spite of the higher level of values a considerable amount of business has been put through. Most firms are quoting for June delivery, and from 4s 3d to 4s 4d are prices regularly asked for good 64's. There is also a fair turnover in crossbreds, and prices are very firm at late rates. Spinners are doing rather more business, but it is a difficult matter to persuade users to follow the upward movement. Moreover, there is still a good deal of irregularity in quotations, and as some cheap lots are being offered here and there the market has a more spotty appearance than actual conditions warrant. The piece goods trade is improving slowly, especially the worsted section. There is a fair demand for fancy worsteds, and gabardines and wool whipcords are still good selling lines.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The sales are being continued under very favourable conditions, and so far there is no giving way in values. The spirit of the saleroom could hardly be better, and the way the catalogues are absorbed is remarkable. Of course, the home trade is by far the largest operator, supporting crossbreds quite as well as merinos. Everything is cleared with the utmost readiness, and the catalogues contain some good wools of all qualities. One of the most surprising features is the operations on German account, and whether the mark is worth 500 or 1,000 to the £ Germany "carries on." Belgian buyers are also fairly active. America, too, is absorbing a few lines of superior grease merinos, but the bulk of the offerings are still falling to the bids of the home and French trades. The extent of buyers' operations shows clearly that they have confidence in the future of values, and many are ignoring the attitude of Yorkshire spinners and manufacturers who are still clamouring for 4s tops. The tops cannot be made at this price out of wool bought in Coleman street, and a man wants at least 4s 4d for a decent article. Prices are now back at the level current at the close of last London sales, and one can safely say that all the weakness seen in the interval has disappeared. What amazes one most is the ability of the trade to absorb day after day 10,000 bales without prices giving way, and consumption must be far greater than is generally acknowledged, otherwise stocks in users' hands must be very considerable. Overseas advices are also to the effect that good topmaking merinos have appreciated 5 per cent. on prices ruling a fortnight ago, and in all markets there appears to be a readiness to operate which is highly commendable.

The Board of Trade Returns for February afford an interesting commentary on the foreign trade done during that month in wool textile commodities. In point of value, the February exports of woollen and worsted yarns and manufactures totalled £3,986,123, compared with £5,853,726 in February, 1921. The value of the January, 1922, exports was £5,010,512, and of the January, 1921, exports £7,901,526. It will thus be seen that there has been a decrease of approximately £2,000,000 in the value of the exports in each of the two first months of the current year compared with the corresponding periods of 1921. With regard to combed wool, the quantities sent to several destinations showed an increase

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during the two months January-February of the current year compared with the first two months of 1921. Exports of tops to France now approximate the pre-war level, and Belgium and Canada actually took a greater weight than in 1913, whilst Italy and Japan fell a long way below the pre-war quantities. An encouraging feature is the increased exports of Germany, but the quantity being 1,000,000 lbs less than in January-February, 1913, indicates that there is still considerable leeway to make up. Exports of worsted yarn, though showing an increase, are not yet up to the pre-war quantities. The total for January-February, 1922, was 5,555,500 lbs, compared with 2,368,300 lbs in the same period of 1921, and 8,429,600 lbs in 1913. The figures relating to the exports of tops and yarn are on the whole satisfactory, but not until they show still further expansion will the record be such as harmonises with real trade prosperity.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—March 10, 1922.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.			Same Period 1920.		
							Med	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	nm	d	d	d	d	nm	d	d	d	d	
Florida do.....	d	nm	d	d	d	d	nm	d	d	d	d	
Georgia do.....	d	nm	d	d	d	d	nm	d	d	d	d	
American.....	Ord	G	O	L	M	Mid	G	O	L	M	G	
Brazilian :.....	8-32	8-62	9-67	10-57	11-17	12-12	4-79	6-04	8-23	22-15	25-35	
Pernam.....	Mid	M	Pr.	G	F	Gd. Fine	Mid	M	Pr.	G	F	
Parahyba, Rio Grande, &c.	8-82	10-82	12-32	12-32	12-32	12-32	4-79	7-29	25-65	34-15	34-15	
Macao, &c.....	8-82	10-82	12-32	12-32	12-32	12-32	4-79	7-29	25-65	34-15	34-15	
Mosoro, &c.....	8-82	10-82	12-32	12-32	12-32	12-32	4-79	7-29	25-65	34-15	34-15	
Ceara.....	8-82	10-82	12-32	12-32	12-32	12-32	4-79	7-29	25-65	34-15	34-15	
Maranhm, &c.....	8-82	10-82	12-32	12-32	12-32	12-32	4-79	7-29	25-65	34-15	34-15	
São Pau'o.....	9-57	10-57	11-07	11-07	11-07	11-07	4-79	7-29	25-65	34-15	34-15	
Egyptian :.....	Fr.	G	F	Pr	Gd. Fine	Gd. Fine	Fr.	G	F	Pr	Gd. Fine	
Upper.....	1300	1400	1500	1600	1700	1700	9-00	12-00	nm	1700	2200	
Sakellaridis.....	1475	1700	1800	2000	2100	2475	9-00	1350	nm	2100	2475	
Brown.....	1350	1500	1600	1750	1925	1925	9-00	1350	nm	1925	2475	
Peruvian.....	MF	Fr.	G	F	Pr	Gd. Fine	MF	Fr.	G	F	Pr	
Rough.....	1325	1300	1300	1375	1400	1400	1400	1400	1400	1400	1400	
Moderately Rough.....	1007	1050	1200	1250	1250	1250	7-00	1150	3750	4400	4400	
Smooth.....	1007	1182	1282	1332	1432	1432	4-29	8-04	9-29	35-65	38-65	
Tangulu.....	1032	1182	1377	1382	1582	1582	4-29	8-04	9-29	35-65	38-65	
Mitafin.....	1100	1400	1550	1650	1650	1650	9-00	1000	1000	1000	1000	
West Indian, &c.....	2370	2600	2900	3100	3100	3100	2500	5100	3475	3878	5175	
Do Sea Island.....	7-25	8-25	1000	1100	1200	1300	6-50	8-50	1025	1175	1375	
African, East, &c.....	7-25	8-25	1000	1100	1200	1300	6-50	8-50	1025	1175	1375	
Do West.....	G	F	Pr	G	F	Pr	G	F	Pr	G	F	
Machine Ginned Surtee.....	8-05	8-45	8-85	9-25	9-65	9-65	6-15	6-40	6-90	7-20	7-20	
Machine Ginned Broach.....	8-05	8-45	8-85	9-25	9-65	9-65	6-15	6-40	6-90	7-20	7-20	
Machine Ginned Blownigger.....	6-80	7-30	7-80	8-20	8-60	9-00	5-40	5-79	12-25	20-10	21-35	
Machine Ginned Oomra. No. 1.....	6-90	7-40	7-90	8-30	8-70	9-10	4-60	5-10	5-85	13-35	20-10	
Machine Ginned Oomra. No. 2.....	6-90	7-40	7-90	8-30	8-70	9-10	4-60	5-10	5-85	13-35	20-10	
Machine Ginned Khandeah.....	6-90	7-40	7-90	8-30	8-70	9-10	4-60	5-10	5-85	13-35	20-10	
Machine Ginned Comphal.....	8-00	8-40	8-40	8-20	7-65	7-65	3-35	3-85	4-60	18-85	19-60	
Machine Ginned Bengal.....	5-65	6-05	6-45	6-75	7-15	7-55	3-35	3-85	4-60	18-85	19-60	
Machine Ginned Seinde.....	5-65	5-95	6-35	6-75	7-15	7-55	3-35	3-85	4-60	18-85	19-60	
Tinnivelly.....	9-35	7-75	7-85	8-65	8-65	8-65	7-15	7-40	7-40	12-85	13-85	
Madras, Western.....	7-35	7-75	7-85	8-65	8-65	8-65	6-15	6-40	6-40	21-60	21-85	
Madras, Northern.....	7-35	7-75	7-85	8-65	8-65	8-65	6-15	6-40	6-40	21-60	21-85	
M.C. Coconada, Red.....	Fr.	O	Pr	G	F	Pr	Fr.	O	Pr	G	F	
China, Smyrna, &c.....	6-15	6-15	6-15	6-15	6-15	6-15	6-15	6-15	6-15	6-15	6-15	

MANCHESTER, March 16.

The increased activity in the market continues, and the general prospects for spinners and manufacturers are distinctly healthier than a few weeks ago. Business during the past week has been somewhat irregular, and some producers are refusing to accept the prices offered by buyers. Very weak sellers, however, are gradually being cleared from the market. An encouraging turnover has taken place in piece goods for India, and although most of the buying has been for Calcutta, fair lines have been put through for Bombay, Madras, and Karachi. A larger inquiry has been met with for China, with moderate sales in greys and whites. The Near Eastern and European outlets, and also the home trade, have provided a broadening demand. Unemployment in most weaving districts is being reduced. An increased turnover has been reported in American and Egyptian yarns at firmer rates. Increased activity has shown itself in yarns for India.

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(I.) Comparative Statement of the Cotton Trade.

	Price, Mar. 15, 1922.	Previous Weeks in 1922.				
		Mar. 9.	Mar. 2.	Feb. 23.	Feb. 16.	Feb. 9.
Raw Cotton—Fully Mid. American... per lb	10-83	10-87	10-17	10-70	10-55	10-38
Sakellaridis Fully Good..... per lb	18-25	18-00	17-00	17-75	17-50	16-25
Fair Egyptian..... per lb	17-17	17-17	17-17	17-17	17-17	17-17
Yarns—32's twist..... per lb	16-16	16-16	16-16	16-16	16-16	16-16
40's twist..... per lb	16-16	16-16	16-16	16-16	16-16	16-16
60's twist (Egyptian)..... per lb	16-16	16-16	16-16	16-16	16-16	16-16
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	28-6	28-0	27-6	28-6	28-6	28-0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	28-6	28-0	27-6	28-6	28-6	28-0
38-in. ditto, 38 yds, 18 by 16, 10 lbs.....	17-9	17-6	17-3	17-9	17-9	17-6
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs.....	16-6	16-3	16-3	16-9	16-9	16-6

(II.) Compared with Previous Years.

	Price, Mar. 15, 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American... per lb	10-83	8-11	29-64	16-15	24-55	12-46
Sakellaridis Fully Good..... per lb	18-25	15-00	84-00	27-09	31-07	22-85
Fair Egyptian..... per lb	17-17	17-17	17-17	17-17	17-17	17-17
Yarns—32's twist..... per lb	16-16	16-16	16-16	16-16	16-16	16-16
40's twist..... per lb	16-16	16-16	16-16	16-16	16-16	16-16
60's twist (Egyptian)..... per lb	16-16	16-16	16-16	16-16	16-16	16-16
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	28-6	37-6	99-0	48-0	55-0	23-9
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	28-6	34-0	93-0	47-0	54-0	28-9
38-in. ditto, 38 yds, 18 by 16, 10 lbs.....	17-9	21-0	52-0	27-0	30-0	13-7
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs.....	16-6	18-0	45-0	23-0	27-0	11-10

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide market remained very steady at the sales held in Bermondsey on Thursday last, ox making from 6½d to 7½d and cows from 6d to 6½d. Calf were firmer, and advanced ½d to 1d per lb. Wools showed little change, fellmongers not being eager buyers of skins owing to low prices of pelts and skin wool.

The demand for imported hides is quiet, and fregorifics at origin are easier in price. The only important sale reported is that of 10,000 hides in store, sold on re-weights at 8½d to 9½d. A small parcel of Liebig hides has also been sold at 12½d for export. Drys are unwanted except at bargain prices. Latest cables from New York report the Chicago hide market as steady, with heavy packers still offering at 13 cents and cows at 11 cents.

Trade in sole leather has received a check following on the labour trouble with the engineers, and several cancellations are reported. Prices remain fairly firm, although quite a good class of English bend is now offered as low as 20d per lb, whilst dry hide bends are down to 12d or even a shade less. Exports of British leather for February last were 18,457 cwts, valued at £306,417, as against 7,832 cwts valued at £180,206 for the corresponding month of last year—America being amongst the biggest buyers.

The demand for upper leather remains dull, and orders are for small quantities at very low prices. The demand for coloured suedes is as insistent as ever, and "millinery" leathers are now quite a by-word in the shoe manufacturers' cutting rooms. Imports of dressed leather for the first two months of 1921-22 were valued at £81,875 and £976,634 respectively.

The boot trade shows an improvement, although few manufacturers are working full time. Prices are slowly being stabilised, but the high prices charged for high-grade footwear is still acting as a check to home demand. Exports for the first two months of 1921-22 were valued at £548,133 and £347,457 respectively.

VEGETABLE OILS AND OILSEEDS.

Market conditions generally have been erratic and unstable. In Plate linseed there came a decided break. Spot prices receded sharply on large arrivals, as also did seed on passage, of which crushers bought freely at £19 per ton, the same figure also being

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given for early shipments. On Wednesday, at Hull, seed on spot was available at £19, but there has since been a steadier and hardening tendency to the extent of 15s. per ton, while a slight advance for "afloat" is also recorded. For April-May shipment demand is small, and a discount is obtainable. Indian linseed, of which there have been good shipments since the opening of the year, has also declined somewhat, but undoubtedly the presence of this seed has had a chastening effect upon Plate shippers' quotations. Russian linseed is offering in small quantities to Hull, but business is difficult to negotiate, current value Libau to Hull being round £23 10s. delivered terms.

Only a moderate trade is being done in Egyptian cottonseed on the basis of £12 5s to £12 7s 6d Sakellaridis spot and March loading. Bombay quiet, and quoted £9 12s 6d afloat.

So far as oils are concerned, raw linseed oil has had an easier tendency, in sympathy with seed, and is lower on the week, current value naked, ex Hull mill, being £34 10s spot and April delivery, and £34 May-August. The foreign demand comes chiefly from America, very little being done with the Continent, whose crushers are handling large quantities of seed, and are now able to compete successfully with English linseed oil in the American market. The home demand, while slightly better, leaves much to be desired. Cotton oils, after a sharp advance, have reacted, buyers not following, consequently crude Egyptian is slightly lower at £39 ex Hull mill. Refined edible is, however, steady, and values maintained. Castor oil has been advanced 40s per ton, crude Soya bean oil is steady, and inclined dearer; while rape oil is offered at £43 spot and month, and £41 for forward delivery without much business resulting.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, March 17.

The markets for the chief part disclosed steady features, and there was a fair consumptive demand for certain articles. Tea market further hardened, particularly for the lower qualities, on active and well-distributed competition experienced at public sales.

SUGAR.—A very steady tone governed this market, and, with sustained inquiries, fair sales resulted in all spot lots of refined at 6d cwt advance. With imported descriptions still scarce, British makes are well sought after. Messrs Tate and Lyle's cubes, sold, 52s 3d to 53s 3d, as to quality; granulated, 48s to 48s 6d; crushed, 50s; castor, 49s to 49s 6d; pieces, 36s to 43s 3d for mid brown to good white; yellow crystals, 42s 6d. Granulated, April, sold, 48s, and May-June, 47s 9d. Crystallised West India sold from 40s 6d to 44s 3d, as to sample. American granulated, March steamer, sold, 19s 10½d to 20s; April, 20s to 20s 1½d; May, 20s 1½d to 20s 3d; June, 20s 3d, c.f. and i. terms, U.K. White Brazilian, April, sold, 18s 6d, c.f. and i. London. White Mauritius, spot, changed hands at 44s to 44s 6d. Dutch granulated steady. W.S.R., prompt shipment, sellers, 20s 6d; J. 20s; W.S.R. cubes, 23s 10½d, f.o.b., Amsterdam. Czechoslovakian granulated and crystals, prompt, 20s 3d; cubes, 23s 3d, f.o.b., Hamburg. Cuban basis, 96 per cent., April, held for 13s 3d, c.f. and i. terms, U.K. Brazilian basis, 80 per cent., March-April, sold, 9s 3d, c.f. and i. London. Cuban stocks stand at 772,900 tons, against 620,100 at corresponding period last year. Liquid glucose, April delivery, 26s 3d per cwt., duty paid.

COFFEE.—Fair quantities were catalogued in auction during the week, in which Costa Rica imports again largely participated. With a good demand for the finer qualities, prices ruled steady on balance though slightly irregular at times. Fine East India sorts still command extreme rates. Costa Rica, fine to extra fine, bold, coloury, sold, 128s to 143s; peas up to 172s; East India, good to fine, bold, 125s to 144s 6d; peas, 120s to 136s. Future delivery market quiet, and prices easier on the week. December, sold, 54s 9d.

COCOA.—In auction, some 11,290 bags were offered, of which 9,717 bags consisted of Colonial descriptions. Grenada largely predominated, no less than 3,293 bags of this particular sort being offered, and met a good demand at full rates ruling recently by private treaty, or in other words, from 4s to 5s per cwt. higher than values current at last auctions, otherwise a quiet tone governed proceedings. Grenada, fair to good, sold, 53s 6d to 58s; fine, 60s to 60s 6d. St Lucia, fair to fine, sold, 53s 6d to 59s 6d. Common lots of Ceylon, sold, 80s to 85s. Butter quoted 1s 10d per lb.

TEA.—Public sales of Indian during the week embraced some 41,500 packages. An active demand was experienced at firm to dearer prices. All grades up to 1s 4d per lb in particular were well competed for. 19,200 packages Ceylon were brought forward, and with brisk biddings, especially for the lower qualities, prices ruled firm to 4d per lb higher. Java and Sumatra met an active clearance at firm values.

RICE.—A steady demand ensued this week, resulting in a moderate amount of business, and forward positions disclosed firmness. Two Stars, spot, 14s; ditto March, sold, 13s 6d to 14s. No. 1 garden Siam, single bags, on spot, 14s 3d; doubles, 14s 9d to 15s; forward ditto quoted 17s. Broken kinds quietly steady, and with regard to forward positions shippers show but little interest. Bran steady, quiet. Rangoon beans, after being easier with business in spot lots down to 7s, became steadier, and sales resulted at 7s 4½d. Madagascar butter beans steady, and old crop good white, spot, sold, 14s; new, 18s to 19s, as to sample. Japanese peas steady. Spot lots, sold, 44s. Dutch peas on spot quoted 28s for hand-picked, and 25s screened.

FRUIT.—General stability again prevailed in the market for currants. Pyrgos, sold, 54s; Amalia quoted 56s to 58s; Patras, 59s to 62s; and Vostizza, 63s to 75s. Sultanias were held for steady prices. Smyrna, good to fine, 126s to 138s; choice, 145s. Red Alghans, sold, 95s. Valencia raisins quiet, but held steadily. Halves, 50s to 60s; quarters, 60s to 80s. Dates steady. Siam, on spot, 28s 6d.

JUTE showed slight irregularity in the early part of the week, but closed firmly, and a fair amount of business was effected. Manu-

factured goods were accorded fair support. New first-grade, spot, Dundee, sold, £27 10s to £28; ditto, March-April, Continent, £25 10s to £26; April-May, £26 to £25 15s and £26 7s 6d. Lightning grade, spot, Hamburg, at £22 10s to £23 10s, as to quality; ditto, April-May, steamer, at £21 15s to £22 10s; Daisee No. 2, spot, Dundee, £26 10s; Heart grade, April-May value, £18 ton. Hessians, 10 oz, spot, 23s 6d; 8 ozs, sold, 17s 9d. A twills, spot, quoted 75s; B, 61s. Sugar sold, 86s; flour, quoted, 80s.

HEMP.—Manila remained quiet and featureless. C grade, April-June, quoted £48; D, £46; E, £44; F, £40; G, £36; H, £36; J, £36; K, £35 10s; L, £35; M, £33. Streaky, one quoted £40; two, £38; three, £36. New Zealand idle. H.P.F., spot, £33 10s; forward, £34 10s; fair, spot, £32; forward, £32. Italian quiet, but steady, and proved P.C., spot, sold, £59.

SHELLAC.—Market stronger, but rather unsettled at times. Fair, T.N., spot, sold, 395s; May delivery, 397s 6d to 400s and 382s 6d. February-March, steamer, done, 370s.

COPRA steadier, and buyers were more in evidence this week. F.M.S. Straits, February-April, Rotterdam, sold, £25 10s to £25 12s 6d; March-May and also April-June, £25 5s to £25 10s and £25 7s 6d; F.M. Straits, March-May, Marseilles, done, £24 12s 6d; Ceylon, March-May, Hamburg, £26 10s to £26 12s 6d; South Sea Islands ditto, £24 10s, with plantation ditto at £25; Cebu, March-May, Hamburg, sold, £25 to £25 2s 6d; Malabar quoted £27. Palm kernels steady. April-June, Liverpool, sold, £18 15s.

RUBBER.—Market generally quiet and featureless. Standard crepe and sheet, spot, sold, 8½d to 8d; April-June, 8½d to 8½d and 8½d; July-September, 8½d to 8½d; October-December, 9½d to 9½d. Fine hard Para, spot, 11d; soft fine, 10½d; ball, 7½d per lb.

MENTHOL.—Spot, sold, 25s. Japanese peppermint oil, spot, 5s. Aniseed, 2s, sellers. Slab camphor, spot, 3s 8d; crude, 3s 3d per lb. Japanese wax, spot, 95s; forward, 84s per cwt.

METALS.—Tin: The market exhibited an easier tendency until last Tuesday, with fair dealings in cash down to £143, and three months' to £144 15s, but prices moved in an upward direction during the middle of the week, while these dates fluctuated between £143 and £143 15s and £144 10s to £145 15s respectively. Thursday's market inclined rather easier; cash realised £143 10s, with three months' £146 to £145, improving to £146 10s, and since done at £145 5s. At Friday's session fair dealings were carried on in cash at £142 to £143 10s, late April £144 5s, three months' fluctuating between £144 and £145. English ingots £144 to £144 10s. Copper dearer during the early part of the week, with business in standard cash last Tuesday at £61 5s, and three months' £62 2s 6d, but prices tended below the best later, cash settling down at £60 15s, and three months' at £61 10s. The tendency was easier on Wednesday. Cash sold at £60 7s 6d, and three months' £61 10s to £61 5s. In quiet request at Thursday's meeting, cash at £60 to £60 7s 6d, and three months' at £61 to £61 2s 6d. At Friday's session cash changed hands at £60, end of March £60 to £60 2s 6d, and three months' at £60 15s to £60 17s 6d. Electros £67 10s to £68 10s. English best selected £64

SOUTH-NORWAY.

FREDRIKSSTAD PRIVATBANK,

Fredriksstad.

Paid-up Capital
and Reserves:
Kr. 21,000,000.

Banking and Exchange

to £66. Strong sheets £90. Wire bars £68 to £68 10s. Lead firmer, at £21 12s 6d to £21 7s 6d, as to position. Spelter dearer, £25 15s to £25 17s 6d. Antimony, English regulus, £29 to £33. Aluminium, home delivery, £120; export, £125 per ton.

OILS.—Lined fairly steady and in moderate demand. Spot, net, naked, 36s; March-April, 35s; May-August, 34s. Rape nominal. Crude, spot, 48s; refined, 53s. Cotton firm. Crude Egyptian, 41s; Bombay, nominal; common edible, 49s. Chinawood: Hankow, spot (barrels), 62s; and shipment, 59s 6d. Coconut quiet. Ceylon, spot, 43s; March-April, 40s 9d; Ceylon, ditto, 43s. Soya steady. Oriental, barrels, ditto, 37s 6d. Japan fish steady. March-April, cases, 21s 6d. Cod steady. English, spot, 30s. Groundnuts quiet. English crushed, naked, spot, 44s; deodorised, barrels, 55s. Turpentine firmer, and in better request. American, spot, 67s 9d; April, 67s 9d; May-June, 64s 6d; July-December, 57s. Rosin quiet. American, grade B, 13s; F, 13s; G, 13s; WW, 19s. French, F/G, 13s; WW, 17s; extra pale, nominal. Petroleum quiet. American standard white, 18 4d; and water-white, 18 5d per gallon.

OILSEEDS.—Lined quiet and easier. Bold Bombay, afloat, £21. Small Bombay, ditto, £20. Calcutta, February-March, £19 15s; April-May, £19 5s. Plate, afloat, £19 5s; February-March, £19; April-May, £18 15s to £18 10s paid. Rapeseed quiet. Toria, March-April, sold, £16 12s 6d to £16 10s; April-May, £16 5s. Cotton seed quiet. Egyptian black, March, £12 15s; and white, £12 5s. Bombay, March, £9 10s. Gingelly firmer. Chinese, March-April, Continent, £24 5s. Castor, Bombay, March-April, £17. Ground nuts firm. Coromandel, machine-dried, March-April, Hull, £22 10s to £23; Continent, £22 10s to £23; Chinese decorticated, f.a.q., February-March, Continent, £23 per ton.

TALLOW.—Messrs Colchesters and Woolner write on March 16th as follows:—The tallow market was quiet during the week, and prices are fully maintained. The quantity offering in the market is remarkably small and out of proportion to the quantity stored in London. At auction to-day 941 casks tallow were offered, and 548 were sold. Quotations are:—Australian mutton: Fine, 42s 6d; good to fair, 41s 6d to 40s; dull to dark, 36s 3d to 33s 6d; hard, 41s 6d. Australian beef: Fine, 42s; good to fair, 41s 6d to 37s; dull to dark, 36s to 33s; sweet, 42s 6d. Present shipment from Australasia: Mutton, fair coloured, 48 degs., 40s; and mixed, 43½ c.i.f., London, 39s. The market letter is unchanged. Town tallow, 34s 6d per cwt. Kough fat, per 8 lbs, 1d; melted stuff, 2s per cwt. Quotations are:—Town: 34s 6d net cash, naked, ex works. Country: Frail casks, 34s; home melted, shipping casks, net f.o.b., good coloured, 36s; fair to dull, 35s 6d to 33s. Bone fat: White, none; pale, none; benzene, 31s; melted stuff, 30s, f.o.b.

METROPOLITAN CATTLE.—MARCH 16.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	d
Beasts—Herefords	nominal		
Shortfords	7	6	2
Devons	7	6	2
Norfolks	7	6	2
Scottish	nominal		
Irish	nominal		
Sheep—Downs	12	4	10
Ewes	9	4	10
Crossbred	12	0	12
Scottish	nominal		
Lamb—Downs	13	4	14

LONDON POTATO MARKETS.—MARCH 16.

Per Cwt.			
	s	d	d
King Edwards	9	0	10
Evergoods	6	6	7
Blacklands	5	6	9
Scottish	6	0	9

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.			
COCOA—Duty, British grown	55s	foreign 42s	cwt. s d
Trinidad, per cwt.	52	8	72
Grass, per cwt.	50	8	72
Ceylon, plantation	70	105	0
Goa, per cwt.	50	8	72
Bahia, finest	58	8	70
COFFEES—British grown			
E. India, fine, cwt.	80	102	8
Do good to fine	121	152	8
Do to mid	120	151	8
Good to fine	120	151	8
Central America, do.	75	114	0
Do to mid	75	114	0
Do to fine	120	152	8
Colombian, ordinary	60	85	0
Do good to low mid	72	8	135
Do to fine	80	135	8
CHEMICALS			
Acid, citric, per lb.	1	10	11
Do, tartaric, per lb.	1	10	11
Do, sulphuric, per lb.	1	10	11
Do, nitric, per lb.	1	10	11
Do, hydrochloric, per lb.	1	10	11
Do, formic, per lb.	1	10	11
Do, oxalic, per lb.	1	10	11
Do, lactic, per lb.	1	10	11
Do, valeric, per lb.	1	10	11
Do, caproic, per lb.	1	10	11
Do, stearic, per lb.	1	10	11
Do, myristic, per lb.	1	10	11
Do, palmitic, per lb.	1	10	11
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Do, oleic, per lb.	1	10	11
Do, linoleic, per lb.	1	10	11

THE EXCESS INSURANCE COMPANY, LTD.

Registered Office: WATERLOW HOUSE, 25, BIRCHIN LANE, LONDON, E.C.3.

CAPITAL, FULLY PAID UP - £500,000
RESERVE FUND - £400,000
RESERVE FOR UNEXPIRED LIABILITY - £824,393

Directors: CUTHBERT E. HEATH (Chairman); GEORGE HEATH; ARTHUR BURNS; MONTAGUE EVANS.

Auditors: TURQUAND, YOUNGS & CO., 41, Coleman Street, London, E.C.2.

Secretary: F. E. JOHNSON.

Underwriting Office - 10, ROYAL EXCHANGE, LONDON, E.C.3.

MOTOR CAR AND PERSONAL ACCIDENT DEPARTMENT - 1, ROYAL EXCHANGE AVENUE, LONDON, E.C.3.

Underwriter: E. MERRICK TYLOR.

DIRECTORS' REPORT, BALANCE SHEET, AND STATEMENT OF ACCOUNTS for the Year ended 31st December, 1921.

The Directors have pleasure in presenting to the Shareholders the 29th Annual Report of the Company, dealing with the Underwriting Accounts for the three years 1919, 1920 and 1921.

The 1919 Underwriting Account is now closed with a Credit Balance of £177,246 7s. 1d., which is carried to Profit and Loss Account.

On the 1920 Underwriting Account there is a Credit Balance amounting to £363,104 6s. 10d., or over 33 per cent. of the Premium Income for that year. Your Directors have decided to transfer £55,000 of this balance to the credit of Profit and Loss Account to meet the large sum paid away during the past 12 months in War and Income Taxes, part of which will ultimately be on account of the 1920 Underwriting; the balance of £308,104 6s. 10d. being carried over for Third Year Settlements. This will, it is anticipated, be fully sufficient to wind up the Account and leave a satisfactory profit.

The Premium Income for the 1921 Underwriting Account is £715,119 11s. 9d., showing a large reduction on the Premiums for the previous year. This reduction is due, mainly, to existing economic conditions which are world-wide, and to the extra caution that has been necessary in the selection of risks owing to those conditions. The Claims settled amount to only £198,655 17s. 3d., or under 28 per cent.

In past years large provision was made for the Depreciation of Investments. This year the sum provided for this purpose at the 31st December, 1921, was more than sufficient, and the further general rise in Government and other Securities, which has taken place, leaves this Fund very much in excess of the actual requirements. The net result of the operations up to the end of the 1919 Underwriting Account will show, in the opinion of your Directors, an increase, after paying the dividend, in the true reserves of the Company of over £50,000.

It is proposed to pay a final Dividend of 5 per cent., which, together with the interim Dividend of 5 per cent. paid in June last, makes a total of 10 per cent. for the year.

The Auditors, Messrs. Turquand, Youngs & Company, retire, but offer themselves for re-election:

C. E. HEATH (Chairman),
ARTHUR BURNS,
MONTAGUE EVANS, } Directors.

Dr. UNDERWRITING ACCOUNT, 1919. Cr.			
	£	s.	d.
To Claims and Returns settled during 1921, less additional Premiums and Salvages...	193,187	15	10
„ Transfer to Profit and Loss Account ...	177,246	7	1
	<u>£370,434</u>	<u>2</u>	<u>11</u>
By Balance brought forward from end of 1920 to meet Claims after second year ...	370,434	2	11
	<u>£370,434</u>	<u>2</u>	<u>11</u>

Dr. UNDERWRITING ACCOUNT, 1920. Cr.			
	£	s.	d.
To Claims and Returns settled during 1921, less additional Premiums and Salvages...	345,892	19	10
„ Transfer to Profit and Loss Account ...	55,000	0	0
„ Balance Reserve carried forward ...	308,104	6	10
	<u>£708,997</u>	<u>6</u>	<u>8</u>
By Balance brought forward from end of 1920 ...	708,997	6	8
By Balance in Reserve brought down ...	308,104	6	10
	<u>£708,997</u>	<u>6</u>	<u>8</u>

Dr. UNDERWRITING ACCOUNT, 1921. Cr.			
	£	s.	d.
To Claims settled ...	198,655	17	3
„ Fire Brigade Tax ...	175	0	0
„ Balance Reserve carried forward ...	516,288	14	6
	<u>£715,119</u>	<u>11</u>	<u>9</u>
By Premiums, less Returns ...	715,119	11	9
By Balance in Reserve brought down ...	516,288	14	6
	<u>£715,119</u>	<u>11</u>	<u>9</u>

Dr. PROFIT AND LOSS ACCOUNT for the Year ended 31st December, 1921. Cr.			
	£	s.	d.
To War Taxes ...	102,030	2	8
„ Income Tax ...	110,300	16	0
„ Donations ...	852	14	0
„ Lloyd's Subscriptions ...	500	0	0
„ Branch Offices and other Expenses ...	5,807	14	2
„ Notarial Fees and Law Costs ...	207	12	0
„ Audit Fees ...	589	8	6
„ Commission, Credit Department ...	500	0	0
„ Loss on Exchange ...	220,788	7	4
„ Management Expenses for 1921 and Commission on 1919 Underwriting ...	47,724	12	8
„ Balance carried to Balance Sheet ...	54,676	17	11
	<u>£341,808</u>	<u>8</u>	<u>3</u>
By Balance brought forward from last year ...	61,742	4	9
Less Final Dividend paid in March, 1921 ...	25,000	0	0
„ Interest and Dividends received ...	36,742	4	9
„ Amounts transferred from Underwriting Accounts—	72,819	16	5
1919 Account ...	177,246	7	1
1920 „ ...	55,000	0	0
	<u>£341,808</u>	<u>8</u>	<u>3</u>

MARCH 25, 1922.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCIV.

SATURDAY, MARCH 25, 1922

No 4,100.

Andresens og Bergens Kreditbank A/S

(Foreningsbanken)

CHRISTIANIA & BERGEN

Capital and Reserve Fund - Kr. 112,000,000.00

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LONDON COUNTY WESTMINSTER & PARR'S BANK, LIMITED.

Every description of Banking business transacted

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(National Overseas Bank.)

STATE BANK OF THE PORTUGUESE COLONIES.

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Established 1864.

Capital (paid up):
Esc. 24,000,000

Reserve Funds:
Esc. 28,000,000



Branches as Under.

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22 „ „ East and West Africa.
9 „ „ Brazil,
5 „ „ India and China.

Also branches in Ancon, Madeira, Belgian Congo and Timor.
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Paris Office—8, Rue du Helder.
London Office—27B, Throgmorton street.

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Capital, Authorized ... Lire 400,000,000
Capital, Paid Up ... „ 348,788,000
Reserve ... „ 178,000,000
Deposits ... „ 5,500,000,000

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London Office - 39, THREADNEEDLE STREET, E.C.2.

Manager: E. CONSOLO.

Deputy Managers: G. COSTA, E. B. HANDLEY.

CORRESPONDENTS TO THE ROYAL ITALIAN TREASURY
Every description of Banking business transacted.

TABLE OF CONTENTS.

The Money Market	567	Books and Publications—	
Leading Articles—		Fair Wage Courts	586
Budget Prospects	569	Two Stock and Share Re-	
Great Britain and France		ference Books	586
in the Near East	570	A Railway Manual	586
Coal Production and Costs..	571	Anglo-Swiss Trade & Traffic	586
Investment Trust Com-		Books Received	587
panies in 1921	572	Letters to the Editor—	
The Problem of Unemploy-		City Life Assurance	587
ment Insurance	574	Stock Exchange News—	
Notes of the Week—		The Stock Markets	587
The Indian Budget Contro-		New Issues	588
versary	575	Active Securities	589
The British Reparations		Company Meetings	591
Proposal	575	Government Returns—	
Wages	575	Public Income & Expenditure	596
Employment in February..	576	Currency Notes Account ..	597
Cost of Living	576	Treasury Bills by Public	
Some Governments and		Tender	597
Their Creditors	576	Bankers' Gazette—	
Stock Exchange Committee		Bank of England	597
Election	577	Clearing Returns	598
Co-operative Wholesale		Overseas Bank Returns ..	598
Trade	577	Loan and Discount Rates..	600
The Insurance of Marine		Overseas Bank Rates	600
Certificates	577	Rates of Exchange	600
North-Western and Midland		Indian Treasury Bills	601
Fusion	578	Bullion	601
Lever Brothers	578	Imports and Exports of Gold	601
British Trade Corporation..	578	Gold and Silver Prices	602
The Salt Union	579	Company News—	
British Portland Cement ..	579	Mining Output Statistics ..	589
Savoy Hotel	579	Dividend Announcements..	602
R. E. Jones, Limited	579	Analysis of Balance-sheets	603
The American Telephone		Reports and Notices	603
Company	580	Profit and Loss Accounts ..	604
Mason and Barry's Bonus..	580	Railway & Tramway Traffic	605
Japanese Trade and Finance	580	Commercial Reports—	
Finnish Exchange	580	Corn Trade	606
Deutsche Bank in London..	580	Iron and Coal Trade	607
		Wool Trade	607
		Cotton Trade	608
		Vegetable Oil and Oilseeds	608
		Hide and Leather Trades ..	609
		Overseas Produce Markets ..	609
		The Timber Trade	609
		Price Current	610

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Paris: Galvani Library, 224, Rue de Rivoli; Messrs Brentano's, 37, Avenue de l'Opera. New York: Economist Office, 20, Broad street (Room 1,709).

THE MONEY MARKET.

WITH the exception of a short period of ease on Tuesday afternoon, conditions in the money market have been almost stringent, and there has been the strong demand for short loans customary as the end of the financial year approaches. The rates for day-to-day money have ranged from 3 to 4 per cent. There was again a little borrowing at the Bank on Monday. The discount market, on the whole, has been easier on expectations of easy monetary

conditions after the turn of the month, and the possibility of a further reduction of Federal Reserve rates in the near future is being talked of. But discount business has been exceptionally quiet. The general rate for three months' bills has not varied much from $3\frac{1}{8}$ to $3\frac{1}{16}$ per cent. The average of $3\frac{1}{8}$ per cent. at which Treasury bills were allotted was somewhat below expectations, but the discount market was unaffected.

	Mar. 24, 1922.	Mar. 17, 1922.	Mar. 10, 1922.	Mar. 3, 1922.	Previous Rate and Date Changed.
Bank Rate	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	5 (Feb. 16, '22)
Bank Deposit Rate	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	3 (Feb. 16, '22)
Discount (Call)	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	3 (Feb. 16, '22)
Houses (Notice)	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Feb. 16, '22)
Market rate (3 months' bills) ..	$3\frac{1}{8}$	$3\frac{1}{16}$	$3\frac{1}{16}$	$3\frac{1}{16}$	..

The principal feature of the Bank Return was an increase of £6,263,500 in Other securities, an indication of market borrowing at the Bank. Government securities rose by £1,331,000. The circulation fell by £53,700 and the Reserve was £58,100 higher, and Deposits were thus £7,640,900 higher, Public rising by £2,923,500 and Other by £4,717,400. The proportion is $17\frac{1}{2}$, as against $18\frac{1}{2}$ a week ago. The circulation of currency notes was reduced this week by £540,800 to £299,798,200, which includes £1,658,302 for notes called in but not yet cancelled. The fiduciary issue is £250,189,868, or £59,798,500 below the maximum.

THE STOCK MARKETS.

The gilt-edged markets developed activity towards the end of the week, the strength of War Loan being the outstanding feature. The main influence causing this improvement was the expectation of cheaper money after the close of the national financial year. The lists of colonial, corporation, and prior charge Home Railway stocks show numerous advances. After falling sharply on profit-taking by stags the new French railway scrip rallied on the quick over-subscription of the Nord issue. Finnish bonds came into demand on the news that a Finnish loan of £3 millions is to be floated in London. Rubber shares eased off with the price of the raw material, and the oil share market is uninteresting. Kaffirs, however, improved on Rand news. Among industrials, the iron and steel group, breweries, and electric light shares improved, but shipping shares lack attention. Bank shares are steady.

COMMODITY MARKETS.

As a result of the better conditions prevailing in the cotton trade, prices have hardened during the week; it is reported, however, that merchants have been disturbed by Indian Budget anxieties. In the wool trade, home and Continental buyers have been active, and confidence in present values is shown. No change in Cleveland or hematite is recorded in the iron markets. The prospect of a coal strike in the United States is causing further activity in the Welsh export coal markets, but inland demands have been affected by the engineering dispute. Prices in the wheat market were at first inclined to be firmer, but subsequently declined on account of the weakness in the German exchange. The demand for raw linseed oil has been small, and conditions have been generally quiet in the vegetable oil and oilseed market. Prices of hides at the Bermondsey auctions on Thursday were fairly steady, but the trade in sole leather shows signs of falling off. Our timber trade correspondent reports a steady decline in quotations, wood for building construction costing now approximately £5 14s per load as compared with £10 17s in January and February, 1921.

Further particulars of markets from special correspondents will be found on later pages.

FOREIGN EXCHANGES.

Although business was a little more active again yesterday morning, the market has been very quiet, and showed a relapse from the previous week's moderate activity. The chief feature has been the further collapse of the mark, which, on the news of the decision of the Reparation Commission as to this year's payments, ran up rapidly, and by yesterday morning had reached 1,540, as compared with 1,217 a week ago. It is true that the new decision shows a marked advance towards reason, but the amounts demanded from Germany are still too high to be paid without danger of something approaching a collapse, and the demand for a further drastic increase in taxation coming on the top of the heavy increases already agreed upon with difficulty in the Reichstag has produced dismay and confusion in Germany. It is a matter of tragic irony that this central point of difficulty in the European economic situation should be excluded from consideration by the Genoa Conference, which has been convoked for the very purpose of dealing with this situation. Forward marks are quoted at $\frac{1}{2}$ mark per month below spot. The dollar, after jumping last Saturday to just over \$4.40, fell back again, and though it reached the same figure on the 22nd, was down yesterday again to \$4.38 $\frac{1}{2}$, and, in spite of certain interests working for a rise, it is not likely that the upward movement will be very rapid for a time. Forward dollars remain on a parity with spot. Paris during the week has shown irregular movements within narrow limits, and at 48.50 yesterday was very little different from the preceding Friday. It may perhaps be inferred with some certainty that the aim of France for the time being is to secure stability round about the present level rather than to use the funds acquired through recent loans abroad in order to produce any sudden appreciation. Francs one month ahead remain on a parity with spot. Brussels at 52.10 is rather higher than a week ago, and the spread between Paris and Brussels has again widened slightly. The lira, after moving up slightly, ends the week almost exactly the same at 85 $\frac{1}{2}$. Among the neutral countries, Amsterdam has moved somewhat in our favour, and Madrid and Switzerland have also both depreciated slightly. In the Scandinavian group Christiania and Copenhagen have moved a little against us, Stockholm a little in our favour. Finland has remained steady, in spite of the report of the conclusion of a loan in London, perhaps another welcome indication of a determination to keep a rate steady rather than permit a sudden appreciation. In Central Europe the Vienna rate, in spite of the official release of the British advance, is up to 33,500, the result probably of the renewed collapse of the mark. Warsaw, on the other hand, is slightly better at 17,500, and there is the satisfactory announcement yesterday that a sterling loan of £4,000,000 has been arranged in London. Prague is steady, and the conclusion of the proposed British credit has still not been announced. Belgrade has moved up still higher now that exchange dealings are allowed a little more freely. Athens shows a sharp rise to 105. In the East, the rupee is practically unchanged at 1s 3 $\frac{1}{4}$ d, the yen $\frac{1}{2}$ d dearer, at 2s 1 $\frac{1}{2}$ d. The silver market has been uncertain, with some buying from China at the end. Prices have kept up well, but the outlook is still quite obscure. Hong Kong and Shanghai show little change. Among the South American rates Montevideo has moved up rather rapidly to 44 $\frac{1}{2}$, Buenos Ayres shows little change at 45 $\frac{1}{2}$. Valparaiso, after rising to 40.60 on the 23rd, is still high at 39.80, as compared with 38.10 a week ago. Rio is a little lower at 7 $\frac{1}{16}$.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended March 18, 1922:—

Receipts.	Min. £	Expenditure.	Min. £
From Revenue	42,971	Supply Services	24,125
		Interest on Debt	1,125
		Sundries	1,217
		Reduction of Debt	1,217
		Added to Exchequer balances ..	318
	42,971		42,971

Revenue totalled £42,971,485 for the seven days ended March 18, 1922, which compares with £41,985,684 for the corresponding period last year, and £34,056,296 for

the previous week. Customs contributed £1,860,000, as against £2,939,000 for the previous week, which compares favourably with £1,891,000 a year ago, while Excise yielded £9,880,000, as against £1,145,000 last week, and £11,000,000 for the similar period of 1921. Property and income-tax brought in £17,775,000, making the total received so far under this heading £360,145,000, as against the estimate of £410,500,000. Total receipts up to date are now £1,040,638,407, leaving £176,012,000 to be found if estimates are to be realised in 13 days.

The week's operations reduced the National Debt by the sum of £18,917,020, and caused the following changes:—

	Min. £	Treasury Bills	Min. £
National Savings Certificates ..	+ 3,450	Surrender of Bonds, &c.	- 23,176
Public Department Advances ..	+ 8,720	Unemployment Insurance	- 1,101
		Depreciation Fund	- 500
		Saving Certificates (Housing) ..	- 2,160
		Telegraph (Money) Acts	- 3,450
			- 700
	+ 12,170		- 31,087

The floating debt was reduced by £14,485,000 to £1,023,246,000.

FINANCIAL YEAR, 1921-22 (TO DATE) APRIL 1 TO MARCH 18, 1922.

	£		£
Total spent	985,965,481	Raised by revenue ..	1,040,638,407
Inc. in balances	1,255,916	Net repayments	53,417,010
Total	987,221,397	Total	987,221,397

REVISED ESTIMATES FOR YEAR 1921-22.

	£		£
Ordinary Expenditure ..	1,080,418,000	Ordinary Receipts ..	1,058,150,000
Special Expenditure ..	65,705,000	Special Receipts ..	158,500,000
	1,146,123,000	Total	1,216,650,000
		Surplus	70,527,000

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Dec. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 18, 1922.
unded Debt	588	318	318	315	315	315	315	315	315
Term Annuities	30	22	22	20	19	19	17	17	17
3½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	14	13	13	13	13	13	13	13
4 & 5% War Stock	2,081	2,058	2,047	2,040	2,008	1,995	1,956	1,944	1,944
National War Bonds	649	1,636	1,509	1,476	1,441	1,413	1,301	1,201	1,201
4% Funding Loan	...	...	409	409	407	405	405	405	405
4% Victory Bonds	...	...	360	367	358	348	346	346	346
5½% Conversion L.n.	...	...	...	...	...	...	266	266	266
5½% year Treasury Bonds	...	...	...	...	...	18	23	24	24
5% Treasury Bonds	...	...	...	...	...	...	273	380	40
5% Treasury Bonds	...	...	...	...	...	...	...	...	...
Treasury Bills	15	961	957	1,107	1,103	1,121	1,060	896	896
Exchequer Bonds	20	392	384	323	319	292	289	218	194
Nat'l Savings Certs.	138	287	267	274	279	285	294	316	316
War Expend. Certs.	23	...	...	...	...	...	...	...	...
Other Debt	944	1,341	1,306	1,181	1,164	1,132	1,097	1,089	1,089
American Loan	...	51	51	51	51	51	51	51	51
Temporary Advances	1	204	455	243	205	306	154	200	128
Other Capital Liabilities ..	654	5,672	7,435	8,033	7,829	7,785	7,754	7,748	7,636
Treasury return on internal debt.	57	49	46	46	47	49	49	51	49
Total Liabilities	711	5,921	7,481	8,079	7,876	7,832	7,623	7,799	7,685

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.

	Mar. 19, '21.	Mar. 31, '21.	Mar. 18, '22.	Movement week ended Mar. 18, '22.
Temporary Advances Out- standing	158,705,000	154,489,000	137,450,000	+ 8,720,000
Advances by Bank of England ..	158,705,000	1,130,841,000	895,796,000	- 23,805,000
Treasury Bills outstanding	1,085,356,000	1,275,330,000	1,023,246,000	- 14,485,000
Total Floating Debt	1,254,066,000	1,275,330,000	1,023,246,000	- 14,485,000

BUDGET PROSPECTS.

At the moment of writing the accounts for the current year, which still leave 13 days to run, show a surplus of revenue over expenditure of £55 millions; but in the last two weeks of the year, although the revenue is usually very heavy, payments are still larger. A year ago, for example, the payments in the corresponding period amounted to £110 millions, against receipts of less than £100 millions. There are some reasons for thinking that this end-of-the-year clearance may be less favourable to the Treasury than a year ago, and we should not be surprised if the final accounts show a substantial reduction of the present surplus. We may compare this probable result with the Budget forecast made a year ago. The surplus anticipated was £176 millions, but supplementary estimates of about £105 millions reduced this to £71 millions. On the other hand, it is evident

from the weekly payments and from information vouchsafed from time to time in discussions in the House, and in the Geddes Report, that some of the savings proposed by Government Departments have already come into effect, and that the expenditure is likely to be some £50 millions less than the gross estimates. This would give a surplus of over £110 millions if revenue fulfilled the Budget expectations. In two important items, however, this has not been the case. In particular the receipts from Excess Profits Duty, estimated at £120 millions, have yielded only £30 millions during the year, and for some weeks past it would appear that repayments of E.P.D. have been greater than receipts, though the Treasury has unfortunately not seen its way to show a separate item of such repayments in the weekly accounts. The other item is Corporation Profits Tax, which has yielded up to the present only £15 millions, compared with an estimate of £30 millions. These two deficits will eat up the greater part of the surplus unless economies during the current year are greater and payments under the head of special expenditure prove to be less than we have anticipated.

As regards the Budget for the coming year there are still several points on which the Government view is not yet known. Certain of these matters involve questions of policy. Others, such as revenue still to be collected from the sale of war stores, depend upon the contracts made by the Liquidation Board. Other points again depend upon the Treasury estimate of the effect of trade depression upon the revenue. This is, perhaps, more difficult than usual to forecast, but in recent years our Civil Service has been so amazingly accurate in estimating revenue that the public has quite reasonably come to regard them as a safe guide. This almost uncanny accuracy lends additional weight to the sharp censure recently administered by the Treasury to the Admiralty for their loose methods of estimating expenditure, and for their neglect to take into account matters to which, the Treasury allege, they drew their attention twelve months ago.

But though there are so many unknown factors, it will help to an understanding of the situation if we set out a skeleton budget indicating the points on which there is still uncertainty. On the revenue side we have only modified the items as compared with the current estimates in those cases where it is certain that modifications must be made. These items are indicated in italics. On the expenditure side the figures include recently published estimates and allowance for interest on the same basis as in the present year; an item for interest on the American Debt, and an item to provide a Sinking Fund and repayment of war debt, as provided under the various loan categories:—

REVENUE.	Min. £	EXPENDITURE.	Min. £
Customs	126	Navy	65
Excise	196	Army	63
Motor Duty	19	Air Force	11
Stamp Duty	48	Middle East	10
Land Tax and House Duty ..	21	Ministry of Pensions ..	129
Income Tax	350	Other Civil Services	94
Excess Profits Duty	30	Post Office	12
Corporation Tax	15	Revenue and Excise Departments ..	12
Post Office	60	Total Ordinary Supply Services ..	463
Miscellaneous Receipts	21	Interest on National Debt and	372
		Consolidated Fund	25
		Interest due to U.S.A.	918
Total Ordinary Revenue	890		918
Special Receipts	50	Special War Liquidation Expenses ..	58
	940	Sinking Funds and Debt Repayments ..	1,018

LONDON JOINT CITY AND MIDLAND BANK LIMITED

CHAIRMAN:
The Right Hon. R. McKENNA
JOINT MANAGING DIRECTORS:
FREDERICK HYDE EDGAR W. WOOLLEY

Subscribed Capital ..	£28,117,103
Paid-up Capital ..	10,860,852
Reserve Fund ..	10,860,852
Deposits (Dec. 31st, 1921) ..	378,117,092

HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C.2
OVER 100 OFFICES IN ENGLAND AND WALES
OVERSEAS BRANCH: 65 & 66, OLD BROAD STREET, LONDON, E.C.2.

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In regard to the revenue, we have assumed a reduction of £60 millions below this year's forecast. It is improbable that the estimate will be reached even in the current year, and when allowance is made for the fact that where income is measured on the three years' average system the average for the first time will in 1921-22 include a year of heavy trade depression, it is evident that a substantial reduction in yield must be allowed for. It is, of course, true that the year to be replaced by 1921-22 was not a top-of-the-boom period, but the depression has been so severe that we do not think we have over-estimated the reduction. As regards E.P.D., we have no means of judging whether the amount still to come in will prove to be greater than the very substantial amount which will have to be repaid under the Finance Act of last year. Experts are of opinion that there still remains a credit due to the Treasury, but at the moment the balance is on the wrong side and it is quite impossible for anyone but the Inland Revenue Authorities themselves to make a guess on this point. One thing only is certain—namely, that even if the amount still due is substantial, the Treasury cannot expect to receive from industry in its present depressed condition anything like the £120 millions budgeted for in the current year. We should consider the Government fortunate if they succeeded in obtaining £30 millions, which they have actually received this year. The Corporation Tax has been included at the amount which has been yielded this year. There remains the item of receipts in respect of war stores. Assuming, as is probable, that the estimate of receipts is actually realised this year, these sales will have yielded altogether £711 millions (£265, £288 and £158 millions respectively in the last three financial years). But there is little more to sell, and the amount to be received this year mainly depends on how much remains unpaid for. Trade depression comes into this picture also, for the Government Liquidation Commission has been compelled in a number of cases to modify the terms of some of these disposal contracts, covering a period of years, owing to the slump in prices, which means that if the original terms had been insisted upon, the buyer would have failed. For this reason we have put this item down at £50 millions. The Budget may very well show a reduction in certain other items of revenue, such as Customs and Excise, and a Chancellor who wished to budget on conservative lines might well take a more pessimistic view of some of the uncertain items we have mentioned.

On the expenditure side, the estimates for the ordinary supply services for special expenses are before the House, and represent the Government's considered decision. The Civil Service Estimates include the cost of War Pensions as an item in the Budget of the year, and though the Chancellor's answer in the House to a question this week was somewhat ambiguous, we may presume that the Government has decided against the proposal to meet this particular item by borrowing. Interest on the war debt may fall a little owing to the lower rates at which the Government is now paying on the floating debt, but the amount that may be saved in this way would not amount to more than from £10 to £20 millions. There remains the item of £100 millions, to which Mr. Hilton Young referred ten months ago as being required to meet liabilities to holders of particular war loans and some part of the debt maturing for payment. This sum will be reduced by the fact that the Depreciation Fund on war loan is suspended so long as the price remains above par, and in any case such a fund is of no significance so long as actual revenue does not exceed expenditure. This item, therefore, is not strictly comparable with the other items in the above statement. The difference between the estimated revenue and the figure of £918 millions, which may perhaps be reduced to £900 millions, through reduction of interest, represents the extent to which we can carry out our intention to resume paying off debt.

The foregoing presentation also enables us to form some idea of the future financial position of the country. The special receipts and the special war liquidation expenses approximately cancel, leaving a small surplus for Sinking Fund and debt redemption. The estimates are, however, some £33 millions in excess of what they would be if the full Geddes cuts were carried out, half of this

being the reduction of the economies proposed in the case of the Navy, and the greater part of the remainder the modification of the education savings suggested by the Committee. The item of pensions will automatically fall year by year, and it may be possible from time to time to save further small sums in the interest paid on the national debt, but against this must be set the fact that in ensuing budgets the interest due to America will rise to £50 millions. It may be possible, by allowing nothing for contingencies or for supplementary estimates, by budgeting on the most favourable assumptions, and by postponing the operation of the Sinking Fund, to make a small remission of the income-tax; but as the Government has no longer any large stores to sell, and the most serious extravagances have been eliminated from the expenditure side, it is evident that for many years future Governments must go on raising by taxation something like £900 millions a year. The problem the Chancellor of the Exchequer has to decide is whether he should do this by maintaining present rates or whether he can risk lower rates, both of direct and of indirect taxation, and rely on covering his expenses by a resulting increase in the turnover of trade.

GREAT BRITAIN AND FRANCE IN THE NEAR EAST.

The Conference now sitting at Paris has met in order to end a war between Turkey and Greece, but its success depends upon agreement between Great Britain and France even more than upon agreement between the two belligerents. These Western Powers are the protagonists—the real players of the game. The two Eastern peoples who are doing the fighting and the suffering are pawns. Their chequered course from black square to white and from white to black again in the interminable Anatolian campaign will go on until the Western players admit stalemate and fold up the board.

It is important for the French and British public to realise that this elaborate tournament between their Governments cannot be played out with impunity to themselves. We may be callous about the Turks and Greeks. If they are the victims of Western diplomacy, after all they have brought it on themselves. They have not lent their services to their backers without the expectation of rewards. Besides, they are a long way off. Am I my Oriental brother's keeper? But, apart from the ethics of the situation, can we afford to maintain this detached attitude? The diplomatic tension which first produced a war between Greece and Turkey may very soon create a rift in the entente between Great Britain and France. The separate Peace (to call it "Agreement" instead of "Peace" is only a technicality of diplomatic terminology) which was signed on October 20th last by M. Franklin Bouillon on behalf of the Government of the French Republic, and by Yusuf Kemal Bey on behalf of the Government of the Grand National Assembly of Angora, was a danger-signal. In the present Conference the rift which that separate Peace portended will either be effaced, or it will grow so much worse that it will cease to be a local scandal, and will begin to affect the general relations between our two countries.

From the formal point of view, as a *démarche* in international politics, the "Franklin Bouillon Agreement" is, of course, indefensible. The correspondence between the French and British Governments, which arose out of it, proves the British Government's case. For all their courteous phrases, the French notes cannot get over the fact that France did, behind our backs, come to terms with a Power with which both of us were technically (and not long ago actually) at war. Certain of the terms were prejudicial to British interests, and the whole procedure was prejudicial to the re-establishment of a general and durable peace in the East. These are hard sayings, but they have to be said before we can do justice to the French point of view. Just because we have good reason to feel aggrieved with our Ally, it is incumbent on us to examine the particular reasons which induced her to behave as she has.

The "Franklin Bouillon Agreement" was a breakaway from a joint Anglo-French line of policy which had suited the British Government, but had given increasing discomfort to France. From the military point of view, for example, the presence of the Greek Army in Anatolia was

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at first a genuine relief to the British soldier and taxpayer (however heavily we may have to pay in the end for this temporary alleviation). The Greeks stood between the Turkish Nationalists and the Straits, and in the summer of 1920, when a British battalion at Ismid, covering the Asiatic approaches to the Bosphorus, was in difficulties with superior Turkish enveloping forces, a Greek offensive saved the situation for us without our having to make fresh exertions ourselves. For France, on the other hand, the Greek landing at Smyrna had not diminished military commitments, but created them. Within eight months of the Greek landing at one end of Anatolia, the French were attacked by the Turkish Nationalist Army at the other—in Cilicia. The French point out with considerable bitterness, but with undeniable truth, that, but for the Greek landing, this Nationalist Army would never have come into existence. It might be convenient for the British at the Straits that the Greeks should screen them from the adversary whom the Greek intrusion itself had called into life, but in Cilicia the French suffered all the inconvenience of the pro-Greek policy without any of its compensations. Under post-war conditions a perpetual campaign in the Cilician hill country was as serious a matter for France as Great Britain found the border warfare in the Kurdish hill country along the frontiers of Mesopotamia. The British Government has wisely taken steps to clear itself of this entanglement. Why should not France do the same in her mandated territory? If, owing to a geographical accident, Great Britain has not to deal with the Turkish Nationalists in Mesopotamia, as France has to do in Syria, she is more fortunate but not necessarily more righteous on that account. France, if it came to that, might complain that in order to save ourselves trouble in Mesopotamia we had established her enemy the Emir Feisal on the Syrian border.

A somewhat ironical commentary on this French presentation of the case is offered by the fact that the Cilician outposts, down to a month or two before the Nationalists attacked them, had been held for France by British troops, and that these troops had been withdrawn at the instance of the French Government, which was at that time uneasy about British intentions in Syria. These French suspicions were unfounded, but the mysterious transfer of Mosul, in the course of the Peace Conference, from the French to the British zone, and our relations with Feisal, gave them colour. Suspicion and jealousy also affect the French attitude towards the question of the Straits. Possibly the British Navy and the Greek Army in combination could maintain a permanent control over the waterway, but for whose benefit? For the benefit of other nations also, as a commercial route, or for the exclusive benefit of the strategic communications of the British Empire, as another Suez Canal? This suspicion is unfair and exaggerated. The real policies of Governments are seldom so diabolically clever and unscrupulous as those attributed to them in the intelligence departments of their rivals. But there was this much truth in it, that, if this policy were maintained, the great naval predominance of Great Britain and her more intimate relations with Greece

would automatically give her the predominant rôle in carrying it out.

Another motive, which probably influences the French public as well as the experts of the Quai d'Orsay, is anxiety for the maintenance of French cultural influence in the Levant. An entente with the Ottoman Government and a shadowy but imposing protectorate over its Latin Christian subjects were secured for France nearly four centuries ago by Francis I. A confirmation of her cultural ascendancy in this part of the world was one of the few permanent assets which France salvaged from the Napoleonic Empire. Towards the close of the 19th century Wilhelm II. looked upon the position which France had created for herself in the East by centuries of diplomacy, saw that it was good, and appropriated it. Since the Armistice France has had a cultural Alsace-Lorraine to recover on the Bosphorus as well as a territorial one on the Rhine. In her matter-of-fact way she regards it as property, and desires its restitution. Shall she see it carried off under her very eyes by Great Britain? In French opinion, the prestige of Allenby's victory in Palestine and the *finesse* of Lloyd George's policy towards Greece have given British influence a dangerous lead. It was odious to be robbed by Germany. How much more odious by an Ally?

This is the atmosphere which has to be cleared away. That is not easy to do, for it has hung about our respective Levantine missions, schools, consulates, legations, and embassies for centuries, and from these tainted sources Paris and London are always in danger of being re-infected. But it has got to be done, for having elbowed Germany aside and failed to obtain the co-operation of America, we have deliberately taken the whole "White Man's Burden" upon French and British shoulders. Our two Governments have assumed the position of trustees towards Western civilisation for its relations with non-Western civilisations in these most critical times. They have no right to fall out with one another.

COAL PRODUCTION AND COSTS.

The Mines Department has issued statistics showing the working results of the coal mines of Great Britain in the two quarters ending respectively on June 30th and September 30th. These White Papers (Cmd. 1596 and 1597, price 2d each) contain much valuable information, and we are glad to hear that the return of the industry to a private basis, without Government subsidy, is not to be made the occasion for ceasing to publish these important figures. It would be still more welcome news that the Mines Department could see their way in future to publish their statistics without so much delay. With the help of the Mines Department figures for the first three quarters of 1921, and some figures given in the *Industrial Review* of the "South Wales Journal of Commerce" relating to the last half of the year, we have compiled a table showing roughly—the data as regards the last quarter and the full year are insuffi-

cient for meticulous accuracy—the story of the coal industry quarter by quarter in 1921:—

COAL OUTPUT, WAGES, COST, and PROCEEDS by QUARTERS in 1921.
(In Thousands. 000's omitted.)

	First Quarter (Last Year of Control).	Second Quarter (Strike).	Third Quarter (Subsided Period).	Fourth Quarter (Pre. Period).	Whole Year.
Tonnage raised	53,895	237	48,687	61,192	164,011
Tonnage disposable	47,645	237	43,643	56,000	147,288
Proceeds	£75,290	£270	£63,420	£56,567	£200,247
Wages	£70,879	£4,194	£41,079	£38,402	£154,564
Other costs	£25,248	£7,190	£17,294	£17,404	£67,136
Total costs	£96,127	£11,384	£58,373	£55,806	£221,500
Net profit (+) or loss (-)	£16,637	£10,414	£5,047	£761	£21,253
Proceeds	33/3/25	..	29/0/43	27/3/29	27/3/29
Wages	29/8	..	18/9/21	13/8/58	20/11/51
Other costs	10/7/25	..	7/11/1	6/2/51	9/1/31
Total costs	40/5/25	..	26/3/76	19/11/09	30/0/82
Profit (+) or loss (-) ..	7/	..	2/3	3/34d	2/10/55

* Estimated.

The figures for the first quarter relate to mines producing 100 per cent., for the second 93 per cent., and for the third 95 per cent. of the total output of the industry. The first quarter of 1921 was the last quarter of official control; the second quarter coincided with the period of the strike, the third was the period in which the temporary subsidy agreed upon in the strike settlement terms was operative, and the fourth the first quarter of free working since the mines were taken over by the Government during the war. The first quarter showed the largest proceeds and the biggest loss; the third, when scarcity prices still prevailed and coincided with lower wages, was the most profitable. In the last quarter, in spite of a fall of more than 50 per cent. in wages and in total costs, the industry only just avoided loss. For the whole year, of a production of 164 million tons, there was a loss of a little over three shillings per ton. The most important feature of the figures is that while output in the last quarter was largely increased, the wage cost per ton was considerably less than half of that recorded in the first quarter.

These calculations suggest that a very striking increase in the output per head of worker employed took place during 1921—a suggestion borne out by the following table:—

NUMBERS EMPLOYED and OUTPUT per HEAD in 1921.

	Number Employed.	Tonnage Raised per Person Employed.
First quarter	1,213,204	44.42
Second quarter	Strike	Strike
Third quarter	1,005,831	48.40
Fourth quarter	1,059,391	57.76

For the first and third quarters the figures are official. For the fourth quarter we have taken the average workers employed in each of the three months, as shown by the *Labour Gazette*, and the estimate of total tonnage raised, as given in the first table. Precision, therefore, cannot be claimed for the figure of 57.76 tons per head in the December quarter, but it may be taken to be sufficiently near to the truth to denote a truly remarkable increase in individual productivity as compared with the previous quarters. The increase was too quick, perhaps, for since the beginning of the present year it is said that production per head has fallen back. The profound importance of recent developments in the coal industry will perhaps be more clearly seen if the following salient figures are set out separately:—

	Wages Cost per Ton.	Output per Head.	Average Weekly Wage.
1921.	s d	Tons.	s
First quarter	29 8	44.4	84
Second quarter	..	..	..
Third quarter	18 10	48.4	63
Fourth quarter	13 8	57.7	56

The last column, calculated from the number of men employed and the total wage cost as shown in the first table, gives roughly the average wage for the whole industry. Apart from the normal variation of wages as between different classes of workers, there exists, as we showed in an article on "The Wages Tangle" in the *Economist* of January 21st, the widest discrepancy between the earnings of workers performing similar work in different districts. For instance, a full week's work would produce for an underground labourer 37s 2d in Derbyshire and 6s in Derbyshire. It is difficult to over-

estimate the importance to the industry of the coinciding of a 24 per cent. rise in output per head with a decline of 33 per cent. in wages. Pithead costs have been halved since the first quarter of 1921, and production is moving back towards the old pre-war level. These figures, it must be remembered, are generalisations applicable to the industry as a whole; but conditions vary greatly in different districts. Wage cuts, for instance, have been very much larger in the exporting districts.

Coal exports in 1921 were similar in quantity to those of the previous year, but there was a fall of well over 50 per cent. in the value, as is seen from the following calculations, which are based on the official Board of Trade Returns:—

COAL EXPORTS—QUANTITY and VALUE.

	1913.	1920.	1921.
Quantity	73,400,118	24,913,853	24,660,552
Value	£ 50,727,252	£ 99,627,146	£ 42,951,591
Value per ton exported ..	13/9/8	79/11/8	34/10/1

In 1920 the average value per ton exported was 72s 10.5d in the first quarter, 80s 5.9d in the second, 87s 0.6d in the third, and 83s 2.4d in the fourth. The drop which had already set in at the end of 1920 developed in striking fashion in 1921, and showed no signs of check at the close of the year. This is clearly brought out by the monthly export figures:—

AVERAGE MONTHLY EXPORT PRICE in 1921.

	Quantity. Tons.	Value. £	Value per Ton. s d
January	1,700,106	5,555,708	65 4/2
February	1,729,148	4,240,620	49 0/6
March	1,968,078	4,281,877	43 6/2
April	606,548	1,309,817	43 2/3
May	14,066	32,861	46 8/0
June	7,502	12,667	33 9/2
July	816,320	1,559,649	38 2/6
August	3,103,207	5,668,594	33 3/6
September	3,406,579	5,194,356	30 5/9
October	3,406,972	4,851,452	28 5/9
November	3,593,864	4,878,019	27 1/7
December	4,309,162	5,366,961	24 10/8

For purposes of comparison with these export values, we give below a record of the movements in the pit-head quotation of good steam coal:—

	s	d
End of 1913	15	0
„ March, 1919	32	6
„ December, 1919	38	0
„ December, 1920	42	0
„ December, 1921	30	0

In 1921 the drop in the average export value was from 65s to 25s, in pithead price only from 42s to 30s. The improvement in the export demand, coupled with industrial stagnation and lower prices at home, is gradually levelling up the two varieties, thereby remedying a highly anomalous position. The recovery of coal exports is of good augury for the coal industry in particular, and for the country's general economic position. It remains to be pointed out that the benefit that might have accrued to industrial and household coal consumers through the fall in pithead prices has been reduced by the practical maintenance of railway freight rates at a high level, and, in the case of householders, by merchanting charges. In the main the continuance of high freight charges has prevented the large wage cuts which the miners have accepted from having its full effect towards stimulating British industry.

INVESTMENT TRUST COMPANIES IN 1921.

In attempting to estimate how investment trust companies as a whole fared in the year 1921 the disinterested observer would be inclined to base his mental calculations on two of the principal features of the past twelve months, namely, the trade depression and the rise in the value of high-class investment securities, and to deduce therefrom that on the revenue side there would be a decline and on the capital side an appreciation. But, on the one hand, bad trade, as we have frequently shown in our quarterly articles on the profits of industrial companies, only makes itself felt in company balance-sheets some months after the losses have been suffered, and the consequent reduction in dividends is in turn reflected in the accounts of investment trust companies still later on. On the other hand, the appreciation in security values took place in the

closing months of the year, and was mostly confined to gilt-edged and high-class investment stocks, and the appreciation, though very marked as from the lowest point touched during the year, was not quite so large in comparison with the level ruling at the end of 1920. We thus find in a list of 17 investment trust companies that net revenue in the aggregate is but very slightly lower, five companies showing increases and the remainder small declines. A comparison of net revenue and dividends for last year with those for 1920, 1919, and 1913 is as follows:—

Company.	1913.	1919.	1920.	1921.
	Net Rev'n'e.	Net Rev'n'e.	Net Rev'n'e.	Net Rev'n'e.
Trusts.	£ 42,719	£ 35,052	£ 39,200	£ 34,886
Army and Navy	188,940	138,568	166,871	162,534
British Investment	145,939	99,568	104,219	113,336
Foreign and Colonial	69,011	41,936	50,564	44,664
Govt. Stock and Other Securities	35,814	29,716	34,330	33,407
Guardian	54,093	38,616	45,997	41,563
International	194,293	157,935	186,097	188,222
Mercantile Investment and General	83,932	87,083	81,718	86,739
Merchants'	63,115	55,509	63,809	70,787
Metropolitan	90,843	63,400	73,688	74,154
Northern American	38,318	39,637	45,221	37,918
Omnium	42,074	44,804	46,890	42,748
Premier	65,577	57,856	64,869	60,173
Railway Debenture	48,907	59,341	56,464	54,205
Railway Share	48,431	46,513	53,682	47,441
River Plate and General	160,227	154,763	149,222	146,931
Scottish Amer. Invest.	59,472	59,142	64,879	59,302
United States Deb.	1,433,405	1,166,729	1,338,300	1,298,874

The revenue of an investment trust company is received after deduction of income-tax. A part of it is liable to corporation profits tax, and several of the companies this year divide their revenue accounts into two parts—account "A" and account "B." The "A" account is credited with revenue which has not borne corporation profits tax and debited with administration expenses, debenture interest and preference dividend, and the balance transferred to the "B" account, to which is credited other income. Total revenue, it will be seen, though lower by nearly £40,000 than the total for 1920, is much higher than the 1919 figure, and compares very favourably with the year 1913, when allowance is made for the fact that income-tax was at the rate of only 1s in the £, whereas for the past year 6s in the £ was deducted. In fact, if income-tax is added in such case the 1921 total shows an increase of about 23 per cent. over 1913. This also accounts for the fact that dividends are mostly at a higher level than they were eight years ago. As compared with 1920, no dividends have been reduced, and two of the companies have raised their rate of distribution. As already mentioned, the income of the companies is received after income-tax has been deducted, and as debenture interest and preference dividend are paid out by the companies less income-tax, the proportions of net revenue available for ordinary shareholders grows with every increase in the rate of income-tax. The ordinary shares, therefore, can receive a higher rate of dividend from the same amount of taxed profits when income-tax is at a high rate than they would with a lower tax in force.

In the next table we show the amounts placed to reserve out of revenue and from profits on sales of investments, total reserves, the book value of investments, and the margins earned on ordinary stock in 1920 and 1921:—

Company.	Placed to Reserve, &c.	Total Reserves.	Book Value Investments.	Earnings on Ord. Stock.
	From Revenue.	From Realised Profits.		
	1920.	1921.	1920.	1921.
Trusts.	£ 10,000	£ 7,000	£ 17,582	£ 2,710
Army and Navy	1,130,000	5,303,787	201	195
British Investment	3,200	14,000	9,899	6,599
Foreign and Colonial	30,000	1,967,527	80,000	1,967,527
Govt. Stock	5,890	6,661	1,121,242	104
Guardian	2,329	6,101	11,332	17,444
International	25,000	25,000	375,000	6,476,563
Mercantile Investment and General	303,750	3,083,840	118	113
Merchants'	440,000	2,065,430	160	174
Metropolitan	625,000	2,524,437	181	185
Northern American	11,500	..	1,708,249	95
Omnium	..	..	12,011	1,561,452
Premier	8,000	5,480	6,073	112
Railway Debenture	14,000	4,900	21,807	6,189
Railway Share	10,000	5,000	27,718	4,402
River Plate and General	20,000	20,000	518	845
Scottish Amer. Invest.	2,000	2,000	18,045	8,242
United States Debenture ..	2,000	2,000	18,045	8,242

* No detailed list of investments published.

Profits on sales of investments are legally regarded as part of the revenue of a financial company, but with a trust company they are considered as a change in the capital funds, and do not enter into the income account. In the above list the last two companies are nominally financial companies, but at the meeting of the United States Debenture Corporation the chairman announced that the Stock Exchange Committee had sanctioned the transfer of the company's stocks in the official list from the heading of "Financial Companies" to "Financial Trusts." Mr P. W. Campbell, the late chairman of the Scottish American, whose recent lamented death has deprived the trust company world of one of its most able and highly respected members, has frequently pointed out to us how purely nominal the distinction now is between an investment trust and a financial company. Allocations to reserve show considerable variation in comparison with last year. The Governments Stock Company made no appropriation for 1921 as against £30,000 for 1920, but the latter was supplied to a considerable extent by the larger balance brought into the accounts in that year. Profits on the sale of investments, where disclosed, were on a much smaller scale, as would be expected. The book values of investments do not show any great changes. Some of the companies still state the actual depreciation shown on the market valuation of the securities held, but the practice is not so general as it was years ago. The chairmen of most of the companies, however, gave at the annual meetings the percentage depreciation, which varies from 2½ per cent. on book value in the case of the Mercantile Investment and General to 8 per cent. in the case of the Railway Debenture and General Trust, the reserve account of £262,000 being taken into account in the latter. But, after all, the principal object of a trust company is the distribution of risks and the maintenance of a steady income. Depreciation in the value of investments held only becomes of serious import when it is the result of loss of revenue-producing power in some portion of the invested capital.

We conclude with a table of prices and yields on trust company stocks:—

Company.	Prices of 1921.	Price July 30, 1914.	Price March 31, 1921.	Yield March 31, 1921.	Price March 20, 1922.	Yield March 20, 1922.
	Highest.	Lowest.				
Army & Navy 5% cum. pref.	70	59½	106	6 5/8	77	6 5/8
Do def. 10%	115	106	177½	9 11/16	112	9 11/16
British Investment def. 10%	21½	18½	195½	6 12/16	237½	6 12/16
Do 4% and 5% cum. pref.	82½	69	105	7 2	89	5 12/16
Foreign and Col. Invest. 5% non-cum. pref.	78½	68	108	7 0	92½	6 1/3
Do def. 10%	86½	76½	134½	8 16/16	94½	7 8/16
Gov. Stock and Other Sec. 5% non-cum. pref.	62½	60	100	6 8/16	67	7 9/16
Do def. 10%	66½	63	113	10 19/16	67	10 9/16
Guardian Investment, 4½% pref.	61	58	91½	7 11/16	65	6 18/16
Do def. 10%	79	74	97	7 13/16	98	7 13/16
International 4½% cum. pref.	55½	52½	86	8 9/16	58½	7 12/16
Do def. 10%	57	54	73½	11 2/16	55½	10 18/16
Merc. Invest. and General 5% cum. pref.	77	68	108	7 5/16	80½	6 4/16
Do ord. 10%	110	94½	120½	8 13/16	119½	7 10/16
Merchants' 4% cum. pref.	57	55	96	7 6/16	62½	6 8/16
Do ord. 10%	101	96½	128	9 6/16	106½	8 3/16
Metropolitan ord. 10%	101	156½	226½	9 0/16	196	7 3/16
Omnium 5% cum. pref.	65	63	99	7 5/16	65	7 13/16
Premier Investment ord. 10%	72	67	103	6 9/16	70	10 0/16
Do 5% cum. pref.	65	60½	104	10 11/16	61½	10 11/16
Do 4½% deb.	64½	61	98	7 13/16	83	7 18/16
Railway Deb. 4½% cum. pf.	64	61	98	7 16/16	72	6 5/16
Do ord. stock	62	54	91½	8 4/16	70	6 8/16
Railway Share. 7½% cum. pf.	62	54	105½	11 0/16	62½	9 13/16
Do ord. stock	62	54	126½	7 15/16	103½	7 5/16
River Plate and General 4½% cum. pref.	63	57	96	9 10/16	64½	7 16/16
Do def. 10%	115	108½	187	6 0/16	69	6 10/16
Scottish Am. Invest. 4% pref.	65½	60	95	6 9/16	64	6 5/16
Do ord. (2%)	58½	5	58½	6 14/16	5	7 4/16
U.S. Deb. 5½% cum. pref.	75	71	106	7 3/16	72	7 12/16
Do ord. (2½)	1½	1½	1½	11 10/16	1½	10 11/16

Present prices are not only well above the lowest touched last year, but are sensibly higher than they were a year ago, and yields in consequence are, on the whole, a little lower. The outlook for the companies is difficult to gauge. Appreciation in the market value of certain securities has already been great in the opening months of the current year. On the other hand, the improvement in the American exchange reduces the sterling value of income derived from investments in the United States. Money, however, is much cheaper, and loans from bankers can again be raised to good purpose with a lower Bank rate. Further, as Mr Ernest Noel pointed out at the meeting of the Mercantile Investment and General Trust:

"The opportunities created by fluctuations in the value of money are the most useful raw material available for improving the property of a trust company, and the reason that almost every trust company has come through the recent troubles strengthened rather than injured by the ordeal is that the various boards have been ready to grasp" these opportunities.

THE PROBLEM OF UNEMPLOYMENT INSURANCE.

(BY OUR LABOUR CORRESPONDENT.)

THE Report of the Geddes Committee and the circular addressed by the Minister of Labour to employers' associations and trade unions have raised the question of the future of unemployment insurance. The crude suggestion of the Geddes Committee is that each industry should "look after its own unemployed." The circular of the Labour Department is intended to explore the possibilities of putting unemployment insurance on an industrial basis. When the National Insurance Act of 1911 was passed, people were not concerned with ideas of industrial self-government, and that Act laid down the framework of a purely State scheme, confined in its operation to three million workpeople. The Unemployment Insurance Act of 1920, which extended the benefits of insurance to twelve million workers, made provision for industries to contract out of the Act conditional upon the approval of an alternative scheme to be conducted by a representative organisation in any industry by the Minister of Labour.

In the interval, new ideas had worked their way into people's minds, and the conception of industrial self-government made considerable headway, owing to a variety of reasons which need not detain us here. During the war a detailed scheme was worked out by the Yorkshire wool textile trade for the establishment of an unemployment fund for the trade. The scheme arose out of a shortage of raw material, and though no occasion arose for the plan to be put into operation, the scheme is of interest. The employers were to pay into a fund a levy based on the number of workpeople in their employment, and from the fund payments were to be made on a graduated scale, varying according to sex and age. For males over 18 years of age the benefit was to be at the rate of 5s per day (and 5s 6d per night). Payments were to be disbursed by the trade unions and recovered from the fund. The scheme was to be administered and the funds controlled by a committee consisting of representatives of the employers' and operatives' organisations in equal numbers. It will be observed that so far as the workers were concerned, the scheme was non-contributory, and no financial aid was asked from the State. Its successful working would have depended on the authority of the employers' organisations and trade unions, and on the efficiency of the latter, upon whom would have fallen the detailed administration of the scheme. On the basis of this scheme the wool textile industry prepared a plan for the purpose of contracting out of the Insurance Act of 1920, but it has not been put into operation. A scheme with the same object has been before the Joint Industrial Council of the building industry. Schemes under the Act of 1920 have been prepared or are contemplated by the postal workers and the cotton operatives. The famous award of Lord Shaw's dockers' inquiry recommended in favour of the maintenance of unemployed workers by the industry. There is, therefore, a good deal of opinion favourable to unemployment insurance on the basis of industries.

Unfortunately, the newly found zeal of the Minister of Labour for such schemes may be attributed mainly to considerations of financial expediency. The primary object is to reduce State expenditure, rather than to ensure the most efficient administration of unemployment insurance. The question cannot be settled purely on grounds of public expenditure. Obviously, a transference of the burden of expenditure from the taxpayers to employers and workers is not necessarily an economy. But the substitution of a more effective system of insurance would be a national gain.

The arguments of the supporters of industrial maintenance or "free Staters" are cogent; but those of the supporters of State insurance or "the unionists" are also weighty. The former declare for self-determination; the latter urge that every industry should stand together, shoulder to shoulder. Those who press for insurance by industries are right when they insist that unemployment is not a single problem, taking a simple form. Its character varies from industry to industry. In the more normal periods of trade depression, the problem in the wool textile industry is under-employment rather than unemployment; in the building trades the problem is seasonal unemployment; amongst the dockers it is chronic intermittent employment. Each form of the evil requires its appropriate method of treatment, and it is argued that this can best be attained by each industry working out its own solution on the basis of experience and knowledge. Secondly, it is suggested that if each industry becomes responsible for its own unemployment, active steps will be taken to reduce the problem to a minimum. In other words, it is believed that the system of industrial maintenance will be a direct encouragement to improved organisation, with a view to the prevention of unemployment—a result which, if achieved, would be distinctly beneficial from the national point of view. Thirdly, the advocates of insurance by industry contend that the decentralisation of administration which it would involve would mean more efficient working. Fourthly, it is said that benefits under industrial schemes could be brought into relation with wages and the standard of life of the workers in the various industries, and that such schemes might be extended in a way which would be impossible under a purely State scheme to provide invalidity and retirement pensions for workers. Lastly, the contention is put forward that the employers and workers in industries, with less than the average amount of unemployment, are unjustly taxed to subsidise industries where unemployment is high.

The supporters of a State scheme of unemployment insurance assert, what is undeniable, that unemployment is a national, indeed, an international problem. Its causes lie outside the control of particular industries, and the trades most severely attacked are not necessarily those most responsible for its onset. Moreover, unemployment insurance should be a second line of defence. Every effort should be made to prevent or minimise unemployment. The amount that each trade can do in this direction is limited. A policy of prevention calls for national and international action, and the burden of a scheme of unemployment insurance is an incentive to such action. Again, it is argued that whilst certain well-organised and wealthy industries might bear the responsibility of their own unemployment, less organised and less wealthy trades, in which perhaps unemployment was heavy, could not bear such a burden. Further, those who prefer State insurance advance the view that insurance by industries would not be comprehensive, and that, therefore, a State scheme would be inevitable even if most industries administered schemes of their own in order to provide insurance benefits for those who would otherwise be without such provision.

The subject is clearly far more complex than the Geddes Committee realised, and it is certain that a final scheme will not be determined by considerations of the Exchequer, but by its intrinsic merits. It is certain that the State cannot repudiate its ultimate responsibility for the maintenance of its citizens. Nor can it be denied that unemployment has become a problem which is international in its scope, and ought to be dealt with by the League of Nations and the States composing it. Moreover, there is clearly a strong case for industries which desire it to formulate and administer schemes of their own. But, in practice, a State scheme will be a necessary background for such industrial schemes. Special schemes would need to offer benefits at least as good as those of the State scheme, and the Government would naturally require guarantees of the solvency of industrial schemes. Clearly, no scheme could start with the handicap of a debt, and if the object of the Government be to transfer large liabilities to industrial schemes, they will be foredoomed to failure. The Government apparently intends that the whole question of unemployment insurance should be explored by a Committee, and it would undoubtedly be a good thing if it could be reconsidered in the light of experience and with the single

aim of evolving a scheme which will yield the maximum benefit to the community, and win the maximum of co-operation from employers and workers. But a reconsideration of the question ought not to be marred by the ominous shadow of the Geddes axe.

Notes of the Week.

The Indian Budget Controversy.—In an article on the Indian Budget last week we suggested the danger of a deadlock. This has actually occurred. Unable to vote on or discuss the Indian Government's large military expenditure, the Indian Legislative Assembly has vented its displeasure with this expenditure by cutting down supply grants, and rejecting the new taxes proposed in the Budget. The Assembly first voted a cut in the Civil Service expense, and then proceeded to reject in turn the increase in the salt tax, the increase in the Excise duty on cotton goods, and the increase in the import duty on cotton goods and the additional duty on imported machinery. The position that arises is both serious and delicate. The Indian Government regards as necessary military expenditure at the figure entered in their Budget. The Assembly does not, but being precluded from influencing this expenditure directly, falls back upon the expedient of refusing to vote supplies that are officially regarded as necessary for administration. In theory the Governor-General can go over the heads of the Assembly, and vote supplies that he regards as essential for the peace, safety, and welfare of the country. But, in practice, to do so under present conditions would be to throw down a provocative challenge to Indian malcontents, and very possibly to imperil the progress of Indian reforms on constitutional lines. Obviously the situation needs adroit and tactful handling. Possibly a dénouement is foreshadowed by the statement of Sir Malcolm Hailey, the Finance Minister, that he hoped to be able to announce the formation of a Retrenchment Committee, with power to consider military as well as civil expenditure. But to bring military expenditure under the purview of such a committee would be a new constitutional departure, for which the sanction of the Secretary of State and the British Cabinet would presumably be required. Thus Lord Peel, who has taken up the post vacated by Mr Montagu, is faced with a very difficult problem at the outset of his tenure of office. According to cabled accounts of the debates in the Assembly, member after member protested against the burden of taxation necessitated by the size of the military estimates. Mr Aiyer, in particular, is quoted as arguing that risks must be taken "to cut the vicious circle, in which unrest was increased by taxation, which in turn was increased by the military precautions against unrest." Mr Aiyer apparently realised that in view of the unrest special military precautions were necessary, and his demand for the elimination of extravagance and waste will evoke considerable sympathy in this country. But that sympathy will not be increased if the policy of indiscriminate refusal to grant supplies is carried to extreme lengths. We hope that the rejection of the new tax proposals may be regarded only as a powerful protest, and not as intransigent obstructionism, and this view is supported by the later news that in a truncated year, with a £6,000,000 deficit, the Assembly has passed the Budget. It does not seem impossible that a "Geddes" Committee on Indian expenditure might show the way to combining reasonable military precaution with reduced expenditure and lower taxation. If that is the upshot of the present trouble, this crisis may produce more good than harm. Meanwhile, Lancashire may feel some relief in the dual rejection of the increased Excise and the increased import duty on cotton goods, for there was some fear that the former might be rejected and the latter adopted.

The British Reparations Proposal.—Our Paris correspondent discussed last week the proposal of Sir Robert Horne for settling the German reparations problem. This plan, which, we understand, is being considered by the

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Finance Ministers of the Allied countries, was summarised as follows in the *Times* of March 20th:—

(a) Non-German reparation shall be regarded as amounting to 25 milliards (£1,250,000,000 at par of exchange), and the payments already made by Germany up to December 31, 1921, inclusive, as reducing her outstanding debt as on January 1, 1922, to, say, 110 milliards (£5,500,000,000).

(b) In satisfaction of 65 milliards of this debt Germany to accept a contingent liability to pay on demand any principal or interest in respect of inter-Allied war debts which any creditor Government may exact from any debtor Government. Obligations of the German Government, payable at one month's notice, to a total of 65 milliards to be deposited with the Reparation Commission to rank, as and when notice is given, *pari passu* with any German Government obligation then outstanding.

(c) The Governments of the United Kingdom and France to agree that they will demand payment of debts owed to them by other Allied Governments only if and in so far as they are themselves called on by the United States Government to make payment or fail to recover from Germany.

(d) Of the remaining 45 milliards (£2,250,000,000) due from Germany, 5 milliards to be converted into a sterling debt of £250,000,000 to the British Government, carrying no interest for three years, and thereafter interest at 5 per cent. per annum, payable half-yearly.

(e) The remaining 40 milliards it is proposed shall carry interest at 5 per cent. per annum, payable half-yearly, and to be divided among the Allied Powers (other than the British Empire) in accordance with the Spa percentages, subject to such modifications, if any, as may be agreed upon after taking into consideration the sums already received in cash, kind, and ceded property, &c., by the individual Powers up to December 31, 1921, inclusive; each Allied Power to retain the receipts which are in fact in its hands on December 31, 1921, and not to be called upon to account for them to the Reparation Commission.

(f) Each Power entitled to a share in the 40 milliards (£2,000,000,000) to be allowed to negotiate, subject to the approval of the Reparation Commission, agreements for deliveries in kind up to the amount of its share at any time remaining unpaid, safeguards as to valuations being provided for by requiring valuations to be made by one valuer for Germany, one for the recipient Power, and an umpire appointed by the Reparation Commission.

(g) Germany to agree to use her best endeavours to raise by international loan operations sums of not less than 3 milliards in 1922, 7 milliards in 1923, 10 milliards in 1924, and 10 milliards in 1925, making 30 milliards in all (£1,500,000,000); and the Allied Governments to agree to withdraw their Armies of Occupation not later than May 1, 1926, if before January 1, 1926, Germany has discharged, with interest, 35 milliards out of the 40 milliards, plus any sums payable by her up to that date in respect of her contingent liability of 65 milliards.

It is suggested that in return for such a revision of her liabilities Germany should undertake to reform her finances; that she should balance her budget not later than 1924, and discontinue subsidies after the present half-year, cover budget deficits by internal loans other than Treasury bills discounted with the Reichsbank, and reduce progressively her debt to the Reichsbank. It is also suggested that—

(a) No new issues of paper currency be permitted beyond a maximum to be fixed forthwith, and steps be taken at an early date to introduce a new currency unit in place of the paper mark.

(b) Customs duties to be collected in gold. (c) The internal price of coal in Germany be raised not later than March 1, 1922, to a figure not less than three-fourths of the world price of coal and to be kept thereafter up to such proportionate figure. (d) Committee of Guarantees to work out in co-operation with the German Government a plan for giving adequate security for foreign loans to be raised by Germany, and such loans to be issued with the approval of the Reparation Commission.

These proposals form a sane basis for discussion, but for the moment interest in them is minimised by the decision of the Reparations Commission, which is described in detail on a later page by our Paris correspondent.

Wages.—The *Labour Gazette* states that changes of rates of wages reported as having taken effect in February resulted in a net reduction of over £390,000 in the

weekly full-time wages of over 2,400,000 workers. Nearly 800,000 coal miners sustained reductions, ranging in different districts from 2 per cent. to 8 per cent. on current rates. Steel melters' wages were reduced by 33½ per cent. of standard rates, and those of iron puddlers and mill-men in the Midlands by 20 per cent. on standard rates. Other important reductions in wages last month affected workers in the boot and shoe industry, pottery works, paper-making, coach-building, tinplate works, &c. There were also reductions in the minimum rates fixed under the Trade Boards Acts for workers employed in the jute trade, the retail bespoke tailoring trade, the hat, cap and millinery trade, and the milk distribution trade. In a special article dealing with wage declines in various industries our official contemporary says:—

From the details given it will be evident that both the actual amounts of increase and the corresponding percentages on pre-war rates continue to show a wide diversity among different classes of workers. In some cases—e.g., in the coal mining industry in certain districts, the increases up to the end of February, 1922, were equivalent to not more than 20 per cent. on the pre-war rates. On the other hand, in some other cases, particularly among the lower-paid grades of workmen in some industries, they were equivalent to as much as 150 per cent. on pre-war rates, and there were some exceptional instances of increases equivalent to 200 per cent. or more. . . . It is estimated that at the end of February, 1922, weekly full-time rates of wages of adult workpeople, in the industries for which particulars are available, were approximately 100 per cent. above the pre-war rates. As the length of the normal working week had been considerably reduced in the same period, the usual range of full-time working hours in industry generally being about 44 to 48 weekly at the end of February, 1922, as compared with 48 to 60 before the war, the percentage increase in hourly rates of wages would be substantially greater. At the end of 1920, shortly before the decline in wages began, the increase on pre-war rates in the same industries is estimated to have been about 170 or 180 per cent. The average reduction in rates of wages from the beginning of 1921 until the end of February, 1922, therefore, would appear to have been equivalent to between 25 and 30 per cent. of the rates current at the former date.

These figures relate solely to wages for full-time work, and "no account has been taken of the widespread loss of earnings which is now being caused by unemployment and short-time working, or of the effects of increased or reduced exertion on the earnings of workpeople paid at piece rates of wages."

Employment in February.—Following the continuous increase since October it is pleasant to record a decline, even though it is a small one, in the unemployment percentage figures in February. According to the *Labour Gazette*, the percentage unemployed among members of trade unions which make returns to the Labour Ministry fell from 16.8 at the end of January to 16.3 at the end of last month. How this figure has moved month by month in the last few years and how it at present compares with the pre-war level is shown in the following table:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.									
End of—	1913.	1917.	1918.	1919.	1920.	1921.	1922.		
January ..	2.2 ..	0.3 ..	1.0 ..	2.4 ..	2.9 ..	6.9 ..	16.8 ..		
February ..	2.0 ..	0.3 ..	0.9 ..	2.8 ..	1.6 ..	8.5 ..	16.3 ..		
March ..	1.9 ..	0.3 ..	1.2 ..	2.9 ..	1.1 ..	10.0 ..			
April ..	1.7 ..	0.3 ..	0.9 ..	2.8 ..	0.9 ..	17.6 ..			
May ..	1.9 ..	0.4 ..	0.9 ..	2.1 ..	1.1 ..	22.2 ..			
June ..	1.9 ..	0.4 ..	0.7 ..	1.7 ..	1.2 ..	23.1 ..			
July ..	1.9 ..	0.4 ..	0.6 ..	2.0 ..	1.4 ..	16.7 ..			
August ..	2.0 ..	0.5 ..	0.5 ..	2.2 ..	1.6 ..	16.3 ..			
September ..	2.3 ..	1.3 ..	0.5 ..	1.6 ..	2.2 ..	14.8 ..			
October ..	2.2 ..	1.1 ..	0.4 ..	2.6 ..	5.3 ..	15.6 ..			
November ..	2.0 ..	1.1 ..	0.5 ..	2.9 ..	3.7 ..	15.9 ..			
December ..	2.6 ..	1.4 ..	1.2 ..	3.2 ..	6.0 ..	16.5 ..			

* Excluding coal miners. † Revised figure.

The percentage of unemployed among workpeople insured under the Unemployment Insurance Act also fell from 16.2 at the end of January to 15.7 at February 21st. At the latter date the percentages for males and females were 17.8 and 10.8 respectively. Improvement in the demand for labour took place in February in coal mining, pig-iron manufacture, iron and steel manufactures, the woollen and worsted industry, the ready-made clothing trades, boot and shoe manufacture, and the pottery trade. The total number of workpeople registered at the Employment Exchanges as unemployed on February 28th was approximately 1,837,000,

of whom 1,411,000 were men and 318,000 were women, the remainder being boys and girls. On January 31st the number on the live register was 1,906,000, of whom 1,458,000 were men and 333,000 were women. In addition to those unemployed, 156,000 males and 110,000 females were registered on February 21st as working systematic short time in such a manner as to entitle them to benefit under the Unemployment Insurance Act. At January 31st the corresponding figures were 166,000 males and 122,000 females. February, it will be noticed, saw a decline in the number of those who are working systematic short time, as well as in the number of those entirely without employment.

Cost of Living.—A further fall of two points during February is recorded by the *Labour Gazette's* Index Number of the cost of living for an average working-class family. According to this calculation the cost at March 1st was 86 per cent. above the level in force in July, 1914, and is now similar to that recorded for the beginning of 1918. How the figure has moved in the past four years will be seen below:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.
(Food, Rent, Clothing, Fuel, and Light, &c.)

	1918.	1919.	1920.	1921.	1922.
January 1st	85-90	120	125	165	92
February "	90	120	130	151	88
March "	90	115	130	141	86
April "	90-95	110	132	133	..
May "	95-100	105	141	128	..
June "	100	105	150	119	..
July "	100-105	105-110	152	119	..
August "	110	115	155	122	..
September "	110	115	161	120	..
October "	115-120	120	164	110	..
November "	120-125	125	176	103	..
December "	120	125	169	99	..

Apart from a slight interruption in the summer of 1921, the decline from the high-water mark of 176 per cent. above pre-war level in November, 1920, has been continuous. Retail food prices alone were calculated on March 1st to be 77 per cent. above the pre-war level, as against 79 per cent. above at the beginning of February. Eggs and fish became substantially cheaper in February, and there was also some decline in the prices of milk, butter, margarine, and imported beef. But these declines were largely offset by advances in the prices of bread, flour, and mutton.

Some Governments and Their Creditors.—The forty-eighth annual Report of the Council of Foreign Bondholders is more satisfactory than might have been expected, in view of the difficulties of the minor States of Spanish America and the prolonged unsettlement in the Near East. There is the usual list of national defaulters—notably Ecuador and Honduras; the latter will be able next year to celebrate the jubilee of her default. Yet her financial position is believed to be as satisfactory as that of any Central American Republic. Ecuador is paying only the interest on the Prior Lien Bonds of the Guayaquil and Quito Railway, and the President's promise that the sums set aside for the debt service shall be respected has not been kept, nor has the expected loan from American financiers been yet arranged. Paraguay is three half-years in arrear, but is not yet ranked with the defaulters. Salvador has settled with her creditors; Mexico since the Report was published has held out fresh hopes of an arrangement. Colombia, at last compensated for the loss of Panama, will shortly be able to pay off the arrears of interest, as agreed in 1905; Nicaragua and Costa Rica have remained solvent in spite of heavy deficits; Venezuela, while punctually paying the interest on the Diplomatic Debt, has refused to recognise the coupons which certain French and Belgian bondholders were prevented by the German occupation from presenting at the proper dates. Similar evasions of moral obligations in respect of lost bonds are too common among the Governments of Spanish America. The late Government of Guatemala, though it did not pay up the arrears due, considerably reduced the capital of the foreign debt: its successor, since the Report was published, has

announced its readiness to reconsider the question of a Federation of Central America. Of the defaulters outside America, Liberia is still irregular in its remittances, and careless as to their delay; but it is hoped that the loan will be paid off through fresh borrowing from the United States. Of Russia, naturally nothing definite can be said. Bulgaria has settled with its foreign bondholders. In Greece and Turkey the financial outlook may be considerably modified by coming events. The Greek financial position is encouraging so far as concerns the revenues assigned for the service of the old gold loans. The gross amount of these last year reached, in round numbers, 259 million drachmas, against 209 million in 1920 and 158 million in 1919; the revenues assigned to the "plus-values" showed a substantial increase, the Customs receipts were satisfactory, and, in spite of various hindrances, the imports did not fall off. In Turkey, on the other hand, the condition of Asia Minor produced a decline in the assigned revenues, and the needed increase in the spirit duties was checked by the opposition of the United States. But the question of the payment in gold of the sums deposited for debt service in German banks before the war is to come before the Mixed Arbitral Tribunals, and eventually the States which have acquired Turkish territory will have to bear their share of the Turkish debt. But any payment on this account must obviously be remote.

Stock Exchange Committee Election.—More interest has been taken this year, both outside the House and inside the markets, in the result of the Stock Exchange Committee election than has been the case this century. A House correspondent writes: The Stock Exchange, as is well known, is about to revert to mastership in its own house. Indeed, it may be shrewdly surmised that the amount of control which the Treasury still exercises over the Stock Exchange is even less than many people suppose it to be. The Committee have already intimated the principles of a policy under which the return to periodical settlements and contangoes is contemplated. At the latest, the aftermath of the pre-war account (which is the nominal reason for refraining from immediate reversion to complete liberty of dealings) will have to be cleared up completely by the end of August. The Stock Exchange Committee are faced, therefore, with the necessity for putting their house into order against such time as the Temporary Regulations imposed by the Treasury during the war are removed. Some members would hasten the date as much as possible, urging the vital necessity for immediate return to conditions of pre-war business. Out of the seven new candidates for election to the Stock Exchange Committee, five were understood to be pledged to a progressive programme in this respect, urging, moreover, that there should be revision of the present system whereby agents and collectors of business are permitted to receive 50 per cent. return of commission on all business introduced by them. One of these five, Mr H. W. Smith, has been returned, while another new member, Mr Henry Frisby, takes an independent attitude, and will bring to the present-day problems of the Committee the advantage of a long experience, combined with a fund of practical knowledge. The new Committee begin their work on Tuesday next, and it must be admitted that the task in front of them will tax to the utmost the sagacity and long-sightedness of these 30 City men. Fortunately it may be taken for granted that the present chairman, Sir Wilfrid Atlay, son of the famous Bishop of Hereford of that name, will be re-elected chairman. In decisions of such consequence as will have to be reached by the present Stock Exchange Committee, it is above all things necessary that the Chairman of the Committee should possess the qualities essential to arriving at a judgment that shall ensure protection to the public as well as prosperity to the House. The appointment of Sir Wilfrid Atlay to be Chairman of the Committee, in the place of Mr Owen Quekett, was regarded, at the time it was made, as something in the nature of an experiment, inasmuch as the chairmanship of the Stock Exchange has always been held to be a position suitable for a broker rather than a jobber. Sir Wilfrid is, however, a jobber, and his elec-

tion to the responsible post which he at present occupies has been fully justified by his proved capacity for tact, impartiality, and sound judgment.

Co-Operative Wholesale Trade.—The fall in the turnover of the distributive co-operative societies, to which we recently drew attention, is emphasised in the balance-sheet of the Co-operative Wholesale Society, to be presented to the delegate meetings in April. The total sales for 1921 were £80,884,660, a decrease of 23 per cent. on the previous year. Six months ago a loss was reported, and for the half-year just closed there has been a trading loss of £445,491. In addition, £650,774 has to be paid on capital, and £320,350 provided for the customary depreciation of property. This makes a total sum of £1,416,615, which has to be met from the reserve fund. This will then stand at £642,068, to which may be added the £940,750 in the society's insurance fund. For the past half-year the sales were £38,543,084, a decrease of £15,670,676, or 28 per cent., while the supplies from the society's own works were £12,109,909, a fall of 30 per cent. The decline in trade resulting from the poor employment in the industrial areas where co-operation is strongest, and the general depression, are responsible for some of the loss, as the expenses have been maintained on the basis of the bigger business naturally expected, but the chief factor in the loss of profit has been the reduction of the value of the stocks to present-day conditions, to enable the Wholesale to continue to serve the retail societies on the most favourable terms. On its farming operations for last year the C.W.S. lost £106,734, after charging interest on the capital employed. It has 14,661 acres in ten estates, and drew therefrom supplies to the value of £227,140. During the past half-year the greatest decline has been in the Newcastle area, where there was a decrease of 36 per cent. in trade; in the Manchester district it was 29 per cent., and in the London and South Wales it was 26 per cent. Of the society's production of just over £12,000,000, £5,808,009 is represented by supplies from its eleven flour and provender mills. This is a decrease of £1,349,711, as compared with the corresponding period of 1920; but it represents 1,543,661 sacks of flour and 1,241,171 sacks of offal as compared with only 1,498,793 sacks of flour and 983,777 in the last half of 1920, so that the fall in value of flour and provender has been really substantial. During the past six months the C.W.S. made 746,637 pairs of boots, sent out 34,917,000 cigarettes, and sold a weekly average of 800 tons of soap—details of interest as showing the variety and extent of certain long-established departments. For the corresponding six months the sales of the Scottish Co-operative Wholesale Society—which works north of the Tweed—although it is in partnership with the English C.W.S. for tea, coffee, and cocoa—were £10,086,619, a decrease of £4,661,040, or 31 per cent. Its manufactures were £2,947,400, or 39 per cent. lower. According to the chairman, values had dropped 30 per cent., so that a decline in trade as well as on trading results was to be expected. £41,732 has been taken from the reserves to meet share interest, and the surplus, after the usual depreciation of buildings, plant, and machinery, was £26,354. According to rule, £21,013 has been allocated to the reserve fund, and the remaining £5,340 carried forward.

The Insurance of Marine Certificates.—A question addressed in the House at the end of last week to the President of the Board of Trade called attention to the establishment, last year, of a small new specialist company—the Navigators and General Insurance Company, Limited—which proposes, in return for a premium, to indemnify navigating and engineer officers of the British Mercantile Marine for the cancellation of their Board of Trade "tickets." It is also proposed to fulfil the same service for skippers and second hands of fishing vessels. The Department "does not propose to take any special action in the matter." Nevertheless, there is a distinct question of public policy: whether it is advisable in the public interest for navigators, engineers, and other holders of marine certificates to be insured against the financial consequences of the suspension of

their "tickets." The fear of the consequences does not, we can well believe, seriously operate to prevent the better-class navigators, engineers, or skippers from indulging in drunkenness, tyranny, or negligence. They are men of high character. But there must be many of their weaker brethren for whom the possible loss of a certificate does act as a moral cold douche; it supplies an artificial stimulus to self-respect. The cold, stern justice of the Board of Trade, always hovering over the moral weaklings, has preserved many from evil courses. It should, of course, be clearly understood that the policies explicitly exclude from any indemnity the suspension or cancellation of a certificate in consequence of any breach of discipline, gross misconduct, or conviction for any offence against the law of the realm. But the indemnity does cover many wrongful acts or defaults which may have very serious results to property and life. We understand that the Board is fully alive to the public aspect of this new form of insurance, and intends to watch closely its working out. The company itself is microscopic financially—the capital actually paid up is only £2,300—but it has entered into arrangements with a "well-known office, whose assets exceed 19 millions," under which all its policies are guaranteed. It should be noted that since the company does no insurance business which comes within the Assurance Companies Act, 1909, it is not required to make a deposit of £20,000 with the Paymaster-General. It is not difficult to guess the name of this well-known office. The directors are highly respectable people; no one can question their good faith, though one may be permitted, perhaps, to doubt their wisdom. The field is very small. We estimate the total number of certificates which could possibly be insured at some 30,000. There is a serious moral hazard: the risk of adverse selection, under which the company would get all the bad eggs and not succeed in attracting the good ones. There is little money in the scheme for the pioneers, even if every Board of Trade certificate were automatically insured, for the composite offices would quickly enter the field if it appeared that satisfactory business were to be had. We also shall watch the scheme closely, and are, upon the whole, indisposed to wish it even such modified success as may be possible, except for that small part of it which consists in giving legal assistance before Wreck Inquiries to insured officers.

North-Western and Midland Fusion.—At the end of last week the directors of the London and North-Western and Midland Railway Companies announced that a provisional agreement had been entered into under which the two undertakings will be amalgamated as from January 1, 1923, into a new company, the name of which will be subsequently decided upon. The terms on which the several stocks of the two companies will be exchanged for stocks in the new company are as follows, viz.:—

1. The debenture, guaranteed, and preference stocks of the two companies existing at the date of amalgamation shall be converted *pari passu* into similar stock of the new company, such amount to be issued as will give the stockholders the same income as they receive at present.
 2. The preferred ordinary stock of the Midland Company shall be converted into a new preference stock, to be known as the 1923 preference stock of the new company, such amount to be issued as will give the holders of the Midland stock the same income as they receive at present.
 3. Ordinary stock of the new company to be issued in exchange for the existing Midland deferred ordinary stock at the rate of £68 for each £100 Midland deferred stock.
 4. Ordinary stock of the new company to be issued in exchange for the existing London and North-Western ordinary stock at the rate of £100 for each £100 London and North-Western stock.
- Under these terms, with North-Western ordinary at 88½, Midland Deferred stock should be worth just over 60. It is proposed that the new board shall consist of twelve directors of the North-Western and eight of the Midland. During the current year the two companies will continue under separate management, but will work in the closest co-operation with a view to economy, and with the object of facilitating the complete amalgamation as from January 1, 1923. The provisional agreement which has been entered into will be carried out by a preliminary

scheme of amalgamation under Section 8 of the Act, and the necessary steps will be taken in due course to comply with the requirements of this section.

Lever Brothers.—The report of Lever Brothers, Limited, for the year 1921 shows a further remarkable increase in profits, the balance of profit and loss account, after providing for repairs, renewals, depreciation, &c., and presumably debenture interest, amounting to £4,035,500, as against £3,270,100 in 1920. The comparative table below illustrates almost unbroken expansion in the great company's earnings:—

	Profit Balance, £	Deprecia- tion, Reserve, &c., £	Em- ployees, £	Prof. Div. £	Ord. and Prof.Ord. Divs. £
1895.....	158,576	46,076	..	37,500	75,000
1901.....	278,986	396	..	100,000	178,590
1907.....	405,331	86,555	32,245	138,531	148,000
1908.....	473,132	95,344	37,216	155,572	185,000
1909.....	545,482	106,796	42,436	165,000	231,250
1910.....	637,329	118,986	55,536	185,307	277,500
1911.....	720,748	127,266	39,959	276,023	277,500
1912.....	779,403	135,855	40,069	325,979	277,500
1913.....	988,238	145,493	41,272	402,604	397,869
1914.....	1,152,107	179,205	24,095	499,617	449,190
1915.....	1,265,933	164,278	42,947	529,994	528,714
1916.....	1,354,607	203,279	70,209	545,000	536,119
1917.....	1,608,778	276,241	130,834	562,045	643,658
1918.....	1,853,589	295,953	206,143	610,000	731,492
1919.....	2,439,067	504,038	271,299	740,000	923,730
1920.....	3,270,091	4,936	276,855	2,158,483	829,817
1921.....	4,035,516	250,000	219,715	2,886,080	625,593

* After providing for repairs, renewals, alterations, depreciation, and insurance.

The special reserve fund is credited with £250,000, and £219,700 is paid in the form of copartnership dividends. The "A" preference dividend requires £1,648,900, and the "B" preference £1,237,200. The report states that the three million subscribed 20 per cent. "A" preferred ordinary shares are held by an associated company, to whom they were allotted in connection with a proposed purchase. As this purchase did not mature, no dividend is payable. Dividends on the 20 per cent. preferred ordinary, 20 per cent. "B" preferred ordinary, and 5 per cent. preferred ordinary, absorbed £397,600, but the ordinary dividend is reduced from 20 to 10 per cent., and requires £250,000, leaving a balance of £54,100 to be carried forward. The principal changes in the balance-sheet are declines of £3,526,300 in creditors and of £1,565,600 in stocks, and an increase of £2,750,200 to £48 millions in holdings in associated companies and investments. The directors state that some improvement in general trading conditions in West Africa is anticipated in the near future, and that they are satisfied that all depreciations in value are covered by the appreciated value of the holdings of the company in other associated companies. Claims against the Government for E.P.D. included in the 1920 accounts have been paid, and a further claim, it is stated, is included in the present accounts.

British Trade Corporation.—A year ago the report of the British Trade Corporation, incorporated under Royal Charter in the early part of 1917, showed that the net profits for the year 1920, before providing for income-tax, &c., were £119,309, as compared with £88,340 for the year 1919. The report for the year 1921, just published, shows very disappointing results. The profit for the year is given as £104,103, but against this has to be set £359,080, the amount written off for bad debts and interests in subsidiary companies, the net result being a loss of £254,977 for the year. The auditors' report on the balance-sheet states that "no provision has been made for any loss which may have accrued at the date of the balance-sheet in connection with certain of the assets, and we are unable to form an opinion as to what reserve may be necessary." This criticism, however, is to be met by writing down the existing capital of £2,000,000 in £10 fully paid shares "by an adequate amount," and by the creation of "A" shares to take the place of the capital so displaced. The "A" shares will be preferential, and will be offered to the shareholders. The effect of the reduction will be to wipe off the debit balance at profit

and loss account, and to reduce the totals of bills discounted, loans, advances, and sundry debtors, and provide reserves against other assets. The directors explain that the difficulties experienced in 1920 in obtaining payment for goods shipped abroad by clients were accentuated in 1921, "and it is feared that some of the loans and advances will be difficult to realise, and may be subject to loss." Deposits, at £1,460,064, show a decrease of £1,018,297, while acceptances have fallen by £1,325,303 to £855,441. Interests in subsidiary companies have been written down by £264,080 to £43,300, and bills discounted are £337,153 lower at £1,640,292.

The Salt Union.—The profits of the Salt Union, Limited, for the year ended December 31st last show a sharp decline from the figure recorded a year ago, which was the highest point reached. The directors state that this setback is due to a supply of excessively cheap German and solar salts, which reduced the total tonnage dealt with for the home trade and export to only three-fifths of that for the previous year, and to the fact that 79,000 tons of German and solar salts were imported in the United Kingdom alone. How 1921 profits compare with those of previous years may be seen from the following table:—

	Gross Profits, Rents, and Dividends, £	Reserve and Depre- ciation, £	Dividends, £	Balance Forward, £
1910....	242,937	30,000	25,000*	4,561
1911....	262,006	35,000	37,500*	3,957
1912....	226,333	25,000	nil	5,104
1913....	227,261	25,000	nil	8,896
1914....	232,710	20,000	15,000*	9,338
1915....	275,314	25,000	62,000	8,862
1916....	426,066	127,000	190,000	14,317
1917....	354,817	50,000	190,000	3,597
1918....	440,074	60,000	190,000	29,326
1919....	455,148	60,000	190,000	24,007
1920....	482,844	70,000	190,000	23,274
1921....	354,990	..	110,000	21,561

* Preference distribution only.

Administration expenses were reduced by £7,000, but rates and taxes rose from £83,300 to £121,200, and the net profit fell from £317,400 to £162,300. Debenture interest absorbed £54,000, and a distribution of 2s 4d per share on the preference capital £70,000. The latter represents the maximum dividend of 7 per cent., together with £28,000, the share of the surplus under the capital reduction scheme. The dividend on the ordinary shares is reduced from 15 to 5 per cent. An analysis of the balance-sheet will be found in the usual column.

British Portland Cement.—The British Portland Cement Manufacturers have just issued their eleventh annual report, and, as will be seen from the figures given in our table below, have again had a profitable year. In 1919, owing to a change over in the period for closing accounts from April 30th to December 31st, the balance-sheet and profit and loss account covered a term of eight months only. The following figures show how trading profits have been allocated over a period of eight years:—

	1913-14.	1915-16.	1916-17.	1917-18.	1918-19.	1919.*	1920.	1921.
Trading profit.	330,428	256,796	254,162	328,889	345,374	379,446	558,840	479,762
Interest, &c.	79,928	85,986	85,822	97,353	82,178	53,343	62,146	85,600
Depreciation	51,756	42,318	42,396	63,050	78,000	123,537	173,287	179,750
Brought forward.	168,744	128,422	125,945	168,436	185,196	202,166	323,407	214,212
	328,688	76,767	73,154	74,994	87,723	91,509	136,264	181,478
Prof. dividend.	231,312	199,259	199,099	241,480	272,919	294,075	459,671	395,690
Ord. dividend.	70,334	70,800	70,800	70,800	70,800	47,300	70,800	70,800
	(7%)	(4%)	(4%)	(6%)	(8%)	(8%)	(15%)	(10%)
Carried forward.	84,328	73,154	72,994	87,722	91,509	136,264	18,478	186,628

* Eight months.

The ordinary dividend is reduced from 15 to 10 per cent. This absorbs £138,262, as compared with £207,393 a year ago, but the allocations to reserve are again on a generous scale, while the amount carried forward, at £186,628, is slightly higher. The report states that: "During the year the demand for Portland cement, both for home and export, showed a steady decline. In the home market this was caused mainly by the three months' coal strike, the general depression of trade, and the Government's change of policy with regard to the national housing schemes. The export trade was adversely affected

by the depreciation of foreign exchanges and by lower freights from the Continent than those obtainable from this country." The balance-sheet shows that there has been a further issue of £509,533 5 per cent. debenture stock. Total assets are now £5,751,376, of which properties and plant represent £3,373,005, and investments at cost and loans £1,029,360. The balance-sheet will be found fully analysed in another column.

Savoy Hotel.—The report of the Savoy Hotel Company for the year 1921 shows a further decline in profits from the high level reached in 1919, but the results are nevertheless surprisingly good for a year such as 1921. The following table summarises the company's history for a number of years:—

Dec. 31.	Receipts, £	Expenses, £	Ratio, %	Deben- ture Interest, £	Sinking Funds, &c., £	Balance, £	Ord. Divid- end, %
1905.....	561,026	406,198	72.5	93,143	34,961	26,724	5
1906.....	567,026	407,985	72.0	93,331	32,314	33,397	5
1907.....	569,711	409,232	72.0	94,283	32,560	33,577	5
1908.....	565,735	403,738	71.3	95,309	33,012	33,676	5
1909.....	598,746	435,381	72.6	95,159	35,401	32,915	5
1910.....	621,781	455,231	73.2	97,958	35,501	33,090	5
1911.....	686,754	508,783	74.0	98,361	45,884	33,725	5
1912.....	695,907	517,619	74.5	97,365	48,102	32,820	5
1913.....	746,008	563,117	75.4	98,503	50,978	33,409	5
1914.....	785,549	574,316	73.2	97,547	83,118	nil	nil
1915.....	785,549	574,316	73.2	97,549	10,638	nil	nil
1916.....	116,707	62,759	53.8	62,759	53,948	nil	nil
1917.....	178,057	70,016	39.3	70,016	108,041	nil	nil
1918.....	201,116	69,840	34.7	69,840	131,276	nil	nil
1919.....	316,096	597,451	189.0	597,451	Dr. 81,250	nil	nil
1920.....	248,393	9,191	3.7	74,103	165,099	10	10
1921.....	220,067	72,682	33.0	72,682	10,987	136,398	10

The trading profit for 1921 is given after payment of taxes, including provision for corporation profits tax. From the balance of £136,398 available £10,000 goes to staff superannuation fund, £30,000 to general reserve, and £17,500 is required for preference dividend. The ordinary dividend of 10 per cent. absorbs £73,893 as against £55,420 a year ago. At the end of 1920 four years' dividends on the preference shares were paid, and the ordinary dividend was only payable on the new shares for the second half of the year: this accounts for the larger amount required this year. The balance forward is increased from £21,590 to £26,595. The balance-sheet, dated December 31, 1920, showed a general reserve account of £73,316. This has now been written off, as it is "employed in the company's business," so that the fund now stands at £30,000, the amount transferred this year. The balance-sheet shows no very striking changes. Investments in war bonds, &c., taken at cost have risen from £103,353 to £132,497, but cash has dropped from £143,368 to £89,127.

R. E. Jones, Limited.—Sir Charles Ruthen, the chairman of R. E. Jones, Limited, at the annual meeting held on Monday last at Swansea, gave some interesting information on the points raised in our note on this company last week. The total investments of the company amount to £729,908, of which £280,000 is represented by holdings in Morgan and Co., and £343,067 by holdings in the Piccadilly Hotel. The balance represents holdings in other subsidiary companies, all forming part of the R. E. Jones' Motor Department. The reason given for not writing down the investments in Morgan and Co., which according to the auditor's report stood "in the books of the company at a value," in their opinion, "very considerably in excess of its true value," is because of "the appreciation in value of the assets in other directions," the Manchester Hotel being specifically referred to. With reference to the item in the balance-sheet, "calls in arrear" from Mr Stanley B. Jones, the managing director, Mr Jones, it is stated, being "imbued" with confidence in the future of the company, "applied for a number of shares entirely beyond the financial resources at his disposal." Eventually the board, to effect a compromise, "caused the forfeiture of the shares allotted to the managing director," and Mr Jones has agreed to pay the company £10,000 over a period of five years in satisfaction of the company's claim. Although the chairman has taken pains to show that the chief part of the loss was sustained on the motor department, apparently this section of the business is to be retained.

The American Telephone Company.—The annual report and accounts of the American Telephone and Telegraph Company for the year ended December 31, 1921, is a document of considerable interest. This company claims to have more shareholders than any other American corporation, and in a note states that shareholders on December 31, 1921, numbered 186,342, an increase of 46,894 during the year. It is further mentioned that the average number of shares held was 29, and that there were more women shareholders than men. If the following statement would only inspire a friendly display of rivalry in this country many suffering telephone users would be extremely thankful. The report says: "So far as the telephone service was concerned, 1921 was in all respects a constructive year in which the system reached its highest status of efficiency." The American Telephone and Telegraph Company operates the Bell system in the United States, and the substantial progress made by the main concern can be gathered from the figures given in the following table:—

BELL SYSTEM STATEMENT for years ending December 31, 1920 and 1921.			
	1920.	1921.	Increase.
Total operating revenues ..	499,442,115 ..	497,088,233 ..	47,646,118
Depreciation	65,731,071 ..	70,858,073 ..	5,127,002
Current maintenance	69,665,080 ..	73,061,099 ..	3,396,019
Traffic expenses	145,848,181 ..	148,372,962 ..	2,524,781
Commercial expenses	45,075,272 ..	47,831,650 ..	2,756,378
General and miscellaneous expenses	20,500,013 ..	23,563,499 ..	3,063,486
Total expenses	346,819,617 ..	363,687,283 ..	16,867,666
Operating revenue	102,622,498 ..	133,400,950 ..	30,778,452
Total income, less taxes ..	85,264,976 ..	110,696,323 ..	25,431,347
Rent, &c.	5,755,808 ..	6,497,642 ..	741,834
Interest	31,724,103 ..	36,773,998 ..	5,049,895
Net profits	47,785,065 ..	67,424,683 ..	19,639,618
Less dividends	39,999,579 ..	47,848,394 ..	7,848,815
Surplus	7,785,486 ..	19,576,289 ..	11,790,803

The annual dividend rate of the American Telephone and Telegraph Company was increased from 8 to 9 per cent., the total earnings of this undertaking amounting to \$73,523,813, as compared with \$70,686,904 a year ago. It is a remarkable testimony to the popularity of the telephone in America to learn that the daily average of calls registered at the Bell-owned exchanges amounted to over 35 millions for 1921, and exceeded by 1,865,000 the daily average during 1920.

Mason and Barry's Bonus.—In 1920 this old established undertaking, which owns a copper-sulphur mine, with railways, &c., in Portugal, fared much better than other like concerns, paying 25 per cent. as compared with 10 per cent. for 1919. At the end of September last the directors informed the shareholders that negotiations were being carried on which might lead them to recommend the sale of the company's property, and they added that further information would probably be forthcoming within two months. On the strength of this the price of the shares jumped about £1. In the end, however, the intending purchasers found themselves unable to carry out the deal, and a slump occurred in the market for the shares, which has since experienced a partial recovery. Those who have "seen the thing through" now get a pleasant surprise. Not only is the rate of dividend further increased to 40 per cent. (or 8s per share), less tax, but in addition a bonus of 2s per share, tax free, is to be paid out of income-tax reimbursed. For information as to the cause of the expansion in profits the full text of the report must be awaited, although the directors ventured the prediction that the result of the year's working would be "entirely satisfactory." Doubtless the company has benefited from the further appreciation in the sterling exchange.

Japanese Trade and Finance.—According to cabled advices, short loans were in scanty supply in the Tokyo money market in the first half of March, owing to keen

demand from Osaka. The rate for day-to-day money was 7 per cent., and the discount rate was also firm. The monetary stringency developed contrary to expectations. General trade conditions in Japan are dull, and after the recent sharp fall the tendency of rice quotations is still weak. On the Stock Exchange the weakness of rubber shares was a feature. On March 15th the note issue of the Bank of Japan was 1,099,000,000 yen, as compared with 1,003,000,000 yen a year ago, discounts and advances at the same date being 111,000,000 yen, against 90,000,000 yen on March 15, 1921.

Finnish Exchange.—Rumours have recently been current to the effect that new exchange restrictions were to be imposed in Finland, but the Finland Bank informs us that the facts of the case are as follows:—"The law passed by the Finnish Diet on March 24, 1921, authorising the Government to take measures for the regulation of exchange transactions will expire on April 1, 1922. The new proposal of the Government for a partial continuation of this law after April 1st involves only a continuation of the Government's authority to decide upon which banks and bankers in Finland (besides the Bank of Finland) will be entitled to carry on exchange business, and a continuation of the Government's right to control the exchange transactions in general."

Deutsche Bank in London.—We are informed that an agreement has recently been concluded between the Senior Official Receiver in Companies Liquidation and the Deutsche Bank to facilitate the completion of the liquidation of the assets belonging to its late London business. In consideration of a substantial payment, the Senior Official Receiver as Controller has released and made over to the Deutsche Bank the assets not situated within the British Empire, or ordinarily recoverable in England, and it will be left to the Foreign Assets Committee appointed by the Deutsche Bank to get them in. In addition to the rights already belonging to the Board of Trade, special provision has been made for the appointment of a Supervisor who can control the transactions of the Committee in their realisation of the assets in question.

THE National Institute of Industrial Psychology announces that a meeting will be held by kind permission of the Right Hon. the Lord Mayor at the Mansion House on Monday, March 27th, at 4.30 p.m., to consider the importance, in the present industrial and commercial situation, of eliminating wasteful and misapplied effort by a more systematic application of human energy. The Right Hon. Viscount Haldane, K.T., O.M., will address the meeting, and Mr W. L. Hichens (Chairman of Cammell, Laird and Co., Limited), Dr C. S. Myers, F.R.S., and others will also speak. Mr H. J. Welch (chairman of the Institute) will preside.

Oversea Correspondence.

UNITED STATES.—REFUNDING VICTORY NOTES—CANADIAN BOND OFFERINGS—FURTHER RISE IN COMMODITY PRICES—NEW HAVEN RAILROAD PLAN—LOAN—STEEL PRODUCTION INCREASES.

(FROM OUR CORRESPONDENT.)

NEW YORK, March 11.

THE Treasury Department's offering this week of a new issue of four-year notes in exchange for the outstanding 4½ per cent. Victory notes, which will mature on May 20, 1923, is a part of the Government's well-defined plan to anticipate, through refunding operations and otherwise, the redemption on that date of \$3,000,000,000 of such notes. Earlier in the year a similar offer was made of three-year Treasury notes, to be exchanged for both 4½ and 3½ per cent. Victories, and later the Department called for redemption on June 15th of this year the \$500,000,000, approximately, of the 3½'s outstanding.

The purpose of these arrangements is to take up the tax-exempt Victories before their maturity next year, and to extend for two or three years the due date of a substantial part of the 4½'s. The notes now being offered are dated March 15, 1922, bear 4½ per cent. interest, and are not callable before maturity. They are meeting with an active response from Victory note holders, who are thus given the opportunity to extend their investment for about three years at the same rate of interest. The Treasury's announcement caused the 4½ per cent. notes to rise from 100½ to more than 100¾. At the same time \$250,000,000 Treasury certificates of indebtedness were offered to banks, trust companies, and investment institutions for subscription, at par and accrued interest, through the Federal Reserve Banks. The new certificates are issued for one year; they are dated March 15, 1922, and bear 4½ per cent. interest.

Considerable Canadian financing is being done here. This week an issue of \$11,000,000 Canadian National Railways three-year 5 per cent. gold notes, guaranteed by the Dominion, were offered by a banking syndicate. The subscription price to investors was 99½, to yield 5.15 per cent. The notes, which are a direct obligation of the Canadian Northern Railway Company, met with a very good reception. Another Canadian issue consisted of \$2,250,000 Province of Manitoba 5½ per cent. 20-year gold bonds, due March 1, 1942, which were purchased by a banking group, which is offering them at 102½ and interest, to yield about 5.30 per cent. The bonds are a direct obligation of the Province, and are payable in gold coin of the United States in New York, or, at the option of holders, in Canadian funds in Toronto, Montreal, or Winnipeg. Many new domestic corporation and municipal bond issues continue to be offered here, and thus far there has been no abatement of the demand for good new securities. Indications of further relaxation in money rates, although actual quotations still rule at 4½ to 5 per cent. for time loans, are chiefly responsible for the continued good absorption by investors and institutions of the flood of new bonds and notes that is constantly pouring into this market. Call money on the Stock Exchange this week declined from 5 per cent. to 3½ per cent., and funds were in abundant supply, notwithstanding increased demands for stock-market purposes.

Commodity prices continue to advance in this country, as is shown by Bradstreet's index number as of March 1st, namely, \$11.6001 which represents the eighth increase in nine months in the general price level since values began to be stabilised last June after the violent decline in 1920 and the first half of last year. The March 1st number shows a gain of 1.5 per cent. over that of February 1, and of 8.5 per cent. over the June 1, 1921, figure, but is 2.2 per cent. below the level of March 1, last year and 44.4 per cent. under the peak point reached on February 1st, 1920. The strength displayed by most farm products, and especially by foods, textiles, and vegetable oils, during the past month, more than offset weakness in hides and leather, metals, and miscellaneous products. Commenting on the March 1st index number, Bradstreet's says: "If, as some economists believe, food prices in a general way set the measure of other price movements later, the steady advance shown in this line, in the face of seasonal weakness in some food products, notably milk, butter, eggs, and potatoes, is apt to have a steadying effect upon prices of other commodities on which food costs exercise an influence." In this connection it is noteworthy that most of the independent steel companies have announced advances in steel prices to conform with those of the leading independent steel producers at Pittsburgh, which increased prices to \$1.50 per 100 lbs for bars, shapes, and plates, as against the previous price of \$1.35.

The Interstate Commerce Commission has finally approved the New York, New Haven, and Hartford Railroad Company's plan to meet its so-called European loan, amounting to \$27,582,163, due on April 1st. The loan consists of 4 per cent. debentures, issued in 1907, in coupons of \$1,000 and 500f. and multiples. The total given represents the amount outstanding on December 31, 1920, and is about equally divided into dollar debentures and franc debentures. The company proposes to

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offer holders of the securities a 10 per cent. payment in cash, conditional upon an extension of the remaining 90 per cent., payable in dollars, for three years. Interest on the extended notes is to be increased from the present 4 per cent. rate to 7 per cent. The company's ability to offer 10 per cent. in cash is due to assistance from the Government, which has agreed to loan the railroad the amount necessary to make that payment. Obviously, the success of the plan depends upon its acceptance by most of the debenture holders, who will be asked to turn over their holdings to depositaries to be appointed in the United States and in Europe.

More than usual interest has been shown in the Department of Agriculture's report of stocks of grain remaining in farmers' hands on March 1st. The report showed reserves on that date as follows:—Corn, 1,313,120,000 bushels, or 42.6 per cent. of the 1921 crop, as against 1,564,832,000 bushels, or 48.8 per cent. of the 1920 crop, and 36.7 per cent., the 10-year average; wheat, 1,313,600 bushels, or 16.5 per cent. of the 1921 crop, compared with 217,037,000 bushels, or 26.1 per cent. of the 1920 yield and 19.8 per cent., the 10-year average; oats, 104,461,000 bushels, or 38.1 per cent. of last year's production, as against 683,759,000 bushels, or 43.7 per cent. of the 1920 crop and the 10-year average of 36.4 per cent.; barley, 40,950,000 bushels, or 27.1 per cent. of the 1921 yield, compared with 65,229,000 bushels, or 34.5 per cent. of the previous year's crop and 23.0 per cent., the 10-year average. The report indicates that farmers have sold wheat heavily, and also corn and oats, although stocks of the last two cereals remaining on the farms at March 1st were considerably above the 10-year average.

Unfilled orders on the books of the United States Steel Corporation on February 28th amounted to 4,241,678 tons, representing a decrease, as compared with the total of such orders at the end of January, of 100,609 tons. The falling off during February, which brought the corporation's unfilled tonnage to the lowest point reached since December, 1914, is generally attributed largely to an in-

crease in shipments last month. Average operations were estimated at about 50 per cent., and the month's production was figured at between 600,000 and 700,000 tons. After making allowance for cancellations and production stored for future use, it is considered probable that incoming new business was somewhat below 500,000 tons. The decrease may also have been due in a measure to the more aggressive bids for new business on the part of independent steel companies. The steel industry, as a whole, is now said to be operating at about 60 per cent. of capacity, and some branches at 75 per cent. During February, ingot steel production increased nearly 10 per cent. over January, and was 35 per cent. greater than a year ago. The improvement was due principally to more active railroad buying. January and February sales of cars to railroads exceeded in the aggregate the total orders placed for such equipment last year.

FRANCE—THE REPARATION COMMISSIONS DECISION—WAR CHARGES IN THE FRENCH BUDGET—THE BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, March 21.

THE two-day session of the Reparations Commission ended late to-night. An official communiqué indicates that the Commission unanimously decided to accord to Germany a temporary moratorium, covering the payments to be made during the current year, strictly conditional on the Berlin Government giving a series of substantial guarantees and carrying into effect a series of important financial reforms.

According to the scale of payments drawn up on May 5, 1921, and approved by all the Allies, Germany was called upon to make payments—on account of reparations alone—of 2,000,000,000 gold marks during the current year, plus a further amount equal to 26 per cent. of the value of her exports. The Allied Supreme Council, at its meeting in January at Cannes, proposed that this should be reduced to a cash payment, during 1922, of 720,000,000 gold marks in cash, plus 1,450,000,000 gold marks in merchandise, this to represent payments both on account of reparations and for the reimbursement of the cost of the occupying armies. The Supreme Council apparently came to the conclusion that this reduction would be sufficient, in view of Germany's real economic situation, to meet whatever justification there might be for her demand for a moratorium. This view has been unanimously endorsed by the Reparations Commission, which has accepted the Cannes figures as the basis of its decision.

The 720,000,000 gold marks to be paid during 1922, it was decided, will include the various payments in cash that have already been made since January 1st last, amounting to 282,000,000 gold marks (which sum includes the six payments of 31,000,000 gold marks that have been made every ten days under the "temporary" arrangement made in January). The balance of the 720,000,000 gold marks to be paid in cash before the end of 1922 is to be paid as follows:—18,000,000 gold marks on April 15th, 50,000,000 on May 15th, June 15th, July 15th, August 15th, September 15th and October 15th, and 60,000,000 on November 15th and December 15th. In other words, instead of having to comply with the present "temporary" arrangement for payments of 31,000,000 gold marks every ten days, or over 93,000,000 a month, Germany will get off, during the greater part of 1922, with payments of 50,000,000 a month. The substantial character of the moratorium that has been conceded to her will be still more strikingly seen when the new scale of payments is compared with that fixed in May last year, the difference being that, whereas under that scale Germany was called on to pay cash to the amount of over 166,000,000 gold marks a month, she will now escape with cash payments of between 50 and 60 million gold marks. Farther, instead of having to hand over additional sums in cash equal to 26 per cent. of the value of her exports, Germany will be able to liquidate two-thirds of her indebtedness during the current year in the form of merchandise, which will protect her workers from risk of unemployment, no matter what the position of the

All these advantages, however, depend strictly on Germany giving the guarantees and carrying out the financial reforms imposed by the Reparations Commission. She is allowed a series of delays, the last of which will expire on May 31st, in which to execute these guarantees and reforms, which are all of them much more important than those suggested in the memorandum of the German Chancellor which accompanied the Berlin Government's demand for a moratorium. The most important of the financial reforms on which the Reparations Commission insists is that the whole of the charges arising out of the Treaty of Versailles, so far as the current year is concerned, must be incorporated in the next Budget, which opens on April 1st. The German Government is called on to reduce expenditure and increase revenue. This will involve drastic revision of the German Budget during the coming three or four weeks, and substantial additions to the somewhat timid list of economies that have so far been proposed, together with a heavy increase in the taxation to be imposed.

Control over the German national revenue and expenditure will be exercised by the Allied Reparations Commission, to the extent of watching over the carrying out of the prescribed measures. (The Commission, apparently, will exercise no direct influence over German domestic affairs, but will merely act as interested observers for the purpose of reporting any shortcomings to the Allied Governments.) One of their duties will be to see that the Berlin Government is precluded from carrying out merely paper economies (such as would result from the transfer of certain items of expenditure from the Budget of the Reich to those of the various provincial or municipal budgets), and to ensure that real economies shall be realised. Further, in order to bring about a balance, the Reich is required to issue both internal and foreign loans, and to put an end to the present unhealthy system under which the Government issues Treasury Bonds, the greater part of which are discounted by the Reichsbank, and thus transformed into paper currency.

The programme of internal loans, the Reparations Commission insists, must be drawn up during the first month of the coming financial year. Still greater importance attaches to the foreign loans that Germany is directed to issue, as these will obviously help both Germany herself and the Allies in rendering possible the mobilisation of a part of the German debt. In the event of the German Government failing to arrange for the issue of these loans, the Reparations Commission foreshadows the imposition of a capital tax on German fortunes, as it is evident that some part of the capital value of the debt Germany owes to the Allies, and particularly to France, must be paid in the near future. Other conditions include the adoption of methods to prevent the fraudulent migration of capital, to render the Reichsbank independent of the Government, and to stop the incessant issue of paper currency, and the resumption of the issue of genuine financial, commercial, and Customs statistics on the lines adopted before the war. In the event of Germany failing to carry out before the end of May the terms of what may be regarded as the most drastic ultimatum yet issued by the Allies, all question of any reduction of payments will automatically fall to the ground, and the Commission will demand the full payments set forth in the "demand note" drawn up on May 5, 1921.

Put in a nutshell, the new arrangement laid down by the Reparations Commission means that during the next few weeks Germany will have to impose 40,000,000,000 paper marks of new taxation in respect of her national revenue for the current year. Of the 1,450,000,000 marks gold in cash and kind that she is called on to pay over to the Allies this year, 950,000,000 will go to France and the rest to the other Allies.

The Crédit National pour faciliter la réparation des Dommages Causés par la Guerre (to give the institution its full title) announces that the subscriptions to its last loan, in the form of ten-year 6 per cent. bonds, which has just closed, amounted to 4,710,000,000 of nominal capital. This, with the yield from the previous issues in 1919, 1920, and 1921, brings the total of the Crédit National loans up to over 15,000,000,000. As this brought the amount issued up to the total figure

authorised, a general meeting of shareholders took place on Saturday, at which resolutions were passed authorising the issue of a further 10,000,000,000 of capital. It may be remembered that the last finance law fixed at a maximum of 8,000,000,000 of the amount of the loans on account of reparations during 1922.

According to M. Loucheur's figures, the French Treasury will require a sum of 9,000,000,000 per annum for the eight years ending with 1929, to meet the necessities of the reparation accounts, so that it will not be until 1930, at the earliest, that the enormous item representing reparations will disappear from the French Budget. In addition to this sum of nine milliards per annum (or 72,000,000,000 in all), the French Treasury will require to raise during the next eight years some 3,500,000,000 per annum (ranging from 3,780,000,000 in 1922 down to 3,100,000,000 in 1929), to meet the cost of pensions arising out of the war. These figures are quoted on the authority of M. Chéron, the former rapporteur of the Senate Budget Commission, and now Minister of Agriculture. From these figures it will be seen that for reparations and pensions taken together France will be called on to expend during the eight years beginning with 1922 a grand total of 100,050,000,000. The annual charge in respect of pensions will, of course, gradually diminish, but will not disappear entirely, according to M. Chéron, until 1991.

There has been considerable improvement this week on the Bourse, though buying has not been on a large scale, and has been restricted almost exclusively to securities with a fixed revenue or those with a minimum guarantee. In consequence the recovery of the Bourse is due to a considerable extent to forced buyings. French 3 per cents. have dropped from 59.10 to 58.15, owing to the franc coupon having been paid. Banks have closed firm, and railways have slightly declined owing to realisations. Shipping has been calm, and electrical undertakings have fluctuated. Metallurgical undertakings have shown conspicuous irregularity, though the tendency has been downwards. There has been agitation in the mining market, Tintos varying from 1,334 to 1,274, Boleo showing an upward tendency in advancing from 350 to 360, and Utah improving from 710 to 715. Mexican Eagles are back from 194 to 184, Royal Dutch has had supporters at 17,400, but Bakou has declined from 2,295 to 2,245.

GERMANY—MARK EXCHANGE—FINANCES— BOURSE—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, March 20.

THE Reichsmark exchange, which has fallen slowly but almost without temporary recoveries since early January, to-day had a particularly heavy drop, touching 1,336 to the pound and 306 to the dollar. The lowest point of the November collapse was 1,180 and 310; and, allowing for the fall of the dollar against the leading European exchanges, the mark is considerably lower than at its previous worst record. The mark's lowness in November created an international sensation, and brought a general resolution to put Reparations, the cause of the trouble, upon a reasonable basis; but nothing has been done, and the most favourable outcome of the general resolution is apparently to be a reduction of the 1922 payments to a sum which cannot possibly be paid without further wrecking the currency. Here history repeats itself. The rapid mark exchange collapse of winter 1919-20 also frightened responsible observers, and inspired general talk in Entente countries of the necessity of preventing Germany's ruin, and in March an Entente statement that Germany would be helped to her legs duly came out. On the basis of this, the mark exchange actually recovered 200 per cent. History is again repeating itself, the resolution to settle practically the Reparations question, which first took shape in the London negotiations of last November and December, caused a very great mark recovery. To-day the German public, and the large foreign public with mark interests, seem to have come to the conclusion that nothing of any use will be done. The new mark collapse has created no new international sensation; and apparently it will need a much greater exchange

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catastrophe to advertise sufficiently the dangers to Germany and Europe, and to revive again the violent but transitory resolution to find remedies. Towards fulfilment of the Cannes terms, themselves imposed provisionally only on the condition that a definitive Reparations settlement would speedily be come to, has now been paid 248 millions of gold marks. This sum has been obtained only by expropriating the foreign currency of exporters, who have in most cases at once turned their paper-mark compensation back into foreign currencies, with a bad effect on the mark exchange.

An analysis of the expenditure in the Budget for 1922, which totals 265.7 milliards, is sufficient comment on the above. The Budget is based on the London Ultimatum, not on the as yet unconfirmed Cannes plan; but if the Cannes plan goes through, the latest mark exchange fall will enormously increase the paper-mark cost of its execution.

	Milliards of Paper Marks
Execution of the peace treaty	188
Interest on debt	29.8
War pensions and allowances	11.2
General administration	9.5
Deficits on State concerns	9.2
Social expenditure	7.1
Army and Navy	4.7
Economic and cultural	2.3
Salary supplements to States and Municipalities	2.0
Police	1.9

The "execution of the Peace Treaty," the greater part of which is Reparations, is the sole cause of the "Deficit-wirtschaft," of the increase of the floating debt, of the inflation, and ultimately (though the inflation does not directly react on the mark exchange) of the collapse of the mark. If the various suggested plans of financial reform, many of which, such as stoppage of the inflation, are impracticable, were accepted by Germany, no material improvement in the financial situation would result. The Cabinet, however, continues to raise the charges for State services. From April 1st, railway freight rates are to be raised by another 40 per cent. Postal charges are also to be again raised. The result of these measures is doubtful. It is already cheaper to send goods for short distances by motor than by rail. Postal charges were raised about threefold on January 1st, but receipts in January were only 40 per cent. more than in December; and the Telegraphs in January, despite an increase of the home rate from 3 to 10 marks per word, brought in practically the same sum as before the increase. Demands for higher State salaries and wages are still coming in. When the price-rise conditioned by the new low level of the mark exchange has fully taken place, the resulting claims upon the State will probably more than consume everything gained from the heavy increases of taxes and charges in the last six months. A remedy for this situation is not in sight, and is not likely to be found as long as two-thirds of the State expenditure, and the whole of the State revenue, goes in payments to foreign Governments.

The Reichsbank has again raised its price for gold—from 850 to 950 paper marks for the 20-mark gold piece. Revenue actually received in the ten months April-January is 63,694 millions, plus 6,998 millions on the separate posts, and 29,018 millions on the separate railways accounts. The largest receipts were: income-tax (for current financial year only), 12,257 millions; emergency levy, 8,171 millions; sales tax, 8,223 millions;

stamp duties, 3,482 millions; increment of property tax, 4,390 millions; Customs, 445 millions; gold supplements thereon, 3,890 millions; coal tax, 4,853 millions; tobacco tax, 3,010 millions; export duties, 1,777 millions. The Reichsbank, according to unofficial reports, will this week deposit 50,000,000 gold marks in the Bank of England, to be held as security for short-term advances. The permanent property tax, which replaces the emergency levy, has taken the following form in the Reichstag Commission. The yearly tax on the first 250,000 marks of taxable property will be 1 per cent., on the second 250,000 marks 2 per cent., and so on up to 10 per cent. on property exceeding 25,000,000 marks. To these rates, during the first 15 years, will be added supplements varying according to the taxable sum from 100 to 200 per cent. The permanent triennial increment of property tax exempts an increment of 100,000 marks, and is at the rate of 2 per cent. for the first 200,000 marks of taxable increment, 3 per cent. for the next 300,000 marks, up to 10 per cent. on an increment of 6,000,000 marks. The Reichstag has refused to sanction a vote for the Socialisation Commission, so that this institution will come to an end. The Government has been obliged to come to the aid of the mortgage banks, whose administration outlay has grown enormously while their revenues have remained the same. On existing mortgage contracts the banks are allowed to raise their interest rates by not more than $\frac{1}{2}$ per cent.

The Reichsbank's report for March 15th shows a new heavy demand for credit. Discounted Treasury bills increased from 130,908,522,000 marks to 138,742,091,000 marks. The Bourse last week was moderately active, and on the whole inclined to rise, with big rises for potash stocks. The *Frankfurter Zeitung's* index for industrials was 38,936 on March 17th against 38,249 on 10th. To-day, with a weak mark, exchange stocks were firm, but sentiment quiet. The close correspondence between stock movements and exchange movements is again shown by the fact that the average prices of industrials at the close of last week were almost exactly the same as on November 10th, when the mark exchange was about at its present level; but home loans, which do not follow the exchange, are much higher, the index figure of March 17th being 921 as against 881 on November 10th. Federal 3 per cent. on foreign (according to a newspaper statement, English) buying have risen still more to-day, quoting 126.75 as against 103.25 on the last Bourse day of 1921. War Loan was to-day 77.50, Federal 4 per cent. 93.25, $3\frac{1}{2}$ per cent. 86.25, Colonial 4 per cent. 114, Savings and Premium 82.40, and Prussian 4 per cent. Consols 76.75. The last-named loan has risen since end of 1921 from 69.10. Bourse speculation during the present mark decline has been much less than in the second part of last year. Tightness of money, due to speculative buying in expectation of a further price-rise, is apparently the chief cause.

Industrial conditions continue good. The official Labour statement for February shows a further increase in the proportion of industrial undertakings reporting a satisfactory supply of orders. The iron and steel industry reports a new boom, with an extraordinary increase in the home demand and a consequent decline of export. The metal-using finishing industries have orders for many months ahead, and take all the material they can get, and there is a great demand for girders, profiles, wire, and small iron goods. In the thick plate branch Germany is being undersold by foreigners. English plates have been sold at Hamburg. Pig-iron is being bought from Luxemburg. Scrap-iron is in great demand, and fetches 4,500 marks a metric ton, as against 2,300 marks in mid-January. The Rhenish-Westphalian Electricity Company, a very big corporation conducted by Hugo Stinnes jointly with the Westphalian municipalities, announces an increase of its capital from 150 to 550 millions, the object being the purchase of brown coal mines. Part of the capital is to be issued to employees, according to the so-called "Surrogate Socialism" scheme drawn up some months back by Herr Stinnes. This system has already been tried by Krupps, but it is opposed by the Socialist organisations. The Mannesmann Tubes Company has embarked on a big expansion plan, for which it proposes to double its capital. The furniture industry reports great prosperity, home sales and export

being alike active. Similar reports are published concerning textiles, in particular wool. The wool weaving concerns have received large orders, which ensure work at full capacity for months ahead, from high exchange countries, but raw material and capital are short. Germany produces only about a tenth of the wool she needs. The price of merino wool has risen from 3.85 marks a kilo in October, 1913, to about 330 marks to-day. The weaving companies refuse to give long credits, and the Cloth Convention, to which most manufacturers belong, is trying to insist on payment by native buyers in gold marks.

POLAND.—FOREIGN TRADE IN 1921—BANKING PROGRESS—TRANSIT TRADE—INFLATION.

(FROM OUR CORRESPONDENT.)

WARSAW, March 16.

STATISTICS of Poland's foreign trade in 1921 are now available. They reveal an increase of exports and a decrease of imports in the second half-year, as compared with the first. This is due in the first instance to the cessation of imports of cereals and flour. This year's crop has been sufficient for home consumption, and even a surplus has been obtained, which is available for export. Leading import and export quantities are shown below:—

(000's omitted.)

	Imports		Exports	
	Total.	of Coal.	Total.	of Coal.
Monthly average first half-year, 1921	411.6	295.5	116.1	146.3
July, 1921	437.7	340.7	97.0	195.2
August, "	349.5	261.3	88.2	176.5
November, "	321.5	255.1	66.4	147.0
December, "	374.8	293.6	81.2	170.4

The bulk of imports is composed of coal, which comes from the districts of Upper Silesia, which are to be united with Poland. Without this item, Poland's exports, expressed in tons, are greater than her imports. The export of timber, petroleum products, and textile fabrics has greatly increased, as shown by the figures below:—

	Timber.		Oil Products.		Textile Goods.	
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
Monthly average, first half-year, 1921	45,600	18,952	38	97	82	167
July	92,900	16,603	97	82	167	207
August	99,600	16,645	82	167	207	
November	48,200	38,769	167	207		
December	53,600	37,992	207			

The quantity of timber exported in August is greater than the total export of this product during the whole year 1920. It is worth mentioning that Poland has lately sold great quantities of textile goods abroad. The Roumanian market is acquiring a great importance for the Lodz industry. Relations with Russia have been lately renewed, and large orders for textile goods have been placed here. These orders enabled the Lodz industry to increase its production, so that some factories were working day and night. The Soviet authorities are paying 5 to 10 per cent. in cash, the rest is taken on credit. They are offering for Polish goods hides, leather, bristles, and great quantities of tobacco. The formation of a special bank for the financing of these transactions is planned.

The number of banks in Poland has greatly increased during the last year. According to the statistics published by the Union of Polish Banks, there were at the beginning of this year 82 joint-stock banks, as compared with 59 institutions one year ago, distributed as follows:—

	Number of Banks.		Number of Branches.	
	Jan. 1, 1921.	Jan. 1, 1922.	Jan. 1, 1921.	Jan. 1, 1922.
Former Russian Poland	31	46	116	204
Former Prussian Poland	15	18	50	119
Former Austrian Poland	13	18	42	79
	59	82	208	402

The subscribed capital of these banks amounted to 2,159.8 millions in January, 1921, and to 7,060.5 millions in January, 1922. Including reserves, the figures were 2,087.7 and 9,144.8 millions respectively. During the

last months of 1921 the financial position of the banks was greatly strengthened. The proportion of cash to deposits was 16.4 per cent. in August, 18.6 per cent. in September, 26 per cent. in November, and 29 per cent. in December.

The transit trade through Poland, which hitherto has been much hampered by the necessity of obtaining special licences, has been recently facilitated. The transit is open for all countries with whom special agreements have been signed. The following routes are free for transit without licence:—(1) Sniatyn, Oswiecim, Szczakowa, Zebrzydowice, and Dziedzice. This route serves for the transit trade between Czechoslovakia and Roumania. (2) The transit route from Russia to all destinations. (3) The transit trade to Germany, whatever country of origin. Russia is benefiting from this provision, though a commercial treaty has not yet been signed with the Soviet authorities. (4) The transit between Danzig and Czechoslovakia. It is expected that this will attract a part of the transit trade from Stettin and Hamburg to the port of Danzig. A special licence for transit must be obtained from the Chief Office of Imports and Exports for all goods sent from Germany. In each case a decision must be approved by the Ministry of Industry and Trade. For goods which are sent through Germany by any of the allied or associated countries, a licence from the Chief Office of Imports and Exports is sufficient. For this purpose a certificate of origin must be produced. The transit trade through the Danzig corridor is equally free.

Though Mr Michalski has not succeeded hitherto in stopping the work of the printing press, some progress towards checking inflation may be observed. The quantity of notes in circulation increased by 20,500 millions in October, by 15,500 millions in November, by 7,000 millions in December, by 6,350 millions in January, and by 7,594 millions in February. Probably the capital levy which was partly paid at the beginning of this month will facilitate a further decrease of the quantity of new notes put into circulation.

SWITZERLAND.—GERMAN INSURANCE COMPANIES—MONEY AND STOCKS—THE NESTLE COMPANY.

(FROM OUR CORRESPONDENT.)

GENEVA, March 13.

ON Monday, March 6th, there met in Berne representatives of the German and Swiss Supervising Boards for life insurance companies, in order to try to come to an arrangement for the German life insurance companies working in Switzerland unable to deposit the cover in Swiss francs necessitated by the law of July, 1919. This law, which already existed in Germany before the war, compels foreign insurance companies contracting in Switzerland to deposit Swiss securities for the actuarial reserve. It may be remembered that several British insurance companies working in Switzerland did not wish to submit to this regulation, and withdrew from the Swiss market, ceding their policy contracts to Swiss companies. Similar action was taken by all American insurance companies working in Switzerland. Of course, these foreign companies withdrawing from the Swiss market were well able to indemnify their Swiss successors for the risks they took over. It was quite otherwise with the German companies. They did not withdraw from the Swiss market, with a single exception. The other nine companies, among them such leading companies as Gothaer, Stuttgarter, &c., deposited one-fifth of the reserve in Swiss securities and the rest in German securities. Owing to the depression of the German mark, this amount became more and more insufficient, and now the deficit in the legal cover is 100 million Swiss francs—that is to say, five milliard German marks. These five milliard German marks represent three times the share capital and reserve of the nine leading life insurance companies together. It is obvious that they can-

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Canada	India		U.S.A.

Manufacturers desiring representation in any of the above Countries are invited to communicate with the Company.

not pay. It is quite obvious that the German Government cannot grant a present of five milliards to a few German life insurance companies. The German Government is not responsible for the fact that the Swiss legislation before 1919 did not contain the necessary measures of protection for the Swiss insured. The German law expressly said that German life insurance companies had to keep their reserve in German securities provided foreign countries where they were working had not other prescriptions in their legislation. At all events, the numerous young and more active German life insurance companies will no doubt do all in their power to prevent any Government help being given to their competitors. It is also quite certain that they will apply to the Berlin representatives of the Reparations Commission, for payments of this kind are in complete contradiction to the Versailles Treaty. Therefore the negotiations have come to a deadlock, and the German representatives have returned to Berlin on the diplomatic pretext of needing fresh instructions.

The reduction of the Swiss bank rate, which is now only $3\frac{1}{2}$ per cent., has not had the effect of bringing the Swiss National Bank again into touch with the private discount market. The private rate fluctuates between $1\frac{1}{2}$ and $2\frac{1}{2}$ per cent. The outstanding feature is that the money market and the capital market were never so much in contradiction as at present. There is some possibility that the new issues of bonds of the Swiss cantonal banks for this spring will yield an interest of only 5 per cent. The country banks, the number of which is about 300, generally reduced already on March 1st or February 15th their rate of interest for bonds to 5 per cent., but the Union of Swiss Banks is still hesitating to accept loans from public bodies yielding less than $5\frac{1}{2}$ per cent. There is only a small real offer of investment capital, and the large quantities of money now lying idle with bankers will turn again into business as soon as the present crisis comes to an end. Therefore the leaders, especially of commercial banks, are convinced that the securities the public is so willingly purchasing will return to the market at the first moment of industrial or commercial recovery. The present animation in the stock market has its chief origin in purchases of securities by bankers. Tens of millions of money which would be used under normal conditions for the purposes of discounting commercial bills are now used for purchasing securities.

The final report of the Nestlé Company has not yet appeared, but it is already certain that the nominal value of the share capital (ordinary shares) will not be cut down. The Federal decree of December, 1919, already mentioned several times in my letters, grants the right to book currency depreciations as artificial assets, to be written down within 20 years. The chief losses of the Nestlé concern resulted from selling enormous quantities of condensed milk to the Central Powers and other countries with depreciated currencies. The only inconvenience of such a slow amortisation of the currency losses is that according to the same decree the distribution of more than 5 per cent. dividend is prohibited to companies having currency losses on the assets side of their balance-sheet. It would be interesting to know whether Swiss legislation, not having the same notion of preference shares as English legislation, will exempt the English issue of 8 per cent. preference shares from this restriction. At any rate, the Swiss shareholder who a year ago bought Nestlé shares at a price based on a $16\frac{1}{2}$ per cent. dividend, and expressed dissatisfaction at not receiving further bonus, is very badly off in receiving merely 5 per cent.

Books and Publications.

FAIR WAGE COURTS.

THE author, Dr Feis, who is Associate Professor of Economics in the University of Kansas, has written this book for the American public. This makes the volume all the more remarkable. Professor Feis is an optimist, and is not deterred by the relatively backward condition of the United States as regards collective bargaining in industry. As the struggle for trade union recognition has not yet been won, and as many "progressive" employers in the States regard trade unionism as synonymous with Bolshevism, Dr Feis is ahead of his time. His practical proposals, however, might commend themselves in certain quarters in this country, though that is by no means certain. The author is seeking for some satisfactory method of wages adjustment. His plan is based on the acceptance of collective bargaining with joint boards or councils of employers and wage-earners, and on the assumption that "whatever policy is put into force will be administered by a Government agency." Apparently also the compulsory settlement of wages disputes is assured. Disputes in any industry coming within the scope of the policy not settled by collective bargaining would be referred to a Government Commission or Court, which, in giving its decision, would state the principles on which it has acted, and the data on which its judgment was based. Professor Feis suggests as a preliminary that "the principle of standardisation should be applied throughout industry." He believes that the wages of those who are at the bottom of the industrial scale should be regulated upon the living wage principle. Provision should be made for the prompt adjustment of wages to movements in the general price level, and "whenever the general range of profits in industry exceeds that profits return which is considered to be just and sound, the wages of all groups of workers should be increased in an attempt to transfer the extra profits to the wage-earners." Probably the most valuable part of the book for British readers is the full analysis of the problem of wages and the factors governing the determination of wages.

* "The Settlement of Wage Disputes." By Herbert Feis. The Macmillan Company. 1921. Pp. 289. 12s net.

TWO STOCK AND SHARE REFERENCE BOOKS.*

THE two most important works of reference on shares and loans have been issued this week. The first—the "Stock Exchange Official Intelligence for 1922"—gives a carefully revised and detailed account of British American and Foreign Government securities in a volume running into 1870 pages of closely printed matter. Being published under the sanction of the Committee of the Stock Exchange, and edited by the secretary of the share and loan department of the Stock Exchange, it is quite naturally regarded as authoritative on practically every issue known to Stock Exchange circles. But, in addition, valuable information is given about the Railways Act, recommendations of the Indian Railway Committee of Inquiry, and Indian finance generally. Special attention has been paid to municipal securities and finance, while latest particulars of the position of gas and water undertakings under recent Acts are set out. The second stock and share handbook is "The Stock Exchange Year-Book." This careful annual digest of information relating to the origin, history, and present position of practically every public security and company with a limited liability known on stock markets of the United Kingdom is now in its 48th year of publication, and needs no further recommendation to most of our readers, who are already familiar with its pages. The following interesting table, which we have extracted, shows the total number of companies in existence, with the aggregate paid-up capital at the dates mentioned:—

	Number of Companies.	Paid-up Capital. £
December 31, 1920.....	79,541	3,508,012,486
" 1919.....	73,341	3,083,086,049
" 1918.....	66,852	2,806,515,116
April 30, 1918.....	66,456	2,730,594,008
" 1917.....	66,131	2,737,733,134
" 1916.....	66,094	2,716,989,129
" 1915.....	65,986	2,657,466,964
" 1914.....	64,692	2,531,947,661
" 1913.....	60,754	2,425,740,857

New companies registered during 1921 numbered approximately 6,900, with a nominal capital of about £108 millions. This shows a heavy decrease when compared with 11,000 companies and £593 millions for the previous year.

A RAILWAY MANUAL.*

THE seventy-fourth issue of Bradshaw's Railway Manual is of exceptional interest in that it is probably the last that will contain details of a large number of separate railway companies operating independently in this country. Very sweeping changes are to be made under the provisions of the Railways Act of 1921 relating to amalgamation. The separate history of about 187 railways in England will come to an end, capital stock and debenture loans will be merged into unified stocks of larger companies, and the names of directors and executive officers will undergo changes. For this reason alone the latest edition of Bradshaw's Manual will be of greater value than ever. It is perhaps hardly necessary to mention that this handy and well-arranged volume contains not only the history and financial position of every railway in the United Kingdom, but of every railway abroad which is controlled by British capital, not to mention the principal canal and rolling-stock companies, and statistics, powers, and all other data necessary for the railway shareholder. The composition of the four new groups to be formed from the English and Scottish companies is set out, and it may perhaps come as a surprise to some to learn that the Southern group will comprise five constituent companies and 14 subsidiary companies, the Western group seven constituent and 28 subsidiary, the North-Western, Midland, and West Scottish group eight constituent and 27 subsidiary, and the North-Eastern, Eastern, and East Scottish group seven constituent and 26 subsidiary companies, or 122 companies in all. The volume is illustrated with very clear railway maps of the United Kingdom and of European countries.

* "Bradshaw's Railway Manual, Shareholders' Guide, and Official Directory." 1922. Edited by Herbert H. Bassett. (London) Henry Blacklock and Co., Limited. 25s net.

ANGLO-SWISS TRADE AND TRAFFIC.*

THIS comprehensive survey of Anglo-Swiss relations extends from the evangelisation of Switzerland by Irish monks in the seventh century to the after-effects of the late war. Parts of it are primarily meant for Swiss exporters, and for students of economic history; but Dr Waldvogel provides for the general reader by a sketch of the historical, political, literary, and religious relations of the two countries, which should go far to modify that contented ignorance of Swiss life and history which characterises most English visitors to the playground of Europe. The economic relations, however, which give the book its title begin with intermittent trading in the sixteenth century and become regular with the establishment early in the seventeenth of Swiss mercantile and banking houses in London, and the investment of the surplus funds of the Canton of Berne in English Government stocks. British spinning and weaving machinery transformed the Swiss textile trade; British mechanical engineers, notably Charles Brown, the founder of the vast establishments of Brown, Boveri and Co., helped to create other branches of Swiss industry. But Anglo-Swiss commercial intercourse was not placed on a satisfactory footing till the Treaty of Commerce and Settlement of 1855.

* Les Relations Économiques entre la Grande-Bretagne et la Suisse dans le Passé et le Présent. Par William Waldvogel. (Neuchâtel) Imprimerie W. Henry, 1922.

ment of 1855. It made great strides owing to the most-favoured nation clause of the London Treaty with France, but its progress cannot be adequately measured till the provision of adequate statistics in 1892. Between that date and 1914, British exports to Switzerland rose in value 160 per cent., in spite of the Swiss reversion to Protectionism, but tended to consist more and more of iron and steel and textile goods; Swiss exports to Great Britain 101 per cent., largely through Swiss energy and "push." The export of Swiss chocolate increased in value in that time 53-fold; that of chemical products (apart from dyes) 18-fold; and, in spite of German activity and British indolence, Great Britain had gained on Germany in exports to Switzerland, while the British Empire was ahead of Germany as a market for Swiss goods. Dr Waldvogel deals very fully with the regulation of trade necessitated by the war, and with the Safeguarding of Industries Act and its prospective effect on the Swiss dye trade. And, unlike some other Swiss economists, he condescends to deal with the tourist industry from its beginnings (before the French Revolution!) to the present time. The intricacies of British Parliamentary procedure are too much for him; but this defect is trifling, and the work, as a whole, is deserving of very high praise.

BOOKS RECEIVED.

- The Coal Mining Industry of the United Kingdom, the Various Coalfields thereof, and the Principal Foreign Countries of the World.* By Finlay A. Gibson. (Cardiff) The Western Mail, Limited. £3 3s.
- Bradshaw's Railway Manual, Shareholders' Guide, and Official Directory, 1922.* Seventy-fourth Edition. Edited by Herbert H. Bassett. (London) Henry Blacklock and Co., Limited, Bradshaw House, Surrey street, Strand, W.C. 25s net.
- Business Administration.* By Leon Carroll Marshall. (Chicago) University of Chicago Press. \$4.
- The Federal Service.* A Study of the System of Personnel Administration of the United States Government. By Lewis Mayers. (London) D. Appleton and Co. 25s net.
- Agricultural Co-operation in England and Wales.* By W. H. Warman. (London) Williams and Norgate. 5s net.
- Is Germany Prosperous? Impressions Gained January, 1922.* By Sir Henry Penon. (London) Edward Arnold and Co. 3s 6d net.
- Secondary Education for All. A Policy for Labour.* Edited by R. H. Tawney. (London) The Labour Party, 33 Eccleston square, S.W. 1. 2s 6d net.
- Imperial Institute. Indian Trade Enquiry. Reports on Lac, Turpentine, and Rosin.* (London) John Murray. 5s net.
- After the War, 1919-1921.* A Diary by Lieutenant-Colonel Charles A'Court Repington, C.M.G. (London) Constable and Co., Limited. 21s.
- Railways in India. Administration Report for the Year 1920-1921.* Volumes 1 and 2. (Simla) Government Central Press.
- Pamphlets Published by the League of Nations Union.* 72. *The League of Nations and the Schools.* 73. *What Should Germany Pay?* 74. *The First Fruits of the League of Nations.* 75. *Two Years' Work of the League of Nations, 1920-21.* 76. *A Speech by Lord Robert Cecil on a League of Nations Policy.* (London) League of Nations Union, 15 Grosvenor crescent, S.W. 1. Price 3d each.
- Union of South Africa. Monthly Bulletin of Statistics.* February, 1922. (Pretoria) Office of Census and Statistics.
- Government of Palestine Department of Commerce and Industry. Commercial Bulletin.* Vol. I., No. 6. March 7, 1922. (Jerusalem) "Hassöl" Press.
- British India and Dominion Status.* By Sir Michael F. O'Dwyer. (London) The Indo-British Association, Ltd., 6 Broad street place, E.C. 2.
- Why We Are Locked Out.* March, 1922. (London) Amalgamated Engineering Union, 110 Peckham road, S.E. 15.

BANK CIRCULARS.

Lloyd's Bank Monthly. A Survey of International Trade Conditions. March, 1922. (London) Office of Lloyds Bank.

Monthly Review. February-March, 1922. (Rotterdam) Rotterdamsche Bankvereeniging.

Letters to the Editor.

CITY LIFE ASSURANCE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—For many years I have been a reader of the *Economist*, and a consistent admirer of the ability and impartiality with which facts and opinions are stated. I happen to know something about life assurance, and I think I ought to point out to you that in an article apparently suggested by "An Insurance Correspondent" in the *Economist* for February 25th, pp. 394-5, dealing with the City Life Assurance Company, the following words appear:—"The valuation of the ordinary branch was made on the H.M. table at 4 per cent., reserving 15 per cent. of the office premiums for future expenses. These assumptions were inconsistent with the actual facts, for expenses absorb, not 15 per cent., but 60 per cent., of the premiums."

Your figures show that the City Life completed ordinary life sums assured in 1920 for £3,293,363, increasing its premiums from £182,000 to £243,000. Now, your correspondent leads the inexperienced reader to suppose that the assumption of 15 per cent. future expenses is "inconsistent" with 60 per cent. current expenses, and leads him to conclude that because the actual current expenses are so much greater than the assumed future expenses, the situation is very unsound. I venture to suggest that your insurance correspondent ought not to write about insurance business and valuations until he knows at least the elements of them. If you consult any actuary you will find that all young offices doing a large amount of new business unavoidably have very heavy expenses to bear currently in respect of that new business, and the actuary allows for that fact in calculating the premiums, benefits, and future value of both premiums and liabilities.

I am in no way connected with the City Life, and I make no comment on your general observations upon it except to say that in so far as they are based upon the fallacy expressed by your correspondent, they are misleading.

Your readers are no less jealous than yourself that the *Economist* should be *sans reproche*.—Yours sincerely,
A. C. I. I.
March 17th, 1922.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

Ticket.	Account.
March 29.	March 30.
April 11.	April 12.

THE Stock Exchange financial year begins to-day, and the markets finished the week with a robust tendency noticeable in most of the gilt-edged departments. The strength of the War Loan is an outstanding feature of the House. The price spurted during the last day or two on the expectation of easier money after the turn of the national year 10 days hence. Some talked about a possible fall in the Bank rate before long. The War Loan rose from its recent lowest of 96½ to 97½. Scores of Colonial, Corporation, Home Railway debenture, preference, guaranteed, and similar stocks are better on the week. The India issues have recovered to a moderate extent. There is a fair amount of stock on supply in the Consol market, but amongst Home Railway fixed-interest stocks the demand is in excess of the amount available.

German Threes have been back to the neighbourhood of 2, in consequence of the exchange going to more than 6 marks to a penny. French railway bonds weakened on a rush of stags to sell their allotments of Midi and Orleans scrip. The P.L.M. Sixes, which were up to 6 premium, have been down to 3½ premium. They rallied briskly on the unexpectedly

. Correspondence solicited.

AMERICAN TELEPHONE AND TELEGRAPH COMPANY.

ABSTRACT OF THE ANNUAL REPORT OF THE BELL SYSTEM.

The annual report of the American Telephone and Telegraph Company covering its operations during 1921 is in an unusual sense a human interest document. Its story is of amazing interest because the United States has two-thirds of the world's telephones, because this one company has more shareholders than any other American corporation, with also the widest distribution of ownership, and because no other agency undertakes to give a nation-wide telephone service and none comes into such close contact with the everyday social and business life of the people. So far as the telephone service was concerned, 1921 was in all respects a constructive year in which the system reached its highest state of efficiency.

AMERICAN TELEPHONE AND TELEGRAPH COMPANY.

STATEMENT OF EARNINGS AND EXPENSES FOR THE YEARS 1920 AND 1921.

	1920.	1921.
Earnings:	\$	\$
Dividends	34,800,465.51	38,580,672.59
Interest	12,969,756.16	13,803,052.70
Telephone Operating Revenues	56,030,624.92	58,268,539.17
Miscellaneous Revenues	146,141.49	90,507.92
Total	103,946,988.08	110,742,772.38
Expenses (including provision for depreciation and all taxes)...	33,260,083.98	37,218,959.61
Net Earnings	70,686,904.10	73,523,812.77
Deduct Interest	18,865,688.44	19,521,109.05
Balance	51,821,215.66	54,002,703.72
Deduct Dividends	35,376,792.88	42,674,403.00
Balance	16,444,422.78	11,328,300.72
Appropriated for Contingencies	8,000,000.00	3,000,000.00
Balance for Surplus...	8,444,422.78	8,328,300.72

NEW DIVIDEND RATE.

H. B. Thayer, President of the Company, in a very interesting explanation of how the Company came to increase its annual dividend rate from 8 to 9 per cent., says that since the stockholders' equity in the business was more than \$200 a share, the higher dividend rate returned less than 5 per cent. on the equity, and could not be called at all excessive. It was felt also that the higher market price of the stock consequent upon the increased dividend rate if justified by earnings would react favourably upon the cost of bond issues and other borrowings of the Bell System. The shareholders took \$83,790,200 of the stock offered in May, and \$6,029,300 not subscribed for was sold in the open market at an average price of \$112.54. This offering, together with \$15,123,900 stock issued for bond conversions, brought the total amount of stock outstanding on December 31st last up to \$548,185,300.

The investment of the Bell System in plant and equipment, including construction in progress as shown by the companies as of December 31st last, aggregates \$1,569,000,000. In 1921 the associated companies earned 12.5 per cent. on the book cost of their plant, which is considerably below what State commissions and the public have long since considered a fair return. Because of the companies' conservative financial structure this return on the telephone property of the associated companies made it possible for the American Telephone and Telegraph Company to earn, including its equity in the undivided profits of the associated companies, 12.6 per cent. on its outstanding stock. All these profits were not distributed, however, by the associated companies, but earnings available for dividend on the Company's outstanding capital stock in the years since 1909 were as follows:—

	\$
1921	11.10
1920	11.72
1919	10.05
1918	9.97
1917	9.48
1916	9.77
1915	9.52
1914	9.38
1913	9.59
1912	9.86
1911	10.01
1910	10.34

BELL TELEPHONE SECURITIES COMPANY.

An especially interesting feature of the report is the announcement of the formation of the Bell Telephone Securities Company, of which D. F. Houston, who was formerly Secretary of Agriculture and later Secretary of the Treasury, has become president. Recent events make it clear that there is a large volume of income which the people might save and apply to constructive development if small investors could be afforded the opportunity and incentive to invest wisely. Emphasis is given this view by the recent study of national income, which shows that in 1919 the people received \$66,000,000,000, of which nearly 70 per cent. went to individuals who would not be ordinarily classed as potential investors. With the organisation of this securities company, however, the American Telephone and Telegraph Company gives a formal invitation to the users of the telephone to become partners in the business. It is believed that such a plan will promote national thrift and lead to the spread of a broader knowledge of investment conditions. The Company has "felt the need of an organisation whose function should be to disseminate information about Bell System securities to the public, especially to Bell telephone subscribers, and when desired to advise intending investors and to facilitate their transactions in our stocks and securities." All of the stock of the securities company will be held by the American Telephone and Telegraph Company, making this Company, therefore, the sole owner.

STOCK FOR EMPLOYEES.

The Company has long made it easy for its employees to acquire stock on the instalment payment basis, and the total response has been very satisfactory. When the year closed more than 125,000 employees, representing all parts of the Bell System, were paying for stock on the subscription plan. This means that 58 per cent. of the total number of employees—or more than half—who are eligible to subscribe under the provision of the plan requiring previous continuous employment of at least six months, are on the list of subscribers. Besides this some 3,000 employees are still paying for stock purchased under the second stock purchase plan.

SUGGESTIVE IMPROVEMENTS.

The Company is carrying on very important development work and research activities. The loud-speaking telephone system installed at the Washington Capitol at the time of the inauguration of President Harding made it possible for an audience of more than one hundred thousand assembled in front of the capitol to hear distinctly and easily every word spoken by the President. The problem of applying the system to long distance wires was so far advanced that on November 11th last, these improvements were employed in the burial services of the unknown soldier in the National Cemetery at Arlington. The prayers and hymns and the music of the solemn religious services were heard not only by those immediately at hand, but also by a multitude which thronged the cemetery and by corresponding assemblages at New York and San Francisco. On April 11th last, telephone service was opened with the Island of Cuba by means of submarine telegraph cables extending from Havana to Key West. Through the transcontinental line this connection was extended to San Francisco, and from there to Los Angeles, where by means of a radio telegraph connection the circuit was extended to the Catalina Island, some thirty miles distant in the Pacific. Satisfactory conversation was thus made possible between Catalina and Cuba, a distance of more than 5,500 miles. This is the greatest distance over which a commercial telephone service has been established. The Cuba cables are the longest deep-sea telephone cables in use, and embody in practical form a number of scientific developments designed by the Company's staff of experts. To provide for this traffic three of the cables were successfully laid. Each cable is capable of carrying one telephone conversation and eight telegraph messages.

BELL SYSTEM DATA.

At the close of last year there were approximately 10,300 separate telephone companies in the United States. Of these 26 were associated with the Bell System, and 9,264 were independent companies whose stations were connected with the Bell System. There were also a large number of rural lines and associations operated on a mutual or co-operative basis, and of these more than 26,000 were connected with the Bell Service.

The development of the Bell System at the end of the year, and its growth during the year, are set forth in the following tables:—

TELEPHONE STATIONS.

	Number at end of Year.	Increase during Year.
Bell Owned	8,914,135	86,176
Bell Connecting	4,466,064	108,108
Total	13,380,200	194,284

[Continued on next page.]

AMERICAN TELEPHONE AND TELEGRAPH CO.—Continued from preceding page.

TELEPHONE CONNECTIONS—BELL-OWNED EXCHANGES.

	Average Number Daily During Year.
Exchange Connections	33,671,000
Toll Connections	1,356,000
Total	35,027,000

The daily average of 35,027,000 exchange and toll connections during

1921 exceeded by 1,865,000 the daily average during 1920, and by nearly 11,000,000 the daily average of ten years ago.

DISTRIBUTION OF CAPITAL STOCK.

The number of shareholders of record on December 31, 1921, was 186,342, an increase of 46,894 during the year. The average number of shares held was twenty-nine. There are more women shareholders than men. About 1 per cent. of the stock was held in Europe.

BELL SYSTEM INCOME STATEMENT

FOR YEARS ENDING DECEMBER 31, 1920 and 1921

(DUPLICATIONS EXCLUDED).

	1920.	1921.	Increase.
	\$	\$	\$
Exchange revenues	301,282,599	343,133,098	41,850,499
Toll revenues	141,883,485	146,459,202	4,575,717
Miscellaneous revenues	6,276,031	7,495,933	1,219,902
Total operating revenues	449,442,115	497,088,233	47,646,118
Depreciation	65,731,071	70,858,073	5,127,002
Current maintenance	69,665,080	73,061,099	3,396,019
Traffic expenses	145,848,181	148,372,962	2,524,781
Commercial expenses	45,075,272	47,831,650	2,756,378
General and miscellaneous expenses	20,500,013	23,563,499	3,063,486
Total operating expenses	346,819,617	363,687,283	16,867,666
Net operating revenues	102,622,498	133,400,950	30,778,452
Uncollectible revenues	1,208,798	1,843,962	635,164
Taxes	27,841,334	34,512,479	6,671,145
Operating income	73,572,366	97,044,509	23,472,143
Non-operating revenues—net	11,692,610	13,651,814	1,959,204
Total gross income	85,264,976	110,696,323	25,431,347
Rent and miscellaneous deductions	5,755,808	6,497,642	741,834
Interest deductions	31,724,103	36,773,998	5,049,895
Total deductions	37,479,911	43,271,640	5,791,729
Balance net income	47,785,065	67,424,683	19,639,618
Deduct dividends	39,999,579	47,848,394	7,848,815
Balance for surplus	7,785,486	19,576,289	11,790,803

COMPANY MEETINGS, &c.

BRITANNIC ASSURANCE COMPANY, LIMITED.

CONCESSIONS TO POLICY-HOLDERS.

ADVANCES UNDER HOME PURCHASE SCHEME.

The fifty-sixth ordinary general meeting of the shareholders of the Britannic Assurance Company, Limited, was held at the chief offices, Birmingham, on Friday, March 10th, Mr J. A. Patrick, J.P. (chairman), presiding. The following directors were also present: Mr J. A. Jefferson, F.I.A. (vice-chairman and general manager); Mr R. S. Close, Mr S. J. Port, Mr J. Murray Laing, F.I.A., F.F.A. (secretary and actuary), Mr W. Roscoe, and Mr A. M. Patrick.

The secretary read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report, said: It has been customary on similar occasions to take the directors' report and the accounts as read, and I presume it is your wish that we adopt a like course to-day. As I shall be followed by our vice-chairman and general manager, and he will go into the details of the accounts submitted, I do not propose to anticipate his remarks.

With these brief observations, I now move: "That the report of the directors produced, together with the annexed statement of the company's accounts, for the twelve months ending December 31, 1921, duly audited, be received, approved and adopted."

VIEWS OF MR J. A. JEFFERSON.

Mr J. A. Jefferson, seconding the report, said: It gives me great pleasure to second the resolution now before the meeting, but before doing so I am sure you will expect that I should run briefly through the accounts for the year ending 1921 and deal with some of the more interesting features which appear therein.

I suppose there is not a general manager in the country, whether connected with insurance or any other form of industry, who, in the course of his remarks, would not have something to say about the abnormal conditions through which we have passed in the year under review, and through which we are even now still passing. I refer, of course, to the unprecedented trade depression, followed by the inevitable unemployment, and unfortunately both these de-

pressing conditions were accentuated by very serious trade disputes.

As your Chairman has just said, and as I said in my remarks last year, I consider that an industrial assurance company is the most sensitive trade barometer in the world, for we are practically the first to feel the effects of any trade depression and its consequent unemployment, but, on the other hand, we are the first to feel the effects of any improvement in trade and employment.

A MOST ANXIOUS YEAR.

The year has been a most anxious one for your directors, for we, like all other kindred institutions, felt that it would be impossible to forsake those policyholders of ours who had been paying us premiums, many for some considerable time, at the moment when they fell on hard times through no fault of their own, and owing to circumstances over which they had no control.

Last year you will remember I referred to the trade depression which had started, and, of course, as time went on the effect became more and more apparent, and it was only a week or two after our last annual meeting that we issued our first circular to our staff setting forth some very generous concessions to meet the situation as we then found it. Little did we think when we issued that circular that unemployment would become so acute, that we should have to face one of the most terrible trade disputes that this country has experienced, or that the trade depression would continue for so long. We have, however, from time to time attempted to meet the situation on a broad-minded and liberal basis—a course which I am sure will be approved of by the shareholders. These concessions, stated briefly, are as follows: In the case of whole-life policies, we reduced the sum assured by an amount equal to twice the amount of arrears if the age did not exceed 50 years, and by an amount equal to one and a-half times the arrears if the age were over 50 years. In the case of endowment assurances maturing in a given number of years, the date of maturity was extended for a period corresponding to the number of weeks the policy was in arrears. This has meant that we have been able to save many thousands of our policyholders from having to lapse their policies, and incidentally, I may mention, that it also did something towards relieving the unemployment in this city, for, in order to cope with the enormous amount of work entailed by these concessions we had to employ a temporary staff of 64 married ex-service men, some of whom are still with us.

Our claims by death, which amounted to over half a million pounds, show a very slight increase in percentage to premium income, and the sums assured paid under maturing endowments, which amounted to no less than £123,000, also show a slight increase.

EXPENSES.

As regards the important question of expenses, which has been very much to the fore just recently, you will doubtless remember that last year I uttered a word of warning as to the future, and stated that I could see no hope of our expense ratio coming down. Although we have reduced our expenses from 47.41 to 45.59, my prophecy is none the less true, because the reduction is more than accounted for in the reduced amount spent in new business charges, and I am sure you, who understand our business, will be sorry that any saving in our expenses should be brought about in this manner, for, undoubtedly any company, to be successful, must be progressive, and we are only too willing to pay a fair price for good sound business.

The only other item to which I should like to draw your attention is the amount received in interest, dividends and rents, and you will see that this item has increased over last year by the handsome sum of £35,000—giving us a gross interest yield of no less than 5 13s 10d per cent. and a net yield of 4 17s 1 1/2d. per cent.—a rate which will compare very favourably indeed with that of any life assurance company, and on this point I shall have something further to say when dealing with the balance-sheet.

ASSETS.

Turning now to the asset side, I should like to explain briefly the variations that have occurred under the various classes of securities. You will see there is an increase of some £134,000 under the item of mortgages, and this, of course, is more than accounted for by the fact that we have, during the past year, advanced practically one-quarter of a million pounds under our house purchase scheme. As I informed you last year, every possible care is taken to see that the company is properly secured, and our actual experience shows the extreme care that has been exercised. I would like to say we believe that in this direction we are doing really good work, inasmuch as every man who ouys his house by means of our scheme thereby becomes a property owner and a stakeholder in the stability of this country.

Our British Government securities, which now stand at over £2,400,000, have increased by over £95,000, and our holding of Indian and Colonial Government securities by approximately £234,000, and this latter item is accounted for by the fact that we have underwritten and applied for large blocks of the numerous Indian and Colonial Government loans that were issued during the period under review.

You will notice also that our holding of foreign Government securities has been increased by £132,000, and this is accounted for by the fact that we have supported the new loans issued by some of our late Allies, and have also taken advantage of the rate of exchange to purchase blocks of internal loans of European countries other than ex-enemy countries.

The next item which calls for any comment is the increase of £78,000 under the heading of "Debentures," and this is made up almost entirely of the first debentures of well-known railways, and, to a much smaller degree, by first-class industrial debentures. You will notice that railway preference and ordinary stocks have also increased by about £50,000, and as regards this item I can only say that we were fortunate enough to get in at the bottom of the market.

RECORD AMOUNT ADDED TO THE FUNDS.

I would like to draw your attention to the fact that we have this year created a record in the history of the company in the amount added to our funds, such amount being practically three-quarters of a million pounds, and, as a further proof, if any be needed, of the soundness of our assets, I should like to say that during the year we have sold approximately £1,000,000 of our existing holdings of Stock Exchange securities and reinvested in other Stock Exchange securities approximately £1,500,000—the average interest yield of these new investments (without allowing for redemption) works out at the handsome rate of 6 12s 9 1/2d per cent., and a comparison between the cost and market prices as at December 31 last shows an actual appreciation of no less than £90,000. If, of course, you were to take the market prices as at to-day's date this appreciation would be very much enhanced.

As I have already stated, our gross interest yield on the whole of our funds has reached the very satisfactory figure of 5 13s 10d per cent., and you will appreciate how the excellent investment opportunities which arose last year have helped towards this end, but I am afraid it will become more and more difficult in the future to invest our new money to give us such a high yield as we were able to obtain last year, but fortunately we held a very small amount of short-dated securities and practically the whole of

HEAD OFFICE:

1 Dale Street,
LIVERPOOL.



LONDON:

Chief Office,
1 Cornhill, E.C.3.

TOTAL ASSETS exceed - - £20,000,000
TOTAL CLAIMS PAID over - £102,000,000

FIRE. LIFE. ACCIDENT. ANNUITIES.

Marine, Leasehold Redemption, Burglary, Fidelity
Guarantee, Motor Car, Plate Glass, Personal Accident,
Workmen's Compensation, Sickness, Live Stock, Loss of
Profits, &c.

OFFICES IN ALL THE CHIEF COMMERCIAL CENTRES

our new investments have been placed in long-dated securities, and, as a final word on this subject, we are able to report that no less than 98 1/2 per cent. of our total funds are interest-bearing.

I have much pleasure in seconding the resolution proposed by our chairman.

The report was adopted, and Messrs. J. A. Patrick and J. Murray Laing were re-elected directors. The auditors, Messrs. Flint and Thompson, were re-elected.

EASTERN BANK, LIMITED.

SATISFACTORY YEAR DESPITE DIFFICULTIES.

The twelfth annual meeting of the Eastern Bank, Limited, was held, on the 22nd instant, at Cannon street Hotel, London, Mr J. S. Haskell (chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said:—The figures of the balance-sheet showed a considerable reduction upon the previous year, due to some extent to the lower rates of exchange, but to a much greater extent to the contraction of business due to the period of bad trade through which they were passing. The net profit, including the balance brought forward, amounted to £175,180, and they were paying a final dividend of 5s per share, less income-tax, making 9 per cent. for the year, putting £34,000 to reserve, transferring £20,000 to premises account, and carrying forward £31,180. Taking everything into consideration, he thought shareholders would agree that the position as disclosed by the balance-sheet could be regarded as satisfactory. Their policy was to progress along steady lines by extending the bank's activities whenever possible to new fields which held out fair prospects. A branch had been opened at Madras, and at the same time they deemed it advisable to close their local branch in the Bazaar at Basra city, which had lost much of its significance since the war. In the accounts they had made a provision of £20,000 for the new building they contemplated erecting for the bank in London.

The past year had been one of abnormal difficulty. Violent fluctuations, uncertain exchanges, falling prices, and diminishing trade had made the conduct of business a matter of more than ordinary difficulty. India had also had to face the unusual feature of an adverse trade balance.

MESOPOTAMIA.

As regarded Mesopotamia, in a situation so full of uncertainties, it would be futile to hazard a forecast as to the future. Like other countries, it had suffered a severe set-back, and business had been very restricted, the more so as Persia for the greater part of the year was closed to traffic. Moreover, the uncertainty as to the political future of Mesopotamia had created a state of nervousness, particularly in view of the contemplated withdrawal of the British Forces from the country. He sincerely trusted the Government would not allow that country to become derelict after the enormous sacrifices made; its commercial possibilities were not negligible, and, given stable conditions and a progressive administration, there was a considerable field for development.

FUTURE PROSPECTS.

As regarded the prospects of the current year, the position in India from a commercial aspect was not unsatisfactory. Her economic position was good, she had had a favourable monsoon, and with good harvests would have plenty to export. With this stimulus they would, under normal conditions, be justified in anticipating an expansion of her imports, but these were not normal times,

and there were some unfavourable factors, one of the most important being the collapse of the European exchanges. The problem of the currencies was a real stumbling-block to trade. Another disturbing element was that India was labouring under the shadow of grave political disturbances, the end of which he would not venture to forecast, but he would only express the hope that with a resolute spirit and firm measures the Government would be able to deal with it effectively. There was also the heavy burden of taxation, which was a serious handicap to commerce and industries, cramping their development and stifling fresh enterprises. If the income-tax was reduced to 4s Government would be able to raise money at lower interest, making up for part of the loss of revenue, and trade would receive a stimulus which would be reflected in improved revenue returns.

The report was unanimously adopted, and the usual formal business was duly transacted.

THE EMPLOYERS' LIABILITY ASSURANCE CORPORATION, LIMITED.

CLIENTELE MAINTAINED—£521,694 FOR TAXATION.

The forty-first ordinary general meeting of the Employers' Liability Assurance Corporation, Limited, was held on the 22nd instant, at Hamilton House, Victoria Embankment, London, the Right Hon. Lord Claud Hamilton presiding.

The Chairman, in moving the adoption of the report and accounts, said: In the 1920 accounts they had marine premiums of £425,107. They ceased to write marine business at the end of 1920, and there appeared in the present account only £4,363, an adjustment of old premiums. Apart from marine business there was a reduction in premiums of £810,793, a reflex of the stagnation of trade throughout the world. It was a matter of satisfaction that this did not reflect loss of clients, and that when normal stability returned they still had the same solid foundations on which to build. The losses of the year were in no way abnormal, although the fall of premium income caused the percentage to be higher.

Expenses of management were still increasing. The insurance fund had been increased by an additional reserve of £250,000, with which it was thought prudent to strengthen the marine account, which could not be closed for some years. The balance to profit and loss account was £743,813, an increase of £111,338, and interest on investments and rent made £291,897, an increase of £61,072, mainly due to the increased capital received last July. An outstanding feature was the enormous amount of £521,694 for taxes at home and abroad, equal to 9.4 per cent. of the premium income. The dividend recommended was 4s per share, free of tax, as for the preceding year, and although the gross interest covered it, they had to provide out of profits £86,345 for tax on the dividend. Of the balance of £167,951, £49,820 was applied in writing down the purchase price of their Merchants' Marine holding (which had proved of great value), and £118,130 remained for transfer to general reserve.

The reserve for unexpired risks was taken on the usual basis of 40 per cent. of the year's premium, and with the additional reserve the total reserves for current business amounted to £4,602,853. A special reserve of £150,000 had been instituted for loss in respect of the City Equitable, which might be substantial, of two Norwegian companies in liquidation, and of a Russian company, whose assets had been confiscated. The Chairman then went into details showing how the general reserve of £2,744,790 and the investment reserve of £271,367 were made up, and pointed out that the former figure was equal to 49.3 per cent. of the year's premium income. The accounts revealed the excellent manner in which their investments were made.

The report and accounts were unanimously adopted.

LAMPOR AND HOLT, LIMITED.

FAVOURABLE RESULTS OF YEAR'S TRADE.
EXPERIMENTS WITH NEW MOTOR CARGO BOAT.

The tenth ordinary general meeting of Lampor and Holt, Limited, was held, on the 17th instant, at 36 Lime street, London, E.C., Sir Owen Philipps, G.C.M.G., M.P. (the Chairman) presiding.

The secretary (Mr W. J. Moynihan) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—This old-established business was founded over three-quarters of a century ago, and was incorporated as a limited company ten years ago. The report and accounts which are before you to-day can, I think, in the circumstances be considered as very favourable, and they indicate the company's sound financial position. Our paid-up share and debenture capital and reserves total over £5,000,000, of which the debenture stock outstanding amounts to £950,000.

We have steadily pursued a progressive policy in conducting our business, but financially have consistently followed a conservative

policy, to which is due in large measure the position in which we stand to-day, notwithstanding the difficult and depressing conditions through which trade and shipping are passing. After providing for depreciation and adding £50,000 to the reserve account, we are able to recommend the payment of a dividend on the ordinary shares at the rate of 8 per cent. per annum. For the past ten years the dividends on the company's ordinary shares, after allowing for depreciation and adding to reserves, have averaged over 9 per cent. per annum.

COMPANY'S FLEET.

The Lampor and Holt Line fleet to-day consists of 52 passenger and cargo vessels, having a total gross register of 319,000 tons, in addition to numerous smaller craft. We have continually added up-to-date and well-equipped vessels to the fleet as the exigencies of our trades required them. The tonnage of the fleet has been more than doubled during the past ten years.

We have maintained our regular services between the United Kingdom and Continent and South America, as well as between North America and South America, and between the United Kingdom and the United States. Since the end of last year our fine new passenger steamer "Vanduyck," of over 13,000 tons gross register, has been delivered by the builders, and is now employed in our regular passenger and cargo service between Buenos Aires and New York, and I may mention that it has been arranged that during the height of the passenger season she will make a certain number of voyages from New York to this country in the Royal Mail regular service.

MOTOR CARGO BOAT.

The new motor cargo vessel "Linnell," of 7,424 tons gross register, has also been delivered, and has taken her place in the South American service, which will enable the company's engineering staff to obtain further experience of this class of vessel. At the same time, the continued high price of oil suitable for motor ships prevents full advantage being secured from this interesting development in modern marine engineering, as on the basis of the present cost of oil and coal in this country, there is relatively only a very small saving in the cost of fuel in the motor ship as compared with the coal-burning vessel.

Owing to severe trade depression we have been obliged during the past year to lay up some of our cargo steamers, but we are in a good position to take advantage of a revival of trade and commerce as soon as improvement sets in. The great Republics of South America with which our business is so closely concerned possess enormous natural resources, and there can be no doubt that, when some of the temporary difficulties common to most countries at the present time are removed and conditions generally become more settled, a freer expansion of business between the States of South America and the rest of the world will naturally follow.

SHIPPING INDUSTRY.

Shipping generally has been having a bad time of late. Working costs of all kinds, though they have fallen from their highest level, are still excessive, and it will only be by the exercise of the greatest economy combined with efficiency that British shipping will be able to hold its own in face of competition that is keener than ever before. If, however, all concerned work together in harmony, I am confident we shall stand our ground and retain our position as the principal ocean carrying nation of the world. During the year under review the company has opened its own offices at Buenos Aires and Rio de Janeiro, and also at Porto Alegre and Rio Grande do Sul.

Your board is continually alive to the desirability of keeping in close touch with everything that concerns our interests, and Mr Arthur Cook (one of the managing directors) has again left for South America on a business tour. I would like to express our thanks to the other managing director, my friend Mr George Melly as well as to Mr Cook, and to all our officials and staff, both afloat and ashore, for their attention to the company's interests, and our appreciation of the good service they have rendered.

SUPERANNUATION FUND.

The board recommend making a contribution out of the profits of the year of £15,000 to the superannuation fund, which, I am pleased to be able to report, is being built up on sound lines and has made very satisfactory progress since it was inaugurated a few years ago.

I now beg to move: "That the report of the board and the accounts and balance-sheet submitted to this meeting be and the same are hereby received and adopted, and that a dividend on the ordinary shares of 8 per cent per annum (less income-tax) for the year ended December 31, 1921, be and the same is hereby declared."

I will ask Lord Pirrie to second that resolution.

The Right Hon. the Viscount Pirrie, K.P., P.C., seconded the resolution, which, in the absence of questions, was carried unanimously.

Mr George H. Melly proposed the re-election of Sir Owen Phillips as a director of the company.

The Most Hon. the Marquis of Carisbrooke, G.C.V.O., seconded this, and it was unanimously agreed to.

On the proposition of Mr D. I. Conradi, seconded by Mr Picton H. Jones, Messrs Price, Waterhouse and Co. were re-appointed auditors of the company.

The proceedings then terminated.

BEYER, PEACOCK, AND COMPANY, LIMITED.

COMPANY'S SOUND FINANCIAL POSITION.

SIR VINCENT CAILLARD ON LABOUR TROUBLES.

The ordinary general meeting of Beyer, Peacock, and Co., Limited, was held, on the 21st instant, Sir Vincent Caillard (the chairman) presiding.

The Chairman said: This year's results show a marked improvement on the previous year's figures. Our men worked much better, and no strikes have occurred in our works during the past year. We cannot but deplore, therefore, the unhappy contest which has now arisen in the engineering industry between the employers' and labour organisations. But it had become inevitable. I have not a doubt that the large majority of the men have no wish whatever to encroach upon "managerial functions." Unfortunately, the great body of the moderate men, disliking as much as we do the doctrines and the methods of the extremists, show that dislike by simply not attending the meetings of their branches, and thus the extremists rule the roost and precipitate the moderates into the very policy and action they do not approve.

Commenting on the accounts, the Chairman said: In addition to a strong cash position, the accounts owing by us have been considerably reduced. Reserve account will now total £200,000. We have also a depreciation reserve of over £235,000. The year under review is the twentieth financial year of the company, during which period nearly £550,000 has been set aside out of profits—no small achievement for a company with an original share capital of half-a-million.

POSITION OF THE INDUSTRY.

It is useless to attempt making any real forecast of what may be in store for us in the coming year. There is still a great shortage of locomotives in almost every country in the world. Orders, however, are still being held up. There is little doubt that this is to a

considerable extent due to the hope in the minds of intending purchasers that prices have not yet reached rock-bottom level. I am not inclined to share that belief. Prices have already fallen immensely. Manufacturers, with the object of getting orders into their works and thus keeping them going, have cut down expenditure to the lowest possible level, and have been offering their products at bare cost with no addition of profit—sometimes even at less than cost. This is an unhealthy condition of affairs; not only it must not, but it cannot last. There is a pretty widespread impression among certain classes that profits are an evil thing only required to satisfy the greed of grasping capitalists. There could be no falsier idea. Apart from the fact that greedy capitalists are, for far the greater part, quite small shareholders who have ventured a hundred pounds or so of hard-earned savings in industrial undertakings, without profits no reserves can be made for depreciation, for maintenance, for renewals, or, in other words, for keeping plant thoroughly up to date, or for extensions. In short, without profits there cannot be efficiency, and without efficiency industry must starve and die, and industrial population must starve and die with it.

NECESSITY FOR LABOUR CO-OPERATION.

From this point of view I really cannot see how prices can go appreciably lower, and we can only hope that intending purchasers may share the point of view, and starve their undertakings no longer. This does not mean that we should cease to do all in our power to bring costs down in order to achieve success in our competition with other industrial peoples. Otherwise we can hope for no permanent recovery. I trust that the time is not far distant when Labour will recognise that a vital element in effecting the reduction of costs, and therefore of unemployment, is to increase output, and to adopt labour-saving devices wherever possible.

FOREIGN EXCHANGES AND EMPIRE DEVELOPMENT.

The difficulties of unstable and unfavourable exchanges are again the commonplaces of the present situation, and I cannot see hope of any real stabilisation until the political conditions of the world generally become stable in peace. The Government has made decided steps in the right direction by the Export Credit Department and the Trade Facilities Act. If these operations are extended we can there, I think, see a real and encouraging ray of light. It has always been a marvel to me that the Government of this country has shown so little interest in the development of the

immense resources which lie within the British Empire. If those resources were persistently developed there is no question that the British Empire could be altogether self-supporting within itself. If the pronouncements of the Colonial Secretary are followed up by real and energetic action, no better service could be rendered to solving ultimately and permanently the difficulties of unemployment in this country.

Reverting to our own more immediate affairs, our works have been on full time, and lately we have had one or two good inquiries. A few months ago we built for the South African Government railways three different classes of "Garrett" engines. These engines have given the railway authorities entire satisfaction, which, we trust, may result in the ordering of further "Garrett" engines for South Africa in the near future.

THE DIVIDEND.

Your directors recommend 5 per cent. dividend on the ordinary shares. It is of the highest necessity to keep the position of the company as strong and as liquid as possible, in order that when the long-looked-for recovery of trade takes place we may be in the best position for taking advantage of it. Moreover, our new boiler shop still has to be equipped, and calls are being continually made upon us for labour-saving devices, expenditure which is very necessary if we are to compete successfully with other locomotive builders.

The reports and accounts were unanimously adopted.

WILLIAM WHITELEY, LIMITED.

SATISFACTORY RESULTS DESPITE YEAR'S DIFFICULTIES.

The annual general meeting of members of William Whiteley, Limited, was held, on the 24th instant, at the company's premises, Queen's road, London, Mr William Whiteley (the Chairman) presiding.

The secretary (Mr. F. G. Dann), having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of his speech, said: In presenting the directors' report and statement of accounts for the past year, I feel sure you will share my gratification that, after such a difficult year, almost unprecedented in our experience, we are able to submit such a satisfactory record. (Hear, hear.)

The volume of turnover is, of course, not so large as last year, owing entirely to the fall in prices, and on some commodities the reduction is very considerable, but I am pleased to say that the percentage of decrease in trade is much less than the average decrease in the price of goods; in fact, the bulk of merchandise supplied and the number of customers served are larger.

It is difficult on a falling market to adhere strictly to the usual rate of gross profit, and, as you know, it has always been our aim to sell at the lowest margin and to give our customers the best possible value. We have not departed from that traditional custom, with the result that the rate of gross profit is lower than last year, and it follows that, in consequence of the reduced prices, the total amount of gross profit is not so large.

Working expenses have not come down to any appreciable extent, wages are still high, taxes are still on a war basis, and the continued high rate of income tax and the corporation tax are a heavy drain on our resources. Local rates, both in assessment and in amount, are higher than they have ever been; the increase in rates alone is over £5,000, or more than 1 per cent. on the ordinary share capital, but we look with some hope to relief from both these charges in the near future, from the pressure which is being brought to bear upon the Government.

NET PROFIT AND DIVIDEND.

The net profit of £188,231, taking into consideration that there is no excess profits duty to pay this year, leaves the amount available to be dealt with just about equal to last year, and enables us to again pay the shareholders the very satisfactory dividend of 14 per cent. (Applause.)

This result has not been brought about without constant watchfulness and careful management. It has been very necessary to watch consistently both the stocks in hand and the buying. We made up our minds very early at the commencement of the slump not to be left with a large stock of goods which it would be impossible to realise without sacrifice; consequently our stocktaking did not find us with a large over-valued stock to deal with. Our stocks are all clean, good value, and up to date.

Although the high values of goods during the past few years have required considerably more working capital, we are fortunate in having been able to carry on without any increase of share capital at high rates of interest. This is a distinct advantage to our business, of which we are now reaping the benefit.

ALLOCATIONS.

As the accounts have been in your hands for some days, I will ask you to take them as read, and will only refer to one or two of the most important items in the balance-sheet. The net profit

is £188,231, and, with the balance of £171,960 brought in from last year, the total balance of profit is £360,192 6s 7d.

From this amount we have set aside a sum of £20,000 to provide for a small balance to complete the excess profits duty and the corporation profits tax and contingencies. The amount payable by the company for excess profits duty and corporation tax during the past three years is over a quarter of a million. We have also placed a further sum of £10,000 to reserve account, bringing it up to £210,000.

We did not think it advisable this year, when we are passing through such an anxious period of transition, to increase the distribution to the shareholders, but we look forward with confidence to the future.

The stocks are nearly a hundred thousand pounds less than they were last year. This is one of the most gratifying features of the balance-sheet, and has helped very materially in bringing about the present satisfactory results. In these times of falling prices, the value of the stocks is a supreme test of the balance-sheet, and I can with confidence assure you that the figures shown are represented by commodities of good sound marketable value.

The book debts, which include the debts on deferred payment accounts, all of which are well secured, are much about the same as last year.

The investments and cash in hand, taken together, have increased considerably—nearly one hundred and eighty thousand pounds. The bulk of these investments are Government stocks, and are of the market value of over £15,000 more than they stand in the company's books.

The report was unanimously adopted, and Mr John Lawrie, the managing director, said they had excellent prospects for the coming year.

DICKINS AND JONES, LIMITED.

RESULTS SATISFACTORY DESPITE REBUILDING DISORGANISATION.

The 22nd annual ordinary general meeting of Dickins and Jones, Limited, was held, on the 22nd instant, at the offices of the company, 29 Argyll street, London, Sir Woodman Burbidge, Bart., C.B.E. (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, said that had the times been normal it was hardly likely that the company could reasonably have expected the profits to be maintained, having regard to the disturbance to business resulting from the rebuilding operations. The company had certainly had the advantage of the first section of the new building, but against that must be set the fact that when the other and larger portion of their Regent street front was given over to the housebreakers in March last the many departments up to that time having direct access to Regent street had to be moved to the rear of their premises, and could be carried on only in very straitened and congested surroundings. The year through which they had passed had been anything but a normal one, and the depression in trade had been reflected in the company's returns. Added to that there had been a heavy burden of taxation, which had resulted in greatly reducing the spending power of the public. The continual and heavy fall in prices during the year had necessitated the stocks being reduced in price periodically in order to bring them to existing market values, thereby considerably influencing the rates of gross profit. Those important factors had been a great handicap in the year's trading, and, bearing that in mind, the directors considered the results might be regarded as satisfactory. The trading profit for the year was £50,582. An interim dividend at the rate of 4 per

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

HEAD OFFICE:
62, OLD BROAD STREET,
LONDON, E.C.2.

NORTHERN DISTRICT OFFICE: 89 Market St., Bradford

Manchester Agency—
WILLIAMS DEACON'S BANK, LTD.

Foreign Exchange Shipping and Agency Branch—York Street, Mosley Street (P.O. Box 356), where our Representatives are in daily attendance for the greater convenience of Manufacturers and Shippers.

GREAT BRITAIN
LONDON, MANCHESTER, BRADFORD, BIRMINGHAM, GLASGOW, LEEDS, LIVERPOOL, NEWCASTLE, SHEFFIELD, SOUTHAMPTON, TRURO, YARROW.

FRANCE
PARIS, BORDEAUX, NANTES, STRASBOURG, LYON, MARSEILLE, NICE, TUNIS, ALGER, ORAN, CONSTANTINE, BORDJ, ALEN, BEJAIA, COLMAR, MULHOUSE, ROUEN, CAEN, NEMOURS, REIMS, METZ, THIONVILLE, LUXEMBOURG, BRUSSELS, ANTWERP, AMSTERDAM, ROTTERDAM, HAVRE, CALAIS, DIEPPE, ST. LO, ST. MALO, ST. BRIEUX, ST. JEAN DE MONT, ST. PIERRE, ST. MARTIN, ST. VINCENT, ST. LUCIA, ST. KITTS, ST. NEVILL, ST. VINCENT, ST. LUCIA, ST. KITTS, ST. NEVILL.

BRANCHES OF THE ANGLO-SOUTH AMERICAN BANK, LIMITED.
BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.
BRANCHES OF THE COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: **HELSINKI (Helsingfors), FINLAND.**

Capital and Reserves - Fmk. 248,700,000.00
 Deposits and Cheque Accounts (31/12/21) - Fmk. 1,234,000,000.00

124 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

cent. per annum on the ordinary shares was paid in October last, and it was now proposed that a final dividend at the rate of 10 per cent. per annum be paid, making 7 per cent. for the year, thus maintaining the dividends paid during the past three years. The reserve accounts stood at £267,356.

In his remarks he had made reference to the fact that the rebuilding and alterations had had a great tendency to disorganise business. In several of the departments which were transferred to the first section there was now being experienced a response to the new and more pleasing surroundings. The opening of the further showrooms in the second section on Monday last marked an additional stage in the progress of their new building, which on completion would undoubtedly be one of the finest fashion houses in the kingdom. They were at present working at a lower margin of gross profit than in previous years, which policy would be continued.

Sir Harry K. Newton, Bart., M.P., seconded the resolution, which was carried unanimously.

BON MARCHÉ, LIMITED.

SATISFACTORY RESULTS—INCREASED PROFITS.

The thirty-first annual general meeting of Bon Marché, Limited, was held, on the 22nd instant, on the company's premises, 442 and 444 Brixton road, London, S.W.

Mr Harry T. Holdron (chairman of the company) presided.

The Chairman, in the course of his speech, said:—You will notice that the net profit, in round figures, is £114,000, as against £86,000 last year. The increase of £28,000 is accounted for in a large measure, but not entirely, by the profit received from the business of Messrs Quin and Axtens, which business, as you are aware, we took over as from February 21, 1921.

Our total stock for the three businesses now stands at the low figure of £150,229; you may take it from me that it is a clean, healthy stock, well worth the money. I might mention that our books recorded just over half a million more customers than last year, whilst Messrs Quin and Axtens and Pratt's accounted for a further 200,000, the three businesses together showing an increase in customers of nearly three-quarters of a million.

Coming to the balance-sheet figures, the freehold property now stands at £335,423 and leasehold at £22,041. Your directors are of opinion that these figures are a very modest computation of their value to-day. The freeholds include the entire Bon Marché building, the Ferndale road building, a large and well-equipped depository, our stables, and, last, but not least, the entire island site of Quin and Axtens. This site is generally admitted to be one of the finest in South London. The item of goodwill, you will notice, has been increased to £42,826, a sum amounting to less than six months' profits. Plant, fixtures, &c., valued at £99,316, less reserve for depreciation of £41,415, stand in our books at £57,900. The cash on deposit and in hand amounts to £75,371.

On the debit side, the issued ordinary capital has been increased by 20,000 to 140,000, and 100,000 7 per cent. mortgage debentures have been allotted to Mr Axtens in part payment for his interest in Quin and Axtens. No addition to the reserve fund has been made this year; it now stands at £90,000, but the expenses of acquiring Messrs Quin and Axtens, amounting to £5,572, have been written off. The carry-forward is £56,574, against £47,487.

With reference to the acquisition of Quin and Axtens, your directors are satisfied with the purchase in every way. It is a healthy, sound, and well-managed business, and they are convinced that it has great future possibilities.

Mr Charles H. Higgins seconded the resolution, which was unanimously carried without discussion.

THOMAS TILLING, LIMITED.

"ANOTHER SATISFACTORY REPORT."

The 25th annual general meeting of Thomas Tilling, Limited, was held, on the 23rd instant, at the head office of the company, 20 Victoria street, Westminster, London, Mr Richard S. Tilling, J.P. (chairman of the company), presiding.

The Chairman, in moving the adoption of the report and accounts, said: This is our 25th annual meeting, and I am glad to present yet another satisfactory report. You will observe that the net profit for the year, after providing for the interest in the first mortgage debentures, is £150,504, as against £110,214 the year previous, and we brought in £54,673, which gives a total of £205,177. Out of this total the interest on the income debenture stock and the dividend on the preference shares have to be provided for, and we propose to allocate £64,148 to special reserve for properties and investments, which will bring this fund up to £100,000, and, after declaring a dividend of 15 per cent. on the ordinary shares, there is a balance of £62,257 to carry forward, subject to excess profits duty for 1920.

After referring to the various outstanding phases through which the business of carrying passengers by road had passed during the last few years, the Chairman continued: The result has been that

this city now possesses what I believe is universally conceded to be the finest omnibus service in the world. The present system whereby the whole of the motor omnibuses in London are operated from one controlling centre has produced surprising results. It has eliminated wasteful competition, and the general public have shown their appreciation of the benefits secured by riding in such numbers as the most far-sighted would have considered impossible a short time ago. The earliest horsed omnibus that I remember only carried 24 people. The journey out and home averaged about 10 miles—now we carry 48 passengers, and in some cases 54, and journeys of 50 miles are undertaken.

So far as this is concerned, all the different sections of the business have contributed, thus confirming the principle on which we have always acted—that we spread our operations as far as we possibly can. In pursuance of this policy we established the Road Transport and General Insurance Company, the success of which has more than fulfilled our expectations.

We have now a direct or indirect interest in 22 provincial road transport undertakings.

The report and accounts were unanimously adopted, the retiring directors, Mr Edward W. Tilling, Mr Reginald M. Tilling, and Mr John F. Heaton, re-elected, the auditors reappointed, and a vote of thanks to the chairman, directors, and staff terminated the proceedings.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE. RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1921-22. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1921, to Mar. 18, 1922.	Total Receipts into the Exchequer from Apr. 1, 1920, to Mar. 19, 1921.	Receipts Week Ended Mar. 18, 1922.	Receipts Week Ended Mar. 19, 1921.
Balances in Exchequer on 1st April:—					
Bank of England....	..	2,591,051	7,159,773	..	..
Bank of Ireland....	..	483,455	2,209,324	..	..
REVENUE.		3,074,506	9,369,097	..	..
Customs.....	125,800,000	125,418,000	129,415,000	1,860,800	1,891,000
Excise.....	198,800,000	191,805,000	197,146,000	8,880,300	11,000,000
Motor Vehicle Duties.....	9,000,000	10,918,000	7,073,000	100,000	..
Stamps.....	48,000,000	49,524,000	45,920,000	1,379,000	888,000
Land Tax.....	21,000,000	17,409,000	24,296,000	1,631,000	406,000
House Duty.....	2,500,000	2,390,000	2,410,000	140,000	140,000
Property & Income Tax (including Super-Tax & Mineral Rights Duty)	410,500,000	360,145,000	358,994,000	17,775,000	18,259,000
Excess Profits Duties, &c.	120,000,000	29,714,000	209,181,000	5,180,000	..
Corporation Profits Tax	30,000,000	16,211,000	500,000	515,000	109,200
Post Office.....	80,000,000	53,500,000	46,960,000	1,250,000	1,000,000
Crown Lands.....	650,000	750,000	620,000	..	..
Interest on Sundry Loans.....	12,000,000	13,629,423	22,770,928	2,583,017	19,988
Miscellaneous.....	21,500,000	23,437,041	23,012,406	978,439	23,905
Ordinary Receipts.....	158,500,000	145,789,943	261,301,729	4,980,029	3,172,191
Special Receipts.....	1,216,500,000	1,040,638,407	1,329,590,063	42,971,485	41,980,084
Revenue.....	1,216,500,000	1,043,712,913	1,338,969,160	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	..	10,530,000	5,210,000	300,000	900,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	..	520,000	..	..	..
Money Raised by Creation of Debts:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1913 to 1921.....	..	5,561,474	4,000,000	..	..
Under the Post Office (London) Railway Act, 1913.....	..	27,500	115,000	..	..
Under the Housing Act, 1914.....	..	50,000	30,000	..	..
(b) Under the Unemployment Insurance Act, 1921.....	..	11,890,000	..	..	..
(c) For other Issues:—					
By Treasury Bills for Supply.....	..	3,624,680,000	3,969,704,000	49,044,000	56,347,000
By 4% Funding Loan, 1900-30.....	..	..	870,552	..	..
By 4% Victory Bonds.....	..	..	769,061	..	..
By 5% Exchequer Bonds, 1920.....	..	..	15	..	15
By 5% Exchequer Bonds, 1925.....	..	..	258,794	..	..
By National Savings Certificates.....	..	..	..	..	..
Under the War Loan Act, 1914-1919.....	..	..	20,760,794	..	..
Under the Finance Act, 1920.....	..	61,255,000	19,470,000	5,050,000	800,000
By National War Bonds.....	..	5	..	..	..
By Treasury Bonds:—					
5-15 year, 1925-35.....	..	1,062,317	22,083,150	..	200,000
5%.....	..	283,577,064	..	..	..
5% 1927.....	..	40,601,369	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919.....	..	10,961,454	47,078,090	..	668
(d) Ways and Means Advances.....	1,252,886,000	1,286,096,000	11,290,000	2,750,000	..
Anglo-Persian Oil Company—					
Dividends on Shares acquired	..	5,010	427,756	..	..
Repayments:—					
In respect of Suez Canal Drawn Shares.....	..	7,111	7,853	..	..
Do Conard Loan.....	..	130,000	130,000	..	..
Do East African Protectorate Loan.....	..	127,268	5,940	..	..
Do Issues under Civil Contingencies Fund Act, 1919.....	..	7,250,000	5,000,000	..	5,000,000
Do Issues under Land Settlement (Facilities) Act, 1919.....	..	63,128	16,760	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	13,490,950	5,298,375	..	1,016,250
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	426,340	24,621	..	..
Total.....	6,368,984,721	6,725,885,729	106,655,485	106,394,817	..

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1921-22, including Supplementary Grants.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1921, to Mar. 18, 1922.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1920, to Mar. 19, 1921.	Issues. Week Ended Mar. 18, 1922.	Issues. Week Ended Mar. 19, 1921.
EXPENDITURE.					
Permanent Charge of Debt.....	24,500,000	22,528,808	22,244,384	..	581,370
Interest, &c., on War Debt.....	320,500,000	302,576,928	319,447,359	1,173,476	2,445,982
Road Fund.....	8,400,000	10,617,000	8,686,689	586,000	..
Payments to Local Taxation Accounts, &c.....	11,115,000	9,958,728	9,340,907	1,548,939	1,194,972
Payments to Northern Irish Exchequer.....	..	1,003,393	2,500,171	..	..
Land Settlement.....	5,000,000	..	6,788,310	..	..
Other Consolidated Fund Services.....	1,757,000	1,758,456	1,742,507	20,427,578	53,750
Supply Services.....	774,851,000	635,021,997	717,441,536	19,735,837	24,011,911
Expenditure.....	1,146,123,000	985,965,481	1,085,691,692	23,735,993	24,011,911
OTHER ISSUES.					
Temporary Advances:—					
Bullion.....	..	10,600,000	5,250,000	300,000	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	..	13,970,000	..	500,000	..
Issues to meet Capital Expenditure:—					
Under the Telegraph (Money) Act, 1913 and 1921.....	..	6,961,474	5,300,000	700,000	..
Under the Post Office (London) Railway Act, 1913.....	..	27,500	144,000	..	..
Under the Housing Act, 1914.....	..	56,000	38,500	..	..
Redemption of Unfunded Debt:—					
Treasury Bills for Supply.....	..	5,848,321,000	3,974,507,000	72,220,000	48,288,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917.....	..	32,327,493	71,009,594	1,100,998	1,869,131
Principal of National Savings Certificates:—					
(a) Repaid by Issues under Section 59 (4) of the Finance Act, 1920.....	..	23,700,000	29,750,000	1,600,000	600,000
(b) Repaid otherwise.....	..	10,400,000	..	..	..
Principal of Exchequer Bonds paid off.....	..	42,781,133	27,623,160	..	..
5% 1921.....	..	..	£18,962,820	..	..
5% 1922.....	..	..	£31,818,313	..	..
Less: paid off by the National Debt Commissioners, £8,000,000.....	..	..	£3,818,313	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	..	58,815,156	93,886,413	..	5,739,942
Principal of American Loan under the American Loan Act, 1915.....	..	..	59,229,221	..	..
Ways and Means Advances Repaid.....	1,279,925,000	1,332,277,000	2,570,000	27,850,000	..
Depreciation Fund, under the Finance Act, 1917.....	..	29,260,245	30,260,245	2,160,022	1,000,000
Issues to National Debt Commissioners to Reduce Debt:—					
Suez Canal Drawn Shares Repayments.....	..	7,111	7,853	..	..
Conard Loan Repayments.....	..	130,000	130,000	..	..
East Africa Protectorate Loan Repayments.....	..	127,268	5,940	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	..	20,940,000	7,425,000	3,450,000	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	..	269,620	262,766	..	5,000
Balances in Exchequer:—					
Bank of England.....	..	2,229,585	2,040,790	774,528	354,388
Bank of Ireland.....	..	2,100,837	876,737	1,093,000	715,579
Total.....	4,330,422	2,917,527	3,184,778	1,069,967	..

NOTE.—Budget Estimate as in House of Commons, Paper No. 89 of 1921. Treasury, March 20, 1922.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account	Advances to		Redemption Account.					
			Bankers.	Savings Banks.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Govern- ment Secur- ties.	Balance at Bank of England.	
1914.	£	£	£	£	£	£	%	£	£	
Aug. 26	21,535	..	6,302	3,810	..	..	..	..	11,423	
Dec. 30	38,478	..	169	600	18,500	..	48.1	9,924	9,286	
1915.										
Dec. 29	103,125	729	159	249	28,500	..	27.6	54,621	20,536	
1916.										
Dec. 27	150,144	2,430	64	40	28,500	..	19.0	118,102	6,868	
1917.										
Dec. 26	212,782	8,564	39	675	28,500	..	13.4	186,637	5,486	
1918.										
Dec. 31	323,241	15,529	..	570	28,500	..	8.9	305,133	4,566	
1919.										
Dec. 31	356,152	17,182	250	245	28,500	4,000	9.1	337,537	2,802	
1920.										
June 30	367,356	16,700	..	190	28,500	13,400	11.7	331,660	305	
Dec. 29	367,626	16,962	..	..	28,500	19,450	13.0	336,504	134	
1921.										
Mar. 30	343,826	15,599	Silver Coin.	28,500	19,450	13.9	311,334	141		
June 29	323,884	14,965	3,000	28,500	19,450	14.8	287,750	150		
Sept. 28	314,382	14,830	3,000	28,500	19,450	15.2	278,119	143		
Dec. 28	326,584	14,658	3,000	28,500	19,450	14.7	289,131	161		
1922.										
Mar. 16	300,339	13,571	5,000	28,500	19,450	15.9	260,804	156		
23	299,798	13,546	5,000	28,500	19,450	15.9	260,254	140		

Since July 21, 1920,

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank of Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.
Dec. 28, 1921.	128,434,359	126,520,245	122,589,335	120,126,896	20,364,114	16.8
Jan. 11, 1922.	128,439,940	125,694,450	192,021,827	188,772,223	21,195,490	11
11, 1922.	128,452,733	123,626,990	145,488,691	140,166,176	23,275,743	17.8
18, 1922.	128,444,198	122,599,950	137,410,310	131,118,352	24,291,248	18.4
25, 1922.	128,447,117	122,205,840	135,453,106	127,746,174	24,691,277	19.4
Feb. 1, 1922.	128,452,733	122,599,950	137,410,310	131,118,352	24,291,248	18.4
8, 1922.	128,447,117	122,205,840	135,453,106	127,746,174	24,691,277	19.4
15, 1922.	128,452,733	122,599,950	137,410,310	131,118,352	24,291,248	18.4
22, 1922.	128,447,117	122,205,840	135,453,106	127,746,174	24,691,277	19.4
Mar. 1, 1922.	128,452,733	122,599,950	137,410,310	131,118,352	24,291,248	18.4
8, 1922.	128,447,117	122,205,840	135,453,106	127,746,174	24,691,277	19.4
15, 1922.	128,452,733	122,599,950	137,410,310	131,118,352	24,291,248	18.4
22, 1922.	128,447,117	122,205,840	135,453,106	127,746,174	24,691,277	19.4

TEN YEARS' RECORD.

At corresponding date with the present week.	Mar. 20, 1912.	May 27, 1914.	Mar. 24, 1915.	Mar. 23, 1921.	Mar. 22, 1922.
Circulation (excluding Bank of Post Bills)	28,050,700	28,933,380	101,136,645	129,535,445	121,704,445
Public deposits	24,997,010	19,014,809	19,763,200	22,982,898	21,859,788
Other deposits	41,606,564	41,248,364	131,767,028	121,169,409	120,326,265
Government securities	14,281,026	11,046,570	45,394,854	24,000,237	48,465,465
Other securities	41,899,367	41,461,280	91,142,983	101,022,091	86,396,933
Reserve of notes and coin	28,738,559	25,463,980	33,096,511	17,241,071	25,525,318
Coin and bullion	38,337,559	35,947,360	115,783,186	128,326,518	128,779,763
Proportion of reserve to liabilities	43.4%	42.1%	21.1%	13.1%	18%
Bank rate of discount	3.4%	3%	6%	7%	4.4%
Market rate, 3 months' bills	3.4%	2.4%	5.4%	6.4%	3.4%
Price of Consols	77.4	74.4	45.4	38.4	33.4
Price of silver per oz.	25.4	25.4	7.4	8.4	7.4
Average price of wheat	25.4	25.4	54.8	56.2	48.3
Exchanges on New York	12.13	12.05	10.32	11.35	11.57
London	20.45	20.45	28.29	24.24	12.68
Clearing house return	316,905,000	199,913,000	781,324,000	875,086,000	726,509,000

BANKERS' CLEARING RETURNS.

Week Ending	Town Clearing.	Country Clearing.	Total.
1922.			
January 1—March 15	7,576,512,000	596,518,000	8,173,030,000
March 1—March 15	673,745,000	52,764,000	726,509,000
Total to date 1922	8,250,257,000	649,282,000	8,899,539,000
Do 1921	7,528,035,000	799,390,000	8,327,425,000
Increase or decrease in 1922	722,222,000	-150,108,000	+572,114,000
	9.5%	-18.7%	+6.7%
Total for 1921	31,928,380,000	3,302,179,000	34,930,559,000
Do 1920	34,946,683,000	4,072,220,000	39,018,903,000
Increase or decrease in 1921	-3,018,303,000	-1,070,041,000	-4,088,344,000
	-8.6%	-26.2%	-10.4%

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Ino. or Dec.	%
Aggregate Totals to March 18.				
BIRMINGHAM	36,068,800	24,544,900	-11,523,900	31.9
BRISTOL	17,877,300	15,522,000	-2,355,300	13.1
DUBLIN	84,854,300	73,165,600	-11,688,700	13.7
HULL	14,478,400	12,818,000	-1,660,400	11.4
LEEDS	9,291,400	8,778,400	-513,000	3.3
LIVERPOOL	121,080,700	95,535,200	-25,545,500	26.7
MANCHESTER	189,834,500	165,970,700	-23,863,800	12.5
NEWCASTLE-ON-TYNE	27,400,100	20,025,100	-7,375,000	26.9
NOTTINGHAM	8,229,900	7,636,700	-593,200	13.5
SHEFFIELD	17,104,800	10,617,400	-6,487,400	37.9

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

(000's omitted.)

	Mar. 17, 1922.	Mar. 10, 1922.	Mar. 14, 1921.	Week's Movement.
RESOURCES.				
Total gold reserve	2,976,070	2,965,870	2,167,910	+ 10,150
Legal tender notes and silver reserve	125,380	124,090	120,020	+ 2,710
U.S. Government securities	591,730	631,040	2,368,450	- 39,310
U.S. bonds bought in open market	87,310	101,930	146,610	- 14,620
U.S. Government obligations owned	596,370	443,840	281,550	+ 154,330
All other resources	61,320	61,880	42,070	+ 560
LIABILITIES.				
Government deposits	16,790	24,210	81,520	- 7,420
Other deposits	1,896,670	1,755,850	1,623,670	+ 140,820
Federal Reserve Notes in actual circulation	2,188,590	2,197,430	3,005,840	- 8,140
Federal Reserve Bank Notes in actual circulation	78,030	79,630	182,090	- 1,600
Capital and surplus	17,110	16,580	43,750	+ 530
All other liabilities	319,350	319,200	303,040	+ 150
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	75.6%	77.8%	50.9%	+ 2.2%

BANK OF FRANCE.

(000's omitted.)

	Mar. 23, 1922.	Mar. 16, 1921.	Mar. 24, 1921.	Week's Movement.	Position May 30, 1914.
ASSETS.					
Gold coin and bullion	5,525,850	5,525,747	5,503,908	+ 103	3,730,625
Gold held abroad	1,948,307	1,948,367	1,948,367	—	632,650
Silver coin and bullion	281,749	281,592	265,408	+ 157	2,327,775
Discounts and advances	5,197,605	5,285,165	5,294,904	- 87,560	—
LIABILITIES.					
Notes	35,281,790	35,460,374	38,131,816	- 2,778,542	5,811,875
Government deposits	46,150	46,150	39,668	+ 12,382	183,700
Other deposits	2,100,514	2,100,514	3,103,964	- 1,003,450	945,950

BANK OF SPAIN.

(000's omitted.)

	Mar. 18, 1922.	Mar. 11, 1922.	Mar. 4, 1922.	Mar. 18, 1921.	Week's Movement.	Position May 30, 1914.
ASSETS.						
Gold	2,519,663	2,519,613	2,518,386	2,477,446	+ 620	521,776
Silver	633,448	633,405	631,419	585,370	+ 1,843	728,600
Loans and discounts	2,508,135	2,508,219	2,613,791	2,029,599	+ 45,084	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	—	344,475
Treasury bills	150,000	150,000	150,000	150,000	—	150,000
LIABILITIES.						
Circulation	4,166,125	4,195,908	4,205,214	4,228,503	- 23,783	1,901,568
Deposits	1,098,376	1,100,364	1,094,323	1,154,071	- 1,988	477,500

NATIONAL BANK OF GREECE.

	Jan. 28, 1922.	Jan. 15, 1922.	Jan. 28, 1921.	Previous Return.	Last Year.
ASSETS.					
Gold and balances abroad	1,373,203,863	1,373,434,738	1,454,594,354	- 230,875	- 81,390,491
Government loans and securities	2,316,700,867	2,317,802,896	1,219,097,470	- 1,102,029	+ 1,097,603,397
Discounts and loans	733,749,396	752,217,820	731,417,569	- 18,468,424	+ 2,331,734
LIABILITIES.					
Notes in circulation	2,133,641,882	2,161,182,802	1,500,299,141	- 27,540,920	+ 633,342,741
Government deposits	170,774,368	164,443,444	136,949,884	+ 6,328,924	+ 33,822,484
Private deposits	957,201,465	951,579,032	920,487,705	+ 5,622,433	+ 36,715,760
Fixed dates	958,433,481	955,175,911	651,919,174	+ 3,257,570	+ 306,514,30

BANK OF JAPAN.

(000's omitted.)

	Feb. 11, 1922.	Feb. 4, 1922.	Jan. 28, 1922.	Jan. 21, 1922.	Feb. 11, 1921.	Position Jan 30, 1914.
ASSETS.						
Gold and silver	1,228,105	1,237,572	1,245,186	1,245,717	1,269,424	281,300
Discounts	67,807	108,480	201,632	79,588	54,136	41,740
Advances	87,161	103,200	114,762	91,479	127,547	70,540
LIABILITIES.						
Notes	1,143,367	1,233,134	1,370,609	1,245,042	1,108,060	362,270
Govt. deposits	1,265,513	1,238,136	1,218,004	1,220,278	1,254,114	87,340
Private deposits	43,321	41,769	39,252	35,715	152,481	11,440

IMPERIAL BANK OF GERMANY.

(000's omitted.)

	Mar. 15, 1922.	Mar. 7, 1922.	Feb. 28, 1922.	Week's Movement.	Position May 30, 1914.
ASSETS.					
Gold	995,378	995,378	995,378	—	1,313,240
Silver	17,707	17,707	15,590	+ 2,778	321,980
Treasury notes	4,878,666	5,156,001	4,633,744	+ 577,335	943,460
Bills discounted	140,866,650	132,883,392	136,108,744	+ 7,983,358	60,780
LIABILITIES.					
Notes in circulation	122,120,371	121,930,166	120,026,387	+ 190,295	3,013,869
Deposits	30,665,855	22,333,824	16,526,072	+ 8,539,031	842,340

NETHERLANDS BANK.

(000's omitted.)

	Mar. 20, 1922.	Mar. 13, 1922.	Mar. 6, 1922.	Feb. 27, 1922.	Mar. 21, 1921.	Position May 30, 1914.
ASSETS.						
Gold	605,953	605,953	605,953	605,953	636,119	163,022
Silver	7,156	6,865	6,800	7,127	17,831	8,436
Discounts and advances	396,603	413,408	411,139	414,182	419,229	153,504
LIABILITIES.						
Notes in circulation	963,735	986,897	1,008,879	988,835	1,025,267	316,633
Deposits	36,527	26,765	27,729	29,165	43,476	5,016

BANK OF ITALY.

(000's omitted.)

	Feb. 20, 1922.	Feb. 10, 1922.	Feb. 2, 1922.	Move-ment.	Position May 31, 1914.
ASSETS.					
Total cash	1,400,184	1,397,804	1,325,710	+ 42,680	1,221,875
Inland bills	4,432,168	4,464,756	3,144,850	- 32,688	418,400
Foreign bills	9,463	9,463	28,105	- 15	81,300
Advances to the Treasury	6,587,177	6,577,230	7,817,944	+ 9,947	79,175
Other advances	3,466,536	3,636,431	2,073,991	- 169,895	79,175
Securities	535,486	536,431	217,124	+ 945	206,700
LIABILITIES.					
Note circulation	14,011,218	14,375,397	14,494,442	- 344,179	1,556,925
Deposits and drafts	2,701,361	1,972,138	1,821,944	+ 29,223	193,975

SWISS NATIONAL BANK.

(000's omitted.)

	Mar. 15, 1922.	Mar. 7, 1922.	Feb. 28, 1922.	Mar. 15, 1921.	Week's Movement.	Position May 31, 1914.
ASSETS.						
Gold	546,057	546,982	544,181	543,313	+ 925	171,175
Silver	108,000	108,000	108,000	188,103	—	18,350
Darlehens-Kassen.	17,574	17,510	17,457	4,405	+ 62	—
Assets & advances	286,029	281,761	286,954	272,700	+ 4,248	103,000
LIABILITIES.						
Notes in circulation	800,399	819,026	837,726	920,359	- 18,627	275,925
Deposits	197,837	176,180	161,108	91,984	+ 21,657	33,750

The Monthly Statement of the Swiss Federal Loan Bank (De Lehenkasse) shows that up to February 28, 1922, total issue were Fr. 27,371,553, of which Fr. 17,456,775 was held by the Swiss National Bank.

NATIONAL BANK OF ROMANIA.

(000's omitted.)

LONDON RATES.

	Mar. 17, 1922.	Mar. 18, 1922.	Mar. 19, 1922.	Mar. 20, 1922.	Mar. 21, 1922.	Mar. 22, 1922.	Mar. 23, 1922.	Mar. 24, 1922.
Bank rate (reduced from 5% Feb. 16, 1922)	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Market rates of discount—								
3 months' bankers' drafts	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
3 months' do.	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
6 months' do.	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Discount (Treasury Bills)—								
3 months'	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Loans:—Day to day	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Short	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Deposits:—Banks	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Discount houses at call	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
At notice	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

	Short	Bank Bills	Trade Bills
	3 Months	4 Months	6 Months
Jan. 15, 1922.	4 1/2	4 1/2	4 1/2
Jan. 22, 1922.	4 1/2	4 1/2	4 1/2
Jan. 29, 1922.	4 1/2	4 1/2	4 1/2
Feb. 5, 1922.	4 1/2	4 1/2	4 1/2
Feb. 12, 1922.	4 1/2	4 1/2	4 1/2
Feb. 19, 1922.	4 1/2	4 1/2	4 1/2
Feb. 26, 1922.	4 1/2	4 1/2	4 1/2
Mar. 5, 1922.	4 1/2	4 1/2	4 1/2
Mar. 12, 1922.	4 1/2	4 1/2	4 1/2
Mar. 19, 1922.	4 1/2	4 1/2	4 1/2
Mar. 26, 1922.	4 1/2	4 1/2	4 1/2

IRISH BANKS' RATE.

	Present Rate.	Date	Previous Rate.	Date
Discount	4 1/2	Feb. 16, 1922	4 1/2	July 21, 1921
Deposits	4 1/2	Nov. 4, 1921	4 1/2	June 23, 1921

OVERSEAS BANK RATES.

	Bank Rate	Changed.	Bank Rate	Changed.
Amsterdam	July 1, 1921	4 1/2	Nov. 4, 1921	4 1/2
Athens	May 15, 1920	5 1/2	Mar. 11, 1922	5 1/2
Berlin	Dec. 23, 1914	5 1/2	Aug. 16, 1921	5 1/2
Brussels	May 19, 1921	5 1/2	May 11, 1922	5 1/2
Bucharest	Sept. 4, 1920	6 1/2	June 14, 1921	6 1/2
Calcutta	Jan. 25, 1922	6 1/2	Mar. 10, 1922	6 1/2
Christania	Nov. 5, 1921	5 1/2	Mar. 2, 1922	5 1/2
Copenhagen	Nov. 8, 1920	9	Nov. 18, 1919	8
Helsingfors	Sept. 3, 1920	7	Nov. 29, 1921	7
Lisbon	Nov. 2, 1921	4 1/2	Sep., 1921	7
New York Federal Reserve	Nov. 2, 1921	4 1/2		

RATES OF EXCHANGE.

	London on	Usance	Par.	Mar. 23, 1921.	Mar. 17, 1922.	Mar. 24, 1922.
Paris	francs to £1	T.T.	25-224	56 27-32	48 48-53	48 42-47
Berlin	marks to £1	T.T.	20-43	243 246	1214 1217	1450 55
Vienne	krone to £1	T.T.	24-02	1350 1400	28500 29500	33000 34000
Prague	krone to £1	T.T.	24-02	290 295	47 252	243 248
Warsaw	zlotys to £1	T.T.	20-43	2600 2700	17500 18500	17500 18500
Bucharest	lei to £1	T.T.	25-224	280 285	580 600	580 600
Budapest	kr. to £1	T.T.	24-02	565 585	650 670	650 670
Constantinople	piastres to £1	T.T.	110	330 340	635	640 650
Sofia	levas to £1	T.T.	25-224	137 142	30000	300 370
Belgrade	dinas to £1	T.T.	12-107	11 35-38	11 53-55	11 59-61
Amsterdam	florins to £1	T.T.	25-224	53 87-92	52 78-83	52 05-10
Brussels	francs to £1	T.T.	18-159	24 38-43	25 08-13	24 62-67
Stockholm	kroner to £1	T.T.	18-159	17 85-89	16 65-69	16 73-76
Copenhagen	kroner to £1	T.T.	18-159	22 47-51	20 79-75	20 67-72
Helsingfors	marks to £1	T.T.	25-224	149 152	204 206	209 212
Oslo	krone to £1	T.T.	25-224	51 75-52 00	99 100	105 107
Geneva	francs to £1	T.T.	25-224	98 99	82 86	85 88
Switzerland	francs to £1	T.T.	25-224	22 97-23 02	22 35-38	22 51-56
Madrid	pesetas to £1	T.T.	25-224	28 70-75	27 95-100	28 13-18
Lisbon	escudos to £1	T.T.	53 5	5 5	5 5	4 4
Alexandria	piastres to £1	Sight	97 1/2	97 1/2	97 1/2	97 1/2
New York	dollars to £1	Cable	4 1/2	3 9 1/4	4 3 1/2	4 3 1/2
Montreal	dollars to £1	Cable	4 1/2	4 4 1/4	4 50 1/2	4 50 1/2
Buenos Ayres	pesos to £1	T.T.	47 58 1/2	47 58 1/2	45 45 1/2	45 45 1/2
Rio de Janeiro	pesos to £1	T.T.	15 33	15 33	15 33	15 33
Valparaiso	pesos to £1	T.T.	15 33	15 33	15 33	15 33
Calcutta	rupees to £1	T.T.	10 1/2	10 1/2	10 1/2	10 1/2
Bombay	rupees to £1	T.T.	10 1/2	10 1/2	10 1/2	10 1/2
Madras	rupees to £1	T.T.	10 1/2	10 1/2	10 1/2	10 1/2
Hong Kong	dollars to £1	T.T.	2 1/2	2 1/2	2 1/2	2 1/2
Shanghai	dollars to £1	T.T.	2 1/2	2 1/2	2 1/2	2 1/2
Singapore	dollars to £1	T.T.	2 1/2	2 1/2	2 1/2	2 1/2
Yokohama	dollars to £1	T.T.	2 1/2	2 1/2	2 1/2	2 1/2
Manila	dollars to £1	T.T.	2 1/2	2 1/2	2 1/2	2 1/2
Mexico	pesos to £1	T.T.	131 1/2	131 1/2	125 1/2	125 1/2

Rate for previous day.

(a) Pence to peso.

CURRENT RATES IN NEW YORK.

The Irving National Bank of New York cable the following money and exchange rates in New York:—

	Mar. 24, 1921.	Feb. 23, 1922.	Mar. 2, 1922.	Mar. 9, 1922.	Mar. 16, 1922.	Mar. 23, 1922.
Call money	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Time money (90 days' mixed coll)	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2
Bank acceptances:—						
Members—eligible, 90 days	6 1/2	6 1/2	6 1/2	6 1/2	6 1/2	6 1/2
Non-mem.—eligible, 90 days	6 1/2	6 1/2	6 1/2	6 1/2	6 1/2	6 1/2
Ineligible, 90 days	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2
Commercial accept., 90 days	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2

RATES OF EXCHANGE.

	New York on—	Par Level.	Mar. 24, 1921.	Mar. 9, 1922.	Mar. 16, 1922.	Mar. 23, 1922.
London—						
60 days	Dollars for £1	4 1/2	3 1/2	4 1/2	4 1/2	4 1/2
Cable			3 1/2	4 1/2	4 1/2	4 1/2
Cheques			3 1/2	4 1/2	4 1/2	4 1/2
Paris—						
60 days	Cents for 1 franc	19 30	6 97	9 00	8 95	9 06 25
Brussels			19 30	7 27	8 33	8 46
Switzerland			19 30	17 15	19 42	19 44
Italy			19 30	3 98	5 10 25	5 04
Berlin			23 83	1 61 25	0 40 50	0 36 50
Vienna			20 25	0 29 50	0 01 65	0 01 45
Madrid			19 30	14 02	15 74	15 57
Amsterdam			40 195	34 49	37 95	37 65
Copenhagen				17 35	21 00	20 94
Christiania				16 08	18 05	20 94
Athens				23 15	26 10	26 03
Yokohama				88 23	96 75	96 50
Manila				48 25	47 25	47 35
Hong Kong				47 50	52 30	52 40
Shanghai				65 00	70 75	70 95
Calcutta				25 87 5	27 90	27 75
Buenos Aires				129 87	119 30	122 50
Rio de Janeiro				15 00	13 90	13 85
Valparaiso				20 60	14 50	11 25

CENTRAL AMERICAN EXCHANGE RATES.

The Commercial Bank of Spanish America, Limited, quotes the following rates of exchange:—

	Country.	Par Value.	Usance.	Year, 1922.	Rate.
Ecuador	Guineas to £1	10 00	Sight London	Mar. 18	16 10
Venezuela	Bolivares to £1	25 25	"	Mar. 21	23 85
Colombia (Bogota)	Dollars to £1	100	"	Mar. 21	97
Nicaragua	Colonias to £1	4 88 65	"	Mar. 8	4 60
San Salvador	Colonias to £1	9 75	"	Mar. 7	9
Guatemala	Quetzales to £1	50 25	"	Mar. 7	22 70
Costa Rica	Colonias to £1	10 45	"	Feb. 25	19 25
Bolivia	pesos to Boliviano	19 20	"	Feb. 11	14

ESTHONIAN EXCHANGE RATES.

The Bank of Esthonia quote Reval exchange rates as below:—

	Reval on	Feb. 7, 1922.	Feb. 14, 1922.	Feb. 21, 1922.	Feb. 28, 1922.	Mar. 4, 1922.
London (cheque)	£1	1 493	1 505	1 497 50	1 497 50	1 505
New York	"	1 493	1 505	1 497 50	1 497 50	1 505
Berlin	100 Rmk	376	348	341	340	338
Helsingfors	100 Fmk	175	175	155	155	146
Stockholm	100 Kr	690	685	685	685	695
Copenhagen	100 Kr	8 900	9 000	9 075	9 025	8 975
Oslo	100 Kr	7 030	7 100	7 125	7 140	7 175
Paris	100 Fmk	4 900	3 975	3 125	3 115	3 110
Amsterdam	100 Hfl.	12 900	12 900	12 950	13 000	13 100
Riga	100 Lrb	150	150	150	145	137
Prague	100 Lrb	655	655	650	640	600

RATES OF EXCHANGE ON GERMANY.

	Par Level.	Mar. 22, 1921.	Mar. 9, 1922.	Mar. 16, 1922.	Mar. 23, 1922.
Amsterdam	Florins to 100 marks	59 26	4 71	1 05	0 98
Switzerland	Francs to 100 marks	123 45	9 37	2 03	1 88
Copenhagen	Kroner to 100 marks	88 88	9 50	1 88	1 75
Stockholm	Kroner to 100 marks	88 88	7 10	1 52	1 43
Christiania	Kroner to 100 marks	88 88	10 45	2 18	2 04

LATVIAN EXCHANGE RATES.

	Riga on—	Feb. 15, 1922.	Mar. 1, 1922.
London	Latvian roubles for £1	1 000	1 020
New York	"	1 000	1 020
Paris	"	1 000	1 020
Brussels	"	1 000	1 020
Stockholm	"	1 000	1 020
Copenhagen	"	1 000	1 020
Christiania	"	1 000	1 020
Amsterdam	"	1 000	1 020
Berlin	"	1 000	1 020
Helsingfors	"	1 000	1 020
Reval	"	1 000	1 020
Warsaw	"	1 000	1 020

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From December 9, 1921.	From December 10, 1921.
	London on South Africa.	South Africa on London.
	Buying.	Selling.
T.T.	1 1/2	1 1/2
Demand	1 1/2	1 1/2
30 days	1 1/2	1 1/2
60 days	1 1/2	1 1/2
90 days	1 1/2	1 1/2
120 days	1 1/2	1 1/2

* Plus ad valorem stamp duty. (a) No discount allowed on sales of T.T.s. or demand drafts under £100.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.	Australia and New Zealand on London.
	Buying.	Selling.
T.T.	1 1/2	1 1/2
Demand	1 1/2	1 1/2
30 days	1 1/2	1 1/2
60 days	1 1/2	1 1/2
90 days	1 1/2	1 1/2
120 days	1 1/2	1 1/2

INDIAN TREASURY BILLS.

	March 31, 1921.	March 18, 1922.
Outstanding with public	43,67,10,000	51,08,55,000
In paper currency reserve	61,26,00,000	58,51,00,000
Total	104,93,10,000	109,59,55,000
India Office, March 23, 1922.		

BULLION.

The gold movements to or from the Bank of England are no longer announced. For the week ended March 22, 1922, the stock of coin and bullion shows an increase of £

coins withdrawn under the Order of April 13, 1920. This measure is rendered necessary by the continued shortage of small change. Up to the present, small coins (5, 10, and 50 pf) have been minted from substitute metals to the extent indicated below:—1919, 31,874,343.25 marks; 1920, 127,691,287.45 marks; 1921, 225,055,171.70 marks. An increased quantity of these small coins is now to be minted. Besides the desirability on hygienic grounds of replacing the 1, 2, and 5-mark notes by metal coins, the cost of their production has become more expensive during the last few months. No decision as to the character of the alloy for the coins has as yet been reached, but it is said that the necessary experiments are completed.

SILVER.

During the early part of the week under review the Indian bazaars were fairly good buyers for this week's shipment, but during the last few days resales have been made for that quarter. Prices, however, did not have time to lose more than a small fraction before a speculative wave set in from China, and brought buyers to open fresh positions and to close bear operations already open. The American exchange has vacillated so much that sales of silver by New York have not been at all constant. Some supplies have been available from the Continent. On the whole, the outlook keeps so uncertain from day to day that it is difficult to express an opinion about the future. The prevailing opinion is that quotations are too high, but the actual condition of the market at the moment does not encourage the backing of this view by actual sales. There was some discussion in the Indian Legislative Council as to the reimposition of the duty on silver, but the proposal was rejected by a large majority.

INDIAN CURRENCY RETURNS.
(In Lakhs of Rupees.)

	Feb. 28, 1922.	Mar. 7, 1922.	Mar. 15, 1922.
Notes in circulation	17,387	17,293	17,439
Silver coin and bullion in India ..	7,627	7,633	7,653
Silver coin and bullion out of India ..	2,432	2,432	2,432
Gold coin and bullion in India ..	6,743	6,644	6,570
Securities (British Government) ..	585	584	584
Inland commercial bills of exchange	..	..	200

No silver coinage is reported during the week ending 15th instant. The stock in Shanghai on the 18th instant consisted of about 40,300,000 ounces in sycee, 32,500,000 dollars, and 1,200 silver bars, as compared with 40,600,000 ounces in sycee, 31,500,000 dollars, and 2,000 silver bars on the 10th instant.

GOLD AND SILVER PRICES.

The price of gold and cash and forward prices of bar silver during this week and in previous years are as below:—

1922.	Gold. Per Ounce.	Silver. Cash Per Ounce.	Forward, Per Ounce.	Date.	Silver. Cash, Per Ounce.
Mar. 18 ..	95 9	33½	33½	Mar. 24, 1916	28½
20 ..	94 9	33½	33½	23, 1917	35½
21 ..	94 9	33½	33½	22, 1918	45
22 ..	94 8	33½	33½	22, 1919	47½
23 ..	94 8	33½	33½	19, 1920	70½
24 ..	94 10	33½	33½	18, 1921	32½

NOTICES.

The National City Company announces the removal of its London office to 34 Bishopsgate, E.C. 2 (ground floor).

Barclays Bank, Limited, announce that they will open on Monday next, the 27th inst., a new branch at High street, Lyndhurst, Hants, under the management of Mr H. Pitman Wing.

It is announced that Major-General Sir Arthur Wigram Money, K.C.B., has been appointed a director of the Anglo-Egyptian Bank.

The London Joint City and Midland Bank, Limited, announce the opening of a new branch at 5 Fore street, Bodmin, Cornwall, under the management of Mr H. R. Hilton.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Div.	Final Div.	Method of Payment.	Dividend for Whole Year.	Latst Year.	Pre-vious.
Railways.							
Arbroath and Forfar	2½%	April 10	Less tax	..	58	58	58
Bengal Doonars	2½%	April 28	Less tax 3/2 in £	..	..	..	..
Buenos Aires Great Southern ..	2½%	April 27	Less tax 1/6 in £	..	..	..	..
Buenos Aires Western	2½%	April 27	Less tax	..	..	..	..
Central Argentine	2½%	April 28	Less tax	..	..	..	..
Central Urug. (Eastern Ext.) ..	5/ p.a.	April 28	Less tax	..	..	..	..
Central Urug. (Northern Ext.) ..	4/ p.a.	April 28	Less tax	..	..	..	..
Central Uruguay, Pref. (d) ..	5½%	April 28	Less tax	..	..	..	..
Dublin and Kingstown	8	April 1	Less tax	..	..	..	..
H.E.H. the Nizam's	2½%	April 21	Less tax	..	..	..	..
San Paulo (Brazil)	5½%	..	Tax free	..	5	10	10
Banks.							
Aktiobolaget Svenska Handels- banken	10½%	..	..	..	15	13	13
Bank of Australasia	..	..	Tax free	..	20½	20½	20½
Chartered of India, &c.	14½	..	(£ bonus 6/3 p.a.) Tax free	..	28 p.a.	28 p.a.	28 p.a.
Hong Kong and Shanghai, Old ..	£3 p.a.	..	(£ bonus £2 p.a.)	..	..	..	..
Do New	£2½ p.a.	..	(£ bonus 15/ p.a.)	..	..	..	..
International Banking	2½%	..	..	..	7	7	7
Ionian	3/ p.a.	..	(£ bonus 1/ p.a.) Tax free	..	15	15	15
Kajima	11½%	..	..	..	10	10	10
National of Egypt	..	..	..	..	10	10	10
Insurance.							
Eagle, Star, &c.	7½%	April 1	Tax free	..	10	10	10
Excelsus	5½%	..	..	..	10	10	10
Mining.							
Balaghat Gold	9 p.a.	April 12	Less tax 6/ in £	..	1/3 p.a.	(g) 1/3 p.a.	1/3 p.a.
Kerr Lake Mines	12½ p.a.	April 15	..	..	50	25	25
Mason and Barry	10½%	..	..	..	25	25	25
Mysore Gold	1/ p.a.	..	(£ bonus 6 p.a.)	..	1/6 p.a.	1/6 p.a.	1/6 p.a.
Nundyrud	1/ p.a.	April 21	Less tax 6/ in £	..	..	..	..
Shamva	7½%	April 13	Less tax 3/0-75 in £	..	..	..	..
Twefontein Colliery, Cum. Pref. ..	4%	..	..	..	10	10	10
Do Ord.	..	..	..	..	10	10	10
Tea and Rubber.							
Proceste Estate	..	..	..	..	15	10	10
Gula-Kalumpang Rubber	7½	..	..	..	7½	7½	7½
Logie Tea and Rubber	7½	..	..	..	..	..	..
Scottish Ceylon Tea, Pref.	7	..	..	..	..	..	..
Southern India Tea, Pref.	12½%	(2 years)	to Feb. 28, 1922	..	..	..	..
Other Companies.							
Achille Serre	..	April 1	..	..	10	15	15
American Investment & General ..	14½	..	..	..	10	9	9
Anglo-Siam Corporation	7½%	April 1	Less tax	..	..	..	..
Australian Knitting Mills	5½%	..	..	..	..	..	..
Bell's Transvaal	5	..	..	..	..	..	..
Bechtel Water & Gas (1885, 1892) ..	£2 1/8%	..	..	..	..	..	..
Do 1896	£1 1/8%	..	..	..	..	..	..
Bradleys (Chepstow place)	5½	..	..	..	10	10	10
British Aluminium	7½%	..	..	..	12½	12½	12½
British and Argentine Meat	5½%	..	..	..	10	15	15
British Portland Cement	6	..	..	..	10	10	10
Brown, Lindley, and Co.	30/ p.a.	(3 years)	to June 30, 1918	..	16	20	20
Brown and Eagle, Pref.	..	..	..	..	5	6	6
Cannell, Laird	..	..	..	..	10	10	10
Cannon Brewery, Defd.	..	..	..	..	10	10	10
Cartagena Mining and Water	2½%	Mar. 31	..	..	5	10	10
Chadwell and Baker & Co.	10½	April 10	..	..	11½	12	12
Clyde Valley Electrical	10½	..	..	..	17½	20	20
County of Durham Electrical	12½%	..	..	..	10	10	10
D. H. Evans	10½	..	..	..	10	10	10
Dwyer and Co.	5½%	..	..	..	10	10	10
Edinburgh Investment Def.	..	..	..	..	10	10	10
E. Robinson and Sons	10½ p.a.	April 1	Tax free	..	..	..	..
Evans and Owen	..	..	..	..	..	..	..
Fleming and Ferguson	8	..	..	..	6½	6½	6½
Foreign, American, and General ..	1½ p.a.	..	..	..	15	15	15
Investments, Defd.	15½	..	..	..	10	10	10
For Spinning	3	..	..	..	6	10	10
Francis Shaw and Co.	16 p.a.	..	..	..	10	10	10
Frederick Goringe	..	..	..	..	10	10	10
Futurist (Liverpool)	..	..	..	..	10	10	10
Great Western Colliery, "A"	..	..	..	..	10	10	10
Hadfields, Limited	..	..	..	..	10	10	10
Henry Barker, Limited	..	..	..	..	10	10	10
H. Holders	..	..	..	..	10	10	10
Howard and Bullough	..	..	..	..	10	10	10
Howard and Wyndham	..	..	..	..	10	10	10
International Paint	..	..	..	..	10	10	10
Jabez Johnson, Hodgkinson, &c., Prefd.	1/ p.a.	..	..	..	10	10	10
John Daly and Co.	16½	..	..	..	10	10	10
Jones and Higgins	4½%	..	..	..	10	10	10
J. R. Roberts Stores	..	..	..	..	10	10	10
Kenneth Durward, Pref.	..	..	..	..	10	10	10
Lansdown Park Supply	..	..	..	..	10	10	10
Law Land Co.	..	..	..	..	10	10	10
Lilley and Skinner	..	..	..	..	10	10	10
Llenelly and District Electric	..	..	..	..	10	10	10
London and Thames Haven Oil	..	..	..	..	10	10	10
Lowestoft Water and Gas, Ord. ..	..	..	..	..	10	10	10
Do Add. Ord.	..	..	..	..	10	10	10
Madras Electric Tramways	..	..	..	..	10	10	10
Marlborough and Webb	..	..	..	..	10	10	10
Marlborough Spinning	..	..	..	..	10	10	10
Maynards, Limited	..	..	..	..	10	10	10
McDonalds	..	..	..	..	10	10	10
Meadow Dairy	..	..	..	..	10	10	10
Mercantile of India, "A" "B," and "C"	..	..	..	..	10	10	10
Mid Kent Gas Light, Pref.	..	..	..	..	10	10	10
Midland Electric Corp. &c.	..	..	..	..	10	10	10
Mirless Watson	..	..	..	..	10	10	10
Mortimer and Co.	..	..	..	..	10	10	10
National and Foreign Securities ..	..	..	..	..	10	10	10
Oldham Brewery	..	..	..	..	10	10	10
Owen Owen, Limited	..	..	..	..	10	10	10
P. and W. Maclellan	..	..	..	..	10	10	10
Paquin, Limited	..	..	..	..	10	10	10
Parke's Drug Stores, Pref.	..	..	..	..	10	10	10
Pennmans, Limited	..	..	..	..	10	10	10
Plummers, Roddis	..	..	..	..	10	10	10
Pritchard and Gold & E.P.S. ..	..	..	..	..	10	10	10
R. Bell and Co.	..	..	..	..	10	10	10
Reville, Pref.	..	..	..	..	10	10	10
Rowton Houses	..	..	..	..	10	10	10

R. Wylie, Hill, and Co.	..	..	..	..	8	8	8
Salt Union	..	April 29	..	..	1/ p.a.	3/ p.a.	3/ p.a.
Savoy Hotel, Limited	14½	..	..	..	10	10	10
Scottish Iron and Steel	..	..	Less tax	..	6	..	..
Scottish Tube	..	..	Less tax	..	7	..	..
Shanghai Waterworks	£1 p.a.	Mar. 31	Less tax	..	5	..	..
Shanks and Co.	..	April 27	Less tax	..	8	..	..
South American Cattle Farms ..	..	..	..	..	..	..	..
Southall Bros. and Barclay	10	..	(£ bonus 6d p.a.) Tax free	..	..	..	..
Stew. rts and Lloyds, Defd.	2/ p.a.	..	(£ bonus 6 p.a.) Tax free	..	..	..	..
Do New Defd.	1/6 p.a.	..	(£ bonus 4/4 p.a.) Tax free	..	..	..	..
Swansea United Breweries	5½%	April 19	Less tax	..	7½	..	..
Tarmac	..	..	..	..	15	15	15
Turney Brothers	7½%	..	..	..	15	15	15
Tyneside Electrical Develop- ment, Prefd.	..	April 5	Less tax	..	6	..	..
United States Investment	14½	..	(£ bonus 19%) Less tax	..	11	..	..
Wallend Slipway, &c.	6½%	..	Tax free	..	10	12½	12½
Waste Heat and Gas	..	April 5	Less tax	..	6	8	8
Wharfedale Silkstone Colliery ..	5½%	..	Less tax	..	..	..	..
W. H. Breakspear and Sons	6½%	..	Less tax	..	..	..	..
Winterbottom Book Cloth	16/ p.a.	..	Tax free	..	10	10	10
Wm. Brown and Co. (Liverpool) ..	..	..	Less tax	..	10	10	10
Wouldham Cement	10½%	..	Tax free	..	15	15	15

(d) On account of the unfavourable rate of exchange ruling during the past half-year, the directors regret that they are unable to declare an interim dividend on the ordinary stock. (e) Increased capital. (g) Fourteen months.

EVANS, SONS, LESGHER, and WEBB announce their inability to pay preference dividend due on April 1st. Company has suffered heavy losses through debts in Russia and other Continental countries, and also through shrinkage of export business and decline in value of stocks.

RANSOMES, SONS, and JEFFERIES.—No dividend on preference shares. UNITED ALKALI decided not to pay a dividend on the ordinary shares, but announce a dividend of 4s per share, less tax, on preference shares.

W. B. FORDHAM and SONS announce a loss of £16,017. After deducting the balance brought forward, £4,215, and the special reserve account, there remains a debit balance of £24,802, which is carried forward. The loss is attributed to the heavy depreciation in the value of stock, which has been written down to market values. A dividend of 6 per cent. was paid in 1920.

Reports and Notices.

Sir George Henry Sutherland has joined the board of the Bengal and North-Western Railway, vice the late Mr John Macdonald. Mr Harry Fildes, M.P., has accepted a seat on the board of Willys Overland Crossleys, Limited.

GOVERNMENT STOCKS, &c.

REPUBLIC OF NICARAGUA GOLD BONDS, 1909.—With reference to the above bonds, the Council of Foreign Bondholders have received a telegram from the bankers in New York notifying the payment of the March instalment of the Debt Service, in accordance with the arrangement of May 25, 1912.

BANKS.

SWISS BANK CORPORATION.—Taking the franc at 25 to the £, total assets of this old-established institution at December 31, 1921, amounted to £43,317,891, as against £47,607,180 a year ago. Current accounts were £18,518,655, as compared with £22,368,095, while bills receivable were £12,089,149, as against £13,297,805. Under liabilities, reserves have increased from £1,220,000 to £1,320,000, fixed deposits from £5,052,342 to £5,104,117, but current accounts have fallen from £32,139,808 to £29,698,340. Gross receipts for 1921 were £1,526,770, as compared with £1,556,651 for 1920. General expenses were higher at £985,992, the figures for a year ago being £877,366. Depreciation, &c., absorbed £78,788, leaving a net profit of £511,484. This is somewhat lower than profits for 1920, when the corporation earned £586,461. The directors state that "while the net profits do not quite attain last year's figures, we have decided that the results obtained justify the proposal for the year 1921, the fiftieth anniversary of the foundation of our corporation, of a dividend of 9 per cent."

HONGKONG AND SHANGHAI BANKING CORPORATION.—The report for 1921 shows that the net profits for the year, including £3,291,491, balance brought forward from

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward	Net Profit.	Dividend.
					Prefce.	Ordinary.	Rate				
		£	£	£	£	£	%	£	£	£	%
Banks.											
Bank of Australasia	Oct. 10	145,874	588,389	734,263	£	£	%	£	£	£	%
British Trade Corporation	Dec. 31	61,901	Dr 254,977	Dr 193,076	..	487,500	13+	125,000	121,763	573,051	13+
Chartered Bank of India, &c.	Dec. 31	209,601	780,069	997,670	..	..	..	Dr 193,076	119,309	4	..
Mercantile Bank of India	Dec. 31	127,638	263,033	390,671	..	607,500	20+	175,000	215,170	676,771	20+
National Bank of Egypt	Dec. 31	172,364	558,556	730,920	..	168,000	16	85,000	137,671	260,208	16
Breweries.											
Cannon	Dec. 31	60,958	153,241	214,199	90,000	18,750	5	10,000	67,449	157,438	5
Swansea United	Dec. 31	9,691	5,000	14,691	1,120	28,000	32+Def.	..	..	..	40+Def.
Electric Lighting and Power.						3,150	7½	..	10,421	6,262	10
Clyde Valley Electrical Power	Dec. 31	69,693	106,389	176,082	22,072	45,000	7½	57,463	51,547	149,392	7½
Llanelli and District Electric	Dec. 31	1,341	16,228	17,569	5,931	5,449	7	5,716	473	..	..
Midland Electric Corporation	Dec. 31	18,518	80,265	98,783	14,000	28,000	10	26,179	30,604	83,278	10
Newcastle-upon-Tyne Electric	Dec. 31	13,091	240,776	253,867	179,885	..	..	60,000	13,982	334,730	8
Tyneside Electrical Development	Jan. 31	1,383	3,291	4,674	3,000	..	..	1,100	574	3,534	..
Urban Electric Supply	Dec. 31	2,163	34,706	36,869	6,250	..	..	25,000	5,619	25,840	..
Financial, Land, &c.											
Canada Company	Dec. 31	2,460	12,721	15,181	..	9,872	3/8	..	5,354	7,257	2/6
South American Cattle Farms	Sept. 30	7,631	37,283	44,914	..	16,800	8	19,820	8,294	32,997	8
Gas.											
Alliance and Dublin	Dec. 31*	5,591	28,619	34,210	..	33,947	4½	..	263	12,251	3½
Otley	Dec. 31	7,711	Dr 2,935	4,776	..	..	..	..	4,776	2,221	3½
Hotels, Restaurants, &c.											
Grand Hotel, Bristol	Dec. 31	7,720	4,975	12,695	..	1,702	10	5,000	5,993	3,934	10
Rowton Houses	Dec. 31	2,513	21,169	23,682	5,374	10,166	5	5,000	3,142	16,867	5
Savoy Hotel	Dec. 31	21,591	136,398	157,989	17,500	73,893	10	40,000	26,596	165,099	10
Iron, Coal, and Steel.											
Great Western Colliery	Dec. 31	70,863	Dr 46,610	24,253	5,000	..	..	..	19,253	150,150	15
Mirrless, Watson, and Co.	Dec. 31	14,410	41,444	55,854	..	15,942	12½	25,000	14,912	46,736	12½
P. and W. Maclellan	Dec. 31	29,578	44,752	74,330	18,000	16,791	8	12,500	27,039	71,697	6
Scottish Iron and Steel	Dec. 31	54,525	20,814	75,339	18,000	18,900	6	..	38,439	76,456	10
Scottish Tube	Dec. 31	20,342	66,363	86,705	15,000	22,650	7	30,000	19,055	91,859	10
Stewarts and Lloyds	Dec. 31	114,357	801,450	915,807	33,000	85,000	10	..	..	..	..
Rubber, &c.											
Culloden Consolidated	Dec. 31	26,088	Dr 5,266	20,822	..	302,191	12+Def.	310,000	185,616	600,003	15+Def.
Edinburgh	Dec. 31	916	Dr 3,975	Dr 3,059	..	..	..	..	20,822	34,893	5+
Gedong (Perak)	Oct. 31	3,974	Dr 1,812	2,162	..	..	..	..	3,059	12,023	3
General Ceylon Rubber and Tea	Dec. 31	Dr 37,180	Dr 27,855	Dr 9,325	..	..	..	..	2,162	7,135	5
Golden Hope	Dec. 31	8,811	Dr 4,962	3,849	..	..	..	..	9,325	Dr 88,069	..
Pegoh	Sept. 30	28,069	7,266	35,325	..	..	..	..	3,849	7,872	..
Rubber Estates of Ceylon	Dec. 31	Dr 7,747	1,638	Dr 6,109	..	..	..	10,000	25,325	38,041	10
Sekong	July 31	15,632	Dr 9,845	Dr 5,787	..	..	..	Dr 1,000	Dr 5,09	Dr 14,028	..
Shops and Stores.											
Bon Marché	Feb. 15	47,487	49,088	96,575	12,000	28,000	20	..	56,575	51,569	20
Bradley's (Chopstow place)	Jan. 14	101,485	50,563	152,048	16,500	30,000	10	..	105,548	66,985	10
Charles Baker and Co.	Jan. 31	10,279	3,047	13,326	8,120	2,468	5	..	2,738	21,533	10
D. H. Evans and Co.	Feb. 19	1,651	95,380	97,031	12,000	52,534	17½	10,318	22,179	52,820	20
H. Holdron	Feb. 19	14,190	34,166	48,356	..	17,500	17½	15,500	15,356	18,795	25
J. R. Roberts' Stores	Feb. 14	18,159	17,462	35,621	1,000	11,625	15	10,250	12,746	25,918	15
Lilley and Skinner	Aug. 31	13,207	12,694	25,901	2,722	9,615	10	..	13,564	5,851	10
Mappin and Webb	Dec. 31	38,490	79,427	117,917	42,000	28,000	10	10,000	37,917	105,689	15
Meadow Dairy	Jan. 7	138,181	106,345	244,526	37,855	150,000	100	40,000	16,671	121,424	100
Owen Owen	Feb. 20	2,840	20,820	23,660	13,000	9,616	8	..	1,044	31,165	11
Plummer, Roddis	Feb. 7	14,217	21,878	36,095	3,500	12,250	10	6,000	14,345	16,852	10
William Owen	Feb. 20	Dr 12,950	2,124	Dr 10,826	..	..	..	..	Dr 10,826	Dr 12,859	..
Tea.											
Augusta Estates	Dec. 31	Dr 2,715	1,356	Dr 814	..	..	..	..	819	Dr 2,748	..
Nahama	Dec. 31	3,181	Dr 860	2,315	294	..	..	1,500	521	Dr 8,146	..
Textiles.											
Yorkshire Indigo, &c.	Dec. 31	8,149	Dr 7,688	461	..	8,575	5 O. 5 Pf.	Dr 8,114	..	23,255	15 Or. 15 Pf.
Trust.											
Municipal	Feb. 28	9,973	20,316	30,289	11,508	9,385	7 Def.	..	9,396	23,830	7 Def.
Other Companies.											
British Aluminium	Dec. 31	19,534	93,331	112,865	17,974	50,100	5	30,000	14,791	222,297	10
British Portland Cement	Dec. 31	181,478	369,212	550,690	70,800	138,262	10	155,000	186,628	496,693	15
Brown and Eagle	Dec. 31	11,968	28,716	40,684	(a) 21,875	..	..	4,000	14,809	24,663	..
Dwyer and Co.	Jan. 31	21,865	7,829	29,694	1,155	5,500	10+	..	4,206	1,741	10
E. Robinson and Sons	Mar. 10	3,511	11,195	14,706	1,000	4,500	10	..	23,039	7,418	11+
Greenwich Inland Linoleum	Dec. 31	26,514	14,767	41,281	8,750	..	..	5,000	4,206	1,741	10
Henry Barker	Jan. 31	5,257	Dr 75	5,182	1,375	1,875	7½	500	32,531	28,840	..
Howard and Wyndham	Feb. 28	1,095	4,630	5,725	1,500	3,675	5	..	1,432	4,016	10+
International Paint and Compositions	Dec. 31	13,402	9,678	23,080	12,000	7,500	3	..	1,000	7,819	10
Lever Brothers	Dec. 31	..	3,815,801	3,815,801	2,886,080	(228,000) 10 Or. 397,593	20 Pf. 50 Or.	250,000	54,128	2,993,236	20 Or. 20 Pf. 5 Or.
London and Thames Haven Oil Wharves											
R. and J. Pullman	Dec. 31	55,050	75,882	130,932	980	33,750	10+	35,000	61,202	..	..
B. Wylie, Hill, and Co.	Jan. 31	4,739	Dr 4,456	283	3,500	..	..	..	3,217	8,239	..
Salt Union	Dec. 31	2,139	12,536	14,675	..	8,400	8	..	2,892	9,907	8
Southall Bros. and Barclay	Dec. 31	23,274	108,288	131,562	70,000	40,000	5	..	21,562	259,267	15
Waste Heat and Gas	Jan. 31	10,994	23,631	34,625	6,500	10,750	12½	6,000	12,375	25,311	12½
W. B. Fordham and Sons	Jan. 31	12,603	35,620	48,223	..	19,200	6	16,000	13,023	34,439	8
	Dec. 31	4,215	Dr 16,17	Dr 11,802	..	..	..	..	Dr 7,000	Dr 4,808	6

† Free of tax. ‡ Includes £100,000 capitalised and distributed as bonus in fully-paid ordinary shares. (a) Including arrears.

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Passengers, &c.	Goods, &c.	Total for Week.	Aggregate 11 Weeks 1922.		
				Passengers, &c.	Goods, &c.	Total Receipts.
				£	£	£
Brecon and Merthyr	60	890	3,581	4,571	10,065	41,073
Great Central (c)	676	41,700	151,000	192,700	445,800	1,457,600
Do Joint Lines	161	32,900	129,200	152,100	342,500	1,903,400
Great Eastern (c)	1,207	97,300	102,800	200,100	1,028,300	1,119,200
Great Northern (c)	1,050	81,100	157,200	238,300	833,300	1,673,100
Great Western	2,964	218,000	347,000	565,000	2,399,000	3,306,000
Hull and Barnsley	92	1,148	21,742	22,890	9,892	232,178
Do Dook Receipts	..	..	..	7,172	..	91,240
London & N. Western	2,633	309,200	451,200	760,000	3,302,000	4,793,000
Lon. & South-Western	968	115,200	62,500	177,700	1,155,200	626,000
Lon. Brighton & S. O. (c)	487	75,069	29,935	105,004	823,139	311,675
Maryport & Carlisle (c)	423	1,095	2,121	3,216	12,188	16,763
Metropolitan (c)	78	32,237	3,883	36,120	361,426	42,181
Midland (c)	1,583	153,000	354,000	507,000	1,653,000	3,711,000
Midland & S. W. Jnc.	63	1,514	1,627	3,141	12,656	15,026
North Eastern (c)	1,758	111,700	246,100	357,800	1,172,300	2,368,200
North London	16	4,584	11,391	15,975	55,315	111,168
Rhymney	51	2,685	8,943	11,628	31,487	103,983
South-E. & Chatham (c)	645	107,100	45,600	152,700	1,158,600	461,200
Taff Vale	124	7,421	23,187	24,723	87,260	240,417
Underground E.R. (c)	..	..	..	49,051	..	2,318,697
Lon. & Sub. Group (c)	..	..	..	1,566	..	504,894
Caledonian	1,097	59,200	114,400	173,600	629,300	1,050,100
Glasgow & S. W. (c)	476	25,300	42,800	68,100	263,100	401,000
Gt. N. of Scotland (c)	352	7,410	12,720	20,130	84,310	109,190
Highland (c)	492	9,280	10,965	20,245	102,907	114,839
North British (c)	1,378	53,300	140,000	193,300	582,000	1,339,400
Belfast and County	80	4,341	1,718	6,059	44,752	16,771
Down (b)	160	4,394	4,566	8,960	53,972	4

ANALYSIS OF BALANCE-SHEETS.

Continued from page 603.

SAVOY HOTEL, LIMITED.

December 31, 1921.

LIABILITIES.		ASSETS.	
	Ino. or Dec.		Ino. or Dec.
7% pref. shares ..	250,000 ..	Savoy Hotel, &c. 1,883,572 ..	75,639
Ord. shares ..	738,934 ..	Claridge's Hotel ..	180,000 ..
Debentures ..	1,280,200 ..	Berkeley Hotel ..	100,000 ..
and mortgages ..	1,280,200 ..	Stocks ..	375,494 ..
Staff superannua-	19,001 ..	Investments ..	132,497 ..
tion fund ..	19,001 ..	Cash ..	89,127 ..
Reserve and re-	33,600 ..		
demption accs. ..	351,884 ..		
Creditors ..	87,071 ..		
Profit and loss ..	10,217 ..		
Total ..	2,760,690 ..	Total ..	2,760,690 ..

BRITISH TRADE CORPORATION.

December 31, 1921.

LIABILITIES.		ASSETS.	
	Ino. or Dec.		Ino. or Dec.
Ord. shares ..	2,000,000 ..	Cash ..	206,996 ..
Current deposit, and other accounts ..	1,460,064 ..	Money at call and notice ..	365,000 ..
Acceptances ..	855,442 ..	British Treasury bills ..	250,000 ..
Adjustment of current assets ..	80,970 ..	Investments ..	716,325 ..
Profit and loss ..	141,901 ..	Bills discounted, &c. ..	1,640,292 ..
		Acceptances ..	855,442 ..
		Capital in subsidiary cos. ..	43,300 ..
		Shares in National Bank of Turkey ..	243,620 ..
		Premises ..	107,459 ..
		Furniture ..	4,966 ..
		Stamps on un-insured captl. ..	20,000 ..
		Profit and loss ..	193,076 ..
Total ..	4,396,476 ..	Total ..	4,396,476 ..

LEVER BROTHERS.

December 31, 1921.

LIABILITIES.		ASSETS.	
	Ino. or Dec.		Ino. or Dec.
7% cum. pref. ..	23,567,011 ..	Cash ..	134,117 ..
8% cum. A. pref. ..	15,469,962 ..	Deb. shares, &c. ..	47,999,307 ..
20% cum. pref. ..	1,500,000 ..	Debtors ..	1,723,306 ..
20% cum. A. pref. ..	3,000,000 ..	Stocks ..	3,625,591 ..
20% cum. B. pref. ..	282,000 ..	Works, plant, &c. ..	4,757,306 ..
5% cum. pref. ord. ..	903,949 ..	Leasehold pre-	1,965,611 ..
Ord. shares ..	2,280,000 ..	mises, &c. ..	1,641,596 ..
7% deb. 1931-41 ..	4,000,000 ..	Int. divs., &c. ..	361,220 ..
Int. accrued ..	71,729 ..	Discount on deb. stock ..	180,000 ..
Reserve fund ..	505,728 ..		
Deprec. fund ..	1,476,254 ..		
Income reserve ..	187,364 ..		
Creditors ..	4,767,921 ..		
Profit and loss ..	4,035,516 ..		
Total ..	62,026,834 ..	Total ..	62,026,834 ..

STEWARTS AND LLOYDS.

December 31, 1921.

LIABILITIES.		ASSETS.	
	Ino. or Dec.		Ino. or Dec.
Pref. shares ..	550,000 ..	Cash ..	1,485,204 ..
Pref. ord. shares ..	850,000 ..	Investments ..	776,160 ..
Def. shares ..	2,630,030 ..	Bills receivable ..	30,003 ..
Amount in ad-	464 ..	Debtors and credit balances ..	1,618,888 ..
vance of calls ..	970,000 ..	Stocks, work in progress, &c. ..	692,846 ..
Reserve fund ..	1,600,000 ..	Expenditure on capital account and shares ..	3,862,663 ..
Unclaimed divs. ..	658 ..		
Creditors & credit balances ..	1,078,068 ..		
Employees' res. ..	10,000 ..		
Profit and loss ..	787,008 ..		
Total ..	8,465,764 ..	Total ..	8,465,764 ..

THE SALT UNION.

December 31, 1921.

LIABILITIES.		ASSETS.	
	Ino. or Dec.		Ino. or Dec.
Preference shares ..	600,000 ..	Freehold, &c., properties, plant, &c. ..	2,171,726 ..
Ordinary shares ..	800,000 ..	Goodwill ..	2,225 ..
Debenture stock ..	1,200,000 ..	Steamers, barges, &c. ..	72,064 ..
Sundry creditors ..	160,858 ..	Rolling-stock ..	72,022 ..
Contingencies act. ..	100,000 ..	Furniture ..	565 ..
Insurance reserve ..	35,463 ..	Stocks of salt ..	110,067 ..
General reserve ..	400,000 ..	Fuel and material ..	116,539 ..
Investments provision ..	20,023 ..	Sundry debtors ..	178,058 ..
Profit and loss ..	131,562 ..	Debit balance, &c. ..	9,891 ..
		Investments ..	668,140 ..
		Cash ..	548,771 ..
Total ..	39,947,908 ..	Total ..	39,947,908 ..

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL

INSURANCE COMPANY, LIMITED

ALL CLASSES OF INSURANCE EFFECTED

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Much colder weather prevailed during the week, and farmers would welcome more favourable conditions in order to proceed with spring sowings. Growing cereals continue to be well mentioned, and wheat, in particular, presents a healthy and vigorous plant. Supplies of native wheat were on a moderate scale, and prices showed a decline of 1s to 2s per qr, useful milling grades ruling at 53s to 56s, and inferior samples down to 51s per 504 lbs, free on rail. Imported irregular, but generally easier. No. 1 Northern Manitoba quoted 65s, No. 3 ditto 59s, Australian 60s to 60s 6d, and Argentine 56s 6d to 57s, all ex ship, to arrive per 480 lbs. The forward cargo market remained dull, and values declined, especially for Plate descriptions, owing to lack of demand and selling pressure. Cargoes of West Australian March 1st bill of lading sold to South Russia at 58s 6d, and Plate steamers-Rosafe 64 lbs.—April, also April 15th-May at 55s 6d per 480 lbs. U.K. stocks show a moderate increase, and recent large arrivals were mostly absorbed by millers, while supplies on passage continue on a liberal scale. Crop prospects in the principal exporting countries are favourable, but estimates of the United States winter crop show a marked decrease on last year. Flour remains quiet of sale, prices being irregular and easier. London standard straight run now stands at 51s, town households 49s, patents 53s to 54s, all English straight run 48s per sack delivered in London area. All English country straights 44s to 46s per sack, free on rail at London stations. Imported dull and 1s to 2s sack lower. Manitoba export patents 48s, straights 45s, Minneapolis first patents 48s, and Australian 46s per 280 lbs, all ex store. On c.i.f. terms business continues restricted. Manitoba patents April seaboard quoted 47s to 47s 6d, straights 44s 6d, Kansas top patents 47s to 50s, and Australian 42s 6d per 280 lbs. Millers offers quieter. Broad bran quoted £8 15s to £9, ordinary ditto £7 15s, middlings £8 per ton, ex mill. Of imported, Fancy Plate middlings £9, and Plate pollards £7 per ton, landed terms. Barley steady, but quiet. English malting ranges from 45s to 68s, as to sample, ditto feeding sorts 39s to 42s, Californian 41s to 49s, Chilian Chevalier 48s to 50s, Australian ditto 50s to 53s, ex store, per 448 lbs. No. 3 Canada Western 36s, No. 4 ditto 34s 6d, and Morocco 33s 6d, landed per 400 lbs. On c.i.f. terms the market ruled firm but inactive. Maize quiet and rates further tended in buyers' favour. Plate, ex ship, quoted 41s, ditto landed 43s, yellow round African, ex ship, 36s 6d, ditto landed 39s, and American mixed 34s, landed per 480 lbs. Cargoes were in quiet request, and the turn easier. Plate steamer, afloat, sold 40s 6d. Moderate trading occurred in Plate parcels, chiefly new crop positions, at irregular rates. South African white maize meal quoted £7 7s 6d, ex ship, and £7 12s 6d, ex store, per ton. Oats quiet and easier. Native ranges from 30s to 35s, according to sample, per 336 lbs. Of imported Plate, f.a.q. quoted 26s 9d, ditto clipped 28s 6d. No. 2 Canada Western 32s 6d, No. 2 Canada feed 28s 6d, and New Zealand 35s to 40s per 320 lbs, all landed terms. Oatmeal steady, while in moderate request. English all cuts quoted £18 to £20, rolled oats £19 to £20, flaked oats £21 to £22, ordinary Scottish oatmeal £18 10s to £19 10s, and American, all cuts, £18 to £18 10s per ton, ex store. Beans quiet. English Springs quoted 57s to 68s, ditto Winters 50s to 54s per 532 lbs. Chinese horse beans £10 10s to £11 10s per ton ex store. Madagascar haricots, old crop 12s to 13s, ditto new crop 17s to 19s. Rangoon, hand picked, 7s 3d to 7s 6d per cwt. English peas quiet but firm. English small blues 85s to 100s, Duns 60s to 70s, and Maples 85s to 92s 6d per 504 lbs. Of imported, Tasmanian best 23s to 25s, New Zealand blue 20s to 24s, Japanese hand picked 45s to 46s, Dutch blue 23s to 30s per cwt, ex store. English rye 44s to 48s per 504 lbs free on rail. Lentils quiet. No 1 split 29s to 30s, No. 2 ditto, also Egyptian, 24s to 25s per 100 lbs. Homeward grain chartering was again confined to moderate limits, but rates fairly steady, as there is no undue weight of tonnage on the market. The River Plate section continued quiet, with 25s paid, prompt from Upper ports, and 27s 6d quoted forward to U.K./Continent, heavy grain basis. From American Northern Range ports, tonnage was taken to the Continent at 17 cents, West Italy quoted 21 cents, Greece done at 25-26 cents, Denmark/Sweden (three ports) quoted 25 cents, Gulf Continent 18-19 cents, Lisbon 22 cents per 100 lbs. Montreal, May, to Continent paid 48 per quarter. India quiet. Bombay, on dead weight, 23s to 24s. Saigon rice 32s. Dalny beans 35s, while Australia paid 50s and 60s 6d loading at usual ports, wheat basis, to U.K./Cont., April-May. There is a steady demand on time charter basis, and modern steamers quoted at 5s per ton per month for three to six months' transatlantic trading, delivery U.K. or 1½ dols. for one United States round, delivery U.S.A.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to March 18 ..	536,907	285,163	309,583	311,583
28 weeks to March 18 ..	12,663,470	9,019,523	9,061,394	9,203,924
Average price of English wheat per quarter ..	s d	s d	s d	s d
— per cwt ..	12 6	20 4	16 11	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1918 to 1921:—

	QUANTITIES SOLD.			AVERAGE PRICES.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1922.	qrs bah	qrs bah	qrs bah	s d	s d	s d
Mar. 11 ..	141,371 3	40,273 2	28,089 6	53 3	41 1	29 10
18 ..	125,278 2	34,419 0	25,828 3	53 7	40 11	30 1
1918 ..	47,392 2	21,301 3	11,997 7	72 3	56 9	50 3
1919 ..	72,702 7	33,272 5	16,484 7	72 7	62 1	46 4
1920 ..	72,256 1	25,835 2	12,130 2	72 7	63 10	47 9
1921 ..	68,871 3	55,771 3	19,724 5	87 2	52 7	35 5

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated March 23rd, is as follows:—Pig-iron: The demand for home use is quiet, consequent upon the engineers' lock-out. It is reported that one or two more furnaces are to be damped down very shortly. Hematite—Although there is not such a strong demand, the increased output is all being disposed of. Prices remain at 90s per ton for No. 3 Cleveland G.M.B., and 100s per ton for East Coast mixed numbers hematite. Manufactured Iron and Steel—Only very small inquiries are being received by the steel makers, who are having troubled times owing to the strike of the bricklayers. Steel ship plates (home, £10 10s; steel ship angles, £10; iron bars, £12; steel rails, £9 10s net. Iron Ore—Steamers are rather more plentiful, but very little new business is passing. Best Bilbao rubia iron ore nominally 27s per ton.

Our Glasgow correspondent (writing on Thursday) says:—Trading results over the week, so far as disclosed, have been unimportant and meagre in all departments. Steel makers have been surprisingly well engaged on the execution of booked orders for plates and sections, but they have done next to nothing in the way of entering new contracts, which reduces prospects to a minimum. The one satisfactory feature is the presence in the market of an encouraging number of inquiries for almost all kinds of structural steel. But not unnaturally, in the conditions, buyers are only committing themselves to small lines, such as they positively cannot do without. Operations are also being held back, in the anticipation that out of existing events producers will be enabled to reduce prices, which means that consumers expect that the movements for lower wages will succeed. In pig-iron circles, Scotch makers report that the outlook for mixed numbers of foundry qualities is not taking up outputs, and they have therefore been induced to cut quotations by another 2s 6d a ton, which brings No. 1 down to £5 and No. 3 to £4 15s. Scotch hematite remains at £5 7s 6d. Black sheets, which are rather quieter, all called £11 15s, with galvanised steady at £16 10s to £17. Crown bars moderate at £11 15s. It goes without saying that in all the finishing branches a very limited volume of work is going through, and the amount in hand is daily becoming smaller in proportion. The usual formal weekly meeting of the Scotch pig-iron market was held yesterday (Wednesday). No business was transacted, neither buyers' nor sellers' figures being named.

Our Sheffield correspondent writes:—Many orders in hand for Sheffield iron and steel material has been suspended owing to the strike, and for this reason some of the steel foundries, whose chief customers are marine and general engineers, are almost standing idle. Trade was just beginning to revive when the present trouble broke out. The turnover of the present quarter in both the home and overseas markets, so far as Sheffield products are concerned, is substantially larger than in the closing quarter of last year. Orders for steel from the Far East continue to come in, and business is being booked from European buyers unable to get their want satisfied in Germany or Belgium. If the ballot of the unions allied to the engineers is in favour of coming out, nearly all the local steel and tool works will be affected, and Sheffield industry will receive a deadly blow. The fear of such a calamity is causing our manufacturers to adopt a policy of extreme caution in the matter of buying and financial commitments. Prices of material are now fairly stable, and it is notorious that a good many commodities are

being produced at a loss. The inland consumption of steam coal is suffering from the effects of the dispute, and in consequence of reduced demand many pits are working short time, and stocks are increasing. Export business is, however, active, but although inquiries for forward delivery are numerous, not many of them are materialising. The reduced demand for slacks for boiler purposes is balanced by the smaller production from the pits. The market for blast furnace coke has weakened, especially in the export section, and prices are less firm. Best grades of house coal are selling freely, while the demand for second qualities is weak.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—There has been considerably more activity in this market during the past week, and it is evident that buyers who were holding off in the expectation of lower prices are now beginning to realise that the strength of the raw material position is a force to be reckoned with. There appears to be no falling-off in the demand for wool, and where all the raw material is going to is a question that few can answer satisfactorily. However, both home and Continental buyers are active in London, and a firm basis of values seems to have been established. Topmakers are in a strong position, but most firms are adopting a more reasonable attitude than they did when wool prices advanced in January, and little attempt is being made to force the pace. Spinners now realise that cheaper wool is not in sight, and they are operating with more freedom. It is satisfactory to know that they are also finding much more business in yarns, and the increased turnover in this department during the past few days is one of the most encouraging features of the market. Hosiery yarns remain in good request, and there is more doing in coatings. Prices are tending upwards, and though some irregularity is still to be seen in quotations, there is really no excuse for anyone to accept unremunerative prices in the present state of trade. The firmness of the wool market appears to be influencing manufacturers to some extent, for although they have complained that business is almost impossible on to-day's level of values, there

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RESERVE FUND ..	£2,893,335
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is undoubtedly more demand for yarns, and there is some slight improvement in the number of looms running in the worsted section. The more expensive fabrics are still popular, and it is easier to sell the best botanias than it is to dispose of crossbred cloths. Taking a general survey of the position, it may be said that the outlook is more encouraging than for many months.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

There continues to be an exceedingly good tone in Coleman street Wool Exchange, and the auctions could hardly be continued under more favourable conditions. This week some very decent offerings of both merinos and crossbreds have been submitted, and full justice has been done to them. The improvement which developed last week has been maintained, but until there is a further upward movement in the value of tops in consuming centres, it is hardly likely that wool will further appreciate, and there is no need for it. We are now thinking of the necessity for obtaining corresponding advances for yarns and pieces if profitable business is to be done, but this seems next to impossible. A very close canvass of spinners and manufacturers convinces us that there is no "shamming" whatever in their assertions that they cannot secure higher prices, particularly for pieces, old stocks of cloth still being too heavy. There are big stocks of crossbred pieces, both in dress goods and men's wear, which can be bought at anywhere up to 2s per yard cheaper than the cost of making similar cloths to-day, and the crossbred wool which is being bought in Coleman street must be finding its way into hosiery yarns where better margins are procurable than for pieces. Manufacturers are unanimous in stating that they cannot sell crossbreds at any price, and still the offerings of crossbred wool are readily absorbed. It makes one ardently wish that the knitting craze may continue, and that hosiery fabrics may remain popular.

The course of the market has shown practically no change compared with a week ago. Every day the catalogues have been carefully valued, and the wools keenly competed for. The sale of Government Capes last Tuesday was remarkable both for the extent of the competition and the standard of values paid. The wools were hardly suitable for Bradford topmaking purposes, but competition for them was very good, the bulk going to the Continent. Prices generally were 5 per cent. above those sold during the opening week. It is very significant that the standard of values ruling in Coleman street is higher to-day than in South Africa, but lately little has been done in Bradford in the sale of Cape combing wools. The combing difficulty is preventing business, and we hear of top-makers having booked combing turns right up to April, 1923. We are also impressed with the continued competition of Germany, notwithstanding the further depreciated value of the mark, but it all shows that German mill owners need the raw material, and are doing a big business on a sterling basis.

The publication early in the week of B.A.W.R.A.'s list of stocks up to the end of last month shows that, with disposals amounting to 205,707 bales during January and February, the stocks at that date were 1,684,695 bales, compared with 1,890,403 bales on December 31st last. To get rid of 100,000 bales of old wool per month is quite creditable, and the directors of B.A.W.R.A. can rest easy that in due time the whole of the surplus stocks will be absorbed. The higher standard of values now ruling has made it possible to market old wools under favourable conditions. It will be very interesting to know what losses are being made on the whole of the crossbred stocks.

THE COTTON TRADE.

MANCHESTER, March 23.

The tone of the market during the past week has been firmer, and owing to many spinners and manufacturers having recently obtained relief, as a result of the larger turnover, prices have hardened. Rather more difficulty has been met with in arranging fresh transactions. An extensive inquiry has been reported in cloth for India, and an encouraging business has been done, but merchants have been rather disturbed by the changes in the Indian Budget, and further developments are uncertain. Demand for China has rather tended to broaden, and more orders have been placed in bleaching descriptions and fancies. Trade advices from the Near East have not been very satisfactory, but increased activity has been mentioned in printing and finishing styles for South America, whilst miscellaneous fabrics have moved off more freely for European countries, especially France and Switzerland. Buying for the home trade has been rather better. A healthy trade has taken place in American and Egyptian yarns for home consumption, and prices have gone against buyers. Shipping yarns have been active, especially for India and the Continent.

(I.) Comparative Statement of the Cotton Trade.

	Price, Mar. 23, 1922.	Previous Weeks in 1922.					
		Mar. 16.	Mar. 9.	Mar. 2.	Feb. 23.	Feb. 16.	
Raw Cotton—Fully Mid. American . . . per lb	11-01	10-83	10-87	10-17	10-70	10-56	
— Sakellaridis Fully							
— Fair Egyptian per lb	18-00	18-25	18-00	17-00	17-75	17-50	
Yarns—32's twist per lb	17 1/2	17 1/2	17 1/2	17 1/2	17 1/2	17 1/2	
— 40's twist per lb	17	16 1/2	16 1/2	16 1/2	16 1/2	16 1/2	
— 50's twist (Egyptian) per lb	28	28	27 1/2	27	28	28	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	28 6	28 6	28 6	27 6	28 6	28 6	
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	28 6	28 6	28 6	27 6	28 6	28 6	
38-in. ditto, 38 yds, 18 by 18, 10 lbs	17 9	17 9	17 9	17 9	17 9	17 9	
38-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs	16 6	16 6	16 6	16 6	16 6	16 6	

(II.) Compared with Previous Years.

	Price, Mar. 23, 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American . . . per lb	11-01	8-26	29-18	16-16	24-76	12-62
— Sakellaridis Fully						
— Fair Egyptian per lb	18-00	16-00	83-00	27-09	30-56	22-50
Yarns—32's twist per lb	17 1/2	17 1/2	62	25	42 1/2	17 1/2
— 40's twist per lb	17	16 1/2	17 1/2	25 1/2	42 1/2	16 1/2
— 50's twist (Egyptian) per lb	28	26	142	49	52 1/2	36 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	28 6	37 6	100	045	55	83
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	28 6	34 0	94	044	54	83
38-in. ditto, 38 yds, 18 by 18, 10 lbs	17 9	21 0	52	025	31	0
38-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs	16 6	18 0	45	023	27	9

LIVERPOOL OFFICIAL QUOTATIONS—March 17, 1922.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.			Same Period 1920.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island	..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Florida do	..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do	..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American	Mid	8-50	9-00	9-25	10-75	11-35	13-30	5-16	6-41	8-66	23-50	30-80
Brazilian	Mid	8-50	9-00	9-25	10-75	11-35	13-30	5-16	6-41	8-66	23-50	30-80
Pernam	Mid	8-50	9-00	9-25	10-75	11-35	13-30	5-16	6-41	8-66	23-50	30-80
Parahyba, Rio Grande, &c.	Mid	8-50	9-00	9-25	10-75	11-35	13-30	5-16	6-41	8-66	23-50	30-80
Maceio, &c.	Mid	8-50	9-00	9-25	10-75	11-35	13-30	5-16	6-41	8-66	23-50	30-80
Mossoro, &c.	Mid	8-50	9-00	9-25	10-75	11-35	13-30	5-16	6-41	8-66	23-50	30-80
Ceara	Mid	8-50	9-00	9-25	10-75	11-35	13-30	5-16	6-41	8-66	23-50	30-80
Maranhao, &c.	Mid	8-50	9-00	9-25	10-75	11-35	13-30	5-16	6-41	8-66	23-50	30-80
Para Pau o	Mid	8-50	9-00	9-25	10-75	11-35	13-30	5-16	6-41	8-66	23-50	30-80
Egyptian :	Fr. G. F. per	13-00	14-00	15-00	16-00	17-00		9-50	12-50		nm	6-00
Upper	Fr. G. F. per	15-00	17-25	18-25	21-25	25-00		9-50	14-00		nm	7-00
Sakellaridis	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Brown	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Peruvian :	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Rough	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Moderately Rough	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Smooth	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Tangui	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Mitaffi	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
West Indian, &c.	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Do Sea Island	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
African, East, &c.	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Do West	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Machine Ginned Surtee	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Machine Ginned Broach	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Machine Ginned Bhownuggar	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Machine Ginned Oomra No. 1	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Machine Ginned Oomra No. 2	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Machine Ginned Khandeish	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Machine Ginned Comptah	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Machine Ginned Bengal	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Machine Ginned Seinde	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Tinnivelly	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Madras, Western	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
Madras, Northern	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
M.G. Coconada, Red	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00
China, Smyrna, &c.	Fr. G. F. per	13-50	15-00	16-50	17-50	19-25		9-50	14-00		nm	7-00

VEGETABLE OILS AND OILSEEDS.

Markets have again been generally quiet, and business done below rather than equal to average. Demand for raw linseed oil has been small, home consumption being disappointing and export trade only moderate. Prices have had a falling tendency, but have been supported by "shoots" buying readily at every fall.

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Values are about 2s better on the week for spot, and March-April delivery at £35 15s, ex Hull mill. For May-August delivery the tone is more reserved and the improvement not so marked. Cotton oils have met with a fair trade, and prices, after a slight decline, have again stiffened to £39 for crude Egyptian and £44 for edible refined. Crude soya bean oil is scarce and dearer, and a fair trade is reported in palm kernel and ground nut oils, the latter advancing 20s. Rape oil is offering freely at £41 for prompt and forward delivery, without inviting much trade.

Crushers' wants having been met for the time being, Plate linseed has been inactive, but late values are firmly held, and on balance show little change. Plate on spot at £19 is at a discount of 10s as compared with seed on passage, and Bombay is offering at £21 5s afloat to Hull and Calcutta £19 17s 6d, April-May, to London. Local stocks have been replenished, and a fair quantity is on passage, Argentine and Indian together totalling 53,400 tons to the U.K. and 50,900 tons to the Continent, which is rather less than a week ago. Cotton seed has continued quiet and on the easier side, sellers being more inclined to meet the market. The trade in oilcakes is still very disappointing, linseeds being quoted 10s lower. There are, however, slight indications of an improved demand shortly.

THE TIMBER TRADE.

(FROM OUR OWN CORRESPONDENT.)

Though it would be foolish under present conditions of general costs and labour charges to anticipate that prices for timber will get to the pre-war level, it is gratifying to buyers that values have shown a decided trend in a downward direction, compared with the early months of 1921. Taking import values of wood in January and February this year, our wood for building construction work cost us approximately £5 14s a load, against £10 17s a load in January and February, 1921; and our furniture woods at about 6s 6d a cubic foot, against 12s 3d. Although the 1922 prices are still much higher than those ruling before the war, they cannot under existing conditions get much lower until foreign manufacturers of timber have surmounted the obstacles that cheaper production entails, and this they are doing by degrees.

The demand on the spot for building woods has improved a little during the past month, and with the gradual wearing down of winter stocks there has been a better tone for favoured sizes of Swedish and Finnish deals and battens, but the narrow widths are more difficult to place, and old and faulty wood is being disposed of at cheap rate. There has, moreover, been a little more confidence displayed amongst the sellers of building woods, with greater inclination to hold, but the bad state of trade generally has been and still is difficult for merchants to contend with, and though prices show a tendency to firm up for special sizes, March values are not up to the anticipations of last autumn.

As regards the furniture and cabinet wood market, some large quantities of mahogany logs have been cleared by auction at reasonable levels, British Honduras logs making a little over 8d per foot and super, though a number were disposed of for 6d per foot, and African from 3½d up. Imports of American lumber have been heavy recently, particularly into Liverpool, and are hampering an already difficult position for merchants of this material. Shippers would be well advised to give the market a rest for a time.

Teak for shipbuilding work is a poor market, and there are no great prospects of large orders from that trade.

Foreign pitwood for collieries has been arriving in greater volume compared with the first two months of 1921. France is increasing her exports largely to this country, sending us 217,250 loads in January and February, value £301,150, against only 171,200 loads, value £335,630, in January and February last year.

The fall in the price is significant of present-day values of colliery timber compared with a year ago. We appear to have got rid of fancy prices of wood, no matter what it is or from whence it comes.

HIDE, LEATHER, AND ALLIED TRADES.

BY OUR OWN CORRESPONDENT.

Hides remained steady at the Bermondsey auctions on Thursday, best heavies making a slight advance of ¼d, and selling at 7½d. Cows were unaltered and sold from 6d to 6½d. Light calf were a shade dearer, but lights dropped to 10½d-13d, and showed a drop of 2½d. Wools sold as last, from 3s 3d to 7s 9d each. Trade is slow in imported hides, and slight concessions do not seem to have had much effect on the demand, as tanners hold frigorifics and drys are still in demand. 30,000 frigorifics are reported to have been sold to the United States at 39½ dollars.

The American market is cabled as slow with heavy packers selling at 13 cents. A sale of Russian hides and skins was held in London on Wednesday last; bidding was not brisk, and quite half the goods were withdrawn. Cow hides realised up to 7½d; horse hides, 5s 9d, calfskins up to 21½d, and goatskins 11d to 14d per lb. Several lots of horse hides and calfskins were bought, it is understood, for Holland or Germany.

Trade in sole leather has fallen very flat owing to the engineers' trouble, and tanners have in many cases decided to further reduce input. Germany is still buying raw hides here at higher prices than our tanners can pay, and her bill for the first two months of the current year amounted to £16,550, a great increase on the corresponding period of 1921. Only cheap sole leather is wanted, and bends at 12d per lb are now often met with. Rough dressing leather is not selling well, except in split hides, which are being taken for upholstery and motor-car work at round about 30s each.

Upper leather seems mainly confined to coloured willow and suedes, whilst patent is running it closely. Curriers are still poorly off for orders, and are restricting input.

The boot trade seems affected by the industrial dispute, and I hear of cancellations of orders. Makers, however, of light women's shoes seem the exception, and some of the Leicester and Norwich makers report sufficient orders in hand to last them for some weeks.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, March 24.

With one or two exceptions, the markets presented a quiet tone, with consumptive demand largely confined to wants of immediate necessity. Tea, however, was again briskly competed for at public sales, and prices keep very firm. Sugar also moved upward, and with a scarcity of white imported descriptions British refined received active support.

SUGAR in demand, particularly white sorts, and prices on the spot mostly 6d per cwt dearer on the week. Messrs Tate and Lyle's cubes, sold, 52s 9d to 53s 9d; crushed, 50s 6d; granulated, 48s 6d to 49s; caster, 50s 6d to 51s; yellow crystals, 43s; granulated, April, sold, 49s to 48s 9d; May-July, 48s 6d to 48s. Crystallised West India sold from 43s to 45s, as to quality. American granulated, spot, sold, 48s; ditto, March-April, 20s 10½d to 20s 7½d; May, 21s to 20s 6d, c.f. and i. terms, U.K. White Mauritius, spot, sold, 45s to 45s 3d. White Brazilian, April, sellers, 19s, c.f. and i., London; W.S.R. granulated, prompt, 21s 10½d; cubes, 25s 4½d; J granulated, 21s 3d, f.o.b. Amsterdam. Cuban, basis 96 per cent., April, quoted 14s 3d; and Brazilian, basis 80 per cent., April, sold, 9s 1½d, c.f. and i. terms, United Kingdom. Czech-Slovakian sugars mostly nominal for shipment. Terminal market firmer, but quieter since with fair dealings. May, sold, 20s 4½d to 19s 7½d; August, 20s 6d to 19s 9d, for white. Cuban stocks stand at 882,400 tons, against 749,000 same time last year.

COFFEE.—The market ruled fully steady. The East India crop is the smallest on record, and mostly inferior in quality, according to consignments received so far. The few attractive parcels, therefore, bring extreme prices. There is a good inquiry for Costa Rican. East India, good bold, sold, 120s 6d; Costa Rica ditto, 118s to 120s; fine bold, 138s 6d. Nairobi, fair bold, 111s 6d. Vera Paz, fine bold hard grey, sold, 151s. Futures steady, but trade moved quietly.

ever, will be relieved to-day by Government disbursements, both in the shape of dividend distributions and Supply payments. In anticipation of this, the discount market has been weak, and three months' bills have been readily taken at rates ranging down to $2\frac{1}{4}$ per cent., but the supply of bills has been short. The banks have been heavy buyers at the tap rate of $2\frac{3}{8}$ per cent. of Treasury bills, to secure maturity at the end of June.

	Mar. 31, 1922.	Mar. 24, 1922.	Mar. 17, 1922.	Mar. 10, 1922.	Previous Rate and Date Changed.
Bank Rate	4 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	5 (Feb. 16, '22)
Banks Deposit Rate	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	3 (Feb. 16, '22)
Discount (Call)	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	3 (Feb. 16, '22)
Houses (Notice)	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	3 $\frac{1}{2}$ (Feb. 16, '22)
Market rate (3 mths' bills) ..	3	3 $\frac{1}{8}$	3 $\frac{1}{8}$	3 $\frac{1}{8}$	

The Bank Return showed a decrease of £8,600 in the stock of gold, an increase of £1,014,500 in the circulation, and a consequent reduction of £1,023,100 in the Reserve. Government securities declined by £2,146,700, and Other securities rose by £11,534,000, so that deposits were £8,351,800 higher, nearly the whole of which went to Public. There was an increase of £552,700 in the circulation of currency notes, the total outstanding amounting to £300,350,900, which includes £1,653,600 for notes called in but not yet cancelled. The fiduciary issue is £250,747,200, or £59,241,200 below the maximum.

THE STOCK MARKETS.

The week has seen a further improvement in gilt-edged securities of all descriptions, the supply of stock being insufficient to meet buying orders. The public is showing more interest in home rails, but the rapid rise in quotations is attributed more to speculation than to investment buying. In the foreign section interest still centres in the French railway issues, from which the stags have not yet been eliminated. Industrials have kept steady, and many sections have been moving quietly upwards. The oil and rubber markets have been very quiet, and Kaffirs are neglected, but other sections of the mining market show some improvement.

COMMODITY MARKETS.

Reports from Manchester indicate more activity in the cotton trade, some Indian cloth shippers buying freely grey shirtings and light fabrics. Prices were irregular at the Colonial wool sales; on the whole, no changes occurred, although towards the close of the sales a firmer tone was noticeable. In the iron market no changes are recorded in prices, although at one time hematite was in better demand, which demand, however, eased off towards the end of the week; our various correspondents record the effects of the engineering and shipbuilding disputes. Inquiries for coal continue to be made in anticipation of labour troubles in America. Best Admiralty was in demand at 27s 3d per ton. In the wheat markets, prices were steady and inclined to harden. Easier conditions prevailed in markets for linseed and the oil product. Prices in the Bermondsey hide market were firm, but there is little demand for sole leather. Further particulars of markets and prices from our trade correspondents will be found on later pages.

FOREIGN EXCHANGES.

The uncertainty of the outcome of the approaching Genoa Conference is being felt, and during the week under review markets have been quiet, and movements within narrower limits than for some time past. New York, which was quoted on Monday at 4.37 $\frac{1}{2}$, dropped at one time on Tuesday to 4.34 $\frac{1}{2}$, only immediately to re-

cover, and at the time of writing is again back at 4.37 $\frac{1}{2}$. Forward dollars are quotably unchanged, at parity with spot. French and Belgian francs at 48.52 and 52.10 respectively show practically no change on balance, while the rates for futures remain at last week's figures. Berlin has again provided the most interesting feature in the market. The rate, which rose at one time last week to over 1,500, has shown a gradual, if hesitating, improvement, and at the moment is quoted at 1,300. Holland and Switzerland, which last week were moving in our favour, have again slipped back, and are now quoted 11.58 and 22.52 respectively. In the Scandinavian group, Norway and Denmark, at 24.65 and 20.68, have moved slightly against us, while Sweden, at 16.82, has gone fractionally in favour of this country. Vienna, though showing a weak tendency, is practically round previous figures, while the loan which has been arranged in favour of Poland has made little or no improvement in the exchange rate. In the Eastern market, rupees have been steady the whole week at 1s 3 $\frac{1}{4}$ d to 1s 3 $\frac{1}{2}$ d, but the silver exchanges have shown a rising tendency, Hongkong being now round 2s 6 $\frac{1}{2}$ d and Shanghai 3s 3 $\frac{1}{2}$ d. South Americans show little change, except Buenos Ayres and Monte Video, which at 44 $\frac{1}{2}$ d and 43 $\frac{1}{2}$ d respectively have moved in favour of this country.

THE NATIONAL ACCOUNTS.

The revenue statement for the financial year 1921-22, which is printed in full on a later page, was issued last night. A comparison of revenue receipts with the estimates is made below:—

	(000's omitted.)	Actual Receipts.	Inc. or Dec. on Estimate.
Revenue.	Estimate.	£	£
Customs	125,800	130,052	.. + 3,252
Excise	196,200	194,291	.. - 1,909
Motor Vehicle Duties	9,000	11,096	.. + 2,096
Income-tax (incl. Super-tax) ..	410,500	398,887	.. - 11,613
Excess Profits Duties	120,000	30,452	.. - 89,548
Corporation Profits Tax	30,000	17,516	.. - 12,484
Other Inland Revenue Duties ..	71,500	74,419	.. + 2,919
Total tax revenue	964,000	856,713	.. - 107,287
Post Office	60,000	56,400	.. - 3,600
Crown Lands	650	820	.. + 170
Sundry Loans	12,000	13,807	.. + 1,807
Miscellaneous—			
Ordinary	21,500	26,334	.. + 4,834
Special	158,500	170,806	.. + 12,306
Total revenue	1,216,650	1,124,880	.. - 91,770

The principal discrepancy is in Excess Profits Duties and Corporation Profits Tax, which have fallen very much short of anticipations. On the expenditure side the comparison reads as follows:—

	(000's omitted.)	Actual Expenditure.	Inc. or Dec. on Estimate.
Expenditure.	Estimate.	£	£
Debt Services	345,000	332,294	.. - 12,706
Road Fund	8,400	10,796	.. + 2,396
Local Taxation Payments	11,115	11,172	.. + 57
Northern Irish Exchequer		1,104	.. + 1,104
Land Settlement	5,000	2,647	.. - 2,353
Other Consol. Fund Services ..	1,757	1,868	.. + 111
Supply Services	774,851	719,307	.. - 55,544
	1,146,123	1,079,187	.. - 66,936

The saving on the debt service has been considerable, but the bulk of the reduction is in the Supply Services. The net result is a surplus of £45 $\frac{1}{2}$ millions, as against the revised estimate of £70 millions.

FINANCIAL YEAR, 1921-22.			
	£		£
Total spent	1,079,186,627	Raised by revenue ..	1,124,879,873
Inc. in balances	8,099,024	Net repayments	57,594,233
Total	1,087,285,651	Total	1,087,285,651
REVISED ESTIMATES for YEAR 1921-22.			
	£		£
Ordinary Expenditure ..	1,080,418,000	Ordinary Receipts ..	1,068,160,000
Special Expenditure ..	65,705,000	Special Receipts ..	158,500,000
	1,146,123,000	Total	1,226,660,000
		Surplus	70,522,000

NATIONAL DEBT.

	Aug. 1, 1914.	Mar. 31, 1916.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Dec. 31, 1921.	Mar. 31, 1922.
Funded Debt	588	518	518	515	515	515	515
Term Annuities	30	22	22	20	19	17	17
3 $\frac{1}{2}$ % War Stock	63	63	63	63	63	63	63
4 $\frac{1}{2}$ % War Stock	16	14	13	13	13	13	13
4 & 5% War Stock	2,091	2,068	2,047	2,040	2,008	1,995	1,943
National War Bonds	649	1,636	1,509	1,476	1,441	1,413	1,201
4% Funding Loan	..	..	409	409	407	405	405
4% Victory Bonds	..	..	360	357	358	348	346
3 $\frac{1}{2}$ % Conversion Ln. ..	..	..	..	..	18	23	24
5-15 year Treas. Bonds ..	..	..	..	..	..	275	380
5% Treasury Bonds	..	..	..	..	..	..	40
Do by tender	15	961	957	1,107	1,102	1,121	1,060
Treasury Bills	80	392	384	323	319	292	289
Exchequer Bonds	..	138	287	287	279	285	294
Nat'l Savings Certs.	..	..	..	..	..	..	..
War Expend. Certs.	..	..	..	..	..	..	..
Other Debt	..	944	1,241	1,306	1,181	1,164	1,132
American Loan	..	..	..	..	..	..	..
Temporary Advances	1	204	455	243	205	154	200
Other Capital Liabilities ..	654	5,872	7,435	8,033	7,829	7,785	7,748
Treasury return on internal debt.	57	49	46	46	47	49	51
Total Liabilities	711	5,921	7,481	8,079	7,876	7,832	7,799

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.			
	Mar. 31, '21.	Dec. 31, '21.	Mar. 31, '22.
Temporary Advances Out-stand- ing—	£	£	£
Advances by Bank of England ..	20,000,000	147,301,500	147,301,500
Advances by Public Deposits ..	154,489,000	180,034,000	180,034,000
Treasury Bills outstanding	1,190,941,000	1,259,806,000	882,219,000
Total Floating Debt	1,375,330,000	1,259,940,000	1,029,550,500

A MISTAKE IN PSYCHOLOGY.

ONCE again the political obituaries of Mr Lloyd George have proved to be premature. His return from Criccieth is by no means in accordance with the expectation of his critics. He returns, not as a tired and baffled man to surrender the seals of office, but as a giant refreshed by leisure and ozone, challenging his opponents to a trial of strength in Parliament and determined to triumph at Genoa. The sea air that has dispelled the Prime Minister's indisposition and fatigue has also apparently imparted a fresh glow to his faith in the Genoa Conference. This faith, and the reasons upon which it is based, will doubtless form the theme of Monday's speech in the House of Commons, when he will move the following resolution, to which Liberal and Labour amendments have been tabled:—"That this House approves the resolutions passed by the Supreme Council at Cannes as the basis of the Genoa Conference, and will support his Majesty's Government in endeavouring to give effect to them." Simultaneously with the terms of this resolution, a White Paper was published setting out the Cannes resolutions. From this it appears that the main conditions of participation at Genoa were laid down as follows:—(1) No dictation on matters of internal government. (2) Rights of foreign investors to be safeguarded. (3) Recognition of debts and enforcements of commercial contracts. (4) No subversive propaganda or aggression. How far these conditions may have been modified at Boulogne is not stated. It must be confessed that the omens for Genoa are unpropitious. The original project of the Conference was a hasty improvisation. It is to be brought to fruition before the nations principally concerned have had time to make adequate preparations, or to reach by less spectacular channels those mutual agreements that are the indispensable conditions of progress. The United States, whose part in world reconstruction must be of vital importance, will not be represented. The Russian delegates, despite their eagerness to establish relations with Western Governments, will go with ideas about the Conference very different from those entertained by other participants. Other nations will take part without enthusiasm, or even with reluctance, and the atmosphere thus created is scarcely conducive to achievement. Nor does the limited agenda paper, which we summarise on a later page, promise the opportunity of far-reaching results. It is to be hoped that Mr Lloyd George is right, and that his faith will be vindicated. For the decision to go through with the Conference is now apparently irrevocable, and a complete fiasco at Genoa would merely discredit the vital principle of international co-operation. If

failure results, then it must at last be clearly recognised, as it should have been recognised long ago, that spectacular conferences are of no use unless the ground has been carefully prepared beforehand. But what is to be said of a scheme planned and carried out while the Washington Conference was in session without consultation either with our delegates at Washington or with the American Government? The conditions for a genuine and carefully constituted conference are being slowly realised. The Finance Ministers of the Allies have already under consideration, in Sir Robert Horne's scheme for solving the Reparations problem, the basis for a sane and practical settlement. At last, too, British and French views on the Near East have been brought into harmony in proposals which promise satisfactory results. The conditions which have hitherto blocked the application of the League of Nations scheme to Austria have been removed, and naval disarmament has cleared the way to a frank discussion of the land forces of Europe. All these recent signs of progress will tend to make the atmosphere of Genoa less unhelpful than it might have been. But, unfortunately, developments in the political situation at home have come to reinforce Mr Lloyd George's chronic predilection for rush tactics, and these two forces together have driven the world into a conference before the time is ripe.

Throughout this episode, Mr Lloyd George's intuition which so clearly reveals to him the ebb and flow of popular opinion at home has deserted him and allowed him to misinterpret international psychology. Had he been present at Brussels or at Washington, or at the assemblies of the League of Nations at Geneva, he might have caught and adopted something of the true spirit of international co-operation. As it is, he still clings to the auction-room atmosphere of the Supreme Council long after other nations have learned to appreciate the clearer air of Geneva and Washington. The small but significant fact that whereas the greater Allies, and Germany and Russia may bring an unlimited number of delegates, the rest are restricted to two, and in the case of Luxemburg one only, at once reveals the parentage of this Conference without a constitution. Again, another illustration is provided by the devaluation question. We understand that one of the important features of the British Government's programme for financial reconstruction is the proposal that an early attempt should be made to revert to a gold standard in Europe on the basis of a reduced value of the gold unit in various countries. At the same time, the home policy of the British Government is to restore the old pre-war parity of the British £. This home policy is supported by bankers and others in this country on the ground that to restore gold currency on any other basis would be equivalent to a breach of faith, and would destroy Great Britain's credit in the eyes of the world. This argument, in our view, is unsound. Equity between debtor and creditor is most nearly attained if the former returns to the latter an amount of purchasing power which will give him command over commodities and services to an extent equivalent to that given by the original loan. If attention is confined to the British war debt, then the proposition which we have just stated would mean that a currency policy that would stabilise prices at about 75

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per cent. above the pre-war figure—i.e., the level of 1917—would be the most equitable arrangement. It must, however, be remembered that war debt, though highly important, is only one form of debt. If we take into consideration the total invested capital of the country, we must recognise that a very large proportion was lent on the basis of pre-war prices, and therefore, on the whole, the nearest approach to equity would be for debts to be made repayable on the basis of a level of prices somewhere between that of 1917 and that of 1913. There are other arguments to be considered on this question; but, in our view, this is the only way in which we can deal with it on grounds of equity; if such a level of prices is likely to be obtained best by a policy of devaluation, then the equity argument adds its weight in favour of the scheme.

But the fact remains that the breach of faith argument has been exploited far and wide, and will make it very difficult for the British delegates to say at Genoa that, although Great Britain will not descend to such a doubtful expedient as devaluation, yet it is the only possible policy for Europe. As long ago as the Brussels Conference it was evident that if Europe was to return to a gold standard she would have to face the devaluation problem. This is a strong reason why Great Britain should hold its hand, and not yet commit itself to a return to the old pre-war par. For a declaration at this stage that Great Britain will at all costs return to the old gold standard in effect brands devaluation as a sign of bankruptcy. In these and other matters it is of the utmost importance that the Great Powers should avoid the appearance of laying down the law for other countries, and until Mr Lloyd George in particular rids himself of the idea of a diplomatic oligarchy of Allied statesmen settling the affairs of Europe, he will be unable to play the great part in Europe's reconstruction for which his great gifts and experience equip him.

There remains one other vital consideration. Not the reparations question only, but the whole problem of financial reconstruction is closely bound up with politics. The primary condition of a return to financial well-being is that Budgets should balance. But Budgets will not balance until armament expenditure is very heavily cut down. A reduction of armaments can only be achieved by a political pact between the nations of Europe. The only real hope in the sphere of financial reconstruction lies in the adoption of the Brussels principles of sound finance and in the employment, when preliminary conditions have been fulfilled, of the machinery of the League. As regards the Genoa Assembly, the best hope is that it will adhere to the limitations agreed to at Boulogne, which, it is understood, lay it down that the functions of the League shall in no way be impinged upon; and we are very glad to see that the Italian Government has seen fit to approach the League, and that the Council of the latter has passed a resolution authorising the supply to Genoa of all information and assistance that may be required.

RUSSIAN PROBLEMS.—I.

(FROM A CORRESPONDENT.)

THE decision of the Allies to invite representatives of the Soviet Government to the Conference of Genoa marks a turning-point in the relations between Russia and the outside world. It will not, indeed, be the first time that Soviet representatives have attended an International Conference with the Western Powers. Soviet delegates attended the International Conference on the Russian Famine, which met in Geneva in August last under the auspices of the International Red Cross. They were invited by the Council of the League of Nations to attend the recent International Health Conference in London, and the Soviet Government is officially represented at the League of Nations Conference on Epidemics, which is now sitting in Warsaw. But the meeting at Genoa will be the first occasion on which delegates from Moscow have been invited to take part in a general discussion of European problems. At the Brussels Financial Conference in September, 1920, Russia was not invited to attend, and if she had been invited would probably have sent a scornful refusal. To-day the

half-hearted invitation of the Allied Powers has been accepted with undisguised alacrity. The fanatics who formerly aimed at world-wide revolution now appear to be genuinely anxious to make terms with the West, and are inviting the assistance of foreign capitalists in the economic reconstruction of Russia.

This change in the relations between Russia and the outside world has been largely influenced by the Anglo-Russian Trade Agreement signed in London on March 16, 1921. Under that Agreement each party undertook to refrain from hostile action against the other, and from conducting official propaganda against each other's interests. The blockade was removed, and provision was made, by the appointment of official agents in each country, for the resumption of trade relations. The question of debts incurred by the former Russian Government and claims for compensation for acts done by the Soviet Government were left to be regulated in the general Treaty of Peace referred to in the preamble of the Agreement. The signing of the Trade Agreement was subsequently construed by the British Courts as involving the *de facto* recognition of the Soviet Government. At the time of signature the British Government gave an assurance to the Allies that, on the question of the recognition of debts, the claims of other countries would not be prejudiced in any negotiations that might take place in London.

The Trade Agreement has now been in force for a little over a year. The total exports from the United Kingdom to Russia during 1921 amounted to £5,320,703, compared with £27,694,000 in 1913. According to the *Russian Information and Review*, published by the Russian Trade Delegation in London, the total purchases made by the Russian Co-operative Society, Limited, up to December, 1921, amounted to £6,477,918. The chief items purchased were as follows:—

RUSSIAN PURCHASES in the UNITED KINGDOM, 1920-21.

Textiles and clothing	2,294,758
Agricultural machines and implements	493,754
Machinery and parts	237,012
Steel ropes	89,396
Binder twine.....	94,622
Seed	374,746
Foodstuffs	2,358,277
Drugs and chemicals	333,445
Coal	390,201

The total sales of Russian produce in the United Kingdom in 1921 amounted in value to £1,601,116. They started at £260 for January, and reached a maximum of £586,737 in November. Another table from the same source gives the value of the individual items sold:—

ANALYSIS of SALES of RUSSIAN PRODUCE, 1921.

Bristles	4,187
Caviare	5,783
Copper	26,300
Flax, hemp, and tow	202,035
Furs	14,401
Hides.....	1,994
Lycopodium.....	3,615
Manganese	8,550
Oil	408,757
Pitch	27,392
Potash	6,031
Sunflower oilcake	8,120
Timber	846,722
Tobacco	16,486
Tar	16,217

The above figures show that the sales of Russian produce have been less than one-third of Russian purchases, the remaining two-thirds having been paid for principally in gold. The most important articles sold have been timber, oil, and flax. The quantities of timber, which have recently come from Archangel and Petrograd, have had a substantial effect on the timber market. On the whole, the volume of trade, though it has not come up to the expectations of some enthusiasts, has been larger than most people anticipated at the time when the Trade Agreement was signed.

More important, perhaps, than the actual amount of trade which has taken place during the past year, has been the impression created by M. Krassin, the head of the Russian Trade Delegation in London. The British Government took the strongest objection to the former Soviet representative in London, M. Litvinof, and has persistently refused to allow him to return. M. Krassin

is of a different type. He is not a politician, but a business man who believes in efficiency, large-scale organisation, and strong Government. On the whole, he has created a favourable impression on the British industrialists and bankers with whom he has come in contact. His realistic outlook and conciliatory manner has undoubtedly done much to improve the relations of Soviet Russia, not only with Great Britain and Germany, but also with France.

It is a curious fact that the attitude of France towards the Soviet Government has become rather more conciliatory since M. Poincaré came into power. The chief influences have been the failure of all attempts to overthrow the existing Government, and the anxiety of French peasants and financiers to get former debts recognised and a fresh field opened for investment in the future. In any case, there are significant rumours that active negotiations have been proceeding during the last few weeks between Paris and Moscow through the agency of a well-known Russian co-operator domiciled in Paris.

It is not by any means certain, however, that the Genoa Conference will lead to the immediate *de jure* recognition of the Soviet Government. The French plan appears to be to place Russia on probation for a year or six months before extending full recognition; but, in the meantime, to demand the unconditional recognition of Russian debts. During this period attempts will be made to establish closer commercial relations, and to obtain special guarantees by way of concessions and spheres of influence in the most accessible parts of Russia. These proposals might have had some chance of being accepted a year ago, but we very much doubt whether it will be possible to do business with the Soviet Government on these lines at the present time. If the Soviet Government is to admit liability for the debts of the Tsarist régime, it will certainly claim to be recognised as the lawful successor of the Imperial Government. Nor will the Soviet authorities look kindly on any proposal to establish a régime of capitulations and special tribunals on the periphery of Russia. Special tribunals of a kind will no doubt have to be established, in London and elsewhere, for purposes of commercial arbitration and for the assessment of individual claims for compensation. But any infringement of Russian sovereignty would be strongly resisted, not merely by the Soviet Government, but by Russian public opinion, both inside and outside Russia. Russia at the present time has the largest standing army in Europe, and clearly cannot be brow-beaten. If, therefore, the French persist in maintaining the attitude recently reflected in the Paris Press, the discussions at Genoa may well end in a deadlock.

It is improbable, however, that France will be prepared to take the responsibility of breaking off negotiations on such an issue. A breakdown is more likely to occur, if it occurs at all, owing to the attitude of the Soviet representatives themselves. How far their recent change in economic policy is genuine, and how far they are prepared to make concessions and give satisfactory guarantees to the Western Powers, will be discussed in a subsequent article.

LORD BIRKENHEAD'S LAW OF PROPERTY BILL.

(BY A LEGAL CORRESPONDENT.)

It is generally admitted that the time has come for the law of real property to be simplified, and, so far as possible, assimilated to that of personal property.

Any Lord Chancellor who succeeds in getting rid of the mass of complexities and technicalities which at present incumber the law of real property will have deserved well of posterity. The methods which will best achieve this end can only be criticised by expert lawyers, but incidentally such assimilation involves a reconsideration of the way in which property should devolve upon intestacy, and this is a matter not for the expert lawyer, but for the plain man. What is required is that, when a person dies without making a will, his estate should devolve in the way in which he would probably have made his will. In many European countries it is common to die intestate and allow the property to devolve as the law provides; and, in fact, except in those countries where English ideas

prevail, an unlimited power of disposition by will is restricted. Thus by section 913 of the French Civil Code a man cannot leave by will more than half his property if he has one child, or one-third if he has two, or a quarter if he has three or more; and under section 2303 of the German Civil Code only one-half of the property which an heir would have taken upon an intestacy can be left away from him. In England, however, there is an unlimited right of disposing of property by will, and this has no doubt given rise first to the elaborate system of settlements, and secondly to the fact that intestacy, except in small estates, is comparatively rare. But if the law of intestacy were put upon a rational basis, intestacy might be more common, and many of those troublesome and expensive questions which arise upon home-made wills might be avoided to the great benefit of all persons except lawyers practising in the Chancery Division.

As the law stands at present, real property, that is freehold and copyhold land, descends to the heir, subject to certain rights of the husband or wife. Personal property, on the other hand, is distributed according to certain statutory provisions. It is generally recognised that if the law is to be assimilated property should devolve as if it was personalty rather than if it was realty; but the present law as regards personalty is not completely satisfactory, and in particular the husband and the wife are not upon the same footing.

Briefly, the present law is as follows:—In freehold land a widow is entitled to one-third of the husband's land during her life for her dower; a widower, on the other hand, is entitled to a life interest in the whole of his wife's land if he has a child by her, but not otherwise. The rule as to copyholds varies according to the customs of the various manors, and there are also certain other special customs relating to freeholds in different parts of the country. Gavelkind, which prevails in Kent, is the most celebrated of these.

As regards personal property, on the other hand, the husband, if he survives the wife, takes the whole. The wife takes one-third of her husband's property if there are children, or £500, plus half of the remainder, if there are none. The simplest solution would be to have assimilated the law of real property to that of personal property, by putting a husband on the same footing as a wife. Lord Birkenhead's Bill, however, proposes to make a most complete and profound change in the law of intestacy, so far as the husband and wife are concerned, according, roughly, to the following scheme.

The surviving husband or wife is to take all the furniture and personal goods, and also the sum of £1,000, and then as to the remainder of the property, if there are no issue, will take a life interest in the whole, or if there are issue a life interest in one-half. The result of this is to create a statutory settlement in every case in which the estate, other than furniture and moveable articles, exceeds £1,000. This is a more serious matter than at first sight appears. A settlement involves two things—(1) the keeping of accurate accounts, (2) a solicitor. Few people without expert advice can keep trust accounts. If a dividend comes in a month after the death of the whole of it is not income of the deceased's estate. But so much as represents income during his life has to be apportioned and attributed to capital. Since in most cases the administrator will be the surviving spouse, it is safe to prophesy that the trust fund will get mixed up with the other property, that the accounts will not be properly kept in the way in which the law provides, and that on the death of the surviving spouse there will in some cases be litigation, involving the taking of the accounts in the Chancery Division, and the consequent absorption of a large part of the trust fund.

Surely it would be very much better that the surviving spouse should, if there are no children, take the whole of the property (this is certainly a very common form of will), and that the surviving spouse should take a definite part of the property absolutely if there are children. It must be remembered that the cases to be dealt with are cases where an estate exceeds £1,000, and that in the vast majority of cases it will not exceed many thousand pounds. For it is rare for well-to-do people to die intestate; and in the case of large landed estates there is nearly always a settlement, so that the property does not pass

under the will. This is a matter which ought definitely to be put before the House of Commons for a non-party vote to decide whether there should be a statutory settlement or whether there should not. It is not right to make changes of this kind as part of a Bill of 189 clauses and 16 schedules dealing with a vast quantity of technical matters.

There is also another matter in relation to intestacy which requires consideration. Under the Bill as it now stands the relations of the half blood are postponed to relations of the whole blood. This may or may not be a good provision. Opinions differ very largely on this point. As the law stands at present, in personal property the half blood share equally with the whole. In real property, on the other hand, the half blood is postponed to the whole blood. Now, since these intestacy provisions will, for the reasons above stated, mainly apply to personal property, it may be doubted whether this change is desirable. There is one strong reason for supposing that the present law is what people want, namely, that in a marriage settlement it is common to have the ultimate trust of the wife's property (in default of issue of the marriage) in favour of the next-of-kin according to statutes of distribution; if it were generally desired that the whole blood should be preferred to the half blood this form would not be used. This again seems to be a matter which should be put clearly before the House of Commons.

There is a third point of less importance which may be mentioned. Under the Statute of Distribution in the reign of Charles II., if a person died, leaving no issue, or father, then the mother took all the personal property. This was considered unsatisfactory, and in the Reign of James II. an Act was passed making the mother share with the brothers and sisters and the children of deceased brothers and sisters. The present Bill, however, provides that in default of issue, and subject to the rights of the husband or wife, the parents or the sole parent should take the whole of the property to the exclusion of brothers and sisters. This again seems to require some consideration. It is unfortunate that these provisions as to intestacy making alterations in the law, which ought to be discussed in the House of Commons, should be included in a Bill of immense length dealing in the main with technical matters which the House of Commons is quite unfitted, even if it were willing, to discuss.

It may be mentioned, in conclusion, that the present provisions are less open to objection than those of the earlier Bills. In particular the original provision that all the furniture should be settled has been abandoned, and the sum of £500, which the surviving spouse was to take, has been increased to £1,000, as is only proper in view of the depreciation of the pound sterling.

THE INVESTOR'S DILEMMA.

INVESTORS at the present moment are faced with a curiously perplexing problem in the cheapness of money and the abnormal rise that has taken place in gilt-edged securities during the past 12 months. The slackness of trade which has led merchants and manufacturers to withdraw money from their business, and put it into the safe keeping of first-class stocks until it is needed again as liquid capital, has brought into existence a new class of investor who had in 1919 practically no influence on the course of prices, but is now a person of the very greatest importance. At the same time, speculators who put their money into the favourite speculative propositions of 1919 have been so hard hit by the industrial collapse that many of them have signed the pledge against indulgence in speculation, and look for safety of capital now with as much earnestness as they looked for appreciation of capital three years ago.

In very many respects the position to-day reproduces the position after the Baring crisis in 1890. The shock to confidence administered by that crisis is matched by the unpleasant sensations of the industrial slump during the past two years. The depression of trade which led to cheap money after 1890 has produced cheap money to-day. The mental attitude of investors now differs but little from the prevailing notions of the years 1891 to 1895. To show the effect on prices in that period and in this we may set out briefly a few prices taken from the years

1890-1895, and a few from the past 15 months. The comparative movements are as follows:—

	End of 1890.	End of 1895.
Consols	95½	107½
Glasgow 3½ %	104½	135½
Great Western 4 % deb.	130½	160

Among recent price movements have been the following:—

	End of Dec., 1920.	End of March, 1922.
Consols	45	56½
War Loan 5 %	83	99½
Local Loans	50½	63½
L. and N.-W. 3 % deb.	51	63

In the nineties the price of Consols was, of course, kept in check by the approaching fall in the rate of interest. Where that countervailing influence was not at work and market forces had their full sway, as in railway debentures, the rise was sharp and rapid, averaging about 6 points a year. The firm tone continued for nearly 10 years, until the development and growing strength of new countries restored the broken confidence of businessmen, and first-class trustee stocks had once again to meet the competition of such securities as Argentine and American railways as they came back into a new popularity with investors. Roughly, we may take it that the gilt-edged strength which followed the Baring crisis, and which is being reproduced to-day, lasted for a period of eight to 10 years.

Now comes the problem which faces the investor, and especially the trustee, who has to make his choice of securities at the present moment. Is this sharp rise in prices a permanent change from one level of investment interest to another, or is it, like the 1890-1895 movement, merely a concomitant of a temporary glut of money and loss of confidence? Should a trustee play his hand in such a way that the money which he invests to-day will be available for reinvestment in 10 or 20 years' time, or should he dispose of it once and for all at a lower rate of interest to-day? Should he, in a word, favour redeemable or perpetual securities?

As an indication of what this investors' problem involves we append a few figures showing the current yields on (1) stocks redeemable at various dates within the next 20 years, and (2) stocks that carry no right of redemption or pay such a low rate of interest that redemption need not be considered:—

REDEEMABLE STOCKS.			
	Redeemable.	Price March 28, 1922.	Yield.
5 % War Loan	1929-47	98½	5 1 6
3 % Metropolitan Consolidated	1941	73	5 6 9
Birkenhead 5 %	1924-34	96	5 8 9
Port of London 6 %	1930-40	106	5 9 9
Australia 6 %	1931-41	102	5 16 6

PERPETUAL STOCKS.			
		Price, March 28, 1922.	Present Yield.
Consols 2½ %		55½	4 9 9
Local Loans 3 %		63½	4 14 9
London County Council 2½ %		53	4 14 3
London and North-Western Railway 3 % deb.		62	4 16 9
Birmingham Corporation 3½ %		70	5 0 0

It will be seen from these figures that on equivalent security redeemable stocks give the investor, on current yields, ½-¾ per cent. more than perpetual stocks. Investors have been chary of buying 5 per cent. War Loan for fear that the Government may (when they have the right) introduce a great conversion scheme, and lighten the taxpayers' burden by reducing the rate of interest from 5 per cent. to 4½ or 4 per cent. The result has been a keen demand for these irredeemable securities, which has by now reduced the volume offering and made them far from easy to procure.

To prophesy or dogmatise on the future value of money, which must be the consideration governing the value of securities, would be folly. At present the investor seems to have made up his mind that money will be cheaper and the rate of investment interest lower well into the thirties; in fact, that the difference will be wide enough to make it possible for the whole of our war debt to be

put on to a 4½ per cent. basis some time in the thirties. He may be right, but there are considerations on the other side which ought not to be overlooked. We are at the lowest depression of trade that our generation has ever known. We have recently passed through a period of speculation that collapsed and left many of us with lost nerve and broken confidence. Is this depression of trade and the accompanying glut of money to last for ever? Has human nature's love of a speculation disappeared for good? Are we to continue indefinitely with business stagnant and over a million men in Great Britain unemployed?

If it is admitted that present-day trade conditions are abnormal, we must take into account the probability of such a change in them as would revolutionise the security markets, just as they were revolutionised between 1898 and 1914. During that period the three securities which were quoted above to illustrate the 1890-1895 movement fell to the following extent:—

	End of 1898.	End of 1913.
Consols 2½ %	110½	71½
Glasgow 3½ %	108½	99½
Great Western 4 % debenture	146	101

The investor who seems to be afraid to-day of stocks redeemable between 1930 and 1940 might do well to ponder these figures and consider whether the course of money between 1930 and 1940 may not reproduce the period of 1900 to 1913. Sooner or later the world's trade and the world's demand for money must be restored, and since the prospect of a great reduction of taxes is everywhere remote, the demand must be satisfied out of a comparatively small surplus of savings. With a permanently high level of taxation, a revival of trade that sooner or later is surely inevitable, and a general restoration of business confidence, the course of money and of securities may upset the calculations of those who now place all their hopes in irredeemable securities.

CUBA AND ITS RAILWAYS.

(FROM A CORRESPONDENT.)

HAVANA, March 4.

THE island of Cuba has an area of about half that of Great Britain. Its fixed population—and there is room for millions more—is probably about 2 millions, or, say, 44 per square mile, as against 480 per square mile in Great Britain. Yet the total annual trade per head of the fixed population of Cuba is about the same as the total annual trade per head of the population of the United Kingdom. As Cuba is not well provided with carriage roads, and as its total railway mileage is only about 1 per cent. of the total railway mileage of the United Kingdom, it follows that the railway business in Cuba should be very profitable, in spite of the fact that there is sea competition in Cuba as in the United Kingdom. Further, as not more than 12 per cent. of the land in Cuba is at present under cultivation, it follows that its railway business should be a progressive one.

The United Railways of the Havana and Regla Warehouses, Limited, has a practical monopoly of the railroad business in the western part of the island of Cuba, including the capital, Havana, with its population of over 350,000. The eastern part of the island is served by the Cuba Railroad, an American enterprise, and by a few other small, locally owned systems. Although the western part of the island has a smaller area than the eastern, it is much the more highly developed part, and has a much larger population, probably half as large again. It also contains half of the sugar mills and all the leading tobacco plantations. Sugar-cane, with its accessories, raw sugar, molasses and alcohol, forms Cuba's chief product, being responsible for three-quarters of the total tonnage moved by the railway. It is a highly profitable traffic, since it is easy to handle, and is directly responsible for half of the total money-takings of the United of Havana, and indirectly responsible for more, since most of the general merchandise and fuel moved is on account of the sugar producers.

This island is blessed with a soil and climate peculiarly well adapted to the growth of sugar-cane. And Nature has never permitted in any year more than a small curtailment of the crop. As a consequence of this and its numerous finely equipped sugar mills, Cuba, with its relatively small area and population, produces and exports more sugar than any other country in the world. It is in fact responsible for one-quarter of the entire world's production, even if beet sugar be included in the total. One can well imagine what prosperity this brought to the island in recent years, when the value of sugar rose to more than 10 times the present value of 2 cents a lb, on a total production of nearly 4 million tons. One can also imagine how great is the present feeling of depression after such a severe fall in the value of the staple product. Yet this depression is quite invisible to the eye of the casual visitor. Of all the numerous countries which I have visited, I do not remember one where there was more apparent prosperity, nor one where bad times were more cheerfully borne. The Cubans are a wonderful people.

I am greatly indebted to the directors of the United of Havana for sending me over their line, and for kind assistance and courtesy, and to the trade representative of the British Legation for information. This railway is British owned, and its executive is practically all British. Apart from the railway, there is very little British enterprise in Cuba. The principal foreign element is that of the United States. But British goods are popular here, and probably Britain could compete with profit, especially in such lines as machinery and supplies for the sugar mills, and, of course, textiles, in spite of the preference, from 20 to 40 per cent., which the United States enjoys. There is certainly an opening for an English bank here in Cuba. After the numerous bank disasters in 1920, many of the Cubans now keep their money in safe deposits sooner than entrust it to the banks here. Any English bank of standing which opened a branch here would almost certainly get these deposits. It is true that Canadian banks of high standing in Canada have branches here; but I believe that a bank with headquarters in the United Kingdom is what the Cubans would prefer.

Trade in Cuba has been much depressed during the past year, and there is consequently much unemployment. Unskilled labour receives only 40 per cent. of what it did in the boom period. Yet the climate is so fine and the soil so rich that little actual want seems to result. Cuba is in fact a good country for people to be poor in. Prices of all imports are very high—and most things are imported—but the bare necessities of life cost little.

In addition to its 1,210 miles of railway track, its workshops in the city of Havana and elsewhere, and its local stations, the United of Havana owns directly or through subsidiaries a very highly valuable railway terminal, and also a large proportion of the valuable sea front in the port of Havana. It has its wharves for deep-sea ships, its goods yards, warehouses and passenger terminus, all, as it were, in a ring fence. These properties place the railway in an extraordinarily advantageous position; and it also owns six other terminals, of which five are at seaports. Great foresight must have been displayed by those who are responsible for welding together such a compact enterprise. As a result, the traffic is highly concentrated, and the earnings per mile of line very high relative to those of other foreign railway enterprises. And this in spite of the fact that its clients are being supplied with relatively cheap transport, since this railway's rates to-day are only 30 per cent. above pre-war rates. On the other hand, it pays wages 50 per cent. over pre-war rates, and, by reason of the heavy tariffs and high costs of freight and insurance, has to pay from 33 per cent. to 40 per cent. more for its material than it would pay in the country from which the material was imported.

But in common with every other Cuban enterprise to-day this railway is hard put to it for ready money. From its last issued balance-sheet it would appear that it owes some £4,400,000, and is only owed some £2,000,000. It is probable that it will recover a large proportion of the latter by the end of the current financial year, and that the total of the former will sooner or later

be reduced. Probably the £4,400,000 includes unpaid excess profits tax and accounts with subsidiaries; and I believe that no part of this large debt constitutes a pressing liability. There is a further deferred liability to the Cuban Rolling Stock Company, and the capital account is somewhat overdrawn. But the value of the "investments at cost" doubtless more than balances these last two items. However it may be, the total capitalisation of this enterprise is so small in relation to the value of its terminal properties and warehouses, its rolling-stock, track, workshops and other possessions, that I am inclined to pay little attention to what are probably only passing difficulties.

The United of Havana has a total issued capital of some £21,265,000. As its terminal properties and warehouses in the capital, together with its rolling-stock, are alone worth more than half of this, it can comfortably carry a certain load of debt, especially when it has over 1,200 miles of well-maintained track, besides costly workshops in the capital and elsewhere, and has the virtual monopoly of the traffic in such a rich and progressive freight-growing territory. The enterprise has been in worse circumstances before, and has successfully surmounted them.

Great economies in working have been effected this year, and it seems likely that the surplus of net revenue available for dividend on the ordinary stock for the year ending June 30, 1922, including the amount brought forward from last year, will equal £500,000 odd of the previous year, in spite of the reduction of freight rates this year.

Doubtless, the foregoing makes optimistic reading; but it is well to sound a warning note to proprietors and would-be proprietors. There are forces operating all over the world these days which tend to prevent the holders of railway stocks from coming into their own; and Cuba, like other countries, is not exempt from the sway of these baneful influences, even though labour conditions are better here than in most countries. The economic history of Cuba is one of alternate booms and depressions, in proportion as the value of sugar rises and falls, but with the island's trade improving on balance all the time.

THE QUARTER'S NEW ISSUES.

THE new capital market has been abnormally active during the past three months, but so far as fresh issues outside the British Government's borrowings are concerned, the actual amount raised was by no means out of the ordinary. The total amount of new capital raised in the quarter was £286½ millions, the highest quarterly figure since the third quarter of 1919, which included the Funding Loan and Victory Bonds. The table below sets out the amounts raised in each quarter since 1904:—

New Capital Applications.

Year.	First Quarter.	Second Quarter.	Third Quarter.	Fourth Quarter.	Total for Whole Year.
	£	£	£	£	£
1904.....	19,905,000	50,654,000	9,547,000	42,913,000	123,019,000
1905.....	67,301,200	36,915,500	22,854,100	40,116,600	167,187,400
1906.....	30,264,800	55,059,800	10,835,800	24,012,800	120,173,200
1907.....	49,428,600	40,304,600	15,631,400	18,265,400	123,630,000
1908.....	45,287,900	64,385,600	31,541,800	50,988,400	192,203,700
1909.....	64,238,400	56,835,200	27,694,400	33,588,800	182,356,800
1910.....	99,355,600	88,721,400	28,111,600	51,250,500	267,439,100
1911.....	61,245,000	56,238,800	14,914,500	59,361,100	191,759,400
1912.....	47,966,100	62,377,500	40,687,100	59,819,300	210,850,000
1913.....	50,344,700	70,014,900	29,361,800	46,216,000	196,537,000
1914.....	97,610,200	54,739,100	20,265,200	339,308,100	512,522,600
1915.....	46,313,500	25,693,200	586,772,500	26,462,500	685,241,700
1916.....	156,251,200	131,022,500	111,578,000	186,584,700	585,436,400
1917.....	825,925,200	221,254,300	57,054,400	214,362,100	1,318,596,000
1918.....	475,258,700	220,921,500	329,674,000	367,527,200	1,393,381,400
1919.....	291,901,400	93,879,000	536,502,200	113,776,800	1,036,059,400
1920.....	135,094,500	98,011,700	61,136,600	73,247,800	367,549,600
1921.....	63,382,100	65,281,900	57,890,600	202,423,600	388,978,200
1922.....	286,207,100				

These figures do not include money raised by the Government in the form of Treasury Bills and Ways and Means advances. Other British Government borrowings during the past three months totalled £211,893,100, which com-

pares with £143,647,500 in the last quarter of 1921 and £14,991,500 in the first quarter of last year. The bulk of the £211½ millions raised by the Government in the past quarter was in the form of Treasury Bonds, the 5½ per cent. bonds bringing in £115,106,900 and the 5 per cent. bonds £52,566,200. National Savings Certificates have also produced considerably more than their usual quota, owing to the approaching increase in their price from 15s 6d to 16s. The net amount received in the three months was £27,120,000, which compares with a total of £11,130,000 in the whole of 1921, of which £5,250,000 was received in the first quarter. There was also an issue of 3 per cent. Local Loans stock at 57 for £30 millions, the cash amount of which was £17,100,000. As will be seen from the analysis below, the purposes for which the remaining £70 millions were raised in the past quarter afford no striking contrast to the figures of the corresponding quarter of last year:—

Analysis of New Capital Applications.

	Total for First Quarters of Years.			
	1919.	1920.	1921.	1922.
British Government loans	262,635,600	7,460,000	14,931,500	211,893,100
Colonial Government loans	2,985,000	5,470,000	7,399,600	16,480,600
Foreign Government loans	nil	nil	1,530,000	3,574,600
British Corporation and County loans	nil	4,750,000	9,431,200	5,555,300
Colonial Corporations	nil	nil	500,000	960,000
Foreign Corporations	nil	nil	nil	2,820,000
Foreign railways	nil	1,116,000	nil	14,687,500
Australian mines	nil	545,000	nil	16,500
South African mines	445,700	54,700	233,700	nil
Other Mines	195,800	1,603,800	25,000	62,500
Exploration, Financial, and Investment Trust	356,300	4,719,900	1,157,500	nil
Breweries and distilleries	nil	684,700	520,000	nil
Merchants, importers, &c.	nil	1,030,000	nil	100,000
Manufacturing	2,950,500	39,862,600	8,163,000	1,700,000
Stores and trading	nil	1,990,000	1,000,000	1,000,000
Estates and land	34,700	397,500	380,300	100,000
Rubber	39,400	2,834,300	273,400	30,000
Oil	58,300	3,641,200	9,599,400	9,050,000
Iron, coal, steel, and engineering	4,110,500	7,978,100	380,000	3,500,000
Electric light, power, and telegraph	724,100	3,767,000	373,500	1,161,700
Tramway and omnibus	nil	nil	50,500	230,500
Motor traction & manufacturing	2,006,900	4,337,500	35,000	nil
Gas and water	nil	25,000	705,700	806,600
Hotels, theatres, and entertainments	nil	2,104,400	1,383,900	978,900
Patents and proprietary articles	nil	645,000	nil	nil
Stocks, harbours, and shipping	100,000	13,417,800	2,243,200	9,797,200
Banks and insurance	10,003,600	11,425,900	4,000	920,700
Miscellaneous	5,243,000	1,844,100	478,400	1,569,500
Total	291,901,400	135,094,500	61,299,800	286,207,100

There were four Colonial Government loans raised in the quarter in the form of 6 per cent. stock by South Australia at 96, by the Commonwealth of Australia at 97, and the £5,000,000 loan now on offer in 5 per cent. stock at 96 per cent., and 5½ per cent. stock at 99 by the Government of Victoria. Chile and Siam were the only foreign Governments to make public issues in London during the quarter. Five British local authorities—namely, Bristol, Lanarkshire County, Swansea, Belfast, and Poole—and one Colonial municipality, the City of Sydney, are included in the list. The Department of the Seine loan in February is the only issue under the head of Foreign Corporations. Foreign railways have been active in the capital market. Apart from the four French companies, which have raised over £13 millions, the Buenos Ayres Western Railway borrowed £1,200,000 in January and Dorado Extension Railway £237,500 in February. The Anglo-Persian and the Shell companies account for the large total under oil. Four iron and steel, three electric lighting and power, and two gas and two water companies have been in the market. The shipping list includes the Union Castle, Clan Line, African Steam Ship, Sovereign Shipping, P. and O., and Lampart and Holt. The destination of the quarter's new issues is given below and compared with that shown in the first quarters of previous years:—

DESTINATION OF NEW CAPITAL.

	First Quarters of Years.				
	1912.	1913.	1920.	1921.	1922.
United Kingdom	12,147,600	7,542,000	119,124,500	39,914,400	240,215,500
British Possessions	9,010,400	21,954,100	12,988,300	9,773,500	18,947,000
Foreign countries	26,808,100	20,848,600	2,981,700	11,611,900	27,144,600
Total	47,966,100	50,344,700	135,094,500	61,299,800	286,207,100

Considerably more has gone abroad in the last three months than in the corresponding periods of 1920 and

1921, the amount for the Dominions and foreign countries together being quite similar to that shown for 1913. The amount raised for use in the United Kingdom, apart from Government borrowings, namely, £28 millions, is, however, considerably higher than the pre-war average.

Notes of the Week.

Irish Peace.—The leaders of the North and South of Ireland have reached an agreement which should put an end to the grave position that has been developing in recent weeks, and holds out hope not only of the restoration of law and order, but also of harmonious progress towards Irish unity. At the invitation of Downing Street, an Irish Peace Conference met in London on Wednesday, the Provisional Government being represented by Mr Griffith and Mr Collins, the Government of Northern Ireland by Sir James Craig and Lord Londonderry, and the British Government by Mr Churchill and Sir L. Worthington Evans. After two days of conference an agreement was reached, of which the leading points referring to the immediate situation may be summarised as follows:—(1) Peace is declared. (2) The two Governments will co-operate in restoring peaceful conditions in the troubled areas. (3) Ulster special police to be reorganised so as to assure fair proportionate representation of Catholics and Protestants. (4) A special court to be set up to try cases of serious crime. (5) A Committee to be set up in Belfast, composed equally of Catholics and Protestants with a neutral chairman, to investigate complaints of outrages, intimidation, &c. (6) I.R.A. activity to cease in the six counties. (7) The British Government to grant £500,000 to Belfast for relief works for Protestant and Catholic unemployed, and every effort to be made by the Northern Government to restore expelled workers. The terms are excellent and practical; and in view of the fact that both Governments may have a stiff task before them in curbing the exuberance of their more extreme followers, it is to be hoped that the public will watch with all patience and sympathy the efforts that both will undoubtedly put forth to carry out in loyal co-operation the bond to which they have set their signatures. These terms for dealing with the immediate situation in themselves contain promise of a new spirit of co-operation. But the agreement includes a clause that is even more hopeful. It reads as follows:—

During the month immediately following the passing into law of the Bill confirming the Constitution of the Free State (being the month within which the Northern Parliament is to exercise its option), and before any address in accordance with Article 12 of the Treaty is presented, there shall be a further meeting between the signatories to this agreement, with a view to ascertaining:—
(a) Whether means can be devised to secure the unity of Ireland;
(b) Failing this, whether agreement can be arrived at on the boundary question otherwise than by recourse to the Boundary Commission outlined in Article 12 of the Treaty.

It is unfamiliar to find Mr Devlin congratulating the British Government on interference in Irish affairs, and the eloquent blessing which he bestowed upon the agreement in the House of Commons on Thursday night is a measure of the new hope and opportunity which is presented to Ireland, and which, we trust, will, with due patience and perseverance, be translated into a full achievement of Irish unity and prosperity.

Proposed Græco-Turkish Settlement.—The proposals submitted to the Governments of Athens, Constantinople, and Angora by the Foreign Ministers of France, Great Britain, and Italy deserve the support of Western public opinion. The drafting of them has been by far the most reasonable and constructive act of Allied diplomacy in the Near and Middle East since the Armistice. They have the air of being the product of a genuine understanding between the Powers, and that is the essential preliminary to a settlement between the belligerents. The Franklin-Bouillon agreement between Paris and Angora revealed the dangers to which the divergence between the Oriental policies of the French and British Governments was exposing the Entente. The present project, which is an

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important step towards a rapprochement, will be welcomed in both countries. An admirable feature of the document is its spirit. At last the arbitrary and dictatorial manner assumed during the Peace Conference (with such fatal consequences) by the Supreme Council has been replaced by a tone more suitable to civilised statesmanship. The concrete proposals are expounded by argument; the desire to be impartial is not only proclaimed, but vindicated by the text; and both belligerents are treated with consideration. To turn to details, the most important proposal is, of course, that for the complete evacuation of Anatolia by the Greek forces under Allied supervision. For the sake of both the Turkish and the Greek population in the occupied territories, it is greatly to be hoped that the Angora Government will agree to this, as the Greek Government have done already. Any other method might lead to a panic-exodus of the civilian Christian minority, who would wreak their vengeance upon the Moslem majority before they departed, and while the country was still in the power of the Greek Army. This happened on a small scale last June at Ismid, with appalling consequences. It is now in the power of the Angora Government to avert its repetition on a larger scale. Turkey is also offered a really effective strategic frontier for the protection of the land approaches to Constantinople on the European side. In regard to Adrianople, she is asked to make a serious sacrifice of sentiment and of nationals, but at least as great a sacrifice is required of Greece in "Ionia." There is an opportunity for both Governments to improve the status of their kindred minorities in one another's territory by going to the furthest length possible in granting special municipal franchises—at Adrianople in the one case, and at Smyrna (and, it should be added, at Aivali) in the other. There is ingenuity, too, in the proposal about the Straits. The maritime countries of the world are offered the necessary security for their trade with the Black Sea Riverains by the proposal that the European and Asiatic shores of the Dardanelles should be under the sovereignty of different States. On the other hand, the security of the Turkish capital is provided for on the sea side (as it is on the land side by the proposed new frontier in Thrace) by the rider that the non-Turkish State to which the Gallipoli Peninsula is assigned shall have no military control over it. The Allied garrison on the Gallipoli Peninsula and at Rodosto, and the demilitarisation not only of the Asiatic shores of the Dardanelles and the Bosphorus, but of almost the whole of Eastern Thrace, are really promising bases for the settlement of the Straits question. In regard to minorities, the Allied statesmen have found the right key in their desire to establish "mutual confidence and respect," and the right instrument in an identical inspectorate (to be established by the League of Nations) to superintend the operation of minority rights in both countries. Turkey also gains very greatly by the substitution of a fixed indemnity for a perpetual and almost unlimited financial control. The Dette Publique, which is an Ottoman institution, has never wounded Turkish sentiment, and has done great service to the economic life of the country. It is highly satisfactory that the Allies propose to restore it to its pre-war position. The revision of the capitulations (and it is noteworthy that the proposals provide for a speedy revision, as well as a radical one) will give Turkey that independence in her finances, as well as in her judiciary and administration, which is demanded in the last article of the National Pact—the document in which the minimum desiderata of

Turkey are embodied. In short, the proposals approach so nearly to the National Pact that it would be folly on the part of Angora to refuse to negotiate on the basis of them. Turkey has suffered heavily by the errors of Allied (and especially British) policy since the Armistice, but at least she has now the compensation that her rights have been recognised and her national future assured. Greece, on the other hand (though in the Anatolian war she has been the aggressor, and has not had her own territories ravaged), has been led into this costly and unprofitable adventure by the policy of greater Powers, who used her as a catspaw to fish their chestnuts out of the fire. The cat has burnt her paws badly before the apes have discovered that, after all, there were no chestnuts there. The Powers, and particularly Great Britain, owe Greece compensation—not only in the form of pious expressions, but in the satisfaction of legitimate Greek claims which it is in our power to grant. Public opinion in this country ought to press our Government to allow the Greek island of Cyprus to unite itself, as it wishes to do, with the Greek kingdom.

The Genoa Agenda.—The White Paper referred to elsewhere as laying down the conditions for the Genoa Conference also sets out the "outline agenda" as agreed upon at Cannes. It is as follows:—

1. Examination of the methods of putting into practice the principles contained in the resolution reached at Cannes on January 6, 1922.
2. The establishment of European peace on a firm basis.
3. Essential conditions for re-establishment of confidence without injury to existing treaties.
4. Financial subjects:—
 - (a) Currencies.
 - (b) Central banks and banks of issue.
 - (c) Public finance in relation to reconstruction.
 - (d) Exchanges.
 - (e) Organisation of public and private credit.
5. Economic and commercial subjects:—
 - (a) Facilities and guarantees for the import and export of commercial products.
 - (b) Legal guarantees for the re-establishment of commerce.
 - (c) Protection of industrial property and copyrights.
 - (d) Status of consuls.
 - (e) Admission and position of foreigners in regard to the conduct of business.
 - (f) Technical assistance to industrial reconstruction.

The Supreme Council appointed a Committee to prepare a detailed programme, and the final agenda paper will reveal the modifications made as a result of the Boulogne meeting between the British and French Premiers.

The Cost of Higher Education.—For the coming year, 1922-23 Government grants for higher education are shown in the Education estimates (White Paper 32-IV., price 2s) to be £8,022,575, against £8,778,430 in the year just ended. In addition to this, there is an item of £182,272 for scholarships, studentships, and exhibitions granted by the Board of Education; while, under the heading "services arising out of the war," £1,038,808 is allowed, as compared with £2,244,491 last year, for the higher education of ex-service officers and men. The last-named item is not a complete figure of Government expenditure on the educational needs of ex-service men, for the Agriculture estimates include a sum of £73,000 for "agricultural training of ex-service officers and men." Beside such large figures as these the grants recommended by the Royal Commission on Oxford and Cambridge Universities in the Report issued at the end of last week (Cmd. 1588, price 6s) do not appear very large. At present each of the two ancient Universities are in receipt of an emergency grant of £30,000 per annum. The Commission recommend that an additional £70,000 per annum should be granted in each case, in addition to specially conditioned grants of £10,000 per annum, and a lump sum (unspecified) for "pension arrears." No adequate pension fund exists at either seat of learning for the professorial and teaching staffs, and the Commission finds that these staffs are inadequately remunerated. The Commission recommend the establishment of a pensions system, such as is in force at newer Universities, and an increase in the teaching staffs and their remunerations. They also recommend reforms in estate manage-

ment and financial administration. The Report, which is a very careful and exhaustive survey—the result of two and a-half years of investigation—is, in the main, a vindication of Oxford and Cambridge. Mr Asquith, who was chairman of the Commission, described the Report as "not only, on the whole, a substantial vindication of these two ancient Universities and the manner in which, during the last generation at any rate, they had discharged their trust, but it was also a tribute based on evidence and a careful inquiry." Mr Asquith further emphasised the fact that these Universities play in the provision of an "educational ladder." He referred, as "the most gratifying thing in the University inquiry," to the fact that "the scholarships at the University, which used to be what they might call a preserve of the great public schools, were now in the proportion of very nearly half won by boys who had made their educational apprenticeship in the primary schools." "There was no obstacle," he continued, "to a boy of brains, faculty, capacity, and promise rising to the position of scholar, Fellow, or teacher at our two ancient Universities, except—and this was a serious exception—the difficulty of passing from the elementary to the secondary school." In these days of pressing need for economy such grants are necessarily a matter for serious thought, but the Commission has made out a case for its financial proposals that cannot logically be resisted.

Security Values.—The monthly computation by the *Bankers' Magazine* of the Stock Exchange value of securities shows that in March there was a further appreciation of £79½ millions, or 1.3 per cent., in the market value of 387 representative stocks. This follows an increase of £200 millions in the previous month, and raises the index number, in which the value of December, 1921, is taken as 100, to 107.3. In other words, there has been in three months an appreciation of 7.3 per cent., fixed-interest stocks being 8 per cent. better, and variable-dividend securities 5.9 per cent. higher. So far as March is concerned, variable-dividend securities show an increase of 2.9 per cent., and fixed-interest stocks an increase of 0.6 per cent. In the latter class Colonial Government stocks and Home Railway preferences are prominent with increases of 4.3 and 5 per cent. respectively. The only decreases in the list are United States bonds (gold), 0.9 per cent.; Indian Railway stocks, 0.2 per cent.; oil shares, 3.3 per cent.; rubber shares, 0.5 per cent.; and miscellaneous mining shares, 5.7 per cent. Nitrate shares show an increase of 28.7 per cent., and the tramways and omnibus group an advance of 13.6 per cent. British railway ordinary stocks have risen by 4.6 per cent., and commercial and industrial shares by 4.1 per cent.

World's Wheat Supplies.—A brief statement of the position as regards the world's wheat supplies, just published by the Statistical Bureau of the International Institute of Agriculture, indicates that exporting countries, after setting aside the requisite quantities for meeting their own consumption until their next harvests, had at disposal on January 1, 1922, an exportable surplus of 11.8 millions metric tons of wheat. It is impossible to form a definite estimate of the aggregate quantity that the importing countries will require before July 31st next, when, for the most part, they will gather their next wheat crop; economic and financial conditions will dictate, in more than one country, as to the possibility of affording complete satisfaction for the food requirements of the respective populations. It is ascertained, however, that the aggregate wheat crops in those importing countries that have furnished data of yield were considerably larger in 1921 than in 1920 (27.7 millions metric tons, as compared with 21.8 millions). In addition, the imports between August 1st and December 31, 1921, taking all the importing countries together, were larger than in 1920 (9.5 millions metric tons, against 8.2 millions). From January 1st to July 31, 1921 (the second portion of the season), imports were 9.9 millions tons, and supposing that arrivals between January 1st and July 31, 1922, reach the same figure (notwithstanding the increased yields of 1921 and the additional quantity imported in the last five months of that year) their total will still be

within the limits of exportable surplus, already stated at 11.8 millions tons on January 1, 1922. The available supply of wheat is consequently sufficient to meet the requirements of importing countries until their next harvests. It is also probable that some exportable surplus will still exist on August 1, 1922. Taking into account the somewhat varied prospects of growing crops and the certainty that Russia can afford no aid to the world's supply during next season (August 1, 1922, to July 31, 1923), a position which Roumania may also share, the size of this exportable surplus is of the greatest importance.

Sugar Duties.—The Minister for Agriculture announced in the House of Commons on Thursday that the Government intend to remove the Excise duty on home-grown sugar. Sir A. Griffith Boscawen said, in answer to a question, that "the Government had decided that, in view of the exceptional circumstances of the new industry of sugar beet, and the condition of unemployment in this country, no Excise duty should be charged on home-grown sugar. The necessary provision for the removal of the existing duty would be made in the Finance Bill of this session. It was, of course, impossible to bind any future Government, but in view of the fact that the remission of Excise was intended to assist a new industry during the experimental period, it might be hoped that Parliament would not reimpose any Excise duty until the industry had been firmly established." The Government thus propose to revive a question of acute fiscal controversy. Meanwhile, we understand that the co-operative movement is sending a deputation to discuss with the Colonial Office the whole question of the sugar duties.

Australia and "Anti-Dumping."—Last December the Commonwealth Government passed an Act entitled "The Customs Tariff (Industries Preservation) Act," which appears to be a first cousin of our own notorious Safeguarding of Industries Act. The appointment is now announced of the "Commonwealth Tariff Board," whose duties it will be to operate the Act. We do not envy the members of this Board, for, from the following statement issued recently from Australia House, it does not look as if their duties would be easy:—

The "dumping duties" are intended to prevent injury to Australian industries by the sale of goods from other countries at prices below the normal cost of their production. These duties will safeguard the manufacturing industries of Australia, that is to say, against the unfair competition of countries whose circumstances allow them to sell their goods at less than normal prices. As specified by the Australian Act, dumping duties are to be imposed in respect of goods exported to Australia and sold to an importer there at a price likely to be detrimental to an Australian industry; goods consigned to Australia which may similarly be sold there at less than a reasonable price; goods carried to Australia at freight rates which are lower than the prevailing rates; and goods sold to an importer in Australia at prices made possible by a depreciated rate of exchange in the country of export, whether those goods have been manufactured wholly or in part from material supplied from that country.

We shall not be surprised if the Board soon finds itself confronted with the same difficulties that have proved the Safeguarding of Industries Act in this country as unworkable as it was ill-advised. Indeed, the complications in Australia are likely to be greater than those that have arisen here, for preference is mixed up with anti-dumping. The official notice states:—"There is also an important provision for a 'dumping preference duty' to be imposed on goods from foreign countries offered in Australia at less than the fair market value of such goods as they are manufactured and sold in the United Kingdom." Even after solving all these problems, the Board's duties are not finished. It has not only to report on cases submitted to it, but to advise the Minister of Trade and Customs on tariff matters generally. "Prominent among the matters it will handle are disputes arising out of interpretation of the tariff, the necessity for new, increased, or reduced duties; and determination of the application of Australia's British Preferential Tariff, or the Intermediate Tariff; and it will deal with complaints as to unnecessarily high charges by manufacturers, or any

action alleged to be in restraint of trade, to the detriment of the public." We shall watch the work of the Board with an interest quickened by painful experience nearer home.

Cotton Trade Wages.—The agreement with regard to wages between the employers and the operatives in the Lancashire cotton industry came to an end on March 24th, writes our Manchester correspondent, and at the beginning of this week the trade union secretaries received a communication from the Federation of Master Cotton Spinners' Associations and the Cotton Spinners and Manufacturers' Association giving one month's notice of a reduction in wages of 75 per cent. on the standard piece price lists. This demand means a fall on present wages of about 30 per cent. It may be mentioned that at the outbreak of war the workpeople were being paid on a basis of 5 per cent. above the standard lists. Several advances were arranged during the war, until in May, 1920, the rates of pay were 215 per cent. above the lists. It must be pointed out that a rise of 30 per cent. was granted in July, 1919, to make up for the loss of wages as a result of the reduction in working hours from 55½ to 48 per week. Last June the employers secured a reduction of 60 per cent. on the list rates, and at the end of last year a further reduction of 10 per cent. on list rates came into operation. Current wages, therefore, are 145 per cent. above the lists, and if the application of the masters is enforced, the new wage rates will be 70 per cent. higher than the lists. Collective bargaining between the employers and the trade union officials has been in operation in the cotton industry for a long number of years, and it was arranged that there should be a joint conference yesterday (Friday) in Manchester of representatives of the two sides. A disquieting feature, however, is that the Cardroom Operatives' Amalgamation has decided not to join with the other trade unions in the negotiations, and they have informed the two employers' organisations that they must have a separate agreement. This development is rather unfortunate, as it may hinder satisfactory negotiations. In trade circles in Manchester it is believed that, as a result of discussions, the masters will be prepared to modify their claim somewhat, and it is expected that the new wage rates will be on a basis of about 95 per cent. above the lists, or a reduction of 50 per cent. on the lists, which will be equal to a drop of about 20 per cent. on current wages. The agreement, when reached, will cover the whole of the industry, and will affect about 400,000 operatives.

Indian Cotton Crop.—In our issue of the 11th inst. we gave particulars of the cabled summary from India of the present crop, and added particulars of the more recent ones. The receipt this week of the final official forecast enables us to give further particulars:—

IN THOUSANDS OF ACRES AND BALES OF 400 lbs.

Years.	Acres.	Bales.	Official February Forecast.	Approximate Crop.	Excess or Deficiency.
1918-19	20,997	3,972	3,671	3,991	+ 320
1919-20	23,352	5,796	5,845	5,343	- 502
1920-21	21,341	3,601	3,556	4,941	+ 1,385
1921-22	18,485	4,480	4,480	..	..
Mean 5 years	22,871	4,509	4,514	5,335	+ 821

The figures in the third column differ from the official ones. We give the actual forecasts as published in February each year, and not the revised figures of 12 months later, when they are no longer "forecasts." In the five years ending 1917-18 the approximate crops exceeded the forecasts by over 18 per cent., while the last one was apparently larger by no less than 1,385,000 bales, or nearly 39 per cent. When the returns of the present crop are compiled after August 31st, they will show what a large quantity of the last one was held back and found buyers subsequently. Compared with the revised estimate of last season, the present crop is larger by 879,000 bales, or over 24 per cent., and 59,000 bales, or a little over 1 per cent., more than the average of the previous five years. Both in

THE REVENUE.

I.—An ACCOUNT of the TOTAL REVENUE of the UNITED KINGDOM in the undermentioned periods of the Year ending March 31, 1922, as compared with the corresponding periods of the preceding Year.

	Quarter from January 1 to March 31, 1922, compared with the corresponding Quarter of the preceding Year.				Year ended March 31, 1922, compared with the preceding Year.			
	Quarter ending Mar. 31, 1922.	Quarter ending Mar. 31, 1921.	Increase.	Decrease.	Year ending Mar. 31, 1922.	Year ending Mar. 31, 1921.	Increase.	Decrease.
Customs	£ 31,567,000	£ 32,870,000	..	1,103,000	£ 130,052,000	£ 134,003,000	..	3,951,000
Excise	44,401,000	50,292,000	..	5,891,000	194,291,000	199,782,000	..	5,491,000
Motor Vehicle Duties	7,814,000	7,073,000	741,000	..	52,096,000	7,073,000	4,023,000	..
Stamps, &c., Duties	15,443,000	11,563,000	3,880,000	..	52,191,000	47,789,000	4,402,000	..
Land Tax and House Duty	7,748,000	7,982,000	467,000	..	19,638,000	26,591,000	..	6,953,000
Property & Income Tax (including Super-Tax & Min. Rights Duty)	2,090,000	2,100,000	..	20,000	2,590,000	2,550,000	40,000	..
Excise Profits Duties, &c.	224,227,000	237,324,000	..	13,097,000	398,887,000	394,166,000	4,721,000	..
Corporation Profits Tax	738,000	62,827,000	6,576,000	62,089,000	30,452,000	219,181,000	..	188,729,000
Postal Service	7,226,000	650,000	..	17,516,000	650,000	16,866,000	..	..
Telegraph Service	11,750,000	11,800,000	50,000	..	40,000,000	36,100,000	3,900,000	..
Telephone Service	1,950,000	1,150,000	..	5,900,000	5,900,000	5,200,000	700,000	..
Crown Lands	3,700,000	1,400,000	2,300,000	..	10,500,000	8,200,000	2,300,000	..
Interest on Sundry Loans	250,000	150,000	100,000	..	820,000	660,000	160,000	..
Miscellaneous—	4,983,210	15,860,747	..	10,877,537	13,807,337	30,770,729	..	16,963,392
Ordinary Receipts	8,753,216	7,507,169	1,146,047	..	26,333,589	25,389,142	944,447	..
Special Receipts	75,417,129	88,032,022	..	12,614,893	170,805,947	287,939,795	..	117,133,848
	448,048,555	537,180,938	16,560,047	105,692,430	1,124,879,873	1,425,984,666	38,116,447	339,221,240
			Net Decrease, £89,132,383.				Net Decrease, £301,104,793.	

II.—An ACCOUNT showing the RECEIPTS into and ISSUES out of the EXCHEQUER in the Year ending March 31, 1922, as compared with the preceding Year.

RECEIPTS.	Year ending Mar. 31, 1922.	Year ending Mar. 31, 1921.	ISSUES.	Year ending Mar. 31, 1922.	Year ending Mar. 31, 1921.
Balances in Exchequer on April 1—			Expenditure—		
Bank of England	£ 2,591,051	£ 7,159,773	Permanent Charge of Debt	24,500,000	24,500,000
Bank of Ireland	483,465	2,209,324	Interest, &c., on War Debt	307,794,547	325,096,616
	3,074,506	9,369,097	Road Fund	10,795,000	8,936,689
Revenue, as shown in Account I.	1,124,879,873	1,425,984,666	Payments to Local Taxation Accounts, &c.	11,171,716	10,785,503
Temporary Advances Repaid—			Payments to Northern Irish Exchequer	1,103,393	..
Bullion	10,730,000	5,310,000	Land Settlement	2,647,069	6,929,793
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	169,818	Other Consolidated Fund Services	1,868,102	1,796,276
Under the Unemployment Insurance Acts, 1921	520,000	..	Supply Services	719,307,000	817,381,000
Money Raised by Creation of Debt—			Total Expenditure chargeable against Revenue	1,979,186,687	1,995,497,877
(a) For Capital Expenditure Issues—			Temporary Advances—		
Under the Telegraph (Money) Acts, 1913 to 1921	7,961,474	5,900,000	Bullion	11,000,000	5,350,000
Under the Post Office (London) Railway Act, 1913	27,500	144,000	Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	169,818
Under the Housing Act, 1914	56,000	43,000	Under the Unemployment Insurance Acts, 1921	14,470,000	..
Under the Unemployment Insurance Acts, 1921	13,950,000	..	Issues to meet Capital Expenditure—		
(b) For other Issues—			Under the Telegraph (Money) Acts, 1913 to 1921	7,961,474	5,900,000
By Treasury Bills for Supply	3,760,073,000	4,099,649,000	Under the Post Office (London) Railway Act, 1913	27,500	144,000
By 4 per Cent. Funding Loan, 1909-90	..	769,061	Under the Housing Act, 1914	56,000	43,000
By 4 per Cent. Victory Bonds	..	15	Redemption of Unfunded Debt—		
By 5 per Cent. Exchequer Bonds, 1920	..	258,784	Treasury Bills for Supply	..	..
By 5 per Cent. Exchequer Bonds, 1925	..	20,760,794	(a) Repaid by issues under Section 59 (6) of the Finance Act, 1920	10,578,840	..
By National Savings Certificates—			(b) Repaid otherwise	3,866,836,160	4,079,634,000
Under War Loan Acts, 1914 to 1919	72,305,000	20,370,000	War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917	33,358,262	76,291,637
Under Finance Act, 1920	75	140	Principal of National Savings Certificates—		
By National War Bonds	..	..	(a) Repaid by issues under Sec. 59 (6) of the Finance Act, 1920	26,000,000	..
By Treasury Bonds—			(b) Repaid otherwise	10,400,000	30,400,000
5-15 Year, 1925-35	1,062,317	22,584,233	Principal of Exchequer Bonds paid off	42,781,133	28,212,643
5 per Cent., 1927	283,752,539	..	5 per Cent., 1922, £31,818,313; less paid off by the National Debt Commissioners, £8,000,000 23,818,313	..	..
5 per Cent., 1927	48,796,364	..	Other Debt under the War Loan Acts, 1914 to 1919	58,815,156	93,687,020
By Other Debt created under the War Loan Acts, 1914 to 1919	11,923,575	47,078,090	Principal of American Loan under the American Loan Act, 1915	..	59,223,221
(c) Ways and Means Advances	1,376,673,500	1,464,976,000	Ways and Means Advances Repaid	1,383,861,000	1,515,374,000
Anglo-Persian Oil Company—			Depreciation Fund, under the Finance Act, 1917	29,260,246	31,920,268
Dividends on Shares Acquired	577,028	427,756	Anglo-Persian Oil Company—		
Repayments—			Issued under the Anglo-Persian Oil Company (Acquisition of Capital) Amendment Act	577,028	427,756
In respect of Suez Canal Drawn Shares	7,111	7,853	Issues to National Debt Commissioners to Reduce Debt—		
Do Cunard Loan	130,000	130,000	Suez Canal Drawn Shares Repayment	7,111	7,853
Do East African Protectorate Loan	127,268	5,940	Cunard Loan Repayments	130,000	130,000
Do Issues under Civil Contingencies Fund Act, 1919	7,250,000	5,000,000	East Africa Protectorate Loan Repayments	127,268	5,940
Do Issues under Land Settlement (Facilities) Act, 1919	63,128	16,760	Proceeds of National Savings Certificates—		
Do Issues under Section 59 (4) of the Finance Act, 1920	18,711,856	6,877,125	Issued under Section 59 (4) of the Finance Act, 1920	36,152,500	10,185,000
Interest—			Old Sinking Fund, 1910-11	..	..
Received under Section 59 (5) of the Finance Act, 1920	426,340	24,621	Issued under Section 16 (1) (b) of the Finance Act, 1911	319,620	322,766
	6,743,247,272	7,136,127,305		6,732,073,742	7,133,062,799
			Balances in Exchequer—		
			Bank of England	£ 9,963,424	£ 2,591,051
			Bank of Ireland	1,210,106	483,465
				11,173,530	3,074,506
				6,743,247,272	7,136,127,305

Mar. 31, 1922.		Mar. 31, 1921.	
Mar. 31, 1922.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1921.
£	£	£	£
1,275,330,000	1,275,330,000	1,275,330,000	1,275,330,000
147,301,500	154,489,000	147,301,500	154,489,000
582,219,000	1,120,841,000	582,219,000	1,120,841,000
1,028,580,500	1,275,330,000	1,028,580,500	1,275,330,000
245,808,500	245,808,500	245,808,500	245,808,500

* Includes £152,000, the proceeds of which were not carried to the Exchequer within the period of the account.

Revenue, March 31, 1922.

quality and quantity the crop of Oomras is exceptional, exceeding the previous one by 1,323,000 bales, or 117 per cent., and the average by 480,000 bales, or over 24 per cent. The supply of Dholleris is expected to be about the same as last year, and 11 per cent. more than the mean. On the other hand, Bengal-Sind is the smallest crop for years, 35 per cent. less than last year, and 21 per cent. smaller than the mean. Coomptas and Dharwars, as well as Northern and Westerns, are short, but Tinnevellys, Salems, and Cambodias promise a yield of 250,000 bales, which is about the average.

DISTRIBUTION, in THOUSANDS of BALES.

	1919-20.	1920-21.	Average 5 Years.
Exports to United Kingdom	149	38	203
Continent	364	214	314
Far East	1,796	1,465	1,397
Elsewhere	393	509	27
Total	2,702	2,226	1,941
Home consumption: Mills	1,913	2,078	2,064
Local	750	750	800
Total	2,663	2,828	2,864
Grand total	5,365	5,054	4,805
Less imports	22	113	16
Approximate crop	5,343	4,941	4,821

† Mean of 5 years ending 1918-19.

Again we have added to the official figures a column showing the average distribution of the preceding five crops. Less than 1 per cent. of the supply was taken by this country. To the Continent there was a decline on the previous year of 150,000 bales, and of 100,000 bales on the five years' average. Japan and the Far East continue to be India's largest buyers, taking, last season, 65 per cent. of the total exports, compared with 66 per cent. in 1919-20, and 72 per cent. in the five years mean. The mills continue to consume rather over two million bales annually, while the home consumption other than by the mills is still estimated at 750,000 bales.

The New Order in Guatemala.—President Orellana's Message to the new National Assembly deals with the period of transition from the revolution of last December to the resumption of constitutional government. A Military Council took over the executive power on the compulsory resignation of President Herrero, and convoked the old Assembly, which "considered the resignation," nominated two candidates for the Presidency, and transferred its powers to the first, who was naturally General Orellana himself. He fixed the elections for the new Assembly, first in May, subsequently in February, and they were carried out quietly, in spite of local disturbances involving some loss of life. Backed by the Army, the President "made it his first care to maintain public order," and sent special missions to the Government of the United States, and to those of the neighbouring Republics, with whom it is hoped fully to re-establish friendly relations at an early date. Superfluous officials have been dismissed, and expenditure reduced by \$40,000,000 (about £144,000 at present rates of exchange); much, the Message states, is being done, and more is promised, to extend and improve education, to promote agriculture and forestry, and to make new roads, one of which will open up communication with Salvador. A law is also in preparation regulating the search for petroleum. From an independent source we learn that the country is quiet, and that business is being carried on as usual; but it seems improbable that the Government is within sight of any payment on account of the arrears of interest (more than £844,000) on the external debt under the settlement of 1914. Having frustrated the recent attempt to restore the Central American Federation, President Orellana's Government has appointed a Commission to study and report on the best means of effecting a union, and he intimates that he will strive to bring it about. The abortive Constitution, described in these columns last November, was largely Utopian; but probably, from the Guatemalan point of view, more urgent objections are found in the location of the capital in Honduras, in the strict limitation of the powers of the President, and in the financial provisions, which de-

prived the Federal Government of its chief means of raising foreign loans, and so protected its autonomy that any lenders could hardly have obtained adequate control over the revenues assigned as security. Guatemala, as the largest and most military of the three States willing to federate, presumably intends to have the hegemony.

Cammell Laird's Year.—The report of Cammell Laird for 1921 shows a further fall in profits, but when conditions prevailing in the period covered by the accounts are taken into consideration it is perhaps a matter for surprise that profits have been so well maintained. How the company has fared since 1905 may be seen from the following table:—

	Profit.	Deb. Int.	Prof. Div.	Appropriat'ns	Ord. Div.	Rate.	Carried Forward.
1905	£ 269,807	£ 38,000	£ 58,198	£ 60,415	£ 105,392	10*	£ 39,978
1906	349,280	75,500	61,261	86,126	114,767	10*	48,053
1907	75,410	77,028	30,631	..	28,692	2½	Dr. 14,987
1908	Dr. 48,750	103,384	..	..	..	..	Dr. 169,221
1909	128,740	78,025	..	..	..	..	9,398
1910	296,861	78,025	86,531	..	..	..	35,768
1911	199,867	78,025	91,892	..	..	..	56,534
1912	223,014	78,025	122,522	..	..	..	37,775
1913	252,151	83,025	91,892	68,602	28,692	2½	25,937
1914	320,924	83,025	61,261	100,000	86,075	7½	51,460
1915	386,866	83,025	61,261	100,000	114,768	10	94,494
1916	404,397	83,025	61,261	100,000	114,768	10	74,689
1917	391,148	83,025	61,261	150,000	114,768	10	76,825
1918	365,089	83,025	61,261	100,000	114,768	10	175,033
1919	50,031	83,025	61,261	31,500	188,037	7½	71,471
1920	343,657	83,025	61,261	..	..	..	38,637
1921	298,612	128,025	61,261	..	139,660	5	..

* Free of income-tax.

Profits are shown after providing special and ordinary depreciation and adjusting excess profits duty. Charges upon the issue of the £600,000 7½ per cent. notes come into the accounts for 1921, and these alone absorbed £45,000. The dividend has been reduced from 7½ to 5 per cent., and no special allocation to reserve has been made. If only the company could see its way clear to publish a profit and loss account, shareholders could obtain a clearer view of the year's results.

Some Rand Results.—The week has witnessed the appearance of the annual reports of two companies operating on the Witwatersrand, and also of statements regarding dividends on the part of two other kindred concerns. In no case has any ground for enthusiasm been afforded. The reports referred to are those of the Durban Roodepoort Deep and the Robinson Gold—old main-reef undertakings. The former shows a working profit of £27,800, the bulk of which is applied to replacement of capital expenditure; the last dividend was 2½ per cent. for 1918. Thanks mainly to the treatment of an increased tonnage of ore, the company was able to reduce its costs by 1s to 3s 5d per ton. Even the latter figure, however, represents an advance of fully 10s upon the 1915 average, and but for the gold premium, a substantial loss would have resulted. With gold at 95s per ounce, the mine is not a payable proposition. The ore reserves exceed a million tons, representing about three years' supply for the mill, and doubtless some further tonnage will be opened up. The consulting engineer observes that the mine cannot be restarted under the economic conditions prevailing at the end of 1921; the position has, however, changed as a consequence of the strike. The company is still somewhat in debt to its sponsor, the Central Mining Corporation. Last year's net earnings of that wonderful old property, the Robinson, amounted to only £22,000, as compared with £98,200 for 1920, but the carry-forward was drawn upon heavily in order that the shareholders might receive 2 per cent., or £55,000, bringing the grand total up to nearly £12,000,000. As already mentioned in these columns, the output is to be greatly reduced, as present economic conditions do not permit the treatment of the lower-grade ore. With both these companies a substantial reduction in costs would much extend the life of the mine. As regards the dividend items, the directors of the Transvaal Gold Mining Estates, whose property is situated in the Lydenburg district, announce that as the profit for the past half-year amounts to less than 1 per cent. upon the issued capital, no distribution can be made; the last

was 2½ per cent. in September, 1920. To people in touch with the position, it has been a foregone conclusion that the Consolidated Mines Selection Company would be unable to pay any dividend in respect of last year. This is now confirmed by an official announcement. So far as can be gathered, the company made a profit of some £50,000, but £152,000 is required to meet depreciation on certain of the company's holdings. Of this sum £100,000 is to be provided by a further transfer back from reserve. In respect of the two preceding years, 15 to 35 per cent. has been paid, but the chairman has taken the opportunity at the annual meetings to utter a warning that lean times were likely to come sooner or later. These warnings have now found their justification.

Globe and Phoenix.—Within the past 12 months writes our mining correspondent, a marked change has taken place in the position and prospects of this Rhodesian enterprise, whose history provides one of the romances of mining. In 1920 the receipts were swollen by adjustments in respect of the previous year's gold sales, as well as by the high average premium realised, and dividends totalling 6s per share were paid. The outlook for the mine, although not without points of hope, was somewhat uncertain; in view of this, the sum of £100,000 was transferred to special development reserve. Last year's profit came out at £182,100, a decline of £161,900, the effects of a sharp relapse in the price of gold being accentuated by a temporary suspension of operations in March as the outcome of labour trouble. After providing for dividends totalling 2s per share, and for taxation on an even higher scale than before, the increased balance of £23,900 remains to be carried forward. Of this, £10,000 represents a transfer back out of the development reserve—a proceeding the reason of which is obscure. The consulting engineer reports that the encouraging developments of the early part of the year failed to continue, but he is hopeful of making fresh discoveries. Unless these hopes are realised, the position of the company will become a parlous one, as the existing ore reserves constitute less than 18 months' supply for the mill. The balance-sheet shows surplus cash assets over liabilities equivalent to 3s per share, and if it is—somewhat optimistically—assumed that the existing ore reserves will supply 3s in dividends, it follows that about half the current market price of the shares is represented by the possibilities of the future. On more than one occasion the acquisition of adjoining ground has been mooted, but the directors make no reference to the subject in their report.

Oversea Correspondence.

UNITED STATES.—MONEY EASIER—FOREIGN LOANS — FOREIGN TRADE IN FEBRUARY — EXPORTS DECLINE.

(FROM OUR CORRESPONDENT.)

NEW YORK, March 18.

THE most important development in the financial situation here this week was the sharp decline in money rates. For a long time past banks had been asking 5 per cent. for fixed-date accommodations on both mixed and all industrial collateral, with offerings very light at that figure, while borrowers, as a rule, were unwilling to bid more than 4½ per cent. This week, however, funds became plentiful at 4½ to 4¾ per cent. for 60 and 90-day loans, while loans for 30 days were negotiated at 4½ per cent., but demand was not very heavy even at the lower levels. The 4½ per cent. rate is the lowest witnessed here since September, 1917. On the Stock Exchange call money dropped from 4 to 3 per cent., the lowest rate seen since early in January, while in the outside money market demand funds were offered in large quantities at 2½ per cent. Commercial paper discounts, which for many weeks have ruled firm at 4½ to 5 per cent., also relaxed, prime names moving freely at 4½ per cent., while exceptionally choice business paper now discounts at 4½ per cent., and

occasionally at 4½ per cent. for short maturities; less desirable names are still discounted at 5 per cent., but the bulk of the transactions is put through at 4½ to 4¾ per cent. with both New York and interior institutions buying more freely than at any time this year. This week's decided easing in money rates occurred simultaneously with unusually heavy banking operations around March 15th. On that date, for instance, the 1921 Federal income taxes, or the first instalment thereof, were payable; Treasury certificates of indebtedness, aggregating \$530,000,000 approximately, matured; interest on the third Liberty Loan bonds, amounting to about \$107,000,000, was paid, as well as the interest which then fell due on certain Treasury notes, and payments were also made on account of subscriptions to the latest issue of 4½ per cent. Treasury certificates dated March 15th. The net result of all those transactions was the accumulation here, temporarily at least, of a vast sum of money. Naturally efforts were made by banks and other institutions to find employment for such funds, and under the flood of offerings rates declined. Many authorities expected money rates, especially for fixed periods, to continue easy for some time, pending a revival in trade and industry. Business has lately shown improvement in a number of directions, but nothing approaching a boom is yet in sight, and the best opinion seems to be that the recovery will be gradual.

New financing this week was again featured by a number of foreign security offerings. The largest single block of the latter—namely, \$40,000,000 Dutch East Indies 25-year 6 per cent. bonds, which were offered to investors at 94½—was heavily oversubscribed. The bonds are a direct external obligation of the Dutch East Indies Government. Like many other issues recently brought out, they are not callable for the first 10 years, but after that period—that is, after March 1, 1932—they will be redeemable at the option of the Government, as a whole or in part, at par and accrued interest. The syndicate which handled the offering was headed by the Guaranty Company of New York, and included the same banking and investment houses that early in January floated a like amount of such bonds here at 94½, to yield from 6.45 to 6.75 per cent. At the price offered this week, the new securities yield more than 6.35 per cent. if held to maturity. Another large and successful offering consisted of \$30,000,000 6 per cent. external sinking fund gold bonds of the Paris, Lyons, and Mediterranean Railway Company, maturing August 15, 1958. Provision is made for a cumulative sinking fund sufficient to redeem the entire issue by the date of maturity. They were offered by Kuhn, Loeb, and Co. and the National City Company at 83 per cent. and accrued interest to the date of delivery, to yield 7.35 per cent. to maturity, and were readily placed. Investors also quickly subscribed for the \$10,000,000 Framerican Industrial Development Corporation 20-year 7½ per cent. debenture bonds, unconditionally guaranteed as to principal and interest by endorsement on each bond by Schneider et Cie. The Framerican Corporation was organised in 1917 under the laws of New York State for the primary purpose of facilitating the business in this country of the French concern, Schneider and Co. A banking syndicate, headed by J. P. Morgan and Co., offered the bonds at 99 per cent. and accrued interest, to yield approximately 7.60 per cent.

The statement of our foreign trade in February has attracted a good deal of attention because of the heavy decline in exports which it revealed during that month. Some further shrinkage was looked for, since our outward movement of merchandise and commodities has been decreasing for some time, but the falling off last month was far greater than had been expected. The total value of February exports, \$251,000,000, was \$28,000,000 less than that of January, \$238,000,000 below the total for February, 1921, which was the highest total recorded for any month since November, 1914. Last month's imports of \$217,000,000 showed a slight increase over January, and about \$2,500,000 over February of last year. The excess of exports for February amounted to only \$34,000,000, or about half that of January, and compares with \$271,900,000 in the preceding February, and with \$349,900,000, approximately, in February, 1919. The surplus of exports last month was only about one-

twentieth of that in the peak month of June, 1919 (\$635,463,660), and was the smallest excess recorded since September, 1914. Gold imports amounted to some \$28,700,000, or little less than the merchandise export excess. These February figures, especially when considered in connection with Great Britain's exhibit for the same month, go a long way towards explaining the course of the foreign exchange market, notably sterling, in recent weeks.

Strange to say, very little concern has thus far been manifested by the general public over the threatened strike of soft coal miners in April 1st as a result of failure to agree on a new wage scale. The men have asked an advance or the maintenance of the old scale, while the operators have insisted on a reduction. Although some consumers have apparently been laying in supplies, judging from the steady increase in output since last December, the majority have shown remarkable indifference, and prices have certainly not been affected to any appreciable extent. The reason is found, perhaps, in the expectation of mild weather. Furthermore, large stocks are believed to be above ground, some estimates placing the amount at 60,000,000 to 65,000,000 tons. The stocks, however, are not uniformly distributed. The Geological Survey statistics, for instance, show that by-product coke works have 42 days' supply, steel plants enough to last them 48 days, other industrials 51 days, gas plants 80 days, electric utilities 51 days, dealers 33 days, and railroads 35 days. It is felt that in the event of a strike the non-union fields, particularly those in West Virginia, Alabama, and in some parts of Illinois will continue to furnish a good supply. Not much help is expected from the anthracite fields, where miners have demanded a 20 per cent. increase in wages after April 1st.

FRANCE.—RESTORATION—PAYMENT IN KIND—THE NEW AGREEMENT.

(FROM OUR CORRESPONDENT.)

PARIS, March 28.

THERE at last appears to be some prospect, unless the German Government really refuses to accept the substantially easier terms now offered by the Reparations Commission (as set forth in this column last week), that it will be possible in the near future to commence the restoration of the devastated regions of France. The fact that, although the war ended nearly three and a-half years ago, it has so far been impossible to make any serious attempt to reconstruct the hundreds of thousands of buildings destroyed during the hostilities, is due to the circumstance that all efforts in this direction have been dependent on definite arrangements being made for the necessary money and materials (or both) to be furnished by Germany. These arrangements have now, it is hoped, been finally settled in the form of the stipulations (of which I gave a summary last week) that have now been forwarded to the German Government by the Allied Reparations Commission. An important feature of this arrangement is the amount that Germany will be allowed to pay in the form of merchandise and materials.

The first definite step taken in this direction, so far as France is concerned, was the signature, on October 6th last, by M. Loucheur and Dr Rathenau, of what are known as the Wiesbaden agreements, which set forth arrangements whereby Germany should furnish merchandise and materials to French sufferers from material war losses (and to sufferers alone), for a period of between four and five years (October 1, 1921, to May 1, 1926) up to a total value of 7 milliard gold marks, a certain proportion of this amount to be credited to Germany each year, on account of the amount of reparation payments due to France for that year, the surplus, if any, to be carried forward against payments that would subsequently become due. This was a purely private Franco-German arrangement, and was entered into independent of the Reparations Commission. As such it was dependent on ratification by the French Parliament, which ratification has so far been held in suspense, until it could be seen what action the Reparations Commission, which represents all the Allies, proposed to take.

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The Loucheur-Rathenau agreements, upon examination, were found, although conferring substantial financial advantages on both countries, to present serious inconvenience. For one thing, they proposed the setting up of a special central organism in France, in the hands of which victims of war losses must place their orders for materials. This central office in France was to pass such orders on to a similar office that was to be created in Germany, which in its turn was to distribute the orders to firms of its own selection. In such circumstances the buyer would be ignorant of the firm to which his order would go, whereas he naturally desired to be put into direct relationship. Further, prices were to be fixed independently of either buyer or seller, and, according to a very complicated method, which made it appear possible that in practical working the prices charged would be so high as to render the arrangement of very little benefit to the purchaser, while in certain cases they would be absolutely impracticable.

The outcome of these criticisms, which excited a large amount of attention among business men here, was that the Reparations Commission entered into direct negotiations with the German Government, in order, while preserving the principle of the Loucheur-Rathenau agreements, to render it applicable to the nationals of all the Allied Powers (and not merely to French sufferers), and at the same time to bring about an arrangement that would prove more flexible in working and more acceptable to the parties directly concerned than would be possible under the Wiesbaden agreements. These efforts resulted in the signature in Berlin, on February 27th, between M. Bemelmans (for the Reparations Commission) and Herr Cuntze (for the German Government) of a new form of agreement applicable to all the Allies and covering payments in kind for a period of three years. By the terms of this agreement orders will be passed by purchasers direct to German manufacturers or merchants of their own personal selection, and in accordance with ordinary commercial procedure. The German manufacturer, after executing an order, will send in his account to his own Government, which will forward to the Reparations Commission its own cheque for the amount due, and debit the sum in question to the country to which the purchaser of the goods belongs, as part payment of the amount due to it by Germany on account of reparations. The Reparations Commission, when it receives the cheque from the German Government, will pass it on to the actual purchaser, who will forward it in settlement direct to the firm in Germany from whom he has obtained the goods.

Both victims of war losses and non-victims will be able to make use of the Bemelmans system, the principal difference between the two classes of purchasers being that the latter will be required to pay a varying percentage of the value (according to the nature of the goods required) in cash (which for certain categories will be as much as 90 per cent.), while victims who have claims against the German Government will pay nothing in cash, but will have the amount of their purchases debited against the amount of reparations due to them. Under the Bemelmans agreement, further, the price of the goods will be fixed by the two parties directly interested, in the usual way. The fact that non-victims will have to pay partly, and sometimes largely, in cash will naturally tend to restrict this category of purchasers to a comparatively small number, with the result that, as a maximum has been fixed for the total value of payments in kind to be made by Germany in any one year, both countries in-

terested in the paying off of the reparations debt will benefit.

When the French financial experts came to compare the provisions of the Bemelmans agreement with those of the Loucheur-Rathenau arrangement, it was at once seen that the advantages of the former, so far as the interests of the sufferers from war losses were concerned, were distinctly superior to those embodied in the Wiesbaden agreements. It was argued that if the provisions of the Bemelmans arrangement concerning the supply of materials to French holders of indemnity claims could be combined with the financial provisions of the Wiesbaden agreements, the inconveniences attaching to the latter would be got rid of. One of the stipulations put forward by the German representative, on signing the Bemelmans agreement, however, was that France should be excluded from profiting from the greater advantages conferred by the newer instrument. Direct negotiations were accordingly entered into between the French and German Governments, with the knowledge and consent of the Allied Finance Ministers present at the Paris Conference of March 7th last. As a result, on March 15th an amending agreement was signed in Berlin (by M. Gillet, representing the French Minister for the Liberated Regions, and Dr Ruppel for Germany), whereby French holders of indemnity claims are given, among other advantages, the benefit of adopting the same direct system of ordering and paying for the goods they require which is embodied in the Bemelmans agreement. In short, the agreement of March 15th enables France to retain all the financial advantages of the Wiesbaden agreements, and procures her the additional benefit of the procedure fixed by the Bemelmans arrangement.

In order that the agreements that have been arranged may be put into operation and the work of reconstructing the devastated regions begun, all that now appears to be necessary is for Parliamentary ratification to be given to them. A short Bill of two articles only was last week laid before the Chamber with this object. The second of the two articles provides for the fixation of special Customs rates for application to deliveries of goods and materials furnished by Germany for the reconstitution of the devastated regions.

GERMANY.—REPARATIONS—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, March 28.

THE Note of the Reparations Commission stating the terms upon which the London Ultimatum payments would be reduced this year has, so far, had less disturbing effects than seemed likely at the time of publication. The mark exchange's sharp drop suddenly stopped, and the feared Cabinet crisis was prevented. It was prevented only because this time the Chancellor and the parties behind the pending Financial Reform (People's Party, Centre, Democrats and Socialists) agreed as to the policy to be pursued. If on the basis of this policy no agreement can be come to with the Reparations Commission, either the Cabinet must reverse its plans and give way to the Commission—in which case there will be a Cabinet crisis; or the Cabinet, backed by the parties mentioned, must continue to reject the Commission's demands—in which case the crisis will not be internal but international. The substance of Dr Wirth's statement to the Reichstag to-day is a refusal to impose the demanded 60 milliards of new taxes or to accept the Commission's claim to dictate taxation. The taxation system, according to Dr Wirth, has already been strained to the utmost.

The Commission's Note does not invite the negotiations for which Dr Wirth hopes. The terms are not framed directly in Ultimatum form; but they are put forward as the finally considered conditions upon which the temporary reduction of payments will be granted. As a means of bringing pressure on Germany to promise things which the dominant parties do not want to do and declare to be impossible, the semi-Ultimatum form of the Note is less effective than the Ultimatum form of May, 1921. Under threat of a new invasion, the

Ultimatum was accepted by parties which declared that its terms could not be carried out; and this surrender policy, though dishonest, was justified, it is claimed, by events, for the invasion was prevented, and within six months the framers of the Ultimatum had admitted its impracticability. The present threat is weaker, being merely that if the new demanded terms are not conceded, the full London Ultimatum payments will be required. This threat, for reasons which were probably visible to the Commission, has had very little effect. The Commission's reason for granting the reduction is its own formally acknowledged conviction that the London payments cannot be made; and no influence can be exerted on present German decisions by fear that these payments will be later demanded as a reprisal.

In the Press and in Reichstag circles, most opposition is provoked by the Commission's order to the Cabinet to impose another 60 milliards of taxes, of which 40 milliards must be collected before the end of the year. This is the cause of angry protests against the Allies' denial of Germany's "Steuerhoheit." The Cabinet and Party attitude, as defined during the recent negotiations for a taxation compromise and a forced loan, is that no further such tax can at present be raised. A practicable taxation source, it is claimed, does not exist. On this point the Commission's Note contains a weakness which is inevitable if any authority decrees taxation in a foreign country without taking responsibility. While the Cabinet and Parties declare that the tax cannot be imposed, and give their reasons, good or bad, the Commission, with full means of information as to recent desperate struggles to find new sources of taxation, declares that the tax can be imposed. Such an affirmation would have more persuasive influence if the Commission stated in what way the Cabinet had neglected to exploit possible sources. Instead, the Note implies that there are so many obvious sources that it leaves Germany the privilege of choosing the pleasantest. This concession, which reads like and is interpreted by the German Press as conscious irony, has no relation to real German politics. In real German politics it is extremely difficult to raise much smaller sums than 60 milliards; every pfennig of fresh taxes is the subject of heated controversies among the interests; and even if it were possible to coerce Dr Wirth, it is beyond Dr Wirth's, or any other Chancellor's, power to coerce the interests. With most of these interests, the objection to taxes which they cannot, or do not want to, pay is much stronger than their fear of any unpleasantness likely to result from a default in Reparations. They reason that if Dr Wirth imposes impossible taxes he will exact something; whereas if the claimant countries go to extremes they will get nothing. For these reasons it is highly unlikely that any new heavy tax can this year be imposed; and the Commission's belief that the Reichstag could be forced to sanction a specified heavy tax by a specified near date again shows a curious indifference to political realities. Probably the dictation of German taxes from outside Germany involves this ignoring of practicabilities. Autocratic systems of financial or general government could not endure for a moment unless they were associated with a certain responsibility. While partial dictation of German Government from outside is impossible, complete dictation is entirely possible, because it will involve responsibility for conducting the German Administration and feeding the German people. The system outlined in the Commission's Note merely acts as an irritant.

German obduracy is all the more inevitable because the execution—on paper—of the Commission's orders would not ensure a mark of Reparations money. While the Note states quite clearly, if impracticably, how the deficit in the Budget of 1922 could be reduced, it says nothing on the real question, which is how the unpaid remaining part of the 720 millions gold and the 1,450 millions in goods can be provided. As the Allies are not interested in the German Budget, except in so far as it is connected with Reparations, the Note must be taken to imply that the financial measures which it orders would in some way automatically ensure Reparations. Unfortunately, that is not so. It is true that the whole current deficit is (or before the last mark-exchange fall upset calculations was) caused by Reparations. But that

does not mean that the collection of a further large sum in paper marks would make it possible to pay Reparations without producing again the Budget evils for which the Note professes to point out the cure. The extra paper mark revenue would replace Treasury bills and new Reichsbank notes as a means for (1) buying native-owned foreign bills for the gold instalments, and (2) compensating native producers for deliveries in kind; but the foreign payment balance would be burdened just as heavily as under the present deficit system, and with that the mark exchange must continue to go down and the deficits to go up. The Budget, as Professor M. J. Bonn truthfully says, has become—in the mathematician's sense—merely a function of the mark exchange; if the exchange is brought further down by exports of gold, bills or goods, without any return to Germany, the State expenditure must increase; and the speediest Government procedure in imposing yet more taxes will not prevent the deficits increasing, and with them the Floating Debt and the Inflation. On this point the Note tends to follow foreign public prejudices rather than German actualities. The Note, for instance, requires Germany to invent a system by which nominal taxes shall automatically increase according to the future increase of the debt to the Reichsbank, or to the fall in the home-buying power of the mark.

The month-to-month increase in the Floating Debt, which determines (though it is not the same as) the increase in inflation, is almost wholly for Reparations, cash or kind. The imposition of a new heavy tax would, if the tax could be collected, reduce the rate of increase in the Floating Debt and Inflation, but it would not correct the unfavourable foreign payment balance; marks would continue to be thrown on the exchange bourses; the mark exchange would continue downwards, and rising prices and rising State expenditure would always tend to restore the deficits and the inflation. The payment of Reparations on the principles of sound finance is prevented, not by bad finance, but by the impossibility of creating an export surplus; and that being so, Reparations have been paid, and will be paid, if paid at all, on principles of bad finance, the ruin of the Budget being the result. To say this is not to accept without qualification the argument of some Germans that at present Reparations could not under any circumstances be paid. When compared with the annual gold burdens borne by countries which are little more prosperous than Germany, the gold cost of the payments in cash and kind is not overwhelming. But the mark exchange collapse, which could certainly have been prevented if Germany's international relations had been handled carefully by the dominant Powers, and if the incessant panics among the mark interests had been avoided, has hopelessly deranged the whole German financial system. Every attempt to repair past failures has been foiled by fresh exchange collapses, each of which can be directly traced to the unnecessarily violent and threatening political methods pursued. The Reparations burden, though the gold sum is now to be reduced, takes for German paper finance ever more impossible dimensions, and no way out of the difficulty can be seen.

The Stock Exchange last week did not react fully to the mark fall. Averages changed very little; but home loans continued to rise, and Federal Three to-day reached a new record of 132.75, other prices being: War Loan, 77.50; 4 per cent., 96.75; 3½ per cent., 91.10; colonial 4 per cent., 114; and Savings and Premium, 82.30, all except the last having sharp rises to-day. Industrial stocks yesterday and to-day were firm but quiet, leaders to-day being Upper Silesians—in particular Kattowitz—on the basis of rumours as to the negotiations with foreign capitalists. The banking houses of Mendelssohn in Berlin and Amsterdam have concluded an agreement for common operations with the Bavarian Vereinsbank. The gold supplement on Customs duties paid in paper marks has been raised from 4,400 to 5,900 per cent., or sixty times the nominal. The Reichsbank has raised its price for the 20-mark gold piece from 950 to 1,200 marks paper. The Government has forbidden the export of foreign securities or the sale thereof to persons residing abroad. Hitherto this was allowed on permit from the Reichsbank.

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ITALY.—PROPOSED TAX ON BEARER SECURITIES— DUTY ON WHEAT POSTPONED—BANCA DI SCONTO AFFAIRS—STATE REVENUE.

(FROM OUR CORRESPONDENT.)

ROME, March 26.

THE new Finance Minister, Signor Bertone, has laid on the table of the House of Deputies a Bill imposing a tax of 15 per cent. on the dividends of State bearer securities. If a bondholder desires to be exempted from the tax, he can do so by inscribing the security to his name. If accepted by Parliament this Bill will put an end to the compulsory inscription of all securities. Signor Giolitti had made compulsory inscription one of the chief items of his financial programme, and by the Law of September 24, 1920, the principle was formally introduced into our legislative code. Signor Giolitti foresaw many good results from its adoption, of which the chief was the certainty that taxpayers could no more escape succession tax, capital levy, and income-tax. Having securities inscribed to their name, taxpayers would be obliged to fill in tax forms correctly, whereas at present the custom of omitting bearer securities altogether is prevalent.

Joint stock companies have been unable to issue new shares, for no capitalist would touch an inscribed share. Unfortunate subscribers to such shares cannot get rid of them, for they are unsaleable, and no bank would think of making advances upon them. In Italy the public is bent on having bearer securities, and the methods of transferring inscribed shares are clumsy and costly. The Treasury found itself obliged to recognise facts, for it was impossible for the State to issue Consols or other bonds liable to the compulsory inscription. The only State security which has a market is the seven-year Exchequer bonds, as these were, by the Law of September 24, 1920, exempted from compulsory inscription. At last the Government has yielded to the lesson of hard facts, and the new Bill, while maintaining the principle of compulsory inscription—the present Cabinet is made up by Giolitti followers and a formal renunciation of a cherished shibboleth of the old chief was impossible—authorises every possessor of State or private securities to keep them in bearer form if they will submit themselves to a 15 per cent. tax on the dividends. Foreigners and Italian residents abroad will have also to pay the tax if they object to technicalities of the inscription. The new tax will not be favourable to the easy marketing of Italian State securities.

A recent decree has postponed to July 1, 1922, the duty on wheat, which was suspended during the war and was to be re-established on April 1, 1922. The duty is 7.50 gold lire, corresponding to about 30 paper lire per quintal. As the price is to-day about 110 lire, the duty would have added from 25 to 30 per cent. to the bread price. It seems unlikely that the duty on wheat will be eventually restored, as the Socialist and popular parties are obliged to oppose it. Perhaps this will be the beginning of the wane of protectionism. Agricultural interests will feel more and more aggrieved by high duties on implements, machinery, and textiles not counterbalanced by protective duties on agricultural products.

The affairs of the Banca Italiana di Sconto are stationary. By a decree of the Roma Tribunal a balance-sheet dated December 31, 1921, has been published in which the assets are estimated at 4,929.2 millions lire, and the liabilities (exclusive of capital and the reserves) at 5,916.7 millions lire. Of these 1,673.7 are privileged,

so that only 3,255.5 millions are left to be shared among 4,243 millions lire of ordinary credits. The various classes of creditors and employees, though divided among themselves, are bent on obtaining the maximum aid from the banks of issue and the public Exchequer. It is not known exactly what shape State aid will take.

A recent official report states that the public revenue for the first eight months of the financial year 1921-22 (July to February) was 8,425 millions lire, against 7,016 millions lire for the corresponding months of 1920-21. The tax yield for the whole year can be estimated at 12,500 millions lire, against 2,500 in 1913-14. Adding about 2,500 millions lire paid to provinces and municipalities, we reach a sixfold increase on the pre-war year. As the purchasing power of the lira has been only reduced to one-fourth or one-fifth of its pre-war value, it appears that taxation has more than kept pace with the increase in paper incomes.

CANADA.—THE RECIPROCITY NEGOTIATIONS—CANADIAN LOAN IN NEW YORK—AGRICULTURE AND BUSINESS—RAILWAY PROBLEMS—FEDERAL FINANCES—COST OF LIVING.

(FROM OUR CORRESPONDENT.)

OTTAWA, March 13.

MR W. S. FIELDING, the Finance Minister, received (as he has admitted in a frank statement) little encouragement from President Harding and other Republican leaders for the immediate revival of the reciprocity negotiations. There is evidence that some American farmers are suffering disillusionment about the beneficial effects of the emergency tariff legislation, but the process is not general, and the reopening of the door to Canadian agricultural products would provoke an outcry in the Middle Western and North-Western States. Even if other obstacles had not existed, the reinstatement of the old pact in its original form would have been impossible, for changes in the intervening years had made many of its provisions obsolete. A clause in the Fordney Bill, which is now making slow progress through Congress, specifically provides for its repeal, and if negotiations for reciprocity are renewed, it will be on a completely fresh basis, and it is safe to prophesy that the Americans will demand much larger concessions for their manufactures than they did in 1911. Mr Fielding asserts that he regards the project as far from hopeless. He points out that the Fordney Bill contains a clause authorising the President to open negotiations with countries which will offer reciprocal treatment to American goods, and claims to have been assured that the framers of this clause have Canada specially in mind. The general impression is that both the Harding Administration and the business and financial interests of the East would like to see a wide measure of reciprocity with Canada enacted, and their attitude has found expression lately in a number of influential papers like the *New York Times* and the *Wall Street Journal*. The former has editorially expressed its belief in the benefits of continental free trade, and thinks a movement in its support should be organised on both sides of the border: Canada is still the best customer of the United States, and the drop in the trade between the two countries in the past year furnishes valuable ammunition to the friends of reciprocity. The idea, however, must remain in abeyance for a time until the political obstacles now existing at Washington are removed. A reciprocity agreement would not be universally popular in Canada, but many of the arguments of 1911 could not be repeated with success, and many of the bitterest opponents of the 1911 agreement would be found zealously championing a fresh pact.

In New York Mr Fielding borrowed for the benefit of the National Railways \$11,000,000. He only asked for a sum sufficient for immediate refunding needs, and issued short-term notes bearing 5 per cent. interest for three years. A syndicate consisting of Dillon, Read, and Co.,

the National City Company, the Guaranty Company, and Lee Higginson and Co. purchased them at 99.03, or on a basis of 5.35 per cent. The Government must borrow on a large scale in the near future, and a rumour that its next loan may be placed in London instead of New York has caused a setback in Canadian exchange in the latter city.

The improvement in prices for wheat and other farm products is favourably affecting business conditions in Western Canada; although no stabilised change in the situation can be looked for till another crop is actually harvested, a feeling of greater hope and confidence has already provided a welcome stimulus. The *Saskatoon Star* estimates that the recent rise in prices has meant an addition of \$45,000,000 to the value of the 1921 crop, and other Western papers are striking a more optimistic note than they have permitted themselves for six months. The banks and mortgage companies, which two months ago were very nervous about the situation, are now inclined to stand behind all farmers whose records warrant backing, and there never was a time when the Western farmers were in greater need of financial support. Manufacturers and wholesalers in Winnipeg do not admit any exceptional rush of orders from the country, but there has been a good demand for dry goods of every variety, and there is a feeling that spring business will in general be satisfactory. In the Eastern cities the wholesale dry-goods houses find the volume of orders immeasurably ahead of last year. There is every sign of an early break-up of winter, and there has been a gratifying decline in the figures of unemployment. The iron and steel trades are still facing difficult times, and the agricultural implement firms find the farmers very reluctant to buy. The milling industry remains in a very satisfactory condition, and for the first nine months of the fiscal year the exports of flour were 5,130,900 barrels, as compared with 3,869,931 barrels in the corresponding period of 1920-21. Owing to the drop in prices the value, however, had declined from 46 to 39 million dollars. The United Kingdom had taken 3,387,000 barrels in that period, as compared with 1,532,000 in the same nine months of the previous year.

The first session of the fourteenth Parliament opened on March 8th, and a short but interesting session is anticipated. The Speech from the Throne promises "co-ordination" of the various units of the State railway system, but the advocates of the latter will not be satisfied with anything short of consolidation, and it is exactly this development which the C.P.R. desires to avert. There will also be waged in Parliament this session a fierce controversy over railway rates. More than twenty years ago the C.P.R., in consideration of receiving a subsidy for their Crow's Nest Pass line, agreed with the Dominion Government that their freight rates on certain basic commodities should never exceed a certain level. To meet changed conditions caused by the rise in wages and prices, Parliament authorised a temporary suspension of the agreement; but unless the suspension is prolonged its terms come into effect again on July of this year, and their restoration will mean a loss of millions of dollars to the railways. Finance will provide the Government with another thorny problem. In his last Budget speech, Sir Henry Drayton, the late Finance Minister, estimated that if the country was to pay its way he should raise about 435 million dollars in the fiscal year 1921-22. In the eleven months which ended on February 28th, \$343,846,768 has been collected, as compared with \$418,916,180; despite the additions to the sales tax there has been a decrease in revenue of \$75,069,412. It has been partially offset by a decrease in expenditure amounting to \$46,433,543. The chief decline has been in customs, which have shrunk from 153 to 94 millions in the eleven months period. The last month of the fiscal year will probably show some improvement on the average, but Mr Fielding does not seem likely to find himself in possession of revenue much in excess of 380 millions, and a deficit of at least 50 millions must be faced. Recourse to extra taxation is almost impossible, and the result is that the Finance Minister is pressing for wholesale economies in the estimates.

The cost of living is steadily falling in Canada, and the following prices prevailing last week in the Ottawa market give some tangible evidence of its decline, the

figures for the corresponding week in 1920 when food prices were at their peak being added:—

	1920.	1922.
Butter	55-65c	35c
Eggs	75-90c	40-45c
Beef (hinds)	15-18c	10-11c
Mutton	22c	14-15c
Haddock	14c	11c
Potatoes	per bag \$3.50-\$4	\$1.60-\$1.75

In January of this year, the average cost of 29 staple articles, selected by the Labour Department, was \$11.03 per week, as compared with \$15.30 in January, 1920, the decrease being 27½ per cent. However, in the same period there had been an increase of 25 per cent. in rents, and 8 per cent. in the cost of fuel and lighting. Substantial though the reduction in the cost of living is, it is much smaller than the corresponding decline in the United States. Canadian wholesale prices are still on an average about 60 per cent. above the level of 1914, but in the United States they are only 15 per cent. above 1914 scale in some lines, and on an average about 30 per cent. The Canadian sales tax, which operates as an internal tariff, is partly responsible for this state of affairs.

SPAIN.—FINANCIAL POLICY—BANK OF SPAIN—MONEY AND STOCKS—EXCHANGE QUOTATIONS.

(FROM OUR CORRESPONDENT.)

MADRID, March 22.

THE political situation has not improved much, in spite of the substitution of a Maura Cabinet by one presided over by Señor Sanchez Guerra. The general opinion is that the new Government is wanting in stability, and will not last long; in any case, as the first declarations of the new cabinet were to the effect that it would continue the policy of its predecessor, people are wondering what need there was to change. The new Government is apparently inclined to adopt, with few modifications, the taxation scheme proposed by the ex-Minister of Finance, Señor Cambó, which provides for a considerable increase in the taxes on wealth and articles of luxury, especially automobiles. This prospect, combined with the poor business situation, is probably the main reason for the increasing number of second-hand motor cars which are being offered for sale.

The official discount rate of the Bank of Spain continues at 6 per cent., but there is said to be a possibility of a reduction in the near future, following the lead of other National Banks in Europe.

The general meeting of the shareholders of the Bank of Spain took place on March 12th, and the figures given out on that occasion indicate considerable progress in every respect. The gross profits for the year 1921 amount to 151,550,447 pesetas, as against 94,824,551 pesetas in 1920, and the net profits are 119,881,914, against 72,105,404; the dividend has been increased from 180 to 220 pesetas. Compared with 1920, the note circulation at the end of December had been reduced by some 80,000,000 pesetas, while the gold reserves remained practically unchanged and the holding of silver had increased by over 50,000,000 pesetas. An endeavour will be made shortly to refloat the Banco de Barcelona, but out of the many schemes which have been put forward to this effect, so far none has met with the entire approval of the Government.

The Northern Railway Company has issued 100,000 6 per cent. 38-year bonds, 500 pesetas nominal, issued at 485 pesetas and redeemable at par. The guarantee is constituted by a special mortgage on the main lines from Madrid to the frontier. The whole of the issue was underwritten by a group of Spanish banks, and has been well received by the public.

At the time of writing an issue is being put on the market of 10,000 6 per cent. bonds of the Sociedad Española de Construcciones Electro-Mecánicas, redeemable at par (500 pesetas) in 30 years. This issue is being offered to the public at 87 per cent., and has been underwritten by the Banco de Bilbao, Bauer and Co., Banco Español de Crédito, Lazard Brothers, Tréfileries and Laminiers du Havre, and the Banque de l'Union Parisienne.

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On the 15th inst. the Official Sample Fair of Barcelona was inaugurated by Government representatives, and while it is too early to make any predictions in this respect, it is hoped that this departure may help to restore some activity to Spanish industries, which fell into a state of stagnation after the conclusion of their war contracts. There has been, however, considerable reluctance on the part of foreign manufacturers to exhibit their products, in view of the prohibitive duties which are now being applied to imported goods.

From the census of the population of Spain, carried out in December of last year, the following figures are given for the principal towns:—

	Population in 1920.	Increase since 1910.
Madrid	751,352	151,545
Barcelona	710,335	122,924
Valencia	239,800	6,452
Seville	205,527	47,240
Malaga	150,584	14,219
Saragossa	141,350	29,646
Murcia	141,175	16,118
Bilbao	114,351	20,815

Although these figures are not stated to be definite, they give an idea of the relative importance of the different towns and the statistics have furthermore revealed a very marked movement of the inhabitants of the North-Central zone (Burgos, Palencia, Salamanca, Segovia, Soria, Teruel, Valladolid, and Zamora) towards the South-Central zone (Badajoz, Ciudad Real, Cordoba, Jaen, Seville, Toledo, and Albacete).

The Bolsa has reflected little animation this month, either in stocks or in foreign exchange. The volume of business has been smaller even than in the months of January and February. In the matter of official quotations of foreign currencies in Madrid and Barcelona, it may be of interest to mention that in neither city can the quotations be relied upon to reflect the real state of the market; in some cases the difference is very marked, and calls forth legitimate protests, which, however, are unheeded. The reason is that some of the banks have occasionally to apply the official closing rates of the Madrid or Barcelona Bolsas to important operations with their customers, and it is an easy matter for them, especially in the present state of the market, to effect a small transaction on the stroke of four o'clock completely out of proportion with the previous and succeeding operations, thereby acquiring the right to apply the same rate to their customers. Possibly this state of affairs may disappear to some extent when business revives, but, in any case, it is a factor to be taken into consideration when calculating "arbitrages" on the basis of official quotations received from Madrid or Barcelona.

S W E D E N.—INDUSTRIAL POSITION—BANKING TROUBLES—COMMODITY PRICES FALLING: STOCKS AND MONEY—TRADE AGREEMENT WITH RUSSIA.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, March 18.

THE position in this country's trade and industry shows no material improvement. Industry has been greatly hampered by protracted labour negotiations, but so far everything has been settled without a strike, except in the phosphate and the sulphate industries. The boisterous weather

which has been prevalent during the winter has kept a large number of hands busy for repairs, and to clear roads and streets, but now unemployment seems again to be on the increase. In the timber industry a slight revival has been noticeable in sales, and it is estimated that towards 170,000 stds have been contracted for. But even this is a very low figure, and hardly 50 per cent. of normal turnover at this time of the year. British buyers are slow in coming forward, and French buyers are most prominent. At the same time, it has been noticed with some surprise that Germany again appears on the scene as a buyer of timber, the heavy rise in German timber prices being evidently the explanation. The depression in industry, and the collapse of many important concerns, has not, of course, been without influence on the position of the banks concerned. The Sydsvenska Kredit A/B, one of the leading banks, has found it impossible to continue on the old lines, and a reconstruction with the aid of other interested financial institutions has therefore been undertaken. A new concern with a share capital of 34 million kr has been formed to take over the assets and liabilities of the old bank, the shareholders of which receive 4 million kr shares in the new undertaking, and receive the right to subscribe new shares correspondingly to their holdings in the old bank. The reconstructed concern is guaranteed by consortium of most of the other Swedish banks, and by the State Bank. Amongst other failures have been the Kopparbergbank and the Mälarbanken, but in neither case have deposits been endangered, although the shareholders have, of course, suffered severely. In regard to the Sydsvenska bank, this is the first time that a reconstruction on these lines has been undertaken in Sweden, and the loyalty shown in this case by other banks is especially reassuring. In connection with the above banking failures and the reported weak position of one or two other banks in southern Sweden, the Government has found it expedient to intervene, and is proposing in the Diet a credit for 50 million kr, to be used as a support for banks in need of assistance.

The downward tendency in the stock markets has continued, and during February alone the decline in Stock Exchange values amounted to 265 million kr, which means 30 per cent. loss for a group of 13 leading companies. The largest fall has been recorded in industrials, bank shares, and transport shares. The State Bank has now again lowered its discount rate to 5 per cent., and the private banks have followed suit. Opinions that the price-level had at the beginning of the year reached bottom and was about to stabilise itself in this country have proved unjustified, and a further drop of 4 points in the index number of commodity prices took place in February. Prices for vegetable foodstuffs and coal fuel rose, very naturally, because of the hard winter, prices for fuel oils were unchanged, but animal foodstuffs, metals, building materials, textiles, hides, leather, and wood-pulp went further down.

Of especial interest is the new trade treaty which has finally been established between Sweden and Soviet Russia, and although no great results are expected from this, it is clear that something would have to be done to meet the increasing demand from the left parties that the position should be cleared up. The new treaty is practically a copy of agreements existing between the Soviet, Germany, Norway, and Great Britain, and contains the stipulation that admittance will be granted to a Soviet representative to Sweden, and to a Swedish representative in Russia, and that both parties agree to facilitate trade between the two countries, while abstaining from any sort of political propaganda. A stipulation in the agreement which says that each party grants admittance to its territory not only to an official representative, and commercial delegate and agent, but also to nationals of each country for commercial and industrial purposes, subject to existing regulations regarding the admission of foreigners, has met with strong opposition among Conservatives and Liberals, who are generally against the treaty, but especially opposed this part of it on the ground that it affords opportunity to Bolsheviks to carry on insidious propaganda work.

Letters to the Editor.

REPARATIONS AND DEBTS TO AMERICA.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I have just had the extreme pleasure of reading Mr John Maynard Keynes' book, "A Revision of the Treaty," and would like to present to you what is, I believe, the average American's attitude towards the questions of inter-Allied indebtedness and reparations. Mr Keynes has, I believe, just missed arriving at the truth.

Mr Keynes is quite correct when he says (page 196): "It is, they say, as though a bank, having made an unsecured advance to a client.....this client were to cry off paying." He neglects to add, however, that said client is headed for the rocks, and would probably use the credit gained by the cancellation of said unsecured advance for further extravagances, which would only delay his rehabilitation.

Can he conceive it possible for public opinion in this country to favour cancellation when some of the Continental countries are using a large part of their credit resources for the purpose of financing military expenditures? When France, for example, takes the position that she cannot and does not expect to pay the sums due us, insists upon every last mark due upon reparations account, and then squanders her money on her military establishment, can she blame the United States for not coming forward and graciously laying a receipted bill in her lap? Would you, or anyone else, tear up the notes of a spendthrift (or, at least, let him know you had done so) as long as he showed no signs of reform?

Some day, perhaps, the United States may come forward with a proposal as momentous as that of Mr Hughes at the Arms Conference, but surely not until France has shown that she will not use the credit gained from the cancellation of her debt to us for the purpose of further military expansion.

I believe the great majority of thinking individuals in this country neither expect nor desire that those debts be paid, nor do they want a neatly engraved resolution of thanks for their cancellation (as Mr Keynes suggests); but they do want to know that the sums so cancelled will be used for the everlasting good of the nations involved, and not in preparation for future wars.

In the matter of reparations, it is only natural that we should assume a somewhat neutral attitude. In a measure, excepting as it affects the general rehabilitation of Europe, it is none of our affair, and we might be accused of presumption did we press our views in the matter. Realising what France has suffered, we believe it quite natural that she should want to make Germany disgorge to the limit. However, we very strongly suspect the French politicians of carrying reparations on the books as a current asset, knowing full well they are practically worthless and might easily become a liability. The sooner the stockholders (the French people) become aware of that fact, the sooner reorganisation will be accomplished, but (and here is the nigger in the wood-pile) the old management will be fired and a new one installed.

We cannot help but feel that France's attitude is just a shade too belligerent, that in the independent course she has followed she may be riding for a fall, which is the last thing we should care to see.

Let us hope that something tangible will come out of the Genoa Conference, and while the United States probably will not be present officially, she may yet send the Conference a momentous message, provided European statesmen will play the game, with all the cards on the table, and face up. Is it too much to hope for?—Very truly yours,

JULIUS A. PAYNE.

4,653 Hazel avenue, Phila., Pa., U.S.A.,
March 7th, 1922.

RAILWAYS AND ROAD TRANSPORT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I should be greatly obliged if you will allow me, on behalf of the Transport Committee of the Federation of British Industries, to put forward the views of the Federation in regard to the Bills which the railway companies in the North-Western and Midland Group are promoting to secure powers to conduct road transport.

The Federation considers that to transport by railway is the proper and sole function of the railway companies; that it was for this purpose only that they obtained parliamentary powers and privileges, and that the attention of those engaged in working the railways should be devoted during the next few years entirely to the restoration of their efficiency, which has been impaired as a result of the war, and to the introduction of more economic methods of working and the development of their new group organisation.

The Federation is also extremely apprehensive that if the railway companies are granted these powers, and if they desire to make this new branch of business profitable, they will be driven by circumstances to attempt the effective control of the road transport system of the country. The companies disclaim any intention of the kind, but in all their statements they admit that their intention is to regain on the road the traffic they have lost on the railway through unduly high charges, and to obtain for themselves a share of the other traffic which is at present passing by road.

As there are at present upon the roads a sufficient number of lorries to deal with the existing traffic or any additional traffic that is expected to develop within the reasonably near future, this can only result in fierce competition with the existing road carriers. The traders fear that, having regard to the large resources at the command of the railway companies, this competition will result in driving competing carriers who have not the same resources off the road, and placing road transport under the control of the companies.

In the view of the Federation these objections are so fundamental that it is impossible that they can be properly met by any attempt to safeguard individual points.

Generally speaking, the proposals put forward by the railway companies are regarded as inadequate, and not applicable to road transport, for the following reasons:—

(1) The Rates Tribunal is, and will be, fully occupied with railway matters. Any further addition thrown upon it must seriously prejudice its efficiency. Moreover, road transport is widely different from rail transport, and the machinery of the Railways Act is quite inappropriate to road traffic.

(2) The efficiency of the proposal enabling the road transport interests to appeal in the case of exceptional rates is extremely doubtful.

(3) The traders have no confidence in the proposal for special forms of account. The statutory provisions, which it is proposed to adapt to the new conditions, have not in the past resulted in showing clearly the financial position of the auxiliary businesses carried on by the railway companies. Moreover, the companies have repeatedly stated that in the costs of running a goods mile and a passenger mile, it was impossible to say how much of their fixed capital was used in respect of carriage of goods and how much in respect of carriage of passengers. Even if the position is clearly shown in the accounts, any loss on road transport will still be subsidised by the railway rates. Moreover, Parliament last year did not grant a guaranteed income to the railway companies for road transport, and a private Bill ought not to seek to extend the principle of guarantee.

(4) In regard to the continuance of services not found to be unprofitable, the question of the profitability of the service must depend upon the accounts.

If the companies maintain that they cannot profitably carry on any particular service, it will be extremely difficult for anyone to establish the contrary; nor is it seen how the companies can be put under a general obligation to carry goods by road by any route, since a great majority of the traffic of the country can never be carried by road owing to the bulk, weight, or some other characteristic of the goods concerned.

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All of these causes emphasise the argument that the conditions of road transport are such as to make adequate supervision by any independent tribunal, or adequate regulation by means of legislation, impossible.

In conclusion, may I submit that the whole question is one of such magnitude and importance to the community at large, that to attempt to deal with it piece-meal by private Bill is not in the public interest.—Yours faithfully,

CHARLES TENNYSON, Deputy Director.

Federation of British Industries,
39 St. James's street, London, S.W. 1,
March 29th, 1922.

INSURANCE OF MARINE CERTIFICATES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I have read with much interest the article which recently appeared in the *Economist* relative to the activities of this company, and beg leave to reply to your criticism.

I think you will agree that the question of public policy arises when considering almost every form of insurance. Presumably the Board of Trade shares the belief held by all who come in close contact with officers of His Majesty's mercantile marine,* that the moral hazard is as satisfactory, if not superior to that associated with many other forms of insurance.

The high traditions of the British mercantile marine are as zealously guarded in the tramp steamer as in the first-class liner, and the unwritten laws of the sea are complied with as carefully in peace time as in war. Apart from moral considerations, the possibility of abuse is equally remote when one examines the question from the practical point of view.

The Board of Trade certificate of competency is the whole "stock-in-trade" of a man whose training and experience, in most cases, unsuits him for employment in other walks of life. If an officer's certificate is dealt with, he is stigmatised professionally, and his earning power is, in consequence, considerably reduced for the remainder of his life.

I further submit that the courts of inquiry into shipping casualties comprise men of ample legal and technical ability, well able to detect criminal intent if such should exist. A point which perhaps hardly needs demonstration is that a shipping casualty often results in loss of life to the captain and officers.

I have recently learned that policies covering the risks under consideration have been issued for several years by a well-known tariff office. The principle of navigators' indemnity appears to be exactly that involved in accountants', doctors', or solicitors' indemnity, all of which are liable to abuse, but which provide an extremely useful insurance facility for the members of those honourable professions. Surely the war record of the British mercantile marine does not place it outside the category of honourable professions!

I agree that the field for our enterprise is comparatively insignificant, and the capital of the company is, there-

* I use the term "His Majesty's" advisedly.

fore, correspondingly small. The guarantee arrangements with a company whose assets exceed £19,000,000 give our policy-holders ample security. None connected with this company expect to amass fortunes; there have, perhaps, been too many made out of the labours and trials of the mercantile marine.

Our proposal form enables us to select desirable business, and we do not accept proposals from under-offered ships of questionable ownership. We do not fear competition from the giant offices, as our distinctive nautical character has already won the support of a body of men who are particularly loyal to their cloth.

I consider that the legal defence section of our policy (which you described as a *small* part) is by far the most important and attractive section, and for this reason we have made very complete arrangements that our assureds are guaranteed the ablest legal assistance obtainable.

I would respectfully refer you to the report of the inquiry into the loss of the "Maskinonge" and to that of the subsequent appeal.—Yours faithfully,

WILLIAM H. COOMBS.

Master Mariner, Joint Managing Director, Navigators and General Insurance Company, Limited, London, March 31st, 1922.

UNEMPLOYMENT INSURANCE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I have read with interest the article by your Labour correspondent on "The Problem of Unemployment Insurance," which appeared in your last issue. Your correspondent does not seem to be aware that there is in being one special scheme under the Act of 1920. This scheme, which covers the whole of the insurance industry, and is administered by this board, is the only one which was formulated in time to receive the sanction of the Minister of Labour and to come into force before the limit imposed by the Act expired on July 4, 1921. Beyond saying that the scheme is a non-contributory one so far as the employees are concerned, I will not attempt to set out its details, which are necessarily complicated, but if your correspondent would like further information the board's secretary will be happy to supply it.—Yours faithfully,

GEOFFREY MARKS, Chairman Incorporated Insurance Industry Unemployment Insurance Board.

London, March 30th, 1922.

CITY LIFE ASSURANCE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your correspondent overlooks the fact that in dealing with two companies in a short article a certain amount of compression is unavoidable. Anyone who has anything to do with life assurance knows that first-year expenses are heavier than renewal expenses; it hardly seemed necessary to draw attention to this fact in an article intended for the *Economist*. Moreover, had this been done it would have led inevitably to some attempt to analyse the expenditure. Owing to the absence of any Board of Trade returns, a satisfactory analysis is impossible. While it might be justifiable to spend the whole of the first year's premiums under a whole-life policy, such an expenditure would clearly not be admissible under a short-term endowment assurance. The criticism was not made, however, without full consideration of all the facts of the case. If, for example, it be assumed that 80 per cent. of the first year's premiums went in expenses, we are still left with a renewal expense ratio of 45 per cent.

I would further point out that—as was clearly shown later on in the same article—the main point that I wished to bring out was that the deficiencies shown by the valuations of 1917-1918 must have been largely increased since. To prove this one was only concerned with the actual expenditure, and not with its theoretical distribution. Again, "A. C. I. I." overlooks the fact that while it may be justifiable for an actuarially solvent company to indulge for a time in a high rate of expenditure in order to increase its volume of new business, such a course is quite inadmissible for a company already burdened with a serious

deficiency. However, the following extracts from the 1920 report of the City Life's own consulting actuary speak for themselves:—

"During the five years 1913-17 from the excessive expenditure incurred in connection with the procurement of new business, which was not justified by results, the financial status of the company has undergone a complete change, and, as its report demonstrates, there is now a considerable deficiency in both branches..... Magnitude of business in any branch is of no material advantage to the assured or shareholder if its attainment involves abnormal expenditure."—Yours faithfully,

THE WRITER OF THE ARTICLE, M.A., F.I.A.

Books and Publications.

FOREIGN EXCHANGES.*

THE author of this work is Director of Economic Studies at the Bank of France, Professor at the Ecole des Hautes-Etudes Commerciales, and his work has been "couronné" by the Académie des Sciences Morales et Politiques. It is a good specimen of the French type of economic treatise—clear, lucid and interesting, but not showing very much appreciation of the newer march of economic inquiry. Thus the reader will search in vain for any mention of the name of Prof. Cassel, or for any general investigation into the theory of purchasing power parities, though the conception is, as a matter of fact, used to some extent in the latter part of the book. M. Descamps' exchange theory is essentially that of Goschen, whom he frequently quotes, and always with approval. But the general principles of the Ricardian view of the distribution of the precious metals, and the general teaching of the Ricardian school on the effects of inconvertible paper money on the exchanges, receive their due share of the author's attention.

The book consists of two parts. In the first the general principles of the exchanges and the methods of exchange regulation are set out. In the second part we have an analysis of the events of the war from the standpoint of the Paris market. The book is strong in its insistence on the fact that the export of gold is only one way in which the exchanges are regulated. In fact, of course, recourse is had to credit operations of more than one kind. Payment of debts is postponed by the raising of long-period loans, by bank credits, by speculative sales, and the like. M. Descamps' treatment of all these matters is excellent. He points to the evil influence of inconvertible money in raising prices, and thus causing an adverse balance of trade. Inflation for the time being helps the balancing of the adverse balance, because it is possible to sell money to the speculator, who buys in the hope of a rise, but the price of sale must get progressively worse from the standpoint of the selling country, and if the profits do not mature speculative sales must come to an end.

The experience with gold exchange systems both in the East and in South America is carefully re-examined by the author. He gives less than the usual welcome to methods of this kind, pointing to the fact that they are only likely to be successful so long as the countries which work them have a favourable balance of trade, and so long as the intrinsic value of their currencies does not rise above the parity with gold as fixed under the exchange standard. But he does not, in our opinion, go sufficiently into the question of why the balances of these countries are adverse in certain cases. At the present moment, for instance, is not the adverseness of the Indian balance due to the fact that Indian inflation has not been cut down *pari passu* with European inflation? As far as Brazil is concerned, the evidence seems to be fairly conclusive on this point. It is true that M. Descamps holds the view that the nature of Indian exports depends more on the harvests than on the price level (p. 162). This may explain why in a particular year the gold balances may fall, but the author does not quite realise how fatal to his view is the further statement which he makes, viz., that the price offered for Indian products "depends especially on the need one has for Indian products, and this need depends on the available

* "Les Changes Etrangers" Jules Descamps, with a Preface by Andre Liesse. Paris: Librairie Felix Alcan. 1922. 20 francs net.

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volume of similar products in the rest of the world." Exactly, it does not depend on the absolute price level in the country of export, but on that level relative to the rest of the world. The gold-exchange system breaks down when the exchange parity over-values the local currency relatively to the purchasing power par, because then imports into the country are stimulated and exports are checked.

In the second part of the book the author stresses the importance to France of the speculative purchases of French currency since the Armistice, and shows how difficult the position of France would have been had these sales not taken place. He prints an interesting table (p. 376), from which it appears that during 1919 American goods priced in French currency were for the greater part of the year below French prices, that during the whole of 1920 American prices converted into French prices at current rates of exchange always gave an advantage to France. In the first six months of 1921, however, American prices were again below the French. This lack of adjustment between price levels is one of the less attractive aspects of the system of paper exchanges with which Europe is cursed at the present time.

COAL STATISTICS.*

AVAILABLE statistics of the coal industry are abundant, but scattered over numerous blue books and official or semi-official publications. To make the information more readily accessible to the inquirer, Mr Finlay A. Gibson, secretary of the Monmouthshire and South Wales Coal Owners' Association, has collated into one volume the principal figures relating to the industry in the United Kingdom since 1874, and in foreign countries since 1885. The work is divided into 12 sections. Of these one is devoted to the output, persons employed, and output per person in all the coal-producing counties of the United Kingdom since 1874; another deals with the exports, cargo and bunker, foreign and coastwise, from the various coal-exporting centres of the United Kingdom; and the destinations of our exports; another is devoted to wages, and gives complete details of wage variations since 1875 for South Wales, and since June, 1914, for the rest of the country; while the other sections are devoted to prices, the coke and patent fuel trades, mining accidents, production, and exports in foreign countries, and the costs of proceeds of the mining industry of the United Kingdom under the National Agreement of last June. In producing this comprehensive statistical survey, Mr Gibson has performed a task that is as useful as it must have been laborious, and the volume is one that should be added to the reference library of all students of industrial history.

BOOKS RECEIVED.

The Law and Practice as to Fidelity Guarantees. By Christ- mas Evans and F. H. Jones. (London) Sir Isaac Pitman and Sons, Limited. 6s net.

The Founders of Political Economy. By Jan St Lewinski. (London) P. S. King and Son, Limited. 6s 6d.

United States. Annual Report of the Director of the Mint for the Fiscal Year ended June 30, 1921. (Washington) Government Printing Office.

The Land Question Solved. By Robert Murray, with a Foreword by Robert Smillie. (London) The Labour Publishing Company, Limited. 2s 6d.

Revista Bancaria. 20 Marzo, 1922. (Milano) Via Meravigli, 14.

BANK CIRCULAR.

Foreign News. February-March, 1922. (Berlin) Bank für Handel und Industrie.

* "The Coal Mining Industry of the United Kingdom, the Various Coalfields Thereof, and the Principal Foreign Countries of the World." By Finlay A. Gibson. Cardiff (The Western Mail, Limited). Price, £3 3s.

STOCK EXCHANGE NEWS.

TICKET. April 12. ACCOUNT. April 13.

The first quarter of the year ended in a blaze of glory for the investment markets of the Stock Exchange. Business has been reviving during the past week, and in various directions, noticeably in the Home Railway market, more trade has come about on behalf of the public. The strength shown by the War Loan, Victory Bonds, Funding and similar British Government securities, proved to be a fine advertisement for all the investment parts of the house. People are buying investment shares of every kind. The cry continues that there is not enough stock to go round. Some shares, even in the ordinary lists, have been raised during the past few days to prices which look very fully valued. The Australian Commonwealth boldly offers £5,000,000 5 per cent. stock at 96; the underwriting was done readily.

Expectations of cheaper money in the near future helped to hoist the War Loan to 99, a premium of 4 points upon its issue price in January, 1917. Victory Bonds came into active demand by those who like the speculative chance of the drawings at par that take place in June. The Funding Loan easily regained most of the interest deducted earlier in the week. India Government stocks have recovered substantially. Colonials are becoming more and more difficult to obtain. The Home Railway prior-charge market, though tolerably well supplied with stock, has no difficulty in disposing of its supplies at rising prices day by day. There is no section of the gilt-edged market in which firmness is not the prevailing figure.

Most of the attention in the foreign bond market revolves, nowadays, around the French railway issues, P.L.M., Midi, Orleans, and Nord. After the Nord scrip had been down to a small discount, it rallied to a moderate premium, but it is clear that there are many stages still in these French railway stocks. Germans have gone back a little, on the slump in the market. Brazilians show a tendency to improve, though the market is irregular and narrow. There is not much doing in Far Eastern issues. Finnish and Helsingfors bonds are harder, on the idea that the restrictions at present laid upon encashment of coupons on the existing bonds will have to be removed before Finland can expect to get out her new three-million pounds loan.

The Home Railway market has been buoyant. Bare of stock as it is, a little demand serves to put up prices with a run. Heavies, Underground, Scottish, and Southern stocks all rose materially. It was not until Thursday morning that anything approaching a halt was called. Speculation and investment have run hand-in-hand in Home Railways. Possibly speculation has rather forced the pace. Canadian and Mexican issues are stagnant. Argentine Railways braced up on what was described in the House as speculative investment purchases. Brazilian Railway stocks remain dullish, owing to the reduction in the San Paulo dividend.

The rubber market is still asleep. In the oil department, Phoenix furnished the only excitement of the week, owing to the bringing-in of the new well on the property. Otherwise matters are very quiet, with Mexican Eagles lower. Electric lighting issues have spurred, for no other reason than that they are in eager demand amongst investors. Shipping debentures are good, though the ordinary stocks attract no particular notice. The experts expect a reduction in the previously paid dividend of 7½ per cent. on Cunard shares. The gas market is better. Imperial Continental rose 10 points on the increase of 2 per cent. in the dividend. In the bank group, the strength of Indian shares is a conspicuous feature, but London banks are also better, and the insurance market goes quietly ahead. Stores shares are firming up again, Harrods, Whiteleys, and others of this sort being wanted. A jump in British Cellulose reflected vague optimism on the part of those who look for early reorganisation of the capital without the shareholders being called upon to pay any assessment. But the rise was not fully maintained. Tobacco shares are decidedly better. The textile market is steady, the preference and debenture stocks being hard to get by the many who want to buy them. Coats have noticeably spurred. The wireless group keeps good, and cable shares, showing no particular change, hold most of their strength.

The Kaffir market is disappointing, in that the public decline to take any notice of it. The Cape sends an occasional buying order which has the effect of putting up prices to some extent, but the effect is transitory. Tanganyikas and Zambesias went ahead amongst Rhodesians, where the tone generally is rather better than it has been of late. Indian mining shares are steady, Broken Hills further improved, on the defeat of the Labour Party at the polls in New South Wales. The buying is said to come mainly from Australia. Tin shares continue in the cold, and Mexicans are torpid.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

ISSUES OF THE WEEK—	Nominal Capital, £	Cash Subscription, £	First Payment, £	Further Liability, £
Amount previously recorded	268,351,161	..	..	..
* Adjusted figures.				

TREASURY BONDS.

5½% 1929 total receipts	283,577,064
5% 1927 receipts to March 11, 1922	40,601,369
Do (by tender, March 25, 1922) £7,000,000, in 5% Bonds, at £99 1½ 6½d	6,980,896

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED MARCH 25, 1922.

April 1 to March 25, £33,005,000

To the Public—				
Government of the Common-wealth of Australia, £5,000,000 5% Loan (red. at par 1935-45), issued at 96%	5,000,000	4,800,000	250,000	4,550,000
Rosehaugh (Ceylon) Tea Co., 100,000 Shares, £1, at par (March 29)	100,000	100,000	12,500	87,500
..	..	4,900,000	262,500	4,637,500
To Shareholders only—				
Meadow Dairy 500,000 Ord. Shares, 1s, at 5s	25,000	125,000	25,000	100,000
..	..	125,000	25,000	100,000

Total offered for subscription to date	Total offered for subscription for whole year—
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Australian Commonwealth Government 5 per Cent.

Loan.—Issue of £5,000,000 registered stock at 96 per cent. Interest is payable in London. The principal is repayable in London at par on June 1, 1945, the Government having the option of redemption, in whole or part, on or after June 1, 1935, on giving three months' notice. The proceeds of this loan, it is stated, will be used to meet expenditure on development works, and for the redemption of Treasury Bills. This stock, when the property of persons not domiciled in Australia, is not subject to any Australian taxation. The revenues of the Commonwealth of Australia alone are liable in respect of this issue, and the British Treasury Commissioners are not responsible. This is a trustee security. The yield on this stock works out at just over £5 4s, and significantly reflects the improvement not only in the money market, but the growth in popularity of sound Australian investments.

Rosehaugh (Ceylon) Tea Company, Limited.

Authorised capital £200,000, divided into shares of £1 each. The vendors are to have 100,000 shares allotted in part payment of the purchase consideration, and the remaining 100,000 shares are now offered at par. The company has been formed to acquire from Rosehaugh Company, Limited, certain specified Ceylon tea estates, with a total area of 4,726 acres, of which 2,961 acres have tea in bearing. The purchase-price has been fixed at £175,000, of which £75,000 is payable in cash and the balance in shares. This works out at about £45 10s per acre for the planted area. Certain areas are laid out with rubber, and in 1921 the rubber crop amounted to 172,062 lbs. The prospectus states that "in spite of the abnormally low price the rubber is being sold at a profit." For 1921 the tea crop amounted to 1,018,431 lbs, and independent reports on the conditions of estates are submitted. The issue, however, is one which will only appeal to those with a knowledge of local conditions.

Argan Company, Limited.—It is proposed to increase the capital of this company from £40,000 in 400,000 shares of 2s each, to £100,000 in 1,000,000 shares of 2s each, by the creation of 600,000 new shares of 2s each.

Electrical Distribution of Yorkshire, Limited.—We are informed that the Electrical Distribution of Yorkshire, Limited, is offering 47,799 ordinary shares of £1 each for subscription at par to its own shareholders, and those of the Yorkshire Electric Power Company, with which it is closely allied.

To complete our record of new issues and summary of profit and loss accounts, company secretaries are requested to furnish us with copies of new prospectuses and report and accounts. Our readers can also assist by forwarding copies of prospectuses and company reports and accounts which may fall into their hands.

ACTIVE SECURITIES.

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.

Price	Week	Latest	Price	Week	Latest
Local Loans 3%	62½	62½	Local Loans 3%	62½	62½
War 4½% 1925-28	91½	91½	War 4½% 1925-28	91½	91½
Loans 5½% 1929-47	97½	97½	Loans 5½% 1929-47	97½	97½
Funding Loan 4%	84½	84½	Funding Loan 4%	84½	84½
Victory Bonds 4%	86½	86½	Victory Bonds 4%	86½	86½
Conversion Loan 3½%	72½	72½	Conversion Loan 3½%	72½	72½
Consols 2½%	55½	55½	Consols 2½%	55½	55½
Irish Land Stock 2½%	57½	57½	Irish Land Stock 2½%	57½	57½

Colonial and Foreign Railways.

Antofagasta Cons	53	52	Grand Trunk 1st Pref. 18 ..	17	17
B. A. & Pacific	46	46	Leopoldville	25½	25½
B. A. & S. Southern	68½	68½	Maxima Railway	39	39
Buenos Ayres West	68½	68½	Do 1st Pref.	39	39
Canadian Pacific	154	157	Do 2nd Pref.	24	25
Central Argentine	59	57½	San Paulo	108	108
Grand Trunk Ord.	1½	1½	United Havana	56	56

Banks.

Barclays B. (£1, l.p.d.) 2½ ..	2½	2½	Nat. Bank of Egypt (10) ..	19½	19½
Lloyds (£5 with £1 p.d.) 2½ ..	2½	2½	Nat. Bank of S. Africa (10) ..	10½	10½
London Joint City & Midland (£12 with £2½ paid) 7½ ..	7½	7½	Nat. Prov. & Union of England (£20 with £4 paid) 10 ..	10½	10½
London County West- minster and Parr's (£20 with £5 paid) 16½ ..	16½	16½	Standard of S. Africa (£20 with £5 paid) 10½ ..	11½	11½

Foreign Government Securities.

Argentine 5½% 1888-7	97	98	Greek 4% 1889	37½	39½
Belgian 3%	69	71	Japanese 4½%	102	103
Brazil 5% Fund, 1914	71	71	Do 4% 1910	67	69
Chilian 4½% 1896	70	70	Mexican Consol. 1898 ..	61	61
Do 7½%	99½	101	Peruvian Corp. Pref. 17 ..	16	16
Chinese 5% 1912	74	72	Russian 5% 1906	13½	12½
Egyptian 4%	66	69½	Spanish 4%	76	76
French 5%	44½	44½	Selne (Dept.) 7%	100	100
Do 4%	34½	34½	Siamese 7%	103½	103½

Telegraphs.

Anglo-American "A"	22	22	Marconi Canada	1½	1½
Marconi Wireless	2½	2½	Marconi Marine	1½	1½

British Railways.

Great Central Pref.	14½	16½	Metropolitan District 28½ ..	32½	32½
Great Eastern	39	38	Midland Deferred	59	61
Great Northern Def.	36	37	North British Def.	15½	15½
Great Western	89	94	South-Eastern	87	90
London, Brighton, "A"	52½	55	South-Eastern "A"	31½	35
London, Chatham & Dover	94	94	Underground Electric (10) ..	1½	2½
L. & N.W. (New)	88½	94	Do "A" (10)	1½	2½
L. & S. Western, Def.	26½	28	Do "A" (10)	1½	2½
Metropolitan	39	40	Do Inc. Bds. (£100) ..	71	76½

American Railroads.

Chesapeake & Ohio	69	71	Southern	24	26
Erie	12½	12½	Do Non-um Pref.	60	60
Do 4% 1st Pref.	20	21	.. .. ..	..	..

Miscellaneous.

Aerated Bread (£1)	1½	1½	Linggi Plantns. (£1) ..	1½	1½
Armstrong (Sir W. G.)	14½	14½	Lipton (£1)	1½	1½
As. Pind. Cement (£1) 14½ ..	14½	13½	Liverpool & N. Wales (10) ..	1½	1½
B'ham Small Arms (£1) 7½ ..	7½	7½	Do 8% On A. Pref. (£1) ..	1½	1½
Brazil Traction (£100) 4½ ..	4½	4½	Do 8% On P. Ord. (5) ..	1½	1½
British-American	..	..	Lister (£1)	1½	1½
Tobacco (£1)	3½	3½	Lobitos Oilfields (£1) ..	4½	4½
Brit. & Arg. Meat (£1) 1½ ..	1½	1½	Lyons (J.) & Co. (£1) ..	5½	5½
Burmah Oil (£1)	5½	5½	Magadi Soda (£1 Ord.) ..	3½	3½
Coats (J. and P.) (£1) 2½ ..	2½	2½	Mexican Eagle (£10) ..	3½	3½
Courtaulds (£1)	1½	1½	North Caucasian (10) ..	1½	1½
Cunard (£1)	1½	1½	Pekin (10)	1½	1½
Dorman, Long (£1)	1½	1½	Rubber Plantations ..	1½	1½
Donkey Rubber (£1)	1½	1½	Shell Transport (£1) ..	4½	4½
Fine Cotton Spinners	1½	1½	Smithfield & Argentine ..	1½	1½
Forestal Land (£1)	1½	1½	Meat (£1)	1½	1½
Furness, Withy (£1)	1½	1½	United Serdang (10) ..	1½	1½
Highlands and Low-lands Rubber (£1) 1½ ..	1½	1½	United Tobacco (£1) ..	1½	1½
Hudson's Bay (£1)	1½	1½	Valambros (10)	1½	1½
Imperial Tobacco (£1) 2½ ..	2½	2½	Vickers (£1)	1½	1½
..	..	..	Watney Def. 5½%	14½	14½

COMPANY MEETINGS, &c.

THE NATIONAL BANK OF EGYPT.

RESULTS OF DIFFICULT YEAR'S TRADE.

CHAIRMAN'S REVIEW OF CONDITIONS IN EGYPT AND SUDAN.

IMPORTS AND EXPORTS.

The twenty-second annual general meeting of the shareholders of the National Bank of Egypt was held on March 21st at the head office of the bank in Cairo, Mr B. Hornsby, C.B.E. (the Governor), presiding.

The directors' report was as follows:—

The directors present to the shareholders the balance-sheet and profit and loss account for the year ending December 31, 1921.

The gross profit for the year, after providing for depreciation on the bank's buildings and furniture, for rebate of discount, and for bad and doubtful debts, amounts to:

After deducting from this sum:

For directors' fees.....	£11,666 13 4
For current expenses	421,607 6 2
	433,273 19 6

There remains 558,556 0 4

In conformity with Article 49 of the bank's statutes, a dividend of 4 per cent. is payable on the share capital 120,000 0 0

After this statutory distribution there remains 438,556 0 4

Adding to this the balance brought forward from last year..... 172,364 2 1

The amount available is 610,920 2 5

The directors consider it prudent to allocate to special reserve for contingencies a sum of 100,000 0 0

Which leaves..... 510,920 2 5

From this amount the directors recommend the payment of an additional dividend of 11 per cent. on the share capital, which will absorb 330,000 0 0

And leave a balance to be carried forward of 180,920 2 5

The total dividend for the year will thus be at the rate of 15 per cent., equivalent to £1 10s per share, an interim dividend of 8s having been paid on September 5, 1921, the balance remaining to be distributed will be £1 2s per share.

BALANCE-SHEET, DECEMBER 31, 1921.

LIABILITIES.

	£	MM	£ST	s	d
Share capital:—					
300,000 fully-paid shares of £10 each.....	2,925,000	—	3,000,000	0	0
Statutory reserve fund.....	1,462,500	—	1,500,000	0	0
Special reserve.....	682,500	—	700,000	0	0
Current, deposit, & other accounts Egyptian Government.....	11,183,212	412	11,469,961	8	11
Mixed tribunals.....	683,251	798	700,771	1	6
Bankers' accounts.....	1,629,809	987	1,671,599	19	9
Cheques and bills payable.....	590,152	376	605,284	9	9
Rebate of discount on bills not yet due.....	212,924	679	218,384	5	9
Staff provident fund.....	10,936	755	11,217	3	8
Dividends unclaimed.....	21,079	660	21,620	3	4
Provision for payment of final dividend at the rate of 11% per annum.....	13,800	600	14,216	0	0
Profit and loss account balance....	321,750	—	330,000	0	0
	176,397	116	180,920	2	5
	19,913,375	383	20,423,974	15	1

ASSETS.

	£	MM	£ST	s	d
Government securities and securities guaranteed by the Egyptian Government.....	6,192,279	511	6,351,055	18	2
Sundry securities.....	254,524	234	261,050	9	11
Advances on merchandise.....	3,035,102	147	3,112,925	5	7
Advances on securities.....	2,263,021	355	2,321,047	10	11
Advances otherwise secured.....	392,871	027	402,944	12	10
Sundry other advances.....	732,487	081	751,268	16	0
Egyptian Government.....	456,106	943	467,801	19	11
Sudan Government.....	52,922	129	54,279	2	2
Bills of exchange.....	1,777,479	114	1,823,055	10	0
Local bills discounted.....	113,644	719	116,558	13	9
Cheques receivable.....	853	492	875	7	6
Buildings, furniture, &c.....	302,702	292	310,463	17	9
Money at call and at short notice..	1,491,779	250	1,530,030	0	0
Bankers' accounts.....	871,282	175	893,622	14	11
Bank of England.....	102,948	158	105,587	17	1
Cash:					
Notes.....	£21,718,043.000				
Gold and silver coin, &c.....	155,328.756	1,873.371	1,921,406	18	7
	19,913,375	383	20,423,974	15	1

There is a contingent liability in respect of bills rediscounted of £2,098,368.390 = £2,152,172 14s 2d.

Under the heading "Bankers' Accounts" is included £568,621 15s 2d to credit with banks in Germany and Austria.

V. HARARI, B. HORNSBY,
M. C. SALVAGO, Governor.
Directors.

ISSUE DEPARTMENT.

	£	MM	£	MM
Notes issued.....	37,000,000	—	37,000,000	—

	£	MM	£	MM
Gold.....	3,339,572	691		
*British Treasury Bills.....	15,160,427	309	18,500,000	—
Securities:				
Egyptian Government Securities and Securities guaranteed by the Egyptian Government....	426,657	272	..	..
British Treasury Bills and National War bonds.....	18,073,342	728	18,500,000	—
	..	..	37,000,000	—

* By authority of the Egyptian Government these Treasury Bills are deposited in lieu of gold. (See *Journal Official* of October 30, 1916.)

PROFIT AND LOSS ACCOUNT.

	£	MM	£ST	s	d
Dr.					
Directors' remuneration.....	11,374	998	11,666	13	4
Current expenses.....	411,067	125	421,607	6	2
Interim dividend at the rate of 4% per annum.....	117,000	..	120,000	0	0
Transferred to special reserve.....	97,500	..	100,000	0	0
Provision for payment of final dividend at the rate of 11% per annum.....	321,750	..	330,000	0	0
Balance carried forward.....	176,397	116	180,920	2	5
	1,135,089	239	1,164,194	1	11
Cr.					
Gross profit for the year ending December 31, 1921, after providing for depreciation of buildings and furniture, for rebate of discount, and for bad and doubtful debts..	967,034	240	991,829	19	10
Balance brought forward from last year.....	168,054	999	172,364	2	1
	1,135,089	239	1,164,194	1	11

REPORT OF THE AUDITORS.

We have examined the books of the National Bank of Egypt, and, in our opinion, the above balance-sheet is properly drawn up, so as to exhibit a true and correct view of the state of the bank's affairs as shown by the books. We have also verified the cash, notes, and securities at the head office and the Cairo and Alexandria branches, and have found the same correct. The London returns have been audited and certified by Messrs Deloitte, Plender, Griffiths, and Co., chartered accountants.

F. H. RUSSELL.

J. GIBSON HARRIS.

Cairo, February 27, 1922.

GOVERNOR'S SPEECH.

TRADE AND FINANCIAL CONDITIONS IN EGYPT AND THE SUDAN.

The Governor said: Gentlemen,—We have the honour to submit to you the balance-sheet and profit and loss account for the year 1921. The gross profit for the year is £991,829, from which expenses amounting to £433,273 fall to be deducted, leaving an available balance of £558,556. We propose to place a sum of £100,000 to the special reserve, to pay a dividend of 15 per cent., requiring £450,000, and to increase the carry forward by £8,000, bringing it up to £180,000.

Our gross profit of £991,829, as mentioned above, compares with £1,269,000 for the year 1920, thus showing a marked decrease. This decrease is fully accounted for by the general conditions of trade and finance which prevailed during the year, and also by the

shrinkage in the figures of our balance-sheet, the probability of which I foreshadowed last year. On the other hand, we have not been obliged to set aside anything for depreciation in the value of our securities, so that the net result of the year's working is roughly the same as in 1920.

Our balance-sheet shows a decrease, as compared with 1920, of about eight millions. Public deposits have fallen by about six million pounds, of which some three millions is due to the final liquidation of the accounts of the Cotton Control Commission, the balance being probably accounted for by the favourable opportunities of investment which have presented themselves to our customers, and also by the gradual dispersal of funds accumulated during the war.

CORDIAL RELATIONS WITH EGYPTIANS.

I am happy to state that the movement recently organised against the National Bank as being a foreign institution—which we are not—has had little effect. We have a valuable *clientèle* among the Egyptians, with whom we always have maintained the most cordial relations, and we believe that our friends appreciate the valuable services which the bank has at all times and in various circumstances rendered to the country.

VALUE OF SECURITIES.

Our holding of securities is less than a year ago, and reflects naturally the decrease in the amount of deposits. For the first time for many years it has not been necessary to draw on our profits to provide for depreciation in securities. A considerable rise in value set in towards the end of the year, and has since continued, so that, thanks to past provisions, we have the satisfaction of knowing that to-day our securities stand in our books at a figure much less than their value at present market prices. It is true that the satisfaction is somewhat tempered by the knowledge that the rise in prices is in great measure due to the abundance of money set free for investment by the depressed state of trade and commerce throughout the world.

Our advances on the whole show an increase, due chiefly to the fact that we have a larger sum outstanding on merchandise, chiefly cotton.

CLAIMS AGAINST AUSTRIAN AND GERMAN BANKS.

You will notice, at the foot of our balance-sheet, there has appeared during the last few years a remark to the effect that a substantial sum—roughly £560,000—under the heading of "Bankers' Accounts," stands to our credit with banks in Austria and Germany. These banks are large and respectable institutions, who acted as our correspondents, and with whom we had considerable balances at the outbreak of war. We had hoped that during the past year we should have obtained a decision regarding our claim to be paid these sums at the pre-war rate of exchange. Unfortunately, such has not been the case. We have taken the best legal opinion, and we are assured that our claim is well founded, but it seems probable that we shall be obliged to have recourse to justice to obtain what we believe to be our rights. In the meantime we have taken all possible measures to protect your interests, and I should like to add that your directors have not failed, during the past few years of exceptional prosperity, to provide against the possibility, however remote, of an unfavourable issue.

NOTE ISSUE.

The figures of the note issue provide as usual an interesting commentary on the course of the country's trade. The year began with the issue standing at about 40½ millions, from which figure it shrank, almost without interruption, till the end of August, when it touched about 30½ millions; from this point the autumn demand for currency for moving the cotton crop brought it up again by the early days of October to just under 40 millions. The activity in the cotton trade proving only to be temporary, the increase was not maintained, and at December 31st it stood at 37 millions. The latter figure compares with 40½ millions at the end of 1920, and 67 millions at the end of 1919, the comparison showing a striking fall of 30 millions in two years.

I explained last year the mechanism by which the issue was regulated. I will confine myself this year to saying that, thanks to this mechanism, the country has enjoyed during and since the war a stable rate of exchange, which to-day is everywhere recognised as an extremely important element in commerce.

I saw it stated recently that our notes are guaranteed by the British Government. This is not the case; the fact is that, by agreement with the Egyptian Government, the issue is covered by the deposit of British Treasury bills, chosen because they represent practically cash in the country with which the larger part of Egypt's foreign trade is conducted.

If our currency system were not sound, it would not have been possible to meet the demand for redemption of notes which, as I

have stated, has amounted to 30 millions over the past two years, without any difficulty whatever, and without any effect on exchange. Moreover, the interest on the British Treasury bills, held in the note issue, has provided an important source of revenue to the Egyptian Government.

I give as usual the figures showing the various denominations of which the issue was composed at the end of 1920 and 1921 respectively:—

DECEMBER 31, 1920.		£
Notes of P.T.	25	402,906
" " "	50	2,049,369
" " £	1	7,481,435
" " "	5	7,407,440
" " "	10	10,721,350
" " "	50	4,731,200
" " "	100	7,606,300
		40,400,000
DECEMBER 31, 1921.		£
Notes of P.T.	25	128,584
" " "	50	1,912,467
" " £	1	6,857,679
" " "	5	7,543,690
" " "	10	10,681,330
" " "	50	3,998,950
" " "	100	5,877,300
		37,000,000

IMPORTS AND EXPORTS.

The following figures, showing the totals of imports and exports for the past five years (the year is taken from September to August), reveal the very important change in the commercial situation of the country which the last financial year brought about. During the four preceding years the balance of trade was strongly in favour of Egypt, whereas in the past 12 months the imports exceeded the exports (including re-exports) by some 34 millions, subject to some adjustment for invisible exports and imports, which would probably slightly reduce this balance. But these figures need cause no alarm, as the country had accumulated large reserve of profit; the greater part of which still exists, and the general financial situation of the country is undoubtedly sound.

	Imports.	Exports.
	£	£
1916-17.....	30,095,371	44,587,950
1917-18.....	47,285,226	48,019,952
1918-19.....	44,334,720	48,829,951
1919-20.....	87,577,985	113,461,806
1920-21.....	71,725,677	37,600,260

COTTON.

The high prices which cotton reached in 1920 unfortunately gave rise to the impression that Egyptian cotton was so indispensable that there was no limit either to demand or to price. It is, therefore, natural that the fall in prices and the restricted demand should cause great discouragement to the cultivator.

Moreover, the flat rate tax of PT.35 per cantar, introduced when prices were at a considerably higher level, presses to-day with undue severity on the cotton grower, more particularly with regard to the lower qualities. In addition to this, railway rates have been doubled since 1914, and it is to be hoped that, despite the large revenue which accrues to the Government from these two sources, some relief may be looked for in the near future.

There is one object to which the attention of cotton cultivators could profitably be turned. I refer to the serious question of the poor return in cotton which land has given in recent years. It is disappointing that so little progress should so far have been made in combating the various insect pests which every year destroy a large quantity of cotton, and a continuous effort on the part of the landowner could not fail to do good.

The import trade has inevitably suffered from the decreased purchasing power of consumers, due to the lower prices obtaining in combating the various insect pests which every year destroy a large quantity of cotton, and a continuous effort on the part of the landowner could not fail to do good.

THE SUDAN.

The Sudan has shared to the full the prevailing depression in trade, as the following table of imports and exports during the last five years clearly shows:—

	Imports.	Exports.	Total.
	£	£	£
1917.....	3,102,117	3,729,181	6,831,924
1918.....	4,024,582	4,210,384	8,234,966
1919.....	4,805,745	3,029,569	7,835,314
1920.....	7,006,865	5,075,971	12,082,836
1921.....	5,806,070	2,318,533	8,124,603

Exports show a marked decline of nearly three millions, and are the lowest of any years of the period. There has been no falling off

in the country's production; the reduction is entirely due to the lessened demand and to reduced prices. This is obvious from the fact that, whereas in 1920 the exports of cotton were about 88,000 cantars, valued at £1,600,000, in 1921 the quantity exported was about 110,000 cantars, valued only at £380,000.

Imports, though lower than those of the two previous years, are still high in comparison with exports. This is due to the importation of material for the irrigation works which are in progress.

To carry out these works, the Sudan Government has raised a loan of £6,380,000, the interest of which is guaranteed by the British Government. This sum will not be sufficient, and negotiations are in course with the object of raising a further loan. When the work is completed, an area of 300,000 fedans will be available for cultivation in the Gezira, of which one-third will be put under cotton. The cultivation of this large area cannot fail to give a considerable impetus to trade, from which the whole country will benefit.

The directors who retire by rotation this year are the Hon. A. Mills and Mr. Léon Suarès, who submit themselves for re-election.

In conclusion, the directors wish to express their thanks to the sub-governor, the managers, and the staff for their services during the past year.

IDEAL SEWING MACHINE COMPANY, LIMITED. COMPANY'S SPLENDID DEVELOPMENT.

The second annual general meeting of the Ideal Sewing Machine Company, Limited, was held, on the 27th ultimo, at the Hotel Cecil, Strand, London, Mr. Harry Stone (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that they were meeting that day under very different conditions from those which obtained a year ago. At that time they were not producing machines, and he was unable to give the shareholders any information as to their selling qualities. He did not think any useful purpose would be served by relating at length the innumerable difficulties which had had to be overcome in order to enable the company to produce on a commercial scale and at a figure which would yield a satisfactory profit. Suffice it to say that they were now producing about 8,000 machines per month at a cost which would ensure a very substantial dividend to the shareholders. Since the balance-sheet was made up their record had been one of uninterrupted progress, and there could be no shadow of doubt that the company was now solidly entrenched as a sound business proposition, and one that would continue to develop and improve. The machine had reached a very high standard of finish and mechanical perfection, and was an efficient worker. It had the further distinction of being the first sewing machine of British manufacture throughout to be sold at a price within the reach of all classes, and notwithstanding the disadvantages under which they laboured in consequence of the rate of exchange, they were able to sell it successfully in competition with producers in other parts of the world.

IMPORTANT DEVELOPMENTS.

It was since the commencement of the company's present financial year in November last that the real and important developments of the company's business had to be noted. These were the allotment for cash of 270,000 shares held in reserve on the capitalisation basis of £70,000, and the increase of capital from £70,000 to £100,000 by the creation of 600,000 new shares, which were subscribed by the existing shareholders of the company. This last issue had enabled the company to purchase the Sandycombe Works at Kew Gardens, where the Ideal Sewing Machine had been made from the outset. It had made them masters in their own house; but it was in the economic sense that the acquisition of the factory was of the greatest importance to the company. Previously the profits of manufacture went into other pockets; now they found their way into the coffers of the company. The company had still at its disposal cash resources approximating £25,000. It owned and ran its own works, and it had entered upon what the directors hoped and believed would be a long era of prosperity.

LARGE SALES AT HOME AND ABROAD.

They had selling agents in a number of countries all over the world, the creation of this position being due very largely to the initiative displayed by the firms who had taken selling agencies, and particularly Messrs. Selfridge, Limited. That company acquired the first selling rights for London in October last, and they had achieved an enormous success with the sale of the machines, and were continuing to dispose of them in large quantities.

The directors were confidently looking forward to doing considerable business with the Australian Commonwealth, to which country they had shipped during the last month over 4,000 machines, and these could have been increased but for the fact that there was a question of the Australian Government imposing an import duty of £2 10s per machine. They had now heard

that the duty had been postponed until September 29th next, and they were hoping for a further postponement.

Orders for the machines were coming from all parts of the globe. Amongst the countries which had so far purchased machines were Australia, South Africa, East and West Africa, West Indies, Mexico, Cuba, the Federated Malay States, &c.

A company had been formed in the United States of America with an authorised capital of \$1,000,000 for the purpose of manufacturing and selling the Ideal Sewing Machine in that country, and a company with an authorised capital of \$730,000 had been registered in Canada for similar purposes. Negotiations were also pending for the granting of licences and the disposal of the foreign rights in other parts of the world.

The position as a whole was eminently satisfactory. Prospects could not be more encouraging, seeing that, in spite of the trade depression which reigned throughout, they were engaged in a profitable and steadily extending business. The board confidently anticipated that the time was not far distant when they would be able to reward the patience of the shareholders with a substantial dividend. At an exhibition to be held at Brussels, beginning on April 3rd, the Ideal Sewing Machine would again be on public view.

The report was unanimously adopted, and the appointment of Sir Henry Lionel Galway, K.C.M.G., D.S.O., Lt.-Col. D. Abercrombie and Mr. W. Lewis to seats on the board was unanimously confirmed.

LONDON AND THAMES HAVEN OIL WHARVES, LIMITED. SATISFACTORY YEAR—INCREASED PROFIT.

The twenty-fourth ordinary general meeting of the London and Thames Haven Oil Wharves, Limited, was held, on the 28th ultimo, at Winchester House, Old Broad street, London.

Sir Owen Philipps, G.C.M.G., M.P. (the chairman), presided. The secretary (Mr. J. C. Conoley) having read the notice convening the meeting and the report of the auditors,

The Chairman moved the adoption of the report and accounts, and in the course of his remarks said:—Ladies and gentlemen, this company was founded nearly a quarter of a century ago, during almost the whole of which period I have had the honour to be chairman. Our business has been steadily developed and is now on an enormous scale compared with what it was 20, or even 10, years ago. The accounts show clearly that the financial position of the company is both sound and satisfactory. After making ample provision for depreciation, the profits available at the end of the year under review are £18,000 more than at the close of 1920. We recommend the payment of the same dividend as for the past three years—namely, 10 per cent. free of tax; again adding the sum of £25,000 to reserve, and placing £10,000 to our employees' benevolent and superannuation fund. We propose that the balance remaining of £61,202 be carried forward, as against £55,050 last year. It is very satisfactory that we have been able to build up our reserve fund to the substantial figure of £300,000, or only £57,500 less than our present paid-up capital. During the twelve months ended December, 1921, we landed over 1,000,000 tons of bulky products. This is an achievement of which all concerned may feel justly proud.

Our new crude oil refinery commenced work towards the end of last year and fulfils all our expectations. We are constructing an additional deep-water jetty to cope with the natural increase in our business. This will give us six jetties, four of them each being capable of accommodating the largest vessels in the trade. To meet the consequent expansion of our business our tankage is being increased concurrently with this development, and we are continually providing for the requirements of our clients in other directions.

INCREASE OF CAPITAL FORESHADOWED.

Our business has continued to develop and prosper. We can confidently look forward to the prospect of the future with the knowledge that we are in a strong position and thoroughly well equipped to meet all demands that may be made upon us.

In order to make provision for further expansion, it is possible we may, in the not distant future, contemplate making a new issue of capital. You may rest assured that, in the event of your board deciding on such a course, existing shareholders will have a favourable opportunity of participating.

The casual observer might feel surprised that our shares can only be purchased on the Stock Exchange at a price which yields about 4 per cent., or a less return than can be obtained by investment in Government securities. In my view the average market price at which shares of any company stand over a number of years is a fair indication of the soundness of the business and of the wisdom of the policy by which it is managed.

Mr. Alfred C. Adams seconded the resolution, which was carried unanimously.

THE SCOTTISH PROVIDENT INSTITUTION.

MUTUAL LIFE ASSURANCE.

SATISFACTORY FIGURES DESPITE TRADE DEPRESSION.

The eighty-fourth annual general meeting was held in Edinburgh, on Wednesday, the 29th ultimo, Mr. James Maxtone Graham, C.A., in the chair.

YEAR'S FIGURES.

The report for the year 1921 states that new proposals were received for amounts aggregating £3,125,267, in respect of which 3,389 policies were issued for £2,735,235, whereof £465,000 was re-assured with other offices. The total premium income for the year, including the purchase price on annuities, but after deducting sums paid for re-assurances, was £978,348. The total receipts, including net interest, amounted to £1,658,947. The accumulated funds amounted at December 31, 1921, to £17,500,920, showing an increase during the year of £419,807. The claims arising under 900 policies by the deaths of 675 members were £754,573, inclusive of bonus additions, and endowment assurances for £125,551 were also paid at maturity. The aggregate amount of the claims in the year, less re-assurances, was thus £880,124.

The Chairman, in moving the adoption of the report, said: The report now submitted for your approval covers a year, the salient features of which were widespread political unrest and severe commercial and agricultural depression. Under such conditions it would not have been surprising to find that the number of policies issued and the new business completed had reverted to the net new business completed had never in any year touched the two million level, and it is gratifying, indeed, to report to you that, with the exception of 1919 and 1920, the figures of 1921 have never before been attained. Proposals for amounts aggregating £3,125,000 were made to the institution, and of these £2,735,235 were accepted and completed by the issue of 3,389 policies. You will observe the large amount of £465,000 which was re-assured with other offices. Proposals in certain cases were received for amounts larger than the maximum which the directors deem prudent to retain at risk on any one life, and the excess was re-assured with other offices of, I need scarcely say, undoubted financial standing.

BOARD'S COMMISSION POLICY.

Had a policy of "big figures" irrespective of cost ever been countenanced by the directors, we might have reported to you to-day a volume of new business even larger than that actually recorded; but this would have involved our yielding to what we considered to be unreasonable demands in respect of introductory commission. We have invariably set our face against purchasing new business at an extravagant cost, and last year, as in previous years, we have had to see business otherwise desirable go past us, because we could not in the interests of our members concede what, in our opinion, were the unduly high terms of commission involved. In combating this evil—for it is nothing less—our members can render us most valuable assistance, and as to this I shall have a word to say later on.

That annuity business should have assumed relatively small proportions was only to be expected in view of the high yields which have been obtainable from the various issues of Government securities; but, as the yield falls, we shall, doubtless, see an increase in this form of business.

EXPENSE RATIO.

The expense ratio of 15.9 per cent. of the premium income is practically identical with that reported last year. When touching on this point, let me again remind you that the rates of premium charged by our office are specially low when compared with the average rates charged elsewhere, and, further, that, owing to the popularity of our limited payment system, premiums totalling a large amount run off each year.

The ratio of mortality experience—63 per cent.—is lower by 3 per cent. than the very low ratio reported last year.

That the transactions of the year should have resulted in the funds being increased by close upon £420,000, will be viewed, I am sure, as satisfactory.

INVESTMENTS.

While no great change has taken place in the character of our assets, it will, doubtless, interest you to notice that during the year we added to our holding of British Government securities, which you will see stand in the balance-sheet at £6,749,000—an increase, as compared with last year, of over £450,000. The Stock Exchange securities shown in the balance-sheet are now represented as to 55 per cent. by British Government issues, and, looking to the appreciation which has recently taken place in these,

I scarcely think that the action of the directors will arouse adverse criticism. The day will no doubt come when, as in the past, a policy of wider geographical distribution of our investments may be made with advantage; but I think you will agree that the unsettled conditions of other countries and the instability of exchanges have of late years pointed more to a contraction than to an expansion of foreign investments.

The rate of interest realised on the funds was £5 5s 8d per cent., subject to deduction of income tax, showing an increase of 2s 4d per cent. over the rate reported for the previous year.

ASSURANCE WITHOUT MEDICAL EXAMINATION.

I do not think that your directors have ever been behind hand in the prudent adaptation of our methods to modern requirements, and as an instance of this I would refer to our scheme of assurance without medical examination. We have had this scheme in operation for some years, but have refrained so far from advertising it widely, as we desired to extend it gradually and with caution. To establish the scheme satisfactorily we deemed it advisable to do a certain amount of instructional work amongst our representatives, lest its objects should be misconceived and it should be viewed as a means of facilitating the entrance of under-average lives. This, you will understand, is far from being the case. It is, however, undoubtedly the fact that there is a large number of eligible lives who think they are too busy to spare the time to be examined, or who are possessed by a not uncommon dread of facing a doctor, and yet would willingly take out a life policy if they felt that they would not be subjected to what they regard as the ordeal of a medical examination. We were not the first in the field with such a scheme, but we began cautiously. We limited the amount of the sum to be assured to, I think, £300 on any one life, and we placed certain restrictions in the policy. Some time ago we removed these restrictions and extended our limit to £500. We have now still further extended that limit to £1,000. We obtain, of course, a more detailed proposal form than is required when a medical examination is to be carried out, and I need hardly say that right is reserved to ask for an examination in all cases where we do not think it can prudently be dispensed with. All reasonable precautions are taken against the admission of undesirable lives, and our experience has been entirely satisfactory. I should say that the scheme is only eligible to lives not exceeding 50 years of age, and policies issued under it are confined to whole life and endowment assurances to be effected at full tabular rates. The scheme has proved popular, is proving increasingly so, and I am sure that it will be a source of much benefit to the institution.

Last autumn Mr. Richard Alexander, our cashier, celebrated his fiftieth year of loyal and devoted service in the head office of the institution, and the directors had pleasure in signalling this event by presenting him with a testimonial, and recording in the minutes their high appreciation of his services, which I am glad to say have not yet terminated. I trust it may be long before Mr. Alexander expresses a wish to retire.

CO-OPERATION OF MEMBERS.

In conclusion, let me say a special word to the members in regard to co-operation. Although 1921 has not been a year of record figures, I think it must be apparent to all who take an interest in the subject that the habit of life assurance is yearly becoming more firmly established, and that a policy has come to be regarded as an essential factor in the equipment of a man to be against the changes and chances of this mortal life. I would, therefore, urge upon our members that they should not rest content with having made, by means of life assurance, such provision as they may deem adequate for themselves and their dependants. They are not merely policy-holders, but partners in a mutual society conferring benefits which attach from the day a policy is opened, and extend far beyond the duration of the individual life. Our members have in the past, as I gladly acknowledge, and I greatly assisted us in the extension of our connections, and I think I may say without exaggeration that those who advocate the principles of mutual life assurance in this practical manner are performing a social service of the highest possible order.

And now I beg to move the adoption of the report, and I do so in full confidence that the record presented therein will meet with the entire approval of our members.

The motion for the adoption of the report was seconded by the Right Hon. Thomas Hutchinson, Lord Provost of Edinburgh, and carried unanimously.

THE SALT UNION, LIMITED.

STRONG CASH POSITION.

CHEAPER PRODUCTION AS TRADE STIMULANT.

The thirty-third annual general meeting of the shareholders of the Salt Union, Limited, was held at the Exchange Station Hotel, Liverpool, on the 29th ultimo, Mr George H. Cox, chairman of the company, presiding.

In moving the adoption of the annual report and statement of accounts, the Chairman referred to the period of profound anxiety, both political and economical, through which the country had passed. The aftermath of the coal strike was still with us. One had hoped its bitter lesson had been learnt; but labour refused to acknowledge that it could not be allowed to dictate to management on what terms the work should or could be done. For many reasons, the Chairman declared, labour was not competent to take command, and if it was permitted to do so would bring disaster alike upon itself and capital.

The accounts did not call for much comment. Ample provision had been made for all liabilities, including heavy amounts for taxation. Considering the difficulties which beset the company, he thought the results might be looked upon as quite satisfactory. Fortunately the directors had foreseen the shrinkage in demand in good time, and to meet it had eased off production accordingly. Therefore they had not been caught with heavy stocks at high prices, which had happened in the case of so many other industries. Consequently they had no large sums to write off for depreciation.

It should be borne in mind that these results were the fruits not merely of the salt trade, but were contributed to by the subsidiary companies, the manufacture and sales of chemicals, and investments.

With regard to investments, owing to the rise in gilt-edged securities, these were now worth more than the figures at which they appeared in the balance-sheet.

The large amount of cash at bankers and on deposit and current accounts, amounting to £548,770, being an increase of £68,343 on the previous year, was partly due to less capital being required in the business under the conditions obtaining, and partly to the big sums which had to be provided to meet the heavy taxation. There were not many companies which could show such a strong cash position. He might say that since the turn of the year a quarter of a million in round figures had been absorbed in payment of taxes and debenture interest.

COMPANY'S EXPORT TRADE.

The remarkable prosperity which the Salt Union enjoyed in 1920 was mainly due to its extensive and profitable export trade. This has suffered a great reduction during 1921. The total exports of British salt had declined by nearly 130,000 tons. Former customers abroad had supplied their wants by cheap purchases of German and Solar salt, in which directions the company had been subjected to severe competition.

The spread of the non-co-operative movement in India had made the marketing of the company's salt even more difficult than it would otherwise have been, and the general political unrest in that country was the cause of grave anxiety to those who had to conduct business there. Recent events indicated that the Government was now more awake to the necessity of adopting a stronger policy. Difficult as the marketing of salt had been in India, it would have been rendered more so by the proposed increase of 100 per cent. in duty, which was happily rejected by the Legislative Assembly.

The Chairman referred to a tour which Mr J. Parke Jackson had made in the interests of the company to India, Rangoon and Ceylon, and expressed the belief that the information thus obtained would be most valuable. Mr Jackson was about to undertake a similar errand to Canada, Australia, New Zealand, Japan and South Africa, with the object of extending the export of salt to those countries.

HOME TRADE COMPETITION AND PRICES.

In the home trade they had been exposed to fierce competition from foreign salt, the imports amounting to 22,000 tons of German and 57,000 of Solar salt—a total of 79,000 tons. The Salt Manufacturers' Association had been maintained despite many difficulties, thanks to the ability and tactfulness of its chairman, Mr Clark, and to the wisdom and good will displayed by the members generally. Hence price-cutting had been prevented on the part of individual firms; whilst in its corporate capacity the association had freely met the new conditions, and had put down prices from time to time in conformity with the lower costs of production.

LABOUR AND PRODUCTION COSTS.

The Chairman went on to remark that the main items in the cost of manufacturing salt were coal and labour, and adverting to the latter topic, he said the position of labour during 1921 was a marked contrast to what it occupied in 1920. There had

been during the past year a considerable decline, and simultaneously a vast amount of unemployment and short time occurred. The object lesson of the coal strike and the cessation of orders for export had at last brought home to the labour mind the stern economic facts with regard to the situation of the salt industry. The problem still to be solved, however, was how could we regain our own position in the export markets of the world? This, he was convinced, could only be accomplished by a further substantial lowering of the costs of production. A beginning had been made by reducing wages last April, and in the following August, in conjunction with their allies in the chemical trade, the company asked its men to agree to another reduction. The result was a strike in most of the chief salt districts, which lasted for about three weeks, when the men reluctantly agreed to accept the terms offered by the Chemical Employers' Federation. They were well advised to do so in view of the fact, which was patent to all, that no employment whatever could be found for large numbers of men, and that the only chance of increasing employment lay in cheapening costs. This was the first occasion on which a serious strike had occurred amongst the salt-makers of Cheshire, and it was sad to think that it required the resultant suffering to enable the men to realise the altered conditions.

It was encouraging to note that costs had been favourably affected by the somewhat lower average price at which coal was obtainable, and the decline in this respect would certainly assist in the efforts to regain former markets for salt.

MERSEY POWER COMPANY.

The Chairman passed on to refer to subsidiary companies, and dealing with the Mersey Power Company, he said the further capital required to complete this undertaking had been secured upon debentures which, it was gratifying to find, were applied for several times over, and now stood at a premium. The managers of that company were sanguine of being able to get their new station fully loaded up before the end of the year. Other subsidiary companies had done very well.

He desired to take the opportunity of tendering, both on the shareholders' behalf and that of the board, thanks to the managing directors, district managers, and all other officials and employees of the Union and its subsidiary companies, for the efficient service they had rendered in every department, and he regretted that the state of the accounts had not justified the bonus which in several recent years had been granted.

TRADE OUTLOOK—NEED FOR STATE ECONOMY.

Referring to the general outlook, the Chairman regretted he could not encourage the shareholders to expect any great improvement in the near future. Lessened costs and consequent lower selling prices were already helping the company to obtain more orders, and cheaper freights were also assisting, and there were signs of returning life in some of the other basic trades of the country. He was afraid, however, in most instances business was being done more for the sake of endeavouring to keep the trade and workpeople together rather than with any anticipation of profits being earned. It must never be forgotten that the world was still suffering from poverty caused by the late war, and a long period of time must elapse before there was any permanent recovery from its effects. Rigid economy in expenditure would have to be practised by all classes, even in regard to what had hitherto been deemed to be necessary. In this respect the Government had been a notable sinner, and the electorate ought to insist that all extravagances should be stopped and many projects abandoned which under other circumstances might be justified. The present load of taxation was completely crushing the life out of industry, preventing the accumulation of fresh capital, either for development or maintenance of existing undertakings, and destroying all incentive to the creation of new enterprises.

Mr F. W. Clark (deputy-chairman) seconded the motion to adopt the report and balance-sheet, and on being put to the meeting it was carried unanimously.

The Chairman proposed dividends for 1921 at the rate of 2s 4d per share on the preference shares and 1s per share on the ordinary shares, less income-tax.

Mr Clark seconded, and this also was carried.

The director to retire by rotation on this occasion was the chairman, and his re-election was proposed by Mr Clark, who recalled that Mr Cox joined the board in 1898, and was appointed chairman in 1908, having held the position continuously for 14 years. Mr Clark spoke in high terms of the chairman's services to the company.

Mr F. Hickson (a shareholder) seconded, and the motion was carried with acclamation, repeated later when a vote of thanks was tendered to the chairman.

Mr Cox, in acknowledgment, said, while he was feeling the burden of his long service, he would continue to do his utmost for the company.

MIDLAND ELECTRIC CORPORATION FOR POWER DISTRIBUTION, LIMITED.

SATISFACTORY RESULTS—1920 DIVIDEND MAINTAINED.

NEW ELECTRICITY AREAS SCHEME.

The 23rd ordinary general meeting of shareholders in the Midland Electric Corporation for Power Distribution, Limited, was held, on the 27th ultimo, at the Exchange Station Hotel, Liverpool, Mr James Taylor, J.P. (chairman of the company), presiding.

In moving the adoption of the report of the directors and the accounts for 1921, the Chairman said last year when he had the pleasure of addressing the shareholders he was able to state that, notwithstanding many troubles, the profit for the year 1920 was the best in the company's history. This year it was not so good; at the same time he thought it would be very satisfactory to know that the profit amounted to £105,857, against last year £109,419—a reduction of only £3,562. He thought it only right to draw attention to the fact that the gross revenue from current sold was down about £51,000, but against this they had earned in interest on cash in hand £15,600, the one being gross, the other net.

To the net profit of £105,857 they had to add the balance brought forward from last year, which—after deducting the E.P.D. paid—amounted to £18,517, made a total of £124,375 to be dealt with, which, as set out in the directors' report, they proposed to allocate as stated.

Those items made a sum of £76,971, leaving a balance of £47,404.

RESERVES INCREASED.

Turning to the liabilities side of the general balance-sheet, account No. 6, it would be seen that the reserve account had been increased from £20,000 to £45,000. The addition was in respect of the usual item of £5,000 which was being provided in each year, and £20,000 transferred from credit balances. This was in respect of an amount which had in previous years been set aside for sundry liabilities which might have had to be met, but which the directors and auditors were now satisfied would not be required.

DIVIDEND.

The directors now recommended that a further dividend on the ordinary shares of 6 per cent. be paid, which, with the interim dividend of 4 per cent., made a total of 10 per cent. for the year, leaving a balance of £30,604 to be carried forward to next year's account, and this, he was glad to say, was not now subject to E.P.D. He would like to point out that the ordinary dividend of 10 per cent. last year took £17,711, against £28,000 this year; this was owing to the new shares issued last year being now entitled to a full year's dividend.

On capital account, during the year they had spent £193,946, and this would have been heavier had the new plant ordered been delivered to date. Because of this they had earned, as previously mentioned, a considerable sum in interest on the capital provided to meet the expenditure.

PAST YEAR'S DIFFICULTIES.

The year 1920 was one of difficulties, but 1921 had been one of greater difficulties. First, early in the year they had a serious breakdown at the generating station, but, thanks to the forbearance of their customers and the hard work of the engineers, they kept running, but with a reduced load. Then came the coal strike; again they kept running, but at a very heavy cost, and supplied all the demands made upon them. Then came bad trade, the result of which all were still feeling. Taking these facts into consideration, he trusted the shareholders would consider the results satisfactory.

Owing to the extra cost of coal, labour, &c., in previous years they had to increase their charges; but whenever possible, owing to the fall in prices, they had given consumers the benefit. Naturally, they could not satisfy everybody, but he thought that if those who grumbled had to generate their own power, and took the costs into consideration they would find it cost them more than what they were now paying. He was afraid that, owing to heavy taxation, imperial and local, labour charges, &c., it would be a long time—if ever—before they could come back to pre-war rates, and every business man must recognise that this fact applied to all industries.

NEW ELECTRICITY AREAS.

It would be remembered that reference was made at the last annual meeting to the fact that the country was being divided up into district electricity areas. The Midlands had been divided into Eastern, North-West, and South-West. The first did not concern their company. An inquiry by the Commissioners into the delimitation of the South-West area was held in Birmingham some little time ago, when it was proposed to include a portion of the company's districts in that area. In the interests of the company it became necessary to oppose that scheme. This was done successfully, but at rather heavy cost in legal expenses. The inquiry into the scheme for the North-West area, in which the company would be included, was completed on February 28th, and the decision of the Commissioners would no doubt be received in due course.

Under that scheme it was proposed to set up a Joint Electricity Authority to control the supply of energy for the whole area, and it might be necessary for the company to transfer its generating station to that body, on terms and conditions to be agreed, but the distribution of supply energy would remain in the hands of the company. If this happened the company would be represented on that board. The directors were carefully watching the company's interests, and if, and when, the scheme took definite shape full particulars of the steps to be taken would be laid before the shareholders.

In conclusion, the chairman, on behalf of his co-directors and himself, cordially thanked the staff for their loyal service, and especially Mr Saies, the secretary, and Mr Parkinson, the engineer; no one could have worked harder in the interests of the company.

Sir Harmood Banner, M.P., seconded the motion, which was carried unanimously.

A resolution for the payment of dividend was then passed.

Mr James Taylor was unanimously re-appointed to the directorate, and Messrs Chalmers, Wade and Co. were re-elected auditors.

The proceedings closed with a vote of thanks to the chairman.

An extraordinary meeting followed, at which a resolution was passed for an alteration in the company's articles of association providing for additional remuneration to the directors.

BRITISH TRADE CORPORATION.

BOARD'S NEW PROPOSALS.

The fifth ordinary general meeting of the British Trade Corporation was held, on the 29th ultimo, at the Institute of Chartered Accountants, Moorgate place, London, Lord Faringdon (the governor) presiding.

The secretary (Mr G. de B. Brounlie, A.C.A.) read the notice and the auditors' report.

The Governor, in moving the adoption of the report and accounts, said: It was extremely disappointing to the directors that, having had so much hard work, they had to present, as a result of the lock-

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up of funds in connection with various trading concerns, the position disclosed in the accounts now submitted. Referring to the liquid position, he pointed out that there were cash and readily realisable assets amounting to £1,288,321, or 90 per cent. of the current liabilities—a position which the directors considered entirely satisfactory. When, a year ago, the directors paid a small dividend, there was little indication that the position to-day would be so different from what it then was, but it was impossible to realise that the demoralisation would be so rapid.

The directors had given much anxious thought to the position, and, after consultation with some of the large shareholders, had decided to recommend a drastic treatment of the figures, writing down the existing capital by £1,000,000, and applying such reduction to the wiping off of the debit balance on profit and loss account and to the reduction of various assets and the creation of reserves. They would also propose the creation of a corresponding amount, namely, £1,000,000, of preferential capital—shares entitled to a fixed rate of interest of 6 per cent. per annum, tax free, which would be offered to existing shareholders.

In further remarks, he announced his approaching retirement from the governorship, a position which he took at the request of the Board of Trade, and in which he had served the corporation in an honorary capacity. He was convinced that his place should be taken by a younger man. He had served the shareholders to the best of his ability for a longer period than he had originally contemplated, and would have retired some time since had he not been anxious to render assistance during a critical and difficult time. He added that, in order to give effect to the proposed reduction and increase of capital, it would be necessary to hold special meetings at a later date. They were unable to submit resolutions on the present occasion, as a preliminary was the obtaining of a supplemental charter, and they had only just heard that this had been granted.

The resolution was carried unanimously.

Lord Faringdon, in reply to requests that he should retain the governorship, promised that he would remain for a short time until his successor was appointed, but said that he would not be able to continue for very long.

BRITISH ALUMINIUM COMPANY, LIMITED. CONDITIONS IN THE INDUSTRY.

The ordinary general meeting of the British Aluminium Company, Limited, was held, on the 31st ult., at Winchester House, London, Mr A. W. Tait, C.B.E., chairman of the company, presiding.

The secretary (Mr G. W. Jeffery, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman said that the net profit for the year was £221,506, as compared with £428,157 in 1920, and the trading profit was £183,041, against £373,779. This substantial decrease, while very disappointing, was not unexpected. The trading for 1920 was a record for the company and the industry, but at the last annual meeting he had said that a sudden falling off in demand had become evident in August of that year, due to the collapse, all over the world, of the motor car industry, which was a very large consumer of the metal. He had also mentioned then a considerable falling off in other channels of trade at home and abroad. This depression assumed serious proportions about the end of the year, and continued with increasing severity throughout 1921. The result was an over-production of metal. They had closed two aluminium plants and one alumina plant, and reduced production at the works in the early part of the year, these drastic steps being necessary to prevent accumulation of stocks at high prices and consequent locking up of resources. So far there had been no great improvement in the position, and the aluminium works in Norway were still closed down, although the output at the works in Scotland had been somewhat increased. He could not see how they could expect business to show definite improvement until there was a more or less general return to normal trading conditions.

Owing to competition, the price of the metal had fallen substantially, and was now practically on the pre-war basis. There was reason, therefore, to hope that the industry would recover fairly quickly should trade generally improve.

Costs were abnormal during the year through the falling off in production, and the closing down of certain works. They were increased also by the coal strike, which paralysed industry when there were some signs of improvement. Labour rates reached their high point last spring, but certain reductions had since been made, through the decrease in the cost of living. He believed there would be further decreases in materials and labour. The Lochaber Water Power Scheme had received the Royal Assent on July 28, 1921. The Act granted to a statutory company (which would be controlled by the British Aluminium Company) one of the largest water powers in the United Kingdom.

The year's profit was £221,507, and £19,534 was brought forward. The dividend on the ordinary shares was 5 per cent., leaving £14,791 to be carried forward. The report and accounts were then adopted.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1921-22. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1921, to Mar. 25, 1922.	Total Receipts into the Exchequer from Apr. 1, 1920, to Mar. 26, 1921.	Receipts, Week Ended Mar. 25, 1922.	Receipts, Week Ended Mar. 26, 1921.
BALANCES IN EXCHEQUER ON 1st April—					
Bank of England....	..	2,591,051	7,159,773	..	..
Bank of Ireland....	..	483,453	2,809,384	..	..
REVENUE.					
Customs.....	126,800,000	128,861,000	133,088,000	3,445,000	3,673,000
Excise.....	196,800,000	193,075,000	198,669,000	1,270,000	1,516,000
Motor Vehicle Duties.....	9,000,000	10,916,000	7,073,000	..	..
Estate, &c., Duties.....	48,000,000	51,344,000	47,296,000	1,820,000	1,376,000
Stamps.....	21,000,000	18,169,000	26,431,000	750,000	2,135,000
Land Tax.....	2,500,000	2,496,000	2,490,000	100,000	80,000
House Duty.....	..	..	..	..	..
Property Income Tax (including Super-Tax & Mineral Rights Duty).....	410,500,000	377,648,000	377,238,000	17,503,000	18,244,000
Excess Profits Duties, &c.....	120,000,000	29,714,000	214,411,000	..	5,230,000
Corporation Profits Tax.....	30,000,000	17,115,000	610,000	904,000	110,000
Post Office.....	60,000,000	54,500,000	48,950,000	1,000,000	2,000,000
Crown Lands.....	650,000	750,000	630,000	..	..
Interest on Sundry Loans.....	12,000,000	13,807,337	23,770,229	177,914	999,301
Miscellaneous—					
Ordinary Receipts.....	21,500,000	25,141,973	24,891,839	1,704,932	1,879,433
Special Receipts.....	158,500,000	151,822,453	264,059,848	6,032,326	2,768,119
Revenue.....	1,416,850,000	1,075,345,579	1,369,580,916	34,707,172	40,000,853
Total, Inc. Balance.....	..	1,078,420,086	1,378,960,013	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	..	10,530,000	5,210,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	..	520,000	..	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1913 to 1921.....	..	5,561,474	4,080,000	..	..
Under the Post Office (London) Railway Act, 1913.....	..	27,500	115,000	..	..
Under the Housing Act, 1914.....	..	50,000	30,000	..	..
(b) Under the Unemployment Insurance Act, 1921.....	..	11,890,000	..	..	..
(c) For other Issues:—					
By Treasury Bills for Supply.....	..	3,677,067,000	4,019,448,000	52,387,000	49,744,000
By 4% Funding Loan, 1920-21.....	..	..	270,552	..	..
By 4% Victory Bonds.....	..	..	769,061	..	..
By 5% Exchequer Bonds, 1920.....	..	..	15	..	..
By 5% Exchequer Bonds, 1925.....	..	..	258,784	..	..
By National Savings Certificates—					
Under the War Loan Act, 1914-1919.....	..	67,905,000	20,760,794	..	..
Under the Finance Act, 1920.....	..	19,870,000	140	6,650,000	400,000
By National War Bonds.....	..	75	140	70	140
By Treasury Bonds—					
5-15 year, 1925-35.....	..	1,062,317	22,424,233	..	341,083
5%.....	..	283,577,064	..	..	..
5% 1927.....	..	45,585,364	..	4,963,995	..
By Other Debt created under the War Loan Act, 1914 to 1919.....	..	10,961,454	47,078,090	..	..
(d) Ways and Means Advances.....	..	1,342,791,000	1,429,876,000	89,905,000	143,780,000
Anglo-Persian Oil Company—					
Dividends on Shares acquired.....	..	577,028	427,756	572,018	..
Repayments—					
In respect of Suez Canal Drawn Shares.....	..	7,111	7,853	..	..
Do Cunard Loan.....	..	130,000	130,000	..	..
Do East African Protectorate Loan.....	..	127,268	5,940	..	..
Do Issues under Civil Contingencies Fund Act, 1919.....	..	7,250,000	5,000,000	..	..
Do Issues under Land Settlement (Facilities) Act, 1919.....	..	63,128	16,760	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	13,490,950	6,877,125	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	426,340	24,621	..	1,578,750
Total.....	..	6,558,189,976	6,961,730,555	189,205,255	235,644,836

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1921-22, including Supplementary Grants.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1921, to Mar. 25, 1922.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1920, to Mar. 26, 1921.	Issues, Week Ended Mar. 25, 1922.	Issues, Week Ended Mar. 26, 1921.
EXPENDITURE.					
Permanent Charge of Debt.....	24,500,000	23,405,755	24,189,545	876,947	1,915,161
Interest, &c., on War Debt.....	320,500,000	304,007,908	321,481,586	1,430,974	2,034,207
Road Fund.....	4,400,000	10,617,000	8,936,689	..	260,000
Payments to Local Taxation Authorities, &c.....	11,115,000	10,423,390	10,785,503	464,682	1,444,696
Payments to Northern Irish Exchequer.....	..	1,103,393	..	100,000	..
Land Settlement.....	5,000,000	2,822,244	6,576,875	83,073	97,865
Other Consolidated Fund Services.....	1,757,000	1,815,536	1,742,507	67,080	..
Post Office.....	798,249,000	806,731,881	763,128,000	51,708,894	45,696,464
Expenditure.....	1,160,561,000	1,046,887,111	1,137,108,368	84,781,830	31,217,883

	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1921, to Mar. 25, 1922.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1920, to Mar. 26, 1921.	Issues, Week Ended Mar. 25, 1922.	Issues, Week Ended Mar. 26, 1921.
OTHER ISSUES.				
Temporary Advances—				
Bullion.....	10,900,000	5,250,000	300,000	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	14,470,000	..	500,000	..
Issues to Meet Capital Expenditure:—				
Under the Telegraph (Money) Act, 1913 and 1921.....	7,961,474	5,900,000	1,000,000	600,000
Under the Post Office (London) Railway Act, 1913.....	27,500	144,000	..	..
Under the Housing Act, 1914.....	56,000	43,000	..	4,500
Redemption of Unfunded Debt—				
Treasury Bills for Supply, &c., under Section 34 of the Finance Act, 1917.....	3,902,621,000	4,011,029,000	54,300,000	36,522,000
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (5) of the Finance Act, 1920.....	24,500,000	29,750,000	800,000	..
(b) Repaid otherwise.....	10,400,000	..	..	..
Principal of Exchequer Bonds paid off.....	42,781,133	28,212,643	..	589,483
5% 1921.....	..	..	..	..
5% 1922.....	..	..	..	..
(Less paid off by the National Debt Commissioners, £8,000,000, 23,818,313)	..	..	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	58,815,156	93,887,020	..	607
Principal of American Loan under the American Loan Act, 1915.....	..	59,229,221	..	..
Ways and Means Advances Repaid	1,356,385,000	1,472,349,000	76,450,000	140,072,000
Depreciation Fund, under the Finance Act, 1917.....	29,260,245	30,760,245	..	500,000
Anglo-Persian Oil Company—Issued under the Anglo-Persian Oil Company (Acquisition of Capital) Amendment Act, 1919.....	78,554	427,756	78,554	427,756
Issues to National Debt Commissioners to Reduce Debt:—				
Suez Canal Drawn Shares Repayments.....	7,111	7,853	..	..
Cunard Loan Repayments.....	130,000	130,000	..	..
East Africa Protectorate Loan Repayments.....	127,268	5,940	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	20,840,000	9,735,000	..	2,310,000
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	319,620	262,766	50,000	..
BALANCES IN EXCHEQUER—	6,553,798,364	6,957,419,779	189,144,065	234,451,577
Bank of England.....	2,280,077	4,077,606	50,490	2,036,816
Bank of Ireland.....	2,111,577	233,170	10,700	643,567
Total.....	4,391,612	4,310,776	61,190	1,393,249

NOTE.—Budget Estimate as in House of Commons, Paper No. 89 of 1921. Treasury, March 27, 1922.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

	Date.	Notes and Certificates Outstanding.	Advances to Bankers.	Advances to Savings Banks.	Gold and Silver Coin and Bullion.	Bank of England Notes.	Ratio to Government Securities.	Balance at Bank of England.
1914.	..	..	..	..	..	..	..	11,423
Aug. 26, 1914.....	..	21,535	6,302	3,810	18,500	..	48.1	9,284
Dec. 30, 1914.....	..	38,478	169	600	..	..	..	..
1915.	..	..	..	..	..	..	..	..
Dec. 29, 1915.....	..	103,125	729	159	249	28,500	27.6	54,621
Dec. 27, 1916.....	..	150,144	2,430	64	40	28,500	19.0	118,102
1917.	..	..	..	..	..	..	..	..
Dec. 26, 1917.....	..	212,782	8,554	39	675	28,500	13.4	186,637
1918.	..	..	..	..	..	..	..	..
Dec. 31, 1918.....	..	323,241	15,529	..	570	28,500	8.9	305,133
1919.	..	..	..	..	..	..	..	..
Dec. 31, 1919.....	..	356,152	17,182	250	245	28,500	9.1	337,537
1920.	..	..	..	..	..	..	..	..
June 30, 1920.....	..	357,356	16,700	..	190	28,500	11.7	331,660
Dec. 29, 1920.....	..	367,626	16,962	..	..	28,500	13.0	336,504
1921.	..	..	..	..	..	..	..	..
Mar. 30, 1921.....	..	343,826	15,599	..	..	28,500	13.9	311,334
June 29, 1921.....	..	323,894	14,965	..	..	28,500	14.8	287,750
Sept. 28, 1921.....	..	314,382	14,830	..	..	28,500	15.2	278,119
Dec. 28, 1921.....	..	325,584	14,658	..	..	28,500	14.7	289,131
1922.	..	..	..	..	..	..	..	..
Mar. 23, 1922.....	..	299,798	13,546	..	..	28,500	15.9	260,254
30, 1922.....	..	304,351	14,255	..	..	28,500	15.9	261,479

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £340,600,000, for 1921 at £317,555,200, and for 1922 at £309,988,400.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £60,000,000 in three months' Treasury Bills and Treasury Bonds, dated from Monday to Saturday, April 3rd-April 8th, were opened on March 31, 1922, and the total amount applied for was £105,935,000. Tenders for Monday to Saturday bills at £99 5s 6d, was about 65 per cent., above in full. The average rate of discount was £2 17s 11 3/4d. The average price at which the £15,000,000 of Treasury Bonds were allotted was £99 5s 6d, about 65 per cent., and above in full, against £99 14s 6 1/2d a week ago.

The following table shows recent Treasury Bills by tender:—

Date of Bills.	Amount Offered.	Amount Applied for.	Treasury Bills. Average Rate of Discount.	Rate for Additional Treasury Bills.
1922.	\$	£	£ s d	
March 3	35,000,000	45,805,000	3 3 1/4	2 1/2
March 10	35,000,000	58,270,000	3 3 1/8	2 1/2
March 17	(a) 40,000,000	(a) 70,825,700	3 7 7/8	3
March 24	(a) 60,000,000	(a) 95,512,200	3 2 6/3	2 1/2
March 31	(a) 60,000,000	(a) 105,935,000	2 17 11/31	2

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	Position May 31, 1914.
Jan. 1, 1922.	128,439,940	125,694,450	192,021,827	188,772,223	21,195,490	11 %
11.	128,452,733	125,696,990	145,488,691	140,166,176	23,275,743	16 %
18.	128,444,188	125,699,950	137,444,310	131,118,332	24,294,248	17 %
25.	128,447,117	122,205,840	135,463,106	128,746,174	24,691,377	17 %
Feb. 1, 1922.	128,752,275	123,586,655	180,396,003	154,793,531	23,615,620	14 %
8.	128,748,360	123,696,755	189,135,005	162,649,169	24,531,605	14 %
15.	128,761,537	121,754,490	182,373,435	144,991,491	25,460,029	16 %
22.	128,761,537	121,545,695	137,755,462	130,184,266	25,665,842	18 %
Mar. 1, 1922.	128,762,306	123,093,340	135,643,344	129,715,387	24,118,966	17 %
8.	128,763,954	122,234,155	138,265,592	131,468,690	24,979,809	18 %
15.	128,775,441	121,758,195	134,549,141	127,267,680	25,467,240	18 %
22.	128,779,763	121,704,445	142,190,053	134,862,288	25,585,518	18 %
29.	128,771,201	122,719,940	150,541,882	144,249,557	24,502,261	16 %

TEN YEARS' RECORD.

At corresponding date with the present week.	Mar. 27, 1912.	May 27, 1914.	Mar. 31, 1920.	Mar. 30, 1921.	Mar. 29, 1922.
Circulation (excluding Bank post bills)	28,493,880	28,933,380	105,271,020	129,904,745	122,718,940
Public deposits	25,855,936	19,014,809	36,248,159	33,046,941	30,037,437
Other deposits	39,370,589	41,248,964	100,922,097	114,633,942	120,501,445
Government securities	14,283,035	11,046,570	20,412,430	26,004,162	46,318,615
Other securities	41,059,509	41,461,260	100,523,886	112,909,387	97,930,942
Reserve of notes and coin	28,230,948	25,463,980	25,351,465	18,933,529	24,502,261
Coin and bullion	38,274,828	35,947,360	112,172,475	128,348,374	128,771,201
Proportion of reserve to liabilities	431%	421%	184%	121%	161%
Bank rate of discount	3 1/2	3 1/2	6 1/2	7 1/2	4 1/2
Market rate, 3 months' bills	3 1/2	3 1/2	5 1/2	6 1/2	3 1/2
Price of Consols	78 1/2	74 1/2	45 1/2	48 1/2	56 1/2
Price of silver per oz.	26 1/2 d	26 1/2 d	33 d	33 d	33 d
Average price of wheat	34 s 11 d	33 s 0 d	72 s 8 d	88 s 7 d	52 s 6 d
Exchanges	Paris 25-23 1/2	85-17 1/2	57 1/2	55-80-56-07	48-40-60
London	12-13 1/2	12-05-10	10-24	8-57 1/2	8-57 1/2
Berlin	20-45	20-49	27-28	24-37	14-00-14-70
Clearing house return	238,978,000	199,913,000	874,809,000	1,454,490,000	701,866,000

BANKERS' CLEARING RETURNS.

Week Ending	Town Clearing.	Country Clearing.	Total.
1922.			
January 1—March 22	8,250,257,000	649,282,000	8,899,539,000
March 23	651,431,000	50,435,000	701,866,000
Total to date 1922	8,901,688,000	699,717,000	9,601,405,000
Do 1921	7,937,380,000	844,435,000	8,781,815,000
Increase or decrease in 1922	+ 964,308,000	+ 155,282,000	+ 1,119,590,000
12-1%			9-3%
Total for 1921	31,928,380,000	3,002,179,000	34,930,559,000
Do 1920	34,946,683,000	4,072,220,000	39,018,903,000
Increase or decrease in 1921	- 3,018,303,000	- 1,070,041,000	- 4,088,344,000
8-6%			10-4%

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Ino. or Dec.
Aggregate Totals to March 25.			
BIRMINGHAM (Jan. 1 to Mar. 18)	35,066,800	24,544,900	- 11,523,900 31-9
BRISTOL	19,297,000	16,823,000	- 2,474,000 12-8
DUBLIN	91,247,900	80,123,900	- 11,124,000 12-1
LIVERPOOL	15,389,900	13,645,800	- 1,744,100 11-3
LEICESTER	9,885,300	9,821,400	- 63,900 1-6
LIVERPOOL	128,379,900	103,376,200	- 25,003,700 19-4
MANCHESTER	202,997,900	179,367,200	- 23,630,700 11-6
NEWCASTLE-ON-TYNE	29,988,500	22,063,000	- 7,925,500 26-4
NOTTINGHAM	9,511,500	8,207,200	- 1,304,300 13-7
SHEFFIELD (Jan. 1 to Mar. 18)	17,104,800	10,617,400	- 6,487,400 37-9

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

	Mar. 24, 1922.	Mar. 17, 1922.	Mar. 21, 1921.	Week's Movement.
RESOURCES.				
Total gold reserve	2,976,700	2,976,020	2,206,040	+ 680
Legal tender notes and silver reserve	127,910	125,380	209,250	+ 2,530
Bills discounted for member banks	615,910	591,730	2,234,920	+ 24,180
Bills bought in open market	87,050	87,310	123,780	- 260
Government obligations owned	443,160	596,370	310,820	- 155,210
All other resources	61,350	61,330	42,180	+ 30
LIABILITIES.				
Government deposits	66,360	16,790	58,790	+ 49,570
Other deposits	1,708,220	1,896,670	1,589,810	- 188,450
Federal Reserve Notes in actual circulation	2,183,370	2,188,590	2,962,880	- 5,220
Federal Reserve Bank Notes in actual circulation	78,800	78,030	17,250	+ 830
All other liabilities	17,440	17,110	46,060	+ 330
Capital and surplus	319,360	319,350	303,090	+ 10
Ratio of total resources to liabilities	78-4%	75-6%	51-0%	+ 2-8%

BANK OF FRANCE.

	Mar. 30, 1922.	Mar. 23, 1922.	Mar. 31, 1921.	Week's Movement.	Position May 31, 1914.
ASSETS.					
Gold coin and bullion	5,526,055	5,526,055	5,504,213	+ 205	3,730,625
Of which held abroad	1,948,367	1,948,367	1,948,367	—	632,660
Silver coin and bullion	281,921	281,749	267,320	+ 172	2,347,775
Discounts and advances	5,260,374	5,197,805	5,455,385	+ 62,769	5,811,875
LIABILITIES.					
Government deposits	35,528,005	35,281,790	38,435,078	+ 246,815	183,700
Other deposits	25,998	66,168	37,074	+ 29,870	946,950
Private deposits	2,009,747	2,310,514	3,066,182	- 100,797	—

BANK OF SPAIN.

	Mar. 25, 1922.	Mar. 18, 1922.	Mar. 11, 1922.	Mar. 25, 1921.	Week's Movement.	Position May 31, 1914.
ASSETS.						
Gold	2,520,414	2,519,653	2,519,043	2,478,318	+ 751	521,775
Silver	3,361,448	3,361,448	3,361,448	3,361,448	—	728,600
Loans and discounts	2,471,834	2,509,135	2,554,219	1,984,243	+ 37,301	800,725
Spanish 4% stock	—	344,475	344,475	344,474	—	344,475
Treasury bills	—	150,000	150,000	150,000	—	150,000
LIABILITIES.						
Circulation	4,134,536	4,166,125	4,195,908	4,233,330	- 31,589	1,901,560
Deposits	1,124,005	1,098,376	1,100,364	1,153,365	+ 25,629	477,500

NATIONAL BANK OF GREECE.

	Feb. 28, 1922.	Feb. 13, 1922.	Feb. 28, 1921.	Previous Return.	Last Year.
ASSETS.					
Gold and balances abroad	1,389,409,455	1,373,611,719	1,441,045,362	+ 15,797,736	- 51,635,907
Government loans and securities	2,313,053,482	2,314,194,524	1,262,941,549	+ 1,141,042	+ 1,050,119,333
Discounts and loans	759,533,784	768,814,911	782,427,343	+ 9,281,127	- 22,893,559
LIABILITIES.					
Notes in circulation	2,123,365,480	2,115,939,591	1,523,064,787	+ 7,432,889	+ 600,300,693
Government deposits	140,437,873	188,802,798	164,147,810	- 48,364,925	- 23,709,937
Private sight deposits	1,121,044,331	1,006,337,204	872,995,733	+ 114,707,127	+ 248,048,598
Private deposits at fixed dates	971,503,152	965,141,853	698,052,467	+ 6,361,299	+ 273,450,685

BANK OF JAPAN.

	Feb. 18, 1922.	Feb. 11, 1922.	Feb. 4, 1922.	Jan. 28, 1922.	Feb. 19, 1921.	Position Jan 30, 1914.
ASSETS.						
Gold and silver	1,227,165	1,228,101	1,227,572	1,245,186	1,273,101	221,320
Discounts	62,614	67,807	108,480	201,632	51,890	41,740
Advances	69,049	87,161	103,200	114,762	122,058	70,540
LIABILITIES.						
Notes	1,108,458	1,143,367	1,233,134	1,370,609	1,042,512	562,720
Govt. deposits	1,305,259	1,265,515	1,238,336	1,218,004	1,501,518	87,340
Private deposits	72,056	43,321	41,769	39,252	235,083	11,440

IMPERIAL BANK OF GERMANY.

	Mar. 15, 1922.	Mar. 7, 1922.	Feb. 28, 1922.	Week's Movement.	Position May 31, 1914.
ASSETS.					
Gold	936,378	936,378	936,378	—	1,313,940
Silver	17,707	17,129	15,590	+ 578	321,590
Treasury notes	4,878,666	5,156,001	4,633,744	+ 277,332	943,460
Bills discounted	140,866,650	132,883,392	136,108,744	+ 7,983,258	60,780
LIABILITIES.					
Notes in circulation	122,120,371	121,930,166	120,026,387	+ 190,805	2,013,860
Deposits	30,665,855	22,333,824	26,526,072	+ 8,332,031	642,540

NETHERLANDS BANK.

	Mar. 27, 1922.	Mar. 20, 1922.	Mar. 13, 1922.	Mar. 6, 1922.	Mar. 29, 1921.	Position May 30, 1914.
ASSETS.						
Gold	805,953	805,953	805,953	805,953	621,034	163,094
Silver	5,885	7,158	6,863	6,800	16,687	8,436
Discs. & advances	375,701	396,603	413,408	411,139	427,044	153,504
LIABILITIES.						
Notes in circulation	961,923	963,735	986,897	1,008,879	1,036,816	316,534
Deposits	36,927	26,765	27,729	27,729	41,570	5,016

BANK OF ITALY.

	Feb. 28, 1922.	Feb. 20, 1922.	Feb. 10, 1922.	Move-ment.	Position May 31, 1914.
ASSETS.					
Total cash	1,461,728	1,440,484	1,397,804	1,336,113	1,221,875
Foreign bills	4,416,827	4,432,038	4,464,756	3,333,642	15,241
Advances to the Treasury	9,454	9,450	9,463	28,087	81,300
Other advances	6,582,314	6,587,177	6,577,430	7,697,461	—
Securities	3,639,136	3,466,536	3,636,431	2,974,167	172,600
LIABILITIES.					
Note circulation	14,112,251	14,031,218	14,375,397	14,648,773	81,033
Deposits & drafts	1,855,574	2,001,361	1,972,138	1,809,938	145,787

SWISS NATIONAL BANK.

	Mar. 23, 1922.	Mar. 16, 1922.	Mar. 7, 1922.	Mar. 22, 1921.	Week's Movement.	Position May 31, 1914.
ASSETS.						
Gold	549,631	546,057	546,982	543,398	+ 3,574	171,175
Silver	180,000	108,000	108,000	196,176	—	18,350
Darlehens-Kassen	17,695	17,572	17,510	4,173	+ 123	—
Assets & advances	277,017	286,029	281,781	275,310	- 9,013	103,000
LIABILITIES.						
Notes in circulation	784,614	800,399	819,026	924,936	- 15,785	275,925
Deposits	202,110	197,837	176,180	104,427	+ 4,273	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to February 28, 1922, total issues were Fr. 27,371,553, of which Fr. 17,456,775 was held by the Swiss National Bank.

NATIONAL BANK OF ROMANIA.

(000's omitted.)						
	Feb. 18, 1922.	Feb. 11, 1922.	Feb. 4, 1922.	Jan. 28, 1922.	Feb. 1, 1921.	Position May 31, 1914.
ASSETS.						
Gold.....	4,581,590	4,581,590	4,581,590	4,581,590	3,450,250	3,450,250
Silver, &c.....	408	331	306	359	2	2
Government loan	12,538,148	12,567,133	12,364,461	12,364,453	8,754,685	8,754,685
Other advances	2,679,526	2,746,042	1,194,269	1,123,266	3,361,776	3,361,776
Loans.....						
Notes in circulation	13,589,969	13,701,633	13,672,451	13,683,226	10,122,676	10,122,676
Deposits.....	6,161,849	6,310,938	6,205,475	6,234,556	6,474,748	6,474,748

DIVIDEND ANNOUNCEMENTS.

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.							
Name.	Period.	Ending.	Receipts for Week or Month.		Inc. or Dec.	Aggreg'te Receipts.	Inc. or Dec.
Algoma Cent. & Hudson Bay	7 mths	Jan. 31	Gross	\$681,468	-	77,093	1,059,713 - 763,544
Canadian Ncr.	11 weeks	Mar. 21		\$1,220,050	-	120,612	11,582,777 - 4,087,786
Canadian Ntn*	1 mth	Jan. 31	Gross	\$3,805,000	-	1,289,100	5,368,000 - 5,368,000
Canadian Pac.	11 weeks	Mar. 21		\$3,097,000	-	114,000	31,508,000 - 5,368,000
Canadian Pac.*	2 mths	Feb. 28	Gross	\$1,131,300	-	1,465,700	22,624,000 - 4,999,000
			Net	\$654,000	-	159,000	1,137,000 - 518,000
Grand Trunk.	11 weeks	Mar. 21		\$396,600	-	114,427	4,386,490 + 831,166
Temiscouia	1 mth	Dec. 31	Gross	\$23,168	-	..	..

* Net earnings before deducting taxes. † Railway and Steamship receipts.

OTHER BRITISH OVERSEAS RAILWAYS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1920-21.	+ or -	1920-21.	+ or -
Belra and Mashona-land.....	1 mth	Dec. 31	810	£ 5,507	+ 4,046	£	£
Mid. of W. Aust.	7 mths	Jan. 1	777	13,514	+ 7,149	..	2,453
New Cape Central..	9 weeks	Mar. 4	205	3,049	+ 165	26,215	+ 1,17
Rhodesia Railways .	1 mth	Dec. 31	1,397	134,575	- 5,766	..	..

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1922.	+ or -	1922.	+ or -
Anglo-Argentine . . .	13 weeks	Mar. 25	39	\$86,730	+ 14,269	97,625	+ 41,9
Burnley Corporation	1 week	25	12	5,377	- 947	..	..
Calcutta Tramways . .	13 weeks	25	35	Rs106,814	+ 27,876	..	+ 53,7
Chatham & District . .	11 weeks	16	15	£1,563	- 56	15,661	- 1,7
Egyptian Markets . . .	11 weeks	18	..	£2,029	- 16	20,366	- 6,1
Glasgow Corporation							
Tramways	43 weeks	25	99	\$43,326	- 3,132	1,918,928	- 4,7
Isle of Thanet	15 weeks	22	..	\$585	- 54	14,861	+ 1,1
Manchester United . . .	11 weeks	21	33	\$3,580	- 478	35,445	- 7,3
Liverpool Corpora-							
tion Tramways	12 weeks	25	124	\$29,559	- 90	345,163	+ 7,6
L.C.C. Tramways . . .	53 weeks	29	155	\$90,593	- 12,431	5,045,561	+ 157,9
Madras Elect. (2 wks)	10 weeks	15	..	Ru49,857	..	243,459	+ 56,4
Pernambuco Trams . .	12 weeks	26	..	3,624	- 139	45,577	- 11,7
Singapore Electric . .	7 weeks	Feb. 18	..	\$15,147	+ 2,396	108,760	+ 34,0

TRAMWAY & OTHER MONTHLY GROSS & NET RECEIPTS.

	Receipts.	Period.	Ending.	Present Mileage	Receipts for Month.		Total Receipts.	
					1920-21.	+ or -	1920-21.	+ or -
Barcelona Trac.	1 mth	Jan.	31	(Gross	4,074,494	+ 920,177	..	..
repts. in pmt.				(Net	2,519,811	+ 439,568	..	..
Brazilian Trac.	2 mths	Feb.	28	(Gross	14,477,000	+ 2,533,000	29,500	+ 4,689
repts. in mil.				(Net	8,360,000	+ 2,881,000	17,156,000	+ 5,260
Brisbane Electric	2 mths			..	..	595	92,590	..
Brit. Columbia	7 mths		28	(Gross	\$907,242	..	1,610,157	+ 174
Electric, &c.				(Net	\$285,770	..	342,033	+ 1
Buenos Ayres La	8 mths		28	5 1/2	\$55,227	+ 1,275	460,044	+ 85
Croze Trams				..	\$52,389	+ 3,975	..	..
Burmah Electric	7 mths		28	(Gross	\$33,670	..	..	..
Trwys. & Lghg.				(Net	\$10,487	..	..	..
Cape Elzeo, Trams	1 mth		28	(Gross	..	..	..	..
Canadian - Wstrn.				(Net	..	..	..	..
Natural Gas	4 mths		28	Gross	\$9118,702	+ 19,213	379,976	+ 28
Carthagena and				..	..	..	..	..
Herrerias Trms.	2 mths		28	12	2,773	..	5,848	..
Catalinas Wareh.	1 mth		28	Gross	\$13,500	..	..	..
Cities Service Co.	12 mths		28	(Net	\$1,235,641	..	207,058	12,863,346
Cordoba Light &c.	11 mths		28	..	\$1,199,786	..	181,345	12,336,793
Elec. Sup. of Vico.	4 weeks		29	22	\$21,942	+ 3,350	251,933	..
Havana Elec. Rl.				..	\$84,805	+ 211	50,657	..
Light & Power	1 mth		31	(Gross	\$10,049	+ 50,973	..	..
International				(Net	\$893,438	+ 142,542	..	..
Light & Power	6 mths	Dec.	31	(Gross	\$21,923	+ 427	129,860	..
Kalgoorlie Elec.				(Net	\$5,477	+ 1,531	37,194	..
Tramways	12 mths		31	(Gross	\$2,814	..	27,758	..
				(Net	\$1,098	..	..	..
Keystone Tele.	2 mths	Feb.	28	(Gross	\$137,978	..	6,346	276,338
La Guaira Harbr.	1 mth		28	(Net	\$57,926	+ 15,056	113,067	..
La Plata Electric	2 mths		28	..	\$59,31	+ 617	..	..
Lima Light, Pwr.				..	\$66,318	+ 5,590	11,041	..
and Tramwys	12 mths	Dec.	31	Gross	\$64,843	..	1,801	749,820
Manila Electric				(Net	\$18,251	+ 2,762	210,466	..
Railroad, &c.	2 mths	Feb.	28	Gross	\$310.00	+ 5,612	619,253	..
				(Net	\$144,990	+ 23,619	289,075	..
Para Electric	3 mths		28	Gross	\$21,532	+ 1,037	67,208	..
				(Net	\$14,184	+ 3,560	25,547	..
Rangoon Electric	1 mth	Jan.	31	Gross	\$43,12,850	..	..	..
Shanghai Electric	2 mths	Feb.	28	(Net	1,57,850	..	..	..
of Montevideo				Max.	\$165,532	+ 15,652	346,167	+ 38
Victoria, B. I. & C.	4 mths		28	Gross	\$98,111	..	180,301	..
Transvaal Pwr.	Quarter	Dec.	31	(Net	\$205,682	..	..	..
Winnipeg Electric	1 mth	Jan.	31	(Gross	\$507,047	+ 818	..	..

† 4 weeks return.

‡ Approximate receipts.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.			Dividend for Whole Years.
	Interim or Final.	Date of Payment.	Method of Payment.	
Railways.				
Barry Port & Gwendreath Valley	14+	..	..	10
Bars' Light	5 %*	April 21	..	..
Bengal Doocars	2 %*	April 28	..	..
Dublin and Kingstown	8	..	Less tax	..
Manila	5 %	..	..	3
Mansfield	4+	..	Less tax	..
Banks.				
Anglo-South American	6/ p.s.	April 22	Less tax	..
Bank of Scotland	..	April 17	Less tax	16
Credito Italiano	..	..	..	9
Equitable Trust of N.Y.	4%	Mar. 31	..	..
International Banking	24	..	..	20
National of India	20+	..	..	20
Insurance.				
British Engine, Boiler, and Elec	15/ p.s.†	..	Less tax	22/6ps
London Guarantee and Accident	6/ p.s.	..	Less tax	10/ p.s.
Marine	1/2/6 p.s.	May 1	..	25
Northern Maritimes	12 1/2%	..	Tax free	10
Provincial, "A" and "B"	..	..	Less tax	15
United Automobile	..	..	Tax free	15
Warden	10%+	..	..	..
Mining.				
Balaghat Gold	9 p.s.†	April 12	Less tax	..
Tea and Rubber.				
Bagalla Tea	10%+	..	Tax free	20
Bagan Seral	..	..	Less tax	12 1/2
Chersonese (F.M.S.) Estates	..	..	..	24
Colonial Property and Rubber	24%*	April 9	Less tax	35
Craighead Tea	15%+	..	..	10
Galala Tea	..	..	Less tax	3 1/2
Harpenden Rubber	..	..	..	7
Makakoff	5%	..	..	5
Mayfield Rubber	..	..	..	7
Nahama Tea, Cum. Pref.	..	..	Less tax	25
Portmore Tea	12 %†	..	..	15
Tyspane Tea	10 %†	..	..	20
Vellikellie Tea	15 %†	..	..	20
Victoria Rubber	..	..	..	..
Other Companies.				
Aberdeen Coal and Shipping	..	..	Tax free	3/ p.s.
Allanza Company	25%+	..	..	40
Alliance Trust	2+	..	Subject to tax	6
American Trust	24%+	..	Less tax	5
Armstrong	16 p.s.†	..	..	10
Asbestos-Whitworth	8 1/2 p.s.	April 15	..	10
Asbestos Corporation of Canada	..	April 20	Less tax	8
Barry, Ostlere, and Shepherd	4%†	..	Less tax	20
Bombay Gas	15 %†	Mar. 31	..	20
Blyth, Greene, Jourdain, & Co., Ord	..	Mar. 31	..	10
Do Defd.	..	..	..	..
Bradleys (Chepstow Place)	3%*	Mar. 31	..	7
British Tobacco (Australia)	4%†	..	Tax free	7
Bristol Tramways and Carriage	1/ p.s.	..	Tax free	15
Brown, Hopwood, and Gilbert	..	..	..	5
Brush Electrical Engineering	..	..	Less tax	5
Camell, Laird, and Co.	1/6 p.s.†	..	Less tax	3/ p.s.
C and W Walker	10%+	..	Tax free	15
Celtic Collieries	..	..	Tax free	5
Central Provinces Prospecting	15%†	..	Tax free	25
Ceylon Land and Produce	5%*	Mar. 29	Less tax	10
Colissions	..	..	Less tax	5
Crowe and Co.	24%+	..	Less tax	8
Daniell and Sons' Breweries	..	Mar. 29	Less tax	..
Dominion Glass	13%	April 1	..	5
Donkalk & Newry SteamPacket	24%†	..	Less tax	5
Edinburgh Collieries, Pref.	..	..	..	10
Egypt and Levant Steamship	..	April 10	..	10
E. Robinson and Sons	10% (a rrears)	..	Less tax	6 1/2
Folkstone Racecourse, Pref.	8†	..	..	10
Foreign, American, & Gen. Defd.	..	..	..	5
Grand Hotel (Bristol)	1/6 p.s.†	..	Tax free	10
Hedfields, Limited	1/6 p.s.†	..	..	5
Haugb Ring Spinning	1/6 p.s.	..	Less tax	5
Henry Bessemer and Co.	14 p.s.*	..	..	10
Haywood and Roe Aore Mills	10	April 13	..	8
Hodgson & Kingston Brewery	5%†	..	Tax free	10
Houlder Brothers	34%†	April 29	..	6
International Linotype	7 %†	May 15	Less tax	10
Imperial Continental Gas	10%	(2 years)	to April 30, 1920)	7 1/2
Iale of Wight Electric, Pref.	..	..	..	10
James Cartland and Son	..	..	Tax free	10
James Shipstone and Sons	..	..	Tax free	24
John Brownhill and Co.	7 %†	..	Less tax	10
King Line	..	..	..	20
Lever Brothers	..	..	Tax free	24
Lindree and Co.	5%†	..	..	15
Lion Brewery	4 %*	April 1	Less tax	14
London Maritime Investment	40 %	April 25	Less tax	50
Mason and Barry	10 %	April 25	Tax free	15
Do Bonus	..	..	Less tax	124
Massawatte Tea Company	8 %	April 1	..	7
Metropolitan-Vickers Electrical	4 1/2%†	..	..	7
Montana Power	..	..	..	7
Municipal Trust, Defd.	..	..	Less tax	7
Natal Land and Colonisation	..	..	..	7
Navigolo Blaina Ironworks, Pref.	£2 p.s.	(arrears)	..	..
New Hay Ring Spinning	1/6 p.s.	..	..	..
New Ladyhouse Ring	1/6 p.s.	..	..	..
Ogilvie Flour Mills	3 %	April 1	..	6
Paguin	..	..	..	7 1/2
Parker, Winder, and Achuroh	10+	..	..	15
Peter Walker and Son	10%+	..	Tax free	15
Pettigrew and Stephens	5 %	..	Tax free	10
Poo Shipping Company	10 %†	..	..	10
Price, Mariane, and Co.	..	..	..	4
Rating Electric Supply	..	..	..	10
Scottish Investment Trust, Defd.	3 %*	..	Less tax	7
Shawinigan Water and Power	..	..	..	..
South African Gold Trust	1/ p.s.	April 4	Tax free	..
South Staffordshire Trams, Pref.	4%	..	..	..
Sun Spinning	1/ p.s.†	..	..	6
Swansea Improvements & Trams	..	..	..	..
Swift and Co.	£2 p.s.	April 1	Tax free	7 1/2
Tennant Brothers	24%*	..	Tax free	7 1/2
Trust and Agency of Australasia	1/ p.s.†	..	..	..
Tuancliffe and Hampson	24%	..	..	10
Twyford, Limited	..	Mar. 28	Less tax	10
United National Collieries	1/ p.s.†	..	Tax free	12
William Edwards and Co.	10+	..	Less tax	8
Wood and Cairns (Edinburgh)	..	..	Tax free	6
Workington Brewery	..	..	Tax free	15
Worldham Cement	10%†	..	Less tax	7 1/2
Yegman and Co.	6%	..	Less tax	5

TRANSVAAL GOLD MINING ESTATES regret unable to declare a dividend per March 31st.

It is announced that Sir W. Guy Granet has resigned his seat on the boards of the Leopoldina Railway Company, Limited, and of the

Leopoldina Terminal Company, Limited, and that Mr C. H. Pearson has been elected to fill the vacancy.

Messrs Ostrer Bros. have removed from 2 White Lion court, E.C. 3, to 4 Broad street place, E.C. 2.

The appointment of the Right Hon. Earl of Kimberley to the position of Under-Secretary for India has necessitated his relinquishing his seat on the court of directors of the Corporation of the Royal

The Liverpool Marine and General Insurance Company, Limited, announces that they have removed their head office from 6 Water

announce that they have removed their head offices from 10, Old Street, Liverpool, to more commodious and convenient offices situated at Brown's buildings, Exchange, Liverpool.

BANKS.

CREDITO ITALIANO.—Balance-sheet, December 31, 1921 :—

CREDITO ITALIANO.		BANCA SERRAVALLO.	
LIABILITIES.	Lire.	ASSETS.	Lire.
Capital	300,000,000	Cash and balances at call	885,370,679
Reserve fund	80,000,000	with banks	
Deposits & saving accounts	895,330,417	Bills receivable on Italy,	
Current accounts	3,594,386,994	England & other countries	2,689,112,549
Acceptances on account of		Loans against collateral	
customers	31,247,112	securities	263,755,901
Cheques outstanding	187,433,284	Current accounts	113,287,404
Sundry creditors	89,877,510	Investments	17,719,552
Guarantees on account of		Participations	13,500,000
customers	91,033,506	Freehold bank premises	41,071,476
Rebate on bills receivable		Sundry debtors	
maturing next year	16,105,003	Customers' liabilities	
Net profit	42,005,182	against guarantees	91,033,606

Net profit.....	5,257,469,938	Securities belonging to clerks' provident fund ..	12,567,584
Clerks' provident fund, as	12,567,584		

per contra	12,567,584	5,270,037,522
	5,270,037,522	

At the annual general meeting held on March 20, 1922, the directors resolved to allocate the net profit as follows:—To reserve fund, 10,000,000 lire; to directors, 1,582,456.05 lire; to shareholders as dividend, 3,422,725.50 lire.

9 per cent., 27,000,000 lire; to balance carried forward, 3,422,725.50 lire; total, 42,005,181.55 lire.

MISCELLANEOUS.

BEYER, PEACOCK, AND CO.—4½ per Cent. Debenture Stock £300,000, redeemable January 1, 1952.—The directors have been asked to consider the modification of the sinking

giving consideration to a scheme for the modification of the sinking fund arrangements involving the surrender of the Sun Life policy, and submitting it to a meeting of the debenture stockholders.

are asking their views thereon. Briefly the scheme is as follows:—
To surrender the Sun Life Assurance sinking fund policy, which on

January 1, 1923, will yield £69,582. To cancel the debenture stock held by the company, totalling £41,915. To offer to the remaining debenture stockholders (representing £258,085 debenture stock) to

purchase out of the proceeds of the policy one-third of their holdings at £80, which will cost £68,822; these debentures will also be can-

called. To raise the rate of interest payable on the remaining two-thirds of the stock—viz., £172,057—from $4\frac{1}{2}$ per cent. to 5 per cent. per annum. The company to undertake to purchase and cancel a

per annum. The company to undertake to pay a minimum of debenture stock to the value of £5,000 cash per annum, beginning with the year 1923, either by purchase in the open market or by tender, the company having the right in any year

or by tender, but subject to the company having the right in any year in which they are unable to purchase the requisite amount of stock at or below par value to invest any balance not disposed of in trustee

securities in the names of the debenture stock trustees, the interest thereon to belong to and be paid to the company. The company

undertake to redeem the whole of the debenture stock outstanding on or before January 1, 1952.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefer.	Ordinary.				
					Amount.	Amount.	Rate.		£	%
Banks.										
National Bank of India.....	Dec. 31	149,032	555,064	704,096	..	400,000	20+	140,000	164,096	553,398 20+
Breweries.										
Peter Walker and Son	Dec. 31	142,823	296,626	439,449	125,000	187,500	15+	20,000	106,949	.. 12
Workington Brewery	Feb. 28	2,963	4,269	7,232	2,640	3,660	6	..	932	10,650 12
Electric Lighting and Power.										
Folkestone Electricity	Dec. 31	832	13,984	14,816	2,500	2,375	4+	9,086	855	11,786 4+
Slough and Datchet Electric	Dec. 31	2,545	6,385	8,930	..	3,092	6	3,000	2,838	6,447 4
Windsor Electrical	Dec. 31	1,424	5,104	6,528	824	1,400	4	2,500	1,804	5,426 3+
Financial, Land, &c.										
Natal Land and Colonisation	Dec. 31	27,641	30,526	58,167	3,962	23,823	7	4,900	25,482	28,888 7
Swan Land and Cattle	Dec. 31	Dr 10,221	3,144	Dr 7,077	..	..	..	Dr 2,000	Dr 5,077	Dr 17,167 ..
Iron, Coal, and Steel.										
Barrow Hematite	Dec. 31	182,089	Dr 174,493	7,596	2,262	..	..	..	5,334	233,580 5
Cammell, Laird, and Co.	Dec. 31	69,071	170,487	239,558	61,261	139,660	5	..	38,637	260,632 7+
Edinburgh Collieries	Jan. 31	23,058	7,977	31,035	3,577	..	..	15,000	12,468	43,801 7+
Hadfields	Dec. 31	135,728	93,418	229,146	13,500	92,989	5+	..	122,657	107,857 5+
Henry Bessemer and Co.	Dec. 31	37,609	Dr 19,083	18,521	5,000	11,675	5	..	1,846	29,432 10
Rubber, &c.										
Gula-Kalumpang	Dec. 31	40,409	53,674	94,083	..	37,500	7+	7,177	44,946	56,111 7+
Harpenden (Selangor)	Dec. 31	2,099	5,498	7,597	..	5,625	3+	..	1,972	15,844 7+
Slak (Sumatra)	Dec. 31	Dr 4,736	Dr 2,453	Dr 7,189	..	..	..	500	Dr 7,689	Dr 7,081 ..
Trolak Estates	Nov. 30	803	Dr 3,604	Dr 2,806	..	..	..	..	Dr 2,806	8,839 6
Shops and Stores.										
Bobby and Co.	Feb. 10	14,561	52,899	67,460	33,750	9,549	10	9,000	15,161	44,400 10
Frederick Gorringer	Feb. 20	15,819	48,354	64,173	14,000	30,000	15	625	19,553	74,633 15
Tea.										
Galaha Ceylon	Dec. 31	1,688	41,329	43,017	3,600	20,440	10	15,000	3,977	Dr 53,986 ..
Textiles.										
Grainger and Smith	Dec. 31	20,411	Dr 88,242	Dr 265,531	4,125	..	..	Dr 51,574	Dr 221,882	67,127 10
Samnugger Jute	Dec. 31	98,300	110,697	208,997	6,188	77,550	20	40,000	85,259	385,016 45
Titaghur Jute	Dec. 31	125,765	108,344	234,109	6,188	77,550	20	30,000	120,371	305,027 45
Victoria Jute	Dec. 31	65,915	68,146	134,061	6,188	52,175	20	20,000	55,698	249,137 45
Tramways.										
Bristol Tramways and Carriage ..	Dec. 31	3,728	69,122	72,850	14,000	55,182	7+	..	3,668	Dr 4,589 7
Trusts.										
American Investment and General ..	Mar. 15	53,636	58,529	112,165	17,500	35,000	10	..	59,665	71,545 9
American Trust	Jan. 31	7,714	8,543	16,257	3,150	4,200	6	780	8,127	10,276 6
Foreign, American, and General ..	Mar. 15	34,950	62,076	97,026	26,250	34,125	6+	..	36,651	76,879 6+
Other Companies.										
Barry, Ostlere, and Shepherd	Jan. 31	83,643	149,951	233,594	21,000	45,500	10	65,000	102,094	60,376 7+
British and Argentine Meat	Dec. 31	40,695	475,149	515,844	38,207	125,362	12+	275,000	77,275	441,507 12+
Oleghorn and Harris	July 31	52,888	Dr 11,970	40,918	15,000	..	..	8,500	17,418	84,140 6
Edwards and Co. (Bread Street) ..	Dec. 19	18,387	Dr 12,033	6,354	3,000	..	..	..	3,354	6,074 12+
Lamson Paragon Supply	Jan. 31	19,784	74,070	93,854	26,253	40,000	10	10,000	17,601	73,840 12+
Mazawattee Tea	Dec. 31	24,281	37,311	61,592	12,320	12,250	15	5,000	32,022	29,285 10
Metropolitan-Vickers Electrical ..	Dec. 31	58,824	337,102	395,926	168,111	12+	12+	135,000	92,815	308,491 12+
Pettigrew and Stephens	Feb. 19	4,317	34,272	38,589	7,250	13,600	10+	1,363	16,376	22,219 12+
Western Wagon and Property	Dec. 31	941	10,079	11,020	..	9,800	10	..	1,220	9,677 10

† Free of tax.

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, March 22, 1922, amounted to 701 tons.

COMMONWEALTH OIL CORPORATION.—Reports for the four weeks ended March 24, 1922:—Shale mined, 1,653 tons; shale retorted, 1,909 tons; crude oil and naphtha produced, 193,491 gallons (equal to 101 gallons per ton of shale).

ANALYSIS OF BALANCE-SHEETS.

BRITISH AND ARGENTINE MEAT.

December 31, 1921.

LIABILITIES.		ASSETS.	
£	Inc. or Dec.	£	Inc. or Dec.
Ord. shares	1,002,899 ..	Property in River Plate and Great Britain	1,475,801 ..
Unm. and parig. pref.	449,500 ..	Stocks	361,741 ..
First deb. 5% ..	36,735 ..	Sundry debtors ..	145,330 ..
Deb. 6%	445,200 ..	Investments	1,964,400 ..
Sundry creditors ..	939,761 ..	Cash	180,598 ..
Reserve	925,000 ..		
Insurance reserve ..	135,261 ..		
Profit and loss ..	303,414 ..		
	+		+
	36,579		202,930
Total	4,127,770 ..	Total	4,127,770 ..

CAMMELL, LAIRD, AND CO.

December 31, 1921.

LIABILITIES.		ASSETS.	
£	Inc. or Dec.	£	Inc. or Dec.
Ord. shares	2,793,191 ..	Freehold land, buildings, &c.	3,105,931 ..
Prof. shares	1,225,225 ..	Stock-in-trade & work in progress ..	1,691,148 ..
Debentures	1,700,500 ..	Sundry debtors ..	1,161,563 ..
Interest accrued ..	25,282 ..	Investments in subsidiaries, &c.	2,204,771 ..
7% notes	600,000 ..	Cash and bills ..	95,072 ..
Sundry creditors ..	965,359 ..	Discount and expenses of issue of notes	..
Reserve	750,000 ..		
Profit and loss ..	208,928 ..		
	+		+
	50,031		31,500
Total	8,258,485 ..	Total	8,258,485 ..

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Better weather prevailed during the week, and farmers, were able to proceed with sowings of barley and oats, while the usual restricted acreage is being laid under spring wheat. In some districts potato planting has been interrupted by adverse climatic conditions. Favourable reports continue to be received respecting autumn-sown crops. English wheat in quieter request and rates weak, best milling samples ruling at 52s to 56s, and inferior down to 48s per 504 lbs, free on rail. Imported descriptions were also dealt in quietly, and rates further eased. No. 1 Northern Manitoba quoted 64s, No. 3 ditto 56s 6d, Australian 58s 6d, and Argentine 55s to 56s, all ex ship to arrive per 480 lbs. A dull state of affairs prevailed in the floating and forward cargo market, buyers being very reserved in face of lower foreign advices and fewer offers of Argentine qualities, while further concessions in prices failed to stimulate trade. Steamers of Rosafé 63½ lbs, April shipment, sold 55s 3d, and part cargoes April-May shipment at 54s 3d per 480 lbs. With additional moisture in the United States winter belt, crop prospects are more promising. Latest advices from Australia and the Argentine point to disappointing yields in some districts, but Indian news continues favourable. Flour dull, and prices were reduced by 1s per sack for both home-milled and imported descriptions. London standard straight run quoted 50s, town households 48s, patents 53s, all-English straight run 47s per sack, delivered London area. English country straight run 42s to 44s per sack, free on rail at London stations. Of imported, Manitoba export patents quoted 48s, ditto straights 45s, Minneapolis first patents 48s, and Australian 46s per 280 lbs, ex store. On c.i.f. terms business was on a limited scale, and Kansas top patents, April seaboard, quoted 48s to 50s, Manitoba export patents 47s 6d, ditto straights 44s 6d, and Australian 42s 6d per 280 lbs. Millers'

offals quiet and easier. Broad bran quoted £8 5s, ordinary ditto £7 5s to £7 10s, middlings £7 10s per ton, ex mill, in bags. Of imported, fancy Plate middlings quoted £9, and Plate pollards £7 per ton, landed terms. Maize quiet, and again easier for most qualities. Yellow La Plata, ex ship, quoted 40s 6d, ditto landed 42s, yellow round African 38s, and American mixed 33s 6d, all landed terms per 480 lbs. The cargo market remained inactive, and rates quite nominal in the absence of buying interest. Parcels were dealt in quietly, prices being irregular and easier for new crop La Plata. South African maize meal, white, quoted £7 10s ex ship, and £7 15s ton landed. Barley remains dull. English malting ranges from 42s to 65s, and feeding sorts 39s to 42s, as to sample per 48 lbs. Of imported, Californian quoted 41s to 48s, Australian Chevalier 50s to 53s, Chilean ditto 48s to 56s per 48 lbs. Morocco 33s. 6d, No. 3 Canada Western 36s, No. 4 ditto 35s, all per 400 lbs, landed terms. Forward positions were scarcely dealt in, and prices largely nominal. Oats very quiet, and values moved in a downward direction. English ranges from 30s to 35s per 336 lbs. Of imported, Plate f.a.q. marked a sharp decline at 26s, but clipped steadily held at 28s 6d, No. 2 Canada Western quoted 32s and No. 2 Canada feed 28s 6d, with New Zealand held for 35s to 40s per 320 lbs, landed terms. Oatmeal quiet and easier. London made, all cuts, quoted £19, rolled oats £19, flaked oats £21, ordinary Scottish oatmeal £18 10s to £19 10s, and American ditto £18 to £18 10s, all cuts, per ton. English beans move off slowly. Springs quoted 57s to 65s, and new winters 50s to 53s per 532 lbs. Of imported, Chinese horse beans £10 10s to £11 10s per ton. English peas quietly steady. Maples quoted 85s to 93s, Duns 60s to 68s, and small blues 85s to 100s per 504 lbs. Of imported, Tasmanian best 23s to 25s, New Zealand blues 20s to 24s, Dutch blue 23s to 30s, and Japanese hand picked 44s to 46s per cwt, ex store. English rye quoted 44s to 48s per 504 lbs, free on rail. Lentils quiet. No. 1 split 29s to 30s, No. 2 ditto also Egyptian 23s 6d to 24s 6d per 100 lbs. Homeward grain chartering continues on a limited scale, and rates showed an easier tendency in most directions. The River Plate section remains at a standstill, merchants not being disposed to entertain tonnage offers in view of the dullness prevailing in the grain trade. Rates consequently are quite nominal on the basis of 25s from upper ports, prompt loading to United Kingdom-Continent. North America is also dull and easy, with charterers indicating 4s per qr Range to United Kingdom, 13 cents per 100 lbs to Continent, 23 cents Denmark-Sweden, 18 cents Bilbao, while 30 cents was paid on account of the Russian Relief Committee to Riga-Reval. There is some inquiry from the Gulf of Mexico at 18 cents Antwerp-Hamburg, and 21 cents to Marseilles. Montreal to United Kingdom-Continent, August, quotes 4s per qr, while 42s 6d can be worked for wheat from the North Pacific to United Kingdom. India quiet, and Bombay on dead weight nominally 23s home. There is a steady demand for rice tonnage and 28s 9d quoted from Burma, with 32s for similar cargoes from Saigon to United Kingdom option of meal to Germany at 40s ton. Madras coast kernels paid 30s, April, to Marseilles, and 32s Marseilles-Hamburg range. The Danube begins to display interest in grain vessels, and 19s is indicated to Antwerp-Rotterdam, April 15th loading. Time charter steady, and 5s paid for one States-River Plate round, delivery United States.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919.
Estimated sales of home-grown wheat—				
1 week to March 25	Cwts. 375,362	Cwts. 241,825	Cwts. 263,970	Cwts. 346,288
29 weeks to March 25	13,038,832	9,261,348	9,325,364	9,550,212
Average price of English wheat per				
quarter	s d 52 6	s d 88 7	s d 72 8	s d 72 7
= per cwt	12 3	20 5	16 11	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1918 to 1921:—

	QUANTITIES SOLD.			AVERAGE PRICES.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1922.						
Mar. 18	qrs bah 125,278 2	qrs bah 34,419 0	qrs bah 25,828 3	s d 53 7	s d 40 11	s d 30 1
25	87,584 4	35,581 2	22,855 7	52 6	41 8	30 0
1918	27,135 1	14,467 4	5,894 6	72 4	56 7	48 10
1919	80,800 5	36,102 1	18,655 4	72 7	62 8	46 11
1920	61,593 0	20,539 5	8,552 3	72 8	91 8	56 5
1921	56,426 4	44,551 1	18,040 0	88 7	51 2	35 11

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated March 30, 1922, is as follows:—Pig-iron: The demand for foundry pig-iron is very quiet. There are only six furnaces making this quality in the Cleveland district, and their output is barely absorbed. Hematite has been a better market, but is now easier. Prices are as follows:—No. 3 Cleveland G.M.B., 90s per ton; East Coast hematite, mixed No. 3 Cleveland G.M.B., 90s per ton; Manufactured iron and steel: Any possible improvement in the steel trade has been counteracted by the engineers' lock-out. Consumers have withdrawn all inquiries.



The Wealth of the Indies

was embarked in treasure galleons, forcefully manned and armed, for conveyance to Spain; but not infrequently it fell into the hands of the freebooters of the sea.

The robbers were more active and adventurous than those who guarded the treasure. The same thing often happens to-day. Our up-to-date burglar has no lack of enterprise and ingenuity, and science has equipped him with wonderful tools.

To produce a safe capable of successfully combating these ever increasing risks has occupied The Chatwood Safe Co. for nearly 70 years. How well the ingenuity of the inventor, the science of chemist, the finesse of the locksmith and the finest British Steel combined have achieved this object, is shown in The Chatwood Safe Book.

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Steel ship plates (home), £10 10s; steel ship angles, £10; iron bars, £12; steel rails, £9 10s net. Iron ore: A small business is being done in imported ore, but for prompt cargoes. Best Bilbao Rubio ore, nominally 27s per ton.

Our Glasgow correspondent (writing on Thursday) says:—The non-settlement of the engineering-shipbuilding dispute has thrown business here in iron and steel well nigh into chaos. Down to the last moment, on Tuesday, say, it was hoped and believed that parties would come to some sort of working agreement, and, in a way, things carried on in the ordinary, but yesterday, when the worst was realised, active operations were at once suspended, and to-day they are practically wholly stopped, unless in several industrial connections, small ones, wherein the larger influences of the occasion do not come directly into play. The result is most unfortunate, for since this day week, when optimism in a measure held the field, there has been a distinct improving development in the demand—that on both home and export accounts—for material. India, Japan, and Australia have all been in the market for steel bars, plates, especially black sheets, and a variety of sections, to an extent, advised by several firms, that has not been experienced for a long time past. Now all this and other prospects have gone by the board, and not only so, but already arrangements are in course for transferring a large total of constructive ship work that is regarded as essential for execution from the Clyde to the Continent. The shut-down promises to be very general. Within a few days it is calculated that only 10 blast furnaces will be blowing on pig-iron in the North, and not more than a moiety of the mills in existence will be running. Neither buyers nor sellers, producers nor consumers, are prepared to proceed further in the circumstances, and willy-nilly, they must accept the situation. More favourable reports from the Continent and elsewhere count for nothing at the moment. It need hardly be added that prices are unnamed and unnameable; any little stock in hand is passing (for shipment) at negotiation figures, round where they have been of late, with naturally a tendency to stiffness. The demoralisation has struck the coal trade very seriously. In all the fields pits are being closed down—some permanently—and the railway lines running up and down the country are getting blocked by empty wagons. Altogether, a position is being created that gives cause for keen concern and anxiety, and from the evolution of which the one alternative remains, as before—to "wait and see."

Our Sheffield correspondent writes:—The extension of the engineers' lock-out to numerous other unions may bring to a standstill a very large portion of the steel trade, providing that all the firms employing members of the union participate in the employers' movement. At present the firms not included in the Engineering Employers' Association are working, and Sheffield is producing rather less than 30 per cent. of its capacity. The labour troubles have brought to an end buying of raw materials. With the outlook so uncertain, no manufacturer will risk having stock on his hands. Apart from the lock-out, signs of revival of trade are still to be seen, but now it is quite limited to export markets, chiefly in the Far East, where considerable tonnages of cheap steel are going. There is practically no demand for tool steel, although small orders continue to be booked for ordinary crucible quality. A new type of steel for permanent magnets has just been evolved, which is alloyed with about 15 per cent. cobalt instead of 5 per cent. tungsten. This change of composition enables a magnet of half the usual size to be used, and a corresponding reduction in the dimensions of magnetos and telephone instruments. The lighter trades of the city have undergone further shrinkage, and some of the large cutlery and plate houses are closing whole departments. Business is terribly flat in files and engineers' small tools. The number of unemployed entitled to relief has increased by 2,000 to a total of 51,000, the largest recorded since the coal strike last year. About 12,000 in addition are out of work as a result of the lock-out. The demand for best grades of house coal continues strong, and deliveries are getting in arrears. High prices are being secured. Industrials are competing in the market with second qualities, and there is some price-cutting. The steam coal market is quiet, and the working of the pits is being reduced. Export sales are also falling off somewhat. As a result, stocks are accumulating. Gas fuels are not moving off so freely as of late. The slack market is very irregular, but if the pits continue working short time, a firmer tendency is certain to manifest itself. There is a certain amount of selling pressure in the lower grades of quality.

CUMBERLAND IRON.

Any hopes of a real revival in the Cumberland and North Lancashire hematite pig-iron trade have been checked by the trouble in the engineering and shipbuilding industries, and business,

which at the beginning of the month was increasing steadily in volume, has fallen off until it has become almost non-existent. The two additional furnaces in the Furness district which were to have been relighted are still out of action, but otherwise the situation as regards actual production is the same as it was four weeks ago, and makers' books are sufficiently well filled to warrant the twelve furnaces blowing remaining in operation for some little time to come. In spite of the fact that deliveries are being stocked here and there, there is quite a considerable amount of iron being forwarded to the Midlands and to Scotland, and parcels are occasionally shipped to the Continent, but the greater part of the output is being absorbed by the local steelworks, and as regards ordinary iron, at all events, needs are not likely to be decreased during the spring. No movement has taken place in prices, Bessemer mixed numbers being quoted at the old figure of £4 18s 6d per ton at works, while ferro-manganese, for which there is a sharp American demand, commands about £14 10s per ton. The condition of the steel industry is unchanged, and no immediate reduction of production is apprehended, as makers have six or eight weeks' work on rails, fish plates, steel sleepers, axles, and tyres to execute. Some part of the output is being shipped overseas, mostly for the South American republics and for the Near East. There are such large stocks still of foreign ore that few of the mines in the Cumberland and Furness iron ore fields are raising full outputs, and it is only for high-class ores that there is any really satisfactory demand. The coal trade after three weeks of feverish activity is quietening down again. The disorders in Ireland having suddenly curtailed requirements, there is some fear that most of the collieries may within a week or two be compelled to work short time again. One satisfactory feature of the position is that no difficulty is being experienced in getting rid of the smalls, all the coking plants save one drawing full loads, and being able to dispose of their production to the local furnaces on ordinary iron. The entire make of benzol and sulphate of ammonia is being readily disposed of. East Coast coke supplies this week are 7,500 tons.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—A little irregularity has developed in prices at the colonial wool sales, which close in London to-day, but it does not appear to have had much effect on this market. Indeed, prices on 'Change to-day are quite firm at late rates, and topmakers are fully aware of the strong position in which they are placed by the inadequate output of tops. If the combing operatives would agree to work overtime, as recommended by the Industrial Council, it might be possible to find cheaper tops, but as things are, output is booked for months ahead, and many who have bought wool are unable to get it through the combs. Topmakers could book plenty of orders for delivery right up to next September were they so inclined, but the majority decline to commit themselves so far ahead, there being a certain amount of risk at current values. Spinners have taken some fairly good orders during the past fortnight, but the higher quotations now ruling in sympathy with the advances in tops are checking business. A few manufacturers are in the fortunate position of being able to afford to-day's prices, but the majority cannot do business on this basis. There is, for example, an encouraging

expansion in the demand for the finest dress goods and fancy worsted suits, but this does not help the firms who are more interested in what used to be called the "bread-and-butter" lines. However, there is a somewhat better feeling generally, and if wool values can be maintained during the next few months holders of stocks of pieces should be able to dispose of them gradually without suffering the heartbreaking losses which have been so common in recent months. As regards home-grown wools, there is just a moderate demand for most sorts, but prices are firm. Stocks of the finer descriptions are not large, but some big weights of the lower qualities, and particularly deep lustres, are being held in the country.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The second series of London sales for the current year closed on Thursday, and when viewed from any standpoint they must be regarded as exceedingly good. After last Monday night many thought there was evidence of an ease, the sale being a little irregular. This was largely due to many Bradford buyers having gone home for the week-end, but they returned for the Tuesday's sale, and on that day practically all the irregularity disappeared, succeeding auctions being characterised by keen competition. Taking a general view of the market, values may be quoted 5 per cent. dearer all round than at the close of last series, with here and there a little more advance in evidence. This is a fine performance, and the range of values paid shows that merinos particularly are selling at big figures. As this is being written, the quantity absorbed by the Continent cannot be stated, but it will be surprising if their purchases are not found to be the largest for several series, the slump in the value of the German mark apparently having had little or no effect upon the extent of the purchases on German account. America has also taken some nice lines of the best and lightest-conditioned merinos, and, from all accounts, these wools are very urgently needed by American mills. There is no sign of a permanent tariff being introduced in the United States, Western State wool growers, who, through their Senators, hold the key to the position, declaring that there is to be no permanent tariff until their new clip has been marketed. Any unbiased person who knows the trade can see that the American woollen and worsted industries are feeling the need of an adequate supply of Australian merinos and New Zealand crossbreds, and a general closing down of textile mills in the United States is threatened if trade does not improve. This seems strange in view of the gradually improving textile conditions throughout England and the Continent, but to talk of imposing an import duty of 33 cents clean basis on wool is little less than suicidal. A greater handicap to the American textile industry could hardly be conceived, and the ultimate result can only be that the tariff will have to be revised afresh, in response to strong opposition from the public against the high cost of wearing apparel.

The close of the London sales, with values generally higher than at the close of the previous auctions, shows conclusively the sound standing of the raw material, and we think the outlook for trade is better than at any time since July, 1920. There is certainly much encouragement to be derived from an observation of the position in consuming centres, the only serious drawback being the inability of manufacturers to book orders on to-day's market prices for wool. The latter is a rather disappointing circumstance in view of the liquidation of stocks of dear cloths which has recently taken place, but wholesale fabric buyers, both at home and abroad, will be compelled sooner or later to pay prices which are in harmony with present conversion costs. There could be no sounder proof of returning prosperity in the trade than the application of 50 firms of worsted spinners and four manufacturers for an extension of permission to work protected persons overtime for a maximum of six hours per week until the end of June. Commission wool combers could follow a similar course but for the attitude of about two union leaders. Big weights of wool are being sent abroad to comb on commission, and French, Belgian, and German tops are being imported to supply spinners' needs.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—March 24, 1922.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.			Same Period 1920.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	nml	d	d	d	d	d	d	d	d	d	d
Florida do.....	..	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml
Georgia do.....	..	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml
American.....	Ord	G	U	L	M	Mid	G	O	L	M	Mid	G
Brazilian.....	844	894	979	1069	1119	1214	542	677	902	2188	2508	3038
Pernam.....	Mid	M	Fr.	G	Fr.	Gd.	M	Fr.	Gd.	M	Fr.	Gd.
Parahyba, Rio Grande, &c.	..	894	1094	1244	..	..	542	792	..	2538	3388	..
Maceio, &c.	..	894	1094	1244	..	..	542	792	..	2538	3388	..
Mossoro, &c.	..	894	1094	1244	..	..	542	792	..	2538	3388	..
Ceara.....	..	894	1094	1244	..	..	542	792	..	2538	3388	..
Maranhão, &c.	..	894	1094	1244	..	..	542	792	..	2538	3388	..
São Paulo.....	..	969	1069	1119	..	..	..	..	..	..	..	..
Egyptian.....	Fr.	G	F	For	Gd.	Fne	..	..	..	..	..	..
Upper.....	1275	1375	1450	1550	1650	..	1050	1350	..	nml	6800	..
Sakellariadis.....	1475	1700	1800	2100	2475	..	..	..	..	nml	7800	..
Brown.....	1325	1475	1600	1700	1875	..	1050	1500	..	nml	7800	..
Peruvian.....	MF	Fr.	G	F	Gd.	Fne	..	..	..	..	..	..
Rough.....	..	1050	1200	1250	..	..	700	1150	..	3750	4400	..
Moderately Rough.....	..	1019	1194	1294	1344	1444	492	867	992	3538	3838	4388
Smooth.....	1044	1194	1319	1394	1534	..	..	..	..	..	..	..
Tanguis.....	..	1100	1400	1550	1650	..	..	..	..	..	..	..
Mitafi.....	..	..	..	..	..	..	..	..	..	..	..	..
West Indian, &c.	..	..	95	10	10	1150	..	..	..	..	..	..
Do Sea Island.....	..	2390	2690	2900	3100	..	2500	3100	..	..	1000	..
African, East, &c.	725	825	1000	1100	1200	1300	600	800	1000	3475	3875	5175
Do West.....	G	F	For	Gd.	Fne	..	..	..	..	..	..	..
Machine Ginned Surtee.....	..	919	969	994	nml	..	..	..	..	..	..	..
Machine Ginned Broach.....	..	975	1015	1055	..	..	..	..	..	..	..	..
Mach. Ginned Bhowunggar.....	845	885	925	965	1005	..	640	665	715	2210	2235	2285
Mach. Ginned Oomra No. 1.....	720	770	820	860	900	940	479	509	604	1854	1925	2054
Mach. Ginned Oomra No. 2.....	730	780	830	870	910	950	485	535	610	1860	1935	2060
Mach. Ginned Khandesh.....	..	805	845	885	925	..	..	..	..	..	..	..
Machine Ginned Khandesh.....	730	780	820	860	900	..	384	435	510	1810	1885	2010
Machine Ginned Comptah.....	845	885	925	965	1005	..	..	..	..	..	..	..
Machine Ginned Bengal.....	805	845	885	925	965	..	335	435	510	1810	1885	2010
Machine Ginned Seinde.....	805	845	885	925	965	..	335	435	510	1810	1885	2010
Tinnivelly.....	975	1015	1055	..	..	..	740	765	..	2285	2310	..
Madras, Western.....	775	815	855	905	..	..	640	665	..	2085	2110	..
Madras, Northern.....	..	880	..	..	..	..	..	..	..	..	..	..
M. G. Coconada, Red.....	Fr.	840	..	..	..	..	640	..	..	1910	..	..
China, Smyrna, &c.	..	..	..	..	..	..	..	..	..	..	..	..

MANCHESTER, March 30.

We continue to experience a more active market. Inquiry in most sections has been on a large scale. Certain cloth shippers to India have bought freely in grey shirtings and lighter fabrics, and manufacturers of such goods are now more favourably situated. Healthier clearances are taking place in the bazaars abroad. An increased demand has been met with for China in standard makes and fancies, and more orders have been given out. The Near Eastern outlets have not given much support, but there has been a welcome improvement in the offtake for South America. Goods continue to be sold fairly freely for European countries. Manufacturers tend to strengthen their position, and still more looms are being got to work in the chief weaving districts. Prices in American yarns have been firmer, and an encouraging business has been done. Twists are stronger than wets. Export yarns have been fairly active for India and the Continent. A steady business has been put through in Egyptian spinnings at firmer prices.

(I.) Comparative Statement of the Cotton Trade.

Description.	Price, Mar. 30, 1922.	Previous Weeks in 1922.				
		Price, Mar. 23.	Price, Mar. 16.	Price, Mar. 9.	Price, Mar. 2.	Price, Feb. 23.
Raw Cotton—Fully Mid. American.....per lb	10-73	11-01	10-83	10-87	10-17	10-70
—Sakellariadis Fully Fair.....per lb	17-75	18-00	18-25	18-00	17-00	17-75
Yarns—32's twist.....per lb	172	172	172	172	172	172
—40's twist.....per lb	172	172	172	172	172	172
—60's twist (Egyptian).....per lb	28	28	28	27	27	28
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	28 6	28 6	28 6	28 0	27 6	28 6
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	28 6	28 6	28 6	28 0	27 6	28 6
38-in. ditto, 38 yds, 16 by 16, 10 lbs.....	18 0	17 9	17 9	17 6	17 3	17 9
39-in. ditto, 37½ yds, 16 by 16, 8½ lbs.....	16 9	16 6	16 6	16 3	16 3	16 9

(II.) Compared with Previous Years.

Description.	Price, Mar. 30, 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American.....per lb	10-73	8-02	29-01	16-88	26-16	12-69
—Sakellariadis Fully Fair.....per lb	17-75	17-50	83-00	26-59	30-56	24-50
Yarns—32's twist.....per lb	172	172	62	26	43	172
—40's twist.....per lb	172	172	62	26	43	172
—60's twist (Egyptian).....per lb	28	30	142	49	52½	36½
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	28 6	38 6	100	043	0	23 10
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	28 6	35 0	94	042	0	25 0
38-in. ditto, 38 yds, 16 by 16, 10 lbs.....	18 0	21 6	51	625	6	31 3
39-in. ditto, 37½ yds, 16 by 16, 8½ lbs.....	16 9	18 6	45	025	0	11 11

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HEAD OFFICE:—British Dominions House,
ROYAL EXCHANGE AVE., LONDON, E.C.3.
ASSETS EXCEED £19,000,000.

(BY OUR OWN CORRESPONDENT.)

The shoe trade is far from normal, but makers of ladies' turn shoes seem busy enough. The export trade seems a shade better, and it was good to hear Mr A. E. Marlow, the Coalition candidate for Leicester, state that he was doing quite a big trade with the United States, formerly our great competitors.

VEGETABLE OILS AND OILSEEDS

Crude Egyptian cotton oil has continued in fair request, but prices of both crude and refined are somewhat lower in sympathy with the fall in seed. Black Egyptian is now obtainable at £11 15s or under, and Bombay £9, with buyers bidding £8 10s. Crude

(Registered in Japan, 1899.)

Capital Subscribed	-	-	-	Y60,000,000
Capital Paid Up	-	-	-	Y52,500,000
Reserve	-	-	-	Y11,780,000

Head Office - - TAIPEH, FORMOSA.
London Office - - 25 OLD BROAD STREET
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BRANCHES: Amoy, Batavia, Bangkok, Bombay, Canton, Foochow, Hankow, Hongkong, Kluksang, Keesung, Kobe, Moji, New York, Osaka, Semarang, Shanghai, Singapore, Soerabaya, Swatow, Tainan, Tokyo, Yokohama, &c. &c., and Correspondents in every principal town in the World.

The Bank is incorporated by Special Charter of the Imperial Japanese Government, and is authorised to issue note in Formosa, conducts general Banking Exchange Business, undertakes Trust Business, and acts as Business Agents for other Banks. Deposits are received for fixed periods on terms which may be ascertained on application.

Linseed cakes have been reduced a further 20s per ton, but this does not stimulate business. Cottons are easy, and a disappointing trade.

OVERSEAS PRODUCE MARKETS.

Mincing Lane. Friday, March 31.

SUGAR.—A fair demand was again experienced for spot lots of refined, chiefly British, as imported descriptions remain very scarce. Messrs Tate and Lyle's cubes, 52s 9d to 53s 9d; crushed, 50s 6d; granulated, 48s 6d to 49s; pieces, 36s 6d to 43s 6d; yellow crystals, 43s; castor, 50s 6d to 51s. Granulated, April, 48s 6d; May-June, 48s. Crystallised West India, sold, 42s to 44s, as to sample. American granulated, spot, changed hands at 47s 9d; ditto March, sold, 20s 3d to 20s 4½d; April-May, 20s 3d to 20s 4½d, c.f. and i, London. White Mauritius, spot, sold, 44s 6d to 45s as to quality. White Brazilian, April steamer, held for 18s 6d, c.f. and i terms, London. Dutch sugars for shipment, also Czech-Slovakian largely nominal. Terminal market rather irregular. White, May, sold, 19s 7½d to 19s 6d, and August, 19s 9d to 19s 10½d and 19s 7½d. Cuban stocks 930,000 tons, against 750,500 same time last year. Liquid Glucose, spot, 26s.

COFFEE.—A fair demand was again experienced for all the finer qualities, and steady prices were secured, but in the case of inferior sorts ea rier rates had to be accepted in order to induce business. Of East India, some fine bold Mysore, sold, 140s to 148s 6d; good to fine bold Costa Rica, 128s to 144s 6d. Futures ruled quietly steady. May, sold, 55s; July, 55s.

COCOA.—Market quiet and rather featureless, no auctions being held this week. West India descriptions remain in small supply. Butter, is 8½d per lb.

TEA.—About 44,000 packages Indian were catalogued in auction during the week, and while all the better qualities met with sustained support at a steady range, common denoted weakness. Some invoices of autumnal flavour fetched full values. 17,260 packages Ceylon were well competed for regarding parcels possessing flavour, and the finer kinds ruled distinctly dearer. Plain liquoring broken, however, tended in buyers' favour.

RICE.—Market steady on spot, and firm forward on stimulating cable advices from the other side. Two Stars Rangoon, spot, 13s 9d to 14s as to quantity. Ditto, afloat, Hamburg, sold, 13s 9d; and April-May, 13s 9d, c.f. and i. terms. Broken kinds quietly steady. Bran steady. Rangoon beans, spot, sold, 7s 6d. Madagascari butter beans, on spot, old, 12s to 14s; new, 18s. Japanese peas, on spot, 45s.

SPICE.—Pepper steady, but general trade quiet. Fair black Singapore, spot, sold, 3½d; ditto April-June, steamer, 3½d; Aleppy, spot, quoted 4½d; Tellicherry, 4½d; White Singapore, spot, 7½d; Mumtok, ditto, 7½d; ditto, April-June, sold, 7½d. Cloves dull. Fair Zanzibar, spot, 13½d; forward, 11d, c.f. and i. terms. Pimento, spot, 2½d. Tapioca steady, quiet. Fair flake, spot, sold, 1½d per lb; fair Penang seed tapioca, spot, fair, sold, 17s 3d. Sago flour rather unsettled. March-May, sold, 13s 9d. Desiccated coconut quieter this week. Spot

parcels found buyers at 43s 6d and March-April, 42s 6d. Ginger quiet. **FRUIT.**—Currants steady, with moderate transactions. Pyrgos quoted 54s to 55s; Amalia, 56s to 58s; Vostizza, 65s to 75s. Sultanas quietly steady. In auction, some 206 tons Valencia raisins offered met a quiet demand, and about 87 tons sold at about late prices. Half-boxes, 45s to 57s; quarters, 45s to 78s; seedless, 45s to 71s. Dates fully steady.

JUTE.—Actual dealings were confined to a narrow compass, though prices were firm. First grade, April-May, Continent, sold, £25 10s to £26. Lightning grade, ditto, £21 10s to £22. Hessians and twills held for steady prices, but buyers were not much in evidence.

G grade, April-June, sold, £35 5s; streaky threes, ditto, held for £35 10s. Other qualities were more or less nominal. New Zealand quite neglected. High point, fair, spot, offers at £32. African sisal dull. No 1 G.E.A. April-June, sellers, £35 10s.

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COPRA.—Market again dull and prices easier, though sellers were not unduly pressing. F.M.S. Straits, February-April, Rotterdam, sold, £25 3s 9d; March-May, £25 2s 6d; April-June, £25 to £25 2s 6d. F.M. Straits, March-May, Rotterdam, done, £24 10s to £24 5s; Ceylon, April-June, London, sold, £26 2s 6d; South Sea to Continent, April-June, £24 7s 6d; Cebu, ditto, quoted, £24 12s 6d. Palm kernels steady, quiet, April-June to Liverpool, sold, £18 15s.

MENTHOL.—Spot, 25s; forward, 23s. Japanese peppermint oil, spot, 5s; forward, 4s 9d; aniseed, spot, 1s 11d; slab camphor, spot, 3s 6d; crude, 3s 1d per lb. Japanese wax, spot, 97s 6d per cwt.

RUBBER.—Market quiet, and mostly featureless during the week. Standard crepe and sheet, spot, sold, 8d to 7½d and 8d; May-June, 8½d to 8½d and 8½d; July-September, 8½d to 8½d and 8½d; October-December, 9½d to 9d and 9½d. Fine hard Para, spot, 10½d; soft fine, 10½d; Caucho ball, 7½d.

EGG PRODUCTS.—Market steady, but trade ruled very quiet, on former terms.

OILS.—Linseed quiet and irregular. Spot, net, naked, 36s; April, 34s 9d; May-August, 34s 3d. Rape nominal. Crude, spot, 44s refined, 48s. Cotton easier. Crude Egyptian, 40s; Bombay nominal; common edible, 48s. Chinawood: Hankow, spot (barrels) 62s 6d; and shipment, 59s 6d. Coconut quiet. Ceylon, spot, 43s; March-April, 40s 6d; Cochin, ditto, 43s. Soya steady. Oriental, barrels, ditto, 37s 9d. Japan fish steady. March-April, cases, 21s. Cod steady. English, spot, 30s to 31s. Groundnuts quiet. English crushed, naked, spot, 44s; deodorised, barrels, 55s. Turpentine inactive and easier. American, spot, 66s 3d; April, 66s; May-June, 64s; July-December, 55s. Rosin quiet. American, grade B, 13s; F, 13s; G, 13s; WW, 19s. French, F/G, 13s; WW, 17s; extra pale, nominal. Petroleum quiet. American standard white, 18 44d; and water-white 15s 6d per gallon.

Oilseeds.—Lined quiet, and easier. Bold Bombay, afloat, £20 5s. Small Bombay, ditto, £19 5s. Calcutta, February-March, £19 5s; April-May, sold, £19 5s to £19. Plate, afloat, sold, £18 5s; February-March, £18 5s; April-May, sold, £18 7s 6d to £18 10s. Rapeseed firm. Toria, March-April, sold, £17 5s; April-May, £17 10s. Cotton seed easier. Egyptian black, March, £11 12s 6d; and white, sold, £11 7s 6d to £11 2s 6d. Bombay, March, £9. Gingly firm. Chinese, March-April, Continent, £24 5s. Castor, Bombay, March-April, £16 15s. Ground nuts firm. Coromandel, machine-dried, March-April, Hull, £23 to £23 10s; Continent, £23 to £23 10s; Chinese decorticated, f.a.q., February-March, Continent, £23 10s per ton.

METALS.—Tin continued an active market. After opening with an easier tendency, with dealings in cash until Tuesday at £142 10s. and three months' down to £141 15s. prices rallied during the middle of

the week, while these dates changed hands at £143 10s and £145 10s respectively. On Thursday rates declined. Cash changed hands at £144 to £143 5s; late May, £144 15s; and three months' at £145 10s to £144 15s. At Friday's session cash changed hands at £143 to £142 10s; late May, £143 15s; and three months' between £144 10s and £143 15s. English ingots £142 10s. Copper exhibited a firmer tone at the week's commencement. Standard cash sold at £58 to £58 2s 6d, and three months' chiefly at £59. A slight setback followed until last Wednesday, with business in cash down to £57 10s, and three months' £58 10s. A slight improvement characterised Thursday's movements. Standard cash changed hands at £58, and three months' at £58 15s. A quieter tone prevailed on Friday, late May being sold at £58 to £58 2s 6d, and three months' at £58 5s to £58 2s 6d, while finally registered at £58 7s 6d. Electros, £63 10s to £65 10s; best selected, £62 to £64; strong sheets, £60; wire bars, £65 5s to £65 10s per ton. Lead firmer at £22 to £21 10s, as to position. Spelter steady at £25 13s 9d. Antimony: English regulus quoted at £29 5s to £33. Aluminium unaltered. Home delivery, £120; export, £125 per ton.

TALLOW.—Messrs Colclathes and Woolner write on March 29th as follows:—The tallow market was quiet during the week, and prices are about 6d lower. There was a large supply of the best sorts, while the lower priced kinds were less required for export. At auction to-day 1,930 casks tallow were offered, and 328 were sold. Quotations are:—Australian mutton: Fine, 42s 6d; good to fair, 41s to 40s; dull to dark, 36s 3d to 34s; hard, 41s 6d. Australian beef: Fine, 41s 6d; good to fair, 40s 6d to 37s; dull to dark, 36s to 33s 6d; sweet, 41s 6d. Present shipment from Australasia: Mutton, fair coloured, 48 degs., 39s 6d; and mixed, 43s c.i.f. London, 38s 6d. The market letter is unchanged. Town tallow, 34s 6d per cwt. Rough fat, per 8 lbs, rd; melted stuff, 24s per cwt. Quotations are:—Town: 34s net cash, naked, ex works. Country: Frail casks, 33s; home melted, shipping casks, net f.o.b., good coloured, 36s; fair to dull, 35s to 33s. Bone fat: White, none; pale, none; benzine, 30s; melted stuff, 29s, f.o.b.

METROPOLITAN CATTLE.—MARCH 30.

British Beasts, per stone of 2 lbs to sink the offal. Sheep, per stone.

	s	d	s	d		s	d	s	d
Beasts—Herefords			nominal		Sheep—Downs	13	4	to	14
Shorthorns	7	8	to	8	Ewes	10	0	to	10
Devons	7	8		8	Crossbred	13	0		13
Norfolks	7	8		8	Scottish				nominal
Scottish				nominal	Lamb—Downs	14	8		15
Irish				nominal					

LONDON POTATO MARKETS.—MARCH 30.

	Per Cwt.					Per Cwt.					
	s	d	s	d		s	d	s	d		
King Edwards	9	6	to	10	6	Blacklands	5	6	to	9	0
Barnards	6	6		7	0	Scottish	6	0		9	0

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

[illegible]

PRELIMINARY ANNOUNCEMENT.**THE PORCUPINE-DAVIDSON GOLD MINES, Ltd.****CAPITAL - - £1,000,000**

(Divided into Preferred and Ordinary Shares of 5s. each).

Formed in 1921, this Company has acquired the whole of the property and assets of the Davidson Consolidated Gold Mines, Limited, owning the Davidson mine. This property has already been developed to a depth of 600 ft., and underground workings have proved the existence of an ore body of great width, value and persistency. While the full length of the ore body opened up has not yet been ascertained, the ore (including probable ore) already disclosed is estimated by Lieut.-Col. Rowland C. Feilding, A.R.S.M., M.Inst.M.M., the well-known Geologist and Consulting Engineer, at 350,000 tons, averaging \$11 per ton extractable value—equivalent to a gross gold content of approximately £1,000,000.

To equip this mine with a mill capable of crushing at the rate of 175,000 tons per annum, and to provide working capital for further development,

800,000 Preferred Shares of 5/- each

will shortly be issued at par. The Preferred Shares will carry the right to two-thirds of the profits distributed annually until 100 per cent. has been paid thereon, and thereafter are entitled to 20 per cent. non-cumulative dividend in priority to the Ordinary Share Capital, the whole of which has been subscribed for in cash by the Vendors.

Prospectuses and Application Forms will be obtainable on Monday, April 3rd, from the Head Office and Branches of the National Provincial and Union Bank of England, Limited; from the Head Office and Branches of the National Bank of Scotland, Limited; the Brokers, Messrs. J. Silverston & Co., 4, Copthall Court, London, E.C.2, and Messrs. Charlesworth, Bennett & Company, 3, Copthall Buildings, London, E.C.; the Solicitors, Messrs. Linklaters & Paines, 2, Bond Court, Walbrook, London, E.C., and the London Agents, Mitchelson Partners, Ltd., Pinners' Hall, Austin Friars, London, E.C.

MESSRS. OSTERER BROS. have removed from No. 2 White Lion Court, E.C.3 to No. 4 Broad Street place, E.C.2.

BIO TINTO COMPANY, LIMITED.

Notice is hereby given, that the Forty-ninth ORDINARY GENERAL MEETING of the Shareholders will be held at the Offices of the Company, 8, Lombard Street, London, E.C., on WEDNESDAY, the 15th April, 1922, at half-past twelve o'clock precisely, for the purpose of receiving the Directors' Report and Statement of Accounts, for the Declaration of a Dividend, and for other purposes.

Holders of Share Warrants to bearer who desire to attend can receive a Ticket of admission, on depositing their Warrants in accordance with the Articles of Association three days prior to the Meeting, at the Company's Offices in London.

The retiring Directors are The Earl of Denbigh and Sir Arthur Steel-Maitland, who, being eligible for re-election, offer themselves accordingly.

The retiring Auditors are Messrs. Turquand Youngs and Co., who, being eligible for re-election, offer themselves accordingly.

The Transfer Books will be closed from Saturday, the 15th, to Saturday, the 29th April, both days inclusive.—By order of the Board,

J. GORDON MACLEOD, Secretary.

Offices of the Company,
8 Lombard Street, London, E.C.
31st March, 1922.

283rd Consecutive Dividend**The Bank of New York**
National Banking Association

A quarterly dividend of **FIVE** per cent. (5%) has been declared by the Board of Directors, payable on and after April 1, 1922, to stockholders of record of March 21, 1922.

FRED'K C. METZ, Jr., Cashier.

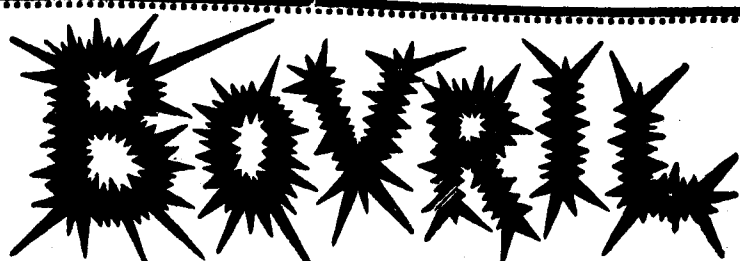
March 14, 1922.

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OF

The Manchester Guardian Commercial

Edited by JOHN MAYNARD KEYNES.

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The *Manchester Guardian Commercial*, as a contribution to the settlement of these difficulties, has undertaken one of the greatest enterprises in the history of Journalism. It will publish, under the editorship of Mr. J. M. Keynes, a series of twelve special numbers, in five or six different languages, dealing with the financial, economic and industrial conditions of Europe and written by the chief authorities of Europe.

Special staffs of translators have been engaged and all arrangements made for the world circulation which the eminence of the contributors will ensure. Exchanges, tariffs, public finance and credit, communications, emigration, food supplies, raw materials, the prospects in Russia—these and kindred topics will be dealt with by some of the greatest living authorities and the whole series will be the most complete guide to the problems of reconstruction that has been anywhere attempted.

An important and novel feature will be the **BUSINESS BAROMETER**, which will consist of a series of charts and tables prepared by experts in Great Britain, the United States, and the chief European countries, setting forth the current and probable future tendencies of world finance, trade, prices, employment, and so forth. This barometer will constitute a new departure in the presentation of economic facts, and will be the most authoritative graphic survey published. The European sections will be compiled by the London School of Economics, assisted by correspondents abroad; the American section will contain the **BUSINESS BAROMETER** prepared by the Economic Research Department of Harvard University, which has an influential circulation among business men in the United States.

The list of writers so far arranged for the earlier numbers includes, among other distinguished public men:—

Mr. LLOYD GEORGE (who will contribute an introductory message).
Mr. ASQUITH,
M. PAINEVE (former Prime Minister of France),
Signor NITTI (former Prime Minister of Italy),

Lord ROBERT CECIL,
Dr. BENES (Prime Minister of Czechoslovakia),
Dr. WIRTH (the German Chancellor),
Dr. RATHENAU (German Foreign Minister),
M. LENIN,

Economic and business authorities like

Sir WILLIAM GOODE (late Chairman of the Austrian Section of the Reparations Commission),
Sir A. GOLDFINCH (late Director of Raw Materials at the War Office, now Chairman of the British-Australian Wool Realisation Association),
M. BUISSON (French ex-Minister of Mercantile Marine),
M. VINGENT (French ex-Minister of Labour),
Sir JOSIAH O. STAMP (late Assistant Secretary Board of Inland Revenue),
Sir LEO MONEY (late Parliamentary Secretary Ministry of Shipping),

Sir WESTCOTT ABELL (Chief Shipping Surveyor, Lloyd's Register),
Sir FREDERICK LEWIS (Chairman of the Furness, Withy Steamship Co.),
State Secretary SCHROEDER (of the German Treasury),
Professor CASSEL (Currency Expert attached to the Brussels Conference),
Dr. GIANNINI (Commercial and Financial Attaché to the Italian Embassy, London),
Dr. MELCHIOR (Head of the German Financial Experts at the Paris and Spa Conferences),
Dr. CUNO (Chairman of the Hamburg-America Line).

Other names will be announced shortly. Mr. Keynes will himself contribute a number of important articles on the subjects on which he is the leading authority in Europe.

The first number will deal mainly with questions of foreign exchange, the consideration of which will be among the chief tasks of the Genoa Conference. Its chief feature will be an article in which Mr. Keynes puts forward a definite scheme for the stabilisation of the chief European exchanges.

The numbers will be printed in English, French, German, Italian, and Spanish.

The first will appear on April 12th, and successive numbers at intervals of two to three weeks.

The price of each Reconstruction Number is 1s., post free, or from an agent; or an Annual Subscription to the *Manchester Guardian Commercial*: 16s. home, 18s. abroad, entitles the Subscriber to the 12 Reconstruction Numbers free.

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Capital fully paid : : : : : Lire 300,000,000
 Reserve : : : : : " 90,000,000
 Deposits and Current Accounts at 31st December, 1921 " 4,419,768,340

Head Office of the Bank—MILAN.

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BALANCE SHEET, 31st DECEMBER, 1921.

ASSETS.		LIABILITIES.	
Cash and Balances at call with Banks	Lire 888,870,678.85	Capital	Lire 300,000,000.
Bills receivable on Italy, England and other Countries	2,689,112,549.05	Reserve Fund	90,000,000.
Loans against Collateral Securities	283,755,821.25	Deposits and Saving Accounts	895,332,418.25
Current Accounts	1,140,148,870.80	Current Accounts	3,624,335,984.25
Investments	113,257,404.35	Acceptances on Account of Customers	21,247,112.30
Participations	17,719,552.35	Cheques Outstanding	187,433,294.50
Freehold Bank Premises	12,500,000.	Sundry Creditors	89,277,502.95
Sundry Debtors	41,071,475.90	Guarantees on Account of Customers	91,533,505.40
Customers' Liabilities against Guarantees	91,033,505.60	Rebate on Bills Receivable maturing next year	18,195,003.10
		Net Profit	42,005,181.55
Securities belonging to Clerks' Provident Fund	Lire 5,257,468,938.15		
	12,567,583.75	Clerks' Provident Fund as per contra	Lire 5,257,468,938.15
	Lire 5,270,037,521.90		Lire 5,270,037,521.90

At the Annual General Meeting held on the 28th March, 1922, it was decided to allocate the Net profit as follows:
 To Reserve Fund ... Lire 10,000,000.
 " Directors ... " 1,582,458.05
 " Shareholders as Dividend 5% ... " 27,000,000.
 " Balance carried forward ... " 3,422,725.50
 Lire 42,005,181.55

LONDON BRANCH: 22, ABCHURCH LANE, E.C. 4.

Managers—D. A. HORNER.
 F. N. SCHILLER.

Joint Manager—F. ASHER.
 Sub-Manager—J. MILLER NESS.

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WEST SPRINGS, LIMITED.

(Incorporated in the Transvaal.)

NOTICE TO SHAREHOLDERS.
 FIFTH ORDINARY GENERAL MEETING.
 Notice is hereby given that the Fifth Ordinary General Meeting of Shareholders in the above Company will be held in the Board Room, Second Floor, "The Corner House," Johannesburg, on Monday, the 29th day of May, 1922, at 11 o'clock in the forenoon, for the following business:—
 1. To receive the Reports of the Directors and Auditors, and to consider the Balance Sheet for the year ended 31st December, 1921.
 2. To confirm the appointment of Mr. E. G. Izod, as a Director, in place of Mr. J. B. Leisk, C.M.G., resigned, and to confirm the appointment of Mr. A. F. Lyall as a Director in place of Mr. W. S. Saunders, resigned.
 3. To fix the remuneration for the past audit, and to appoint Auditors for the ensuing year.
 4. To transact such other business as may be transacted at an Ordinary General Meeting.
 The London Transfer Registers of the Company will be closed from the 22nd April to 26th April, 1922, and the Head Office Transfer Registers from the 22nd May to the 26th May, 1922, all days inclusive.
 Dated Johannesburg, 27th March, 1922.
 By order, EDMUND SHEPARD,
 Secretary to the London Committee.
 London Transfer Office:
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Vol. XCIV.

SATURDAY, APRIL 8, 1922.

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TABLE OF CONTENTS.

The Money Market	659	Books and Publications—	
Leading Articles—		Recent Economic Literature—A Month's Review	679
The Eve of the Conference	661	Books Received	680
The Funding Problem	662	Stock Exchange News—	
Russian Problems—II	663	The Stock Markets	681
Our Index Number	664	New Issues	682
National Monopolies in Shipping—I.—Emigrant Traffic Through Italian Ports	665	Active Securities	683
London Gas Companies	666	Company Meetings	684
Notes of the Week—		Government Returns—	
The Dispute in the Engineering Trade	667	Currency Notes Account	685
Hope for Mexican Bondholders	667	Treasury Bills by Public Tender	685
Stock Exchange Dividend and Rules	667	Bankers' Gazette—	
Czechoslovak Budget for 1921	668	Bank of England	701
Next President of Argentina	668	Clearing Returns	702
Economics of Farm Labour	668	Overseas Bank Returns	702
Labour Legislation in India	668	Monthly Statement of London Clearing Banks	703
Scotch Whisky Trade	669	Loan and Discount Rates	704
London Guarantee and Accident Company	669	Rates of Exchange	704
Associated Portland Cement	670	Overseas Bank Rates	705
Sheffield Steel Products	670	Indian Treasury Bills	705
Rand Reports and Reserves	670	Bullion	705
Brazilian Centenary Exhibition	670	Imports and Exports of Gold	705
Overseas Correspondence—		Gold and Silver Prices	706
United States	671	Company News—	
France	672	Dividend Announcements	706
Germany	673	Mining Output Statistics	707
Holland	674	Reports and Notices	707
Poland	675	Railway & Tramway Traffic	708
Norway	675	Profit and Loss Accounts	709
Latin-American Notes	676	Analysis of Balance-Sheets	709
New Zealand	677	Commercial Reports—	
Letters to the Editor—		Corn Trade	709
Railways & Road Transport	677	Iron and Coal Trade	710
The Banker's Diagnosis	678	Cotton Trade	710
Devaluation	679	Wool Trade	711
		Vegetable Oil and Oilseeds	712
		Hides and Leather Trades	712
		Overseas Produce Markets	712
		Price Current	712

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Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's, 37 Avenue de l'Opera. New York: Economist Office, 20 Broad street (Room 1,709).

THE MONEY MARKET.

WITH the check that usually comes after the end of the financial year to the taxgatherer's activity, money at once became more plentiful. Large interest payments had to be made by the Government on the 1st and 5th, and it appears from the figures of the Bank return that the

Treasury had to borrow largely from the Bank in order to make these disbursements. With the assistance thus provided, the market was enabled to repay the Bank; and it was thus once more shown that in these days either the market or the Treasury has to be in the Bank's clutches as a borrower. Money, however, though in comfortable supply, was by no means excessively abundant. Discount rates showed an easy tendency, on anticipation of a reduction in Bank rate, which were disappointed, presumably because the Bank Court, full of anxious care for the City's morals, did not wish to encourage speculation by making money cheaper. The reduction, however, is generally looked upon as imminent.

	Apr. 1, 1922.	Mar. 31, 1922.	Mar. 27, 1922.	Previous Rate and Date Changed.
Bank Rate	4½	4½	4½	5 (Feb. 16, '22)
Bank Deposit Rate	2½	2½	2½	3 (Feb. 16, '22)
Discounts	2½	2½	2½	3 (Feb. 16, '22)
Market rate (3 months' bills) ..	2½	3	3½	3½ (Feb. 16, '22)

The Bank return showed increases of £108,000 in the stock of gold, and £178,000 in the note circulation, and a consequent decrease of £79,000 in the Reserve. An increase of 13 millions in the Government securities may be inferred to have been caused by borrowing by the Treasury, and there was, nevertheless, thanks to heavy disbursements, a decrease of six millions in the public deposits. Thus the market was enabled to reduce the other securities by 17½ millions, through reduction of its debt to the Bank, and still show an increase of two millions in the other deposits. The circulation of currency notes was increased by £2,626,400 to £302,977,300, which includes £1,649,300 for notes called in but not yet cancelled. The fiduciary issue is £253,377,900, or £56,516,500 below the maximum.

The summary of the monthly statements of the joint stock banks for March is printed in full on a later page. Below we give a comparative table of the figures of the nine English banks, which shows that the weekly average deposits fell considerably last month:—

	March, 1921.	July, 1921.	Dec., 1921.	Jan., 1922.	Feb., 1922.	March, 1922.
Capital and reserves	1,156	1,159	1,153	1,159	1,159	1,159
Acceptances	1,754	1,754	1,754	1,754	1,754	1,754
Deposits (incl. indiv. public, &c.) ..	1,754	1,754	1,754	1,754	1,754	1,754
Total liabilities	2,910	2,913	2,907	2,913	2,913	2,913
Out: notes, balances at bank, and cheques in course of collection ..	2,913	2,913	2,913	2,913	2,913	2,913
Money at call	321	321	321	321	321	321
Investments	281	281	281	281	281	281
Discounts	281	281	281	281	281	281
Loans and advances	281	281	281	281	281	281
Cover for accept., premises, &c. ..	281	281	281	281	281	281
Total assets	2,910	2,913	2,907	2,913	2,913	2,913

Acceptances have also dropped, and the reduction of over £60 millions in liabilities has been balanced by a heavy decline in bills discounted, and by reductions in cash, and money at call. Investments have risen by over £7 millions, and it may be inferred that the banks have continued their policy of transferring their attention from Treasury bills to Treasury bonds.

THE STOCK MARKETS.

Although the Stock Exchange was disappointed at the maintenance of a 4½ per cent. Bank Rate on Thursday, prices only reacted to a very small extent, and there has been a general broadening of interest, the only section to be neglected by the public being the mining market, where dealings are still confined to professionalists. The week has seen a large number of new issues of capital. The Commonwealth 5 per cent. at 90 were fully subscribed by the public, while the Czechoslovak 8 per cent. at 90 were oversubscribed in a very short time.

The foreign market has been strong, and home rails have been active, though subject to profit-taking at times. Industrials generally have been firm, and the oil market has seen a sharp rise in quotations.

COMMODITY MARKETS.

Business in the cotton trade has not been so brisk, although Indian and China continue to take a fairly normal supply of piece goods; prices generally are inclined to be firmer. In the wool trade the raw material has been in good demand; at the colonial wool sales an all-round advance in prices occurred, best merinos showing a 5 per cent. increase, and crossbreds 10. There are no changes in quotations in the iron markets. Best Admiralty coal rose to 28s 3d per ton, and Monmouthshire was in demand. Trading continued quiet in the wheat markets, and prices showed signs of weakness. The lower price of raw linseed oil has created some demand, but conditions generally in the vegetable oil and oilseed markets have been fairly quiet. The position in the hide market is described as "puzzling"; prices are firmer. Merchants and tanners report a poor demand for leather. The boot trade is a little busier on account of Easter orders.

FOREIGN EXCHANGES.

The foreign exchange market has again suffered from the uncertainty preceding the Conference at Genoa, and business has been even quieter than before. The dollar, after climbing slowly up to \$4.40, again has been irregular within narrow limits, and is now back at \$4.39½. Forward dollars are still on a parity with spot. Paris movements have also been irregular, with a slight tendency towards appreciation, the rate yesterday morning being 48.10, as compared with 48.50 a week ago. Brussels at 52 shows a slightly wider margin over Paris. For French francs forward rates are unchanged at parity with spot, Belgian being seven centimes per month under spot. Berlin, after a recovery to 1,260 on the 31st, went up again on Tuesday to 1,430, and has now reacted to 1,310. So long as nothing is settled with regard to the recent Note of the Reparation Commission these quotations have little meaning. Should the Note be enforced, or should a real attempt be made to enforce it, further depreciation is inevitable. Should wiser counsels prevail, a sharp recovery may be expected. The lira, after some recovery in the early part of the week, relapsed again, but now at 83½ is a good deal better than a week ago, and the announcement of the proposed settlement of the Banca Disconto's affairs is a satisfactory feature. Amsterdam has moved rather rapidly against us, from 11.58 to 11.62½, and Switzerland is also slightly dearer. Madrid, on the other hand, has again depreciated a little. Among the northern countries, Christiania has moved slightly against us, Stockholm and Copenhagen slightly in our favour. Finland has also moved upward rather sharply, to about 230. Vienna, in spite of various plans for currency restriction, has again moved slightly upwards to 33,000. Warsaw has remained steady at about 17,000. Prague, Belgrade, and Bucharest show little change. In the East, India is a very little cheaper at 1s 3½d, while Yokohama has also fallen to just under 2s 3d. The silver market has been inactive, with a dull tendency. Shanghai is 1d cheaper at 3s 3d. In South America, Buenos Ayres has moved down to 43½, Monte Video is down to 44½, and Valparaiso to 39.70, Rio to 7½—all lower than the previous week.

FINANCIAL YEAR, 1921-22.

Total spent	1,079,185,627	Revised by revenue ..	1,124,879,875
Inc. in balances	8,099,024	Net repayments	87,594,222
Total	1,087,284,651	Total	1,212,474,097
REVENUE ESTIMATES FOR YEAR 1921-22.			
Ordinary Expenditure	1,080,115,000	Ordinary Receipts	1,058,150,000
Special Expenditure	68,705,000	Special Receipts	158,500,000
Total	1,148,820,000	Total	1,216,650,000
Surplus			

NATIONAL DEBT.

	Aug. 1, 1914.	Mar. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Dec. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.
Funded Debt	588	518	518	515	515	515	515	515	515
Term Annuities	30	22	22	20	19	18	17	17	17
5½% War Stock	15	15	15	13	13	13	13	13	13
4½% War Stock	15	15	15	13	13	13	13	13	13
4½% War Bonds	2,091	2,068	2,047	2,040	2,008	1,996	1,956	1,943	1,943
National War Bonds	449	1,636	1,509	1,476	1,441	1,413	1,401	1,201	1,201
4½% Funding Loan	...	...	...	...	...	...	...	...	...
4½% Victory Bonds	...	...	...	360	357	348	346	346	346
3½% Conversion L'n.	...	...	...	...	...	...	...	...	...
5½% year Treasury Bonds	...	...	...	...	...	18	23	24	24
5½% Treasury Bonds	...	...	...	...	...	...	...	275	380
Do by tender	...	...	...	...	...	...	...	...	...
Treasury Bills	15	961	957	1,107	1,107	1,102	1,121	1,060	882
Exchequer Bonds	30	392	394	323	319	293	289	218	194
Nat'l Savings Certs.	...	138	297	267	274	279	285	294	324
War Expend. Certs.	...	33	...	...	...	...	...	...	...
Other Debt	...	944	1,341	1,306	1,181	1,164	1,132	1,097	1,090
American Loan	...	51	51	51	51	...	...	...	...
Temporary Advances	1	804	465	943	965	306	154	300	147
Other Capital Liabilities	854	5,872	7,435	8,033	7,829	7,785	7,574	7,748	7,500
Total Liabilities	711	5,921	7,481	8,079	7,876	7,823	7,799	7,708	7,708

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.

	Temporary Advances Out.	Mar. 31, '21.	Dec. 31, '21.	Mar. 31, '22.	Year's Movement.
Advances by Bank of England	20,000,000	...	...	147,301,500	127,301,500
Advances by Public Departments	154,489,000	180,034,000	...	...	25,545,000
Treasury Bills outstanding	1,120,941,000	1,059,826,000	882,219,000	...	-238,722,000
Total Floating Debt	1,295,430,000	1,239,860,000	1,029,520,000	...	-265,809,500

THE EVE OF THE CONFERENCE.

THE British Delegation which leaves this week for Genoa will carry with it the sincerest wishes of all classes of the community for a successful issue to its labours. To the whole world and to Great Britain in particular, the solution of the problems which it is to discuss is of vital importance, for it has long been appreciated here that we cannot make real progress in dealing with our unprecedented difficulties at home until more normal foreign trade conditions return. It is true that our Index Number this month has at last shown a slight upward movement, following a similar turn in American prices six months ago, and this suggests that the bottom of the price depression has been reached. But the change is at present microscopic, and though economic affairs generally are undoubtedly better even in Europe than they were a year ago, the main stumbling blocks in the way of trade recovery have not yet been removed. In the House last Monday Mr Bonar Law seemed to think that the importance of restoring Central Europe to its normal place in the circle of commerce had been over-rated, and quoted the fact that only 30 per cent. of the produce of the United Kingdom was exported. What he probably meant was that 30 per cent. of the total goods produced and of services performed, including the work of shipping and of our financial institutions, was sold to foreign customers. He went on to say that if the Chancellor could reduce taxation "I think it is not at all improbable that we would have a revival of the home market quite equal to all we are doing with these countries." It has also at times been suggested that we may be able to make good the break in the circle caused by European conditions by restoring a larger direct trade between Great Britain and the extra-European countries of the world. We are, however, of opinion that the Prime Minister gave a sounder view of the situation. He pointed out that the whole world is suffering from reduced production, and that the volume of the foreign trade of Germany and France, as well as of ours, was enormously reduced, and that this affects not Europe only, but the world as a whole. "The world is one trade unit. Our customers depend upon the sale of European goods to pay for the goods that we sell them. India is not buying from this country what she bought before the war. No doubt the organised opposition to British trade there has something to do with it, but that is not the main reason. The main reason is that India

has always paid us for the goods we sell her by the proceeds of her sales to other European countries. She pays us what she gets from sales to Germany, to France and to Russia. What applies to India applies to Australia, Argentine, and other parts of the world." Mr Lloyd George might have added that this circular trade could not be replaced by direct commerce between Great Britain and these countries without altering in many respects the character of the goods dealt with. For example, short staple Indian cotton is adapted to Continental textile machinery, but could only be used in Lancashire after a considerable modification of plant had taken place. He might also have emphasised the point that a reduction in the volume of trade of, say, 5 per cent. to 10 per cent., is quite enough to upset completely the level of prices, and that while prices are on the down grade production is checked. Orders are postponed, and the volume of the world's trade reduced far more than in proportion to the original cause of the trouble. Without, therefore, taking too pessimistic a view we cannot foresee a sufficient trade revival to solve our internal problems until Europe resumes its place, and it is for this reason that the commercial community will follow with the closest attention the proceedings at Genoa.

But any hopes that may be entertained are not unmixed with anxiety. International goodwill is a tender plant, prone to wither in the chill air of suspicion or of jealousy; and discussions which engender these may be a positive danger, leaving us in a worse plight than if we stayed at home. Unfortunately, the atmosphere in which the present conference meets is far from satisfactory. In this respect, success depends not merely on the actual proceedings, but on the vital matters of procedure, and still more upon the agenda. It is in these respects that the Conference starts under somewhat doubtful auspices. Many of those who will be at Genoa—including Mr. Henry Bell, financial expert in the British delegation, Sir Henry Strakosch, and the Hon. R. H. Brand, advising the South African delegate, and Prof. Cassel, of Sweden—have had experience of the Brussels Conference of 1920, and it may be of interest to recall some of the features of that meeting, which was the first attempt to secure practical conclusions from a European International Assembly of so large a size. That conference endeavoured to follow as closely as possible Parliamentary lines. The first task was to introduce the idea of speakership, and the Council therefore chose as president not a financier or member of any delegation, but a man conversant with politics, who was at the same time removed from the political arena—an ex-President of the Swiss Republic. But how is it possible to organise debate in a Parliament consisting of 40 separate parties containing three members each, in which there is no leader of the House? This problem was solved by the Council appointing four vice-presidents representing the League as a whole, who formed, as it were, the Government bench, and introduced each his own subject on the agenda in the full Assembly, taking it thereafter, as is done by a Minister in charge of a Bill, into a committee of the House. Both in the Conference and in the committee each nation had equal representation. It was, of course, by no means true that the opinion of all was of equal importance, any more than it is true of opinion

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in any democratic community. On the contrary, it is most noticeable in all recent international meetings that the representatives of small nations pay an undue amount of attention to the views of the Great Powers. But the form of equality is of the greatest psychological importance.

Again, it was the experience of inter-Allied bodies during the war, and has been amply confirmed by subsequent events, that the mere interchange of information between countries is not sufficient to secure a common basis of fact, and that it is essential for the data to be compiled by an international secretariat, so that everyone has before him the same standards of comparison—standards, moreover, which inspire general confidence. Though such matters may seem to be of minor importance, they are, in fact, the things which determine the tone, and therefore the results, of the discussions.

But Genoa, like Brussels, suffers from the drawback that it cannot deal with the problems of reparations and war debts or with political questions such as disarmament. Mr Bonar Law reminded us on Monday that unless these are settled, it is extremely difficult to reach any solution of financial questions; it is largely armaments which leave budgets unbalanced, and these in their turn create currency disorders. Mr Lloyd George rightly attaches the greatest importance to reduction of land armaments, but it is difficult to see how progress can be made if the French attitude is accurately represented by the *Temps*, which argues that "stability of exchange can be better sought by a loan to Germany than by such 'pressure' for a reduction in necessary military expenditure." Apart from the use of question-begging adjectives, this conception is deplorably remote from general financial opinion in Europe. The *Temps* is on safer ground in asserting that armaments are a symptom and not a cause of the troubles of Europe. In this, as in every other direction, we are driven back to the conclusions of Brussels, that financial problems lead at every turn to political considerations, and to the problem of security for France, for which the only sound solution is a pact of European nations under the ægis of the League of Nations. Since Reparations are not to be discussed, the proceedings will not be appreciably affected by the notification to the Allies by Great Britain that we may have to call for payment of the Allied debts as our obligations to U.S.A. fall due. Our declaration leaves the matter unchanged, but its effect will serve to emphasise—as no doubt it was intended to do—the urgency of rapid progress in settling the whole question of international indebtedness.

On the eve of the Conference French opinion betrays the same nervous fear of isolation which it has shown before all recent meetings of this kind. At Brussels the correct and courteous behaviour of her delegates towards the German delegates and their desire to assist in achieving positive results did a great deal to dissipate the conception of an uncompromising chauvinistic France, and to enhance her prestige for statesmanship. If the right atmosphere can be created, we are confident that history will repeat itself in this respect.

In these circumstances, what definite results are to be looked for from the Conference? If we exclude the possibilities in regard to Russia, which are dealt with in a later column, we fear the harvest will not be a very abundant one. With its limited agenda, it can do little more than reaffirm the Brussels principles. If the politicians will line up with the same unanimity as the financiers in support of these ideas, the restatement of sound doctrine will be of great use in strengthening the forces in each country, making for sane, if hard, financial orthodoxy. The discussion of devaluation between the experts will help to develop opinion on this difficult currency problem, and the meetings outside the Conference room of business men may carry a stage nearer completion many devices for co-operative effort. There remains as an incalculable factor the reaction of the meeting upon Mr Lloyd George, for whom this will be the first experience—except for the formal meetings of the Allies in 1919—of international conference on a Parliamentary scale. If he reacts favourably to his environment, it may greatly modify his conception of methods of carrying on international relations and direct his thought into new channels.

THE FUNDING PROBLEM.

In 1919, not much more than six months after the Armistice, the Government called on the people of this country for a great financial effort for the funding of the floating debt. It issued the 4 per cent. Funding loan and the 4 per cent. Victory bonds at 80 and 85 respectively, the former redeemable at par not before 1960 and not later than 1990, the latter carrying a spice of speculative adventure in the shape of annual drawings at par. It was calculated that both loans yielded on this basis 5 per cent. to the investor, and, as we pointed out at the time, it seemed at first sight rather profligate finance to pledge the country to the payment of such a rate for so long a period. But it was amply shown by the very unresponsive attitude of the public to the loans that any attempt to issue on a basis more flattering to British credit would have produced a still more chilling frost. If it was necessary to try to fund part of the floating debt it could not have been done more cheaply. In fact, as most of us remember, the investing public, already suspicious of official extravagance, shrewdly inferred that any money that it subscribed was much more likely to be used to fill the gap between revenue and expenditure than to pay off floating debt, and its suspicions were largely justified by the sequel.

Since then, in 1921, a conversion operation was carried out in order to relieve the anxiety of the Treasury with regard to maturing obligations in the shape of National War bonds, falling due between 1922 and 1925. This also was at first sight a highly expensive proceeding, since it added considerably both to the capital of the debt and to the total interest charge. Those who then exchanged their 5 per cent. War bonds into conversion stock surrendered the small prospective premium that would have been paid to them when their bonds fell due, but got a security yielding £5 12s to £5 14s per cent., free of corporation tax, and irredeemable before April, 1961. On these grounds the operation was effectively criticised, but it also could not then have been done more cheaply, as the result clearly showed. If the Treasury was right in thinking it necessary to deal with maturing obligations some time before they fell due, so that they should not in the meantime get out of the hands of investors and into those of professional dealers in money, who would not be willing to take a long-dated security in their place, the Conversion loan, with all its drawbacks from the point of view of the taxpayer, was an expensive necessity.

This 'twin problem of the floating debt—Treasury bills and ways and means advances—and maturing short obligations' is still with us, though there has been some change of opinion of late concerning its urgency, partly owing to the big reduction in floating debt that has been effected during the financial year that has just ended, owing to the eager swallowing power that the money market suddenly developed in the autumn of 1921 for short-dated Treasury bonds. This appetite was so keen, thanks to the comfortable profits made by those who indulged it, that Treasury bonds are no longer "on tap" in unlimited amounts, but are put up for tender week by week, and it is freely asserted by City gossip that our financial rulers are not nearly as enthusiastic as they were in the matter of floating debt reduction. The City, of course, finds it extremely convenient to have this mass of Treasury bills to handle at a time when commercial bills are lamentably scarce owing to the small volume of our trade. In fact, a widely current opinion was expressed by Mr O. T. Falk, in a paper read before the Royal Society of Arts on March 15th, and printed in the *Economic Review* of March 17th, when he said that "Treasury bills are now an essential element in our internal currency and banking system." One may, however, venture to question whether it is really necessary, in order to meet the convenience of our banking system, to keep in being a certain form of Government debt, if that form of debt is really as harmful and dangerous as it was thought to be in 1919. In the piping times of the 'nineties, when Consols soared to 114, it was seriously argued that the pace at which the Government was redeeming debt could not be continued because the banks must have Consols to hold as a reserve against demands on them for cash. The argument that the Government must now continue to have a huge mass of Treasury bills

outstanding because they suit the banks' portfolios is as good and as bad as was that Victorian contention that Consols must not be redeemed because they looked nice in balance-sheets. If it is possible and desirable from the point of view of the national finances to reduce the volume of Treasury bills by a funding loan, we can surely rely on the adaptability of our banking system to find a substitute for them for banking purposes.

The danger involved by the present volume of Treasury bills outstanding is somewhat academic and theoretical. It gives its holders the power, if they choose to exercise it, of forcing a policy of inflation on the Treasury, and it seriously weakens, on paper, the power of the Bank of England to control the operations of the money market. With nearly £900 millions of Treasury bills in the hands of banks, discount houses, shipowners, and other industrialists, it is in theory possible for the banking and commercial community, by refusing to take up new "Treasury bills" to replace those maturing, to compel the Government to borrow from the Bank of England in order to meet its daily liabilities, so creating new credit to be handed over to the holders of the maturing bills, who can then, if they choose, turn this new credit into new currency notes, and expose the officially fixed limit on the fiduciary issue of the latter as a piece of departmental bluff. In the same way, if the Bank of England thought it necessary, as it often used to do, to curtail the supply of floating money in Lombard Street, holders of Treasury bills could defeat its efforts by refusing to replace them, and forcing the Government to supply new credit as shown above. But it seems hardly likely that the Treasury and the Bank of England, and the rest of our banking system, will come so hopelessly to cross purposes that a state of things will arise under which Treasury bills will really be used in this manner to force the hands of our official and semi-official rulers; and if and when that day does come, this would only be one manoeuvre on a field in which there would be infinite possibilities of skirmishes, turning movements, and frontal attacks. The power that the existence of a huge mass of Treasury bills puts into the hands of its holders may be a reason why, others things being equal, it would be a good thing to reduce it. The real question is whether Treasury bills are a cheap and useful form of debt, and whether they can be replaced, through a funding operation, by one that is, in the long run, cheaper and better. The answer to this question depends on the view that one takes of the future value of short-period money as compared with the rate of interest on comparatively long-dated or undated securities. Except in times of acute and temporary stringency, the short security usually carries lower interest, and so is cheaper to the borrower than the long one; and if the Government is contemplating a funding operation it must try to avoid the expense to the tax-payer involved by its efforts of 1919 and 1921, by waiting for the right moment when it can issue a funding loan at a rate of interest that shall be lower than the average rate for Treasury bills is likely to be during the currency of the loan.

RUSSIAN PROBLEMS.—II.

(FROM A CORRESPONDENT.)

Is the Genoa Conference going to be a repetition of the Paris Conference, or is it to be conducted in the spirit of the International Financial Conference summoned by the League of Nations in September, 1920? On the answer to this question depends the solution of many of the problems of Russian reconstruction. In the concluding paragraph of their report the delegates to the Brussels Financial Conference, which included representatives of Germany, Austria, Hungary and Bulgaria, summed up the words of the Conference in the following words:—

"As the work of the Conference and its Commissions proceeded, there developed a spirit of close and intimate co-operation, such as might scarcely have been thought possible. That co-operation is in itself a factor of the utmost importance. Each country has had the opportunity of presenting to the rest of the world its special difficulties, its particular anxieties, and all have contributed towards finding a solution."

But the Brussels Conference was only a meeting of

financiers and business men. It would be a miracle if the words we have quoted should prove applicable to such a gathering of politicians and diplomatists as that which is now opening at Genoa. The American Government was right when it diagnosed the Genoa Conference as primarily political and not economic in character. It is to be feared that the chief concern of the majority of delegates will be not to contribute towards the finding of a common solution of European problems, but to prolong their tenure of office at home, and manoeuvre for selfish advantages abroad. The policy of the Soviet Government will be no different from that of other Governments in this respect.

The Soviet leaders are running big risks of internal upheaval in pursuing their new policy of conciliation. Not only has the new economic policy of restoring private enterprise in Russia alienated many of the more doctrinaire communists, but the plan of giving concessions to foreign capitalists to exploit Russian resources has many enemies, not only among Bolshevik extremists but among Russian Nationalists of the old school. One of the features of the war period was the growing unpopularity of foreign merchants and manufacturers established in Russia. In this matter the big industrial magnates and the Peasants' Co-operatives found common ground. Even before the Revolution the late Russian Government had so far yielded to the cry of "Russia for the Russians" as to grant a virtual monopoly of the flax export trade to a large Russian combine called Ralo, thereby ruining the trade of the British flax merchants, who had formerly done the bulk of the export. The Russian emigrés will have a new and more effective weapon against the Soviet Government if they allow Russia to be carved up into foreign spheres of influence and subjected to the sort of treatment which is meted out to China.

The Soviet Government will also have to walk warily in the matter of Russian debts. It is well known that in 1906 230 members of the Russian Duma issued a manifesto at Viborg declaring invalid all debts that might be contracted at home or abroad by the Czar after that date. But it is not generally known that the representatives of the White Russians in Paris also issued a manifesto last summer on the subject of debts and reparations. After expressing their indignation that under the London Agreement of May, 1921, Russia's claims to reparation from Germany under the Peace Treaty had been quietly annulled by the Allied Powers, they solemnly declared on behalf of any future Russian Government that they thereby repudiated Russia's debts to the Allies up to the full amount of reparations to which Russia would have been entitled under the Peace Treaty. The Soviet Government will be placed in an awkward position if it is expected to concede more than the Russian emigrés would concede. If it does so, we shall have the paradoxical result that it will be to the interest of the Allies to bolster up the Soviet régime against the more intransigent Nationalists of the counter-revolutionary parties.

Another question which is bound to cause complications is the way in which claims for compensation arising out of foreign intervention are to be settled. If as a condition of getting repayment of debts incurred by the Czar the Allies are compelled to recognise the present Government of Russia as the legitimate successor of the Czar's Government, will such recognition be held in international law to have a retrospective effect? If so, the Soviet Government will be able to present a claim for compensation for acts of hostility committed against Russia by the Allied Governments and their nationals without formal declaration of war. It is believed that Russia will base her claim for compensation on the principles of international law laid down in the Alabama dispute between Great Britain and the United States. In that case the arbitrators held that the British Government was liable to pay damages for the action of private British citizens who assisted the rebel forces during the American Civil War. But if Koltchak, Denikin, Yudenitch and Wrangel are now to be regarded as rebels against the legitimate Government of Russia, the Soviet counter claims will assume enormous proportions. The Allies will no doubt reply that there was no Government in Russia during this period, and that so far as there was any recognised successor of the Imperial Government

it was the Government of Admiral Koltchak. If the matter is to be decided in accordance with the principles of international law it might conceivably be referred to the International Court of Justice recently established at The Hague. The Allies have a way of referring their insoluble problems to the League of Nations; but we doubt whether either party will feel confident enough in the justice of their case or in the International Court to wish to have the question settled in this way. If any settlement is arrived at, it will be by a process of simple bargaining. We have even heard it suggested that the Allies should start off by claiming that the Soviet Government should compensate them for the expenses incurred in assisting the counter-revolutionary forces. Russia might as reasonably claim that the Allies should pay for the whole cost of the civil war.

The adjustment of governmental claims, however, is likely to prove less troublesome than the claims of private individuals. Many of Russia's loans, especially municipal loans, are expressed in roubles, and all claims for loss of property sequestered in Russia have to be calculated in Russian currency. What value can be attached to the rouble for this purpose, and at what date are the obligations and losses to be assessed? Russia is hardly likely to admit the principle of paying compensation on the basis of the pre-war gold rouble or to accept a pre-war valuation of claims; but on the other hand payment in Soviet roubles would be a farce. Some value will have to be given to the rouble intermediate between the 10 to the £ and the 5 million to the £. No logical solution of this conundrum which would be fair to all parties seems possible. To insist that rouble loans should be redeemed at pre-war parity would be an awkward precedent, which would logically have to be applied to foreign holdings of pre-war loans in other depreciated European currencies, including Italian lire and French francs. Again, it seems the only way to find a solution will be by bargaining as to the value to be given to the rouble. The Soviet delegates would be wise to offer a rate of depreciation not greater than that of the Austrian krone or Polish mark. If they should seriously propose to pay compensation at the rate of 5 million roubles to the £ the Conference is likely to break up in disorder.

Assuming that the question of debts and compensation are satisfactorily disposed of, there remains the problem of economic relations. Before Russia can be expected to meet all her pre-war obligations and to pay full compensation for damage done to foreigners, not to speak of paying interest on her war debts, she must be restored to some measure of prosperity. The essential condition, both of the payment of debts and of the re-opening of trade, is that Russia should have a stable Government and economic assistance from the West. Now that the idea of foreign intervention has been abandoned, the sole question which concerns foreign powers is whether the Soviet Government is in fact the Government of Russia; whether, that is to say, it is able to keep order, enforce its decrees, guarantee the rights and property of foreigners, and carry out the obligations which it assumes. So long as there was any possible alternative government, the Allies naturally refused to have dealings with the Bolsheviks; and until they showed a desire to establish peaceful relations and to provide facilities for the development of private enterprise it was useless to discuss the terms of recognition.

OUR INDEX NUMBER.

For the first time since September last wholesale prices, as reflected in our Index Number, have taken an upward turn, the figure for the end of March showing an increase of 38 points at 4207. It is too soon to assume that this marks a definite turn in the curve, for there has previously been a momentary break in the fall. But there are reasons for expecting a change in direction, notably the slow but steady appreciation of prices in America. This month's figure compares with 4357 at the end of 1921, 4344 at the end of 1920, and 8352 at the end of March, 1920, the highest point reached. The posi-

tions of the various groups may be seen from the following table:—

Date.	Cereals and Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oil, etc.).	Total.	Percentage Change.
Basis (avg. 1901-5)...	500	300	500	400	500	2200	100.0
End July, 1914....	879	382	616	464	883	2604	118.6
" Dec., 1915....	897	446	731	711	848	2634	120.1
" Dec., 1917....	1286	686	1684	839	1348	3853	175.1
" Nov., 1918....	1289	782	1848	903	1389	3811	173.6
" Dec., 1918....	1303	782	1805	866	1337	3693	167.8
" Dec., 1919....	1441	881	2442	1145	1453	3962	180.1
" Mar., 1920....	1808	915	2974	1246	1709	4252	193.3
" Dec., 1920....	1344	805	1284	1216	1275	3924	178.3
" Dec., 1921....	921	636	1106	762	931	4357	198.0
" Jan., 1922....	907	654	1066	730	926	4284	194.7
" Feb., 1922....	948	640	1037	696	936	4257	193.6
" Mar., 1922....	980	687	1038	700	892	4297	195.8

Unfortunately, the present movement is not one which indicates industrial recovery. A rise in coal or iron prices with a fall in food would have been a most welcome sign of improving industrial demand coupled with a prospect of lower cost of living. In fact, the present increase is entirely due to the rise in the two groups of foodstuffs, which amounted together to 784 points. The miscellaneous group, on the other hand, fell by 443 points. The items which caused these movements may be seen from the table below, in which the indices for each commodity are set out, together with the changes in comparison with the end of February figures. The figure 50 represents the average price during the base period, 1901-5, in each case:—

Index Number.	Inc. or Dec.	Index Number.	Inc. or Dec.	Index Number.	Inc. or Dec.
Wheat—For...	1063	+	1063	+	1063
Flour—English...	94	+	94	+	94
Flour—French...	94	+	94	+	94
Barley...	86	+	86	+	86
Oats...	87	+	87	+	87
Potatoes...	101	+	101	+	101
Rice...	98	+	98	+	98
Beef...	107	+	107	+	107
Mutton...	111	+	111	+	111
Pork...	111	+	111	+	111
Cereals & Meat...	980	+	980	+	980
Tea...	112	+	112	+	112
Coffee...	100	+	100	+	100
Sugar cane...	154	+	154	+	154
Sugar beet...	106	+	106	+	106
Butter...	97	+	97	+	97
Tobacco...	116	+	116	+	116
Other foods...	687	+	687	+	687
Cotton A...	978	+	978	+	978
Cotton B...	123	+	123	+	123
Yarn...	107	+	107	+	107
Cloth...	128	+	128	+	128
Wool...	92	+	92	+	92
Wool—Wool...	124	+	124	+	124
Flax...	135	+	135	+	135
Hemp...	50	+	50	+	50
Jute...	86	+	86	+	86
Textiles...	1038	+	1038	+	1038
Pig-iron...	97	+	97	+	97
Steel rails...	79	+	79	+	79
Iron bars...	92	+	92	+	92
Coal, steam...	123	+	123	+	123
House coal...	112	+	112	+	112
Lead...	93	+	93	+	93
Tin...	56	+	56	+	56
Copper...	48	+	48	+	48
Minerals...	700	+	700	+	700
Baltic timber...	103	+	103	+	103
Amer. timber...	90	+	90	+	90
Leather...	13	+	13	+	13
Petroleum...	78	+	78	+	78
Oilseed...	78	+	78	+	78
Tallow...	61	+	61	+	61
Indigo...	135	+	135	+	135
Crystals...	125	+	125	+	125
Rubber...	11	+	11	+	11
Miscellaneous...	892	+	892	+	892
Total...	4297	+	4297	+	4297

Meat is principally responsible for the rise in primary foodstuffs, movements in other commodities in this section cancelling one another. Home-grown wheat prices advanced sharply in the early part of the month, but although they eased in the second fortnight, they are higher on balance. More favourable crop advices are responsible for a slight decline in foreign wheat quotations. Flour, after an advance of 9s. in February, has dropped by 2s. In the second group the upward movements are substantial. In coffee there has been a slight improvement in the demand, while butter has reacted after its recent steep decline. In the textile group movements have been small, with the exception of a rise in flax and a decline in jute, which offset one another. According to Messrs W. F. Malcolm and Co.'s market report, the market for Baltic flax is depressed, and there is an absence of demand, and no improvement is likely until an improvement in the manufacturing end of the trade comes, or the raw material falls still further. The jute trade, however, has been fairly active, with an upward tendency in prices. Wool is unchanged on balance, and prices of cotton and cotton manufactures show but little movement. But cotton trade reports speak of a distinct broadening of inquiry, and signs of renewed buying from India have contributed to a healthier tone and a more encouraging outlook.

In the minerals section an advance in lead is the only change of importance. Orders for iron and steel are being suspended in consequence of the engineering dispute. Although makers were fairly well engaged on the

execution of old contracts until the last week of the month, works are now being closed down, and buying of raw materials has ceased. The principal changes in the miscellaneous group are declines in oilseeds and indigo, supplies in each case being more than ample to meet a reduced demand.

The net result of these changes is that the level of wholesale prices in this country is 67 per cent. above the pre-war level, as may be seen from the table below, in which the indices for each group at the end of July, 1914, are taken as 100:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914....	100	100	100	100	100	100
Dec., 1918....	222	222	293	186	241	236
Dec., 1919....	249	250	396	247	263	287
March, 1920....	261	260	484	269	309	325
June, 1920....	261	263	415	278	281	305
Dec., 1920....	233	229	209	261	230	231
March, 1921....	209	206	167	216	203	198
June, 1921....	203	188	158	210	185	188
Sept., 1921....	193	195	204	189	178	192
Dec., 1921....	159	180	180	164	168	170
Jan., 1922....	167	186	173	158	167	167
Feb., 1922....	164	182	168	150	169	166
March, 1922....	169	195	168	151	161	167

Secondary foodstuffs, it will be seen, are still much above the average, while minerals are abnormally low.

We conclude with a comparative summary of commodity prices at the end of the month named in some of the principal foreign countries expressed as a percentage of prices in 1913:—

	Nov., 1918.	Highest.	End of 1921.	Latest.
United States	205	227 (1/20)	123	133 (2/22)
France	358	591 (4/20)	326	314 (1/22)
Italy	438	679 (4/20)	594	577 (1/22)
Germany	5899	5899 (3/22)	3348	5899 (3/22)
Switzerland	325	325 (1/20)	176	170 (2/22)
Sweden	367	366 (6/20)	172	166 (2/22)
Denmark	292	403 (10/20)	178	182 (3/22)
Japan	214	322 (3/20)	209	205 (1/22)

The upward movement in America has continued, but in other directions, with the exceptions of Germany, where a further large increase has taken place, and of Denmark, where a slight rise occurred in March. No check to the decline has yet been reported.

NATIONAL MONOPOLIES IN SHIPPING.

I.—EMIGRANT TRAFFIC THROUGH ITALIAN PORTS
In the course of a recent lecture to the staff of the Board of Trade, Mr C. Hipwood, the Assistant Secretary in charge of the Mercantile Marine Department, pointed out that there are two strong tendencies in shipping at present—the one widely international, the other rigidly national. The maritime nations were gradually evolving common standards of safety and comfort at sea, irrespective of flag. At the same time, the same maritime nations were attempting to buttress their own mercantile marines by excluding the "foreigner" from their carrying trades. The international movement was, as Mr Hipwood pointed out, one to be encouraged in every way. But the opposite tendency, that towards national exclusiveness, was very ominous indeed for the once all-pervading British mercantile marine. National monopolies in shipping cannot be established except at the expense of British shipping interests, which are in the widest sense British national interests. As a responsible official, concerned as an adviser in maritime diplomacy, Mr Hipwood could not give examples of national exclusiveness to an audience which included reporters for the official *Board of Trade Journal*. But we may suspect that the countries which were prominent before his mind's eye were Italy, Germany, and the United States.

Our readers scarcely need to be reminded that the emigrant traffic of Central, South-Eastern, and Northern Europe supplies the daily bread and butter to the great liners engaged in the North Atlantic trade. First and second-class passengers contribute jam, but jam is of little use unless we have bread and butter upon which to spread it. The emigrant traffic passes either by way of the North or the South—by the German Baltic and North Sea ports,

or through the Mediterranean. In the north Germany always has been a serious competitor, and a potential monopolist—in spite of the Versailles Treaty—in the South the principal competitor and potential monopolist is now Italy, through her inheritance of control over the late Austrian ports of Trieste and Fiume. We will take Italy first in these articles, since the recent action of Italy in establishing a temporary, and maybe, a permanent monopoly over the emigrant traffic passing by way of Italian ports, has fluttered the maritime diplomatists of this country, and has aroused grave apprehension in the breasts of Atlantic shipping companies.

The Italian Government has cancelled the emigration licences of all non-Italian shipping lines for the six months ended June 30th next, and has declared that the agents of non-Italian lines must not take part in any emigration traffic. This action amounts to a practical expulsion of British shipping lines from the emigrant traffic issuing from ports in the Italian Peninsula, and amounts to the establishment of a monopoly in the traffic for Italian lines. Seeing that Great Britain and France stood loyally by Italy through all her distresses in the war, poured men and munitions and money into the country during that bad time when the German-Austrian armies were on the point of overrunning the whole Venetian Plain, saved her, together with themselves, at the Armistice, and finally gave her control over Irredentist Trieste, and, practically, over Fiume, the monopolist action of Italy is not conspicuous for gratitude. We are suspicious of these "temporary" monopolies. Vested interests accumulate about them as bees about a patch of honey; in a short time "political exigencies" prevail, and the temporary becomes the permanent. For the moment we understand the Italian monopoly does not specifically apply to Trieste and Fiume, but there can be little doubt that once the ports of the Italian Peninsula have been secured against the ships of the obtrusive foreigner, the next step will be to drive the non-Italian lines out of the whole emigration trade of South-Eastern Europe which passes through the great waterway of the Adriatic.

The emigration traffic from the Italian Peninsula itself is of high importance. Some 300,000 third-class passengers were embarked in 1913. The emigration traffic of South-Eastern Europe, the traffic of Trieste and Fiume, is of even greater consequence. These trades are not only of importance in themselves, but are in the shipping sense "key" trades. If the British lines are excluded from their fair share in them, it will be almost impossible for our lines to maintain their fair share in the emigration traffic from Northern Europe. The emigration traffic of Europe is the backbone of our Atlantic shipping; without it the great liners cannot be kept up, and without the great Atlantic liners—both in peace as earners of "invisible exports," and in war as fast auxiliary cruisers and troop transports—the maritime power of Great Britain must most seriously decline.

The diplomatic struggle is embarrassed by the fact that the Treaty of Commerce and Navigation between Great Britain and Italy of 1883, does not supply us with a clear case which is necessarily capable of convincing the Italian Government of a *casus foederis*. Article I. is drawn in wide terms—it appears to a layman to grant to British subjects and ships the same rights to carry Italian emigrants as are enjoyed by Italian subjects and ships. But the lawyers, as usual, interpret it in a less sweeping sense than would the intelligent layman. Moreover, should Article I. of the Treaty be held by a judicial arbiter to give to British lines the rights which appear on the surface to be granted, the Italian Government—intent upon a shipping monopoly of the emigrant traffic—has merely to denounce the Treaty, and to carry on as it pleases after a decent interval for burial.

It may, therefore, be taken that no appeal to the Italian Government, based on the Treaty of 1883, will be of much avail. Reprisals might be threatened, but the worst of all economic reprisals—in the shipping as in other spheres—is that they are double-edged; they cut the hand that employs them as deeply as the body against which they are used. The appeal, it seems to us, must be wider. In the economic world Italy cannot stand alone. She is a poor country in the industrial sense, with no good coal and few raw materials. She is financially weak, and she owes Great Britain a great deal of money. If this matter

were to come to a sharp issue, these considerations alone would no doubt hold back the Italian Government from adopting an uncompromising attitude. But one hopes that the dispute will not come to an issue so crude and so pointed. Great Britain has been the cordial friend of Italy in peace and war for more than 60 years. We owe much to Italy in the intellectual and artistic sphere, and Italy owes much to us in the grosser spheres of commerce and finance. Great Britain and Italy are complementary rather than competitive nations. In skilful hands there is room for a diplomatic bargain, and there is, moreover, a favourable occasion ready for such a bargain in the friendly meetings which will take place this month between British and Italian statesmen and diplomats at Genoa.

LONDON GAS COMPANIES.

Most London gas companies have availed themselves of the provisions of the Gas Regulation Act of 1920 in the financial year under review. Section 1 of this Act gave power to the Board of Trade to substitute a unit charge based on the heat value of gas supplied, called a "therm," in place of existing charges based on volume and measured by cubic feet. The directors of the South Metropolitan state that "general satisfaction has been expressed with the new method of selling gas," and point out that "consumers are beginning to understand that the change is one which is wholly in their interest." This change in the measurement of gas makes comparative statistics of the quantity sold somewhat difficult to arrive at except in two cases. The Gas Light and Coke records a decrease of 5 per cent. in gas sales, which dropped from just over 155 million therms in 1920 to 144½ in 1921. The South Metropolitan is, however, more fortunate, a decline of 1.8 per cent. only being registered on the sale of 80 million therms in 1920 to 78½ millions last year. The South Suburban suffered a decrease of 8.26 per cent. Among the reasons given by companies for the decreased demand for gas are the coal dispute, the fine weather prevailing throughout the year, and the general depression in trade.

In the table given below we analyse the revenue and expenditure of a selected group of representative London gas undertakings for the past three years. The Act of 1920 provided for annual accounts and returns to be submitted to the Board of Trade. In consequence most companies now publish accounts for the whole year in the place of the half-yearly accounts previously issued. The half-yearly accounts of the South Metropolitan and Wandsworth companies for 1919 have been shown as annual returns in the undermentioned table for comparative purposes:—

Company.	Revenue.				Expenditure.				Bal'nce Net Rev.
	Sale of Gas.	Rentals.	Residuals.	Total Receipts.	Manufacture.	Distribution.	Total Expenditure.		
Gas Light and Coke—									
Year ended Dec. 31, 1921	8,045,069	658,468	2,497,838	11,201,375	7,497,611	1,366,920	10,134,881	1,097,479	
1920	7,665,351	665,873	2,432,214	10,763,438	7,116,496	1,177,286	9,137,786	913,535	
1919	6,328,127	588,066	2,721,473	9,637,666	6,809,139	1,238,966	8,048,105	849,864	
South Metropolitan—									
Year ended Dec. 31, 1921	3,430,373	358,117	1,483,250	5,271,740	3,549,269	780,955	4,330,224	440,822	
1920	3,011,926	329,300	1,143,341	4,484,567	3,675,953	811,609	4,487,562	487,547	
1919	2,885,126	301,774	1,436,825	4,623,725	3,299,144	618,069	3,917,213	357,929	
Commercial—									
Year ended Dec. 31, 1921	951,743	88,378	286,734	1,326,855	875,016	204,595	1,079,611	116,986	
1920	836,391	96,387	437,463	1,370,241	1,302,568	191,069	1,493,637	67,729	
1919	671,359	86,613	299,986	1,058,958	712,343	145,276	857,619	94,284	
South Suburban—									
Year ended Dec. 31, 1921	816,025	64,129	234,096	1,114,250	752,499	166,359	918,858	78,316	
1920	777,524	60,030	281,126	1,118,680	757,196	179,430	936,626	79,564	
1919	588,359	64,036	186,209	838,604	574,967	134,587	709,554	56,519	
Wandsworth—									
Year ended Dec. 31, 1921	754,155	96,314	231,618	1,082,087	787,733	171,028	958,761	82,906	
1920	675,125	99,521	361,696	1,136,342	825,868	174,806	1,000,674	65,438	
1919	563,630	77,806	223,460	864,896	630,471	101,536	732,007	68,806	

The results depicted above would have been probably better if it had not been for the coal dispute. Thus the Gas Light and Coke estimates that the cost to the company was not far short of £500,000, while the South Metropolitan was involved in an additional expenditure for coal of over £350,000. The Commercial Gas, while giving no figures, refers to the necessity of purchasing "large quantities of foreign coal at exorbitant prices." But, of course, the greater part of this increased expenditure was passed on to consumers. Returns from sales of by-products are much lower than in 1920, chiefly on account of acute foreign competition. Expenditure, however, has been greatly reduced, wages of the Gas Light and Coke falling from £3,415,706 in 1920 to £2,991,923 in 1921, while those for the South Metropolitan fell from £1,848,148 to £1,735,842.

The variation of prices charged for supplying gas to different parts of London is curiously illustrated in the figures given in the reports of these companies. The Gas Light and Coke began last year with a standard price of 1s 3.2d per therm. From December last it reduced its selling price to 1s 1d per therm. The South Metropolitan, the second largest undertaking in the group, claims to have the lowest price in the London area; up to midsummer this was 10½d per therm, but thereafter it was advanced to 11½d. The Commercial began on May 1, 1921, by charging 1s 1.8d per therm. It was subsequently advanced to 1s 3d, but reduced as from Christmas last to 1s 1d, and as from Lady Day to 1s per therm. The South Suburban began to supply at 1s 2.3d on April 21st; this was, however, reduced in the Christmas quarter to 1s 1.4d. The Wandsworth, which covers a large suburban area, at the end of last year quoted 1s 2d per therm for Wandsworth district, and 1s 3.2d for Wimbledon. It would be interesting to know the companies' reasons for these variations in supply charges.

We conclude with a table showing the pre-war price of London gas stocks, together with comparative dividends, prices, and yields during the past two years:—

Name of Company.	Price, July 27, 1914.	Dividends.		Price End of Mar., 1921.	Yield.	Price Mar. 29, 1922.	Yield.
		1920.	1921.				
Commercial Gas, 4% Stock.....	107	4%	4%	51½	7.8	80	5.6
Do 3½% Stock.....	104	3½%	3½%	49	7.2	54	6.0
Do 3% Debentures.....	70½	3%	3%	38	7.9	45	6.0
Gas Light and Coke Co., Ord. Stk.	103	3	4½	52½	6.1	55½	5.8
Do 3½% Maximum Stock.....	77½	3½%	3½%	41½	8.4	50	6.0
Do 4% Cons. Pref. Stock.....	97½	4	4	57½	7.0	75	5.9
Do 3% Irred. Debts.....	73½	3	3	47½	6.3	55½	5.8
South Metropolitan Gas, Ord. Stk.	112	5	5	63½	7.9	85	5.7
Do 5% P.F. Stk., Red. Dec. 31, 1924	73½	5	5	91	7.1	96	6.1
Do 5% Perp. Deb. Stock.....	73½	3	3	46½	6.5	55½	5.8
South Suburban Gas, Ord. Stk.....	115	3½	3½	58½	6.0	89½	5.1

In common with most other securities, gas stocks have recorded advances during the past few months, but many of the striking increases on ordinary stocks revealed in our table are due to the increased dividends made possible by recent legislative measures and orders, and better prospects consequent upon changes in methods of charging consumers rather than to the general Stock Exchange recovery. Fixed interest-bearing stocks, of course, improved as money became cheaper.

Holders of gas stocks, as investors, belong to a class of their own. They are naturally of a conservative type. Stocks usually only change hands on account of death, and in many cases transfers take place without the assistance of the Stock Exchange, beyond taking the ruling quotation into consideration. When electricity supply undertakings first took the field the days of gas companies were thought by many pessimists to be numbered. Many people, imbued with the progressive spirit of the age, sold their stocks. These clouds of depression were, however, gradually dispersed by increased efficiency of management, the better development of gas for lighting and heating purposes, together with increased utilisation of by-products. By diligent application to the needs of the people the recovery set in, and confidence was reflected in the gradual improvement in prices of gas securities. To-day gas as a cheap heating power holds a position which it may prove difficult to displace, while for commercial purposes there are still avenues unexplored.

Notes of the Week.

The Dispute in the Engineering Trade.—The lock-out notices against the members of the Engineering and Ship-building Trades Federation, the National Union of Foundry Workers, and the National Federation of General Workers have been withdrawn, and negotiations are to be opened between the 47 unions comprised in these bodies and the Engineering Employers' Federation on Monday next. The lock-out of the members of the Amalgamated Engineering Union continues, and immediate prospects of negotiations between the A.E.U. and the employers have disappeared. The 47 unions were in no way connected with the dispute in its first stages, and they only became involved when they declined to accept the employers' memorandum on managerial functions. Through the National Joint Council, representing all sides of the Labour movement, efforts were made at mediation. The mediators and Sir Allan Smith, on March 24th, agreed upon a basis for negotiations, which was submitted to the unions concerned. Difficulties arose on the interpretation of the terms of the suggested basis, but ultimately the unions agreed unanimously to a new basis, which, however, was rejected by the Employers' Federation. A further attempt was made to find a basis for the renewal of negotiations, and late on the evening of April 1st the Labour mediators and Sir Allan Smith put forward a memorandum recommending as a basis the acceptance of "the right of the management, pending negotiations, to give instructions, except where modified by agreement which may be entered into as a result of the negotiations which follow hereon." Throughout the whole of Monday this memorandum was under discussion by the union representatives, and it appears that the A.E.U. was opposed to accepting the new basis. On Tuesday the unions met the Prime Minister, who indicated his view that the notices running out against the members of the 47 unions should be withdrawn if they entered negotiations on the lines laid down in the memorandum of April 1st. He also stated that the employers were not prepared to withdraw the lock-out against the A.E.U. members. At the lengthy conference which took place later in the day between the representatives of the various unions, a final cleavage occurred between the A.E.U. and the other unions. The former regarded the basis of the document of April 1st as unsatisfactory. The latter submitted the view that it gave them freedom to negotiate on the application of "managerial rights." The conference broke down when the 47 unions decided to accept the new basis. It is probable that they will reach a settlement if once negotiations are opened. The struggle will then be confined to the original parties to the dispute—the Engineering Employers' Federation and the Amalgamated Engineering Union.

Hope for Mexican Bondholders.—At last there is a definite prospect of the resumption, at any rate in part, of the service of the Mexican External Debt. Last week it was announced that Señor de la Huerta, the Mexican Finance Minister, was to go to Washington early in this month to open negotiations with the International Committee, representing American, British, and French bondholders, and presided over by Mr Lamont, who visited Mexico last year in connection with the application for a loan from American financiers by President Obregon's Government. The negotiations have now been postponed until May, in order to ensure the presence of British and French representatives; and Mexican securities, generally, which were unaffected by last week's announcement, now show an all-round rise. The Mexican Budget, we believe, does not yet balance, but the entire revenue from the export duties on petroleum has been earmarked for eventual application to the service of the External Debt. Of the four direct External Loans, the capital now outstanding amounts to £34,141,813, on which the total annual interest should be slightly over £1,585,000. The arrears of interest, which presumably may be funded, amount to £12,377,496. The annual interest on them, at the rates promised originally on the various loans to which they belong, would be nearly £588,000, so that the total annual interest, if the arrears were respectively

added to the several capitals of the loans, would be about £2,173,000. The Report by Mr Norman King on Mexico, recently published by the Department of Overseas Trade, gives the yield of the export duty on oil for 1920 as \$45,355,871, or at the present rate of exchange rather less than £5,000,000. The unofficial figures of the export for the first seven months of 1921 indicate that the yield for that year has been considerably greater. The proceeds of the duties, therefore, when they can be spared, should suffice not only to resume the service of the four direct External Loans, but to do something for the holders of the six or seven other issues, amounting in all to some £31,500,000, guaranteed by the Mexican Government. But an adequate settlement is probably impracticable without the loan from American financiers which is expected to follow the recognition of President Obregon's Government by the United States, and which may possibly be hastened by the recent large purchases, on American account, of Mexican Government stocks. This, we need hardly say, has hitherto been delayed by the insistence of the U.S. State Department on the previous conclusion of a Treaty guaranteeing the American oil concessions, threatened by one clause of the Carranzist constitution, and apparently protected by another clause, and by at least two judicial decisions. President Obregon maintains that the Treaty must follow, not precede, recognition. It has been reported in New York that the two Governments are about to compromise by an exchange of notes making the promise of recognition and the undertaking by President Obregon to sign the Treaty simultaneous. It may fairly be expected that the Mexican Congress, whose attitude prior to recognition might be uncertain, would accept the Treaty after it as its price. The condition of the country shows no change. Disturbances have been reported, but it does not appear that they have much significance; and the death of Felix Diaz at the hands of his guards after his arrest in Sonora removes, if the story is true, a possible, though no longer a serious, danger to peace. Greater confidence would be felt, however, if the railways were restored to the companies by the Government.

Stock Exchange Dividend and Rules.—The trustees and managers of the Stock Exchange have declared a dividend of £5 per share, less tax, on Stock Exchange shares, equal to £3 10s net. This makes £8 for the full year ended March 25th, or £5 12s net, being £1 a share less than the dividend declared for the preceding 12 months, which, in its turn, went against £10 a share for the year 1919-20. The carry forward of £145,963 is equivalent to another £7 5s per share, and shows a small reduction as compared with a year ago. The revenue account has been increased by £20,000 transferred from the reserve, equal to £1 per share, and thus following the example set in the accounts of a year ago. A Stock Exchange correspondent writes: The Committee are working hard at the new Rules and Regulations that spring from the policy the principles of which they enunciated in February. The chief of these principles is, of course, the re-establishment of periodical settlements and the Clearing House, the restoration of contangoes, and the numbers of Rules that arise automatically from these considerations. It is fully expected in the Stock Exchange that a Clearing House will be set up by the end of next month, or, at latest, early in June. Under the new Rules, it is probable that members will be more or less obliged to join the Clearing House, though this is a point around which discussion clashes, with various opinions. Nor is it at all certain that an official benediction of contangoes will meet with unanimous approval either in the Stock Exchange or outside. The austere will see in any such permission a source of danger, moral and financial, and it is fairly safe to assume that, if the Committee in their Rules recognise the reinstitution of contangoes (as they are almost bound to do), there will arise an immediate chorus of opposition. However, if bi-monthly settlements are to come into force—and of this there seems to be no doubt—contangoes will follow as a matter of course. Some firms may decline to undertake carrying-over business, but the force of competition plays the leading part in questions of this kind. In the Consol market the jobbers present a nearly united front in declaring that they will not undertake any contango busi-

ness at all. No other market, however, is likely to make such a stand. Periodical settlements, if a guess may be ventured, will be divided into an even number of days, say 15 for each settlement, with the final account of the year a little longer, in order to round up the 365 days. The object would be, of course, to minimise the amount of work involved in working out contingencies and interest for differing periods that range from 13 to 19 days. Everything is being done to expedite a return to the pre-war position, but the war experience should prove of incalculable value to the Stock Exchange in enabling it to start a clean sheet when once the House is free from Treasury control, and to write its future history with a greater wisdom for the experience gained under war conditions. One of the matters in which the public is especially interested relates to the marking of bargains. Before the war brokers could record their transactions or not as they pleased. The Stock Exchange Official List came to be regarded as a record of bad bargains, it being argued that only transactions effected at unsatisfactory prices appeared in its pages. Upon the re-opening of the House after the outbreak of war in January, 1915, every bargain transacted in the Stock Exchange had to be marked in the lists, with the name of the seller provided on the same slip. The latter requisition was soon abandoned, and in course of time the Stock Exchange Committee relaxed the marking rule so far as it related to amounts of £100 money or less. It is left at the discretion of the broker whether he marks such bargains or not. Opposition has arisen in the Stock Exchange to the compulsory marking of bargains of any kind. The argument against such a record is that it frequently causes members of the public to fix such limits to their orders as prove to be impracticable. There is, however, very much to be said in its favour, and at one of the Stock Exchange Committee meetings this week the proposal to abolish compulsory marking of bargains was defeated after a fairly brisk encounter between those who support and those who oppose the present system.

Czechoslovak Budget for 1921.—During his recent parliamentary speech on the foreign currency loans Bill, with a special bearing on the recently granted English loan, writes a correspondent, Dr A. Novak, the Czechoslovak Finance Minister, stated that for the year 1921 the revenue from direct and indirect taxation, customs dues, monopolies, &c., amounted to 9,693 million crowns, as compared with the estimate of 9,051 million crowns in the supplementary budget. Thus the budget of the Finance Ministry shows an advance of 640 million crowns over the estimated revenues, and this amount almost balances the deficit of 728 million crowns in the supplementary budget. If it is further considered that the second largest item in the Czechoslovak revenues, the receipts from railway transport, reached a figure of 3,873 million crowns, as compared with the estimate of 3,850 million crowns, and, moreover, that the sums voted as expenditure have not all been fully drawn upon, it may be said that, apart from investment expenditure, there will be an actual surplus in the Czechoslovak State finances for 1921. It must not be overlooked, however, that the method by which this result was achieved was no easy one. During its summer session last year the National Assembly sanctioned a taxation scheme by which the resources of the country were strained to the utmost. It also handicapped the Czechoslovak industries in their competition with neighbouring States, where the progressive inflation produced a temporary export boom. The political events of the autumn, and in particular the mobilisation, brought about unforeseen expenditure to an enormous extent. The Czechoslovak State is hopeful of overcoming the present economic crisis shared by all States with a comparatively high currency, and that it will be able to cope with the severe burdens of taxation and assist home production to a new prosperity.

The Next President of Argentina.—A correspondent writes:—The figures of the election to the Presidency of Argentina are said to point to the success of the Radical candidate, Señor de Alvear, whose electors have a majority in Buenos Ayres and in most of the provinces

of the Republic. As in the United States, there are nominally two stages in the election, so that the actual choice of the President by the Electoral College will not take place till June, but practically the electors are pledged beforehand, and the second stage is a mere form. Of the four defeated candidates, Señor Pinero represents the old Conservative parties, Señor Repetto (a landowner) the Socialists, Señor Ibarguren the Democrats, and Señor Laurencena the Radical dissentients. A Radical now succeeds a Radical; probably foreign investors would have preferred a different result. But Señor de Alvear has been Argentine Minister in Paris since 1917; he is probably more in touch with European opinion than President Irigoyen, and as he was put forward as the result of a compromise between different sections of his party, he is presumably moderate in his views. It may be hoped that he will be more considerate towards foreign investors and firmer towards the extravagances of the labour unions than his predecessor was during part of his term of office.

Economics of Farm Labour.—The tenth table in the White Paper issued by the Ministry of Agriculture (LVI. No. 1) is new, and the insight which it affords into the economics of farm labour is valuable. Figures for 1908 and 1913 are referred to in the Introduction, but are not of much use, seeing that they exclude the occupier's family and household dependents, whereas the 1921 returns rightly give the workers on the land whether related to the farmer or not. The figures for 1913 appear to be erroneous with respect to casual workers; at all events a change of definition must be premised. The 1921 figures, therefore, are not considered on their own merits. They are more favourable than had been anticipated, there being more persons supported out of agriculture than had been supposed. They do not endorse the theory of the Agricultural Wages Board that arable employed three men to 100 acres, pasture only one. The average for all England exceeds three; the arable goes up in the most favourable circumstances to five, but this is very rare. As a rule, arable sustains four workers and pasture two, and the economists' scale must be altered from 3 : 1 to 2 : 1, actual figures per 100 acres from 3 : 1 to 4 : 2. The employed are not more than twice as numerous as the employers, so that a closer fellowship is seen to exist in agriculture than in other callings. The main divisions appear to be:—Employers, 420,133; workers, 685,252; aiders, 183,931; total, 1,289,316. The aiders are the casual workers, who, however, appear to be regularly depended upon in all the recognised exigencies of farm life. No grave complaints of short-handedness are heard from farmers at any time of the year. These aiders do not include hoppers, Irish harvest labourers, or other "excursionists." Economists will be on their guard against assuming that, say, four times the above total are kept out of agricultural work. The 125,000 women will include many wives and daughters, the 155,000 youths many sons. Of the 420,133 farmers, fewer than 13 thousand have farms large enough to warrant the supposition that a bailiff is kept, and with these 456,783 labourers in all-the-year-round employment constitute a solid nucleus of 876,916 persons directly sustained by agriculture. It is probable that at least 3½ million people are kept out of work on the farm. Farmers themselves are most numerous in Yorkshire, Lincolnshire, Lancashire, Devon, Norfolk, Somerset, Cheshire, and Stafford, adult male labourers in Yorkshire, Lincolnshire, Kent, Norfolk, Essex and Devon. So far from Kent being now a yeoman county, it is conspicuously one of good-sized farms, and a comparatively small number of farmers keeping an unusually good staff of men.

Labour Legislation in India.—The Indian Legislative Assembly and the Council of State have adopted resolutions recommending the ratification of the draft convention of the second International Labour Conference of the League of Nations, fixing the minimum age for the admission of children to employment at sea, subject to two reservations occasioned by the special conditions prevailing in India. The first is that it should apply only

to ships exceeding 300 tons, as it is only on such vessels that the Indian Shipping Law controls the engagement of seamen. The second, that ratification will not interfere with the Indian custom of sending young boys to sea on nominal wages with their fathers to serve as apprentices—the practice being regarded in the light of a privilege. India is amending her legislation in order to give effect to this convention, subject to these reservations. But as Article 405 of the Peace Treaty does not allow for reservations, the Indian Government has asked that the other members of the International Labour Organisation—54 in number—should be informed of the special conditions which prevent her from formally ratifying the convention. The Indian Government has been unable to ratify the convention concerning unemployment indemnity in case of loss or foundering at sea, as there is no machinery at present established in India for registering unemployment among seamen. But the Government has instituted an inquiry to ascertain whether the law should not be amended so as to provide (1) that any Indian seaman whose service is terminated before the period contemplated in his agreement by reason of the wreck or loss of the ship should be entitled to his wages until he is repatriated to the port of his departure from India; and (2) that he should be paid compensation for loss of his personal effects up to the limit of one month's wages. The Indian Legislature has recommended that, if practicable, the law should be amended on the lines indicated above—thus putting into effect the principle of this convention in a form adapted to Indian conditions. The Indian Government are not yet able to ratify the draft convention for establishing facilities for finding employment for seamen, but are examining the method of treatment of this question likely to be most suitable to Indian conditions. For that purpose they are proposing to appoint a Committee to inquire into the whole system of recruitment of seamen in India, whether abuses exist, and if so, whether they are susceptible of remedy. In notifying its present inability to ratify this convention, the Indian Government state that article 2 of the convention has their entire support. This article provides that "the business of finding employment for seamen shall not be carried on by any person, company, or other agency as a commercial enterprise for pecuniary gain; nor shall any fees be charged directly or indirectly by any person, company, or other agency for finding employment for seamen on any ship. The law of each country shall provide punishment for any violation of the provisions of this article."

Scotch Whisky Trade.—An Edinburgh correspondent writes:—During the past few weeks there has been a further striking exodus of wholesale blending firms from the Scotch whisky trade. In practically every case the stocks of matured whisky have been sold to big distributing firms, who have either more confidence in the future of the trade, or resources to enable them to face the uncertainties of the future with comparative equanimity. In any case, the result is that another batch of distributing firms disappears entirely from the industry. From some points of view this is a regrettable development, as it tends to concentrate at least one section of the trade in fewer hands. It would be quite incorrect to assume, however, that any group of interests are gradually acquiring a monopoly. In addition to some half-dozen very big firms whose organisations are admittedly widespread, there are innumerable smaller concerns who both export and supply the home trade. Those smaller firms may not be so well supplied with stocks of matured whiskies as the larger ones, but they have sufficient to make them quite formidable competitors, and have also substantial stocks of young whiskies which will be available for the vat in the course of the next two or three years. In addition to the proprietary brand owners, who constitute the firms whose names are best known to the public, there are many firms whose principal business is that of supplying whisky in bulk for retail over the counter in small quantities. With the proprietary brands always so much in the limelight, it is apt to be forgotten that the greater portion of the turnover in the Scotch whisky trade is still in bulk whisky, or, in other words, that the largest consumer is the

working man. It is upon this section of the trade that the high spirit duty of 72s 6d per proof gallon is bearing so heavily as to make the burden almost insupportable. The consumption of Scotch whisky, both at home and abroad, has been steadily falling ever since the last addition of 22s 6d per proof gallon was made to the spirit duty two years ago. The depressing effect upon the industry has been obscured by the advance in the prices of old single whiskies. This advance is due, not to any increase in the consumption, but principally to the fact that, as a result of the cessation of distilling for two years during the war, and the passing of the three years' age limit, the stocks of matured whiskies are insufficient to meet the demand. This deficiency in the supplies of matured whiskies has been accentuated by an increase in the demand for the highest class of proprietary brand whiskies consequent upon the diversion of such demand from wines dictated by the need for economy among middle-class consumers. If the retention of the high spirit duty depended upon its economic justification alone, then no doubt merchants would be content to wait until the existing unhealthy state of affairs worked its own cure. Unfortunately, there is a widespread feeling throughout the trade that political considerations are allowed undue weight in determining the duties on alcoholic beverages, and, accordingly, we have firms who prefer to take advantage of the present opportunity to realise their stocks and quit the trade rather than run the risk of "seeing it through." During the past few weeks old-established distributing concerns like William Ford and Son, Limited, of Leith, John Somerville and Co., Limited, of Edinburgh, Peter McPhail, of Edinburgh, and Henry Simpson and Co., of London and Glasgow, have sold out, and several other deals, involving the control of Highland distilleries, have either been completed or are under negotiation with a similar object in view. Powerful petitions have been presented to the Chancellor of the Exchequer by both the distillers and distributors, pointing out not only the hardship that the present high rate of spirit duty imposes on the industry, but also that the increase in duty imposed in 1920 has not justified itself by producing the anticipated additional revenue, and that it is the conviction of the trade that if the duty were reduced to 50s per proof gallon the consumption would be stimulated to such an extent as to benefit both the Revenue and the trade.

London Guarantee and Accident Company.—There are two ways in which a powerful accident and miscellaneous insurance company may turn itself into a composite office, transacting all branches of business. One is by way of purchase of the shares of successful specialist companies, the other is by way of development from within. The first, the quicker method, has in the main been followed by the Employers' Liability Corporation, which recently acquired the Merchants' Marine Insurance Company, and the Clerical Medical and General Life office, and has developed fire business on its own account. The second, the slower, but in the end not less sure method, is that of the London Guarantee and Accident Company. Both methods are quite sound, and have, in the case of those two strong companies, proved highly successful. The report of the London Guarantee and Accident Company for last year shows that in the marine department the premiums were reduced from £1,274,051 in 1920 to £732,590 in 1921. After providing for claims of £894,988, the whole of the marine fund of £880,826 (120.3 per cent. of the premiums) was carried forward. The general insurance revenue account—the solid backbone of the company—shows premiums of £3,793,054 for 1921, against £3,821,420 for the previous year, and after meeting claims and expenses, and crediting interest of £85,505, the sum of £212,380, as against £155,134 in 1920, was transferred to profit and loss. The general insurance funds were then £3,092,933, against £3,258,701 brought forward. The points of chief interest in the finance of the company are as follows:—Although the receipts from interest during 1921 available for profit and loss were £140,079, the amount paid in dividends was no more than £62,866; £125,000 was added to the general reserve fund, making it £550,000; £100,000 has been set aside as a reserve in connection with possible reinsurance losses, and £75,000 has been taken from the

investment reserve fund as being no longer required. The balance of the investment reserve fund, £125,000, is stated to be £27,645 in excess of the depreciation in assets at the end of 1921—a pleasant fact to record after years of long-drawn out shrinkage in investment values. The total dividend for last year is 10s a share, less tax, as against 9s a share for 1920, also less tax. The position reflects much credit upon Mr Thiselton, who is one of the very few actuaries who has had full opportunity of proving his capacity as a general insurance manager. It used to be said that no actuary was of any use outside a life office; that can no longer be said now that Sir Gerald Ryan and Mr H. C. Thiselton have demonstrated its fundamental fallacy. A highly scientific training should be—as it has been in the case of these gentlemen—an invaluable addition to the equipment of an insurance administrator.

Associated Portland Cement.—The report of the Associated Portland Cement Manufacturers for the year ended December 31st last shows a considerable shrinkage in profits. The trading profit fell from £681,600 to £477,400, a decline due to the decreased quantities shipped and lower prices obtained in the export markets, while income from investments produced £186,200, as against £270,000, the decrease being partly accounted for by the reduced dividend received from the British Portland Cement Manufacturers, Limited. A summary of the company's financial history since 1901 is given below:—

Year Ending June 30.	Profit.	Debtore & Mortgage Interest.	Preference Div.	Sinking Fund, Reserves, &c.	Balance.
1901.....	£ 226,707	£ 84,694	£ 91,213	£ 20,096	£ 30,704
1905.....	310,662	135,063	118,885	61,185	Dr. 4,471
1910.....	316,407	140,938	118,885	60,848	Dr. 4,864
1911.....	369,861	139,237	118,855	109,707	2,032
1912.....	355,507	186,974	122,324	51,751	Dr. 5,542
1913.....	585,646	235,114	124,220	116,292	109,817
1914.....	556,341	229,653	125,133	101,518	100,037
1915.....	450,712	222,335	125,660	101,262	1,455
1916.....	351,174	226,382	..	113,710	11,082
1917.....	367,612	221,381	..	126,641	19,590
1918.....	551,660	215,519	125,660	203,951	6,530
1919.....	683,761	209,859	376,979	161,478	Dr. 64,555
1919 (July to Dec.)	398,123	101,562	62,830	135,000	98,731
1920*	947,306	200,016	125,660	328,849	292,781
1921*	658,921	195,513	125,660	229,395	108,348

* Year ended December 31st.

The report states that profits have been arrived at "after taking credit for an amount previously reserved, and not now required for excess profits duty," but it is added that a still larger amount has been written off stocks of purchased materials to bring them down to market value. General depreciation is credited with £150,000, as against £250,000, but other allocations are on a similar level to the previous year. The ordinary dividend is reduced from 10 to 5 per cent., and absorbs £106,900, leaving £224,000 to be carried forward, as compared with £222,600 brought in. The balance-sheet shows that additions to the extent of £223,300, raising it to £7,790,900, have been made to the property item, which includes goodwill, while reserves are £245,100 higher. Creditors are £376,600 lower, and stocks-in-trade has been reduced by £161,600, debtors by £183,700, investments by £118,800, and cash by £91,400. The report mentions that since the end of the year a conditional agreement has been entered into with the Kent Portland Cement Company for the purchase of their works situated on the River Thames.

Sheffield Steel Products.—In view of the issue this week of a second debenture stock, the reports and accounts of Sheffield Steel Products, Limited, are of more than usual interest. Profits for the year ended December 31st last amounted to £229,609. Debenture interest absorbed £30,364, and preference dividends £50,715. To the various reserves £142,000 has been allocated, and the carry forward has been increased by £6,138, bringing this sum up to £178,092. Total assets are now given as £4,117,434. The auditors' report calls attention to the

fact that "no reserve has been made for taxation for the years 1920 and 1921," and it further states that "no charge has been made for depreciation." Property and plant are taken at valuation, made in September, 1920, as £2,619,049. Stocks are valued by officials, and "have been written down in view of the continuous fall in selling prices" to £736,307. Investments are taken at cost at £106,529. Trade marks, &c., are valued at £94,810, while costs of debenture issue at £111,734 appear under assets. Creditors are but £179,176, as against debtors of £268,673, but reserves only total £70,690, although the credit balance of profit and loss account amounts to £345,537. The balance-sheet will be found analysed in another column.

Rand Reports and Reserves.—Our Mining correspondent writes:—Of the trio of annual statements of Transvaal mining companies which have come to hand this week, two—although otherwise very different in their showings—present the common feature of the elimination of a substantial tonnage from the ore reserve estimates. By the exclusion of 233,300 tons, comprised in certain low-grade blocks, the ore reserves of the Modder "B" as on December 31st last were reduced to 2,773,300 tons, but, partly as a consequence, the average value advanced 1 dwt to 9.6 dwts. The quantity now reckoned upon represents about 3½ years' supply for the mill. For some time past the nature of the developments has been a source of considerable anxiety to the shareholders. The latter will consequently be much relieved to learn from the report of the consulting engineer that in two sections of the property where results had been disappointing the indications are now more hopeful. Expenditure upon shaft sinking and additions to the plant, which last year absorbed £139,000 of the profits, having now been nearly completed, the company will suffer less than most others from the decline in the gold premium. The Modder "B," of course, is one of the prosperous Far-Eastern Rand Group, and for 1921 paid dividends totalling 95 per cent. In the case of the Rose Deep—a Central Rand proposition—the "cut" in the ore reserve estimate would appear to be something like half a million tons, the present figures being 2,564,400 tons; the value at 5.2 dwts. is a trifle up. The ore now reckoned as payable would suffice to keep the mill employed for fully 3½ years. But for the gold premium the company would last year have made a working loss of £43,900, instead of a profit of £124,900, out of which dividends totalling 15 per cent. were paid. The chief ground for hope in regard to the future consists in the extent to which the concern will benefit from reduction in the working costs. A saving of 1s per ton under this heading would offset a decline of 4s in currency price of gold. The company is in a good financial position, having surplus cash assets equivalent to 3s 9d per share. A reduction in the ore reserve estimate also occurs with the Village Deep, but in this instance the shrinkage is due to the fact that the major portion of the material opened up last year was not fully developed, and therefore could not be taken into account. As the workings extend to a depth of more than 6,100 feet from the surface—the lowest level yet reached on the Rand—expenses are naturally heavy, and drastic economies will be necessary to permit the continuance of operations. Save for the gold premium, last year's accounts would have shown a working loss of £83,000, as against a profit of £113,000. A very clear little plan of the mine issued with the report indicates that from about 2,000 to 2,500 feet of ground yet remains to be exploited before the southern boundary of the property will be reached.

Brazilian Centenary Exhibition.—An International Exhibition, in which, at the invitation of the Brazilian Government, the British Government has decided to take part, is to be held at Rio de Janeiro from September 7th to the end of December, 1922, in connection with the celebration of the Centenary of Brazilian Independence. The British section of the exhibition is being organised by the Department of Overseas Trade. The expenses will be borne partly by the British Government, partly by British firms taking part, and partly by Anglo-Brazilian interests. It is stated that the site allotted for the British building is

one of the best in the whole exhibition, and that the work in its construction is well in advance of that done by other nations. All that is necessary to ensure the complete success of the British section is that British commercial and industrial firms should consider their own ultimate interests and those of this country by maintaining our position in the eyes of the Brazilian people and Government, our friends and allies.

Oversea Correspondence.

UNITED STATES.—STEEL CORPORATION REPORT—JANUARY RAILROAD EARNINGS—NORTHERN PACIFIC DIVIDEND REDUCTION—FOREIGN BOND OFFERINGS.

(FROM OUR CORRESPONDENT.)

NEW YORK, March 25.

As the quarterly earnings statements had indicated, the annual report of the United States Steel Corporation, published this week, shows that 1921 was a very poor year. Gross business transacted amounted to \$986,749,719, as against \$1,755,477,025 in the preceding year, the decrease of \$768,727,306 being more than 43 per cent. After deducting federal taxes, but before charging interest on bonds of subsidiary companies, net earnings totalled \$100,791,279, as compared with \$185,095,359 in 1920, representing a decrease of \$84,304,079, or approximately 45 per cent. The balance available for dividends was \$35,617,017, as against \$109,694,227 in the preceding year. After paying preferred dividends the balance applicable to the \$508,302,500 common stock was \$11,397,340, equivalent to \$2.24 a share, as compared with \$84,474,550, or \$16.62 a share in 1920, and \$51,574,905, or \$10.14 a share in 1919. After meeting both preferred and common dividends for the year there was a deficit of \$14,017,785, compared with a surplus of \$59,059,425 in 1920, and of \$26,159,781 in 1919. As at December 31st last current assets were \$569,431,330, and sinking fund and reserve fund assets \$51,602,469, making a total of \$621,033,799. Current liabilities were only \$84,248,556, leaving net working capital of \$536,785,243, or \$59,172,380 less than at the close of 1920. Assets in cash or its equivalent included \$131,462,691 marketable securities (including Liberty bonds and United States Treasury certificates), \$116,856,843 cash subject to check, and \$6,924,463 time deposits.

During the year expenditure on new construction and property additions totalled \$70,091,866, making an aggregate outlay for such purposes since organisation of \$1,061,349,354, equivalent to \$209 a share on the common stock. The average wage paid per employee last year was \$1,736, as compared with \$2,175 in 1920, and \$905 in the years 1913 and 1914.

Of the \$248,669,420 decrease in the total pay-roll, as compared with 1920, approximately \$175,143,000 was due to the smaller number of employees in the service, while \$73,526,000 resulted from lower wages and salaries paid in 1921 than in the preceding year. The average salary or wage per employee per day was \$5.73, as against \$7.00 in 1920.

In commenting upon the operations of the past year, Elbert H. Gary, chairman of the board of directors, pointed out that subsidiary companies carried forward into 1921 a substantial tonnage of unfilled orders for steel products, which enabled them to operate at an average of about 70 per cent. of capacity during the first quarter. Thereafter the degree of operations dropped in succeeding months to the low point of the year in July, when the output was only about 29 per cent. of capacity. The average production for the entire year, he said, in rolled and other finished products for sale, was 47.5 per cent.—the lowest ratio of production to capacity in the corporation's history. Concurrently with the decrease in demand for steel products, there were marked declines in prices obtained for nearly all forms of output. These reductions generally exceeded the decreases which it was possible to effect in the cost of production through the reduction in unit prices of factors entering into the cost of operations, and the exercise of rigid economies. Chairman Gary empha-

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sised the fact that a number of elements in the cost of production showed little, if any recession from war-time levels, and especially that of railroad transportation, which on the basis of existing rate conditions averaged, in the case of subsidiary companies, more than 40 per cent. of the total cost of producing steel. Since the beginning of 1922, and to the date of writing the report, new business placed with the corporation was equal to about one-half of the total capacity of the subsidiary companies' plants. It is noteworthy in this connection that the corporation is now operating at more than 71 per cent. of capacity.

Practically complete reports filed by the principal railroads with the Interstate Commerce Commission show that operating revenues in January totalled \$394,941,500, or 14.9 per cent. less than in the corresponding month of last year, while operating expenses aggregated \$337,142,000, or 23.7 per cent. less. Net operating income in January amounted to \$29,604,000, which on the basis of their tentative property valuation would be at the annual rate of return of 2.60 per cent., compared with \$51,588,000, or 3.44 per cent. last December. Although gross earnings declined nearly 15 per cent., as compared with January of 1921, freight traffic fell off only 9 per cent. approximately. The difference is explained by the fact that, owing to rate reductions, the revenue for carrying a ton of freight one mile, in the case of various commodities, was less than in the like month of last year. Early in the present year the carriers put into effect a voluntary reduction of 10 per cent. in rates on agricultural products, and about the same time a reduction of about 16 per cent. in rates on hay and grain, ordered by the Commerce Commission, became effective in western territory. The net operating income for the first month of this year fell short by \$38,783,000 of the amount necessary to have afforded the railroads a 6 per cent. return.

The action of the Northern Pacific directors this week in reducing the quarterly dividend on the common stock from 1½ per cent. to 1¼ per cent. did not cause much surprise in the financial district, following, as it did, the recent announcement that the Great Northern had adopted

the policy of declaring dividends semi-annually instead of quarterly. Furthermore, it was known that the Northern Pacific had suffered considerably in recent months owing to the depression in mining, lumber, and agricultural industries in the North-West. Nevertheless, the cut in the regular distribution attracted a great deal of attention, for Northern Pacific stock is widely held by investors, and has long been regarded as a high-grade investment. The company since 1909 has regularly paid a dividend of 7 per cent. annually to common shareholders. In January of this year the company showed a deficit of more than \$600,000, and the result of February operations is expected to be about the same. Car loadings, however, are beginning to increase, and according to Howard Elliott, chairman of the board, the management considers the outlook for the remainder of the current year as encouraging. The Northern Pacific's property, he says, is in splendid physical condition, and the company is in a position to take advantage of any improvement in industry. In announcing the reduction, Chairman Elliott said the directors "feel they are best serving the interests of the stockholders, and are hopeful that conditions will warrant resumption of the rate of 1½ per cent. quarterly in the future." In June, and again in September of last year, the Northern Pacific had to dip into its surplus in order to pay the regular 1½ per cent. dividends.

Additional foreign securities floated here this week included \$6,000,000 City of Soissons, France, 15-year external reconstruction, secured 6 per cent. gold bonds, non-callable as a whole or in part. The French Government, it is announced, has contracted to make annual payments in sufficient amounts for interest and retirement of the entire issue at or before maturity. The bonds, which are dated November 14, 1921, were offered by White, Weld and Co., at 85½ and interest, to yield about 7.65 per cent. Subscriptions in excess of the amount available were received before the bonds were formally offered. Another flotation consisted of \$6,000,000 Government of Newfoundland 20-year 5½ per cent. gold bonds, which were priced to investors at 101, to yield about 5.40 per cent., and \$500,000 City of Toronto 31-year 4½ per cent. guaranteed gold bonds, offered at 87.81, to yield 5.30 per cent. Both of those issues were readily absorbed. In fact, there has been no slackening of investment demand for offerings of new foreign and domestic securities of merit, which afford an attractive yield. Two other foreign loans are understood to be under negotiation, namely, \$30,000,000 6 per cent. bonds of Czechoslovakia, and approximately \$25,000,000 bonds of the Paris and Orleans Railway Company.

FRANCE.—REPARATIONS — LOANS ABROAD—FREE RENTE MARKET.

(FROM OUR CORRESPONDENT.)

PARIS, April 4.

THE Senate, after devoting three whole sittings to the subject during the past week, has now passed, without a division, the Budget of Recoverable Expenditure for 1922. In his exhaustive report on the Bill, Senator Henry Béringier set forth that the expenditure provided for to meet the requirements of the devastated areas during the present year will amount to 22 milliards of francs. The Bill, as passed by the Chamber, provides for an estimated revenue of 25 milliards, made up as follows:—

	Francs.
Payments by Germany	7,000,000,000
Further issues of short-term Treasury bonds	6,000,000,000
Issues of Crédit National bonds	8,000,000,000
Loans issued by industrial and other groups against War damage payments due to them	4,000,000,000
	25,000,000,000

M. Béringier expressed strong opinion that every possible reserve must be placed on the hope that Germany will pay the seven milliards due from her during the current year. He pointed out that the payments already made by Germany have been utilised to meet the cost of the armies of occupation, and he estimated that France, during the present year, will have to advance to her debtor at least another 20,000,000,000 gold marks, in addition to the 50,000,000,000 gold marks previously advanced.

In view of the attitude assumed by the German Chancellor and Foreign Minister towards the last Note from the Reparations Commission, by which Germany is accorded a reduction of payments during the current year, on condition that she puts her financial house in order, by imposing 40,000,000,000 marks of fresh taxation, and taking other steps to guarantee her future payments, attention is now being drawn here to the possibility of arranging for the issue of a series of international loans by Germany, the produce from which would be utilised for reparation payments.

The Reparations Commission announces that it has adopted Sir John Bradbury's proposal for the formation of a committee of experts to consider the practicability of this step. The committee of experts, it is proposed, shall consist of M. Delacroix, the former Belgian Premier (as president), Signor d'Amelio (deputy-Italian delegate on the Reparations Commission), who will act as vice-president, and financial experts representing Great Britain, France, the United States, Germany, and "one of the nations that took no part in the war." These experts are all to be men who have had practical experience in the issue of State Loans, and they are to seek the opinion of other financial experts who have had the handling of international loan propositions in New York, London, Paris, Rome, Brussels, Amsterdam, and other money markets.

Meanwhile, a good deal of dissatisfaction is being expressed in French financial circles in regard to the recent issue of several fairly important French loans on the London and New York markets. A few months ago, it is pointed out, the Department of the Seine issued a loan of 350 million francs in America in connection with the re-equipment of the public transport services of the Paris area. Still more recently the Nord and P.L.M. railway companies issued loans in London for a combined total of between 400 and 500 million francs. For the near future an Algerian Loan of 580 millions, and a Moroccan issue of 300 millions, are foreshadowed. These various issues have been made at a cost of over 8 per cent., and generally unknown to the public, who will have to meet the heavy annual charges involved. The only reason, it is argued, that could justify such a policy, at a period when business on the Bourse is undergoing such prolonged depression, would be that it is impossible to procure the required money in France.

The facts, however, show that such a reason cannot be found. The latest balance-sheets of the great French banks disclose that the deposits held by them amount to over 20,000,000,000, the rate of interest paid on which does not as a rule exceed 1½ per cent. It would be easy, it is insisted, out of the money available, to cover an issue of 1½ to 2 milliards of stock guaranteed by the State at 6 per cent., which would be cheaper than borrowing the money abroad, and would not help to increase the burden of France's debt to the foreigner. These arguments, of course, must be regarded merely as a piece of special pleading by interested parties connected with the French stock exchange industry. The official French report will be found in referring to the figures set forth in the opening paragraph of this letter, showing the amount the Treasury will require to extract from the pockets of the French investor during the current year.

The event of the current week, from the Stock Exchange point of view, is the reopening of the Rente market, a step that has been contemplated for some time by the Minister of Finance, M. de Lasteyrie. Hitherto, as is known, there has been a free market, so far as French State Funds are concerned, only in the 3 per cent. Perpetual Rentes. With each successive war loan, the price at which the new stock could be bought or sold was fixed officially, soon after it came into the hands of the public after allotment, the reason, of course, being to prevent attacks on French credit by outside interested parties who might otherwise be able to take disastrous advantage of the exceptional circumstances due to the war. These fixed prices have from time to time been modified in a downward direction, during the past two or three years, in order to bring them more in accord with the steady rise in interest rates. The effect of this policy has been that it has been almost impossible for holders to dispose of War Loan scrip through the usual channels, and only possible at all after long intervals.

In order not to cause too much disturbance to the market, the various categories of Rentes are to be "liberated" in successive stages. A beginning will be made to-morrow with the 1915 and 1916 5 per cent. issues, the nominal total of which amounts to 15 milliards. The other categories will follow in order of seniority, namely, the 4 per cent. 1917 (400,000,000), 4 per cent. 1918 (946 millions), 5 per cent. redeemable, 1920 (694,000,000), and the 6 per cent. 1920 (1,673,000,000). In view of the new situation, the various categories of Rentes were unofficially quoted to-day as follows:—4 per cent. 1917, at 1½ discount, as compared with the official quotation; 4 per cent. 1918, 1½ discount; 5 per cent. 1915, 2½ discount; 5 per cent. 1920, at 3½, and the 6 per cent. at 3.

The week that has just closed has been marked by a further depression on the Bourse, due in general terms to the unsatisfactory situation of Europe, and more particularly to the elimination of Russia and Germany as possible purchasers. French Three per Cents. have fallen back from 58.15 to 56.90. Russian descriptions have also registered a sharp decline, Consolidated dropping from 20.70 to 18.25. Banque de France declined from 5,780 to 5,665, and other bank shares followed suit, Banque de Paris, for instance, falling from 1,215 to 1,177. French Rails were comparatively unchanged, but Shipping shares fell, Chargeurs Réunis being at 377 as against 394. Metallurgical undertakings followed the general tendency, Longwy, on its large increase of capital, decreasing from 850 to 720, and Micheville from 875 to 850. Creusots were unchanged at 2,200. Mines were depressed, Tintos dropping from 1,225 to 1,190, Boléo from 350 to 326, and Utah from 726 to 718. In Oils, Mexican Eagles closed at 168, as against 187, but Royal Dutch were firm at 17,700, as against 17,400. Bakus dropped back from 2,245 to 1,975, and in Rumanians, Colombias lost 30 points, and closed at 241.

GERMANY.—GENOA — REICHSBANK — EXCHANGE AND BOURSE—PRICES—TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, April 4.

DR WIRTH obtained from the Reichstag a new vote of confidence, this time by 248 against 81 votes, with 43 withheld votes, for his Reparations policy, the only clear points of which are that the Reparation Commission's 60 milliard mark loan, and its claim to control finance, are rejected. The term, up to May 31st, allowed for execution of the Commission's measures, now apparently becomes a term for fresh negotiations. In these the Cabinet will make counterproposals which may propitiate the Commission, but the only vital question is whether a foreign loan can this year be obtained. Short of that, and without recourse to selling marks for better currencies, the reduced obligations cannot be met. Mr Lloyd George's speech of the 3rd, on the Genoa Conference, caused no disillusion here; it has been understood since shortly after Cannes that a radical treaty or reparations revision would be excluded from the Conference's programme, and although Genoa originated in a design to deal with Reparations on a general international basis, sound judges here did not believe that even the formal inclusion of Reparations in the programme could bring a settlement. This disbelief was based on the fact that Reparations are the immediate interest of only a few Powers; and that these Powers would be bound to maintain their interests against the recommendations of a Conference consisting largely of non-interested parties. Reparations, it followed, would be settled, if at all, through narrowly limited negotiations of the interested countries. The prospect is that Genoa, without itself doing anything directly to help towards solution, will delay a possible settlement elsewhere.

From Conference discussions on the Russian question not too much is expected. The doctrine that Germany could easily settle her liabilities if only Russia became prosperous sounds too much like politicians' magic to satisfy sceptical persons. Russia's recovery, it is admitted, would make Europe's recovery easier, but this is only a way of saying that each European country must recover if all are to recover fully, and the precise way in

which Russo-German trade would provide Germany with the necessary active payment balance has not been made plain. The granting of credit to Russia for the food, fuel, machinery, and transport, without which she cannot recover, would damage still further, at least at first, the creditor countries' payment balances; and in practice this is recognised in Ally countries when objections are made to the granting of credit by Germany. Germans cannot go into Russia with a reconstruction programme without bringing with them a vast quantity of capital in the shape of apparatus of production. Were Russian prospects better, Germans would do this with pleasure, but the immediate effect for Reparations would be the very flight of capital to which in its last Note the Reparations Commission objects. The dominant German view is that the Russian issue, vital in itself, is in its supposed relation to Reparations a red herring across the trail towards real solution.

The Reichsbank announces for 1921 a dividend of 10 per cent., against 8.7 per cent. in 1920. The report to the General Assembly states that clearings in 1921 totalled 20,090 milliards, against 12,770 milliards in 1920, and 422 milliards in 1913. Gross profits were 9.8 milliards. Against this was a loss of 8.1 milliards involved through meeting liabilities in foreign currencies guaranteed during the war. Administration costs were 339.4 millions, and the printing of bank notes cost 262.1 millions. Net profits were 64.8 millions, of which 5.8 millions go to reserve, raising the ordinary reserve to 127.2 millions, 2.41 millions go to the State, and 18 millions for dividends on a capital of 180 millions. The report ascribes the heavy mark exchange fall to the facts that the passive payment balance could only be corrected by sales of notes, mark securities, and mark credits abroad, and that this led to general mark sales by speculators. To obtain sufficient foreign currencies the bank had to pledge its silver of a value of 58 million gold marks, and to reduce its gold reserve by 68 million gold marks. The report describes the business boom of last year as delusive.

The Reichsbank's statement for March 23rd shows a decline of Treasury bill discounts by 6,681,507,000 marks to 132,060,584,000 marks, due to the usual reaction against the mid-month demand for credit. Note circulation increased by 783,167,000 marks to 122,903,538,000 marks; State deposits declined by 2,465,845,000 marks to 5,366,534,000 marks, and private deposits by 4,054,612,000 marks to 18,778,864,000 marks. The bank's holding of private bills is only 1,491,134,000 marks. The director of the Disconto-Gesellschaft, Dr Urbig, demands a return to the normal pre-war practice of financing business with bills of exchange. The trade bill has almost vanished, so that in the assets of the private commercial house it plays an ever smaller rôle beside Treasury bills. Business is largely done for cash, or even against payment in advance, this being a natural result of the disadvantage of being a creditor in times of depreciating currency; and often producers and buyers both require bank credits in order to keep to the cash system. For this Dr Urbig declares that bank deposits will prove insufficient if the inflation should cease without bringing an immediate decline in the demands of business. The total of new capital raised in March for stocks and bonds was 6,416 millions, against 893.62 millions in the same month of last year. In the first three months of 1922, 609 concerns increased their capital by 7,633.6 millions; 380 concerns with capital of 2,502.7 millions were founded, and there were 63 emissions of bonds totalling 3,211.2 millions.

Stocks last week had a moderate rise. The *Frankfurter Zeitung's* index for 15 dividend-payers for March 31st is 40,955, against 39,418 on March 24th and 5,424 on September 1st, 1919, when the index started. The upward movement for Home Loans continued, being mainly concentrated on Federal Threes, which to-day reached the extraordinary level of 150, the buyers being largely British and Italian. The better-secured Prussian 3 per cent. Consols sell at 64. German loans are properly an exchange speculation; their yield and capital value for all visible time must depend upon the mark exchange. Bull speculations in them can only be explained by the belief that if the mark currency is regulated by scaling down, or any other form of practical repudiation, State Loans will be differently treated, and recognised as gold liabilities at old mark parity. No competent German

expects this. It is true that the Republic's funded debt is, even at its full gold value, not very great; but there is a very much bigger floating debt, now not far short of 300 milliards, and a recognition of the whole debt as gold is hardly likely. The justification (apart from the sheer impossibility) of treating the note circulation as a gold liability is that the State (technically the Reichsbank) would be obliged to pay back an enormously greater sum than it ever got. But it is also not likely that the German State will pay foreigners 100 gold marks for a unit of stock which, even at 150, cost the foreigner about two gold marks. It is more likely that the currency reform will take a shape which, without formally repudiating State debts, will automatically reduce their gold total by expressing them in the new money. Meantime, any further mark exchange depreciation will reduce the interest yield and ultimate gold value of the capital. Foreigners who have so far bought marks or mark securities for long holding have steadily lost, the gainers being German citizens, or on the whole account with foreign countries, the German State and nation.

Prices continue to rise, influences being the weak mark and the State's policy in regard to railway rates, &c. The *Frankfurter Zeitung's* wholesale commodities index for April 1st (basis, 100 in January, 1920) is 525. In March food rose from 540 to 654, textiles and leather from 270 to 334, minerals from 365 to 418, and miscellaneous from 490 to 606. On the basis of 100 in 1914, the general index figure is 5,899 (1,123 on January 1st, 1920). On this basis the index figure for 18 standard finished industrial products is 2,729 (714 on January 1st, 1920). Industrial articles have, therefore, risen less than half as rapidly as the general commodities index, a fact to be explained partly by relatively low wages, but largely by the fact that the finished goods now being sold were produced when the raw materials on the commodities list were much cheaper. These figures do not confirm assertions of German trade journals that the export of many classes of wares is already threatened by foreign underselling. At a mark exchange depreciation of 1 to 70 or 80, commodities all round are cheaper in gold than before the war, while finished articles are little more than one-third as dear. The enormous rise in mark prices has, in fact, been outstripped by the rise in the foreign exchanges; and a world price-level, which would probably be an advantage to Germany, is as far off as ever.

The State and the interests are nevertheless doing their best. Postal rates, which were trebled on January 1st, are again to be raised; and railway freight rates have been increased 40 per cent. as against March, 70 per cent. as against February. Coal prices, also raised on March 1st, have again been put up, standard Ruhr (*Fettfoederkohle*) being now 699.80 marks per metric ton at pit's mouth, against 590.4 marks in March, and 13.75 marks in 1914. Foundry coke has been raised from 913.30 marks to 1,059.60 marks. The Eisenwirtschaftsbund and Stahlbund have raised iron and steel as follows (marks per metric tons).

Pig-Iron.	April 1.	March 1.
Hematite	6,264	4,744
Foundry iron I.	5,549	4,212
Do III.	5,473	4,136
Siegerland steel-iron ..	5,565	3,829
Spiegelisen	6,020	3,951
Ferro-manganese, 80 % ..	13,820	12,710
Ferro-silicium	7,450	5,720
Ingots	7,170	5,320
Blooms	7,775	5,770
Billets	8,010	5,945
Construction forms	9,325	6,920
Bar-iron	9,500	7,050
Thick plates	10,650	7,805

The workmen's representatives in the Eisenwirtschaftsbund are pressing for restoration of maximum pricing for the latter group of products. Maximum pricing was abolished during the price-fall of a year ago, and the present prices are merely "guiding." Manufacturing consumers of tin-plates are protesting against an alleged monopoly controlled by Otto Wolff, who is stated to control 80 per cent. of the output. Before the war, about 40,000 tons of English plates were annually imported. Herr Wolff, the consumers declare, attempted to impose the condition that no English plates should be imported, but the condition was rejected.

Foreign trade in February showed again an export

surplus, imports being 12 milliards and exports 14 milliards. Details have not yet appeared. The export surplus is ascribed to the fact that food was heavily imported last year, and, together with copper and some other metals, plays a small rôle in recent imports. The import surplus in May-February, inclusive, was 7.8 milliards.

HOLLAND.—GOVERNMENT LOAN—LABOUR DIFFICULTIES—RATES OF INTEREST—POPULATION.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, February.

NOBODY expected the new Government loan of 150,000,000 fl (half of the authorised amount) in 6 per cent. bonds, offered at 96 per cent., to have the splendid success which it obtained. Half of the amount was offered to the public in New York and the other half was issued in this country, and had been taken over by leading banks. Owing to the good reception the bonds met with in America, where they immediately commanded a premium, the issue here was over-subscribed nearly 10 times, and the allotment was one of the most difficult bankers have ever met. The system of closing the lists when the amount required has been obtained does not prevail here. Each prospectus has a clause entitling the issuing bankers to preclude subscriptions without indicating the reason. This is a rather arbitrary system. Opportunity is provided, in theory, for eliminating subscriptions of premium hunters, but the consequence is that the process of sifting *bond-fide* subscriptions from "stag" applications gives rise to many grievances on the part of the subscribers. In this particular case, the whole Stock Exchange was up in arms, and at first rejected the demand for the official quotation, which, however, was granted later. The bonds stand now at 99½ per cent., and the loan is a great success for the new Finance Minister.

The depression is growing in this country. Some time ago there was a slight indication that the worst had been passed, but it appears to have been only a temporary recovery. In many cases the working-classes understand that in order to be able to compete with foreign countries costs of production have to be reduced. A curious instance of the contrary is the following:—A cigar manufacturer had received an important order from abroad which would enable him to employ about 3,000 labourers out of a total of 5,000 unemployed. The wages offered were 25f per week, whilst unemployment contributions by Government and municipality amount to about 15 fl. However, the collective wages agreement in this industry has to be renewed soon, and the workmen make out that 30f is to be the minimum. By accepting 25 fl, they would impair their chances when the negotiations for the collective agreement had to be begun. In Germany the wages are one-fourth or one-fifth from what they are here, and in Belgium about half. The trade unions decided to insist on the higher wage and to request the Minister to grant an export premium. This was not accorded, and the order is going to be executed abroad. The employers, in order to meet the employees in their claim for wages of 30 fl, requested the Government to suspend the legal eight hours working day and to sanction, for this order, a working day of 10 hours. This was approved at once, but the workers did not approve.

The rise of the rate of interest in this country is illustrated by the monthly publications of the Central Bureau of Statistics. Among the safest investments are the mortgage bonds of the companies lending money on land and house property. While in 1918 the 6 per cent. type for these bonds was not in existence, and 82 per cent. of the outstanding amount was at the rate of 4 per cent. at 6 per cent., the proportion is now one-eighth at 6 per cent., one-sixth at 5 per cent., and two-thirds at 4½ per cent.

Birth and death figures in Holland are favourable, the former rising and the latter declining. In 1921, births per thousand were 27, and deaths 11. The highest birth ratio was reached in 1876 at 37 per thousand. In that year, however, 23 per thousand died. The increase in population in 1921 was 112,000.

POLAND.—THE BUDGET FOR 1922—FOREIGN DEBTS.

(FROM OUR CORRESPONDENT.)

WARSAW, April 3.

MR MICHALSKI's budget estimates, presented on March 29th to the Diet, mark an important step forward in the direction of a reform of the financial administration of the country. For the first time the budget estimates were ready in the first quarter of the year. Hitherto the three Polish Budgets have only been laid before the House at the end of the Parliamentary session, so that they had only a historical and theoretical value. The present Budget gives very detailed data relating to the expenditure and revenues of the Government, and in this respect, too, it is different from the previous Budgets, which were based on very vague estimates. A third innovation consists in the fact that the present estimates contain the revenues and expenditure of almost the whole Polish Republic, with the exception of Vilno and Upper Silesia, while one year ago the former Prussian Poland had still a separate Budget.

Below are the principal items of the Budget for 1922, in million marks:—

	Revenue.	Expenditure.
President of the Republic	0.7	65.6
Diet	..	493.3
Board of Control	..	706.0
Cabinet	707.3	1,975.2
Ministry of Foreign Affairs	3,425.3	11,943.2
" War	10,581.9	152,849.2
" the Interior	6,227.6	29,764.1
" Finance	270,291.6	86,288.6
" Justice	1,186.3	10,449.6
" Industry and Commerce	7,644.0	3,328.6
" Railways	108,134.7	170,588.6
" Agriculture	2,720.8	15,038.0
" Education	492.5	49,166.2
" Posts	14,414.2	15,532.1
" Health	2,154.8	7,360.4
" Arts	25.5	336.5
" Public Works	1,823.8	23,666.8
" Labour	1,270.5	8,183.0
Board of Liquidation	564.0	668.6
Rural Board	1,816.1	2,990.2
Ministry of former Prussian Poland ..	8.5	240.2
Total	458,620.3	591,633.9

Mr Michalski, in his *exposé*, dwelt on the fact that the present Budget is a Budget of peace. The percentage of the outlay for maintaining the Army is steadily decreasing. It amounted in 1920 to 50 per cent. of the total expenditure, in 1921 to 30 per cent., and in 1922 to 25.83 per cent. "In this manner," said Mr Michalski, with special emphasis, "Poland gives a manifest proof before the whole world of her intention to live in peace. These peaceful tendencies are not only expressed in words, but they are the real foundation of the whole Polish policy."

The Budget for 1922 closes with a deficit of 133 milliards. Of this total, however, 112.5 milliards are due exclusively to extraordinary expenditure in the first instance to investments necessary for building new railways, offices, &c. After deducting this sum, the deficit is reduced to 20 milliards.

Mr Michalski, in developing his financial programme for the present year, expressed the opinion that only a foreign loan given for a longer period will entable Poland to cover the expenses necessary for the reconstruction of the devastated country. Steps for obtaining such an advance of funds from France have been undertaken already by the Ministry of Finance, and Mr Michalski is hoping that the negotiations will be successful. As long, however, as Poland is obliged to cover the expenses of the reconstruction of the country by her own resources, the Minister intends to resort to the issue of Treasury bonds. Hitherto from October to February 20 milliards of these bonds have been absorbed by the Polish market, and the issue of a new series of 30 milliards is announced.

During the last three years I have often dwelt on the discrepancy existing between the economic recovery of the country and the financial situation, which with every month was becoming less satisfactory. It may be said that in this respect, in October the turning-point had been reached. The state of the finances is now steadily improving, and this is reflected by the quotations of the Polish mark, as well as by the returns of the Polish

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National Bank. According to the return of this bank for March 20th, the circulation of notes has decreased from March 10th by 1.2 milliards, and the advances to the Government by 3.5 milliards. For the first time since 1918 the accounts of the Polish National Bank reveal a reduction of these two items.

Mr Michalski's *exposé* contained many proofs of the amelioration of the Polish finances. Great economies have been effected during the last year. There is hardly any Ministry in which one or more departments were not abolished. The number of civil servants, which in 1921 amounted to 153,000, had been reduced in 1922 by 14,000. The policy of economy is energetically pursued.

Poland must seek a solution of her financial difficulties, not only in this direction, but in the first instance she must try to bring revenues and expenditure into equilibrium by an increase of taxes. A special memorandum prepared by the Ministry of Finance, and presented to the Diet together with the Budget estimates, contains a table showing the comparatively small burden of taxation in Poland at the present moment. Per head of the population the taxes, expressed in American dollars, amounted to:—

	Total.	Direct Taxes.	Indirect Taxes.
1913	60	20	40
1920	10	0.3	0.7
1921	1.4	0.4	1.0

The taxes paid in 1921 by the Polish citizen amounted to only 25 per cent. of the sum levied before the war.

In my letter of January 12th (*Economist*, January 21st, p. 90), I reproduced data relating to Poland's foreign debts. At that time the list was not complete, and only now a final return, reproduced below, has been presented to the Diet by Mr Michalski:—

POLAND'S FOREIGN DEBTS ON DECEMBER 31, 1921.

		Expressed in American Dollars.	% of Total Foreign Indebtedness.
United States	184,500	65.09	
France	63,100	22.24	
Switzerland	14	0.015	
United Kingdom	18,400	6.50	
Italy	788	2.82	
" gold francs	36,325	12.87	
Holland	18,218	6.700	2.37
Norway	16,497	5.83	0.93
Denmark	358	0.12	0.02
Sweden	173	0.06	0.02

The total foreign debts amounted to 283 million dollars, or to 1,449 million Swiss francs. Of this total, 59.2 per cent. were used for food supply, 28.3 per cent. for armaments, 7.7 per cent. for public works, 1.4 per cent. for private undertakings. At home, the Polish Government has contracted a debt of 251 million Polish marks, of which 221 millions are composed of advances made by the Polish National Bank.

NORWAY.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, March 28.

THE Norwegian Delegation to the Conference at Genoa, consisting of six members, headed by the President of the Board of Trade, has been nominated. It represents the various political parties as well as economic interests.

There has been in this country for half a dozen years a Compulsory Arbitration Tribunal. The term of years

originally laid down by the Government expired, and the present Government introduced a renewing Act. When this measure was first introduced both employers and employees resisted it, but as the Radical Government had a strong majority it was carried. This time the Socialists accepted it as an expedient, and one of the leaders openly said that he counted upon advantages accruing to workers from it. Consequently the Act was passed with difficulty, and it will be valid for one year only. It is maintained by the employers that the awards given when trade depression was just setting in established wages out of proportion to the possible results of the various industries. Everybody now hopes that the awards that may—and no doubt will—be made when the tariff agreements begin to mature will be in harmony with existing conditions.

A very important Act has been brought before the Storting by the Board of Trade, namely, for the establishment of a Compulsory Mutual Insurance Company for Norwegian vessels. Full details have not yet been divulged, but 50 per cent. of the insurance value of the vessel is to be covered in this State concern, while the owner may do what he pleases as to the remaining 50 per cent. The reason alleged for this official interference with what has hitherto been left entirely in the hands of the owners is to help shipowners to obtain cheaper insurance. The majority of owners probably are against the measure.

Centralbanken for Norge, one of the biggest banks in this country, has extended its capital by issuing preference certificates to the amount of 50 million kroner. The bank previously had 30 millions of certificates which sustained a heavy fall after this new capital arrangement was completed. It is stated that this fall is owing to a misunderstanding. The legality of this arrangement in as far as it prejudices the holders of the former certificates has been questioned, and may perhaps give rise to controversies.

LATIN-AMERICAN NOTES.

(BY OUR CORRESPONDENT.)

THE improved economic conditions in Central America are likely to be reflected in the next report of the United Fruit Company, whose securities are held to some extent in this country, where its products also are well known. The company owns over 350,000 acres of improved, and 1,150,000 acres of unimproved, land, situated in the States of Panama, Costa Rica, Guatemala, Honduras and Nicaragua, in addition to Colombia, Cuba, and Jamaica. The volume of trade done by the company in bananas and other tropical produce—coconuts, cacao, pineapples, and such citrus fruits—apart altogether from the important steamship business, lately established a record. Incidental to the agricultural operations is the raising and maintenance of cattle, horses and mules, the company owning about 27,000 of the former and 7,000 of the latter. The steamships are conducted under the flags of the United Kingdom (74,000 tons) and of the United States (136,000), the whole of this large tonnage, unlike that of other world shipping, having been kept employed during the past few years. Commercial and passenger traffics have contributed to the company's success, earnings having displayed a remarkable expansion in both sections during the past few years. Since 1914, working income has also steadily increased, advancing from \$3,500,000 to about \$45,000,000, in 1921; while net income on the ordinary stock, after allowing for taxes and interest charges, has advanced from \$2,265,000 to about \$30,000,000. While most other steamship companies were unable to maintain their dividends, the United Fruit Company succeeded in distributing 8 per cent., and early in 1921 a part of its large surplus was capitalised by the declaration of a 100 per cent. stock dividend, thus raising its capital to \$100,000,000. The company seems to be possessed of a large reserve power and a solid cash position, its funded indebtedness, amounting to over \$33,500,000, having been paid off, so that the benefit of all earnings now accrues to holders of the stock.

BRAZIL.—The much-desired success of the Brazilian Centenary Exhibition, to be held at Rio de Janeiro from September to December next, is being jeopardised by the somewhat uncertain political situation, coupled with continued depression in many of the State's industries,

such as sugar manufacturing, rubber growing, and a doubtful position for coffee. Trade remains in an unsatisfactory state, and, in some directions, appears to have come to a complete standstill. Not a few Brazilian customers have found themselves faced with the effects of a fall of 50 per cent. in the exchange value of the milreis, a fall of from 30 to 50 per cent. in British export prices, and a ruinous competition carried on by the Germans, in addition to heavy Customs duties and discriminating tariffs. Quite recently the Government made reductions in certain rates, substantially favouring no fewer than 16 United States manufactures as well as eight of Belgian origin, the United Kingdom being excluded from these—as from already existing tariff advantages. The British Government, according to the President of the Board of Trade, speaking in the House of Commons recently, considers our position so hopeless in this matter as to deem it useless to make any further representation or protest to the Brazilian Administration. An Anglo-Brazilian iron and steel concession, to which considerable importance was attached, has also latterly been refused registration papers, after but a few months' existence. These facts have had, not unnaturally, a discouraging effect upon the prospects of British participation in the Brazilian Exhibition; but there is still time for a betterment in the position—one which it is worth while to strive for, in view of the importance of our trade connections with the largest and, perhaps, the wealthiest of the South American States, in which British investments already reach a total exceeding 300 millions sterling. Under more favourable circumstances, the holding of the Exhibition might have the result of completely changing the aspect of affairs for British trade with Brazil, which has remained in a depressed condition, with only partial and short-lived relief, since the end of the war. The holding of the Brazilian Exhibition is likely to synchronise with the introduction of an important Canadian transport enterprise, having for its object the construction of a wide system of trans-continental railways in South America. If the plans are carried out, there would be provided railway communication between the north and south of Brazil, connecting Buenos Aires with the Caribbean Sea, and, by means of an additional transandine line, giving union with Peru and Brazil (via Sao Paulo and Rio de Janeiro), thus providing direct communication between the River Plate and Venezuela. The immediate object of the undertaking is the establishment of a merger of Brazilian railways and their co-relation into an economic whole, the keystone being the British-owned Sao Paulo Railway Company's line (from Sao Paulo to Santos), which would be acquired for the purpose. With milreis at their present level, it is believed that many shareholders would be willing to dispose of their property, or, at least, to share in a scheme of consolidation.

CHILE.—The revival of the nitrate trade is being watched anxiously in economic circles. The Government is itself dependent upon its prosperity for more than 70 per cent. of its taxable revenue; while it also owns nitrate properties worth several millions of pounds, and an enormous extent of agricultural and forest lands in the south, which by themselves should cover several times over the total amount of the public debt. The total of British investments in nitrates is extremely large, while the success of the industry means everything to some and a great deal to a number of traders. If the demand recently met with from Europe for nitrate products is maintained, Chilean finance and trade will soon begin to revive. An improvement in the value of the peso, which has already been noted. The troubles of Chilean commerce have seldom been more pronounced or widespread than of late. In the ordinary course of things, it must be some time before Chilean markets regain their buoyancy, and the capacity to buy largely from abroad is restored. The Government finances must be put in order; there has been insufficient in the treasury to pay the departmental accounts, and the public services are commencing to murmur. But a successful nitrate season might command all the energies of the financial world of Chile will be devoted. At time of writing prospects are improving.

NEW ZEALAND.—FALL IN EXPORT PRICES: EFFECTS ON TRADE AND PRODUCTION—THE PROPOSED MEAT POOL.

(FROM OUR CORRESPONDENT.)

CHRISTCHURCH, February 14.

THE first result of any financial crisis, as far as New Zealand is concerned, is a sudden fall in the London prices of staple exports. This leads at once to a shrinkage of credits, and the check to purchasing power sets in motion in New Zealand all the familiar processes of financial readjustment. During the boom period preceding the fall in prices, traders are prone to import even more than the increased export values warrant, and so the fall catches them with heavy stocks. This is well illustrated by the following summary table showing changes in overseas trade:—

	Imports. Mln. £.	Exports. Mln. £.
1918	24.2	28.5
1919	30.7	54.0
1920	61.6	46.4
1921	42.9	44.8

The statistics of bank credits for the same period are equally illuminating:—

December Quarter.	Advances. Mln. £.	Deposits. Mln. £.	Proportion of Advances to Deposits. %
1918	39.1	41.9	93.3
1919	38.1	53.1	71.7
1920	53.5	54.6	98.1
1921	52.8	43.3	121.9

In a country where the sale and transference of land is as easy as it is in New Zealand, a sharp rise of prices is bound to lead to greatly increased speculation in land and to an inflation of land values even in relation to the high prices ruling for staple products. During the crisis period just past, both these effects were noticeable, and are reflected in the next table, which shows the total of mortgages registered and discharged monthly. Both rural and urban lands are included in the total figures, which reflect a boom in house property as well as in farm-lands.

	(000's omitted.)	Registered.	Discharged.
Monthly average, 1918	1,482	883	
August, 1919	4,454	2,144	
" 1920	7,223	3,092	
" 1921	3,908	1,193	
December, 1921	2,718	1,056	

When the boom period is over, therefore, the sudden fall in prices, such as occurred in the first wool sale of the season 1920-21, finds town traders very much overstocked and rural producers with their lands grossly overvalued. Reduced purchasing power means that traders are forced hurriedly to liquidate their stocks in an effort to get ready cash, while those farmers who have taken up land at high prices find great difficulty in carrying on at all. More established farmers, who bought at lower values, find the burden of taxation levied on present valuations crushing.

Fortunately for New Zealand, the fall in wool prices in 1920-21 was partly compensated by the rise in the price of dairy produce, the Government guaranteed price for wheat, and a steady meat market. But the season 1921-22, while bringing some recovery in wool, has brought heavy falls in the prices of other chief exports, particularly meat and dairy produce; while the guaranteed price of wheat has evoked a surplus estimated at two million bushels, to embarrass a Government already in difficulties. The whole farming community, already heavily taxed, is hit by reduced monetary yields, while the marginal farmers, who bought at high prices, are likely to be squeezed out. Such a check to prosperity occurred in 1908, but then the rising tide of prices carried the country on again. Now, with a prospect of falling prices, the position is very different. Some adjustment of land values is necessary before anything like stable conditions of production will be possible.

The country seems more disposed, however, to resort to quack remedies to tide over immediate difficulties than to get the inevitable readjustment of values over, painful as the process will be. After so long a period of rising

prices, even the leaders of commercial institutions and Parliament seem unable to visualise the prospect of prices falling for some time. All the plans for remedying present disorders seem to go on the assumption that the partial recovery now taking place is a prelude to better things, and that prices will go on rising as before the war.

It is, of course, natural that the comparatively small, but very vocal, manufacturing party in the towns, should utilise the difficulties of the crisis, and particularly those arising from over-importation, as arguments for high protection. They have been so far successful, by persistent lobbying, as to secure substantial gains in the progress of the Tariff Bill through Parliament. In particular, Australia has, in the meantime, been treated as a foreign country, and Australian goods are placed under the general schedule of the tariff until a reciprocity agreement can be reached.

The latest plan of the New Zealand Government to improve or get round economic conditions is the proposed compulsory Meat Pool. Already it is forgotten that the chaotic condition of the wool market was largely due to the mismanagement of the wool commandeer, which, even in a time of rising prices, led to an accumulation of stocks. The proposal just carried by the House of Representatives is to set up a Producers Committee of seven members, five to be elected in some way by sheep-farmers and two to be nominated by the Government, together with one member representing exporting interests. By the Bill, this committee is given a blank cheque to take control of as much, or all, of the buying, shipping, and marketing of part or all of the New Zealand meat as it may determine. The obvious dangers of such a proposal have led to the strongest opposition, not only from meat exporters, but from many farmers also, including the official delegates of the Sheepowners' Federation. The chief support comes from the North Island, and particularly from the smaller farmers. The main arguments for the scheme are partly inspired by a reasonable belief that shipping and marketing charges are extortionate, amounting, as they do, to half the value of the meat sold, partly to a lurking fear of the Meat Trust, and very largely to a belief that, if supplies are temporarily withheld from the market, prices will improve. The scheme is to be financed by a compulsory levy on all meat exported, but the Government is to guarantee it.

There is no indication of the policy the Government or the Board will pursue; indeed, the whole scheme is shrouded in mystery, and the empowering Bill simply sets up a board and gives it *carte-blanc*. It is claimed that the mere threat of control has already raised prices in the London market—the whole credit of the recent market improvement being claimed as the result of a successful bluff—but many people believe, and more hope, that the scheme will be dropped or considerably modified. It is rumoured, also, that financial pressure will be brought to bear on the Government, for trading firms cannot go on financing farmers if their business is closed to them.

Letters to the Editor.

RAILWAYS AND ROAD TRANSPORT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr Charles Tennyson in his letter in last week's *Economist* gave the views of the Federation of British Industries with regard to the Bill promoted by the North-Western and Midland group of railways to empower them to engage in the transportation of goods by road within the area covered by their lines. May I be permitted to comment briefly on his letter?

The Federation of British Industries consider that it is "the proper and sole function" of the railway companies to transport by railway, that it was for this purpose that they obtained their powers, and that they should confine their attention to increasing their efficiency within that limitation. It is true that it was for transport by rail that the railways first obtained their powers. At the time these powers were granted, however, there were practically no alternative means of transport to be con-

sidered. To-day there is an alternative. Within the past five years the development of the motor lorry has made it a very serious competitor. To enable the railways to meet that competition is the object of the present Bill. Certain railways have enjoyed the right to engage in road transport since 1904 and 1905. The present Bill merely extends those powers to other railways. By so doing it will enable those railways to restore their efficiency, which the F.B.I. so rightly insists on.

At the present time all railways are losing a valuable source of revenue through the competition of road transport services. They cannot hope to recover that under existing conditions. Circumstances have so entirely altered that it is not economically possible to defeat competition by road by the existing railway services over short distances and for certain classes of goods. Railway efficiency was impaired by the war. No "more economic methods of working" and no group organisation will enable the railways to recover that efficiency sufficiently to defeat the new form of competition which has grown up since the war, largely as a result of experience gained during the war.

The Federation is apprehensive that the railways, if granted the powers they now seek, will be driven by force of circumstances to attempt to control the road transport system of the country. That fear, in my view, is groundless. Their railway systems would still remain the chief concern of the railway companies. Their road services would be subsidiary. They have lost custom, not through unduly high charges, but through the development of a new branch of transport which has put the railway out of date for certain work. The granting of the powers contemplated in the present Bill would undoubtedly mean increased competition on the roads, but it would be economic competition. The safeguards in the Bill provide that road transport accounts shall be kept separate from other accounts. There is no danger, therefore, that the railways might subsidise their road services in order to kill competing carriers.

I disagree with the view of the Federation of British Industries that there are at present on the roads sufficient motor lorries to meet all reasonable requirements in the near future. With the restoration of trade will come the demand for additional facilities which neither the railways nor the existing road carriers can meet.

Let me reply seriatim to the tabulated objections of the Federation.

(1) The Rates Tribunal, if fully occupied with railway matters, can be strengthened to deal with road affairs. No evidence is adduced to show that the machinery of the Railways Act of last year is inappropriate to road traffic.

(2) No reason is given for the statement that the efficiency of the proposal to enable the road transport interests to appeal is doubtful. In any case, this is a matter of detail which can be adjusted while the Bill is before Parliament.

(3) The railways in question undertake to keep their accounts separate. They will be prepared to adopt a system of accounting that will show clearly their profit and loss on all road transactions.

(4) This is replied to in 3. The accounts will show whether any services which the railways desire to discontinue are or are not profitable. Those classes of goods which could not, by reason of weight or bulk, be carried by road would not enter into the question.

I maintain that none of the objections put forward by the Federation of British Industries are of a kind which prejudice the case of the railways. The railways in question have already made concessions. In the views of some of the supporters of the measure they have made too many concessions. They are still prepared to discuss the points on which opposition interests see danger to themselves or to the public.

Finally, the Federation objects to the present proposal being made the subject of a private Bill. This objection will carry little weight with those who understand Parliamentary procedure. The present powers of the railway companies are all defined by Acts of Parliament passed under private Bill procedure. The question at issue is the extension of these powers. Clearly, therefore, a private Bill is the correct method to be adopted. A Select Committee can investigate the whole question in a way the House of Commons as a whole could never do. It can

hear all who have interests in the matter through counsel and witnesses. For opponents of the measure to criticise this course would seem to argue a lack of confidence in their own case, and a desire to rely on general assertions which could not be adequately answered on a second reading debate.

In conclusion, may I refer to the admirable article in the *Economist* of March 15th. You yourself, sir, supported the case of the railways. Your one objection was that in their own interests they should postpone asking for road transport powers for the next two years. The railways maintain that delay is dangerous, and that the flight from the railways may continue if they neglect the warning of the past year's experience. That is why they are seeking Parliamentary sanction for their proposals during the present session.—Yours faithfully,

House of Commons, April 6th, 1922. C. F. HIGHAM.

THE BANKER'S DIAGNOSIS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I have refrained from taking part in the interesting currency controversy going on in your journal as the distance prevents my doing it with any effect.

However, I notice in your issue of the 11th ultimo a statement by your correspondent, Mr Wigglesworth, the fallacy of which I wish to point out, as it is at the bottom of much of the reasoning of the so-called sound currency men. Mr Wigglesworth says:—

"The improvement in the £ sterling certainly *cheapens* our imports, and enables us to that extent to export more *cheaply*."

May I point out that such improvement makes imports dearer and exports still dearer.

Take the instance of cotton. A Manchester spinner imports a £ worth of cotton when exchange was 4.20. He puts in another £ of wages and expenses on it before he can sell it as yarn. Suppose the cross rate is 4.40 when he exports this yarn. He has now to charge £2 for the yarn to at least cover his outlay. If the cross rate had remained at 4.20 he would have to charge \$8.40, or its equivalent in other currencies. As cross rate is now 4.40 he must charge not \$8.40, but \$8.80 to cover his outlay of £2, and thus the rise in the cross rate actually compels him to ask 40 cents more for the same goods, and to that extent makes him unable to meet foreign competition. The disparity becomes even more remarkable as we go to highly finished goods, in which the expenses over raw material are much higher than on yarn, as all this addition has got to be paid for by the foreign buyer at 4.40, or its equivalent, instead of 4.20.

The above explains how exports are dearer, but it may not be so easy to see how imports can be dearer. The position, however, is that every manufacturer has to have some raw material in hand that it is not possible to immediately cover by the sale of finished goods. This man finds that the cotton he bought a month ago at £1 (on basis of 4.20) can to-day be had for 18s (on basis of 4.40), and that his raw material has been laid in too dear. The poor man must make up his mind to drop part of his capital, and accept 18s for the stuff if he wishes to retain his business. This disheartens and discourages him, and makes him prefer to do nothing while things are so uncertain.

The vicious circle does not end here. This spinner quoting 18s, where a month ago he was asking 20s, makes his buyers think that the spinner was weakening, and that if they only waited they could get in cheaper. And they wait. The spinner failing to get orders on to his books, thinks of short time or reduction of hands, and so we go to increasing unemployment.

This vicious circle must continue until we get back to par (4.86). Then the £ will not be allowed to go up, and trade will gradually pick up and become brisker, and your "sound money" men will then clap their hands and say they always said so, and that it was the return to par that did the thing. I would point out to them that it would be the stoppage of further fluctuations that would do it, and that the virtues attributed to a return to the pre-war par are really virtues flowing from a *stabilised rate*.

If this is understood it will be seen how foolish it is to continue to aspire to an early return to par, and to continue

to go through all the readjustments of employment prices and wages, and the concomitant suffering.

What England should do to-day is to stabilise the rate at 4.40 or 4.20, or any figure that may be actually ruling, and sell pounds against gold dollars or dollars against pounds sterling, as the occasion may require.

The trade balance of England is evidently now sufficiently recovered to make sterling very strong, and so the suggested operation should put a large gold dollar fund at the disposal of the Note Issue Department, and incidentally very much improve the backing of the whole circulation, as these dollars will be so much additional *gold* held by the reserve.

This need not bind you down to the stabilised rate. Sir Charles Addis was recently reported to have said that England must go back to the gold standard whether it took two years or twenty. When a patient had passed through a long and debilitating illness it would be only a very foolish doctor that would think of getting him to go about his normal activities in a few days; a good doctor would work for gradual but steady recovery. Let the financial doctors of England do likewise. Go gradually although aiming at recovery to normal all the time. Let the rate be pegged at, say, 4.20, and kept at that for twelve months, and then put up to 4.25, and so on by five points every year. Trade and industry will then get the necessary breathing time instead of being constantly upset by the fluctuations of the cross rate.

Stabilising your rate will have the further advantage of stabilising the exchanges throughout the Empire, and of the Empire with the United States of America, Japan, and many other countries, and set the wheels of commerce going more freely than they do to-day.—Yours faithfully,

Bombay, March 10th, 1922. B. F. MADON.

DEVALUATION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your issue of to-day you state that the argument which holds that to restore the gold currency of this country on any other basis than the old pre-war parity would be equivalent to a breach of faith is unsound. You endeavour to support this statement on the grounds of equity by urging "that a currency policy that would stabilise prices at about 75 per cent. above the pre-war figure, i.e., the level of 1917, would be the most equitable arrangement." In the first place, I would beg to point out that the British war debt was incurred at various rates of interest, i.e., 3½, 4½, 5, and 6 per cent., at steadily decreasing purchasing power of the £, owing to the rise in prices and owing to ever-increasing taxation at a steadily reduced yield to the lender. During many years, if he sold his war loan, as many were compelled to do, he had to face a loss of capital, and now that there is an appreciation in his capital and a fall in the cost of living, and a distant prospect of reduction in taxation, with a consequent increase in the yield, you grudge him this prospect, and suggest a forced curtailment of his income. This is not equity, but injustice. Further, will you allow me to point out that the lender's contract with the State was based upon the old pre-war parity, and money was readily advanced on that understanding, and to suggest that the endeavour to restore that parity should not be made is, I beg to state, unknowingly to suggest dishonour and repudiation. Certainly, devaluation, either here or on the Continent, is a sign of bankruptcy, as you state would be said if Great Britain declared for the old gold standard. I hope and believe it will be avoided in this country, but on the Continent in some cases I am afraid it must be faced, and surely it is better to admit it than to pretend otherwise. If good is to come out of the Genoa Conference, I venture to state that a bold and straightforward declaration on the part of this country will be of immense service in helping to restore British credit, and also encourage other countries to follow our example.

Is it too much to hope that the £40 odd million surplus realised for the end of the financial year will be used to contract gradually the paper money issue until the par of exchange has been re-established with gold standard countries like the United States of America. This would prepare the way for a resumption of specie payments. A

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date might be fixed for resumption, say, November 1st of this year. As Horace Greeley well said, the way to resume is to resume, and, with £159,000,000 of gold reserve now held in this country, there is no reason why the gold standard should not be made effective, provided equilibrium is established between gold and paper.—I am, Sir, your obedient servant,

D. M. MASON,
Chairman Executive Committee,
Sound Currency Association.

115 Cannon street, April 3rd, 1922.

Books and Publications.

RECENT ECONOMIC LITERATURE—A MONTH'S REVIEW.

THE outstanding feature of the books that have in the course of the last six weeks assembled themselves for survey is the very large proportion of them that are more or less, and generally more rather than less, political in character. It is true that, at the moment, the distinction between economics and politics is very hard to draw. Has not M. Poincaré expressed a willingness to accept Genoa on the ground that the Conference there is to be "economic and financial, and not political," whereas the objection of the United States to taking part in it has been laid on the ground that it is to be political, and not financial or economic? In this case, the explanation seems to be a disagreement as to the category in which the discussion of Reparations is to be placed. M. Poincaré regards it as a question of politics; the United States, with an equally good show of logic, as one of economics. Here, it seems more convenient, if not always more logical, to remit works dealing with matters of immediate controversy to the heading "Political," although the result of such a decision is to make that section appear unduly large. In so far, however, as it is so inflated, it registers, accurately enough, the actual tendency of economic writing. It is, at the moment, to a very large extent occupied with the actual as against the theoretical aspects of the subject.

(1) Elementary Books.

Students who have mastered the elements of economics will find much to interest and a good deal to stimulate them in M. Lewinski's "The Founders of Political Economy" (King, 6s 6d). M. Lewinski is Professor of Political Economy at the University of Lublin, in Poland. His object is, in the course of a survey of the writers who have formed economic theory, as it is nowadays accepted, to separate the chaff from the corn. Of the most modern writers, especially of the German school, he, perhaps out of patriotic motives, takes no cognisance. His general view is that "theoretical advances, since Ricardo, have been comparatively very irrelevant." To a large extent economic theory has, in his view, suffered from a want of contact with actualities. He cites, as indicative of this, the general view held in Germany, even by such men as Dr Helfferich, that, so long as a country went on borrowing from itself, it never became essentially any poorer. Dr Lewinski is interesting, not because he is always right, but because he has a way of putting his view that makes one stop and question.

A more solid, ample, and modern discussion of the same aspect of the subject is O. Fred Boucke's "The Development of Economics" (The Macmillan Co., New York). In this the century and a-half from 1750 is surveyed competently, but without any marked originality of treatment.

(2) *Advanced and Technical.*

First in this category, as almost the solitary work on "pure" economics in a month's list, must be placed Professor L. V. Birck's analysis of "The Theory of Marginal Value" (George Routledge and Sons, 14s). Fully illustrated with graphs, and largely mathematical in treatment, it looks more terrifying than in fact it is, since the author writes in a clear and orderly manner, and arranges his argument well. Professor Descamps' important work on the exchanges, "crowned" by the French Academy ("Les Changes Etrangers," Paris, Alcan, 20f), was reviewed in the *Economist* of April 1st. The latter part of the book is occupied with the effects of the war on currency, and in particular on the currency of France. M. Descamps does not deal with Reparations, but they are the pivot of Mr L. L. B. Angas' study, entitled "Reparations, Trade and the Foreign Exchanges" (King, 12s 6d).

Two useful books, somewhat hard to place, are "Capital Control in New York," by Donald C. Baldwin, of Wisconsin, published by the Collegiate Press, and "Business Administration," by L. Carroll Marshall, published by the University of Chicago. Both are advanced college textbooks, intended for students of business administration, a faculty as yet hardly recognised in our universities, but very important in the States. Dr Marshall's book is a model of its kind.

"The Law and Practice as to Fidelity Guarantees," by Christmas Evans and F. H. Jones (Pitman, 6s), is a handbook for insurance officials, to whom it should be exceedingly useful.

(3) *Descriptive, and Works of Reference.*

The student of economics who found indispensable material in the "Census of Production," of a character nowhere else obtainable, will, if he is lucky enough to be able to afford it, certainly want to keep the monumental survey of the United Kingdom's coal mining industry, prepared by Mr Finlay Gibson (see "Review," April 1st) (*Western Mail*, £3 3s). In this volume is contained practically all the statistical material existing on the subject, but not hitherto effectively available since it was scattered about in various Blue Books. Another work of reference, of a more specialised and business type, is the ninth issue of "Quin's Metal Handbook and Statistics" (by L. H. Quin, published at 7 East India avenue, 5s). Side by side with this may be placed Mr Sidney J. Johnstone's monograph on potash in the useful series of "Monographs on the Mineral Resources of the United Kingdom," published by John Murray, price 5s. In this connection, it is not out of place to mention that the National Federation of Iron and Steel Manufacturers is now issuing monthly, to the general public, and not, as hitherto, to members only, their "Statistical Bulletin," which summarises in each month the production of iron and steel in the various countries producing, as well as in the U.K.

A descriptive work of very considerable general interest is the study of the United States Civil Service, "The Federal Service," by Lewis Mayers, published in this country by Appletons (25s). Mr Mayers admits frankly that the great difficulty is graft. In the Federal service "the greater part of the directing personnel, and no small part of the subordinate personnel, is still selected wholly without formal methods or competition, and chiefly on political grounds." For any real reform the elimination of politics in the selection of personnel is a *sine qua non*, but no attempt has so far been made to exclude political influence, or to check the favourite device of an "increase of salary not involving increase of duties."

Another American work of wide general interest is "The International Protection of Labour," by Boutelle Ellsworth Lowe (the Macmillan Co., 12s 6d). This is a careful analysis and exposition of the International Labour Charter of the League of Nations, as consolidating what had already been achieved, and carrying on further the legislation now internationally accepted for the protection of the workers. Unfortunately, this country has not formally endorsed the charter. The position as regards the United States is further elucidated by two volumes issued in the excellent series of the

Bureau of Labour Statistics, one giving the Union scale of wages and hours, the other the wages and hours in cotton manufacture; and by Mr Lindley D. Clark's "Minimum Wage Laws of the United States," issued officially from Washington.

(4) *Political and Propagandist.*

No system of classification can hope to be watertight, and perhaps both Mr Bowrie's "Sharing Profits with Employees" (Pitman, 10s 6d), and Mr James Turner's "Production and Fair Profits—a Key to Industrial Peace" (Sherratt and Hughes, Manchester, 6s), might, as correctly be described as "descriptive." They are, it is true, largely descriptive, but at the moment the whole question of profit-sharing, especially when regarded as a way to Industrial Peace, is a matter of tolerably acute political controversy. The same may be urged in justification for placing here M. Roger Picard's acute and interesting discussion of workers' control, "Le Contrôle Ouvrier sur la Gestion des Entreprises" (Paris, Marcel Rivière, 4f 50c). M. Picard hardly touches, in his little volume, on the psychology of workers' control. This is, however, very suggestively handled by Mr J. A. Hobson in his "Incentives in the New Industrial Order" (Parsons, 4s 6d). His examination is by no means confined to the motives which must animate the worker if the net production under the new order is not to be less than under the old. The most striking part of his book is, in fact, that in which he considers how far the capital on which industry will have to rely will be forthcoming under a system of socialised control of major resources.

In "Agricultural Co-operation in England and Wales" (Williams and Norgate, 5s) Major W. H. Warman urges the necessity for farmers to provide working capital for co-operative associations. If they will do so English agriculture can flourish and expand. He surveys what has already been done, and argues, very sensibly, for a real spirit of "neighbourliness." Mr Robert Murray has a simpler and more direct solution. Quoting Mr Lloyd George, "the landlord is no more essential to agriculture than a gold chain to a watch," he argues that all land should be taken over by the nation on the basis of nine-tenths of the present valuation, and that compensation "should take the natural and simple form of a 50-years' non-rentpaying period for such owners as have purchased a good title to land within the limits of that time." His booklet ("The Land Question Solved," Labour Publishing Company, 2s 6d) has a brief preface by Robert Smillie. Likewise addressed definitely to the Labour party, and published for it, at 2s 6d, is Mr R. H. Tawney's "Secondary Education for All," an admirably written and powerful plea.

Major Douglas has reprinted, as a pamphlet, his answer to the criticism of his views, made by Mr J. A. Hobson, in the *Socialist Review* (Cecil Palmer, 6d). In the April number of that periodical Mr Hobson returns to the charge.

In the reviews the dominant economic issue is, of course, Reparations. Captain Wedgwood Benn deals with this in the April *Nineteenth Century*. With his article may be compared Sir Henry Penson's "Is Germany Prosperous?" (Arnold, 3s 6d). This is a really candid effort to arrive at the truth. Sir Henry's general conclusion is that "the outward prosperity has very little solid behind it."

Other articles in the reviews to which special attention should be drawn are that by Professor Pigou, on "The Private Use of Money," in the *Contemporary* for April, and in the *Economic Journal*, "The Definition of National Income," by Professor Bowley, and "Internal and External Purchasing Power of Paper Currencies," by Mr C. F. Bickerdike.

BOOKS RECEIVED.

Wealth and Taxable Capacity. The Newmarch Lectures for 1920-1 on Current Statistical Problems in Wealth and Industry. By Sir Josiah Stamp. (London) P. S. King and Son, Limited. 10s 6d.

Current Banking Problems in Relation to the State of Trade. President's Address to the Institute of Bankers in Scotland. (Edinburgh) William Blackwood and Sons.

Indian Currency and Exchange. By K. C. Mahindra. (Madras) S. Ganesan. Rs3.8.

Journal of the Institute of Bankers. April, 1922. (London) Blades, East, and Blades, Limited. 1s 6d net.

Includes an article by Mr Ernest Sykes on Mr Hawtrey's paper read before the Royal Statistical Society on "The Federal Reserve System of the United States."

Der Streit um die Staatliche Theorie des Geldes. By Melchior Palyi. (München) Duncker and Humblot. M 24.

Das Wesen des Geldes. By Friedrich Bendixen. (München) Duncker and Humblot. M 24.

Die Geldprobleme Von Heute. By Richard Kerschagl. (München) Duncker and Humblot. M 24.

Unemployment and the Gold Standard. By T. B. Johnston. (Weston-super-Mare) Lawrence Bros. 6d.

Burke's Company Tables, 1922. A Ten-years' Summary of the Balance-sheets of the Leading Public Companies. (London) The Burke Publishing Company, 22 Suffolk street, S.W. 1. 27s 6d.

This is an interesting and valuable addition to those books of reference which summarise past financial results of limited companies.

The Nineteenth Century and After. April, 1922. (London) Constable and Co., Limited. 4s.

Les Banques Suisses en 1920. (Zurich) Banque Nationale Suisse.

Annuaire Officiel des Adresses Télégraphiques.

This book—a valuable directory of the leading business houses in France—is compiled from the official lists supplied by the French Ministry of Posts and Telegraphs. It is obtainable in this country from Business Dictionaries, Limited, 106 Fleet street, for 25s.

The Railway Gazette and Railway News. April 18, 1922 (London) 33 Tothill street, S.W. 1. 2s 6d (10 lire).

In connection with the Congress of the International Railway Association, which opens at Rome on April 18th, the *Railway Gazette* has prepared a special Italian number, describing and illustrating the railways of Italy.

Current Opinion. Vol. I. No. 1. (London) Industria League and Council, 82 Victoria street, S.W. 1. 3d.

The official organ of the Industria League and Council in a new form.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
April 11.	April 12.

FOR the Stock Exchange to be really busy on the eve of the Easter holidays is unusual enough to arouse comment in the House itself. Not that members have had very much time this week for the discussion of anything except business. Orders poured in from all parts of the country and from London, too. Every section of the industrial market, for instance, is receiving attention, while stocks and shares connected with investment are strong and active. Expectations of a fall in the Bank rate may be deemed the principal lever upon the strength of which prices advanced, but there is a broadening out of interest, which makes itself felt everywhere except, perhaps, in the markets for mining shares, where interest is scanty and the dealings mainly professional.

Men were looking for a reduction to be made in the Bank rate on Thursday, and when the decision of the Court was made known, prices dropped from the best. The War Loan touched 99½, but gave way to 99½. Home Railway stocks were unfavourably affected. It had little effect, however, upon the general run of markets. The Commonwealth Fives at 96 were subscribed in full by the public. The subscription lists of the Czechoslovak Eight, at 96½, closed within a couple of hours of their being opened. The Whitehall Electric underwriters, however, have been left with very substantial proportions of the debenture stock and preference shares offered.

The foreign market shows a good deal of strength. Brazilians are better as a whole, and in the Far Eastern group, Chinese came into further demand, the investor paying no particular heed to the uncertainty surrounding payment of the coupons on Chinese Vickers and Marconi loans. It is expected, indeed, that arrangements will have been made before long whereby the interest will be met on both loans. French bonds are quiet, though the French Railway newcomers have weakened, on continual streams of sales by the stags. Siamese, Norwegian, and

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a number of foreign municipal bonds are better. Germans improved as the exchange hardened.

The Home Railway market has been more animated than has been the case for months, possibly years, past. Prices were run up at a rate which proved to be somewhat too rapid to last, and from the best levels touched some little reaction occurred in several cases. The preferred stocks, however, remain exceedingly good, the scarcity being emphasised by further inquiries on the part of investors attracted by the grouping prospects. The same reasoning applies to the support accorded to low-priced stocks, these having advanced sharply. The Scottish and Underground sections sympathised with the rest of the market, and amongst prior-charge stocks, something like 80 issues have gained from 1 to 3 points on the week. Indian railways have been similarly treated. Canadians are neglected, but Mexican Railways, in company with practically everything else connected with Mexico, are better on the week, owing to the revived impression that negotiations now proceeding in Washington and in Paris may eventuate in an early settlement of the matters in dispute between Mexico and the United States. Once these were laid to rest, recognition by the States and Great Britain would doubtless follow. The Argentine Railway market is also stronger. The supply of debenture and preference stocks in this market is very scarce.

Rubber shares are a little harder, and the oil market is much better. Prices in the latter have gone up with a run. A wild wave of gambling in Phoenix seemed to reinvigorate the fainting spirits of those who speculate in oil shares. The big oil shares, however, have fully kept abreast of the others in the general activity. The market throughout is good, only the Trinidad shares hanging back a little, owing to the disappointing report of the United British Oilfields of Trinidad. Shipping shares are better, on the maintenance of the P. and O. 12 per cent., free of tax, dividend. Engineering, coal and steel and armament shares advanced, the assumption being that the lock-out cannot last much longer. Although the textile trade is reported quiet, the North has been laying in textile shares, and Liverpool buying of Nitrates caused an all-round recovery in the list of producing companies' issues. The business in tobacco shares continues on a large scale, with prices steady to good. The Marconi market is waking up again, and amongst stores shares, a harder tone is perceptible in several of the principal examples. Dunlops are being left severely alone; motor shares as a whole remain out of favour. Insurance shares have gone ahead, together with the stocks in the Trust Companies group, in consequence of the remarkable appreciation in all gilt-edged securities. The feature amongst banking shares is the manner in which Colonial, Indian, and Foreign banks advanced, though the shares in British companies are also better on balance.

It is held in the Kaffir market that the result of the recent sanguinary strike on the Rand is a complete vindication of the employers' rights to run the mines according to their own ideas. Consequently, prices are inclined to be better, although there is no business worth mentioning. Several of the Rhodesians hardened a trifle, Tanganyikas being firm on the recent alluvial gold discoveries. De Beers moved up and down in somewhat aimless fashion on Paris advices. The French capital took a more definite lead, however, in Rio Tintos, where the price advanced smartly. Tin shares are quiescent, Anglo-Continental being almost the only West African to show signs of life, the price being assisted by the statement that the company owned a large block of Phoenix Oil shares. Russo-Asiatics improved to some extent. Broken Hills fluctuated irregularly and narrowly, but there is nothing much doing in any of the other mining sections.

Stock Exchange shares are steady at 97½, on the declaration of a final dividend of £5 per share, making £8 for the year, less tax at 6s in the £.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—				
Amount previously recorded	286,207,057			
TREASURY BONDS.				
5½% 1929 total receipts			283,577,064	
Do further receipts (6 days ended March 31)			175,475	
Total			283,752,539	
5% 1927 receipts to March 11, 1922			40,601,369	
Do further receipts (6 days ended March 31)			14,891,250	

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHANGERS SIX DAYS ENDED MARCH 31, 1922

April 1 to March 31, £35,905,000

	£	2,900,000	2,900,000
To the Public—			
Czechoslovak State Loan of 1922, £10,000,000. Issue in London of £2,800,000 8% Sterling Bonds, at 96½, red. 1923—			
April 1, 51 (April 6)	2,800,000	2,702,000	280,000
Metropolitan Railway, £500,000 5% Pref. Stk., at 87½ (April 5)	500,000	522,000	42,000
Swansea Gas Light Co., £200,000 6½% Red. Deb. Stk. (red. at par, June 30, 1937), iss. at 98%	200,000	196,000	20,000
Newport (Mon.) Cold Storage and Ice, £150,000 Shares, £1, at par (April 6)	150,000	150,000	18,750
Sheffield Steel Products, Limited, £500,000 6% Second Mort. Deb. Stock (rep. at par 1925-42), issued at 80% (April 4)	500,000	400,000	50,000
Whitehall Electric Investments, £2,500,000 6% First Mort. Deb. Stock (red. at par 1925-49), issued at 87½	2,500,000	2,187,500	125,000
Do £1,500,000 7½% Cum. Pref. Stk., £1, at par (April 3)	1,500,000	1,500,000	187,500
Porcupine-Davidson Gold Mines, £800,000 Pref. Shares, £5, at par (April 3)	800,000	200,000	40,000
Total offered to Public	8,300,000	7,287,500	763,250
To Shareholders only—			
Electrical Distribution of Yorkshire, 47,799 Ord. Shares, £1, at par	47,799	47,799	47,799
Norfolk and Norwich Electric Light and Power, 40,000 "B" Shares, £1, at par	40,000	40,000	20,000
Do £10,000 7% Second Deb. Stk. (red. at 105% by Jan. 1, 1946), issued at 108%	40,000	40,800	20,800
Nigerian Tin Corporation, £18,500 10% Deb. Stk. (red. 1923-1932), offered at par	18,500	18,500	4,625
Total offered for subscription to date		147,099	93,224
Total offered for subscription for whole year—			
1922	£312,178,381		£388,978,203
1921	64,809,519		367,649,666
1920	141,340,790		1,036,059,951
1919	300,622,540		1,333,381,441
1918	488,496,684		1,318,596,010
1917	856,155,178		585,436,850
1916	164,615,190		685,236,326
1915	48,460,226		512,522,653

To complete our record of new issues and summary of profit and loss accounts, company secretaries are requested to furnish us with copies of new prospectuses and report and accounts. Our readers can also assist by forwarding copies of prospectuses and company reports and accounts which may fall into their hands.

Czechoslovak State Loan of 1922 for £10,000,000, or \$50,000,000.—This is an issue in London of £2,800,000 8 per cent. sterling bonds, at 96½. The bonds are redeemable by means of a sinking fund, which begins to operate in 1923, and all bonds not redeemed before are "due and payable" on April 1, 1951. Right, however, is reserved to redeem bonds at 108 at any time after May 1, 1923, on giving three months' notice. Principal and interest are payable in London free of all Czechoslovak taxes. This loan is not only a direct obligation of the State, but it is further secured by a first specific charge, both on receipts from Customs duties and on the net profits from the tobacco monopoly, and it is provided that no further pledge of these revenues will be created ranking in priority or *pari passu* with this charge until all the bonds secured have been redeemed. We understand that the Reparation Commission took the view that the Czechoslovakia Government was perfectly at liberty to pledge its resources in whatever manner they wished, as far as they were concerned. An issue of \$14,000,000 is being made in the United States, and £500,000 in Amsterdam, both forming part of the above authorised loan. The issue was speedily over-subscribed, which is not surprising in view of the favourable terms offered.

Metropolitan Railway Company.—Issue of £600,000 5 per cent. preference stock at 87 per cent. This is the further part of £1,150,000 additional capital authorised by the Metropolitan Railway Acts, 1912 and 1913. The amount of net revenue, after providing for renewals and payment of all fixed charges and dividend on existing preference stock, was £185,202 for 1921. Thus the issue, based on last year's figures, is well covered as regards dividends. It will rank *par passu* with existing 5 per cent. preference stock. The issue has been underwritten for a commission of 1½ per cent. and an over-riding commission of ¼ per cent., and forms a moderately good investment. It should be noticed that it is a trustee stock under Section 1, paragraph (o), of the Trustee Act, 1893. The issue was quickly over-subscribed.

Whitehall Electric Investments, Limited.—Authorised and issued capital £6,500,000, divided into 1,500,000 7½ per cent. cumulative preference and 5,000,000 ordinary shares, all of £1 each. This is an offer for sale of £2,500,000 6 per cent. first mortgage debenture stock at 87½ per cent., and 1,500,000 preference shares at par. This is a company formed for the purpose of financing electricity supply undertakings. The basis of security for debenture stock holders is a big block of securities relating to electrical companies in Mexico and South America. These on paper work out at £3,825,725, and will be attached by a trust deed. The trust deed reserves to the company power to issue further debenture stock to an amount of £2,500,000 in all, ranking *pari passu* with the present offer, provided that the aggregate amount "of any such other issues shall not exceed the amount of additional share capital which shall have been issued and paid for in cash." It is stated that the trust deed will also constitute a floating charge upon other assets, including share capital in other companies. For ordinary investors this "offer for sale" is rather difficult to follow, and although the directors state that "the securities and shares acquired by the company" are "of a present value of more than three times the amount of the debenture stock" purchased by the concern making this present offer, the cautious investor will require some more detailed evidence on this point. Moreover, it will be noticed that the majority of the operating companies are registered abroad, and, of course, subject to the laws of their respective countries. As an instance of how involved affairs are, in the trust deed is included £636,000 of 5 per cent. debentures of General Securities, Limited, a company, we understand, which is registered in the Channel Islands. This company holds the common stock and certain bonds of the Puebla Tramway, Light, and Power Company, which, in turn, is registered in Canada, and operates in Mexico. Redemption of debenture stock will be by means of a sinking fund, and any remaining stock not so redeemed will be paid off at par in 1949. The consideration payable by the present vendors for the stock and shares now offered is stated to be £3,507,500. In place of the figures of "net income receivable by" the company, it would have been better, perhaps, to give a table of actual past earnings of operating companies, together with dividends and interest paid, the actual amounts received in bond interest and dividends by the owners of the securities offered in trust, and also the market price (if any) of various securities. It would be interesting to learn why the issue was made by way of an offer for sale instead of an informative prospectus. These offers will not appeal to conservative investors.

Swansea Gas Light Company.—Authorised stock capital £747,000, of which, including premiums, £380,895 has been issued. The authorised loan capital is £373,500, of which £61,275 is outstanding. This is an issue, at 98 per cent., of £200,000 6½ per cent. debenture stock, to be redeemed at par, on June 30, 1937, and £250,000 7 per cent. preference stock, to be redeemed at par on June 30, 1932. Interest on debenture stock now being issued will rank equally with interest on existing loan capital as a first charge on the profits of the company. The preference stock is entitled to a non-cumulative preferential dividend, payable out of profits each year in priority to dividends on ordinary stock, but the stock does not entitle the holder to voting rights. The Swansea Gas Company was formed in 1830, but the information given in the prospectus that "since 1861 the company has paid the maximum authorised rate of dividend of 5 per cent. on its ordinary capital, with the exception of the three years 1918-1920, when, owing to war conditions, the authorised rate of dividend was limited to 3½ per cent. per annum." This, however, cannot be regarded as a satisfactory substitute for a statement of past revenue and expenditure, and it would be interesting to know the reason for this omission. Sales of gas have increased from 549 million cubic feet in 1915 to 673 million in 1921. Under the Swansea Gas Act, 1921, the company is authorised to charge such a price for gas "as will produce the revenue necessary to pay debenture interest, preference dividend, and dividends on its ordinary stock at the basic rates, namely, 5 per cent. on the amount now outstanding, and 7 per cent. on any amount which

may hereafter be issued." The subscription of the issue has been guaranteed for a commission of 5 per cent., inclusive of all usual charges. A fairly good short-dated debenture, and the preference stock must be considered in relation to its high rate of interest and short life. It was well received by the public.

Sheffield Steel Products, Limited.—Share capital £4,000,000, of which 727,001 to per cent. cumulative preference and 1,730,700 ordinary shares, all of £1 each, have been issued. There is also outstanding £850,000 8 per cent. first mortgage debenture stock. This is an issue of £500,000 6 per cent. second mortgage debenture stock at 80, repayable on or before May 1, 1942, at par, by means of purchase in the open market or drawings at par. The stock will be secured by a trust deed as a specific second mortgage, subject to the existing first charge of £850,000 on property valued at £2,534,048. It should, however, be noticed that the valuation is dated September 30, 1920. Net assets available for security of this issue are valued at £2,332,635. Profits are shown from 1916, "and before fully providing for realisation of stock at December 31, 1921." On these figures, debenture service charges appear to be well covered. We refer further to this company's past financial year in this issue under "Notes of the Week."

Newport (Mon.) Gold Storage and Ice Company, Limited.—Authorised share capital £150,000, divided into shares of £1 each. This is an issue of the whole amount. The objects of the company are denoted by the above title. It is proposed to acquire a factory from the Government, and sell it to the company for £23,000. This is to be adapted for cold storage purposes and ice-making. The premises have been independently valued at £28,785. The issue is pre-eminently one for the consideration of those with knowledge of local people and conditions.

The Porcupine-Davidson Gold Mines, Limited.—(Incorporated in Ontario, Canada.)—Authorised capital £1,000,000, of which £225,000 in preferred shares of 5s each, and £450,000 in ordinary shares of 5s each, have been issued. This is an offer for sale in this country of 800,000 preferred shares at par. Preferred shares are entitled to two-thirds of annual profits until 100 per cent. in dividends has been paid on them, after which they are entitled to 20 per cent. non-cumulative dividend in priority to ordinary share capital. The company was formed in August, 1921, and although interesting independent reports are given, it must be regarded as a speculative venture.

ACTIVE SECURITIES.

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
War Loans 1914-15	93½	94½	+ 1
War Loans 1915-16	94½	95½	+ 1
War Loans 1916-17	95½	96½	+ 1
War Loans 1917-18	96½	97½	+ 1
War Loans 1918-19	97½	98½	+ 1
War Loans 1919-20	98½	99½	+ 1
War Loans 1920-21	99½	100½	+ 1
War Loans 1921-22	100½	101½	+ 1
War Loans 1922-23	101½	102½	+ 1
War Loans 1923-24	102½	103½	+ 1
War Loans 1924-25	103½	104½	+ 1
War Loans 1925-26	104½	105½	+ 1
War Loans 1926-27	105½	106½	+ 1
War Loans 1927-28	106½	107½	+ 1
War Loans 1928-29	107½	108½	+ 1
War Loans 1929-30	108½	109½	+ 1
War Loans 1930-31	109½	110½	+ 1
War Loans 1931-32	110½	111½	+ 1
War Loans 1932-33	111½	112½	+ 1
War Loans 1933-34	112½	113½	+ 1
War Loans 1934-35	113½	114½	+ 1
War Loans 1935-36	114½	115½	+ 1
War Loans 1936-37	115½	116½	+ 1
War Loans 1937-38	116½	117½	+ 1
War Loans 1938-39	117½	118½	+ 1
War Loans 1939-40	118½	119½	+ 1
War Loans 1940-41	119½	120½	+ 1
War Loans 1941-42	120½	121½	+ 1
War Loans 1942-43	121½	122½	+ 1
War Loans 1943-44	122½	123½	+ 1
War Loans 1944-45	123½	124½	+ 1
War Loans 1945-46	124½	125½	+ 1
War Loans 1946-47	125½	126½	+ 1
War Loans 1947-48	126½	127½	+ 1
War Loans 1948-49	127½	128½	+ 1
War Loans 1949-50	128½	129½	+ 1
War Loans 1950-51	129½	130½	+ 1
War Loans 1951-52	130½	131½	+ 1
War Loans 1952-53	131½	132½	+ 1
War Loans 1953-54	132½	133½	+ 1
War Loans 1954-55	133½	134½	+ 1
War Loans 1955-56	134½	135½	+ 1
War Loans 1956-57	135½	136½	+ 1
War Loans 1957-58	136½	137½	+ 1
War Loans 1958-59	137½	138½	+ 1
War Loans 1959-60	138½	139½	+ 1
War Loans 1960-61	139½	140½	+ 1
War Loans 1961-62	140½	141½	+ 1
War Loans 1962-63	141½	142½	+ 1
War Loans 1963-64	142½	143½	+ 1
War Loans 1964-65	143½	144½	+ 1
War Loans 1965-66	144½	145½	+ 1
War Loans 1966-67	145½	146½	+ 1
War Loans 1967-68	146½	147½	+ 1
War Loans 1968-69	147½	148½	+ 1
War Loans 1969-70	148½	149½	+ 1
War Loans 1970-71	149½	150½	+ 1
War Loans 1971-72	150½	151½	+ 1
War Loans 1972-73	151½	152½	+ 1
War Loans 1973-74	152½	153½	+ 1
War Loans 1974-75	153½	154½	+ 1
War Loans 1975-76	154½	155½	+ 1
War Loans 1976-77	155½	156½	+ 1
War Loans 1977-78	156½	157½	+ 1
War Loans 1978-79	157½	158½	+ 1
War Loans 1979-80	158½	159½	+ 1
War Loans 1980-81	159½	160½	+ 1
War Loans 1981-82	160½	161½	+ 1
War Loans 1982-83	161½	162½	+ 1
War Loans 1983-84	162½	163½	+ 1
War Loans 1984-85	163½	164½	+ 1
War Loans 1985-86	164½	165½	+ 1
War Loans 1986-87	165½	166½	+ 1
War Loans 1987-88	166½	167½	+ 1
War Loans 1988-89	167½	168½	+ 1
War Loans 1989-90	168½	169½	+ 1
War Loans 1990-91	169½	170½	+ 1
War Loans 1991-92	170½	171½	+ 1
War Loans 1992-93	171½	172½	+ 1
War Loans 1993-94	172½	173½	+ 1
War Loans 1994-95	173½	174½	+ 1
War Loans 1995-96	174½	175½	+ 1
War Loans 1996-97	175½	176½	+ 1
War Loans 1997-98	176½	177½	+ 1
War Loans 1998-99	177½	178½	+ 1
War Loans 1999-00	178½	179½	+ 1
War Loans 2000-01	179½	180½	+ 1
War Loans 2001-02	180½	181½	+ 1
War Loans 2002-03	181½	182½	+ 1
War Loans 2003-04	182½	183½	+ 1
War Loans 2004-05	183½	184½	+ 1
War Loans 2005-06	184½	185½	+ 1
War Loans 2006-07	185½	186½	+ 1
War Loans 2007-08	186½	187½	+ 1
War Loans 2008-09	187½	188½	+ 1
War Loans 2009-10	188½	189½	+ 1
War Loans 2010-11	189½	190½	+ 1
War Loans 2011-12	190½	191½	+ 1
War Loans 2012-13	191½	192½	+ 1
War Loans 2013-14	192½	193½	+ 1
War Loans 2014-15	193½	194½	+ 1
War Loans 2015-16	194½	195½	+ 1
War Loans 2016-17	195½	196½	+ 1
War Loans 2017-18	196½	197½	+ 1
War Loans 2018-19	197½	198½	+ 1
War Loans 2019-20	198½	199½	+ 1
War Loans 2020-21	199½	200½	+ 1
War Loans 2021-22	200½	201½	+ 1
War Loans 2022-23	201½	202½	+ 1
War Loans 2023-24	202½	203½	+ 1
War Loans 2024-25	203½	204½	+ 1
War Loans 2025-26	204½	205½	+ 1
War Loans 2026-27	205½	206½	+ 1
War Loans 2027-28	206½	207½	+ 1
War Loans 2028-29	207½	208½	+ 1
War Loans 2029-30	208½	209½	+ 1
War Loans 2030-31	209½	210½	+ 1
War Loans 2031-32	210½	211½	+ 1
War Loans 2032-33	211½	212½	+ 1
War Loans 2033-34	212½	213½	+ 1
War Loans 2034-35	213½	214½	+ 1
War Loans 2035-36	214½	215½	+ 1
War Loans 2036-37	215½	216½	+ 1
War Loans 2037-38	216½	217½	+ 1
War Loans 2038-39	217½	218½	+ 1
War Loans 2039-40	218½	219½	+ 1
War Loans 2040-41	219½	220½	+ 1
War Loans 2041-42	220½	221½	+ 1
War Loans 2042-43	221½	222½	+ 1
War Loans 2043-44	222½	223½	+ 1
War Loans 2044-45	223½	224½	+ 1
War Loans 2045-46	224½	225½	+ 1
War Loans 2046-47	225½	226½	+ 1
War Loans 2047-48	226½	227½	+ 1
War Loans 2048-49	227½	228½	+ 1
War Loans 2049-50	228½	229½	+ 1
War Loans 2050-51	229½	230½	+ 1
War Loans 2051-52	230½	231½	+ 1
War Loans 2052-53	231½	232½	+ 1
War Loans 2053-54	232½	233½	+ 1
War Loans 2054-55	233½	234½	+ 1
War Loans 2055-56	234½	235½	+ 1
War Loans 2056-57	235½	236½	+ 1
War Loans 2057-58	236½	237½	+ 1
War Loans 2058-59	237½	238½	+ 1
War Loans 2059-60	238½	239½	+ 1
War Loans 2060-61	239½	240½	+ 1
War Loans 2061-62	240½	241½	+ 1
War Loans 2062-63	241½	242½	+ 1
War Loans 2063-64	242½	243½	+ 1
War Loans 2064-65	243½	244½	+ 1
War Loans 2065-66	244½	245½	+ 1
War Loans 2066-67	245½	246½	+ 1
War Loans 2067-68	246½	247½	+ 1
War Loans 2068-69	247½	248½	+ 1
War Loans 2069-70	248½	249½	+ 1
War Loans 2070-71	249½	250½	+ 1
War Loans 2071-72	250½	251½	+ 1
War Loans 2072-73	251½	252½	+ 1
War Loans 2073-74	252½	253½	+ 1
War Loans 2074-75	253½	254½	+ 1
War Loans 2075-76	254½	255½	+ 1
War Loans 2076-77	255½	256½	+ 1
War Loans 2077-78	256½	257½	+ 1
War Loans 2078-79	257½	258½	+ 1
War Loans 2079-80	258½	259½	+ 1
War Loans 2080-81	259½	260½	+ 1
War Loans 2081-82	260½	261½	+ 1
War Loans 2082-83	261½	262½	+ 1
War Loans 2083-84	262½	263½	+ 1
War Loans 2084-85	263½	264½	+ 1
War Loans 2085-86	264½	265½	+ 1
War Loans 2086-87	265½	266½	+ 1
War Loans 2087-88	266½	267½	+ 1
War Loans 2088-89	267½	268½	+ 1
War Loans 2089-90	268½	269½	+ 1
War Loans 2090-91	269½	270½	+ 1
War Loans 2091-92	270½	271½	+ 1
War Loans 2092-93	271½	272½	+ 1
War Loans 2093-94	272½	273½	+ 1
War Loans 2094-95	273½	274½	+ 1
War Loans 2095-96	274½	275½	+ 1
War Loans 2096-97	275½	276½	+ 1
War Loans 2097-98	276½	277½	+ 1
War Loans 2098-99	277½	278½	+ 1
War Loans 2099-00	278½	279½	+ 1
War Loans 2100-01	279½	280½	+ 1
War Loans 2101-02	280½	281½	+ 1
War Loans 2102-03	281½	282½	+ 1
War Loans 2103-04	282½	283½	+ 1
War Loans 2104-05	283½	284½	+ 1
War Loans 2105-06	284½	285½	+ 1
War Loans 2106-07	285½	286½	+ 1
War Loans 2107-08	286½	287½	+ 1
War Loans 2108-09	287½	288½	+ 1
War Loans 2109-10	288½	289½	+ 1
War Loans 2110-11	289½	290½	+ 1
War Loans 2111-12	290½	291½	+ 1
War Loans 2112-13	291½	292½	+ 1
War Loans 2113-14	292½	293½	+ 1
War Loans 2114-15	293½	294½	+ 1
War Loans 2115-16	294½	295½	+ 1
War Loans 2116-17	295½	296½	+ 1
War Loans 2117-18	296½	297½	+ 1
War Loans 2118-19	297½	298½	+ 1
War Loans 2119-20	298½	299½	+ 1
War Loans 2120-21	299½	300½	+ 1
War Loans 2121-22	300½	301½	+ 1
War Loans 2122-23	301½	302½	+ 1
War Loans 2123-24	302½	303½	+ 1
War Loans 2124-25	303½	304½	+ 1
War Loans 2125-26	304½	305½	+ 1
War Loans 2126-27	305½	306½	+ 1
War Loans 2127-28	306½	307½	+ 1
War Loans 2128-29	307½	308½	+ 1
War Loans 2129-30	308½	309½	+ 1
War Loans 2130-31	309½	310½	+ 1
War Loans 2131-32	310½	311½	+ 1
War Loans 2132-33	311½	312½	+ 1
War Loans 2133-34	312½	313½	+ 1
War Loans 2134-35	313½	314½	+ 1
War Loans 2135-36	314½	315½	+ 1
War Loans 2136-37	315½	316½	+ 1
War Loans 2137-38	316½	317½	+ 1
War Loans 2138-39	317½	318½	+ 1
War Loans 2139-40	318½	319½	+ 1
War Loans 2140-41	319½	320½	+ 1
War Loans 2141-42	320½	321½	+ 1
War Loans 2142-43	321½	322½	+ 1
War Loans 2143-44	322½	323½	+ 1
War Loans 2144-45	323½	324½	+ 1
War Loans 2145-46	324½	325½	+ 1
War Loans 2146-47	325½	326½	+ 1
War Loans 2147-48	326½	327½	+ 1
War Loans 2148-49	327½	328½	+ 1
War Loans 2149-50	328½	329½	+ 1
War Loans 2150-51	329½	330½	+ 1
War Loans 2151-52	330½	331½	+ 1
War Loans 2152-53	331½	332½	+ 1
War Loans 2153-54	332½	333½	+ 1
War Loans 2154-55	333½	334½	+ 1
War Loans 2155-56	334½	335½	+ 1
War Loans 2156-57	335½	336½	+ 1
War Loans 2157-58	336½	337½	+ 1
War Loans 2158-59	337½	338½	+ 1
War Loans 2159-60	338½	339½	+ 1
War Loans 2160-61	339½	340½	+ 1
War Loans 2161-62	340½	341½	+ 1
War Loans 2162-63	341½	342½	+ 1
War Loans 2163-64	342½	343½	+ 1
War Loans 2164-65	343½	344½	+ 1
War Loans 2165-66	344½	345½	+ 1
War Loans 2166-67	345½	346½	+ 1
War Loans 2167-68	346½	347½	+ 1
War Loans 2168-69	347½	348½	+ 1
War Loans 2169-70	348½	349½	+ 1
War Loans 2170-71	349½	350½	+ 1
War Loans 2171-72	350½	351½	+ 1
War Loans 2172-73	351½	352½	+ 1
War Loans 2173-74	352½	353½	+ 1
War Loans 2174-75	353½	354½	+ 1
War Loans 2175-76	354½	355½	+ 1
War Loans 2176-77	355½	356½	+ 1
War Loans 2177-78	356½	357½	+ 1
War Loans 2178-79	357½	358½	+ 1
War Loans 2179-80	358½	359½	+ 1
War Loans 2180-81	359½	360½	+ 1
War Loans 2181-82	360½	361½	+ 1
War Loans 2182-83	361½	362½	+ 1
War Loans 2183-84	362½	363½	+ 1
War Loans 2184-85	363½	364½	+ 1
War Loans 2185-86	364½	365½	+ 1
War Loans 2186-87	365½	366½	+ 1
War Loans 2187-88	366½	367½	+ 1
War Loans 2188-89	367½		

COMPANY MEETINGS, &c.

THE MERCANTILE BANK OF INDIA, LIMITED.

BANK'S SOUND FINANCIAL POSITION.

NEED FOR FIRM GOVERNMENT IN INDIA.

The twenty-ninth annual general meeting of the Mercantile Bank of India, Limited, was held, on the 4th instant, at Winchester House, Old Broad street, London, Mr R. J. Black, chairman of the company, presiding.

Mr P. Mould, the chief manager, having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen, I hope you will allow me, as usual, to take the report and accounts as read. We are pleased to be able to submit them to you earlier than has been possible for some years past, and, considering the profound stagnation in trade during the past 12 months, I think we have every reason to be satisfied with them. They reveal a position of strength, soundness, and liquidity which, in times such as these, is so essential and necessary to withstand the strain of the world-wide collapse in commerce and the slow and difficult progress of its reconstruction. 1921 was a year of liquidation, not expansion, and until the wreckage of the boom of 1919 is completely swept away there can be no sound revival, and that will still require time. I think I may say that the general feeling is that the position has seen its worst, the process of thawing frozen credits is proceeding, and it is only a matter of time before the way will be clear for a revival of trade, other things permitting.

PROBLEM OF EXCHANGE.

Unfortunately, there are other intricate problems and impediments to be solved, the first among them being exchange. International exchanges have assumed a prominence never before experienced or realised by the ordinary trader, as fluctuations in pre-war days were so moderate as to cause little inconvenience and disturbance; but now, in many consuming countries of India's products, the gap between the value of their currencies and the pound sterling is, in many instances, practically unbridgeable, and it is difficult to see how a free interchange of trade can be restored until this most complex and involved question is adjusted, and it is to be hoped that the many international discussions may soon throw some light on this very difficult situation.

I think, however, that, apart from the matter of exchange, it should be borne in mind that the general impoverishment of the world must restrict the power of purchasing; it is the natural concomitant of war such as the last, and the only remedy for that is time, thrift, and patience. With one slight flicker of activity in the early autumn, rupee exchange has fluctuated throughout the year within moderate limits, i.e., between 1s 3½d and 1s 3¼d, and there is nothing at present, and with the existing outlook of foreign trade, to indicate any early advance. We are in the dark as to the policy of the Government in regard to the fixity of the value of the rupee at 2s, which for the time being is anomalous. The Finance Minister of India, in his recent Budget speech, carefully abstained from passing any opinion on the future, and the official estimates for 1922-23 were based on an exchange of 1s 4d, as against 1s 8d in the previous year.

POLITICAL UNREST AND ITS EFFECT ON COMMERCE.

I feel I must refer to another influence which is not helpful in the present time of difficulty in India, and that is the political unrest. It may not be the cause of our financial and commercial troubles, but it aggravates them, and I am sure, if allowed to continue, it will become a real menace and danger to the development of the country and revival of its commerce, when the present, though passing, difficulties are overcome.

Everyone who knows India must be aware that disaffection is growing, and it is a plant that expands very rapidly by neglect. The masses of India did not cry for reform of this far-reaching nature, and look, I think, with consternation on the latitude given to the so-called reformer or agitator in his reckless preaching of treason and sedition. They attribute it to weakness and want of governing power, a dangerous notion to allow to be disseminated throughout the country, and if not checked it will alienate their faith, loyalty, and respect for British rule—which was unbounded.

The evolution of self-government should be gradual in a country such as India, but the present tendency is to run before they can walk, and to introduce drastic and far-reaching measures before the country is ripe to receive them, and unless moderating influences are brought to bear, and the Government governs, we are on the high road to trouble. Progress by all means—it is right

and inevitable—but the pace is being forced too much for safety, and the ultimate peace and prosperity of India itself.

BALANCE-SHEET ITEMS.

The figures in the balance-sheet are based on the rupee at 1s 4d, and, as I told you last year, we have not varied that rate throughout, so there is no allowance to be made for exchange in comparison with previous years, except in the expenses of management, which show a shrinkage of some £20,000, owing to conversion of foreign payments at the lower rate. The contraction, therefore, in the figures before you is solely due to the restrictions of business, and, as is best described by the term I have already used, "the thawing of frozen credits"—i.e., "loans receivable and advances" have declined from £8,755,919 to £5,918,539.

You will notice, no doubt, the high ratio our liquid resources bear to current, fixed deposits, &c., about 75 per cent.; it is high and does not denote active trade, but in these uncertain and anxious days I think it is to be appreciated. For the same reason our holding of Government and other stocks has increased by £575,631. Our freehold premises stand us in less by £13,549, but we have still to meet the cost of our new buildings in Madras, Rangoon, and Kota Bharu.

On the other side of the account, our paid-up capital is unchanged at £1,050,000, and the reserve fund is now £1,150,000. The note circulation in China has increased by £127,583 to £284,888, and current, fixed deposits, and other accounts have declined £3,149,775, chiefly due to the withdrawal of short deposits in the East.

YEAR'S PROFIT.

Turning to the profit and loss account, the gross profits are £531,868, as against £549,123 in the previous year, but expenses of management are less by £20,080, as already explained. The allocation of the profits is fully described in the report, and you will notice that the interim dividend last year absorbed £84,000, as compared with £60,000 previously, owing to the issue of "C" shares in 1920 being in full operation during the year under review. We propose a final dividend of 8 per cent., for which a further £84,000 will be required, and the amount carried forward to this year will be £137,671 8s 10d, as against £127,638 7s 1d brought in.

TRIBUTE TO STAFF.

Our thanks are due to the staff, of all grades, for the very excellent work performed last year. Those in responsible positions have had anxious and arduous times, but, fortunately, we have men on whom we can depend, and we much appreciate their loyal service.

In conclusion, gentlemen, I hope that we may shortly receive some relief in taxation. If we are ever to make any headway in the liquidation of the debt that is hanging over us, the country must have some chance of prosperity and reviving industry; at present little, and in many instances nothing, is left for development and working capital. I cannot believe that policy is sound, or likely in the long run to be the best for the country. The simple lesson we have to learn is that if you cannot afford a thing you must do without it, however desirable it may be.

I now beg to propose: "That the report of the directors, with the audited statement of accounts, and balance-sheet at December 31, 1921, presented to this meeting, be and the same are hereby received, approved, and adopted, and that a final dividend on the 'A,' 'B,' and 'C' shares of this bank of 8 per cent. be paid, making 16 per cent. for the year, less income-tax, as recommended in the report, and the same is hereby confirmed." I will ask Mr Ryrie to second this resolution, but, before putting it to the meeting, I shall be glad to answer any questions which may be asked.

Mr J. M. Ryrie: I have pleasure, gentlemen, in seconding that resolution.

Mr John Cutcliffe: Is there any reason, sir, why the "A" and "B" shares should not be consolidated; and is there any reason against letting us know how much of the "Government and other stocks" is in Home Government and how much in Indian Government stocks?

The Chairman: As to the first question, the "A" shares have a preference over the "B" shares, which I think it would be very difficult to remove. As to the second question, approximately—I only say approximately—two-thirds is in Home Government stocks and one-third in Indian Government stocks.

The resolution was carried unanimously.
Mr H. Melvill Simons: I propose:—"That Mr R. J. Black and Mr J. M. Ryrie, the directors retiring from the board in rotation, be and they are hereby re-elected directors of this bank."
Mr P. R. Chalmers: I have much pleasure in seconding that.
The motion was unanimously adopted.
The Chairman: I thank you, gentlemen, on behalf of Mr Ryrie and myself for this renewal of your confidence.
Mr E. Pinhey: I propose:—"That Messrs Cooper Brothers and Co. and Messrs W. A. Browne and Co. be reappointed auditors of the bank, and that their remuneration be 300 guineas each for each audit."

Mr J. D. Wilson: I beg to second that motion.

The motion was unanimously agreed to.

Mr H. A. Begg: I have pleasure in proposing that the hearty thanks of the shareholders be accorded to the board of directors, the chief manager, the managers, and members of the staff, abroad and at home, for the efficient services which have led to the entirely satisfactory report now presented to the meeting.

Mr E. J. Walker: I have great pleasure in seconding that.

The vote was unanimously accorded.

The Chairman: Thank you, gentlemen.

The proceedings then terminated.

BANK OF SCOTLAND.

SATISFACTORY RESULTS—INCREASED NET PROFIT.

BANK'S STRONG AND LIQUID POSITION.

The annual meeting of the proprietors of the Bank of Scotland was held within the head office, Edinburgh, on 4th inst., the Lord Elphinstone, deputy-governor, in the unavoidable absence of the governor (Mr W. J. Mure, C.B.), presiding.

In submitting the directors' report, the Chairman said: I assume that we may hold as read the report by the court of directors of the affairs of the bank as at February 28th last, a copy of which you have no doubt received.

THE LATE LORD BALFOUR OF BURLEIGH.

Before commenting upon the figures, I wish to make reference to the great loss sustained by the bank since we last met through the death of the Right Honourable the Lord Balfour of Burleigh, who for seventeen years was governor of the bank. His lordship had been a director for forty-one years, and became deputy-governor in 1883, and governor in 1904. I need hardly say to those of you who have been in the habit of attending the annual meeting how deep was his lordship's interest during his many years of office in all that pertained to the welfare of the bank, and how constantly he strove to further its progress.

THE BANK'S BALANCE-SHEET.

Turning to the report, I do not propose to occupy your time with an analysis of the financial and trade conditions that have ruled during the past twelve months. That has already been supplied more or less exhaustively by the chairmen of the large banks, and there is nothing to add to what has been said again and again. You are all aware of the collapse of the markets abroad, the consequent stagnation of trade and industry at home, the sequel of unemployment, and the substantial fall in prices. Industrial difficulties found their climax in the disastrous coal strike, and now we can only make our way back to prosperity along the old-fashioned lines—hard work, enlightened management, up-to-date organisation, and drastic economy both in national and personal life.

DEPOSITS.

In these abnormal circumstances, it is satisfactory to see our deposits at £38,624,814, which is £937,455 higher than last year. The attraction of Government securities has not been without effect throughout the year, and latterly revenue taxation has depleted some of our accounts considerably.

Note circulation is £752,746 down, but that is what might be expected from dull trade and lower wages and prices, which were bound to lessen currency requirements.

Our acceptances are £565,325 down, which indicates that foreign trade is feeling the universal depression. Our total liabilities to the public at £43,174,668 are within £100,000 of the figure of last year.

ASSETS.

On our assets side, cash and money at call and short notice, at £8,620,653, represent 20 per cent. of our liabilities to the public; the same ratio as last year. Bills discounted, £7,912,992, are fully £1,200,000 over the figures of February, 1921, and as they include £7,158,000 Treasury bills, maturing steadily during the next three months, we have in cash and what is equivalent thereto 38 per cent. of our liabilities to the public—a very strong and liquid position.

British Government securities at £16,818,316 are up £3,403,414, and include £12,943,481 falling due at varying dates from 1922 to 1930. The other securities show no material change.

ADVANCES.

Current accounts and other advances, £9,849,492, are £3,856,864 lower than last year. The latter figure includes some special loans, but the greater part of the decline is represented by a widespread and thoroughly satisfactory decrease of overdrafts and loans throughout the country. All through the year we have

seen a steady liquidation of stocks held a twelvemonth ago at high prices, and it reflects great credit upon the bank's *clientèle* that they have, on their own initiative, been able to reduce their commitments to more normal lines without any serious difficulties arising. Our losses have been on the most moderate scale, and the satisfactory condition is due largely to the prudent conservation of profits in past years by our customers which has enabled them to come safely through a time of severe strain.

FACILITIES TO CUSTOMERS.

The lower advances are in no way due to restricted facilities to our customers; they are the natural result of the industrial conditions during the year, and at present most of our customers have less opportunity for using their normal credits. These, however, are available and will be readily granted whenever trade revives, and with close on £8,000,000 lying meantime in Treasury and other bills and a large quantity of short-dated British Government securities, we have ample resources for all reasonable demands.

THE RESULTS OF THE YEAR.

Regarding the operations for the year I am sure you will be gratified that our net profits at £320,241 are fully £10,000 higher than in 1921, and with the substantial balance carried forward from last year of £76,136 we have £396,378 9s 1d available. Of this £25,000 has gone to write down bank premises account, and £25,000 to heritable properties account—a liberal allowance—and £125,000 has been placed to the reserve fund, increasing it to £675,000. This makes, with our paid-up capital of £1,325,000, a total of £2,000,000 of proprietors' funds.

Every known bad and doubtful debt has been fully provided for. Our investments in the balance-sheet at or under the market prices ruling on February 28th last show in our books a very satisfactory surplus.

BRANCH EXTENSIONS.

During the year new branches have been opened at Wishaw, West End Greenock, Rosyth, Muthill, and Grahamston, whilst others have been arranged for at Charing Cross, Glasgow, and Bonnybridge. These will be opened shortly.

BANK STAFF.

In conclusion, I wish to say how much the directors appreciate the excellent work that has been done by the treasurer, the head office executive, the managers, agents, and staff generally throughout the service during the past year. The results have been submitted to you to-day. The directors recognise that the prosperity of the bank depends in a special degree upon the agents all over the country, and they are confident that they can rely upon the continuance of their efforts to promote the bank's interests in the every way possible to them. I am glad to state that the staff council has proved of great value in affording opportunities for the friendly and frank discussion of all matters affecting the staff, and there is no doubt that the meetings have enabled directors, executive, and staff to realise the various aspects of these questions arising from different points of view.

DIVIDEND.

I have pleasure in moving the adoption of the report and balance-sheet as submitted to you, and that a dividend for the past half-year at the rate of 16 per cent. per annum be now declared, payable on April 17th, less income-tax.

Mr William J. Mure, C.B., and the Lord Elphinstone were unanimously re-elected governor and deputy-governor respectively for the current year, and Lieut.-Colonel J. M. Trotter and Mr William Whitelaw were re-elected ordinary directors.

Mr H. L. Usher, C.A., and Mr C. E. W. Macpherson, C.A., were reappointed to conduct the audit of the bank's books for the current year, and a vote of thanks to the chairman terminated the meeting.

NATIONAL BANK OF INDIA, LIMITED.

"MOST SATISFACTORY AND ENCOURAGING RESULTS."

TRADE CONDITIONS IN THE EAST.

GOOD CROP PROSPECTS.

The ordinary general meeting of shareholders of the National Bank of India, Limited, was held, on the 4th instant, at the Wesleyan Hall, Bishopsgate, London, Mr Robert Williamson (deputy-chairman) presiding,

The General Manager (Mr C. Nicoll) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and gentlemen, I presume that, as usual, the report may be taken as read.

I much regret that owing to long-continued indifferent health, making it difficult for him to move about either easily or with comfort, our chairman is obliged to be an absentee; and, I need not say, a very unwilling one, from to-day's annual meeting of shareholders. I would like, however, to tell you that he still takes a very keen interest in the affairs of the bank and its welfare, and is quite fit to do so. The telegrams received and dispatched from and to all our branch offices are sent to him every day, so that he is informed of all that is going on, and his advice is at all times at our disposal. We would be greatly delighted to see him in the bank again, and we look forward to having this pleasure by-and-by.

TRIBUTE TO LATE GENERAL MANAGER.

You will miss to-day our late general manager, Mr Henry Chalmers, who since June 8, 1920, was also a member of the board, and to our deep regret died in a nursing home in Aberdeen on August 31st last year. He was taking his usual summer holiday, during the last days of which he was seized with illness, necessitating a surgical operation—without, unfortunately, saving his life. Mr Chalmers had been connected with the bank for 44 years, for 16 of which he held the important position of manager of our office in Bombay, where his work for us was markedly successful. The last 19 years had been spent at the head office here, first as London manager, and since January 1, 1914, as general manager, both of them positions of great responsibility, and, as the chairman has often told you, these burdensome duties were at all times well and ably handled by him.

CHANGES IN THE MANAGEMENT.

A suitable expression of sympathy was sent to his widow and family by the directors, and, consequent upon his death, we have made the following appointments:—

Mr Charles Nicoll, who has successfully filled the post of London manager for nearly eight years past, was promoted to the post of general manager, and Mr J. Y. Munro to that of London manager, whilst Mr W. J. K. Hegarty, who was manager in Calcutta, has been made an inspector of branches, but is meantime retained in London.

These gentlemen are well known to us, have been in the bank's employment since the days of their youth, are experts in business of the type carried on by us, and we feel that our affairs have been entrusted to competent hands in all respects.

EASTERN MARKETS.

When I was addressing you 12 months ago I spoke of Eastern markets being overloaded with supplies of goods of a very miscellaneous character, also of stocks of produce from India and East Africa—skins, hides, cotton, &c.—stored in this country and in America waiting demand from consumers, and I expressed the opinion that the liquidation of these operations would call for the exercise of much patience and require considerable time before it was brought to a close. I am glad to tell you that satisfactory progress has been made in this work, and that any losses to us connected with it have been fully provided for.

To-day it will not be out of place for me to refer briefly to some of the figures in the accounts which are in your hands, and in doing so I would draw your special attention to the fact that, in view of the lower rate of exchange now ruling, we have considered it advisable to revert to our practice of converting all rupee assets and liabilities at an exchange of 1s 4d per rupee. Those rupee assets and liabilities appearing in the previous balance-sheet of 1920 were taken at the statutory rate of 2s per rupee, and this fact must be borne in mind when making a comparison between the figures of 1921 and 1920. The difference of 8d per rupee pretty well explains the disparity between certain items, and I may say

that, taking 1920 figures on the same basis as that adopted for 1921, there is really very little difference between them.

BALANCE-SHEET ITEMS.

Touching briefly on the principal items, our cash balance of £6,236,423 can easily be augmented from our holding of securities, which total £5,000,000, many of which are short dated, and I may also mention in this connection that we have a large holding of Indian and Home Treasury short-dated bills, so that a considerable proportion of our assets is in a very liquid form. Our securities, you will be pleased to hear, stand in our books at a figure materially below their present market value.

House property, as I explained last year, is an increasing item at present, but we are pursuing the policy of many years' standing, and are again proposing an appropriation from profits of £20,000 towards the reduction of the cost of same.

As regards bills of exchange and discounts, loans, &c., there is a reduction due to liquidation of outstandings on the other side and to the restriction in exports and imports, which has been a notable feature in the business of the last 12 months. For the same reason, acceptances on behalf of customers show a marked decline.

Turning to the other side of the balance-sheet, the only item—and that an important one—which calls for comment is that of current, fixed deposits, and other accounts, and there I am glad to be able to say that an actual comparison on a 1s 4d basis shows that the figure of £34,295,599 is within about £400,000 of the figure for 1920, a feature which altogether I look upon with satisfaction.

PROFIT AND ALLOCATIONS.

The final results of the year's business show a profit of £555,063 15s 8d after making provision for all bad and doubtful debts, to which there falls to be added £149,031 17s brought forward from our last accounts, making a total of £704,095 12s 8d. No half-yearly statement was issued to you in 1921—that practice is now at an end—but on September 20th last we paid an ad interim dividend of £1 5s per share, or 20 per cent. per annum free of income-tax, which absorbed £200,000. The directors now recommend payment of a final dividend at the same rate, and an addition of £100,000 to the reserve fund, raising it to £2,600,000. They also propose to write £20,000 off house property account and to add £20,000 to the officers' pension fund, leaving a balance of £164,095 12s 8d to be carried forward.

I venture to suggest that the results which we have been able to place before you, considering the adverse conditions with which we had to contend, are most satisfactory and encouraging, and I feel confident that you also will so look upon them.

CURRENCY AND EXCHANGE.

I commented at some length at our last annual meeting on matters of currency and exchange. As regards East Africa, which is also a sufferer from acute depression in trade, a great change has taken place within the last 12 months. The rupee has been demonetised in the colonies of Kenya, Tanganyika, and Uganda, and the coins have already been returned to India. The silver florin—the successor of the rupee—has also been put aside, and the currency is now the "shilling"—a coin applicable to these colonies only. These changes have been made on the authority of the Secretary of State for the Colonies and his advisers, and nothing need be said on the subject. It remains to be seen what effect they will have on the prosperity of the colonies concerned.

As to India, it is sufficient to point out that the statutory rupee remains at 2s, with Rs.10 to the equivalent to the £ sterling. This was a part of the scheme of currency reform, the adoption of which was recommended by the Committee appointed to examine and report on the subject, and although the Government gave effect to it, on paper, perhaps fortunately it has never come into operation and might well now be replaced by the 16d rupee, with which we were familiar for so many years, and which, moreover, is the basis which the Government have themselves adopted in framing their Budget for the current year.

The statutory rate has, indeed, proved a real hindrance to trade, Indian merchants having frequently made use of it as an excuse for delay in taking delivery of goods which had arrived at their

destination in fulfilment of contracts previously entered into, which, in their view, might well be ignored until a purchase of exchange at the Government rate of 2s could be effected.

Free from Government interference, the sterling value of the rupee is left to find its own level, and to-day's T.T. quotation is 1s 3½d; a year ago it was 1s 3¼d.

FLUCTUATIONS IN EXCHANGE RATES AND SILVER PRICES.

Fluctuations in rates of exchange, also in prices of silver, have been much less violent than in 1920, and the market price appears to be settling down again to near 1s 4d.

EXCHANGE.					
	Highest.			Lowest.	
	s d			s d	
1920	10	Feb. 11	.....	4½	Dec.
1921	6½	Jan. 8	.....	2½	March
1922	3½	Jan. 3	.....	..	..

SILVER, PER OZ.					
	Highest.			Lowest.	
	s d			s d	
1920	89½	Feb. 11	.....	38½	Dec. 10
1921	43½	Sept. 27	.....	30½	March 5
1922	35½	Jan. 9	.....	..	..

With the Indian mints still closed to the coinage of silver to the public it is strange that the country should continue to import this metal so extensively as is being done, and this, too, in spite of a large trade balance adverse to India.

The figures for 1919 and the last two years compare thus:—

April 1, 1919—March 31, 1920 (12 months), Rs.88,00,00,000 in favour of India.

April 1, 1920—March 31, 1921 (12 months), Rs.50,00,00,000 against India.

April 1, 1921—February 28, 1922 (10 months), Rs.34,00,00,000 against India.

It is clear, I think, that the imports of silver—the figures of which are as follows—are not being paid for by exports of goods, and presumably must be increasing India's indebtedness to Europe, chiefly to this country:—

April 1, 1920—March 31, 1921 (12 months), in value Rs.11 crores.

April 1, 1921—December 31, 1921 (9 months), in value Rs.11½ crores.

And deducting Rs.6½ crores exported, the excess in imports is Rs.15½ crores.

In the same period the imports of gold were of the value of Rs.32 crores, and of the exports Rs.37½ crores, the bulk going to America and Japan, an excess in exports of Rs.5½ crores.

OUTLOOK FOR CURRENT YEAR.

On this occasion I am not able to describe our outlook for the current year as bright. So far as we have gone we have no reason to complain, but competition is keen and is more felt when the volume of business offering in the different markets is somewhat restricted, as has been the case in past months. Quite recently I have noticed a slight improvement in the finance aspect, both in imports and exports, and I hope for some further expansion in this direction. The balance of trade figures for February are only about Rs.60 lakhs adverse to India, compared with Rs.7 crores in January, and appear to be mainly due to a large falling off in imports. Last year's monsoon was particularly favourable in India, and very abundant crops of wheat, seeds, and cotton have been secured. From a cultivated area estimated at 29,000,000 acres in wheat a bumper yield may reasonably be expected, and after replenishing exhausted stocks in the country a fair supply should be available for export. In Burmah, too, the rice crop is good, and shipments are now being made.

As you all know, there is considerable unrest and discontent amongst the Indian population in widely separated districts, probably political in origin, but perhaps in some degree due to unsatisfactory economic conditions, extending over a considerable period of time, and I hope for a very marked change for the better to follow on the marketing of these large crops. This implies, of course, that buyers will be forthcoming, and that, again, is largely contingent on something like a settlement of the many difficult problems with which Europe is afflicted—all a legacy bequeathed to us by the Great War—but, slow though it is, progress is being made in this direction, and I am not without hope that the troubles now surrounding trade conditions may gradually pass away.

Letters and telegrams to the bank say little or nothing of this unrest, and nothing of the political movements in India, but in any case it is not in my province to discuss with you or comment upon matters of that type. Such knowledge of them as I possess is derived mainly from a perusal of our daily newspapers, which are available to you all.

Before bringing my remarks to a close I wish on behalf of the directors to give expression to our appreciation of the good services

rendered to the bank throughout the past year under difficult circumstances by our staff both at home and abroad.

I beg to propose:—"That the report of the directors and statement of accounts for the year ended December 31, 1921, be received and adopted, and that a dividend for the six months to December 31, 1921, at the rate of 20 per cent. per annum be paid on the shares of the company registered at this date, the same to be payable, free of income-tax, on and after April 5, 1922."

Mr Robert Miller seconded the resolution, which was carried unanimously.

The retiring directors (Sir John P. Hewett, G.C.S.I., K.B.E., C.I.E., Sir Charles C. McLeod, and Mr J. A. Toomey) were unanimously re-elected, and the auditors (Messrs Cooper Brothers and Co. and Messrs W. A. Browne and Co.) were reappointed.

VOTE OF THANKS TO CHAIRMAN AND DIRECTORS.

Mr A. W. Martin: Ladies and gentlemen,—I beg to propose, "That a very hearty vote of thanks be given to the chairman and directors for the care and prudence exercised in conducting the affairs of the bank during the past year." I do not think there can be anyone in this room who knows the condition of things existing in commercial affairs, especially in the East, who cannot feel what a deep debt of gratitude we owe to the gentlemen we see before us. We have heard from the chairman the difficulties the directors have had to meet, and we have heard how they have overcome them, and I think that we here must all feel that we owe to these gentlemen a very great debt of gratitude for the manner in which during these very difficult times they have helped and steered the bank to great success.

Mr J. J. Moore: I have much pleasure in seconding that resolution.

Mr F. Tomkinson: Mr Chairman, I rise to support the resolution which has just been proposed, because, knowing something of India, I do feel that the shareholders of this bank are indebted to the directors and desire to show the great appreciation which is expressed in the resolution. The strenuous times which have prevailed for years past, especially during the war, and in no small degree since peace was declared, have meant that business has been conducted under considerable difficulties. I was very pleased to hear the chairman make a comment on the prospects for the ensuing year. He said that the crop prospects were good, and I do think that if there should be a favourable crop a great deal of the discontent to which he has referred, and which we all so much regret, may be removed. I want heartily to support the resolution, because I feel that we are greatly indebted to the board and also to the managers, not only here, but also in India, where they are working under conditions which are very unpleasant.

The vote was unanimously accorded.

The Chairman: Ladies and gentlemen, on behalf of the board, I desire simply to return you our thanks. We will continue to do our best for you all, and I hope that if we are spared to assemble here next year we shall be able still to show you a fairly good state of affairs.

VOTE OF THANKS TO STAFF.

Mr J. Irwin-Davis: Mr Chairman and gentlemen,—Owing to the unfortunate illness, which I very much regret, of our good friend, Mr Nelson, I have been asked to propose a vote of thanks to the staff. Mr Nelson has proposed this resolution for a great many years, and I know that he took a very great pride in doing so, because he has always had a very high opinion of the staff of the bank, both at home and abroad. He has been good enough to send up the following resolution:—"That this meeting warmly recognises the good services rendered by the officers of the bank during the past very difficult year, and, lamenting the loss, by death, of our late esteemed general manager, Mr Chalmers, now accord to the general manager, the managers, and members of the staff at home and abroad their hearty thanks for the highly satisfactory report now presented and adopted."

Before speaking to this resolution, I would like to say that we extremely regret the enforced absence of our honoured chairman. I would also like to say how much we deplore the great loss we have sustained in the sad—almost tragic—death of our late general manager, Mr Chalmers. We shall miss his cheery and genial presence at these meetings. I need not remind you that the past year has been a very difficult and a very strenuous one for our staff. It has always afforded us a great deal of pleasure, year by year, to record how much we appreciate their efforts on our behalf, and I am sure that on this occasion it will give us a double pleasure to pass the resolution which I have just read.

Mr James Sheriff: I beg to second that resolution.

The motion was cordially approved.

The general manager: Ladies and Gentlemen,—On behalf of the staff and myself, I thank you very much for your kind vote of thanks.

The proceedings then terminated.

THE HONGKONG AND SHANGHAI BANKING CORPORATION.

STEADY PROGRESS AND PROSPERITY OF THE BANK.

INCREASED PROFITS AND RESERVES.

CHINA'S VAST RESOURCES.

AN EFFECTIVE AND STABLE GOVERNMENT NECESSARY.

The ordinary yearly general meeting of the shareholders of the Hongkong and Shanghai Banking Corporation was held, in Hongkong, on February 18th last. Mr G. T. M. Edkins (chairman) presided.

The chief manager read the notice convening the meeting.

The Chairman said: Ladies and Gentlemen,

The report and statement of accounts having been in your hands for some time, I will follow the usual procedure and take them as read.

SUCCESS OF THE NEW ISSUE.

I am glad to announce that the new issue of 40,000 shares was readily subscribed, and the premia on them, viz., £2,000,000 and \$630,281.71, were brought into the accounts during the closing months of the year. I think the decision to issue these shares at £70 has been amply justified by the result.

PROFITS AND DIVIDEND.

The statement shows a net profit for the year of \$10,821,295.42, compared with \$8,841,166.30 for 1920.

In June we made an interim distribution of £3 per share, and, subject to your approval, we propose to distribute a final dividend of £3 and a bonus of £2 per share on the old shares, and a corresponding dividend and bonus on the new shares, viz., £2 5s and 15s.

RESERVES.

I am sure you approve of the policy we propose to continue, viz., the strengthening of the silver reserve, and we have allotted to that reserve \$1,369,718.29 from the year's profits and \$630,281.71 from the premium on the new shares, making the silver reserve \$23,500,000.

Gilt-edged securities in which part of our reserves are invested, have shown considerable appreciation during the year. The market value of our gold investments now shows a handsome surplus over the value at which they stand in our books. No provision for depreciation has therefore been necessary on this occasion. Our profits have suffered, in common with those of every British joint stock bank, for some years past from the depreciation of these gilt-edged securities, which are necessary in our business, but I think that in view of the considerable margins we now have in hand, there are substantial grounds for hope that we may have seen the last of these annoying calls on our earnings.

THE BALANCE-SHEET—BANK PREMISES.

Turning to the balance-sheet, you will observe there has been a considerable increase in the item of bank property. My predecessor in this chair foreshadowed this increase. Since we met last year new offices have been completed and occupied at Canton, Manila, Bangkok, Daien, and Sungei Patani, while Harbin office and the additions to head office are on the point of completion. Seven dwelling-houses for the staff at Singapore and Penang were also completed. Building operations are now in progress at Shanghai, Calcutta, Singapore, Johore, and Colombo. Although the total cost will be rather formidable, your directors are convinced that the policy of providing ample accommodation for the future requirements of our business is a sound one. At the same time, thanks to the purchases made by the bank in the earlier years of its history, it is now possessed of property of immense value in the principal ports of Asia.

Meanwhile we propose to allot one million dollars from the year's profits to writing down property account. We carry forward to next year \$3,331,778.59, compared with \$3,291,491.69 a year ago.

RATE OF EXCHANGE.

With regard to the other figures, the rate of exchange at which the sterling equivalents of our silver assets and liabilities, and vice versa, is calculated, is 2s 7d against 3s 2d at the end of 1920, so comparisons with previous years are not altogether easy.

INCREASED STERLING INVESTMENTS.

The outstanding features are decreases in bills payable, acceptances a/c constituents and bills receivable, and an increase in sterling investments—which increase, apart from new investments a/c the sterling reserve, is mainly in short date British Government Treasury bills. These fluctuations are eloquent of the great falling off of overseas trade, which statistics from all parts of the world

indicate is 35 to 50 per cent. below the figures of 1920. The figures of our bills of exchange in hand and rediscounted faithfully reflect this. We may have to wait some months before we can fully employ that part of our resources which is temporarily held in Treasury bills, but I think we have good reason to expect that the gradual improvement in trade will soon enable us to find a better use of these resources than Treasury bills.

PROSPEROUS LOCAL BUSINESS.

On the other hand, local business in the East has been prosperous; local companies generally have done well. Our silver deposits have increased considerably, as have our bills discounted, loans, and credits, and there has been a good demand for currency locally involving a considerable increase in our note issue.

Net profits are \$1,980,129.12 in excess of those of a year ago. Apart from the earnings of the new capital, three factors have helped towards this favourable result; one I have already mentioned, viz., the fact that no inroads on the profits have been necessary for writing down our securities, another is the activity in local trade in the East, the third and most important is that the full effect of the slump in trade was not felt till the second half of the year. During the first half we were still deriving benefit from the enormous trade of 1920. We have had to contend with constantly varying world exchanges, but our operations have been fortunate and otherwise the earning power of the bank rests on very solid foundations. All losses that have been ascertained or anticipated have been amply provided for out of the year's earnings.

APPRECIATION OF THE STAFF'S SERVICES.

We have again to record our appreciation of the zealous and loyal service of the staff from the chief manager downwards, which service, in view of the difficult year we have passed through, specially merits your recognition, and I am sure you will heartily approve of our action in awarding them a moderate bonus of 15 per cent. on their salaries.

FLUCTUATIONS IN THE SILVER MARKET.

The silver market during the year has not been free from substantial fluctuations, the price at the beginning of 1921 was 40½ and at the end of the year 34½, having been down to 31½ and up to 43½ in the interval. China, as far as we can make out from the somewhat unreliable statistics available, absorbed on balance 63 million ounces, compared with 98½ million ounces in 1920. In the Budget speech of the Governor-General of Indo-China it was disclosed that that Government had purchased 24½ million ounces during the year in the different markets of the world for the purpose of enabling it to resume specie payments, which has since been done. Our French neighbours are to be congratulated on having thus arranged their currency and on having carried out the large operation of buying 24½ million ounces of silver with so little disturbance to the market. Undoubtedly, however, this extra demand was the main factor which kept the market steady during the summer and autumn months.

FUTURE OF SILVER.

The Indian Government has silver reserves of about 74 crores of rupees, and should therefore be out of the market for many years. The immediate future of silver depends on the requirements of China and of the Indian bazaar—both very uncertain factors.

The United States Government is steadily carrying out the terms of the Pittman Act. Up to the middle of last December their purchases of domestic silver amounted to 84,800,000 ounces out of the total of 208,000,000 ounces required by that Act. If they continue to progress at this rate, it will take about two years from now to complete the operation. After that the domestic production of the United States will come on the market on the same terms as silver produced elsewhere. There should then be an overabundance of the metal, and it is very likely the Governments, including our own, which have abandoned their old silver currencies for unsightly substitutes, will regret their action.

LONDON THE CHIEF FINANCIAL CENTRE.

Trade and the money markets all over the world are still in a state of disorganisation, but there are encouraging signs that a more rational mood is beginning to prevail among workers, and

the British Government at last appears to be contemplating taking drastic steps towards economies in administration. We should, therefore, within a reasonable time, reach a healthier condition of affairs than prevailed during the years immediately following the Great War. The London money market is now about normal. A great number of home and colonial loans have recently been successfully floated there. In the months of November and December alone £80 millions sterling of new issues were placed. It looks certain that all Government restrictions will soon be removed, and that London will be free to all borrowers and will resume its place as the unquestioned chief financial centre of the world. In this connection it is gratifying to record an appreciation of the pound sterling compared with gold of nearly 19 per cent. during 1921. It may be appropriate to mention here that when China again appears in the foreign markets as a large borrower, which must be sooner or later, it is absolutely sure that London will be able to absorb as large a share of Chinese finance and on as favourable terms as can be obtained elsewhere.

EXTERNAL TRADE OF EASTERN COUNTRIES.

The external trade of China and all other Eastern countries has suffered in common with the rest of the world, and the year has been an unprofitable one for most merchants engaged in it. Very large losses have been realised on the expensive import goods ordered in 1919, but it is gratifying to know that these have been in a large measure liquidated, especially in North China, and that new and profitable business has been considerably in evidence in recent months. Hongkong, although satisfactory progress has been made in the liquidation of old stocks, has not been quite so fortunate. Our very important market—Kwongsi—has been in a disturbed condition during most of the year, and is still suffering extensively from brigandage and piracy, as is in a lesser degree our neighbour, Kwangtung. The authorities of these two provinces have our best wishes for success in their efforts to restore peace and order.

PROGRESS OF THE COTTON INDUSTRY.

Reverting to North China, the cotton industry continues to make rapid strides. It is estimated that over 2 million spindles and 9,500 looms are in operation, and it is certain that as time goes on China will herself supply a great proportion of her requirements for the coarser grades of cloth.

As regards the export trade of China, it has suffered generally from the world conditions, and particularly from the fighting and floods in the Yangtze Valley last summer; there has been no particular development in it calling for remark.

I will refer to political conditions later on.

EXPORT TRADE OF JAPAN.

In Japan, as elsewhere, overseas trade figures for 1921 show a very considerable falling off as compared with those of 1920. New business in imports has been hampered by the still considerable unsold stocks of high-priced imports carried over from 1919 and 1920, although appreciable progress in their liquidation has been made during the year.

On the export side, raw silk and silk goods have found good markets in the United States, but Japanese exports to other countries show a heavy decline, due to various causes, of which high manufacturing costs are not the least, and unless same can be very considerably reduced, the prospects of an early improvement in the export trade of the country are not very bright.

In the Straits the disastrous slump in their two principal products, tin and rubber, has had effects that are only too notorious, but the Government and the merchants are handling the situation courageously, and we have no doubt whatever but that these two industries will soon adjust themselves to the new conditions.

POLITICAL AND FINANCIAL CONDITIONS IN CHINA.

Of the political and financial conditions in China during 1921, I am afraid it can only be said that they have grown steadily worse. The reckless and improvident policy of the past is now bearing its inevitable fruits; and, for the first time, with an empty treasury and an exhausted credit, the Peking Government has been unable to meet the service of publicly issued foreign loans, concluded in recent years, without the safeguards in respect to security which were wisely regarded as indispensable in the past. The total debt of China, internal and external, taking the £1 at an exchange of \$7.50, is estimated to be not less than \$1,800,000,000, of which \$364,000,000 is for the most part entirely unsecured. Of this latter figure, \$216,000,000 represents foreign debt, and \$148,000,000 debts to native banks and individuals, arrears of pay due to Government departments, and the like. The salt revenue surplus available, after providing for the loans directly secured on the salt revenue, has been pledged for some of these obligations to the extent of \$74,000,000, a sum representing at least 18 months of the average surplus available in normal times, which, in the present disorganised state of the country, is almost the sole

source which the Peking Government can look to for its current administrative expenses.

POLITICAL AND MILITARY RIVALRIES.

The country is still being forced, by the exactions of political and military rivalries, to continue the struggle of maintaining, or attempting to maintain, a standing army exceeding in numbers the combined armies of all the other powers who have recently been sitting in conference for the discussion of disarmament. The constant demands on the two Government banks for funds with which to meet the ever-pressing needs of the militarists, depleted their reserves to an extent which recently seriously threatened the solvency of their northern branches. The same is true of every branch of the administration; education is at a standstill for lack of funds, railways have been depleted of their revenues to satisfy the general need, and are unable to meet payment of their contracts for materials, and the Ministry of Communications, which was once the wealthiest of all the Government departments, is now as straitened for funds as the rest.

HOW CHINA CAN RECOVER HER FINANCIAL STABILITY.

In striking contrast to this financial confusion stand out the older foreign loans secured upon specific revenues, administered under foreign supervision; they afford proof of the value of such supervision, and an indication of the only lines on which China can recover her credit and financial stability. China, in fact, has no justification for not paying her debts; no country with the area, natural resources, and population of China, and with a national debt of only \$4.50, or twelve shillings a head, should place itself in the position of being called insolvent. On the contrary, China's credit is capable of immense expansion, and there is no lack of native and foreign capital available for the development of the country so soon as conditions of security and good government are restored, and it rests with the people of China to accomplish this.

RECORD MARINE CUSTOMS COLLECTION.

The Maritime Customs collection for 1921 amounted to Tls. 54,500,000, an increase of Tls. 5,000,000 above the previous record collection of 1920. With one minor exception, every treaty port shows an increased collection, a fact which bears eloquent testimony to the vitality of foreign trade in spite of the disturbed state of the country, and to the certainty of an immense expansion were these adverse conditions removed.

SALT REVENUE.

The total salt revenue paid into the Group Banks, after deducting administrative expenses, was \$77,975,000, or a decrease of \$1,089,000, compared with \$79,064,000 in the year 1920. As a matter of fact the actual collections were greater than in 1920, but certain extra departmental expenditures were incurred during the year. Of the total sum of \$77,975,000 some \$18,452,000 were retained by local authorities, including those in Kwangtung, Szechuan, Yunnan and Hunan.

The collection of duty by the department in the Swatow area, which was voluntarily discontinued in January, 1919, owing to the introduction of objectionable monopolies by the Canton authorities, was resumed with effect from November 1, 1921, but the revenue is retained by the Canton authorities as in the rest of the province.

The actual amount released for the general purposes of the Chinese Government during the year amounted to \$51,981,000 as compared with \$40,108,000 in 1920.

Owing to the financial position and the fall in exchange, the reserve for the service of the reorganisation loan in the group banks was increased during the year from \$6,000,000 to \$7,000,000.

"JUSTICE FOR CHINA."

We have heard a great deal about "justice for China" and the "restoration of sovereign rights" to which her place among the nations entitles her, and we must all of us sympathise with these natural and legitimate aspirations; but before she can convincingly press these claims, China must first do justice to herself, and to the patient and industrious masses who have silently suffered under the misgovernment of the past few years. Let her leaders abandon political rivalries, and unite the country under one government, reduce her army to an efficient force, commensurate with the modern needs of defence and the maintenance of internal order, and introduce reform and honesty into her administration, and China will then not need to press for recognition of her claims. Such recognition will be spontaneous, and the assistance of her foreign friends will always be at her command on terms consistent with her national self-respect, and with the consideration due to the susceptibilities of a great people.

THE CONSORTIUM.

One other matter I may possibly be expected to refer to is the Consortium. I have little to add to what my predecessor said in some detail at the last meeting.

In the interval Consortium matters have furnished the press of the Far East with a good deal of copy, and there have appeared

reiterated and somewhat unnecessary explanations of its aims and objects. These are, and have been from the first, entirely obvious to every intelligent Chinese public man. They should require no elucidation, and, in my opinion, unnecessary and gratuitous explanations possibly do nothing but create an atmosphere of suspicion and distrust in Chinese circles.

We are as convinced as ever of the necessity in present circumstances of international co-operation in Chinese financial affairs. We believe we are serving the best interest of Chinese people by declining to support any particular faction, and by preventing recourse to further recklessness in borrowing foreign capital for unproductive purposes.

In the words of the resolution adopted at the Washington Conference, China must be provided with the fullest and most unembarrassed opportunity to develop and maintain for herself an effective and stable Government.

In the meantime, the Consortium is prepared to give the most cordial and effective assistance to China whenever it is called upon to do so, by co-operating with Chinese banks in any well-considered scheme for funding the floating debt of China by the issue of internal loans in silver, or by raising foreign capital on approved terms for construction purposes. It may take a long time to form an effective and stable government, but I myself see no reason why, in the important field of railway enterprise, for example, the development of China should be held up for an indefinite period of years, perhaps for a generation, while a new political system is being evolved in this vast country. It is, in my judgment, for Chinese public opinion to pronounce how soon the knowledge and resources of the Consortium are to be utilised for the country's good. If it should be decided that any autonomous province or group of provinces should be entitled to invoke the aid which it has hitherto been the principle of the Consortium to withhold from a divided country, the question might then come up for consideration whether in such circumstances it might not be possible to devise means to resume work on and complete as separate undertakings the more clamant demands for railway construction in China and to raise Chinese as well as foreign capital for that purpose.

I beg to propose the adoption of the report and statement of accounts. After the proposal has been seconded, and before placing the motion before the meeting, I shall be pleased to answer to the best of my ability any questions which shareholders may have to ask.

VIEWS OF SIR PAUL CHATER.

Sir Paul Chater said:—Mr Chairman, ladies and gentlemen.—In August, 1912, I had the honour to second the adoption of the report presented to the ninety-fourth ordinary half-yearly general meeting of this bank, and it affords me very great pleasure to have the privilege of doing so again at this our one hundred and sixth meeting. The profits on that occasion amounted to \$2,915,910.73 for the half-year, while to-day they reach the magnificent total of \$10,821,295.42 for the year, a sufficient evidence, I think, gentlemen, of the steady progress and prosperity of our institution.

The publication of the annual report of the Hongkong and Shanghai Banking Corporation, and still more of the chairman's speech thereon, is an event awaited with eager expectation, not alone by the shareholders and the public resident in the colony, but, I think I may say without exaggeration, by the whole financial world. It has been our good fortune for many years past to find therein material for very pleasant reading, and in all our history, perhaps, none more pleasant than that now before us, with its net profit for the year standing at so handsome a figure, a figure which deserves without stint our heartiest congratulations to the court of directors, the chief manager, managers, and every individual member of our staff, and I am sure we all heartily concur in the proposed bonus to staff.

I am sure you will all agree with our chairman in his statement that the decision to issue new capital was a wise one, and has been amply justified by the result, particularly as the issue was made at a very reasonable price, and that thereby the bank has brought its resources to a figure that compares most favourably with the greatest banks of the world. The allocation of the premium derived therefrom to sterling reserve is, I think, sound policy, while it is eminently satisfactory to note that no provision for depreciation of sterling and other gold securities has been necessary, and that in spite of the continued dullness of overseas trade, our net profits bulk so large.

The continuance of a cautious but liberal policy in the encouragement of local enterprise and overseas trade is the policy which our bank has pursued throughout its career; it is satisfactory to note a gradual improvement in local trade, which we trust may long continue.

APPRECIATION OF THE POUND STERLING.

It is undoubtedly pleasant to note the steady appreciation of the pound sterling, and the consequent resumption by London of its place as the chief financial centre of the world, a resumption which cannot but be materially assisted by the drastic economies now

being carried out or contemplated by the Home Government, and the general improvement in conditions prevailing at home.

PROSPECTS OF CHINA'S RECOVERY.

That China's financial and political condition is to-day in a very precarious state must be obvious to all, nor can we look for any improvement so long as the present struggle continues. Nevertheless, I have not yet lost faith in the possibility of her recovery.

With so large a territory and so large a population, once given a stable government all things are possible to her. Her vast mineral wealth alone has as yet been scarcely exploited, railway development is still in its infancy, while many other of her vast resources remain to all intents dormant. We have but to look at the Chinese Maritime customs and the Salt Gabelle to realise her possibilities under sound foreign supervision, so that there is no reason why under like conditions China should not attain to the recovery of her credit and financial stability, and take a leading position among the commercial nations of the world, nor have I any doubt but that on the cessation of her present suicidal policy she will speedily regain the confidence and goodwill of her foreign friends.

LACK OF KNOWLEDGE OF CHINESE AFFAIRS.

I am in entire agreement with the chairman's remarks about the Consortium, and regret that it has not been possible for it to make a commencement with its functions. To the man in the street it would appear that it has not been handled out here in a very judicious manner. We have been interested in Chinese loans for over forty years, and the bank has been instrumental in putting through a large amount of business on terms satisfactory to the Chinese and to the public, and we have hitherto been unaccustomed to the glaring publicity which has been in evidence in the affairs of this new Consortium. In this publicity it appears to me that there has been displayed a lack of knowledge of Chinese affairs and Chinese mentality, and, as the chairman has said, no other effect has been produced by this policy except suspicion and distrust among Chinese circles.

I now beg to second the adoption of the report and accounts.

The Chairman: There being no questions.

As proposed by myself and seconded by the Hon. Sir C. P. Chater, C.M.G., the motion now before the meeting is the adoption of the report and statement of accounts as presented.

The motion was carried unanimously.

The Chairman: The business now before the meeting is the election of directors.

Mr Lo Chung Wan proposed that the appointment of Mr D. G. M. Bernard and Mr H. P. White as directors be confirmed, and that the Hon. Mr A. O. Lang, Mr G. T. M. Edkins, and Mr A. S. Gubbay be re-elected directors.

Mr C. F. Hall seconded, and the motion was unanimously agreed to.

On the motion of Mr G. W. Barton, seconded by Mr H. B. L. Dowbiggin, Mr F. Maitland and Mr E. A. M. Williams were re-elected auditors for the year.

The Chairman: That is all the business, Gentlemen. Thank you for your attendance. Dividend warrants will be ready on Monday.

EXTRAORDINARY MEETING

MINUTES OF AN EXTRAORDINARY MEETING OF THE CORPORATION HELD AT HONGKONG AT THE CONCLUSION OF THE ORDINARY YEARLY MEETING ON FEBRUARY 18, 1922.

The Chief Manager read the notice convening the meeting.

INCREASE OF CAPITAL—NOTE ISSUES.

The Chairman said:—

It has become desirable to apply to the Government to amend the Ordinance under which we are working for two purposes—

(1) To enable us to further increase our capital from time to time from the present total of \$20,000,000 (now paid up) to a limit which we propose to put at \$50,000,000;

and (2) to make some modifications in the conditions which govern our not issues, particularly as regards the security deposited with the Crown Agents and others in respect of such issues.

As regards the first matter the shareholders' sanction has already been given, the necessary resolution for this having been passed last year when the new issue was sanctioned at the extraordinary general meeting held on May 28th—so that it is not necessary to trouble you now with that.

It is the other matter which I have now to bring before you, and which I will endeavour briefly to explain.

The increase of the capital has made it necessary to rearrange the limit of the ordinary note issue and the security we deposit with the Government against the same and the excess note issue.

These modifications are set out in the resolution, which also includes a provision enabling us to keep a certain proportion of our reserves at the offices where notes are actually issued. Formerly we had to keep the whole of our reserves either with the

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Hongkong Government or with the Crown Agents for the Colonies—an arrangement which might at times be obviously inconvenient.

We have taken steps to ascertain that these proposals will be favourably entertained by the Hongkong Government and the Secretary of State, and a draft Bill has already been prepared embodying them which has been tentatively approved and if you sanction our proceeding with it, it can be promulgated in the *Gazette* next week as required before introduction into the Legislative Council.

The following is the resolution referred to above:—

"That the directors of the Hongkong and Shanghai Banking Corporation be and they are hereby requested and authorised by and on behalf of the shareholders of the corporation to take the steps necessary for the introduction of an Ordinance into the Legislative Council of the Colony of Hongkong, and for the enactment of the same by the Governor of Hongkong with the advice and consent of the Legislative Council thereof to effect the amendments necessary to the Ordinances under which the corporation is incorporated and carrying on business so as to allow of the ordinary note issue of the corporation being increased to \$20,000,000 (being the amount of the present paid-up capital of the corporation), and to modify the existing requirements as regards the deposit of security in respect of its note issues in such manner as:—

"(a) To relieve the corporation from the necessity of keeping with the Crown Agents or with trustees appointed by the Secretary of State coin or bullion as security against any part of the ordinary note issue, and to give the corporation the option of securing such portion of the same as is required to be secured by the deposit (at the option of the corporation) either of coin or of securities approved by the Secretary of State.

"(b) To relieve the corporation of the obligation to keep at each of its establishments an amount of coin or bullion equal in value to one third at least of the notes issued from such establishment and actually in circulation, and to leave such matter to the discretion of the corporation.

"And (c) to allow the corporation to keep portions of the coin or bullion required to be deposited with the Colonial Secretary, and the Colonial Treasurer as security against its excess note issue (viz., the issue beyond \$20,000,000) in places outside the colony where its notes are issued to such amounts and subject to such conditions as may be approved from time to time by the Governor."

Sir Ellis Kadoorie seconded the resolution, which was carried unanimously.

SCHILL BROTHERS, LIMITED.

CHAIRMAN'S REVIEW OF ECONOMIC AND TRADE CONDITIONS.

CRITICISMS OF GOVERNMENT INTERFERENCE WITH TRADE.

The annual general meeting of the shareholders of Schill Brothers, Limited, was held at the Chartered Accountants' Hall, 60 Spring gardens, Manchester, on Friday, March 31, 1922, at 11 a.m., Mr C. H. Schill (the chairman and joint managing director) presiding.

The Chairman said: I fear that nothing I can tell you about last year's trading can be of an encouraging nature, the more so as we have no definite figures before us yet. There is no occasion to remind any of you of what a disastrous year it has been to traders in general and exporters in particular. When we met last year the reaction from war activity and war prices had already set in, and had, indeed, been going for some four to five months. A very low basis of prices had been reached, and many of the foreign exchanges had dropped to very low figures, which enabled us to judge pretty accurately what our assets were worth then, to write off a considerable loss out of the profits made during the early part of the year, and to carry forward a considerable reserve in case the situation should not improve soon after our meeting and further losses have to be incurred. I think every business man felt convinced at that time that the situation was so abnormal that it could not possibly become much worse, and the danger to the trade of the world and to the life of its various peoples so acute, that prompt and decisive action would have to be taken, with a view to re-establishing the economic position of Europe, effecting a sound and reasonable settlement of the question of war debts, indemnities, and other questions which would assist in stabilising the foreign exchanges and allow trade to gradually develop again. Unfortunately, that has not been done. No end of time and money has been spent over conferences and meetings of all sorts of experts, but no results have been achieved. Political consideration, and the stubborn insistence of what one or other of the nations consider their rights, have been allowed to play a greater rôle than the necessity of a quick and decided settlement. So matters have gone from bad to worse, and it is now difficult to foresee when a settlement will be effected, if, indeed, one is effected at all. It is true that the politicians who are at work on this question have had

their attention seriously diverted by harassing questions at home, both of a national and a semi-private character, such as—in our case—the Irish question, the Egyptian question, the settlement of strikes, lock-outs, &c. It is unfortunate that these large national questions should all have required settlement at the same time as the still larger international one, but it is almost more than a pity that some of the less important semi-private ones should have been pressed forward at such a time, when they could have been either deferred or settled without embarrassing our Ministers so much.

GOVERNMENT EXTRAVAGANCE AND INTERFERENCE WITH TRADE.

On the other hand, the Government have been very slow to realise the necessity for greater economy in the national expenditure, and excessively slow in ceasing their interference in commercial matters, which the war rendered necessary, but which now renders the possibility of reviving trade almost hopeless. We have a fatal habit in this country of giving undue consideration to certain minority sections of the community who think they have a grievance—if they only shout sufficiently loud and long. It leads to a terrible complication of both Government and private work, such as our income-tax system, our telephone system, and many others. But it has recently led to a far more serious step than these—the passing of the key industries legislation, which is nothing more than Protection pure and simple, and has already had disastrous results on certain sections of British trade. That, and the autocratic interference of the trade unions in certain matters quite outside their scope, will certainly prevent our trade from developing as it should do, and unless the aforesaid bills are repealed quickly, will kill some branches of our trade altogether.

RESULTS OF BAD ECONOMIC CONDITIONS.

The result of all this delay in re-establishing the economic position of Europe has been a year of most harassing worries and very serious losses to all traders. Orders on the books a year ago were not taken up even by some of the best firms abroad, and had to be taken into stock here and written down heavily. Goods arriving on the other side were refused, and only taken up with heavy reductions to meet the drop in prices and in the exchanges, and the stagnation of trade abroad prevented our customers from collecting monies due to them with which to pay us, or, in other cases, they did not do so because of the loss entailed to them through the ruinous rates of exchange. To try and force them to pay or to carry out their contracts by taking up their goods as contracted for would have been quite useless, and would have resulted in countless failures. We simply had to help them through, and take a share of the loss—and a large one. We, on the other hand, had to rely on help in one form or other from manufacturers, banks, and financing houses, which, on the whole, was ungrudgingly given and heartily appreciated. Relatively speaking, our particular losses from failures have not been extraordinary, considering the conditions. The losses arose chiefly from the other sources mentioned, against which we are, of course, entitled to claim for a return of E.P.D. paid in previous years. This claim has been duly made, and is a substantial one, but, owing to the enormous pressure of work in the Revenue Department, no settlement with the authorities has been made yet. We have no doubt whatever that it will be a perfectly satisfactory one when it is made, and we sincerely hope that it will be made before very long, as it will be a welcome relief to the financial situation. But until we know for certain that our claim has been allowed, we cannot put any definite figures before you.

To sum up, we have been doing our best to meet the difficult circumstances arising out of conditions over which neither we nor other traders have any control. I am, however, able to say that, assuming we recover the whole amount of our claim for the repayment of E.P.D.—and we have no reason to doubt that we shall—the whole of the paid-up share capital of £274,132 will be intact.

The following resolutions were passed:—

1. That this meeting be adjourned until the definite settlement over the return of the excess profits duty has been effected with the authorities, and definite figures can be submitted.
2. That Mr Wm. Melland, the retiring director, be re-elected a director of the company.
3. That Messrs David Smith, Garnett, and Co., chartered accountants, be re-elected auditors of the company for the ensuing year.

connection between the imposition and continuance of these duties, and the fact that the natives of West Africa have no vote or voice in the appointment of Colonial Ministers or in the election of the Government that imposed these duties?

HOLDINGS IN WEST AFRICAN COMPANIES.

With reference to the value of the company's holdings of shares in the Niger Company and all other of our West African companies, in valuing on a most cautious and conservative basis the shares in all of our associated companies, we have put no value on our holdings of shares in any of our West African companies.

Yet apart from mining interests and mining royalties, our fleet of river steamers, factories, and stations, we have in West Africa to-day some 20 companies purchasing raw materials for our business and trading.

These West African companies were profit-earners before the recent slump in trade, and must, sooner or later, regain their profit-earning position. We are putting the weight of our organisation into the problems which present themselves in West Africa. There are signs of improvement, and we anticipate continued improvement in the future.

It will be evident what a strong position Lever Brothers are in as regards West Africa. The company unquestionably owns most valuable interests of vital importance for the production and maintenance of its raw material supplies, and we are confident that as the West African trade recovers these assets will steadily improve in value, and the general position of the company will be strengthened accordingly.

VISIT OF DIRECTORS TO BRITISH WEST AFRICA.

Two of your directors, Mr Moseley and my son, accompanied by General McNulty, a director of the Niger Company, Mr Maidman, Agent-General, and other members of the staff of the Niger Company, visited Nigeria last year, and inspected all the principal mineral concession areas, stations, factories, river steamers, boats, and properties of the Niger Company, and of our other West African companies. We have their report confirming the immense potential value, under proper management, of our West African interests.

Mr Greenhalgh, vice-chairman of Lever Brothers, and vice chairman of the Niger Company, and Mr Simpson, a director of Lever Brothers, accompanied by Captain Powis, a director of the Niger Company, and also by members of the staff of the Niger Company, leave in June for Nigeria and other British West African Colonies in which this company is interested, and will thoroughly inspect and, as far as required, will reorganise your company's interests in West Africa in the best interests of permanent success.

ALLOCATION TO SPECIAL RESERVE.

You will note that, in accordance with the pledge given last year, the sum of £250,000 has been carried to special reserve, being £22,000 over the amount required in fulfilment of that promise. In my opinion, this really amounts to little more than window-dressing, and, as an old grocer, I have always had more faith in a well-filled cellar, which we always have maintained, than in a well-dressed window to meet the varying conditions and fluctuations of business.

If you will go with me down to our "cellar," I can show you that during 1921 the parent company and its associated companies expended out of profits on advertising, depreciation, repairs, and renewals the sum of £2,871,924, and in 1920 on the same items the sum of £2,934,966, and the total under these three heads, as far as is ascertainable, during the lifetime of your company, and its associated companies, exceeds £23,000,000.

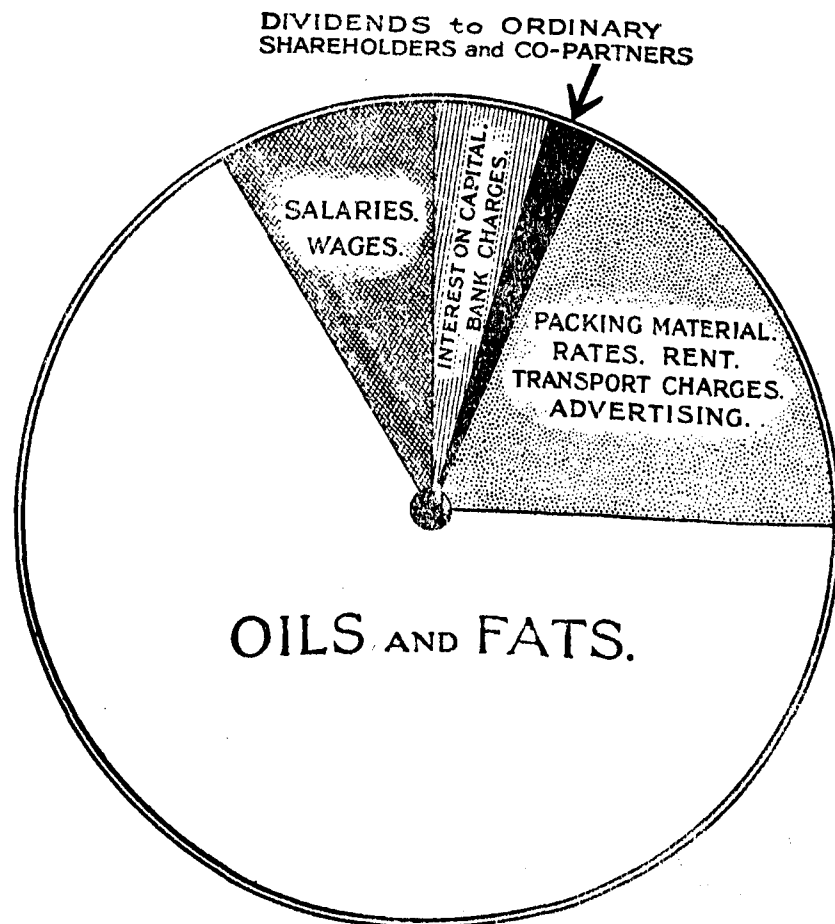
In addition, there has been taken out of profits available for distribution amongst the ordinary shareholders of the parent company since 1909 the sum of £1,336,361, and distributed to co-partners as dividends on their co-partnership certificates.

The total nominal value of the co-partnership certificates, preferential and ordinary, issued and outstanding, January 1, 1922, was no less than £1,780,898.

These are our real live "cellar" reserves—co-partnership dividends, advertising expenditure, depreciation, repairs and renewals—and the total of these paid out of the profits of 1921 alone amounted to over £3,090,000. Add to this the £250,000 carried to special reserve and the £54,127 carried forward, and the total for 1921 alone comes to over £3,394,000. Compare these figures with the amount paid in dividends to the ordinary shareholders of £228,000, and you then can realise the soundness of the position of your company and the wisdom of a well-stocked "cellar."

PROPORTION OF DIVIDENDS TO EXPENDITURE, &c.

I have revised the chart of 1920 showing proportion of dividends paid to ordinary shareholders and to co-partners, as compared to expenditure on salaries, wages, bank interest, and charges, and for interest on capital, rents, rates, taxes, transport charges, and advertising, and for oils, fats, &c., &c., and find that it bears relatively the same ratio under the lower costs of raw materials and other expenses, and the lower selling prices for our products for 1921 as for 1920. There is no change in ratio, and as I had overstated in the diagram of 1920 the ratio of dividends paid to ordinary shareholders and co-partners, it is still overstated for 1921, and so I repeat the diagram herewith.



The total number of co-partners as at January 1, 1922, was 11,337.

The number of employees who have served over five years is 3,412. Of these 1,498 have served over fifteen years and under twenty-five years, and 328 have served over twenty-five years.

The total number of houses built and owned by your company in the village of Port Sunlight and the adjoining village of Bromboro Port is 1,144, and there are 111 houses in addition in course of erection.

The total area of freehold land to-day practically in a ring fence, including Port Sunlight, is about 3,000 acres, with one-and-a-half miles frontage to the River Mersey.

DEEP WATER DEVELOPMENTS AT BROMBORO PORT.

With reference to the proposed deep water developments at Bromboro Port, for the construction of which our Bill has been passed by Parliament, owing to the present high cost of construction, we have not commenced to act on the powers given us, and since the Bill provides for a time limit of five years in which to do so, we can consequently await a more favourable and less extravagant period for commencing.

In addition to the visit to Nigeria last year of Mr Moseley, my son and others, the following directors have visited the following countries:—

Myself to	Belgium, France, Holland;
My son to	Belgium, Holland;
Mr Greenhalgh to	Belgium;
Mr Buchanan to	Belgium, Germany;
Mr McDowell to	France, Germany;
Mr Tatlow to	France, Belgium, Holland, Germany, South Africa (1922);
Mr Simpson to	Germany, France, Belgium, Holland;
Mr Hart to	Holland, Germany, Switzerland, France;
Mr Moseley to	Belgium;
Mr Barnish to	Italy, Switzerland.

We hear much nowadays about lack of support by the workers of our hospitals, and we have, therefore, every reason to be very proud of the fact that our employees at Port Sunlight raised amongst themselves during 1921 for the hospitals of the district the record sum of £1,214 18s 3d.

The staff training college continues its invaluable service in the education of our staff under the able direction of Mr Knox. Over 500 juniors and apprentices engaged in the offices and works are attending the classes, and the results obtained are most encouraging.

The amount standing to the credit of employees in the Employees' Savings Bank at December 31st last was £110,789 16s 7d, held by 2,293 employees.

UNVEILING OF COMPANY'S WAR MEMORIAL.

A notable event during the year was the unveiling on December 3rd of the beautiful and inspiring war memorial designed by Sir W. Goscombe John, R.A., in the presence of a reverent assembly estimated to number at least 7,000 persons. The actual unveiling was performed by Sergt. T. G. Eames (who was blinded during the first battle of the Somme), assisted by Private Cruickshank, V.C., now in the London office of Planters Margarine Company, Limited, one of our associated companies.

VISITORS TO PORT SUNLIGHT.

The number of visitors to Port Sunlight during 1921 was 22,877. Many representative groups of visitors came to visit Port Sunlight, including members of the Bradford Textile Society, the Canadian and American Delegation of Dry Goods Merchants, and Mr Shelton, of Ohio, a member of same, declared that "the faces we saw in Port Sunlight Works this morning were the happiest, healthiest, and best contented lot of faces that we have seen in this country." In June 100 delegates to the World's Cotton Conference visited Port Sunlight. We had also visitors representing the Royal Institute of British Architects, the North of Scotland Agricultural College, and the lady members attending the Chester Conference of the United Kingdom Commercial Travellers' Association, and of over 640 members of the National Brotherhood Council. In May we received a visit from Captain Staveley and officers of H.M.S. "Valiant," then in the Mersey, followed the next day by a visit from the ship's company. We have had a steady stream of visitors from most countries of the world, especially from Japan.

The social activities of the members of the staff of Port Sunlight continue to flourish, as also the institutions to which they are attached.

The payment of wages to members of the staff by crediting the same to their own private account with their own bankers has been further adopted during 1921 by an increased number of members of our staff, and has proved a great success, and is fully appreciated by all members of the staff who have adopted it.

PROSPECTS FOR 1922.

And now as to our prospects for 1922. I always was, and I hope

ever will be, a confirmed optimist, and whilst it is always wisest never to prophesy—to which I believe a rider has been joined "until you know"—as we have completed the first quarter of 1922, and now know as an accomplished fact that the actual sales of Lever Brothers and associated companies, at home and overseas, for the first quarter of 1922, show a phenomenal increase over those for the same period of 1921, with a few unimportant exceptions, I hope you will share my optimism and agree there is solid basis for my views as to our prospects for 1922.

Our export trade is recovering from the slump, and, whilst not going so strong as we would like, the returns and statistics issued periodically by our Government show that your company and its associated companies are amongst them doing a larger proportion of the export trade in soaps from the United Kingdom than ever before in our history; so what little export trade is being done we are doing, and we are not losing ground to any competitor.

On the general position of the world's trade and finances I venture to state that optimism for 1922 is also well founded.

CAUSES FOR OPTIMISM.

As we business men are always being told that what business requires of us to-day is confidence, capital, and courage, the important rise in the value of most classes of securities—Government, railway, finance, and industrial—is all in the direction of supplying the business of the world with more ample capital, and must make for the restoration of confidence and courage. The cost of living has reached fairly reasonable limits, so have interest charges for floating capital, and also the rates of wages, and we are promised reduction in our burden of taxation on incomes. All these important factors justify a spirit of optimism for 1922, and, believe me, it is the development of a spirit of optimism that is the beginning of all periods of prosperity and business recovery. But it is only by consistent and persistent hard work and hard thinking by each and every one of us that this good old British Empire and this good old world, including Lever Brothers and associated companies, can win out and return to normal lines of national and international business prosperity.

THANKS TO CO-DIRECTORS, GENERAL MANAGERS, AND STAFF.

Before moving the resolution, I wish to express my profound and grateful thanks to all my colleagues on the board of Lever Brothers and the directors of all our associated companies. To the general managers, managers, foremen, and staff of the parent and associated companies at home and overseas, and to my co-partners, without whose strenuous hard work and loyal, devoted service the last year's difficulties could not have been successfully overcome. It would be bare justice to mention many by name, but it would be unjust to omit others, as I should have to do, owing to impossibility of naming even one-half of those entitled to be mentioned out of our over 11,000 co-partners, that in justice to all I must deny myself the pleasure of indulging my desire to mention many whom otherwise I would have wished to mention and who, had space permitted, ought to be mentioned.

I beg to move that the directors' report and statement of accounts for the year to December 31, 1921, now submitted, be received and adopted, and will ask Mr Greenhalgh to second the resolution.

Mr H. R. Greenhalgh: My, lords, ladies, and gentlemen,—Anything which I could say in regard to the resolution before you would only be in hearty support of the full and complete statement which our chairman has just made. I will, therefore, formally second the resolution.

REPLIES TO QUESTIONS.

Lord Leverhulme, replying to several questions asked by Mr W. Martland, said: Although the works are not going full time in all departments, their output of soap was never greater. As to the claim against the Government for excess profits duty, I do not think the amount ought to be mentioned, as our claim is at present being fully examined. Our original works in Germany are still in existence, and during the war Sunlight Soap made in Germany was in very high demand throughout that country, and still is to-day. The profits of the company include the dividends received from associated companies. With reference to the 3,000,000 20 per cent. "A" preferred ordinary shares, we would have liked to cancel them, as Mr Martland has suggested, but our legal advisers informed us this was impossible.

The motion to adopt the directors' report and statement of accounts was then put to the meeting and carried unanimously.

VOTE OF THANKS TO CHAIRMAN AND DIRECTORS.

Mr Samuel Skelton, J.P., congratulated the shareholders on having a balance-sheet presented to them which showed a profit of over £4,000,000 made during a period of unparalleled trade depression, and desired that something more should be done than the formal passing of the report and balance-sheet. He proposed the following resolution:—

"That this annual meeting of shareholders in Messrs Lever Brothers, Limited, desires to express to the Right Honourable Lord Leverhulme and his co-directors our most sincere thanks for their splendid management of the company's affairs—during a period of unparalleled trade depression—which has produced such eminently satisfactory results, financial and otherwise, to all associated with the company, and to place on record our deep sense of obligation and our high appreciation of their services which have met with such marked success."

The motion was seconded by Mr Segar Owen, and carried unanimously amid applause.

Lord Leverhulme, on behalf of the directors, thanked Mr Skelton and the shareholders for the resolution which had been passed and the confidence expressed therein.

Lord Leverhulme proposed, and Mr Segar Owen seconded, "that the Most Honourable the Marquess of Carisbrooke, G.C.V.O., be and is hereby appointed a director of the company."

The motion was carried unanimously, the meeting extending a hearty welcome to Lord Carisbrooke.

On the motion of Mr Nathaniel Caine, seconded by Major B. M. Ormerod, Mr Charles Rowarth Baker was unanimously re-elected a director, and on the motion of Mr J. P. Brocklebank, seconded by Mr Simister, Messrs Cooper Brothers and Co. were reappointed auditors of the company.

Votes of thanks were passed to the chairmen and directors of the respective associated companies and the staffs and agencies abroad, also to the management, office staff, and employees of Lever Brothers, Limited, generally, for their zealous and efficient services during the year.

This concluded the business of the meeting.

SCOTTISH WIDOWS' FUND LIFE ASSURANCE SOCIETY. SUCCESSFUL RESULTS DESPITE ADVERSE CONDITIONS.

The one hundred and eighth annual general court of the society was held in the society's office, Edinburgh, on Tuesday, April 4, 1922, Sir Henry Cook, W.S. (chairman of the ordinary court of directors), presiding.

In moving the adoption of the report and accounts, the Chairman said:

The year 1921 did not present the same highly favourable conditions for life assurance work which prevailed in 1920, and which enabled us to report for that year a record new business. Some reaction would probably have been natural in any case; but any such natural tendency was altogether overshadowed by the special events of the year, which will long be remembered as the year of the great coal dispute. Added to the resulting unemployment and general depression, there was political unrest in many directions, and the danger, hardly yet averted, of civil war in Ireland. These are not favourable conditions for business in general or for life assurance in particular; but notwithstanding these difficulties we granted during the year new life assurances for the satisfactory total of £2,455,000 gross, or £2,365,000 net after deduction of re-assurances, producing a net new annual premium income of £95,600. There was a considerable increase in the amount of the deferred annuities effected, the amount having risen from £3,500 in 1919 to £9,800 in 1920, while last year the amount was £14,700, bringing in new premiums of over £5,000 per annum. Thus the total new premiums placed on the books last year amounted to just over £101,000 per annum.

MORTALITY.

I am glad to say that owing to the careful selection of lives the amount of death claims was again well within that for which provision is made in our valuations. In 1920 the claims were particularly light, while last year, as though to restore the balance, they rose to rather above our average, namely, to £1,307,000, representing about 81 per cent. of the amount for which provision was made. A careful analysis of the claims shows that they were favourable in character, and that indeed the average age at death was higher than in the previous year. When due allowance is made for this fact, and for the release of the reserves held against the policies, the year's mortality shows a satisfactory profit.

The claims arising by matured policies—i.e., those payable in lifetime—showed a further increase, and amounted to £447,000. This increase is not unsatisfactory, for it is the business of the society to pay claims, and in cases of this kind the policies have run their full course, so that when the claims arise the society holds against the policies reserves amounting to the full sum payable.

PREMIUM INCOME.

last quinquennial period and of £1,311,000 for the previous five years.

The interest income shows an increase of about £45,000 gross, representing an increase of about 3s 6d in the gross rate of interest, and after deduction of income-tax the net interest income increased from about £908,000 in 1920 to £944,000 in 1921. Commission and expenses of management were both reduced, and the ratio of expense fell from about 13½ per cent. in 1920 to 12½ per cent. in 1921. The operations of the year resulted in a surplus of £287,000 of income over outgoings, and this sum having been added to the assurance and annuity funds they amounted at the end of the year to £22,820,000. These movements were all in the right direction, and they cannot, I think, fail to be satisfactory to the members.

INVESTMENTS.

The investment of the society's very large funds continually engages the most careful attention of the directors. I need hardly say that the security of the funds is the paramount consideration in our minds, and we are fully alive also to the importance of securing an adequate return and avoiding depreciation. The dangerously high and oppressive rate of income-tax bears heavily upon our finance, as you will appreciate when you see that the income-tax borne by the society last year amounted to over £261,000. The reduction of only 1s in the rate of tax would mean a saving to the society of over £40,000 a year, or with interest about £225,000 in a quinquennium. We can but hope that ere long some appreciable reduction in the rate of tax may be made.

The report and accounts were unanimously adopted, the re-election of directors was carried, and the thanks of the members were accorded to the directors, agents, and officials for their work during the year. The meeting then resolved itself into a special general meeting to consider the provisional order to which the chairman referred in his address, and on his motion, seconded by Sheriff J. A. Fleming, K.C., it was resolved that the provisional order should be consented to.

The proceedings terminated with a vote of thanks to the chairman.

BRITISH AND ARGENTINE MEAT COMPANY, LIMITED. SATISFACTORY RESULTS—GOOD PROSPECTS.

The annual general meeting of the British and Argentine Meat Company, Limited, was held, on the 6th inst., at River Plate House, London, Mr Sidney Young, O.B.E., presiding.

The Chairman, in moving the adoption of the report and accounts, said that the net result of the year was rather better than that of the previous year, although the gross result was not quite as good. Conditions in the Argentine had, generally speaking, been satisfactory. At the previous meeting he had mentioned that they had had a strike for two months, but that it was over; unfortunately, it had broken out again soon after the general meeting of the company, and continued until early in June. The directors had considered it advisable to hold out against the unreasonable demands of the men, who eventually came back on the company's terms.

The results shown in the report had not all been made out of their ordinary export business, and the directors would not have been able to make so good a showing if it had not been for the very conservative policy followed in previous years, which was, while paying a good dividend, not to pay all their profits away but to add to the company's resources. They had actually received £84,000 as interest on investments, and that alone was quite a substantial part of their profits. At the end of 1920 they had had £2,000,000 invested in stocks of meat, other produce and stores, as against £1,000,000 at the end of 1921 for practically the same volume of goods. That meant that they had £1,000,000 more invested. Lower working expenses in Argentina had also helped them, but working expenses in this country had been higher owing to increased railway charges. Those remarks might meet complaints from Argentina that they had been paying less than they ought for their meat, as he had tried to show that their profits had not been made out of this part of the business. They had also been helped by the rate of exchange.

The net profit was £534,904, and the dividend on the ordinary shares for the year was 10 per cent., with a bonus of 2½ per cent. They had placed £150,000 to the reserve fund, bringing it up to £925,000, and were carrying forward £77,274. As to the current year, as far as he could see, the prospects in the River Plate were quite good, and he did not think there would be any difficulty in obtaining all the cattle and sheep they required—he hoped at reasonable prices. In conclusion, he said there was no truth in the rumours that the company was being either amalgamated or taken over by any other company.

The report was unanimously adopted.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.

SUCCESSFUL YEAR'S WORKING.

ECONOMIC AND TRADE CONDITIONS IN THE EAST.

POLITICAL UNREST IN INDIA.

NEED FOR FIRM GOVERNMENT.

The sixty-eighth ordinary general meeting of the shareholders of the Chartered Bank of India, Australia, and China was held yesterday on the bank's premises, 38 Bishopsgate, London. Sir Montagu C. Turner (the chairman) presided.

The chief manager (Mr W. E. Preston) read the notice convening the meeting.

The Chairman said:—Gentlemen,—Before dealing with the ordinary business of the meeting, I feel it would be only right to refer to the death, in October last, of our former chairman, Mr John Howard Gwyther. He first entered the service of the bank in 1865, and was on the court of directors from 1887 to 1904, being chairman for the last eight years of that period. Mr. Gwyther was held in high esteem in the City of London as a banker of wide experience, sound judgment, and of the highest integrity. The bank owes much to Mr Gwyther's sound, prudent, and able management. The report of the auditors was then read by the chief manager.

YEAR'S OPERATIONS.

The Chairman, continuing, said:—In moving the adoption of the report and balance-sheet, I think I am justified in saying that, considering the conditions of trade and commerce which prevailed in 1921, the results disclosed therein may be considered as satisfactory. We have been able to make good use of the increased resources at our disposal consequent on the increase of the bank's capital; we show a moderate profit on our operations, and we give shareholders a reasonable return on their investment. At the same time we can assure them that all possible contingencies have been amply provided for.

The year 1921 has been one of considerable anxiety, of hope deferred, of frequent disappointment, and of unavoidable losses to most of those trading with the East. In India the absorption of accumulated stocks which might reasonably have been anticipated has been hindered by two principal causes. Political agitation, with unfair pressure on innocent traders, has at many points been exercised to prevent consumption of British goods—an agitation which should never have been permitted to assume the proportion it attained. The second adverse factor has been the maintenance of the rupee at a low level.

INDIA'S TRADE PROSPECTS.

The inflexible law of supply and demand, the control on the export of rice and wheat, and the absence of European demand for other Indian commodities, resulted in an adverse balance of trade to India, and rendered a high rate of exchange absolutely out of the question. But this has not been an unmixed evil. A low rate of exchange, a rupee about 1s 4d, has been a real blessing to the great tea industry of India and Ceylon, and has rendered business possible in other lines of produce. India has had a very favourable south-west monsoon, good winter rains in the United Provinces and the Punjab, and, granted a return to normal peaceful conditions, with a good south-west monsoon this year, we may look forward to greatly improved trade conditions in the autumn.

As regards the position in India generally, I am disposed to take the view that, provided the Government of India act consistently with firmness and justice—as I believe they will—there is no reason to view the situation with undue apprehension.

POLITICAL UNREST AND DISCONTENT.

In all parts of the world, East and West, even in England itself, we have a widespread spirit of restlessness and discontent. There is a craving for change, a desire to attain what is in many cases unattainable, and a tendency to oppose all existing forms of government. This is an aftermath of the Great War, and only time, with universal peace and good will, can bring about the contentment and good fellowship which should prevail between nations and between the component parts of those nations. This is especially applicable to India, and I look forward with confidence to the time when we can say that the people of India are showing that spirit of loyalty, comradeship and good will which should exist between all members of the British Empire. But to effect this we must have consistency in policy and firmness in administration. I do not deny that there are troubles at some points, serious troubles, in India, but they are partly agrarian, and can be dealt with by a just and firm Government. The conclusion of a peace with Turkey on liberal lines, as recently outlined by Lord Curzon, will also help to alleviate the present strain.

CHINA.

In China the offtake of imported goods has also been interfered with by extremely unsettled conditions in the interior of the country, and by the comparative low rate of exchange. Serious losses have resulted, but the position has improved of late, and stocks are moving off gradually. Some time must elapse, however, before the position of the import markets, either in India or China, can be regarded with equanimity. It is satisfactory to note that the tea industry has wonderfully recovered from the position of adversity which overshadowed that most important asset in the trade of India and Ceylon.

RUBBER AND TIN.

Rubber, I regret to say, is still in a very unhealthy condition, and a return to paying prices has not yet been accomplished. Tin as a commodity has depreciated in value, and with the failure of these two principal sources of prosperity the financial position of the Federated Malay States and the Straits has suffered acutely.

Summarising the position of the Eastern markets generally, we may say that, while export markets mainly show very little life, import markets have improved to the extent that accumulated stocks are being gradually worked off, but it would be absolute folly on the part of shippers on this side to pour in fresh supplies which are not needed. The motto for all of us should be "slow and sure" until the dark clouds of depression have disappeared, and the purchasing power of consumers has attained more nearly to normal levels.

BALANCE-SHEET ITEMS.

Turning to the figures of the balance-sheet, I think we may congratulate ourselves that, in spite of the heavy decline in the world's demand for raw produce and resultant reduced volume of our Eastern and Far Eastern export trades, our total figures only show a fall of just over £9,000,000 as compared with the corresponding figures for the previous 12 months—viz., from £70,932,744 15s 10d at the end of 1920 to £61,767,780 18s 8d at the close of 1921, particularly having in view the very considerable fall in Eastern and Far Eastern sterling exchanges which has taken place during that period.

Our total cash and bullion in hand at the close of the year, which amounted to £7,138,300 1s 4d, represented a ratio of 27 per cent. as compared with our current account liabilities, standing at £26,301,204 12s 2d, whilst, in addition, we held Government securities to the value of £9,432,796 8s 8d, as against £3,081,090 10s 7d on December 31, 1920, and our policy in thus employing our surplus funds has, by course of events, been fully justified. Above and beyond this, our holdings of bills of exchange, including Treasury bills, amounted to £16,422,953 16s 10d, so that our liquid position was most satisfactory. Our bills discounted and loans outstanding, at £22,426,953 16s 10d, as against our total assets, showed a reduction of about 4 per cent. as compared with the same period of last year—viz., from 40 to 36 per cent.

Our fixed deposits, standing at £16,648,153 3s 9d as against £16,628,534 17s 4d as at December 30, 1920, show a slight increase, which, in view even of the fall in exchanges, is exceedingly gratifying.

DIVIDEND AND BONUS.

As regards the report, it will be seen that the directors recommend the payment of a final dividend at the rate of 14 per cent. per annum, together with a bonus of 6s 3d per share, making, with the interim dividend, 20½ per cent. per annum, free of income-tax, to add £100,000 to the reserve, £25,000 to the officers' superannuation fund, to write off premises account £50,000, and to carry forward £215,169 15s 5d.

We must all congratulate Mr Preston, and his colleagues, Mr Bruce and Mr Miller, on the results obtained. We thank them, and every member of the staff at home and abroad, for their loyal and devoted services to the bank.

With these remarks, I move, "That the report now presented, together with the balance-sheet and profit and loss account, be approved and adopted," and I will ask Lord George Hamilton to second it.

The Right Hon. Lord George Hamilton, G.C.S.I., seconded the resolution.

SHAREHOLDER'S QUESTIONS AND CONGRATULATIONS.

Mr Frederick Tomkinson asked whether the British Government securities held to such a large extent by the bank were valued as at December 31st last, or at the lower price at which they were purchased, because in the latter case that would mean the existence of a very large reserve for which there was nothing shown in the accounts. He added that he wished to express the appreciation which, he felt sure, those who were present must have for the lucid, clear, and very helpful speech which Sir Montagu Turner had delivered to the meeting. It was a great help to them in enabling shareholders to understand the position, and in throwing some light on the work of the bank, which had been so successfully carried on during a very difficult and a very strenuous year. He was sure they all felt deeply grateful to the management and staff, both here and abroad, for what they had been able to do. There was one comment he would like to make. The chairman had touched on the political position, and in that he (the speaker) thought the chairman was quite right. Quite recently he heard a chairman say that it was not his mission, as chairman of a bank, to make any reference to politics at all. In so far as politics were outside the bank's business, he quite agreed with that, but he was entirely with Sir Montagu, when the welfare of the people and the trade of the country, both of which were intermixed, were dependent on politics, and he thought the chairman was quite right in expressing the hope that firm government would be maintained in India for the good of that great Dependency. The agitators had certainly been somewhat less active since Gandhi's seclusion.

CHAIRMAN'S REPLY.

The Chairman, in reply, said that the Government securities appearing in the balance-sheet had been taken at the market price on December 31st last. The only criticism he had had was on a post-card received that morning from a lady, who suggested that the March dividend—he presumed by that she meant the dividend they were about to distribute—should be paid in March. Considering the accounts of the bank had to come right from the North of China, from Japan, Java, Manila, and America, shareholders would quite understand that it was impossible to expedite the receipt of those accounts more than was done at the present time. The meeting was called, and the dividend paid at the earliest possible moment. Another suggestion was that the interim dividend should be increased. He presumed that the lady shareholder forgot that they paid the same dividend in this half-year as in the first half-year, but in the second half-year the shareholders also received a bonus. They would quite understand that the bonus question could not be decided in the middle of the year, when they had only worked out six months of the full period. The lady very gratefully went on to say that all connected with the bank deserved the highest praise for the very excellent results shown.

The motion was then put to the meeting and carried unanimously.

On the proposition of the Chairman, seconded by Mr Thomas Cuthbertson, it was unanimously resolved:—"That a dividend at the rate of 14 per cent. per annum for the half-year ended December 31st last, together with a bonus of 6s. 3d. per share, both free of income-tax, be now declared, payable on and after the 12th inst."

Sir Duncan Carmichael proposed the re-election of the retiring directors (Mr W. Foot Mitchell, Sir Montagu Cornish Turner, and Mr. Lewis Alexander Wallace).

This was seconded by Mr J. M. G. Proffit, and carried unanimously.

On the motion of Mr H. B. Henley, seconded by Mr W. F. Green, the auditors (Mr D. C. Wilson, F.C.A., and Mr H. C. K. Stileman, F.C.A.) were unanimously re-appointed.

VOTE OF THANKS TO DIRECTORS AND STAFF.

Mr R. Fergusson Banks proposed a hearty vote of thanks to the chairman, directors, and staff of the bank for the successful way in which the business of the year had been conducted.

Mr. Tomkinson, in seconding the motion, said he would like to give one instance of the manner in which the shareholders were indebted to the management. He happened to send some tea people round to see the manager of the bank, and they had come away delighted with their reception. They said that, whenever the terms were equal, they would certainly come to the "Chartered" Bank. As a director of one of the oldest tea companies he had been delighted to hear the reference made by the chairman to the condition of the tea industry in India and Ceylon.

The vote of thanks was unanimously accorded.

CHAIRMAN'S ACKNOWLEDGEMENT.

The Chairman, in acknowledging the vote, remarked that he was bound to say, on behalf of the managers, that they deserved the grateful thanks of the shareholders. He had not dwelt much on the difficulties of the past year, but, speaking from an ex-

perience of 15 or 16 years as their chairman, he did not think they had ever passed through a more difficult, anxious, and troublous period than the past 12 months. It had been a great strain on the management, and it had meant their giving of their very best to the shareholders. All that had been done very willingly and cheerfully, because they had so great a pride in the good old "Chartered" Bank. Whatever had been said in regard to the staff was not more than they deserved.

The proceedings then terminated.

SHEFFIELD STEEL PRODUCTS, LIMITED. SUCCESSFUL YEAR DESPITE DIFFICULTIES. FURTHER ISSUE OF SECOND DEBENTURES.

The third annual general meeting of the shareholders of Sheffield Steel Products, Limited, was held, on the 31st ultimo, at Winchester House, London, Mr Alwyn H. Wild (chairman of the company) presiding.

The Chairman said that it was no small satisfaction to the board that in a year of unprecedented economic and trading difficulty the business had succeeded in practically maintaining its record of success. The chief reasons for this success were, first, the justification of the policy of combining the best of a number of old-established businesses with first-class reputations all over the world, and, secondly, in employing the most modern and economic methods of production. Both these factors had been the means of giving that measure of success which had not been common in allied trades, and having proved their ability to succeed in such times, it spoke well for the possibilities of success in the future.

Difficulties of finance, difficulties of foreign exchange, difficulties brought about in home trade were not always easy to cope with, but when one possessed the sympathy and support of a large number of shareholders such as they had in Sheffield Steel Products, Limited, it did assist one to go forward whole-heartedly and pursue the policy which was laid down for the company at its inception, which was to manufacture for the multitude efficient durable articles of everyday use at a price which would compare favourably with that of competitors in any part of the world.

When compared with the accounts of other leading companies engaged in the manufacture of kindred lines, they had certainly reason to be satisfied with the year's results, and he felt confident that as the general outlook improved the continued success of the company would justify the confidence shown in the directors by the shareholders, who had realised the potentialities and earning capacity of the business.

STAINLESS IRON.

He was pleased to inform the shareholders that the company had acquired valuable patents for the manufacture of carbon-free ferro-chrome, which was the essential ingredient used in manufacture of stainless iron. This material had received important attention from the Press, both in this country and America.

The purposes to which this material could be applied were enormous, especially if the cost of production could be reduced, and there was no doubt that the company's patents, combined with its facilities for manufacture, would assist very materially in bringing about this reduction.

The company could safely claim to be not only the largest manufacturers of table cutlery in the world, but also one of the largest file manufacturers. They had proved that large-scale production, combined with the advantages they possessed, had enabled them to increase the advantages they enjoyed over their competitors in the cost of production in this and all other countries.

Another interesting development at Templeborough was the installation of the Blue Water gas plant. This was completed about the end of last year, and was giving the utmost satisfaction. As an indication of its value, even at the present price of coke, when the whole of the plant installed was brought into full use, the price of gas would not exceed 1s per 1,000 cubic feet, as against 3s 6d per 1,000 cubic feet in Sheffield and 5s per 1,000 cubic feet which was the average price of gas throughout the country. The importance of using cheap gas as fuel in all the operations of melting, cogging, rolling, annealing, forging and hardening would be fully realised from the fact that the cost of fuel represented at least 30 per cent. of the total cost of manufacture of nearly all the goods they made. This was an important fact, which had been fully realised in the States, but appeared to have been ignored by our manufacturers in this country.

SALES.

Turning from questions of manufacture to that of sales, the conditions of 1921 were entirely different from the preceding years, and the only companies who could sell their goods at a profit were those who had put their house in order by introducing methods which enabled them to reduce their costs to a minimum, and by the extension of their sales organisation to cover all possible sources of demand.

With regard to the company's trade in this country, he was pleased to be in a position to repeat the statement he made to the shareholders of Sheffield Steel Products (Stores), Limited, that the sales of the branches already opened by that company had exceeded all expectations, and there was no doubt that when the public realised that British-made goods of the highest quality were being offered to them at prices reduced to the lowest possible limit they would continue to support the business of Sheffield Steel Products (Stores), Limited.

Having dealt with the individual items of the balance-sheet, the chairman drew attention to the fact that the value of the company's assets after deducting £100,000 stock reserve and £85,000 depreciation reserve, amounted to £3,725,889, and exceeded all their liabilities other than share capital, but including First Mortgage Debenture stock, creditors, bank loans, and provision for all taxation to December 31st by the sum of £2,332,635.

ISSUE OF SECOND DEBENTURES.

As to the future, already there were portents of a revival in the general trade of the country. Trade must be revived in gentle stages to be permanent, but he was convinced that, as and when the general trade did revive, no undertaking was better equipped for meeting the demands of brisk business than they were at their Sheffield and other works.

The company still required further capital in order to place it in a strong financial position. The funds coming into the hands of the company as a result of the last two issues were sufficient only to finance the immediate needs of the company at the time of issue. The issue proposed to be made would enable the company fully to carry out its programme, and leave it an ample margin for working capital.

Sheffield Steel Products, Limited, was a big business, and they must have adequate financial resources. They had come to the conclusion that a further sum of £400,000 should be raised to meet present and future requirements. Out of this sum they proposed to pay off the present temporary loans by the company's bankers, which had been secured by a second Debenture, and to use the balance for the general purposes of the company. They proposed to offer almost immediately £500,000 6 per cent. Second Debentures at 80, which would provide the company with £400,000 net. Although the issue would be offered to the public for subscription, it was proposed to reserve at least one-half for the shareholders and

First Debenture holders of the company. As an investment the Second Debentures would show a return equal to 7½ per cent. flat rate without the profit on redemption. A sinking fund would be started in the year 1923 to repay these debentures by 1942, and the first drawings were to take place in 1925, so that it would be the good fortune of some of the subscribers to have their stock drawn for payment with a profit equal to 20 per cent. at a comparatively early date. He had no doubt that the issue would be readily subscribed.

The turnover for the three months ending March 31st of this year exceeded the turnover for the same period of last year, despite the great reduction in prices, so that already they were beginning to feel the upward tendency in trade.

The resolution having been seconded and carried unanimously, after a number of questions had been answered, a vote of thanks to the chairman was carried by acclamation, and the proceedings terminated.

D. H. EVANS AND COMPANY, LIMITED.

RESULTS "MOST SATISFACTORY."

The twenty-eighth annual general meeting of the shareholders of D. H. Evans and Co., Limited, was held, on the 3rd instant, on the company's premises, Oxford street, London, Mr Ernest Webb (chairman and managing director) presiding.

The secretary (Mr R. Stannard) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, after paying a tribute to the late chairman, Sir Alfred Newton, said:

The result of the year's trading to February 19th last, which we review to-day, has been most satisfactory, notwithstanding the very difficult times through which we have passed.

Turning to the profit and loss account, our total expenses under the heading of salaries, rents, rates, taxes, &c., amount to £240,639, or an increase of £610 over last year's figure. Economies have been effected in many directions, but these have been swallowed up by increases in rates, taxes, insurance, postages, and health and unemployment insurance, items which we have to pay, but over which we have no control. Directors' fees, trustees' fees, auditors' fees, interest on debentures, and the provision for the redemption of debentures remain the same, but there is a saving

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

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BRANCHES OF THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

- SAN FRANCISCO
- NEW YORK
- MEXICO
- GUATEMALA
- SALVADOR
- MANAGUA
- SANTA MARTA
- BARRANQUILLA
- PUERTO CABELLO
- CARTAGENA
- CARACAS
- MEDELLIN
- BOGOTA
- MANTA
- GUAYAQUIL
- QUITOS
- LIMA
- IQUIQUE
- ANTOFAGASTA
- COPIAPO
- COQUIMBO
- VALPARAISO
- SANTIAGO
- CHILLAN
- TALCAHUANO
- CONCEPCION

BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.

- PERNAMBUCO
- BAHIA
- RIO DE JANEIRO
- SAO PAULO
- SANTOS
- PORTO ALEGRE
- PELOTAS (22nd)
- RIOGRANDE DO SUL
- MERCEDES
- ROSARIO
- MONTE VIDEO
- BUENOS AIRES
- MENDOZA
- SAN RAFAEL
- BAHIA BLANCA
- TRELEW
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in the cost of repairs of £2,543. On the credit side of the account our gross profit shows a reduction of £26,592; transfer fees are less, but we have an additional item representing interest received, amounting to £1,909, on Victory Bonds and deposits. The final result is a profit of £115,182, compared with last year's profit of £134,719, or a reduction of £19,537 for the year, which, I think you will agree, is most satisfactory considering the times through which we have passed. This balance of profit is carried to the appropriation account below, which shows the interim dividends paid, the usual 10 per cent. to reserve fund, and the final dividends the directors now recommend.

I would like to call your special attention to the other items in the appropriation account. The balance of £31,237 brought forward from the 1921 accounts was more than absorbed by the payment of excess profits duty and corporation profits tax in respect of the period to February 19, 1921. At our last general meeting we could not say what the amount of those taxes would be, because it had not been settled with the authorities. The carry forward was not quite enough to meet the payment of those taxes, and consequently the year under review received no assistance from the carry forward from the previous year. The proposed dividend of 12½ per cent., making 17½ per cent. for the year, is paid entirely out of the past year's profits, and the substantial balance of the account, £22,179, which we consider it prudent to carry forward to next year, subject to corporation profits tax, also represents part of the profit earned in the past year.

BALANCE-SHEET ITEMS.

Turning now to the balance-sheet, on the debit side the issued capital and the debentures remain unaltered. The debenture redemption fund shows this year's addition of £1,120 10s 4d from the profit and loss account, the cash in respect of which was paid to the trustees as usual, and appears in the similar item on the credit side of the account. The mortgage of £32,650 originally secured on the 999 years' leases when they were bought having now been repaid, it is proposed to transfer the mortgage redemption fund, £32,650, to the reserve fund, as shown in the balance-sheet, and the reserve fund will then stand at the substantial sum of £163,201, of which £40,267 is represented by Victory Bonds, the balance being invested in the business of the company. The sundry creditors show a reduction of £35,347. The staff pension fund remains the same, and the balance of profit and loss account I have already dealt with. On the assets side the property, leases, and goodwill account shows an increase of £10,254, representing further purchases of 999 years' leases on the remainder of the company's adjoining properties. The whole of the properties now held by the company are on 999 years' leases at very moderate rentals. We also have some valuable reversions. The fixtures, fittings, &c., show a reduction of £2,136, representing depreciations written off in excess of additional fixtures, &c., purchased during the year. A full and proper depreciation is written off this asset each year. Sundry debtors due to the company show a reduction of £13,410 after making full provision for bad and doubtful debts. The cash at bankers shows a small decrease, and the investment remains the same as in last year's balance-sheet. The stock-in-trade shows a reduction of £43,915, due to lower purchasing values, and not to any lessening in the variety, quantity, or quality of goods provided for our customers.

As regards the future, it is very difficult to speak with optimism. We shall, however, endeavour to serve our customers well and give them good value, and thus obtain at least our share, and more than our share if possible, of what the public is able to spend.

Sir James Boyton seconded the motion, which was carried unanimously.

ARGHAN COMPANY, LIMITED. EXPERTS' UNANIMOUS APPROVAL.

An extraordinary general meeting of the Arghan Company, Limited, was held, on the 3rd instant, at Winchester House, London, to increase the capital of the company from £40,000 to £100,000 in 2s shares.

Mr A. Montefiore, who presided, said: The position of Arghan itself was due to the unquestionable merits of the fibre, which had been proved, after every conceivable test by the Federated Malay States Government, and every other expert who had tested it, to be distinctly superior to every other fibre of its class. The Indian, Ceylon and other Governments had been no less alive to the great importance of Arghan, and the fibre expert of the Indian Government had offered every possible facility for planting it on a large scale in India. Tentative arrangements had been made to this end. The Ceylon Government was prepared to grant the company a concession of 30,000 acres, which it was estimated would cost from £1,000,000 to £1,250,000 to develop fully, and Mr Churchill last month notified by telegraph to the Governor of Ceylon that he saw no objection, from the financial standing of the company, to the

Governor of Ceylon negotiating with the company's representatives for this land grant.

Very exhaustive research work had been carried out and results of the greatest possible value obtained. Mr H. Wilson, managing director of the Belfast Ropework Co., Limited, reported that he had carried out exhaustive and reliable tests on samples of the fibre, and was thoroughly satisfied that it was a fibre of a very high order which should prove an asset of the greatest commercial value in the textile world. Its salt-water resisting qualities were remarkable, and its tensile strength abnormal, giving a breaking strain of more than 50 per cent. over that obtained in the same class of goods manufactured from the finest Italian hemp or the best flax. Messrs Cross and Bevan, the analysts to the Federated Malay States Government, reported that after full investigation they were convinced that Arghan stood out pre-eminent among the innumerable fibres submitted to them during their long professional practice. The structural qualities of the strands were remarkable, and the breaking strain, determined on silk testing machines, gave results superior to those of the staple textile fibres of all classes. The tenacity figures were quite remarkable, and established the Arghan fibre and fibre-substance as a new and exceptional type. In technical language this report acknowledged that the tensile strength of Arghan was three times that of silk, and weight for weight as strong as steel. Mr G. Smith, of the well-known textile firm of Messrs Hoyle and Smith, Manchester, had sent them a report which was the result of the joint deliberations of other important Lancashire manufacturers and spinners. It said that they considered there would be sufficient demand in Lancashire alone for Arghan for many purposes, such as twines, cordages, fishing-net yarns, tapes, and beltings, which would take up the production for a long time to come. They had hardly any doubt that, with an improvement in the spinning, Arghan fibre would take the place of cotton for all classes of heavy canvas woven in Lancashire, particularly where strength was the main concern. They considered that, given scope for experiments, it was within the bounds of possibility to spin Arghan fine enough to bring it within the range of Lancashire's most called-for counts. This showed its incalculable value to Lancashire, provided the price was reasonably stable and the production reasonably assured.

The Chairman stated that it was the intention of the board to issue 400,000 shares of 2s each at an early date on favourable terms to the shareholders. He went on to say that the progress at the plantation had been remarkable, and constituted a new record in tropical product transplantation, and what at the outset might have been looked upon as a mere speculation had now become one of the greatest commercial factors in the industry of Great Britain. He thought the company was fortunate in having reached their present position at such little cost.

The resolutions were carried unanimously.

MYSORE GOLD MINING COMPANY, LIMITED. PROSPECTS OF RICH ORE IN DEPTH.

The forty-second annual general meeting of the Mysore Gold Mining Company, Limited, was held, on the 6th inst., at the Cannon street Hotel, London, the Hon. Lionel Holland (the chairman) presiding.

The secretary (Mr F. H. William, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman said that it was too early to speak with any assurance of the results of the further development of the mine

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Capital and Reserves - Fmk. 246,700,000.00

Deposits and Cheque Accounts
(81/12/21) - Fmk. 1,234,000,000.00

124 BRANCHES AT ALL IMPORTANT BUSINESS
CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

depth, decided upon two years ago, by sinking secondary shafts and by lateral extensions from them. They were pushing on with the new work, and the shaft-sinking had made excellent progress. He could safely affirm of the results obtained by the development of the past year that, whatever their bearing upon future discoveries, they had confirmed the directors' confidence in the value of the property. Two main results had been achieved. In the Kibblesdale section a body of payable quartz of good value had been proved extending from the 53rd to the 57th level; but the more important development was in the McTaggart section, where, below the 44th level to the south, and above the 44th level to the north, a valuable lode had been proved running up to an assay value of 2 ounces 10 dwts. A factor giving perhaps even more encouragement to expectation of good ore at depth was that in the neighbouring Oregum Mine considerable bodies of rich ore had been proved at a depth far greater than that reached in the Mysore. Meanwhile, it was wise to pursue a conservative policy and so avoid any undue depletion of their high-grade reserves. Curtailment of output was reflected in the accounts, the sales of gold, less royalty and refining charges, producing £648,762, as against £759,344 in 1920. The premium on gold, which more recently had dropped considerably, was fairly maintained during the year, and the smaller return was due to their having milled 30,000 tons of quartz less, with a slight decrease in the grade. The profit was £207,799, against £283,383 in 1920. The greater portion of the year's capital expenditure was represented by shaft sinking, and should therefore be regarded as part of the larger scheme of development, for which over £300,000 of capital had been provided by the shareholders. The final dividend was 1s per share, with a bonus of 6d, making altogether 25 per cent. for the year, the same as for 1920. Well over £9,000,000 had been paid by the company in dividends since its incorporation. Probably they would have to face for a time a period of lessened profit. The balance-sheet was sound and strong. The fluid assets were over £620,000, or more than the entire issued share capital, while the liability to sundry creditors was more than offset by materials in stores and goods in transit.

The report and accounts were unanimously adopted.

JAMES W. COOK AND COMPANY, LIMITED. COMPANY'S SOUND POSITION.

The 25th annual general meeting of James W. Cook and Co., Limited, was held, on the 7th instant, at the offices, 130-135 Minories, London, Mr William Clarke (chairman and managing director) presiding.

The secretary (Mr Ernest G. Devitt) having read the notice convening the meeting and the auditors' report,

The Chairman said: Gentlemen, in presenting to you our report and accounts for the year 1921 we make no apology because the returns are slightly less than last year's figures, for, if you will remember, one clause in our statement at the last meeting was that, owing to the very unsatisfactory state of the freight market, it was almost impossible for us to make a forecast for the year with which we are now dealing. But we are pleased to be able to record that, although circumstances and conditions have been against us, we think our returns to our friends will be gratifying. You will see that we have succeeded in placing a further sum to reserve, making that £100,000; we have also written off the balance of our tarpaulins account and made provision for a large repair account which we know is necessary because of the dilapidation that the war created. The days before us are full of difficulties—difficulties that are inevitable with all the readjustments downward that are taking place in every direction, so that the utmost moderation is necessary in our hopes for the future. But we have not stopped in our determination to do the very best we can for the company, and I may say that among our new additions are tank craft for the carrying of edible and bulk oils in the Thames and coastwise.

Whatever else may arise to warrant further extension, we hope, with the funds at our disposal, to embark on to our satisfaction and with your profit, and thus continuously broaden the basis of your business.

I have great pleasure in now proposing the following resolution:—"That the statement of accounts, the balance-sheet, and the report of the directors for the year ended December 31, 1921, be and the same are hereby received and adopted, and that a dividend at the rate of 12 per cent. per annum for the half-year on the ordinary shares of the company, making 10 per cent. for the year, less income-tax, and a bonus of 5 per cent. on the ordinary shares, free from income-tax, be now sanctioned and declared; also that the sum of £10,000 be placed to reserve to meet expenditure on buildings, plant, barges, &c., £17,500 to reserve for contingencies, £4,000 to plant, barges, &c., £17,500 to reserve for contingencies, £4,000 to plant, barges, &c., and that the balance of the year 1922." £94,374 18s 7d be carried forward to the credit of the year 1922."

Mr W. J. Clarke seconded the resolution, which was carried unanimously.

MAZAWATTEE TEA COMPANY, LIMITED. INCREASED PROFITS—RECORDED TEA SALES.

The twenty-sixth ordinary general meeting of the Mazawattee Tea Company, Limited, was held on the 7th instant at the Cannon-street Hotel, London, Mr Alexander Jackson, chairman and managing director, presiding.

The secretary (Mr William T. Rest) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of his speech, said: It will be seen from the report that the profit for the year amounts to £66,862 17s 6d, against £58,259 7s 4d for 1920, £74,220 17s 4d for 1919, £59,341 0s 3d for 1918, and £50,103 13s 1d for 1917—an average for five years of £61,757 11s 1d.

The main feature of the company's business is tea, and our sales in tea during the year under review have been the largest on record, and in these days of keen competition, I think this speaks volumes for the popularity of Mazawattee amongst the consumers of good tea in this country.

As regards our export trade, adverse foreign exchanges continued, but in spite of this, our business abroad has shown an improvement on the previous year.

Prices ruling to-day on the tea market are very high indeed, and taking common tea as an instance, there has been a rise of many pence per pound. This is no doubt due to a feeling existing that there may be a shortage in general supplies.

There certainly has been a falling off of 70,000,000 lbs of tea in the crops from Northern India as compared with 1920, and, in addition, it is estimated that there will be decreases in the output from other countries in the production of 1921 as compared with 1920 amounting to some 52,500,000 lbs of tea, thus making an aggregate falling off of 122,500,000 lbs.

The labour and other difficulties which have been experienced in India have interfered with cultivation, and for this reason the crops for 1922 cannot be expected to reach the level of those in 1920.

It always follows that common kinds feel the effects of a rise more than any other grade, but if the public keep to the higher grades of tea, such as Mazawattee, they will not feel the effect of the rise in the same way, because, as is well known, and is being demonstrated daily, a pound of 3s, 3s 4d or 4s Mazawattee tea will go twice as far as the common kinds referred to, and will certainly give greater enjoyment to the consumer.

As promised last year, your directors have paid the interim dividend on the preference capital, and they now recommend the payment of the final half-year's dividend. They also recommend the payment of 15 per cent. on the ordinary shares, which will leave £32,022 to be carried to the next account, subject to the provision for corporation profits tax.

Mr H. Rose seconded the motion, and it was carried unanimously.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, April 5, 1922.

ISSUE DEPARTMENT.

	£		£
Notes Issued	145,496,185	Government debt	11,015,100
		Other securities	7,434,900
		Gold coin & bullion	127,046,185
	145,496,185		145,496,185

BANKING DEPARTMENT.

	£		£
Proprietors' capital ..	14,563,000	Government securities ..	59,399,059
Reserve	3,113,144	Other securities	80,378,029
Public deposits	24,162,905	Notes	22,599,195
Other deposits	122,365,328	Gold and silver coin ..	1,832,974
Seven-day & other bills ..	14,880		
	164,209,257		164,209,257

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Accounts

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, April 5, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Reserve	3,113,144	—	538,845
Public deposits	24,162,905	—	5,874,532
Other deposits	122,365,328	—	1,860,883
Government securities	59,399,059	—	13,080,444
Other securities	80,378,029	—	17,552,913
Notes	22,599,195	—	33,768,623
Gold and silver coin ..	1,832,974	—	8,449,236
Notes in circulation	127,046,185	—	70,050
Gold and bullion	127,046,185	—	107,368
% of reserve to liabilities	16%	—	1%

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ACCUMULATED FUNDS - £17,000,000

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	Ratio of Reserve to Liabilities.	Bank Rate.
Jan. 11, 1922.	£ 128,452,733	£ 123,626,990	£ 146,488,691	£ 140,166,176	£ 23,275,743	15.5%	5%
18.	128,444,198	122,599,950	137,414,310	131,118,338	24,294,848	17.5%	5%
25.	128,447,117	122,206,840	135,453,106	128,746,174	24,691,277	18.1%	5%
Feb. 1.	128,752,275	122,586,655	160,396,001	164,793,313	23,615,620	14.2%	5%
8.	128,748,360	122,666,755	169,135,206	162,649,169	24,531,606	14.7%	5%
15.	128,762,519	121,752,490	162,373,436	144,991,491	25,460,029	16.4%	5%
22.	128,761,537	121,545,635	137,755,462	130,184,268	25,665,842	18.4%	5%
29.	128,762,206	121,593,240	135,643,344	129,715,387	24,118,966	17.2%	5%
Mar. 6.	128,763,954	122,334,155	138,956,592	131,468,690	24,979,802	17.2%	5%
13.	128,775,441	121,758,195	134,549,144	127,267,680	25,467,240	17.2%	5%
20.	128,779,763	121,704,446	142,190,053	134,862,228	25,525,318	18.2%	5%
27.	128,771,201	122,718,940	150,541,882	144,249,557	24,502,261	16.2%	5%
April 3.	128,879,159	122,896,990	146,528,233	139,777,088	24,432,169	16.8%	5%

TEN YEARS' RECORD.

At corresponding date with the present week.	April 3, 1912.	May 27, 1914.	April 7, 1920.	April 6, 1921.	April 5, 1922.
Circulation (excluding Bank Post bills)	29,558,165	38,333,380	106,810,610	129,215,415	122,896,990
Public deposits	22,162,425	19,014,809	24,978,473	21,495,402	24,162,905
Other deposits	40,502,460	41,248,964	33,708,245	124,211,608	122,365,328
Government securities	14,281,566	11,046,570	59,049,103	31,688,221	59,399,059
Other securities	14,856,537	41,461,280	93,556,299	114,146,652	80,378,029
Reserve of notes and coin	24,889,274	25,463,980	23,784,273	17,582,933	24,432,169
Coin and bullion	35,997,439	35,947,360	112,144,883	128,348,348	128,879,159
Proportion of reserve to liabilities	39.9%	42.1%	15%	12.4%	16.8%
Bank rate of discount	3 1/2%	3 1/2%	5%	7%	5%
Market rate, 3 months' bills	3 1/2%	3 1/2%	5%	7%	5%
Price of Consols	26 1/8	26 1/4	45 1/2	68 1/2	67 1/2
Price of silver per oz.	26 1/8	26 1/4	33 1/2	33 1/2	33 1/2
Average price of wheat	34s 10d	33s 0d	72s 7d	89s 1d	51s 6d
Exchanges on New York	25 1/4	25 1/4	59-90-61-50	55-10-65	47-90-48-20
on Amsterdam	84-84	84-79	83-96-84	83-91-93	84-38-41
on London	12-08	12-05-10	10-63-71	11-32-34	11-60-64
on Berlin	20-48	20-49	252-265	238-243	1360-1430
Clearing house return	379,331,000	199,913,000	657,235,000	821,588,000	960,408,000

BANKERS' CLEARING RETURNS.

Week Ending	Town Clearing.	Country Clearing.	Total.
1922.			
January 1—March 29	£ 8,901,688,000	£ 699,717,000	£ 9,601,405,000
April 5	8,907,076,000	62,332,000	9,609,408,000
Total to date 1922	9,799,764,000	762,049,000	10,561,813,000
Do 1921	8,681,511,000	921,892,000	9,603,403,000
Increase or decrease in 1922..	+ 1,118,253,000	+ 159,843,000	+ 958,410,000
	12.8%	17.3%	9.9%
Total for 1921	31,928,380,000	3,202,179,000	34,930,559,000
Do 1920	34,946,683,000	4,072,220,000	39,018,903,000
Increase or decrease in 1921..	- 3,018,303,000	- 1,070,041,000	- 4,088,344,000
	- 8.6%	- 26.2%	- 10.4%

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Inc. or Dec.
Aggregate Totals to April 1.			
BIRMINGHAM	41,020,000	28,883,000	- 12,137,000
BRISTOL	20,653,000	18,233,000	- 2,420,000
DUBLIN	98,037,600	86,914,500	- 11,123,100
LONDON	16,848,800	15,109,400	- 1,739,400
LIVERPOOL	10,669,500	10,696,900	+ 27,400
MANCHESTER	136,833,700	114,210,800	- 22,622,900
NEWCASTLE	217,693,900	194,965,000	- 22,728,900
NOTTINGHAM	32,379,100	24,361,000	- 8,018,100
PLYMOUTH	10,543,400	8,965,900	- 1,577,500
SHREFFIELD	19,963,100	12,398,700	- 7,564,400

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

	Mar. 31, 1922.	Mar. 24, 1922.	Mar. 28, 1921.	Week's Movement.
RESOURCES.				
Total gold reserve	2,975,360	2,976,700	2,210,770	+ 1,340
Legal tender notes and silver reserve	128,020	127,910	211,210	- 110
Bills discounted for member banks	635,950	615,910	2,286,650	+ 20,040
Bills bought in open market	102,690	87,050	123,060	+ 15,940
Government obligations owned	440,660	443,160	282,730	+ 2,500
All other resources	62,420	61,350	41,820	+ 1,070
LIABILITIES.				
Government deposits	56,300	68,360	114,690	- 10,330
Other deposits	1,749,110	1,708,220	1,586,840	+ 40,890
Federal Reserve Notes in actual circulation	2,181,840	2,183,370	2,930,730	- 1,830
Federal Reserve Bank Notes in actual circulation	80,350	78,860	175,490	+ 1,490
All other liabilities	17,810	17,440	48,630	- 30
Capital and surplus	319,390	319,360	303,150	+ 30
Ratio of total reserves to gold deposit and Federal Reserve note liabilities combined	77.8%	78.4%	50.8%	- 0.6%

BANK OF FRANCE.

	April 6, 1922.	Mar. 30, 1922.	April 7, 1921.	Week's Movement.	Position May 25, 1914.
ASSETS.					
Gold coin and bullion	5,526,225	5,526,055	5,504,639	+ 170	5,730,625
Of which held abroad	1,948,367	1,948,367	1,948,367	..	638,650
Silver coin and bullion	282,54	281,921	267,959	+ 233	2,387,775
Discounts and advances	5,103,669	5,260,374	5,246,710	- 156,705	..
LIABILITIES.					
Notes	36,153,385	35,528,005	38,695,613	+ 625,380	5,811,875
Government deposits	19,742	..	76,887	- 6,556	183,700
Private deposits	2,091,372	2,209,747	3,055,190	- 118,375	846,560

BANK OF SPAIN.

	April 1, 1922.	Mar. 25, 1922.	Mar. 18, 1922.	April 1, 1921.	Week's Movement.	Position May 30, 1914.
ASSETS.						
Gold	2,520,819	2,520,414	2,519,653	2,479,390	+ 435	521,775
Silver	635,528	636,654	633,448	591,320	+ 1,228	728,600
Loans and discounts	2,426,706	2,471,834	2,509,135	2,123,420	- 45,128	800,725
Spanish 4% stock	344,475	344,475	344,475	344,474	..	344,475
Treasury bills	150,000	150,000	150,000	150,000	..	150,000
LIABILITIES.						
Circulation	4,178,370	4,134,536	4,166,125	4,254,920	+ 43,834	1,901,560
Deposits	1,163,177	1,124,005	1,098,378	1,190,067	- 38,172	477,500

NATIONAL BANK OF GREECE.

	Feb. 28, 1922.	Feb. 13, 1922.	Feb. 28, 1921.	Previous Return.	Last Year.
ASSETS.					
Gold and balances abroad	1,389,409,455	1,373,611,719	1,441,045,362	+ 15,797,736	- 51,835,907
Government loans and securities	2,313,053,482	2,314,194,534	1,262,941,549	+ 1,141,042	+ 1,060,119,333
Discounts and loans	759,533,784	768,814,911	782,491,127	- 9,281,127	- 23,933,559
LIABILITIES.					
Notes in circulation	2,123,365,480	2,115,932,591	1,523,064,787	+ 7,432,889	+ 600,300,693
Government deposits	140,437,873	188,802,798	164,147,810	- 48,364,925	- 23,709,937
Private sight deposits	1,121,044,331	1,006,337,204	872,995,733	+ 114,707,127	+ 248,048,588
Private deposits at fixed dates	971,503,152	965,141,853	698,052,467	+ 6,361,299	+ 273,450,685

BANK OF JAPAN.

	Feb. 25, 1922.	Feb. 18, 1922.	Feb. 11, 1922.	Feb. 4, 1922.	Feb. 26, 1921.	Position Jan 30, 1914.
ASSETS.						
Gold and silver	1,226,429	1,227,165	1,228,103	1,227,572	1,275,893	221,320
Discounts	95,352	62,614	67,807	108,480	57,406	41,740
Advances	83,567	69,049	87,161	103,200	114,460	70,540
LIABILITIES.						
Notes	1,167,179	1,108,458	1,143,367	1,233,134	1,118,368	362,270
Govt. deposits	1,289,224	1,305,259	1,265,513	1,238,136	1,283,491	87,940
Private deposits	43,799	72,056	43,321	41,769	174,696	11,440

IMPERIAL BANK OF GERMANY.

	Mar. 31, 1922.	Mar. 23, 1922.	Mar. 31, 1921.	Week's Movement.	Position May 30, 1914.
ASSETS.					
Gold	956,887	956,877	1,091,521	..	1,313,240
Silver	1,298,286	1,298,286	9,095	+ 294	321,920
Treasury notes	6,272,763	4,741,935	23,836,278	+ 1,530,828	943,460
Bills discounted	148,682,924	133,551,718	66,802,639	+ 15,131,906	60,780
LIABILITIES.					
Notes in circulation	130,671,352	122,903,538	64,382,183	+ 7,767,814	2,013,850
Deposits	33,358,332	24,145,398	33,077,756	+ 9,212,634	842,540

BANK OF ITALY.

	Mar. 10, 1922.	Feb. 28, 1922.	Mar. 10, 1921.	Move-ment.	Position May 31, 1914.
ASSETS.					
Total cash	1,414,768	1,461,728	1,440,484	- 46,960	1,221,875
Inland bills	4,364,065	4,416,827	4,432,068	- 52,764	418,400
Foreign bills	9,462	9,464	9,460	+ 8	81,300
Advances to the Treasury	6,540,984	6,582,314	6,587,177	- 41,350	nil
Other advances	3,434,026	3,619,736	2,198,839	+ 206,110	79,175
Securities	533,863	534,401	535,486	- 21,699	205,700
LIABILITIES.					
Note circulation	13,976,433	14,112,251	14,031,218	- 135,818	1,558,925
Deposits & drafts	1,819,123	1,855,574	2,001,361	- 186,243	193,976

NETHERLANDS BANK.

	April 3, 1922.	Mar. 27, 1922.	Mar. 13, 1922.	April 5, 1921.	Position May 30, 1914.
ASSETS.					
Gold	605,953	605,953	605,953	605,953	163,098
Silver	5,567	5,567	5,567	5,567	8,435
Drags & advances	379,595	375,701	396,603	413,408	163,504
LIABILITIES.					
Notes in circulation	1,004,022	961,923	963,725	986,897	1,054,070
Deposits	40,346	26,128	36,927	26,765	46,505

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances. March, 1922.	Bank of Liv'pool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	London Joint City and Midland Bank, Limited.	London County Westm'r and Parr's Bank, Limited.	National Provin- cial and Union Bank of Eng'nd, Limited.	National Bank, Limited.	Willi'ms Deacon's Bank, Limited.	Total.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ..	8,033	35,346	1,478	2,928	34,382	55,091	31,041	29,732	3,980	4,895	206,906
Balances with and cheques in course of collection on other banks in the United Kingdom	2,042	6,335	462	687	7,405	9,633	8,174	7,140	117	1,043	43,038
Items in transit	5,334	20,546	2,684	5,086	14,877	13,031	20,115	16,649	6,801	4,178	109,301
Money at call and short notice	8,243	66,466	2,550	365	80,228	55,690	78,268	53,832	3,345	4,914	353,901
Bills discounted	12,464	71,026	4,690	12,405	80,472	65,991	63,224	51,427	17,487	6,827	386,013
Investments	39,314	133,104	7,395	5,687	125,646	177,083	113,942	125,533	18,246	18,558	764,508
Advances to customers and other accounts											
Liabilities of customers for acceptances, endorsements, &c.	4,171	5,892	196	1,794	7,622	18,371	14,203	4,001	405	901	57,556
Bank premises account	1,411	4,584	346	370	4,688	4,942	3,970	4,061	560	658	25,590
Investments in affiliated banks	..	8,014	..	..	7,665	3,259	2,991	2,240	..	..	24,169
	81,012	351,313	19,801	29,322	362,985	403,091	335,928	294,615	50,941	41,974	1,970,982
Ratio of cash to current, deposit, and other accounts	10-99	10-99	8-20	11-31	10-38	15-17	10-22	10-91	8-82	12-84	11-55
LIABILITIES.											
Capital paid up	2,348	15,592	800	1,000	14,372	10,861	9,003	9,309	1,500	1,875	66,660
Reserve fund	1,400	8,250	800	500	10,000	10,861	9,003	8,878	980	1,100	51,772
Current, deposit, and other accounts	73,092	321,579	18,005	25,874	330,991	362,999	303,701	272,427	45,096	38,097	1,791,861
Acceptances, endorsements, &c.	4,172	5,892	196	1,794	7,622	18,370	14,204	4,001	405	902	57,558
Notes in circulation	..	..	..	..	..	..	17	..	2,960	..	2,977
Reduction of bank premises account	..	..	..	154	..	..	..	..	..	..	154
	81,012	351,313	19,801	29,322	362,985	403,091	335,928	294,615	50,941	41,974	1,970,982

IMPERIAL BANK OF INDIA

(000's omitted.)

Assets.	Mar. 10, 1922.	Mar. 3, 1922.	Feb. 24, 1922.	Feb. 17, 1922.	Feb. 10, 1922.
Govt. securities.	9,225.56	9,377.67	9,577.74	9,885.52	9,837.73
Other securities.	1,281.17	1,281.17	1,281.17	1,281.17	1,281.17
Loans.	15,288.86	15,443.30	15,194.14	14,813.94	14,051.38
Cash.	27,947.83	27,357.71	27,335.38	26,971.40	26,228.28
Inland bills.	7,947.00	9,038.81	10,889.40	10,811.94	10,104.81
Foreign bills.	7.33	4.18	3.75	4.78	5.14
Bullion.	22	22	23	24	23
Dead stock.	241.47	240.33	239.85	239.58	238.47
Sundries.	37.66	36.97	36.30	35.70	35.08
With other banks.	12.21	12.06	12.45	12.25	11.78
Cash.	17,211.00	14,944.48	15,979.90	14,199.80	14,686.65
LIABILITIES.					
Subscribed capital.	11,241.12	11,241.12	11,241.12	11,241.12	11,241.12
Capital paid up.	5,822.28	5,822.28	5,822.28	5,822.28	5,822.28
Reserve.	4,017.79	4,017.79	4,017.79	4,017.79	4,017.79
Public deposits.	12,069.91	11,425.62	11,133.62	11,350.80	9,566.04
Other deposits.	67,263.35	58,421.10	57,531.12	58,232.97	59,219.92
Loans against securities.	32.07	32.96	32.94	31.56	31.56
Loans from Govt. of India.	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Sundries.	69.51	67.73	66.56	62.32	61.64
The above includes—					
Advances in London.	60,600	56,908	60,100	62,800	63,000
Advances in London.	265,300	245,300	247,800	247,500	265,500
Cash, &c., at other banks in London.	76,083	74,220	69,787	76,442	86,713

BANK OF FINLAND

(000's omitted.)

Assets.	Mar. 23, 1922.	Mar. 15, 1922.	Mar. 8, 1922.	Mar. 1, 1922.	Dec. 24, 1921.
Govt. securities.	42,825	42,825	42,825	42,825	42,825
Other securities.	173,484	180,078	180,078	180,078	180,078
Loans.	779,078	779,078	779,078	779,078	779,078
Cash.	740,151	738,071	738,071	738,071	738,071
LIABILITIES.					
Notes in circulation.	1,424,867	1,444,288	1,479,869	1,479,869	1,479,869
Deposits at notice.	84,453	79,479	103,609	103,609	103,609

BANK OF PORTUGAL

(000's omitted.)

Assets.	Mar. 8, 1922.	Mar. 1, 1922.	Feb. 24, 1922.	Feb. 17, 1922.	Feb. 10, 1922.
Govt. securities.	27,176	27,176	27,176	27,176	27,176
Other securities.	3,577	3,577	3,577	3,577	3,577
Loans.	145,982	141,200	138,074	138,074	138,074
Cash.	620,078	620,078	620,104	620,104	620,104
LIABILITIES.					
Notes in circulation.	751,571	747,886	738,329	738,329	738,329
Deposits at notice.	45,436	55,793	58,491	58,491	58,491

NATIONAL BANK OF BULGARIA

(000's omitted.)

Assets.	Dec. 22, 1921.	Nov. 14, 1921.
Coin.	62,715	63,239
Balance at foreign banks.	989,123	1,051,116
LIABILITIES.		
Notes in circulation.	3,576,374	3,592,379
State advances.	3,891,997	3,578,312

POLISH NATIONAL BANK

(000's omitted.)

Assets.	Feb. 24, 1922.	Jan. 31, 1922.	Dec. 31, 1921.	Nov. 30, 1921.	Oct. 31, 1921.
Gold.	28,300	28,300	28,300	28,300	28,300
Silver.	443,288	429,800	429,800	429,800	429,800
Foreign coin.	118,200	120,700	120,700	120,700	120,700
Foreign banks.	967,400	889,800	13,115,100	7,446,100	2,747,200
Advances to the Govt.	230,600,000	227,350,000	221,000,000	214,000,000	198,500,000
Private loans and discounts.	41,822,700	37,728,900	34,624,400	29,491,400	21,551,800
Other assets.	46,026,100	38,358,300	27,145,600	25,137,200	19,813,200
LIABILITIES.					
Notes in circulation.	247,808,500	239,616,300	229,537,600	207,029,100	188,777,300
Government accounts.	36,673,500	30,064,800	29,440,100	34,494,800	30,358,500
Other accounts.	27,977,900	24,339,000	18,573,900	19,034,800	14,792,700
Reserve.	11,332,000	11,332,000	2,867,700	68,900	68,900
Other liabilities.	2,128,600	2,287,100	15,872,600	17,210,700	18,977,300

* Transformed at par of exchange.

THE STATE SAVINGS AND CREDIT BANK OF LATVIA

Assets.	December 31, 1921.	December 16, 1921.	December 1, 1921.	November 15, 1921.
Total cash.	115,877.33	120,445.955	123,118.834	91,198.494
Foreign bank.	382,124.37	321,901.948	381,916.720	374,315.168
Discounts and loans.	146,923.74	165,161.575	370,873.394	391,498.408
Other assets.	213,788.24	213,788.24	74,336.921	169,953.318
LIABILITIES.				
Capital.	300,000.000	300,000.000	300,000.000	300,000.000
Deposits.	823,174.83	823,174.83	823,174.83	823,174.83
Other liabilities.	230,600.462	229,201.638	308,353.578	316,115.773

BANK OF ESTHONIA

(000's omitted.)

Assets.	Feb. 28, 1922.	Jan. 31, 1922.	Dec. 31, 1921.	Nov. 30, 1921.
Total cash.	425,960	283,332	240,601	343,493
Discounts and loans.	2,308,226	1,816,676	1,667,732	1,397,998
LIABILITIES.				
Capital paid up.	250,000	250,000	250,000	250,000
Deposits.	10,874	10,874	10,874	10,874
Notes in circulation.	700,000	600,000	350,000	250,000
Deposits.	1,369,843	1,109,122	1,069,788	1,021,017

BANK OF CZECHO-SLOVAKIAN REPUBLIC

(000's omitted.)

Assets.	Mar. 23, 1922.	Mar. 15, 1922.	Mar. 8, 1922.	Mar. 1, 1922.	Week's Movement.
Govt. securities.	10,096,692	10,096,692	10,096,692	10,096,692	10,096,692
Other securities.	2,926,174	2,926,174	2,926,174	2,926,174	2,926,174
Loans.	906,819	1,014,401	952,876	1,014,401	1,014,401
Cash.	666,500	497,706	621,127	1,410,145	1,410,145
LIABILITIES.					
Notes in circulation.	9,958,437	10,155,151	10,488,939	10,638,904	10,638,904
Deposits.	2,119,411	1,981,459	1,760,740	1,632,798	1,632,798
Other liabilities.	2,407,337	2,432,505	2,468,773	2,947,364	2,947,364

* Resulting from bank notes, current accounts, exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENS

(000's omitted.)

Assets.	Mar. 22, 1922.	Mar. 15, 1922.	Mar. 8, 1922.	Mar. 1, 1922.	Week's Movement.
Gold.	73,435	73,435	73,435	73,435	73,435
Other coin and notes.	17,686	17,686	17,686	17,686	17,686
Foreign credits.	305,424	304,943	305,878	304,943	304,943
Bills.	821,555	784,368	787,096	126,400	126,400
Govt. advances.	4,418,518	4,418,509	4,418,509	3,383,028	3,383,028
LIABILITIES.					
Notes in circulation.	4,728,417	4,703,729	4,895,826	3,447,840	3,447,840
State credits.	354,281	334,275	354,274	374,909	374,909
Deposits.	594,563	585,568	597,700	941,518	941,518

LONDON RATES.

	Mar. 31, 1922.	Mar. 24, 1922.	Mar. 17, 1922.	Mar. 10, 1922.	Mar. 3, 1922.	Feb. 27, 1922.	Feb. 20, 1922.	Feb. 13, 1922.	Feb. 6, 1922.	Jan. 30, 1922.
Bank rate (reduced from 5% Feb. 16, 1922)	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Market rates of discount—										
60 days' bankers' drafts.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
3 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
6 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount (Treasury Bills)—										
3 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances—Banks.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

* Additional to those offered by tender in the preceding week.

Comparison with the previous weeks—

	Short London	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	5 Months.	3 Months.	4 Months.	5 Months.
Jan. 1922.	%	%	%	%	%	%	%
Jan. 20.....	5 3/4	5 1/2	5 1/2	5 1/2	4 1/2	5 1/2	5 1/2
27.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5 1/2	5 1/2
Feb. 3.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5 1/2	5 1/2
10.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5 1/2	5 1/2
16.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5 1/2	5 1/2
17.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5 1/2	5 1/2
24.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5 1/2	5 1/2
Mar. 3.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5 1/2	5 1/2
10.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5 1/2	5 1/2
17.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5 1/2	5 1/2
24.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5 1/2	5 1/2
31.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5 1/2	5 1/2
April 7.....	5 1/2	5 1/2	5 1/2	5 1/2	4 1/2	5 1/2	5 1/2

RATES OF EXCHANGE.

London on		Usance	Par.	April 8, 1921.	Mar. 31, 1922.	April 7, 1922.
Paris	francs to £1	T.T.	25-22 1/2	55-28-33	48-45-50	48-13-18
Berlin	marks to £1	T.T.	20-43	241-24 1/2	1258-1263	1240-1245
Vienna	kroner to £1	T.T.	24-02	1450-1500	3200-3300	3250-3300
Prague	kroner to £1	T.T.	24-02	285-290	228-232	227-232
Warsaw	P. marks to £1	T.T.	20-43	3150-3250	1650-1750	1650-1750
Bukarest	lei to £1	T.T.	25-22 1/2	262-267	800-820	800-820
Budapest	kr. to £1	T.T.	24-02	262-267	3800-4100	3700-4000
Constantinople	piastres to £	T.T.	110	570-590	650-670	640-660
Sofia	levas to £1	T.T.	25-22 1/2	320-330	940	940-960
Belgrade	dinars to £1	T.T.	25-22 1/2	138-143	350-360	350-360
Amsterdam	florin to £1	T.T.	12-10 1/2	11-28-31	51-57-59	51-57-59
Brussels	francs to £1	T.T.	25-22 1/2	53-54-55	52-05-10	51-95-82-00
Christiania	kroner to £1	T.T.	18-159	24-13-18	24-67-71	24-13-18
Stockholm	kroner to £1	T.T.	18-159	18-57-61	18-81-83	16-83-85
Copenhagen	kroner to £1	T.T.	18-159	21-61-65	20-74-79	20-77-80
Helsingfors	F. marks to £1	T.T.	25-22 1/2	164-166	220-222	230-235
Greece	drachmas to £1	T.T.	25-22 1/2	53-75-54	100-102	100-101
Italy	lire to £1	T.T.	25-22 1/2	894-898	8-1-85	8-1-85
Switzerland	francs to £1	T.T.	25-22 1/2	22-57-62	22-54-57	22-54-57
Madrid	pesetas to £1	T.T.	25-22 1/2	28-05-10	28-22-25	28-22-25
Lisbon	escudos to £1	T.T.	53-54	53-54	48-48	48-48
Alexandria	piastres to £1	Sight	97 1/2	97 1/2	97 1/2	97 1/2
New York	dollars to £1	Cable	4-88	3-91-91 1/2	4-37-37 1/2	4-38-38
Montreal	dollars to £1	Cable	4-88	4-39-39 1/2	4-49-51	4-51-53
Buenos Ayres	pesos to dollar	T.T.	97-50	4-45-45 1/2	4-48-48	4-48-48
Rio de Janeiro	pesos to mills	90 days	13	48-43	43-44	43-44
Montevideo	pesos to doles.	90 days	13	48-43	43-44	43-44
Valparaiso	pesos to £1	90 days	53	74 1/2 (a)	39-90	39-90
Calcutta	ling. to Par. £1	90 days	Par	4% prem.	1 3/4-3 1/4	1 3/4-3 1/4
Canton	ster. to rupee	T.T.	10 to	1s 2d-2 1/2d	1s 2 1/2d-3 1/2d	1s 2 1/2d-3 1/2d
Bombay	ster. to rupee	T.T.	10 to	1s 2 1/2d-3 1/2d	1s 3d-3 1/2d	1s 3d-3 1/2d
Madras	ster. to rupee	T.T.	10 to	1s 2 1/2d-3 1/2d	1s 3d-3 1/2d	1s 3d-3 1/2d
Hong Kong	ster. to dollar	T.T.	10 to	1s 2 1/2d-3 1/2d	1s 3d-3 1/2d	1s 3d-3 1/2d
Shanghai	ster. to taels	T.T.	..	3s 1d-3 1/2d	2s 8d-2 1/2d	2s 8d-2 1/2d
Singapore	ster. to dollar	T.T.	..	3s 1d-3 1/2d	3s 3d-3 1/2d	3s 3d-3 1/2d
Yokohama	ster. to yen	T.T.	24-58 1/2	3s 3 1/2d-4 1/2d	2s 2 1/2d-2 1/2d	2s 2 1/2d-2 1/2d
Manila	ster. to dollar	T.T.	24-58 1/2	3s 3 1/2d-4 1/2d	2s 2 1/2d-2 1/2d	2s 2 1/2d-2 1/2d
Mexico	pesos to doles.	T.T.	24-58 1/2	3s 3 1/2d-4 1/2d	2s 2 1/2d-2 1/2d	2s 2 1/2d-2 1/2d

† Rate for week-end.

SILVER.

Throughout the week the market has been comparatively inactive. Small sales were made by the Indian bazaars, and only moderate supplies were available from the Continent. China has not been much in evidence until to-day, so that the tone, on the whole, has been dull. Most of the buying was on account of bears, and a measure of support came from the United States of America. Owing probably to the difficulty of dealing with worn coins during the war, a large stock of silver bullion has accumulated in the Indian treasuries. The amount at the end of February was 46 lacs in Bombay and 409 lacs in Calcutta—4,55,67,211 rupees worth altogether. The total is significant of the big figures with which the Indian authorities have to deal, and explains how the Mints are kept at work, notwithstanding that no actual addition to India's volume of silver currency is necessary. The way in which 200 lacs of inland trade bills came to be included in the currency reserve is thus set out by the *Times of India*:—"The currency figures dated March 7th indicate that the Government has deflated further one crore, as required by the Currency Act. This deflation would have had a hardening effect on the market but for the inflation of two crores, as indicated in the Imperial Bank's return of the 10th instant, the bank having taken a loan from the Currency Department for that amount against the security of trade bills. This simultaneous operation of inflation and deflation has prevented any violent change in rates, and shows the anxiety of the Government and the Imperial Bank to meet the situation by conjoint action."

INDIAN CURRENCY RETURNS.
(In Lacs of Rupees.)

	Mar. 15, 1922.	Mar. 22, 1922.	Mar. 31, 1922.
Notes in circulation	17,439	17,468	17,476
Silver coin and bullion in India ..	7,653	7,686	7,752
Silver coin and bullion out of India ..	2,432	2,432	2,432
Gold coin and bullion out of India ..	6,570	6,566	6,508
Securities (Indian Government) ..	584	584	584
Securities (British Government) ..	200	200	200
Inland commercial bills of exchange ..	200	200	200

No coinage of silver is reported during the week ending 31st ult. The stock in Shanghai on the 1st inst. consisted of about 38,900,000 ounces in sycee, 36,000,000 dollars, and 1,240 silver bars, as compared with about 39,800,000 ounces in sycee, 33,500,000 dollars, and 1,500 silver bars on the 25th ult. The Shanghai exchange is quoted at 3s 3d the tael. Statistics for the month of March are appended:—

	Bar Silver. Per Oz Standard. Cash 2 Months' Delivery.	Bar Gold. Per Oz Fine. Cash 2 Months' Delivery.
Highest price	34 1/2	96 9
Lowest "	32 1/2	93 3
Average "	33 268	95 0 8

GOLD AND SILVER PRICES.

The price of gold and cash and forward prices of bar silver during this week and in previous years are as below:—

1922.	Gold. Per Ounce.	Silver.		Date.	Silver. Cash, Per Ounce.
		Cash, Per Ounce.	Forward, Per Ounce.		
April 1 ..	95 10	33 1/2	33 1/2	April 14, 1916	30 1/2
3 ..	95 0	33 1/2	33 1/2	13, 1917	36 1/2
4 ..	94 9	33 1/2	33 1/2	12, 1918	46 1/2
5 ..	94 9	33 1/2	33 1/2	11, 1919	48 1/2
6 ..	95 0	33 1/2	33 1/2	9, 1920	69 1/2
7 ..	94 9 nom	33 1/2	33 1/2	8, 1921	33 1/2

NOTICES.

The National Provincial and Union Bank of England, Limited, has opened a branch at 9 Devonshire road, Bexhill-on-Sea, under the management of Mr J. M. Iloft.

Barclays Bank, Limited, announce the opening of new branches on Monday next, April 10th, in temporary premises at 20 High street, Glossop, under the management of Mr Cecil R. Woodward, and at 79/81 High street, Portmadoc, under the management of Mr I. Milwyn Morgan.

We are informed that Mr Gordon Leith, formerly a partner in the firm of Speyer Brothers, is starting business as a merchant banker at 7 Lottbury, under the title of Gordon Leith and Co., and will have the assistance of Mr Harold Wooding and Mr Arthur L. Somerhaugh.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in cash.		Dividend for Whole Years.
	Interim Div.	Final Div.	
Railways.			
Mole and Denbigh	4 1/2	..	3 1/2
Plymouth and Devonport	4 1/2	..	3 1/2
Tait	5	May 4	Less tax
Banks.			
Agricultural of Egypt, Ord.	..	..	8 p.s. 8 p.s.
Colonial "A" and "B"	..	..	240 p.s. 240 p.s.
Queensland National	3 1/2	April 3	..
Queensland National	10	May 18	..
Insurance.			
Atlas	7 1/2	April 26	12 p.s. 12 p.s.
Caledonian	..	..	40 p.s. 35 p.s.
Cornhill	..	..	5
National Guarantee and Surety-ship ..	..	..	10
Royal Exchange	9 1/2	..	15
State	22 1/2	April 25	15
Ulster Marine	..	..	15
Universal Automobile	..	..	15
Mining.			
Amalgamated Zinc (de Bay's) ..	1 p.s.	April 13	Less tax
Globe and Phoenix Gold	1 p.s.	May 11	Tax free
Rio de Janeiro, Pref.	2 1/2	..	5 p.s. 5 p.s.
Tea and Rubber.			
British Assam Tea	10 1/2	April 12	Less tax
Cheviot Rubber	12 1/2	..	20
Highland Tea of Ceylon	6	May 1	Less tax
Imperial Tea, Pref.	..	..	5
Klanang Produce	..	..	5
Labu (F.M.S.)	..	..	5
New Dimbula	10 1/2	..	20
Pundaloya Tea	10 1/2	..	20
Selangor Rubber	..	..	10 1/2
Shawlands Estate	2 1/2	..	5
Sungei Way (Selangor)	..	..	5
Other Companies.			
African City Properties Trust ..	5 1/2	May 1	Less tax
Anglo-American Telegraph	15 1/2	..	12 1/2
A. Keyocle and Co.	..	..	12 1/2
Argentine Land and Investment ..	5 1/2	May 8	Less tax
Associated Portland Cement	..	..	10
Bobby and Co.	..	..	10
British American Land Co.	10 p.s.	..	10
British Automobile Traction	..	..	10
Bromley (Kent) Electric	8 1/2	May 8	..
Canada North-West Land	..	..	8
Chislewick Electricity Supply	..	..	7 1/2
Craven Brothers	..	..	15
Currie and Co.	5 1/2	..	15
D. and W. Murray	..	..	10
Durban Spinning (Holmwood) ..	2 1/2	May 15	Tax free
Eastern Telegraph Co.	13 1/2	..	10
Era Spinning	5 1/2	..	10
Farmer and Co.	..	..	10
Folkestone Electricity	..	..	10
Francis Shaw and Co.	5	May 1	Tax free
Furness Withy	1 p.s.	..	10
Gandy Bell Manufacturing	..	..	10
Gordon Steam Navigation	..	..	15
Groves and Whitnell	..	..	15
Hernu, Peron, and Co.	..	..	10
Hope Spinning	13 p.s.	April 15	..
International Harvester	13 p.s.	..	..
James Collinge and Sons, & Co. ..	6	April 8	Less tax
James W. Cook and Co.	5 1/2	April 8	Tax free
Do Bonus	..	..	15
John Groves and Sons	..	..	10
Joseph Nathan and Co., Cum.	..	..	10
Part. Prefd. and Ord.	4 1/2	April 29	Less tax 6 in £
Kean and Scott	..	..	5
Lawsons	1 p.s.	..	15
Lincoln City Exchange	..	..	12
London Electric Wire	..	..	7 1/2
London Trust Co., Defd.	1 1/2	May 1	..
Middle West Utility, Prefd.	10 1/2	..	10
Mounstuart Dry Docks, Defd.	12	May 18	Tax free
P. and O. Steam Navigation, Def. ..	2	May 11	..
Reading Co.	1 1/2	..	15
Reckitt and Sons	..	..	15
Robert Simpson Co., Pref.	6	May 1	..
Scott, Son, and Co.	..	..	7 1/2
Slack Mills Co.	13 p.s.	..	10
Smith and McLean	..	..	5
South London Electric	4 1/2	..	7
Stock Exchange	25 p.s.	..	25 p.s.
United States and S. Amer. Trust ..	4 1/2	..	7 1/2
Walker and Homfrays	15	..	..
Warwick and Richardson	4 1/2	Mar. 31	Tax free
Western Wagon and Property	5 1/2	..	10
Wright and Co. (Middleborough) ..	7 1/2	..	10
Wright, Layman, and Umney	17 1/2	..	25

BANK OF ATHENS announce that a final dividend for the year 1921 of Dr.10 on the ordinary shares (coupon No. 43), and a dividend of Dr.10 on the Actions de Jouissance (coupon No. 5) will be paid at the current rate of exchange.

BROWN BAYLEY'S STEEL WORKS have decided to defer the question of payment of the preference dividend, and intimate that no interim dividend will be paid on the ordinary shares.

BURMAH OIL COMPANY have resolved to pay the half-yearly dividends on 6 per cent. preference shares of £1 each, 6 per cent. second preference shares of £10 April 29th.

CROSSES and WINKWORTH CONSOLIDATED MILLS have intimated to the holders of the cumulative participating preference shares that, although the accounts for the financial year ended March 31st have not yet been completed, owing to the remunerative state of trade, and with the object of conserving the resources of the company during the present difficult period, they have decided to defer payment of the dividend for the six months ended March 31.

DANIELSON FORBES state that, owing to the coal miners' strike and the unprecedented depression in the shipbuilding and engineering trades, they have, after the 7 per cent. dividend due to the preference shareholders for the half-year ended March 31, 1922, until the result of the year's trading to the same period has been ascertained. For the year 1919-20 the ordinary shares received 4 per cent., but in 1920-21 only the preference dividend was paid.

JAMES DUNLOP AND CO., LIMITED, propose to pay the preference dividend for the second half-year, leaving £16,727 to be carried forward. They are unable to recommend a dividend on the ordinary shares. For 1920 no dividend was paid on the ordinary shares.

JOHN MOIR and SON made a loss for the year 1921 of £37,503 (against a loss of £7,449). A dividend of 5 per cent. was paid in the previous year.

MINING OUTPUT STATISTICS FOR MARCH, 1922.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cy. W.	Mill.	Cy. W.		
Gold.						
Ashanti	7,677	..	..	6,575	27,933	..
Associated	6,370	..	..	..	(a) 8,352	..
Belaghat	3,250	8,300	1,882	600	2,482	..
British Platinum	..	..	..	..	90	(gold)
Champion Reef	11,626	17,116	4,050	820	4,910	..
Cons. of N.Z.	..	..	..	..	..	..
Blackwater	3,871	..	..	..	7,911	..
Glyn's Lydenburg	4,370	..	..	..	(b) 8,074	2,501
London and Rhodesian	3,752	..	..	..	3,679	..
Menzies Consolidated	1,870	..	..	..	3,323	..
Mysore	18,318	48,293	6,227	4,275	10,502	..
North Anantapur	550	650	509	86	595	..
Nordhydrog	9,636	16,110	4,434	594	5,028	..
Ooregum	13,000	15,390	7,794	804	8,598	..
Transvaal G.M.E.	16,290	..	..	..	(b) 26,314	3,766
Wahli	13,195	..	3,316	(gold)	30,699	(silver)
Wahli Grand Junction (Jan. 5th to date of shutting down)	9,280	..	2,422	(gold)	8,344	(silver)

(a) Not including premium. (b) £4 12s per fine oz net.

	Output.		Other Notes in Return.
	Tons.	Cy. W.	
Tin.			
Bisiohi	33	..	Approx. value, £6,180; and costs, £5,480.
Chenderiang	72	..	Quarter ended March 31st.
Ipo	94	..	..
Jos	11	..	Approx. value, £5,600; and costs, £5,970.
Kamunting	82	..	Quarter ended March 31st.
Kramat Pulai	..	..	Profit, including tribute, £1,151.
Kinta	422	..	Value, £3,558; gross profit, £2,216.
Pusing	..	..	Gross profit, £35.
Rayfield	40	..	Shipped, 40 tons.
Ropp	126	..	..
Siamese	104	..	..
South Bukuru	20	..	Shipped, 20 tons.
Tongkah Harbour	75	..	..
Copper.			
Tanganyika	3,057	..	..
Coal.			
Chinese Engineering	69,005	..	Week ended March 25th.
Chislet (Kent)	4,154	..	Week ended April 1st.
Clydesdale	16,022	..	Coalbrook; 18,197 tons Blackhill.
Dundee	42,689	..	..
East Kent	3,741	..	Week ended April 1st.
Natal Navigation	42,351	..	..
Northern Natal	23,062	..	..
Twentymile United	59,043	..	..
Vereeniging	39,482	..	Brick works, £3,230.
Vryheid (Natal)	21,968	..	..
Wankie	21,560	..	Coke sales, 10,732 tons.
Miscellaneous.			
New Vaal River	..	..	Diamonds registered, 524 carats, valued at £3,860.
Rhodesia Broken Hill	1,981	..	..

SULPHIDE CORPORATION.—During the four weeks ended March 25th, 10,060 tons of ore and 2,652 tons of slimes were milled at the Central mines, producing 2,461 tons of lead concentrates (including 244 tons from the deleading plant), which assayed 47 oz silver, 67 per cent. lead, together with 4,114 tons zinc concentrates, assaying 10 oz silver, 7 per cent. lead, 47 per cent. zinc per ton. At Cooke Creek 2,555 tons of lead concentrates and purchased ores were smelted, producing 1,727 tons of lead bullion for treatment in the refinery. The refinery products for the same period were 1,497 tons soft lead, 166,385 ozs silver, and 1,019 ozs gold.

Reports and Notices.

Messrs Price, Waterhouse, and Co. have taken into partnership Mr Walter Parker Rocke, A.C.A.

The Agent-General for Western Australia has received cable advice from the Government of Western Australia that for the month of February, 1922, 180 fine ounces of gold were entered for export, and that 42,842 fine ounces were received at the Perth branch of the Royal Mint.

We are informed that the City editor's office of the *Westminster Gazette* is now at 197-198, Palmerston House, Old Broad street, E.C.2. to which all company reports, dividends, and other financial matter should now be sent.

Mr William Exley Miller, C.A., who has filled the position of secretary of the Arizona Copper Company, Limited, for the past 33 years, has resigned as of date March 31st. Mr William Rintoul has been appointed interim secretary.

Major-General Sir Frederick Sykes, G.B.E., K.C.B., C.M.G., has joined the board of the Anglo-Argentine Tramways Company, Limited.

Mr G. A. Pike was re-elected a director of the Meadow Dairy Company, Limited, at a meeting of the preference shareholders held pursuant to the company's articles of association.

GOVERNMENT STOCKS, &c.

CONSOLIDATED EXTERNAL DEBT OF COLOMBIA.—The Council of Foreign Bondholders notify the payment of the April instalment of the Debt Service in respect of the half-year ending June 30, 1922.

OTTOMAN LOANS.—It is announced that British holders of certain Ottoman loans are given the option of a settlement of the arrears due on unpaid coupons and drawn bonds for the period from December, 1914, to May, 1920. The terms offered by the Ottoman Government are those agreed to on behalf of the French owners by the French Committee of Bondholders, i.e., a certificate, representing the full amount in francs, will be delivered in exchange for the overdue coupons and drawn bonds, and at the same time a payment in francs will be made on account, and the certificate marked to that effect. The payment made on each loan is in proportion to the funds actually collected for such loan. Payment to British holders would be in

francs converted into sterling at the rate of exchange ruling on the day when the certificates are received in London.

BANKS.

COMMONWEALTH BANK OF AUSTRALIA.—The balance-sheet figures of the Commonwealth Bank of Australia as on December 31st last have been cabled to the London office. Deposits in the general banking department stand at £26,556,692, or a decrease of £596,619 as compared with a year previously, while savings bank deposits show an increase of £1,971,832, and now amount to £37,278,788. Money at short call in London has increased during the year from £4,160,000 to £10,715,000. Coin, bullion, and cash balances stand at £4,872,995, while investments aggregate £35,661,900, the total assets of the bank being now £126,170,085. Bills discounted, loans, advances, &c., at £13,904,222, show a decrease, mainly in consequence of the receipt of wheat marketed under a pool representing all the growers under Government guarantee. Bills payable, standing at £2,734,942, reflect, on the other hand, the smaller volume of shipments of produce afloat. The profit for the half-year is £341,361, making £744,402 for the full year 1921. The Commonwealth Bank of Australia, which is owned and guaranteed by the Australian Commonwealth Government, has no paid-up capital, but has accumulated profits in less than 10 years amounting to £3,792,726, which sum is held at the credit of reserve funds.

LONDON JOINT CITY AND MIDLAND.—Average weekly position during March, 1922:—

LIABILITIES.		ASSETS.		Ratio to Curr't, Deposits & Other Acc'ts.
£	%	£	%	
Capital paid up	10,860,852	Coin, bank and currency notes, and balances with the Bank of England ..	55,091,393	15.2
Reserve fund	10,860,852	Balances with, and other accounts (including balance of profit and loss account) ..	362,999,333	2.6
Current, deposits, and other accounts (including balance of profit and loss account) ..	362,999,333	Acceptances and engagements on account of customers	18,370,785	13,030,938
				36
				18.2
				15.3
				48.8
				18.7
				4,941,561
				3,258,665
				403,091,822
				403,091,822

MISCELLANEOUS.

EDISON SWAN ELECTRIC COMPANY.—The report and accounts for year ended June 30, 1921, shows that the balance standing to the debit of profit and loss is £344,720. The board recommend that the sum of £55,000, now standing to reserve, be transferred to profit and loss account, thus reducing the debit balance to £289,720. The directors point out that the general depression in trade has adversely affected all industrial undertakings, and the fall in values of all raw materials and manufactured goods has been unprecedented. The strikes of moulders, coal miners, and shipwrights were a serious drawback to the company. The report states that "a complete and searching valuation of stocks of raw materials and manufactured and partly-manufactured goods has been made, and it has been found necessary to write off as depreciation the large sum of £346,445, which accounts for the greater portion of the loss made. The directors point out that since November last the position of the company has slowly improved, and, with a moderate revival of trade, the outlook for the company should become much more favourable. Since the date of the balance-sheet loans from the company's bankers have been increased by £90,150, making the total loan advanced by them to date £313,950.

HUDSON'S BAY COMPANY'S LAND SALES:—

	For Quarter Ended March 31.		Year Ended March 31.	
	1921.	1922.	1921.	1922.
Farm lands—				
Acres.....	11,397	4,272	178,300	33,732
Sold for	\$38,550	\$12,950	\$624,100	\$112,500
Town lots—				
Sold for	\$2,950	\$17,200	\$16,650	\$33,200
Total receipts—				
On account of capital..	\$104,100	\$80,750	\$453,400	\$335,600
On account of interest..	\$60,700	\$45,150	\$184,600	\$175,250

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Week Ended April 2, 1922.			Aggregate 13 Weeks 1922.		
	Passengers, &c.	Goods, &c.	Total for Week.	Passengers, &c.	Goods, &c.	Total Receipts.
Brecon and Merthyr...	60	841	3,290	4,134	11,788	48,214
Gr. at Central (c) ...	6763	43,700	143,100	186,800	536,600	1,749,600
Do Joint Lines ...	161	94,700	104,500	199,200	1,216,600	1,328,200
Great Eastern (c) ...	1,207	85,000	153,600	244,000	998,500	1,980,500
Great Northern (c) ...	1,050	232,000	381,000	616,000	3,035,000	4,539,000
Great Western (d) ...	2,964	1,036	22,991	11,531	11,907	274,799
Hull and Barnsley ...	92	32,443	3,803	36,246	426,042	49,833
Do Dock Receipts ...	1,554	152,000	361,000	513,000	1,958,000	4,310,000
London & N. Western ...	1,633	325,000	466,000	789,000	3,945,000	5,713,000
Lon. & South-Western ...	968	113,500	69,800	183,300	1,373,200	760,800
Lon. Brighton & S.C. (c) ...	487	77,748	28,820	106,568	973,586	369,879
Maritime & Carlisle (c) ...	423	1,073	2,053	3,123	14,444	20,591
Metrop. (h) (c) ...	791	32,443	3,803	36,246	426,042	49,833
Midland (c) ...	1,554	152,000	361,000	513,000	1,958,000	4,310,000
Midland & S.W. Jnc. ...	63	1,238	1,584	2,832	15,307	18,069
North Eastern (c) ...	1,759	110,900	260,810	371,000	1,391,800	2,871,800
North London ...	16	4,561	3,070	6,407	33,090	19,787
South-E. & Chatham (c) ...	645	112,300	44,100	156,400	1,372,600	548,800
Underground E.R. (c) ...	..	..	..	213,058	..	2,742,088
Lon. & Sub. Group (c) ...	..	..	..	45,092	..	596,548
Caledonian ...	1,097	63,100	115,400	178,500	752,300	1,277,900
Glasgow and S.W. (c) ...	476	26,220	40,300	66,500	312,800	431,100
Gr. N. of Scotland (c) ...	356	7,810	11,850	19,450	99,370	137,780
Highland (c) ...	492	8,333	11,365	19,636	120,636	140,148
North British (c) ...	1,378	55,500	131,400	186,900	688,500	1,695,500
Belmont and County ...	80	4,240	1,589	5,829	53,016	19,819
Down (h) ...	160	6,398	4,087	11,055	65,178	49,287
Dublin and Gt. West. (b) ...	538	13,453	17,495	30,948	152,540	187,739
Midland & Gt. West. (b) ...	..	..	..	..	..	..

(a) Including 10 miles temporarily closed. (b) Week ended March 31, 1922.
(c) Week ended April 1, 1922. (d) Including receipts from Amalgamated Lines.

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.

Name.	Period.	Ending.	Receipts for Week or Month.	Inc. or Dec.	Aggregate Receipts.	Inc. or Dec.
Algoma Cent. & Hudson Bay	7 mths Jan. 31	Gross	\$61,468	- 77,093	1,059,713	- 762,646
Canadian Pac. 15 weeks Mar. 31	Gross	\$1,551,700	- 363,532	13,211,704	- 4,374,134	
Canadian Pac. 2 mths Feb. 28	Gross	\$1,551,700	- 363,532	13,211,704	- 4,374,134	
Canadian Pac. 13 weeks Mar. 31	Gross	\$1,551,700	- 363,532	13,211,704	- 4,374,134	
Canadian Pac.* 2 mths Feb. 28	Gross	\$1,304,000	- 146,500	22,612,000	- 4,592,000	
Grand Trunk. 13 weeks Mar. 31	Net	\$654,000	- 159,000	1,137,000	- 318,000	
Temiscouata. 1 mth Feb. 28	Gross	\$252,324	+ 104,526	4,711,814	+ 939,630	
	Gross	\$36,036	..	..	..	

* Net earnings before deducting taxes. † Railway and Steamship receipts.

OTHER BRITISH OVERSEAS RAILWAYS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
Beira and Mashona-land	1 mth Dec. 31	810	105,507	+ 4,046	£ ..
Mid. of W. Ash.	7 mths Jan. 31	777	12,644	+ 2,219	74,856
New Cape Central.	10 weeks Mar. 31	805	2,799	- 15	29,094
Rhodesia Railways	1 mth Jan. 31	1,397	127,883	- 10,289	..

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
Anglo-Argentine	13 weeks Apr. 1	329	\$85,019	+ 5,509	1,082,674
Burnley Corporation	1 week	12	£3,093	567	..
Calcutta Tramways	13 weeks	1	Rs 109,677	+ 30,139	..
Chatham & District	12 weeks Mar. 25	15	£1,497	309	17,058
Egyptian Markets	12 weeks	25	£1,900	247	22,266
Glasgow Corporation	4 weeks Apr. 1	99	\$45,233	+ 975	1,864,159
Ile of Thanet	25 weeks Mar. 23	..	£553	..	15,411
Leamington United	12 weeks	28	£5,018	1,514	38,263
Liverpool Corpora-tion	13 weeks Apr. 1	124	\$28,673	- 2,175	373,842
L.C.C. Tramways	Year Mar. 31	155	..	5,072,663	157,752
Madras Elect. (2 wks)	12 weeks	31	Rs 47,773	+ 9,146	291,233
Pernambuco Trams.	13 weeks Apr. 2	..	£3,100	583	48,917
Singapore Electric	7 weeks Feb. 18	..	\$15,147	+ 2,396	108,760

TRAMWAY & OTHER MONTHLY GROSS & NET RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
Barcelona Trac. repts. instas.	2 mths Feb. 28	Gross	3,417,663	+ 63,601	7,492,157
Brazilian Trac. repts. in mil.	2 mths	Gross	14,475,000	+ 2,532,000	29,505,000
Brisbane Electric	2 mths	Gross	\$4,800	+ 595	92,590
Brit. Columbia Electric, &c.	8 mths	Gross	\$248,709	- 11,103	1,997,851
Buenos Ayres La Crosse Trams	8 mths	Gross	\$55,227	+ 1,275	460,044
Burmah Electric	7 mths	Gross	\$52,380	+ 3,975	..
Trways & Light.	2 mths	Gross	\$33,670	..	..
Cape Elec. Trams	1 mth	Gross	\$10,487	..	..
Canadian Westrn. Natural Gas	5 mths	Gross	\$125,890	+ 35,710	505,866
Carthagen and Herrerias Trms.	3 mths Mar. 31	Gross	2,145	- 81	7,993
Catalinas Wareh.	1 mth Feb. 28	Gross	\$13,500	- 11,100	..
Cities Service Co.	12 mths	Gross	\$1,235,641	- 207,058	12,963,346
Cordoba Light, &c.	11 mths	Gross	\$1,193,786	- 184,345	12,396,793
Elec. Sup. of Viet.	14 weeks Jan. 29	Gross	\$1,140,049	- 50,979	50,687
Havana Elec. Rl. Light & Power	1 mth	Gross	\$93,438	+ 142,542	..
International Light & Power	6 mths Dec. 31	Gross	\$21,923	- 427	129,850
Kalgootie Elec. Tramways	12 mths	Gross	\$2,814	..	27,758
Keystone Tele.	2 mths Feb. 28	Gross	\$137,978	- 6,346	276,338
La Guaira Harbr.	2 mths Mar. 31	Gross	\$57,925	- 15,936	113,057
La Plata Electric	3 mths	Gross	\$7,067	- 3,561	20,109
Light, Pwr. and Tramways	12 mths Dec. 31	Gross	\$61,831	- 1,804	749,820
Manila Electric Railroad, &c.	2 mths Feb. 28	Gross	\$10,000	- 3,512	619,253
Pana Electric	3 mths	Gross	\$21,590	- 23,619	263,075
Rangoon Electric	1 mth Jan. 31	Gross	\$21,590	- 23,619	263,075
Shanghai Electric	2 mths Feb. 28	Gross	\$15,850	- 2,037	31,300
Union Electric of Montevideo	5 mths Mar. 31	Gross	\$51,158	+ 2,233	231,459
Victoria Falls & Transvaal Pwr.	Quarter Dec. 31	Gross	\$205,682	..	..
Winnipeg Electric	2 mths Feb. 28	Gross	\$49,577	+ 38,452	1,005,621

† 4 weeks return.

§ Approximate receipts.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.	Carried to Reserve, Depreciation, &c.	Balance Forward	Net Profit.	Dividend.
					Prefce.	Ordinary.			
					Amount.	Amount.	Rate.		
Banks.									
Bank of Scotland	Feb. 28	£ 76,137	£ 320,242	£ 396,379	..	£ 148,400	16	£ 175,000	£ 72,979
Electric Lighting and Power.									
Chiswick Electricity	Dec. 31	2,035	14,029	16,064	..	5,024	8	8,000	3,040
Gas.									
Rhymney and Aber Valleys	Dec. 31	4,524	12,887	17,411	1,914	9,414	3½	5,202	881
Iron, Coal, and Steel.									
C. and W. Walker	Jan. 31	14,763	25,320	40,083	3,000	12,495	15+	7,000	17,588
London Electric Wire Co.	Dec. 31	38,927	83,924	122,851	30,000	48,305	7½	44,546	23,104
Sheffield Steel Products	Dec. 31	171,561	199,246	370,807	50,715	..	..	142,000	178,092
Rubber, &c.									
Higgoda	Dec. 31	1,757	97	1,854	420	..	..	1,434	567
Shawlands Estates of Ceylon	Dec. 31	Dr 6,155	7,196	Dr 1,041	..	1,250	5	Dr 3,661	770
Stagbrook Rubber, &c.	Dec. 31	8 Dr	1,012	Dr 1,004	..	..	..	Dr 283,720	Dr 25,319
Teluk Piah	Dec. 31	2,221	660	2,881	..	..	..	300	2,581
Tea.									
Hanipha (Ceylon)	Dec. 31	Dr 6,920	30,872	23,952	..	12,000	20	7,000	4,952
Highland of Ceylon	Dec. 31	3,263	7,682	10,945	..	6,400	20	2,982	1,563
Other Companies.									
Associated Portland Cement	Dec. 31	222,561	463,404	685,965	125,660	106,866	5	229,395	224,044
Brush Electrical Engineering	Dec. 31	141,983	228,290	370,273	..	63,009	15	88,190	214,074
Crookers	Dec. 31	18,128	Dr 62,946	Dr 44,818	2,125	..	..	Dr 47,043	27,656
Edison Swan Electric	June 30	98,879	Dr 436,529	Dr 337,720	7,000	..	..	Dr 55,000	Dr 77,265
Harris (Calne) & General Produce	Aug. 31	..	Dr 411,107	Dr 411,107	..	..	..	..	50,000
J. R. Bousfield and Co.	Dec. 31	69,339	Dr 129,770	Dr 60,431	2,117	..	..	Dr 62,349	48,510
Lawsons	Jan. 18	9,035	44,771	53,806	4,524	20,000	10+	..	29,342
Scott, Son, and Co.	Dec. 31	10,011	34,419	44,430	5,000	4,500	7½	10,000	24,930

† Free of tax.

(k) 21 months.

ANALYSIS OF BALANCE-SHEETS.

SHEFFIELD STEEL PRODUCTS, LIMITED.

LIABILITIES.		ASSETS.	
Inc. or Dec.		Inc. or Dec.	
Ord. shares	£ 718,501	Freehold and leasehold land	£ 20,885
Ord. shares	1,720,700	and buildings	4,544
1st mt. & deb.	850,000	Machinery, &c.	1,041,325
Reserve	27,691	Stocks	1,577,723
Capital reserve	..	Debtors	736,307
Reserve for de-preciation	43,000	Investments at cost	268,673
Creditors	179,176	Goodwill	106,529
Bank	222,830	Trade marks, &c.	..
Profit and loss	345,537	Preliminary and formation ex-penses	..
		Mortgage deb., issue expenses, &c.	111,735
		Cash	180,533
Total	4,117,435	Total	4,117,435

ASSOCIATED PORTLAND CEMENT.

LIABILITIES.		ASSETS.	
Amount.	Dec. 31, 1920.	Amount.	Dec. 31, 1920.
Ord. shares	£ 2,137,320	Freehold and leasehold est.	£ 7,790,895
Pref. shares	2,284,720	Stock-in-trade	693,685
4½% deb. stock	2,076,366	Debtors	721,606
5% second deb.	..	Investments at or under cost and loans	1,794,916
stock	1,819,486	Cash and bills	369,219
Tolteca 6% deb. stock	126,900		
Mortgages	138,165		
Creditors	487,514		
Reserves and funds	1,906,111		
Profit and loss	393,739		
Total	11,370,321	Total	11,370,321

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

The condition of growing crops in the United Kingdom leaves little to be desired, but spring sowings have suffered interruption by heavy rainfalls, and unless weather conditions improve it is feared that the season may be late, as there is still a large area to be seeded. A generally quiet tone prevailed at market during the week, and prices, as a rule, moved in buyers' favour. Native wheat continued in fair supply, and suitable milling qualities slightly easier at 52s to 54s, with inferior grades down to 48s per 504 lbs, free on rail. Imported descriptions also met with quiet support, and late rates were barely maintained. No. 1

Northern Manitoba quoted 63s 6d, Australian 58s, and Argentine 54s to 56s, all ex-ship to arrive per 480 lbs. The cargo market opened firmer on improved foreign advices and better Continental support, but subsequently a quieter tone set in, and rates eased. Steamers of Australian afloat sold at 55s 1½d, and Rosafe, 63½ lbs afloat, 54s 9d to France. Some 20,000 tons of River Plate wheat sold to Germany, including Baril, 63 lbs afloat, at 53s 1½d, River Plate, 78 kilos, April-May shipment, 53s 3d, U.K. parity. West Australian, afloat to Italy, at 55s 4½d. To U.K. Rosafe, 64 lbs afloat, 53s 6d to 53s, April, 53s 6d, and April-May, 53s 9d per 480 lbs. Shipments to Europe are maintained, and U.K. arrivals continue on a liberal scale, of which, however, a good part is quickly absorbed by the mills. Crop reports from most exporting countries, though variable, are fairly satisfactory. Home-milled flour remains quiet of sale, and quotations were reduced by 2s per sack. London standard straight run rules at 48s, town households 46s, patents 50s to 51s, all English straight run 45s per sack, delivered London area. All English country straights,

VEGETABLE OILS AND OILSEEDS.

Market conditions throughout the week have been barely steady, and only a moderate amount of business has been put through. Raw linseed oil at the reduced level of prices induced buyers who had been holding aloof to enter the market, and a fair trade is reported to have been done on American account round £34, ex Hull mill, for early shipment. This has given steadiness, and values have stiffened somewhat, and at £34 15s for spot and April delivery, ex Hull mill, are approximately what they were a week ago. For May-August business has transpired at £33 17s 6d, the same also having been paid for September-December. The demand for crude cotton oil is not so insistent, and sellers are offering crude Egyptian at £38 ex Hull mill, and £40 ex London. Soya bean oil though quiet is steady, especially for prompt delivery, and rape oil is also quoted at a small premium over forward. Crude palm kernel oil is 20s per ton lower on the week, Hull offering extracted at £38. Ground nut oil: A fair trade at unchanged prices. First pressure castor oil remains at £52 per ton (barrels included), ex Hull mill. Coconut oil quiet and easier.

In the oilseed section very little has been done in Plate linseed, and quotations are not materially altered. A small trade has passed in Calcutta at £19, April-May loading. Egyptian cottonseed has attracted little interest. For Sakellaris for shipment, £10 17s 6d has been accepted. Some trade in Toria rapeseed is reported at £16 10s and £16 15s for shipment, and Antwerp has also been a good buyer at about the same price. The quantity of linseed (Indian and Argentine) on passage to Europe is 95,000 tons, about equally divided between the U.K. and the Continent.

The trade in oilcakes continues very poor, and further reductions in linseeds and cottons have been made.

HIDE, LEATHER, AND ALLIED TRADES.

The hide position is puzzling; tanners are in many cases selling leather at a loss, and yet they seem unable to force the value of their raw material down. Some take the view that holders, rather than sell at lower prices, are again salting down hides or sending them in quantities to Holland or Germany. Anyhow, at Thursday's Bermondsey auction all classes were firmer, best ox making from 6½d to 7½d, and showing an advance of ½d per lb over last rates. Cows at 6d to 6½d also shared in the advance, whilst light calf at 11½d to 12½d were a penny up. There is little doing in imported hides, tanners being out of the market at present quotations. This refers to dry hides also, although I hear importers are trying to sell dry salted Queensland hides at about 9d. New York cables the hide market as slow, with heavy packers selling at 13 cents, a decline of ½ cent on last week's prices. Cows are dearer, and are now selling at 11 cents as against 10½ cents.

Merchants and tanners report a poor demand for leather, although factors who have bought at low prices seem to be doing a fair turnover in some cases. Values are "anywhere," and the offers made by some big buyers simply ridiculous; still there are weak holders, and bends from dry hides are selling at a shilling a lb or even less in some cases, the demand ruling on low grade sole all the time. With the exception of suede and patent leathers business in upper stock is dull. Carriers are working very short hours, and they profess not to be able to see any improvement until the stock of Government kip leather is out of the way.

The boot trade is a shade busier, as retailers are filling up their shelves for the Easter trade. Women's wear seems the big thing, and large profits are being made on some of the rubbish which goes into the alleged "chic" shoe beloved of the ladies.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, April 7.

The markets in most instances presented quiet features, demand from consumers being largely measured by wants of immediate necessity, while export requirements count for little at the moment owing to the question of rates of exchange.

SUGAR.—The market opened the week quietly with a general reduction of 6d per cwt respecting refined goods, but closed firmer. Messrs Tate and Lyle's cubes sold, 52s 9d to 53 9d; crushed, 50s 6d; granulated, 48s 6d to 49s; caster, 51s to 51s 6d; yellow crystals, 43s; granulated, May-July, 48s 3d. West Indian crystallised, spot, sold, 42s to 43s 6d, as to sample. American granulated, spot, sold, 47s 3d to 48s; ditto, April-May, 20s to 20s 9d, c.f. and i. terms, London. White Mauritius, spot, sold, 44s to 44s 6d. White Brazilian, April, steamer, quoted 18s 9d; ditto, 80 per cent. April, sold, 9s. Cuban basis 96 per cent., April, done, 13s 9d to 14s, c.f. and i. U.K. Dutch and Czechoslovakian sugars nominal for shipment. Cuban stocks stand at 967,500 tons, against 833,800 at corresponding period last year. American syrup steady. Medium grocery, 26s to 27s; good to fine, 27s 6d to 28s 6d. Liquid glucose, spot, 26s per cwt.

COFFEE.—With liberal and well distributed inquiries, the market ruled firm to dearer, especially for the finer qualities. East India, good to fine bold, 123s to 124s; peas, 103s to 153s. Costa Rica, good to fine bold, 128s to 148s. Futures firmer, but general trade quiet. May, sold, 54s 9d to 55s; December, 56s 6d.

COCOA.—With no improvement in demand, the market remained more or less nominal. Butter steady at 1s 9d per lb.

TEA.—Public sales of Indian embraced some 44,200 packages. A fair demand was experienced at steady prices, with the exception of some medium plain parcels, and these disclosed some irregularity. 19,600 packages Ceylon offered received good support at full to dearer rates for the finer sorts, commoner invoices ruling about unchanged.

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.		DRUGS.		INDIA RUBBER.		PROVISIONS.		SPICES.	
Cocoa, foreign 42s, cwt.		Alcane, fine E.L., per cwt	150 0 0	Para, fine, hard, spot	10 0 0	Butter—per cwt.	nom	Pepper, per lb.	nom
Trinidad, per cwt.		Cape, good to fine.	20 0 0	Plantation crepe	8 0 0	Irish creamery	nom	Singapore, fair white	0 7 0
Granda		Balsam Peru	8 0 0	INDIGO—per lb.	nom	Do factory	nom	Black Singapore	0 7 0
Ceylon, plantation		Campor	1 6 0	Bengal, good red vio-	9 6 10 6	Australian	150 0 0	White Siam	0 7 0
Guayquil		Cardamom, Ceylon	1 6 0	let to fine	9 6 10 6	Argentine	160 0 0	Pimento	0 2 0
Rafia, finest		Cashew, China per lb	3 0 0	Mid. ord. vio. to good	8 0 8 0	Dutch	160 0 0	Cinnamon—1st sort.	1 0 0
COFFEE—British grown		Cashew, Ceylon	3 0 0	Low to good ord.	8 0 8 0	New Zealand	160 0 0	Do 2nd	1 0 0
35s. foreign 42s. cwt.		Cashew, Ceylon	3 0 0	Madras, dry leaf, good	6 0 6 0	Danish	160 0 0	Do 3rd	1 0 0
E. India fine good, d. ord		Cashew, Ceylon	3 0 0	Do low to ord.	1 6 4 0	Bacon, engd.—Irish	130 0 147 0	Do 4th	1 0 0
Do good to fine		Cashew, Ceylon	3 0 0	Karphag, mid. to gd.	6 0 7 0	Danish	123 0 133 0	Cassia	0 3 0
Costa Rica, ord. to mid		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Canadian	125 0 130 0	Cloves—Zanzibar	1 2 0
Good to fine		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	American	85 0 110 0	Penang	2 7 0
Central American, gd.		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Hams—Irish	nom	Ginger—per cwt.	100 0 120 0
ord. to mid		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Canadian	125 0 130 0	Cochin cut	0 120 0
Mid. to fine		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Columbian, ordinary		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Do gd. ord. to low mid		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Do mid. to fine		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
CHEMICALS.		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Acid, citric		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Nitric		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Oxalic		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Tartaric		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Foreign		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Alum lump, per ton		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Do ground		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Ammonia, carb., p. lb		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Muriatic, white ton		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Sulphuric, white ton		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Arsenic, lump, per ton		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Powder		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Aches, pot., per cwt		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Pearl do		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Blanching pwr., p. lb		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Borax, crystals		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Do powder		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Green Tartar		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
80% powder		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Salomel		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Iodine, dry, per oz		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Nitrate of Soda, p. lb		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Potash		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Chlorate, net		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Crustate		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Do Foreign		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Sulphate, per ton		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Sal-Acetic		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Sal-Ammoniac		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Soda-Bicarb.		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Soda-Carb.		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Crystals, ex ship, p. lb		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Alkali		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Castile		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Sugar of lead		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Foreign white		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Sulphate Quinine		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
English Soda		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Foreign do		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Sulphate Copper, p. lb		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Sulphate Zinc		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Sulphate Iron		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Sulphate Potash		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Sulphate Soda		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Sulphate Lime		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Sulphate Magnesia		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
Sulphate Strontia		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough	57 0 0	Do washed	60 0 0
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Sulphate Magnesia		Cashew, Ceylon	3 0 0	Low to mid.	3 6 5 6	Do small rough			

ing 147; late June, 147 1/2; and three months', 148 7/8. 6d. English ingots, 147 1/2. Copper: After opening lower last Monday the standard market rallied, when cash by the middle of the week found buyers at 158 to 158 1/2, and three months' up to 158 1/2 7/8. The market was again rather firmer at Thursday's meeting. Cash realised 158 1/2 to 158 1/2 1/2. At Friday's session, cash sold at 158 1/2 to 158 1/2 1/2; middle June, 159 1/2 to 159 1/2 1/2; and three months' at 159 1/2 to 159 1/2 1/2. Electro's, 164 1/2 to 166 1/2; best selected, 162 1/2 to 164 1/2; strong sheets, 168; wire bars, 166 1/2 to 166 1/2. Lead steady at 22 to 21 1/2. Spelter firmer, 26 1/2 to 26 1/2. Antimony: English regulus quoted at 29 1/2 to 33 per ton. Aluminium remains unaltered.

TALLOW.—Messrs Colchesters and Woolner write on April 5th as follows:—The tallow market was quiet during the week, and prices are about 1s lower. The demand from all quarters is slack and disappointing. The stock in London on March 31st, as returned by the wharves, amounted to 15,415 packages, showing a decrease during the month of 8,461 packages. At auction to-day 1,262 casks tallow were offered, and 526 were sold. Quotations are:—Australian mutton: Fine, 42s 3d; good to fair, 41s to 40s; dull to dark, 36s 3d to 34s; hard, 41s. Australian beef: Fine, 41s; good to fair, 40s to 37s; dull to dark, 36s to 33s 6d; sweet, 41s 6d. Present

shipment from Australia: Mutton, fair coloured, 48 degs., 39s 6d; and mixed, 43s c.i.f., London, 38s 6d. The market letter is lower. Tallow, 1s; stuff, 1s. Town tallow, 33s 6d per cwt. Rough fat, per 8 lbs, 1d; melted stuff, 23s per cwt. Quotations are:—Town: 33s net cash, naked, ex works. Country: Frait casks, 32s; home melted, shipping casks, net f.o.b., good coloured, 35s; fair to dull, 34s to 32s. Bone fat: White, none; pale, none; benzine, 29s; melted stuff, 28s, f.o.b.

METROPOLITAN CATTLE.—APRIL 6.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.

Beasts—Herefords	s	d	s	d	Sheep—Downs	s	d	s	d
Short-horns	7	4	8	0	Ewes	13	0	13	8
Devons	7	4	8	0	Crossbred	12	8	10	4
Norfolks	7	4	8	0	Scottish	12	8	13	4
Scottish	nominal				Lamb—Downs	14	4	15	0
Irish	nominal								

LONDON POTATO MARKETS.—APRIL 6.

	Per Cwt.		Per Cwt.
King Edwards	10 0 to 10 6	Blacklands	8 6 to 9 0
Evergoods	5 6 7 0	Scottish	6 0 9 6

CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA

HEAD OFFICE: 38 BISHOPSGATE, LONDON.

CAPITAL, in 600,000 Shares of £5 each **£3,000,000**
RESERVE FUND **£3,700,000**

Sir MONTAGU CORNISH TURNER, Chairman.
Sir DUNCAN CARMICHAEL,
THOMAS CUTHBERTSON, Esq.
Sir ALFRED DENT, K.C.M.G.
Sir WILLIAM HENRY NEVILLE GOSCHEN, K.B.E.

COURT OF DIRECTORS.

CHIEF MANAGER: J. S. BRUCE.
MANAGERS: DAVID CHARLES WILSON, F.C.A.

The Rt. Hon. LORD GEORGE HAMILTON, G.C.S.I.
The Rt. Hon. Sir JOHN NEWELL JORDAN, G.C.I.E., K.C.B., K.C.M.G.
WILLIAM FOOT MITCHELL, Esq.
JAMES MAXWELL GRANT PROPHIT, Esq.
LEWIS ALEXANDER WALLACE, Esq.

W. E. PRESTON.

G. MILLER.

HENRY CROUGHTON KNIGHT STILEMAN, F.C.A.

BANKERS:

THE BANK OF ENGLAND.
THE LONDON JOINT CITY & MIDLAND BANK, LIMITED.
THE LONDON COUNTY WESTMINSTER & PARR'S BANK, LIMITED.
THE NATIONAL PROVINCIAL & UNION BANK OF ENGLAND, LIMITED.
THE NATIONAL BANK OF SCOTLAND, LIMITED.

AGENCIES AND BRANCHES.

ALOR STAR (Malay States), AMRITSAR, BANGKOK, BATAVIA	BOMBAY CALCUTTA CANTON CAWNPORE CEBU	COLOMBO DELHI HANKOW HONGKONG	LOLOLO IPOH KARACHI KLANG KOBÉ	KUALA LUMPUR MADRAS MANTILA MEDAN NEW YORK	PEKING PENANG PUKET RANGOON SAIGON	SEREMBAN SHANGHAI SINGAPORE SOURABAYA	TAIPING (F.M.S.) TAVOY TIENSIN YOKOHAMA
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DIRECTORS' REPORT.

Presented at the Sixty-eighth Ordinary General Meeting, 5th April, 1922.

The Directors have now to submit to the Shareholders the Balance-Sheet and Profit and Loss Account of the Bank for the year ended 31st December last. These show a net profit, after providing for all bad and doubtful debts, of £997,669 15s 6d, inclusive of £209,601 9s 11d brought forward from the previous year. The Interim Dividend at the rate of Fourteen per cent. per annum paid in September last absorbed £210,000. The amount now available is therefore £787,669 15s 6d. and the Directors propose to pay a Final Dividend at the rate of Fourteen per cent. per annum, together with a Bonus of Six shillings and three pence per share, making Twenty and a quarter per cent. per annum for the whole year, free of Income-Tax; to add £100,000 to the Reserve Fund, which will then stand at £3,700,000; to add £25,000 to the Officers' Superannuation Fund; to write off Premises Account £50,000, and to carry forward the balance of £215,169 15s 6d. Mr. W. FOOT MITCHELL, Sir MONTAGU CORNISH TURNER, and Mr. LEWIS ALEXANDER WALLACE, the Directors who now retire by rotation, present themselves for re-election.

The Auditors, Mr. DAVID CHARLES WILSON, F.C.A., and Mr. HENRY CROUGHTON KNIGHT STILEMAN, F.C.A., again tender their services. The Dividend and Bonus will be payable on and after Wednesday, the 12th April.

LIABILITIES AND ASSETS, 31st DECEMBER, 1921.

	£	s	d		£	s	d
To Capital, 600,000 Shares of £5 each	3,000,000	0	0	By Cash in hand and at Bankers	6,651,766	18	2
Reserve Fund	3,600,000	0	0	By Lion on Hand and in Transit	486,633	8	2
Notes in Circulation	1,936,922	15	2	Government and other Securities	9,432,796	8	8
Current and Other Accounts, including Provision for Bad and Doubtful Debts and Contingencies	26,801,204	12	2	Security lodged against Note Issue and Government Deposits	1,560,000	0	0
Fixed Deposits	16,848,155	8	9	Bills of Exchange, including Treasury Bills	16,432,363	16	10
Bills Payable				Bills discounted and Loans	22,426,851	17	2
Drafts on Demand and at short sight on Head Office and Branches	28,095,061	11	10	Liability of Customers for Acceptances, per Contra	3,044,890	5	9
Drafts on London and Foreign Bankers against security, per Contra	165,667	17	4	Due by Agents and Correspondents	119,457	18	1
Acceptances on Account of Customers	3,261,319	9	2	Sundry Assets, including Exchange adjustments	916,888	1	8
Loans Payable, against Security, per Contra	3,044,363	5	9	Bank Premises and Furniture at the Head Office and Branches	706,192	9	7
Due to Agents and Correspondents	966,000	0	0				
Sundry Liabilities, including Rebates	2,071	5	4				
Profit and Loss	2,310,047	11	11				
	787,669	15	6				
	261,787,780	18	8				

Liability on Bills of Exchange re-discounted, £7,663,099 8s 1d, of which £6,700,406 7s 8d has run off at 20th March, 1922.
Outstanding Forward Exchange Contracts for Purchase and Sale of Bills and Telegraphic Transfers, etc., £28,445,128 1s 1d.

PROFIT AND LOSS ACCOUNT for the year ended 31st December, 1921.

	£	s	d		£	s	d
To Interim Dividend at 80th June, 1921	210,000	0	0	By Balance at 31st December, 1920	709,601	9	11
Balance proposed to be dealt with as follows:—				Less Dividend for half-year to 31st December, 1920, on £2,000,000	140,000	0	0
Dividend, at the rate of 14 per cent. per annum, for the half-year to date	221,000	0	0	Bonus of 6s 8d per share on 400,000 Old Shares	135,000	0	0
Bonus of 6s 8d per share	187,500	0	0	Reserve Fund	100,000	0	0
Reserve Fund	100,000	0	0	Officers' Superannuation Fund	85,000	0	0
Officers' Superannuation Fund	25,000	0	0	Bank Premises	100,000	0	0
Bank Premises	50,000	0	0				
Carried forward to Profit and Loss New Account	215,169	15	5	Gross Profits for the year after providing for bad and doubtful debts, Excess Profits Duty, Corporation Profits Tax and Bonus to the Staff	21,618,917	14	5
				Less:—			
				Expenses of Management and General Charges at Head Office and Branches	825,849	8	11
					788,068	5	6
					297,669	15	5

W. E. PRESTON, Chief Manager.
J. S. BRUCE, Managers.
G. MILLER,
CHAS. R. HYDE, Accountants.
S. JONES,

London, 22nd March, 1922.

Examined and found correct, according to the Books, Vouchers and Securities at the Head Office, and to the Certified Returns made from the several Branches, D. C. WILSON, E. C. K. STILEMAN, Auditors.

M. C. TURNER, ALFRED DENT, W. FOOT MITCHELL, Directors.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCIV.

SATURDAY, APRIL 15, 1922.

No. 4,103.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2

ASSETS EXCEED £25,000,000.

The Hon. N. CHARLES ROTHSCHILD, President

The operations of the Company embrace all branches of Insurance

Full information respecting ESTATE DUTY

and CHILDREN'S EDUCATIONAL POLICIES

issued by the Company may be obtained on application to the Head Office as above or to any of the Offices or Agencies of the Company.

O. MORGAN OWEN, General Manager.

TABLE OF CONTENTS.

The Money Market	715	Books and Publications—	
Leading Articles—		Reparations	738
The International Debts	717	A Wander Year	735
Problem	717	Fidelity Guarantees	735
The Little Entente	718	First Steps in Economics	
Industrial Profits	719	and History	735
National Monopolies in Shipping—II.—Germany and the United States	720	Books Received	736
A Scheme of Devaluation	721	Stock Exchange News—	
Russian Problems—III.	722	The Stock Markets	736
		New Issues	737
Notes of the Week—		Active Securities	737
An Industrial Parliament	723	Company Meetings	738
The Position in China	723	Government Returns—	
Overseas Trade in March	724	Public Income & Expenditure	740
Coal, Iron, & Steel Output	724	Bankers' Gazette—	
The Quarter's Shipbuilding	724	Clearing Returns	740
Co-Operators and Sugar Duties	724	Overseas Bank Returns	740
Stock Exchange Settlements	725	Loan and Discount Rates	742
War Bond Conversion Rights	725	Rates of Exchange	742
British Banking in Spain	725	Overseas Bank Rates	742
Atlas Assurance Company	726	Gold and Silver Prices	743
Union Corporation	726	Company News—	
Rio Tinto	726	Mining Output Statistics	743
Agricultural Conditions	726	Oil Outputs	743
Russia's Foreign Trade	727	Dividend Announcements	744
Overseas Correspondence—		Reports and Notices	744
United States	727	Profit and Loss Accounts	746
Germany	728	Commercial Reports—	
Denmark	730	Corn Trade	745
Greece	730	Iron and Coal Trade	747
Canada	731	Cotton Trade	747
Australia	732	Wool Trade	747
Argentina	732	Vegetable Oil and Oilseeds	748
Letters to the Editor—		Hide and Leather Trades	748
The Investor's Dilemma	733	Overseas Produce Markets	749
The Government Accounts	734	Price Current	749
City Equitable Group	734		

Centralbanken for Norge

Christiania, Norway,

transacts all kinds of banking business.

CORRESPONDENTS IN:

Aalesund	Haugesund
Bergen	Sandefjord
Christiania and S.	Skien
Drammen	Stavanger
Fredrikstad	Trondhjem

CAPITAL AND SURPLUS

1 Jan., 1920... Kr. 69,000,000

and all Norwegian places of any importance.

CREDITO ITALIANO.

Capital Fully Paid ... Lire 300,000,000
Reserve ... Lire 90,000,000
Deposits and Current Accounts at 31st Dec-
ember, 1921 ... Lire 4,419,788.340

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES THROUGHOUT ITALY.

London Branch: 22 ABCHURCH LANE, E.C.4.

Managers { D. A. HORNER.
F. N. SCHILLER.

Transacts a general Foreign Banking Business, having correspondents in all Countries, and is specially prepared to grant facilities for the development of trade between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.

Telegrams: "Italocredi, Cannon, London." Telephone: 7802-7803 City.

THE MONEY MARKET.

HOPES of superabundant money still await fulfilment, and borrowers, though they have supplied themselves without much difficulty, have continued to complain of the "patchiness" of the supply. For weekly advances the rate has varied from 2½ to 3 per cent., and day-to-day loans have been arranged at 2 per cent. in some case, though the more usual rate was 2½ per cent. The discount market was almost in a state of deadlock at a substantially lower level—2½ per cent. for three months' Treasury bills and 2½ per cent. for Bank paper. At this

point, in view of the average price of short money, purchases of bills were unattractive, and sales were equally so, owing to hopes of a reduction in Bank rate. Early in the week £4,000,000 Union of South Africa Treasury Bills, to be dated April 20th, and due on October 20th, were placed on a basis of 3 per cent. discount.

	Apl. 12, 1922.	Apl. 7, 1922.	Mar. 31, 1922.	Mar. 24, 1922.	Previous Rate and Date Changed.
Bank Rate	4½	4½	4½	4½	5 (Feb. 16, '22)
Banks Deposit Rate	2½	2½	2½	2½	3 (Feb. 16, '22)
Discount (Call)	2½	2½	2½	2½	3 (Feb. 16, '22)
Houses (Notice)	2½	2½	2½	2½	3½ (Feb. 16, '22)
Market rate (3 mths' bills) ..	2½	2½	3	3½	..

THE STOCK MARKETS.

The holiday feeling usual at this time has not made itself manifest in the Stock Exchange, and business has been on a heavy scale. Five per cent. War Loan has passed the 100 mark, and not been appreciably affected by the large volume of orders to sell at that figure, while other gilt-edged stocks have been equally buoyant. Markets are expecting cheaper money in the near future, and business is broadening. Home Rails have suffered slightly from profit-taking, but industrials have moved upward, and the oil market has attracted a good deal of attention, while mines show some improvement.

COMMODITY MARKETS.

Although the strength in the cotton markets continues to be maintained, there is no disposition to enter into transactions on a big scale. Colonial wool prices at Hull auctions advanced from 5 to 7½ per cent., there being a good demand for wool of all descriptions. No changes in quotations are reported in the iron markets. The wheat markets were quiet, sellers being inclined to hold back. A noticeable feature of the vegetable oils and oil-seeds markets has been an appreciation in the value of linseed oil, chiefly owing, it is stated, to buying on American account. Prices of hides remain steady, with a tendency to advance; the demand for sole leather is small, and though the boot trade has been not so busy as usual at Easter time, good business has been done. Further details will be found on later pages from our special trade correspondents.

FOREIGN EXCHANGES.

Although there has been rather more movement in rates, the foreign exchange market has again been very quiet, with some slight tendency towards better business in the last day or so. After moving up again nearly to 1,360 on Saturday, the mark recovered to about 1,239 on Tuesday, but yesterday rose again to 1,310 on the publication of the German reply to the last Note of the Reparation Commission. Forward marks are quoted at par to one point per month over spot. The other more important exchanges have appreciated on the general hope of something satisfactory being evolved in Genoa, the Paris rate falling from 48.12 on Friday to 47.90 yesterday, Brussels from 51.97 to 51.70, Italy from 83.30 to 82.15. The forward rate for French francs is par to one point below spot per month; for Brussels 7.8 centimes per month below spot. Among the neutral exchanges, Amsterdam, Switzerland, and Madrid have moved in our favour, as also have Stockholm and Copenhagen, while Christiania has gone against us. In Central Europe, Vienna at 32,500 is a little better, and Warsaw at 16,590 also shows some improvement. Prague, on the success of the London loan, has fallen rather sharply to 217½, while Belgrade also, for the first time for many weeks, is slightly better, as also is Budapest. Among the Eastern rates, the rupee is unchanged at 1s 3½d, Yokohama a little cheaper again at 2s 1½d, Hongkong and Shanghai are both slightly cheaper. In South America, Rio is lower at 7½, Buenos Ayres rather higher at 44½, while Monte Video has also moved up to 43.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the eight days ended April 8, 1922:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	31,237	Supply Services	7,000
Taken from Exchequer balances ..	8,119	Interest on Debt	31,331
		Sundries	336
		Reduction of Debt	339
	39,356		39,356

The revenue of the first eight days of the current financial year, at £31,236,705, compares with £30,697,834 in the first nine days of the financial year 1921-22. The expenditure, at £38,967,610, compares with £49,583,294 during the first nine days of the past financial year. The chief revenue-producing item was Property and Income-tax, which yielded £18,190,000 during the eight days, against £16,623,000 in nine days. Ordinary Receipts under Miscellaneous produced £3,650,214, against £1,330,834, while Special Receipts yielded £2,103,400, against £1,888,000. Customs produced £1,768,000, against £3,275,000, and Excise £1,408,000, as compared with £1,835,000. Estate, &c., duties yielded £1,671,000, against £664,000.

The eight days' operations reduced the National Debt by the sum of £388,662, and caused the following changes:—

	Min. £		Min. £
National Savings Certificates ..	+ 18,550	Treasury Bills	- 56,463
Treasury Bonds by tender	+ 18,836	Surrenders of Bonds, &c.	- 121
Public Department Advances	+ 28,850	Unemployment Insurance	- 340
Bank of England Advances	+ 8,500	Exchequer Bonds Repaid	- 18,137
Sundries	+ 74,741		- 75,130

It is noteworthy that net sales of National Savings Certificates amounted to £18,550,000, which is undoubtedly due to the rush for Certificates before the rate was raised from 15s 6d to 16s on April 1, 1922. It will be observed that Exchequer Bonds amounting to £18,137,000 have been repaid. The floating debt was reduced by £19,235,000 to £1,010,285,500.

FINANCIAL YEAR, 1922-23 (April 1 to April 8, 1922).

Total spent	£ 38,967,610	Raised by revenue ..	£ 31,236,705
Dec. in balances	8,119,567	Net repayments	338,662
Total	30,848,043	Total	30,848,043

FINANCIAL YEAR, 1921-22.

Total spent	£ 1,079,186,627	Raised by revenue ..	£ 1,124,879,873
Inc. in balances	8,099,024	Net repayments	87,594,222
Total	1,087,285,651	Total	1,087,285,651

REVISED ESTIMATES for YEAR 1921-22.

Ordinary Expenditure ..	£ 1,080,418,000	Ordinary Receipts ..	£ 1,058,150,000
Special Expenditure ..	65,705,000	Special Receipts ..	158,500,000
	1,146,123,000	Total	1,216,650,000
		Surplus	70,527,000

NATIONAL DEBT.

(Million £.)

	Apr. 1, 1921.	Mar. 31, 1921.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1921.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1921.	Apr. 8, 1922.
Funded Debt	598	518	518	515	515	515	515	515	515
Term Annuities	30	22	22	20	20	20	20	20	20
4½% War Stock	16	16	16	15	15	15	15	15	15
4½% War Stock	16	16	16	15	15	15	15	15	15
4½% War Stock	16	16	16	15	15	15	15	15	15
National War Bonds ..	649	1,068	1,068	1,068	1,068	1,068	1,068	1,068	1,068
4½% Funding Loan ..	...	...	...	...	...	...	...	...	...
4½% Victory Bonds ..	...	...	...	...	...	...	...	...	...
5-15 year Treasury Bonds ..	...	...	...	...	...	...	...	...	...
5% Treasury Bonds ..	...	...	...	...	...	...	...	...	...
Do by tender	...	...	...	...	...	...	...	...	...
Treasury Bills	15	961	967	1,107	1,107	1,121	1,060	882	826
Exchequer Bonds	20	392	394	333	319	289	218	194	176
Natal Savings Certs.	...	138	227	267	274	285	294	324	342
Other Debt	...	...	...	...	...	...	...	...	...
American Loan	...	544	1,341	1,306	1,181	1,132	1,097	1,090	1,090
Temporary Advances ..	1	804	465	943	905	154	200	147	184
Other Capital Liabilities ..	854	57	476	7,435	8,033	7,829	7,574	7,748	7,658
Total Liabilities	711	5,921	7,481	8,079	7,875	7,623	7,799	7,708	7,708

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.	Apr. 9, '21.	Mar. 31, '22.	Apr. 8, '22.	Apr. 8, '22.
Temporary Advances Out-stand- ing	£ 177,889,000	£ 147,301,500	£ 178,151,500	£ 178,151,500
Advances by Bank of England ..	...	...	850,000	850,000
Advances by Public Deptms	...	...	882,219,000	882,219,000
Treasury Bills outstanding	...	...	825,634,000	825,634,000
Total Floating Debt	1,293,701,000	1,029,520,500	1,010,285,500	1,010,285,500

THE INTERNATIONAL DEBTS PROBLEM.

THE curtain has at last rung up on the Genoa stage, and though the thousand actors do not yet know whether the play will prove a comedy, a tragedy, or a great historic drama, the eyes of the world will be upon them while they, according to their inclination, debate, intrigue, dream dreams, or conspire for the healing of the nations. One only of the Greater Powers is absent. But though with a gesture America stands aside, the unceasing flood of American books, pamphlets, and articles on the relation of the United States to the economic situation of Europe is proof that much thinking is going on across the water on world affairs. This voluminous literature is concentrating to an increasing extent on the problem of international indebtedness, and though it is evident that America's attitude will be largely influenced by the events of the next few months in Europe, it is clear that, under the educative stimulus of events, a great development is taking place in American opinion. In this connection a factor of importance is the view of Mr Vanderlip, whose latest survey of the European problem* betrays a keen appreciation of its world-wide reactions, and of the impossibility of American isolation. "In Europe and in the bordering Asiatic States," writes Mr Vanderlip, "including Asia Minor, there are half-a-billion people. We can hardly grasp the fact that the lives of more than a quarter of the world's population are being shaped by the events of the war, and even more by the developments that are growing out of the Peace. Discussions of trade conditions, currencies, Government Budgets, and Government debts, embrace incomprehensible totals. They form the background against which to view the gigantic human problem that is being faced by an entire continent. It is not merely a story of finance and economics, it is the most thrilling episode in the history of mankind. The vast numbers involved are for the greater part made up of the most cultivated, intelligent, and specially trained people in the world. The economics of Europe is not a subject to be left to technical experts. It is something that every intelligent person in the world should attempt to understand in its broad consequences to humanity."

We cannot here follow Mr Vanderlip in his survey, except to say that, in the main, he seems correctly to have diagnosed the currents of opinion in England, France, and elsewhere. His view on indebtedness is, however, of immediate interest. He will not countenance any "quibbling as to the basic facts of the obligations." No question of our ultimate intention to repay was raised when the loans were made, and if there were repudiation or an attempt to avoid repayment, American investment abroad would receive a fatal check.

He also dismisses the suggestion that as Great Britain is owed "by other nations a sum exactly equal to the amounts she owes the United States," these debts should be cancelled out. We may, perhaps, be permitted to recall that this understates Great Britain's contribution. Mr Hilton Young stated in the House on Monday that after America entered the war we borrowed from U.S.A. £876 millions at par of exchange, and that during this period we advanced £897 millions to our Allies. Our total advances to the Allies were, however, £1,838 millions, of which £584 millions are due from France, £503 millions from Italy, £655 millions from Russia, and the balance from minor Allies. But there comes quite a different point to consider, and Mr Vanderlip reaches the conclusion that if the debts were paid "both creditor and debtor would be seriously harmed." Faced with this dilemma, and even with the possibility of insolvency of certain of the debtors, Mr Vanderlip considers, but rejects, the suggestion that America should use the power of cancellation to extract guarantees of good behaviour. Any

* "What Next in Europe." By Frank A. Vanderlip. (London) George Allen and Unwin, Limited. 8s 6d net.

attempt to enter this field would involve "meddling with European political policy. To become so involved is opposed to every American national sentiment." His novel but we fear somewhat impractical solution of the problem is that the American people should collect their debts, but spend the proceeds upon the economic, intellectual, and scientific regeneration of Europe, since "it is only through the rehabilitation of European civilisation that America can ever conceivably realise in full measure her destiny." While Mr Vanderlip urges the collection of debts and the employment of the proceeds for Europe's welfare, another leading American financier takes a different line. In a pamphlet, "Europe and Ourselves,"* Mr Otto H. Kahn boldly advocates the cancellation of all Allied war debts to America, on condition that inter-Allied debts are cancelled, and that Europe takes certain obvious steps towards recuperation. It is very difficult to gauge how far the views of these two authorities represent either New York or general American banking opinion, but their advocacy is such quarters is a significant fact.

Meanwhile a leading English banker has made an important contribution to the discussion. At a luncheon given by the American Chamber of Commerce, in London on Monday, Mr F. C. Goodenough, chairman of Barclays Bank, reviewed the extent of international debts, their effects upon the international situation, and the impossibility of their fulfilment according to strict contract, and put forward a scheme for modification and solution. His scheme, briefly summarised, is:—(1) that the amount which each country can, and should, pay should be fixed as soon as practicable; (2) that, when finally fixed, the debts should be spread over as long a period as possible; (3) that bonds should be created representing the amount of the debt, and that these should be gradually offered to the public for investment, supported by national guarantees. Mr Goodenough proceeded to explain his bond proposal as follows:—"For instance, if France were paying a portion of her debt to us, she could endorse certain of her Reparation Bonds to us for this purpose. We, in our turn, could endorse them to America in discharge of our debt to her. America would thus have a Reparation Bond endorsed by both France and England, and, providing the amount fixed for Germany to pay were a practical sum, the contingent liability would not be a matter for serious concern. Nevertheless, the endorsements would be upon the bond, and in consequence it would find a ready market anywhere."

The suggestion that such bonds should be gradually placed in private hands is important and sound. Such transference would remove the international debt question from the sphere of inter-Governmental discussion, and what is now a formidable irritant in international politics would become a matter between Governments and private bondholders. But on two main points we find Mr Goodenough's proposals incomplete. In the first place, he makes no distinction between various items in Reparation, and contemplates the use of the Reparation bonds as a means of

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paying Allied debts. But German debt for actual ravages committed on foreign soil is not morally or logically comparable with French or British debts incurred for the purpose of financing the victory in arms of the Allied and associated nations. In this respect we prefer the tentative proposal of Sir Robert Horne (see *Economist* of March 25th, page 575), which in effect aims roughly at dividing Germany's reparation debt into two parts, and leaves only the one part, which would roughly correspond with demands outside actual damage done, contingent upon a scheme for inter-Allied debt settlement. It would seem that under Mr Goodenough's scheme payment by Germany for repaired devastation might be used as an offset against debt to Britain or America, and that if Germany defaulted France would be liable for payment. The possibility of so unjust and indefensible a result mars the scheme, and must be presumed to put it out of court, so far as French acceptance is concerned.

Our other comment on Mr Goodenough's courageous and weighty contribution to this discussion is a corollary to this conclusion—namely, that war debts cannot and should not be fixed in amount and converted into securities which can be passed on to the public until the Reparation account is settled on a final and practicable basis. For when once a scheme like Mr Goodenough's is adopted and bonds begin to pass into private hands, no further adjustment or negotiation will be possible. Europe will have burnt her boats. This is, however, not a practical danger, for though American opinion is in a state of flux, it is certain that no action will be taken on the debt question until Europe makes more progress in her own affairs. This is implicit in the friendly but frank opinion of the *Saturday Evening Post*, of Philadelphia:—"It would perhaps be good policy to forget the 11 billions that Europe owes us, once we could feel sure that the old destructive policies had been abandoned, so that the cancellation of this debt would work to a constructive end. But there is nothing as yet to warrant the assumption that this would be the outcome." If Reparations can be once settled—and Sir Robert Horne's scheme is the most practicable basis for discussion which has yet been put forward—and other steps towards financial sanity developed in the near future, America may approach the problem of Europe from a different angle. Prominent American financiers and public men are, as we have seen, far in advance of public opinion in this matter. But their views can only find a favourable hearing if the evidences of good behaviour which Mr Vanderlip is unwilling to demand are in fact forthcoming. America has lately given tangible proof of her goodwill. The blame must be laid at Europe's door if the financial tangle is allowed to remain unravelled.

THE LITTLE ENTENTE.

In pre-war days few people in this country realised the political and economic importance of the Danube lands. The habit of regarding Nation and State as synonymous terms naturally concealed the true significance of the hybrid political organisation called Austria-Hungary; while the apparent stability of the Habsburg dynasty, consolidated to all appearance by nearly five centuries of continuous rule, prevented the casual observer from seeing and rightly appreciating the force of that underlying process of disintegration which led first to the loss of the Italian provinces, then to the compromise with Hungary, and finally, after four years of world-war, to the complete collapse of the Dual Monarchy. In October, 1918, Karl Habsburg had already fallen; the rule of this once mighty house of the "Eastern Realm" had definitely come to an end.

The principle of nationality, as applied to the German and Italian nations, had led in the nineteenth century to the creation of two large States; it had meant consolidation and had greatly simplified the map of Europe. As applied to Central Europe of recent years, it seems to stand for disintegration and a complication of the map. Thus many people will condemn it out of hand as a definitely retrograde step, and one out of harmony with

modern conditions and needs. This is certainly arguable from the economic point of view, and may be true in some measure; but in so far as this process of disintegration, for which much may be said from other points of view, was inevitable, and had, in fact, been accomplished before the Peace settlement of 1919, criticism of the treaties on these lines is neither constructive nor helpful.

The old Austria-Hungary, in spite of differences in excise and general taxation between the two member States, did provide a large area within which complete freedom of trade was more or less guaranteed. Further, a common political organisation had done much to determine the general economic orientation of all the Habsburg lands. At the same time, it must not be forgotten that the vital question of transport had been treated at least as much with a view to the political and economic interests of the dominant race as to the general economic well-being of the area as a whole, and this same tendency is apparent when we study the land and tariff policies of the old Monarchy. Thus, although we may regard the Habsburg hegemony as having made, in many ways, for stability, we cannot consider the former Austria-Hungary as constituting in any sense an ideal economic unit.

When we turn to the new Central Europe, conditions still leave much to be desired. Misery has been, and is still to some extent, acute, and trade is very much reduced even now, after three years of peace, when compared with pre-war days. To ascribe this change solely to the creation of new frontiers, or, more specifically, to the frontiers actually delimited by the Treaties of Peace, would be to give an explanation as simple as it would be inadequate. Four years and more of war told immensely on a country that never had been strong financially, and it is often forgotten that many of the difficulties that are now so acute in the currency position of the Succession States are largely due to war-time inflation. Similarly, the baneful effects of the war on the general economic efficiency of the Danube lands, and, more particularly, on their transport systems, can hardly be exaggerated. Nevertheless, the mere fact of political change—and this, as we have seen, was inevitable—made for instability; and this, in turn, was greatly aggravated by the erection of high tariff barriers across well-established trade routes, and the enforcement of prohibitions where trade had previously been free.

To Czechoslovakia, a country within whose limits are situated nearly 80 per cent. of the industries of the former Dual Monarchy, the dangers of such a state of affairs became at once apparent. Dr Benes, then Foreign Minister, realised to the full the need for some form of common organisation, but he realised also that any scheme for a Danubian Confederation was impossible of achievement. This was due to two main causes. In the first place, the new States were not prepared to make away in favour of any super-national authority the sovereign rights that they had only recently acquired. Secondly, all proposals for a Confederation had a sinister sound. The real, though concealed, object seemed to be either the restoration of the Habsburgs or the control of some foreign Power. To the new nationalities, a Danubian Confederation under the hegemony of France seemed hardly distinguishable from a German Mitteleuropa. The Great Powers might have stipulated some degree of sanity in tariff and currency policy in return for their financial assistance. Not only was this not done, but, even when dealing with the political problems of Central Europe, they proceeded in so dilatory and perfunctory a manner that it was soon abundantly clear that no salvation would come from the West. Dr Benes thereupon initiated that policy of self-help which has already led to the conclusion of a large number of important treaties.

The first essential for sound economic development is political stability. This, according to the Czech view, can only be achieved on the basis of the Treaties of Saint Germain-en-Laye and the Trianon. The Magyars made no secret of their opposition to the territorial settlement

embodied in the latter treaty, so Dr Benes, in the summer of 1920, opened negotiations with Yugoslavia and Rumania with a view to concluding a treaty guaranteeing the territorial *status quo*. A treaty on this basis was signed at Belgrade between Czechoslovakia and Yugoslavia, and this was followed almost immediately by an entente between Czechoslovakia and Rumania, which was formally embodied in a defensive alliance between the two countries in the following year. A treaty between Rumania and Yugoslavia, also signed in 1921, completed this series, which is concerned primarily with the fear of Hungarian aggression, and which together constitutes the Little Entente.

The conclusion of these political agreements was at once followed by the appointment of Commissions to discuss economic questions and to draft commercial treaties between the States concerned. As the final solution of the economic problems of Central Europe depends upon a large number of factors to a great extent outside the control of the States of the Little Entente and requiring a truly European settlement, these commercial treaties were to be of short duration, and were designed to meet temporary rather than permanent needs. They thus prepared the way for a more detailed solution at a later date, at the same time proceeding as far towards a permanent solution as was possible under the conditions then prevailing. Thus the commercial agreement between the Czechoslovak Republic and the kingdom of Yugoslavia, signed on October 18, 1920, recognised free exports in the case of both agricultural and industrial products to an extent in accordance with requirements. As the total abolition of export prohibitions, which seems so obviously desirable in principle, would then have been impossible of attainment, the realistic policy adopted by the Czechoslovak Minister at least secured the half-loaf in preference to "no bread."

It is impossible in the space of this article even to outline the various commercial treaties which have followed, and have already gone far to promote trade between the former Habsburg lands. Complete freedom of trade, however, seems at present out of the question, for a number of reasons. A country such as Czechoslovakia, which is endeavouring to follow a reasonable currency and financial policy and, be it added, with a considerable measure of success, as the exchanges and the national Budget show, would quite naturally be averse to throwing open its markets to the manufacturers of countries whose principal source of revenue seems to be the printing press. In Rumania, on the other hand, where the division of the land amongst the peasants has led, for the present at any rate, to a considerable diminution in the annual wheat crop, and where the demand for luxury goods is very great, the opinion of several competent authorities is that the abolition of Government control over imports and exports would of necessity lead to a serious food shortage—thanks to the great difference between the internal and external value of wheat—and to a large import of luxury goods which the present economic position of the country does not warrant. Again, opposition to freedom of trade comes on the Austrian side from the fear that the superior purchasing power of the holders of Czech currency would lead to the denuding of that country of essential commodities.

The fact remains, however, that the economic position of all the Danube lands depends ultimately upon the exchange of goods between the Succession States. The food and raw materials of Rumania, Yugoslavia, and Hungary are as necessary to Czechoslovakia and Austria as are the manufactures of these latter to the former. The treaties which laid the foundation of the Little Entente have been supplemented by the Treaty of Lana between Austria and Czechoslovakia. Dr Benes has thrice attempted to come to a commercial understanding with Hungary, and his efforts must ultimately meet with success, for reasons of economic necessity. Further progress may be slow, but, with the lapse of years and the death of the irreconcilables, royal or otherwise, the formation of the Little Entente cannot but appear as the first step towards stability and economic sanity in a region naturally rich and well endowed, but whose development has so long been retarded by dynastic ambitions and racial antipathies.

INDUSTRIAL PROFITS.

It is impossible, as we have often pointed out, to give an up-to-date statistical picture of the state of trade from the reports of joint-stock companies, for while some time has necessarily to elapse before accounts can be presented, many directors wait a long time after the financial year has closed before producing their annual reports. It is, however, possible to trace trade booms and depressions, a short time after the event, and three months ago we were able to show from an analysis of company reports published during the last quarter of 1921 (which mostly referred to the financial year ended June 30, 1921) that the earnings of industrial companies had fallen off enormously, the aggregate decline in the net profits of 311 companies being 52.9 per cent. as compared with their previous financial year. During the past quarter 442 reports have been analysed, and these show net profits, after payment of debenture interest totalling £26,785,952, a decline of £20,582,974, or 43.4 per cent., as compared with the net profits earned by the same companies in their previous financial year. From this it might be assumed that the depths of depression have been passed, but the comparison is with a period when profits, although still increasing slightly, were not advancing so quickly as in the last quarter of 1920, on which the decline of 52.9 per cent. was shown three months ago. In the third quarter of 1920 an increase of 41.9 per cent. was shown, and in the fourth quarter the increase was 27.1 per cent., but as will be seen from the following table, the increase in the first quarter of last year was only 3.5 per cent.:

NET PROFITS (after PAYMENT of DEBENTURE INTEREST, &c.).

	No. of Cos.	Reports Published in		Increase.		Decrease.	
		1920.	1921.	£	%	£	%
First quarter	419	41,915,938	43,387,538	1,471,540	3.5	3,705,798	8.4
Second quarter	339	44,173,294	40,467,496	..	..	10,245,001	42.4
Third quarter	339	24,157,772	13,912,771	..	..	16,004,104	52.9
Fourth quarter	311	20,272,582	14,268,278	..	..	28,483,363	20.1
	1310	140,519,446	112,036,083	..	..	28,483,363	20.1
First quarter	442	47,368,926	26,785,952	..	..	20,582,974	43.4

The average profit per company has dropped from £107,000 to £60,500. The next table shows how the profits of the various groups have fluctuated:—

NET PROFITS (after PAYMENT of DEBENTURE INTEREST, &c.).

	Number of Companies.	Reports Published in Quarter Ended Mar. 31.		Increase.		Decrease.	
		1921.	1922.	£	%	£	%
Breweries	17	£ 920,476	722,432	..	..	68,044	8.6
Electric lighting & power	28	1,937,021	2,004,884	67,863	3.5	..	..
Gas	32	1,366,819	1,653,153	286,334	20.9	..	..
Hotels, restaurants, &c.	11	326,931	148,015	..	..	178,916	54.4
Iron, coal, and steel	28	4,550,709	2,679,997	..	..	1,870,712	41.0
Land mortgage, &c.	21	1,021,584	911,029	..	..	110,555	10.8
Motor and cycle	6	570,660	540,170	..	..	1,110,831	..
Rubber, &c.	34	380,740	91,906	..	..	472,645	..
Shipping	8	1,067,853	907,338	..	..	160,615	15.0
Shops and stores	41	3,616,187	2,005,169	..	..	1,611,018	44.5
Tea	6	61,927	100,325	162,252	..	..	..
Textiles	26	4,323,975	2,124,558	..	..	2,199,417	50.7
Tramways	13	708,708	773,425	64,717	9.1	..	..
Trust companies	34	1,623,495	1,488,307	..	..	135,188	8.3
Waterworks	14	282,815	288,178	5,363	1.9	..	..
Miscellaneous	126	24,862,880	11,611,318	..	..	13,251,562	53.3
	442	47,368,926	26,785,952	..	..	20,582,974	43.4

Apart from the tea group, where a net loss of £62,000 has been turned into a profit of over £100,000, the only groups to show increases are those comprising public utility concerns, which are now beginning to feel the benefit of higher charges. During the war period these groups consistently recorded decreases. The motor and cycle group is a very dismal picture, and the rubber companies show very poor results. The profits of 26 textile companies have been cut in half, hotels and restaurants show an even larger decrease, while shops and stores are nearly as bad. The miscellaneous section includes the Dunlop accounts, which showed a loss of £8,320,000, as against profits of £2,163,900.

Methods of distribution in each of the past five quarters are shown in the following table:—

DISTRIBUTION OF PROFITS.

	Net Profits.	Ordinary Dividend.	Preference Dividend.	Reserve, &c.
1921.	£	£	%	£
First quarter	43,387,538	24,377,364	56.0	6,357,529
Second quarter	40,467,496	23,732,561	58.8	8,028,662
Third quarter	13,912,771	10,646,266	76.6	2,834,955
Fourth quarter	14,268,278	11,464,889	80.4	3,386,145
1922.	£	£	%	£
First quarter	26,785,952	22,171,510	82.9	9,689,030

The last column of this and of the following table include, in addition to the amounts specifically allocated from profits to reserve, the amounts by which the balances carried forward exceed or fall short of the amounts brought into the accounts. In the past quarter balances brought forward and reserve funds have been heavily drawn upon to meet dividend payments, the decrease in the aggregate amounting to no less than £5 millions. Ordinary shareholders have taken nearly 83 per cent. of profits, while over 36 per cent. has gone to preference shareholders. The figures for the past quarter by groups read as follows:—

	Net Profits.	Ordinary Dividend.	Preference Dividend.	Carried to Reserve, &c.
Breweries	722,432	335,153	46.3	212,195
Electric Lighting & Power	2,004,884	613,163	30.6	484,422
Gas	148,015	1,522,414	96.1	285,810
Hotels, restaurants, &c.	2,679,997	1,761,702	65.9	69,351
Iron, coal, and steel	911,029	589,385	64.5	460,902
Land, mortgage, &c.	Dr 540,171	9,000	..	202,102
Motor and cycle	Dr 91,905	71,066	..	137,102
Rubber, &c.	907,338	388,650	42.8	145,625
Shipping	2,005,169	1,367,093	68.1	1,008,724
Shops and stores	100,325	55,187	55.0	8,203
Textiles	2,124,558	2,165,875	102.0	377,834
Tramways	773,425	435,604	56.3	158,686
Trust companies	1,488,307	792,628	53.2	516,390
Waterworks	288,178	212,418	73.8	80,716
Miscellaneous	11,611,318	11,615,537	100.1	5,539,428
1922.	£	£	%	£
First quarter	26,785,952	22,171,510	82.9	9,689,030

The electric lighting and power group takes pride of place with reserve allocations and carry-forward increases, equal to over 45 per cent. of profits. The shipping and tea groups also show up well. At the other end of the scale come hotel, textile, and miscellaneous companies which have distributed to ordinary shareholders alone more than their net profits. In eight of the 16 groups reserves have been drawn upon to pay dividends.

The ratio to total ordinary and preference capital of net profits and of amounts added to or deducted from reserves is shown in the next table:—

	Total Ord. and Pref. Capital.	Net Profits.	Carried to Reserve, &c.
1921.	£	£	%
First quarter	365,534,600	43,387,538	11.8
Second quarter	336,719,100	40,467,496	11.2
Third quarter	166,443,500	13,912,771	8.4
Fourth quarter	218,246,700	14,268,278	6.5
1922.	£	£	%
First quarter	442,936,400	26,785,952	6.1

The steady fall in the ratio of profits to capital has continued, while for the past quarter a sum equal to more than 1 per cent. of capital has been withdrawn from reserves.

The average rates paid on each class of capital in the past five quarters is set out below:—

	Debt.	Preference.	Ordinary.
1921.	%	%	%
First quarter	4.43	5.0	10.3
Second quarter	4.61	5.6	12.6
Third quarter	4.45	5.0	9.7
Fourth quarter	4.52	5.1	7.6
1922.	%	%	%
First quarter	4.70	5.3	8.5

The average rate of debenture interest is the highest recorded, and indicates that the effect of borrowing at higher rates in the past few years is beginning to tell. The average rate paid to ordinary shareholders is higher than in the previous quarter, but below the average for

the past two or three years. We conclude with a table giving the average rates paid in each group in the last quarter, together with the figures given in our article a year ago of the rates paid on ordinary capital:—

	Debt.	Rate of Interest.	Preference Capital.	Rate of Dividend.	Ordinary Capital.	Rate of Dividend.	Rate a Year Ago.
Breweries	£	%	£	%	£	%	%
Electric lighting and power	11,040,793	5.0	9,656,528	5.0	9,842,365	6.2	7.3
Gas	8,384,012	3.4	7,830,130	3.6	33,815,592	4.7	3.4
Hotels, restaurants, &c.	1,498,695	4.2	2,188,038	3.2	1,855,002	9.0	7.3
Iron, coal, and steel	7,897,727	6.3	9,390,648	3.9	28,571,252	6.2	10.5
Land, mortgage, &c.	4,166,018	4.2	5,257,096	3.9	7,284,978	8.1	6.8
Motor and cycle	52,350	4.5	3,084,800	4.5	4,310,368	0.2	..
Rubber, &c.	113,222	7.6	69,680	..	5,277,334	1.4	4.7
Shipping	960,000	5.0	2,375,000	6.1	4,145,100	9.4	9.9
Shops and stores	3,930,450	4.5	15,832,511	6.3	13,710,416	10.1	12.6
Tea	107,400	5.9	139,280	5.9	534,276	10.3	..
Textiles	2,034,090	4.1	6,534,410	5.7	25,052,270	8.6	11.8
Tramways	6,287,037	4.4	3,818,325	4.1	7,740,883	5.6	5.3
Trust companies	18,765,965	4.2	13,165,711	3.9	14,173,355	5.6	5.7
Waterworks	1,724,128	3.9	2,494,018	3.2	3,892,957	5.4	5.7
Miscellaneous	18,828,373	5.3	96,786,777	5.7	96,618,246	12.0	15.4
1922.	£	%	£	%	£	%	%
First quarter	30,820,848	4.7	183,183,346	5.3	259,753,011	8.5	10.3

As we have shown above, the average rate of ordinary dividend in the second quarter of last year was 12.6 per cent. The highest rate in any group in the past quarter was 12 per cent. for miscellaneous companies. The most pronounced declines in ordinary rates of dividend as compared with a year ago are in the iron and steel and rubber groups. The hotel group, where profits fell by 54 per cent., pays a higher rate of dividend, and three other groups show small increases, while the tea companies pay 10.3 per cent., as against nothing a year ago.

NATIONAL MONOPOLIES IN SHIPPING.

II.—GERMANY AND THE UNITED STATES.

IN our last issue we dealt with the temporary monopoly which has been established by the Italian Government over the emigrant traffic from ports in the Italian Peninsula. The danger was pointed out of this temporary monopoly becoming permanent, and of being extended to cover all the emigrant traffic of South-Eastern Europe for which the maritime gates are Trieste and Fiume. We will now pass to the traffic of Northern and Central Europe, for which the geographical outlets are ports in German territory.

The Germans, though pressure of many kinds—both diplomatic and commercial—is being laid upon them, are neglecting to carry out their obligations under the Treaty of Versailles to give fair play to British shipping lines. It is apparent that their object is to buttress their reconstructed post-war shipping trade by securing for it the bulk of the emigrant traffic, which is, as was explained last week, the bread and butter of the great Atlantic shipping lines. The German shipping companies have entered into alliances of partnership with some American lines, so that they can count upon sympathy and some veiled support in the United States. Shipping monopolies, so repulsive in British eyes, unless the result of untrammelled commercial competition—and even then regarded with grave suspicion—are consistent with the recent shipping legislation of the United States Congress. The American "Jones Act" is a measure designed to help the American Mercantile Marine at the expense of its foreign competitors, which in practice means its British competitors. It is true that this Act has not yet been put into operation, but it remains ominously on the Statute Book. Just as Italy and Germany are seeking to secure that emigrants from their respective ports shall travel in Italian or German ships, so the Americans are taking steps to secure that a substantial proportion of the immigrants reaching the United States shall have travelled thither in American ships. This double pressure upon emigrants on the one hand, and upon immigrants on the other, operates like the two jaws of an hydraulic press, and tends to squeeze British lines altogether out of the emigrant traffic between Continental Europe and America. It is clear that the recent legislation in the United States, limiting the admission of immigrants from any country to fixed quota according to nationalities, does give to the American authorities a very powerful stranglehold over the entire traffic. Germany has had assigned to it a large quotient,

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A SCHEME OF DEVALUATION.

and will struggle to retain as much of it as may be possible, whatever may be the treaty rights of British shipping companies.

Before the war there was in existence a system of control stations, established on the German Eastern frontier, and so administered by the German Government and the German lines as to divert the whole stream of emigrants crossing the frontier on to the gangways of the ships of the North German Lloyd and Hamburg-America companies. The definite provisions inserted in the Treaty of Versailles aimed at putting a stop to this administrative monopoly, but up to the present they have not been more successful than many other provisions in that unhappy instrument. The Germans are entitled to require British and other foreign steamship lines which do business from German ports to take out emigration licences; it is by the manipulation of these licences that they are now seeking to regain the position which they lost by war, and to insert conditions which will restore to them the privileges of monopoly which the Treaty tried to take away.

If the British lines could all be depended upon to stand solidly together—backed by Government diplomatic support—and if the British and foreign lines in the North Atlantic Conference also could be depended upon not to seek advantages the one against the other, then the problem would be simpler of solution. But with facts as they are and commercial human nature what it is, the Germans have some ground for their confidence that, if they can stave off the diplomatic pressure for a sufficient time, they can drive wedges between British lines and other foreign lines, and can even set individual British lines by the ears, and start them squabbling among themselves. Delay in settlement of the present difficulties will undoubtedly help the Germans to achieve success in this direction.

It is, we understand, the considered view of the North Atlantic Conference—which for the present hangs together lest the members of it become in peril of hanging separately—that the whole future position of the British North Atlantic lines will be gravely prejudiced unless the British Government speedily succeeds in bringing Germany to heel. The failure to compel her to carry out her obligations is encouraging other foreign Governments—notably Italy—to establish shipping monopolies or to impose licensing conditions which are not far removed from those of monopoly. New States like Jugo-Slavia and Poland are learning how to discriminate against our shipping by means of ingeniously drafted licences; Poland has brought into operation a measure which gives a preference to national shipping; and in South America there is a definite movement to exclude British ships from the coasting trade of the maritime Republics of Chile and Peru. We do not love Government intervention in matters of trade and commerce, but where distinct Government measures are taken in foreign countries to exclude our shipping, then counter-action must be taken by our own Government in support of the most vital of all British industries.

A NOTABLE contribution towards clarifying the discussion of devaluation is made by Mr J. M. Keynes in an article in the *Manchester Guardian Commercial* (April 6th). After summarising the arguments for deflation and setting against them the case for stabilising currencies, Mr Keynes sets out for consideration of the financial experts at Genoa a scheme in which the following are the main features:—Countries whose money has fallen to more than 20 per cent. below its 1914 value are advised not to attempt a restoration to pre-war gold value. Currencies should, however, become convertible into gold as early as possible at rates chosen on a basis which it appears practicable to maintain with reasonable certainty in the near future. But in order to avoid too serious a disturbance in the market for gold itself, the Powers should agree that while their banks will issue legal tender money against delivery of gold, they will not mint gold coin or allow them to circulate as legal tender. The scheme should be limited, in the first instance, to Great Britain, France, Italy, Belgium, the Scandinavian countries, Spain, Holland, Switzerland, and Czecho-Slovakia, and the rates to be fixed should be based on a conservative forecast of the probable exchange position in order to avoid a fiasco. If this is done, Mr Keynes would be prepared to make a "moderate concession to popular illusion" by permitting the rate of convertibility to move in the direction of the old gold par; but the central banks would guarantee not to raise the price of their notes against gold by more than 6 per cent. in any year. "The possibility of slow action on these lines would permit the satisfaction of national prestige without inviting speculation or depressing enterprise." The State banks of Europe would also be well advised to make a difference of 5 per cent. between their buying and selling prices for gold. This would not interfere with the free gold market, but this margin, which would permit of rather wider exchange fluctuations than before the war, would still be sufficiently restricted to enable the fluctuations to be readily dealt with by financial houses in the old way by the transfer of floating balances. Finally, Mr Keynes emphasises that gold reserves must be used and not hoarded. He therefore proposes that central banks should give a guarantee for five years to redeem their notes in gold at a rate not worse than the conversion rate originally fixed, so long as their notes in circulation exceed 80 per cent. of a standard determined when the scheme comes into operation, and provided that they have the necessary gold.

It is also proposed that in order to renew European reserves the Federal Reserve Board of the United States should agree to make temporary loans of gold at 10 per cent. interest to any of the participating central banks up to 15 per cent. of the standard note circulation, subject to a maximum both for the total loan and for the amount to each country.

The conversion rates to be fixed must depend on the exchange situation when the scheme is launched, but Mr

Keynes suggests certain rates by way of illustration, together with the extent to which the countries would have borrowing rights on the Federal Reserve Board:—

	Guaranteed Conversion Rates at which Notes will be Convertible into Gold Expressed in Terms of Dollars.	Reserves.	Borrowing Rights.
		(In Miln. \$)	(In Miln. \$)
Sterling	£1 = \$4.41	790	150
French francs.....	100 frs = \$8.4	770	150
Belgian francs	100 frs = \$8.4	50	75
Italian lire	100 lire = \$4.62	270	140
Swedish kronor	100 kr = \$26.80*	75	20
Norwegian kroner	100 kr = \$17.85	40	10
Danish kroner.....	100 kr = \$22.31	70	15
Dutch florin	100 fl = \$40.20*	245	60
Swiss franc	100 frs = \$19.30*	110	25
Spanish pesetas	100 pes = \$19.30*	500	100
Czech krone.....	100 kr = \$1.575	13	25

* Pre-war parity.

Notes would be issued against the delivery of gold at a 5 per cent. higher rate than the figures in column 2. Mr Keynes is opposed to linking the scheme with any internal control of public finance, on the ground that such conditions are "not the kind of thing about which a sovereign Power could properly be required to give a guarantee." Whatever view may be held about Great Britain's participation in a scheme of devaluation, this proposal is so important and well thought out that it deserves the most careful study. Mr Keynes, however, admits hesitation as to whether this stabilisation is possible so long as there are so many unsolved problems in Europe. Germany is definitely ruled out until reparations are settled, and the whole plan "depends on the assumption that there is a reasonable prospect of avoiding a further progressive depreciation of money as a result of Budget deficits." We come back, therefore, once more to the old conclusion that we cannot handle the purely financial side of the European problem until some, at all events, of our political difficulties are resolved.

RUSSIAN PROBLEMS.—III.

(FROM A CORRESPONDENT.)

In the last few months the Soviet Government has made sweeping changes in its economic policy. It has abandoned the attempt to regulate the whole economic and social life of Russia by bureaucratic methods. The Soviet leaders themselves admit that the experiment of Communism has failed, and that the abolition of private enterprise and private commerce has been a disastrous fiasco. They now see that their only chance of conciliating the peasants and of remaining in power themselves is to restore freedom of commerce and to abandon the compulsory requisitioning of the peasants' crops.

Instead of seizing the whole surplus in return for worthless paper-money, the State now collects a tax of 10 per cent. in kind, and allows the rest of the crops to be sold in the open market. The peasants' co-operative societies, which were formerly nationalised and placed under the control of Communist commissars, have now had their freedom restored to them. Factories that were nationalised are being returned to their former owners, both Russian and foreign. The activities of the Extraordinary Commission, or Cheka, which wielded unlimited powers of life and death and was the effective instrument of Bolshevik dictatorship, have been further curtailed. Speculation and private trading, which were formerly capital offences, are now encouraged as being the only means of restoring production. A new State bank has been established, which is intended to run on ordinary business lines and to provide the usual facilities for private trade at home and abroad. Originally it was proposed that the State bank should have a monopoly, but after three months' experience of its working this idea has been abandoned. The co-operative movement has been allowed to re-establish a bank of its own, a separate bank has been formed for promoting foreign trade, and endeavours are being made to attract foreign capital in the development of other banks for special purposes. In December, 1921, the Minister of Finance, M. M. Kres-

tinsky, presented a Budget for 1922, which showed a deficit of only 12.3 per cent. of the total expenditure, and stated that he intended to adopt the plan of restricting the issue of paper-money and adhering to the limits fixed in the Budget.

There is a big difference between promise and performance; but we are here concerned with the change of policy, not with its prospects of fulfilment. It is known that in carrying out this sweeping change, the more moderate members of the Communist party, such as Lenin and Krassin, have had a big fight with the extremists; but they have apparently won their way, and the march of events and the trend of popular opinion are clearly on their side.

Many British observers foretold at an early stage that the Soviet Government, if left alone and freed from the necessity of defending itself against foreign intervention, would inevitably tend to become more moderate, and would quickly be compelled by the pressure of events to abandon the impossible attempt to establish universal Communism. But there are still many sceptics who doubt whether there is anything tangible to be gained by negotiating with the present régime and trying to reopen commercial relations. Russia, they say, has lapsed into barbarism; her civilisation has been destroyed; her trading and manufacturing classes have been murdered or exiled; and the urban wage-earning classes, which before the war only formed a small portion of her population, have been demoralised by the revolution, and, owing to the collapse of large-scale industry, have deserted the towns and gone back to earn a precarious livelihood on the soil. The seizure of the land by the peasants and the abolition of large landowners have destroyed the possibility of a surplus of grain for export for many years to come. So far from Russia having surplus to export, she is now unable to feed herself, and is stricken with an appalling famine. So long as the Bolsheviks remain in power there is no hope of a change. Their new economic policy is a measure of the desperate straits to which they are reduced, and the pretence of reform will be discarded at once as soon as it has served its purpose. Bolshevism must be left to destroy itself, and Western Europe must wait for 10 or 20 years before she can expect to do any substantial volume of trade with Russia.

There is undoubtedly plenty of ground for scepticism of this kind. But practical policies must be based upon reasonable possibilities, and the risks of failure are not so great as to deter a number of Western capitalists from trying their luck. From a business point of view there are undoubtedly big possibilities. According to competent observers, Russia has probably just about turned the corner. She has recovered from the worst period of disorganisation and anarchy. In spite of the famine, her economic position is no worse than it was a year ago, and, largely owing to the change in the Government's economic policy, is in many respects slightly more favourable. If there is no repetition of the drought, this year's harvest is expected to show a slight improvement.

Figures of production in the Donetz Coal Basin show an increase from 4,500,000 tons in 1920 to 5,420,000 tons in 1921; 40 per cent. of the year's production was obtained in the last three months of the year. The monthly output increased from 160,000 tons in July to 700,000 tons in November, 1921. The output per hewer increased from 13 tons in July to 57 tons in November. The production of metal and textiles also shows a slight improvement. The linen factories are now said to be working up to 55 per cent. of their pre-war capacity. The transport system is still in an appalling state of paralysis, but carriage on the waterways has recently improved, and new locomotives are now beginning to be received from Sweden and Germany. Imports during 1921 were three times the total imports during the three previous years, and exports were four times as much. The actual figures for 1921, according to Lenin's review at the Soviet Congress on December 24th, were 833,000 tons of imports and 192,000 tons of exports. These figures are, of course, extremely small, and against the improvement noted we have to set the almost complete dispersion of Russia's gold holdings. It is doubtful if the Soviet Government has more than about £5,000,000 worth of gold left out of the £150,000,000 held by the former State Bank of Russia.

The main hope of the future lies in the possibility of restoring Russian agriculture and increasing its productivity. Before the war the productivity of Russian agriculture was lower than that of any other European country. The average yield of wheat in European Russia was about 7 quintals per hectare, compared with 13½ in France and 21½ in the United Kingdom. The Russian peasants use no fertilisers. In most districts there is no proper rotation of crops, and it is no uncommon thing for half the land to lie fallow at a time. The sandy soil of East Prussia produces two or three times as much as the rich black soil of South Russia.

Even with a change in the Government of Russia, the development of Russian agriculture is bound to be a matter of slow growth. The Russian peasant is intensely conservative, and is but slowly awakening from the deep sleep of the Middle Ages. But an undoubted change is taking place. Millions of peasants during the last seven years have been withdrawn from their primitive village life to serve in the Army. As prisoners of war in Germany, vast numbers have come in contact with Western ideas of material progress and the scientific methods of German agriculture. They have handled tools and domestic utensils which they had never seen before, and they have been initiated into the mysteries of agricultural machinery, mechanical power, and electric light. As a result of their varied experiences and the new ideas and new wants implanted by the revolution, the younger generation of Russian peasants has grown dissatisfied with the primitive life and simple traditions of their village communities. In addition to these sub-conscious influences, the Red Army has provided facilities for organised education. Every soldier is now taught to read and write, with the result that among the younger men the proportion of illiteracy is comparatively small. Another important factor has been the prohibition of vodka. Already before the Revolution foreign observers had noted the change in the habits and outlook of the peasants resulting from prohibition. They had acquired new wants, and spent their money, when possible, on better clothing, better tools, and better domestic appliances.

These facts all point to the same conclusion—namely, that the effective demand of Russia's vast population for the manufactured goods of Western Europe is likely to be greater than it was before the war. If the new wants can be supplied, partly by private trade and partly by the highly developed organisation of the Russian co-operative societies, their satisfaction will stimulate the increased productivity on which the recovery of Russia and of Central Europe depends. The Russian Revolution is like the French Revolution in one thing at least—that it has raised the status of the peasantry, and firmly established a system of peasant proprietorship on the ruins of feudalism.

Notes of the Week.

An Industrial Parliament.—The revival of the idea of a National Industrial Parliament for the discussion of Labour and other questions affecting industry is gathering force. In the first number of the official organ of the Industrial League and Council the case for such an organisation is put by Mr Clynes from the Labour standpoint and by Sir Wm. Noble, chairman of the Baltic and White Sea Conferences and of the Cairn Line of Steamships, on behalf of employers. Both writers point out that the way has been prepared by Joint Industrial Councils in various trades and by Works Committees in individual businesses, which have proved of the greatest possible value in improving relations during the years since the war. But Mr Clynes reminds us that we are concerned every day with sectional problems which it is impossible to solve unless we consider the national interest first. The inter-dependence of industries is now as close as the inter-dependence of nations. A body selected on a national basis and composed of men with a real knowledge of industry would be the best possible forum in which the rights and wrongs of industrial quarrels can be discussed. The present engineering dispute, in which it has become evident that the issues are much more

complex than the public was originally led to believe, is a remarkably apt illustration of the purpose which might be served by a body representing the industries of the country. The Ministry of Labour has considered, and Parliament has discussed, whether the Government's statutory power of investigation ought to be exercised in this instance. A Parliament of Industry would be a better organisation for advising on such a question. Again, it is a very striking fact that, apart from the Prime Minister himself, the only body which has had sufficient prestige to offer mediation in the last few industrial crises has been a committee of the Trade Union Congress. Both Sir Wm. Noble and Mr Clynes do not, however, confine the functions of a Parliament of Industry to discussing industrial disputes. On the contrary, Sir Wm. Noble declares that "It would gradually develop into a really constructive effort to improve industrial conditions generally. There are innumerable reforms which, if left to the initiative of either side alone, will take a generation to bring into being. Provision for unemployment in times of trade depression; improvements in factory and workshop conditions; the decasualisation of labour; questions of working hours; all these matters and many others would come within the purview of the Parliament of Industry. They would be discussed by people they most affect, the people who have the greatest interest in their solution. The case for an Industrial Parliament, in my opinion, is unanswerable. There is not a single person in the country who would not benefit by its work. As a nation we cannot afford to leave a stone unturned in our efforts to achieve industrial reform. Reform is bound to come. Whether it is constructive reform or destructive reform depends on the impetus behind it. A Parliament of Industry would give it the right impetus. Its success would be our greatest safeguard against the dangers that beset us."

The Position in China.—The news from Peking, judged by Western standards, is alarming; but Chinese ways are not those of Europe. Wu Pei Fu, formerly a liberal leader, now a militarist adventurer, who has been threatening to march on Peking since January, is expecting counter-attacks from the army of Chang Tso-Lin, representing the Peking Government, on his front, and in the rear from forces sent by the Government at Canton. He is said to be preparing for a desperate resistance, and to possess large quantities of modern war material and poison gas, with two German experts to direct its use. But it seems possible that the conflict may be settled without much fighting: the chief difficulty is that there is no money to pay off the troops. Chow Tze-Chi has been temporarily appointed Prime Minister in the place of Liang Shih-Yi, a former Monarchist, now superseded at his own request; and it is said that an attempt will be made to effect a compromise and raise money to enable the Peking Government to carry on. Meanwhile, the rest of the Ministers are at Tientsin. But another and less immediate danger is announced by the Peking correspondent of the *Times*. The majority of the students are strongly materialistic; they are attacking Christianity, partly as being allied with capitalism, and are telling the masses that Western capitalists intend to exploit Chinese cheap labour as a means of crushing the Labour movement in their own countries by the competition of cheaply produced Chinese goods. It seems probable that these efforts are called out by the activity in China of the Student Christian Union, which has just held a "world conference" in Peking, and which, it may be remarked, is by no means friendly to "capitalism"; but its opponents will doubtless be aided, if they are not already, by Bolshevik money and propaganda. But China is not a promising field for Bolshevism, and the students generally, whatever their religious views, are strongly opposed to militarism in any form, and in favour of internal peace. A Nationalist and anti-foreign rising, therefore, is in the last degree improbable. The anxiety generated by the political situation may well be modified by the facts brought out at the annual meeting of the Hongkong and Shanghai Bank, of which a full report appeared in our columns

last week. The total debt is only 12s per head of population, the Maritime Customs revenue increased last year by about 9 per cent., and in all the Treaty Ports but one; the gross receipts from the salt revenue increased likewise; and, if the internal dissensions should continue and the provinces should assert their autonomy, the Consortium may so far relax its rule against lending to any but a central government as to issue loans to the provincial governments, either singly or in groups, for railway construction, which will develop the vast local resources and afford an example of the advantages of internal peace. It must be noted also, that Japan is carrying out the recent Treaty by withdrawing her troops from Shantung; and that the External Loans secured on the Maritime Customs stand higher than they have for some years past.

Overseas Trade in March.—The official returns of overseas trade in March are not available as we go to press, but we have received an official summary of the figures. March imports were £87.9 millions, British exports £64.6 millions, and re-exports £10.2 millions, the month's excess of imports being £13.1 millions. Imports were £18.5 millions higher, and British exports £6.2 millions higher than in February, re-exports being almost unchanged. Despite the fall in prices, the value of March imports of raw materials is considerably higher than that recorded for March, 1921, and wheat imports were also heavy, while imports of manufactured goods are much lower than a year ago. For the first quarter of the year the import excess on the merchandise figures was £18.7 millions. The full returns will be available for discussion next week.

Coal, Iron, and Steel Output.—The production of coal in the mines of Great Britain for the week ended April 1st was 4,825,400 tons, which compares with 4,929,300 tons in the previous week, 5,046,600 tons in the week ended February 25th—the highest this year—and 1,950,100 tons in the week ended April 2, 1921, which was the last week before the coal strike. Statistics compiled by the National Federation of Iron and Steel Manufacturers show that the production of pig-iron in March amounted to 389,800 tons, as against 300,100 tons in February and 386,000 tons in March, 1921. The production of steel ingots and castings last month was 134,400 tons higher than in February at 549,400 tons, the highest figure in any month since December, 1920, when the output was 746,600 tons. The monthly average in 1921 was 302,200 tons.

The Quarter's Shipbuilding.—Lloyd's Register shipbuilding returns for the quarter ended March 31st show that the merchant tonnage under construction at the end of the quarter amounted to 2,235,998 tons, a reduction of about 404,000 tons as compared with the end of December last. The total includes 617,000 tons, on which work has been suspended for some time, quite apart from any delay arising from the present dispute in the shipbuilding and engineering industries. Deducting this amount in order to enable a comparison to be made with figures for normal times, the tonnage actually under construction in the United Kingdom now amounts to 1,619,000 tons. The average tonnage under construction during the twelve months immediately preceding the war was 1,890,000 tons, i.e., 271,000 tons more than the present figures. As compared with the figures for the quarter ended December 31, 1921, there has been a reduction of 133,000 tons in the tonnage launched in the United Kingdom during the past quarter. Although there was a slight increase recorded in the tonnage commenced during the quarter ended December 31, 1921, this progress has not been maintained, and the figures for the quarter under review are practically the same as that for the quarter ended September 30, 1921, namely, 51,000 tons. The total merchant tonnage building abroad is 1,443,624 tons, but this includes about 325,000 tons upon which work has been suspended, leaving about 1,118,000 tons actually under construction. The country where the largest amount of work is suspended is Italy. The tonnage building abroad is about 373,000 tons lower than the total building at the end of December, 1921. The de-

crease affects most countries, but specially the United States of America, in which country the tonnage now under construction is only 3½ per cent. of the total building there in March, 1919. The figures for the leading countries abroad are:—Italy, 311,888 tons; France, 286,255 tons; Holland, 258,240 tons; United States, 136,266 tons; and Japan, 117,312 tons.

Co-operators and Sugar Duties.—A correspondent writes:—Strenuous efforts are being made by West Indian planters and British Protectionists to secure further preference for British-grown sugar at the expense of the home consumer. The present tax on fully refined sugar is 25s 8d per cwt, and since September, 1919, one-sixth of this amount, say, 4s 3½d, has been allowed as preference on imported Empire-grown refined. The British Empire Producers' organisation is asking that this should be increased to one-third, or from 4s 3½d to 8s 7d per cwt. Simultaneously with this movement has come an agitation engineered by those concerned with the production of beet sugar in this country, which culminated in the announcement last week that the Excise duty is to be removed. There are two sugar factories in England—one at Cantley in Norfolk, and one at Kelham in Nottinghamshire. The former was started in 1912, closed in 1915, and re-opened in 1920, receiving an advantage of 2s 4d per cwt surtax, and of 3s 10¾d, the one-sixth preference of the Excise tax, an advantage of 6s 2¾d per cwt. At Kelham the factory was set up largely by the assistance of the British Government. It exhausted its capital by the end of last year. The directors have applied to the Government for permission to borrow a further amount up to £200,000 in priority to the second mortgage held by the Government. The Government holds 250,000 shares in the company—half the total capital—and has advanced a loan of £125,000 to the company on a second mortgage. A State guarantee has also been given for the payment of 5 per cent. per annum on the 250,000 shares subscribed by the public. This holds for ten years unless the concern goes into liquidation or ceases to manufacture sugar. The West Indian planters and a section of the British farmers are thus seeking from different angles, but in their own interests, to preserve the tax on sugar—with such a decided preference to themselves as will secure the advantage without any regard to the consumer. The adroitness of the combination has, however, been observed by the co-operative movement, and a protest against the agitation will shortly be made. It is claimed that the working classes, in proportion to their income, spend more on sugar than those in a better position, and that the consumers not only pay the tax of 25s 8d per cwt, but in addition a profit on the tax to the refiner, wholesaler, and retailer. At the present time the tax adds 115 per cent. to the c.i.f. price of imported refined sugar. The Government revenue from the sugar tax in 1920 was £40,887,584, of which £3,507,929 was paid by the English Co-operative Wholesale Society, Limited. The yield in 1921 is estimated to have been about the same as in 1920 (£40,887,584), and the share of the co-operative movement has been considerably larger. Last year the C.W.S. sold to the retail societies 3,182,484 cwts of sugar, and used 158,280 cwts in its own productive works—a total of 3,340,764 cwts. The Scottish C.W.S. sold 731,720 cwts to its societies, and used 47,360 cwts in its factories, a total of 779,080 cwts, so that the co-operators of Great Britain obtained 4,119,844 cwts through their two federations. Even this does not represent the full consumption, for many societies have obtained a proportion of their supplies from other sources than their own wholesales. The amount paid by the co-operative societies as war tax on sugar in 1921 was:—

Tax on sugar sold to English retail societies.....	4,059,972
Tax on sugar sold to Scottish retail societies	939,040
Tax on sugar used in English co-op. works	203,126
Tax on sugar used in Scottish co-op. works	60,780
	5,262,918

From this it would appear that co-operators pay at least one-eighth of the sugar tax—a proportion that they will shortly claim entitles them to oppose the preferential treatment of the West Indian industry and the Government-

bolstered factory at Kelham. They will demand the remission or reduction of the tax without privilege to any section of the community. Last year the English C.W.S. paid £4,263,098 as duty in the price of the sugar sold, £1,736,224 on tea, £46,963 on coffee, £88,539 on cocoa, £68,354 on dried fruit, and £1,979,945 on tobacco—a total of £8,183,123, equivalent to 37.77 per cent. of its trade in these particular articles. This is exactly 7s 7d in the £, and is a form of indirect taxation that would have been resented in the early years of the movement, and especially in Lancashire. It is now being made clear to the four million members of the distributive societies; and if the appeal for remission of this breakfast-table taxation in the interests of the consumers is not seriously considered by the authorities the co-operative movement may be driven further into the political arena than its best friends wish.

Stock Exchange Settlements.—The Chancellor of the Exchequer has concurred in the repealing by the Stock Exchange Committee of various temporary regulations and supplementary emergency rules which have been in force for the greater part since January, 1915. The actual control exercised over the Stock Exchange by the Treasury has been a comparatively light matter for some time past. By degrees the Treasury regulations have relaxed, until there remains little of the original harshness save the rule that all dealings have to be for cash, arising out of which came the further regulation that options will not be allowed. Both these have been repealed. The Stock Exchange Committee announce that, subject to confirmation on Monday, May 15th, they will bring into force various new rules which spring from the repealing of the temporary regulations just mentioned. In most respects these new rules will involve little more than the return of the Stock Exchange to the conditions which prevailed before the war. The rules contain many minor points of detail in regard to entrance of members, sureties, new issues, renunciation-letters, dividends, quotations, commission, buying-in, and similar domestic affairs. Where the public is particularly interested, however, is in the matter of resuming bi-monthly settlements. Both the repeal of the temporary regulations and the passage of new rules are subject to confirmation on the same date, May 15th, as already stated. If the confirmation is duly carried out on this date, there is nothing to stand in the way of the Stock Exchange reverting at once to its pre-war practices in regard to periodical settlements, contangoes, and everything which arises therefrom. As everybody knows, a certain amount of pre-war moratorium account still exists, and has hitherto loomed in the path as an insuperable obstacle to every effort made with a view to restoring Stock Exchange business and markets to their pre-war flexibility. Apparently, the Committee are prepared to face whatever liability or difficulty may arise in connection with the continuance of an account which need not be settled until the end of August, when the 12 months following the conclusion of official peace shall have run out. On the rules in front of us the Committee could, upon confirmation, immediately countenance resumption of contango business and fortnightly accounts. They could also retain the present hours of business, and keep the Stock Exchange closed on Saturdays, as they probably will do during the summer months, unless the view should be taken that, in order to set an example to the community at large, it may be well for the Stock Exchange to remain open for longer than it does now. Dealings for foreign clients resident abroad and foreign arbitrage business will only be allowed for cash, this being in consequence of the state of foreign exchanges. No member is to be allowed to do an option for a period longer than three months. All account business is forbidden in the Consol market, a rule which is bound to excite a good deal of opposition, and, possibly, a certain amount of resentment. In these matters there is wide scope for divergence of opinion, and the Committee invite their fellow-members to make observations on any of the alterations, and to bring forward the same in writing by Monday, May 8th. It may quite easily prove to be the case that so many recommendations will be made as to justify the Committee in postponing confirmation of the

rules until such time as the control of the Treasury—i.e., the end of August this year, shall automatically cease, though there are members of the House who look forward to a resumption of periodical settlements being put into force early in June. Nothing definite is known on the point, but it may be mentioned, as affording a very interesting sidelight on the subject, that arrangements are being made by the Stock Exchange Committee which will permit of the re-establishment of the Clearing House by the end of next month.

War Bond Conversion Rights.—Controversy has arisen as to the conversion rights accorded in the prospectus to the 5 per cent. National War Bonds, repayable on October 1, 1922, at 102. The prospectus said:—"Holders of £5 per cent. Bonds of this issue may convert their holdings within 14 days after any half-yearly interest date (viz., April 1st and October 1st), and as on such interest date into £5 per cent. War Loan, 1929-1947, at the rate of £100 £5 per cent. War Loan, 1929-1947, for each £95 nominal value (excluding any redemption premium) of 5 per cent. National War Bonds surrendered." The italics are ours; but some holders of National War Bonds have so italicised these words in their own minds as to claim that conversion rights may be exercised as late as October 15th next. The Treasury, on the other hand, state that to-day, April 15th, is the latest opportunity for conversion. Mr Hilton Young reiterated this official view in answer to a question in the House of Commons on Monday. Those who oppose this view claim that October 1st next, although it happens to be redemption day, is also a "half-yearly interest date," and therefore conversion rights continue for 14 days thereafter. Presumably the official reply to that would be that on October 1st next the bonds in question go out of existence, and their conversion rights with them. The point, which is not without importance, is essentially one for lawyers, and, although it is regrettable that the prospectus was not drafted so as to exclude all ambiguity, it must be supposed that the Treasury view of the matter was not stated without the support of legal advice. The matter might become the subject of an interesting test case.

British Banking in Spain.—The announcement of the London County Westminster and Parrs Bank that they will shortly close their branches at Barcelona, Bilbao, and Valencia, and centralise their Spanish business at Madrid, directs attention to the difficult conditions with which British enterprise is faced in that country. These branches, which were established during the war to facilitate the greatly increased trade between Spain and Great Britain, are to-day faced with four serious difficulties. In the first place, the reaction from the abnormal war prosperity has been very prolonged and severe. A British Consular official reports that, "Though Spanish industry had undoubtedly made some progress between 1914 and 1919, the period was more marked by profit-taking than by enterprise. Labour became dear without becoming efficient." Foreign competition had therefore become acute. In the second place, British enterprise is handicapped in competing with rival countries by the low exchanges of Central Europe. The third obstacle is the tariff, which as at present constituted almost amounts to prohibition for certain classes of British export trade. Spain's post-war tariff operations, which represent the attempt of native industrialists to meet the slump we have described, has brought the Spanish Government into friction with most of the countries with whom she has commercial treaties or agreement. These three influences apply to all British undertakings. Banking enterprise has encountered a fourth in a tendency on the part of the Spanish Government to give preferential treatment to Spanish banks as compared with foreign banks. In this connection a recent report of the Department of Overseas Trade calls attention to a Bill which is still before the Cortes setting up a Superior Banking Council which will control both foreign and private banks. Under the Bill the national banks will be given special discount rates, and can settle with the State special regulations for the

bringing into operation of crossed and travelling cheques and obtaining concessions with regard to stamp duties on cheques. In regard to the third and fourth of these difficulties, it is pertinent to recall that at the Brussels Conference the Spanish Delegation, consisting of the Marquis de Cortina, the Secretary General of the Finance Ministry, and a director of the Bank of Bilbao, subscribed to the doctrine that "Each country should aim at the progressive restoration of that freedom of commerce which prevailed before the war," and that efforts should be made to secure the reciprocal treatment of the branches of foreign banks in different countries.

Atlas Assurance Company.—The first of the reports of the old composite offices is always of interest, as giving some indication of the way in which the past insurance year has worked out. The figures of the Atlas show that 1921, in so far as that company is concerned, was a good deal less profitable than 1920. In the fire department the premiums were £2,123,300, against £2,339,761. The claims amounted to 54.2 per cent. of the premiums, against 41.8 per cent., and the total expenses to 45.3 per cent., against 41.9 per cent. After allowing for the reduction in the reserve for unexpired risks, the trading surplus was £97,525 (4.6 per cent.), as compared with £206,882 (8.9 per cent.) for 1920. In the employers' liability, accident, and general department, the premiums were £250,817 and the surplus £33,686. The marine premiums were £85,108, the claims £13,055, and the expenses £8,364. The balance of £63,778 was carried forward. The profit and loss account received £117,750 for interest, less tax, and profits from the departments of £141,665. Income-tax, corporation tax, and E.P.D. absorbed £92,308, and transfers were made of £11,584 to the fire fund, and of £10,917 to the employers' liability and general funds. The dividends paid to shareholders amounted to £132,000, and the interest on the debenture stock was £3,549. The final result was a credit balance of £124,376, against £115,634 brought forward. The dividend for 1921 is the same as for 1920—12s a share, free of tax, and costing £132,000. The total shareholders' funds on December 31st last were £2,744,823, and the life funds £3,231,389; in addition, policyholders had the securing of the paid-up capital of £264,000, and the uncalled capital of £1,936,000. The certificate of Messrs Price, Waterhouse and Co., the auditors, contains the following reference to the value of the investments:—"The investments on account of the shareholders' funds are entered at values which, after taking account of the investment reserve fund, are in the aggregate less than their market value. The life securities are taken at their market values at December 31, 1919, or at cost if purchased since that date." In regard to the life funds it should be pointed out that the company provided last year £104,697 written-off securities and loss on investments realised.

Union Corporation.—The first of the important South African mining-finance undertakings to issue their report for 1921, writes our mining correspondent, is the one for some years past known under the above title. The corporation's chief interests are in the Witwatersrand, the most important comprising shares in those highly successful Far Eastern mines, the Modder Deep and the Geduld Proprietary; it also possesses claims, and shares in companies operating in, Mexico. The corporation last year fared very differently from a similar organisation, which suffered so severe a depreciation in its holdings as to swallow up the whole of the profits and entail a heavy appropriation from the reserve. It is true that the net surplus of £179,500 falls somewhat short of the 1920 total, but the deficiency is only £11,500, and no difficulty is experienced in maintaining the dividend at the previous year's rate of 2s per 12s 6d share, equivalent to 16 per cent. On this basis the shares, at current price of 18s 6d, yield about 12 per cent.—a good, but not excessive return upon a security of the kind. The balance-sheet total has expanded from £1,941,500 to fully £2,350,000, equivalent to approximately 18s per share. This sum includes

£295,100 of advances to affiliated companies, which can scarcely be regarded as an immediate cash asset; on the other hand, the directors are able to make the pleasing announcement that the present market prices of the quoted securities held show a very substantial surplus over the figure at which they stand in the balance-sheet. Altogether, therefore, the shares may be regarded as reasonably valued, although under existing conditions there appears little scope for further appreciation. The report contains a succinct review of the position of the Transvaal gold industry, and of world conditions affecting the latter. Amongst the interesting points mentioned is that whereas in 1921 the United States took 95 per cent. of the total gold production and India 4 per cent., the last-named country has this year purchased about one-third of the supplies. Returns on the part of the two Mexican companies in which the Union Corporation has holdings will be awaited with interest.

Rio Tinto.—That there would be no dividend for 1921 was a foregone conclusion, having regard to the drop in the price of the metal; hence the official announcement to that effect only depressed the price of the shares to a trifling extent. Actually, the results for 1921 were a small improvement upon those of 1920, the gross profit figuring at £403,400. Of the net surplus of £128,800, the dividend on the preference shares absorbed £81,250, leaving the moderately increased balance of £47,550 to go forward. The directors intimate that although operations were resumed at the beginning of 1921, many of the contracts had been lost—surely an object-lesson to labour; while, owing to the diminution in world-trade, the sales did not much exceed half the pre-war quantities. However, encouragement was derived from the fact that an improvement occurred during the latter portion of the year, while fuel and stores are coming down to more reasonable prices. On the strength of this intimation, a recovery occurred in the share market. An important feature of the financial position is the repayment by the British Government—the exchange being favourable—of the 50-million 6 per cent. peseta loan issued in Madrid during the summer of 1918 at the request of the Home Government. So far it has not been considered wise to take steps towards the repayment of the loan in Spain. Allowing for this liability, the cash assets at the date of the balance-sheet showed a surplus of £1,382,000. Unsold stocks have been taken at cost, "which is well under the present very low price of copper." The apparent anomaly of the quotation of the £5 shares at about £27, in face of the absence of dividends for two years, is, of course, explained by the results of the past and hopes for the future. Part of the recent rise is due to the publicity regarding the company's claim against the Government. The position of copper just now is an interesting one. After having been on the down grade for three weeks, the price lately enjoyed a sharp recovery. The decline was due in part to the appreciation in the sterling exchange upon the United States, and partly to the resumption of operations, or preparations therefor, by nine of the leading American producers, including four of the "porphyry" mines. It was subsequently made known, however, that during March the stocks of electrolytic had been substantially drawn upon. This induced buying on behalf of consumers; simultaneously, sales were restricted. Naturally, in these circumstances, the tendency of the market underwent a decided change. The price of the metal is still several points below the bottom quotation of 1913, and a moderate improvement in trade would bring about a further recovery. Meantime, the sudden spurt has rather choked off purchasers.

Agricultural Conditions.—The monthly report of the Ministry of Agriculture and Fisheries states that in March weather conditions did not delay field work to any great extent, and cultivation is well forward. The land has worked well, and is cleaner than usual, owing to the dry season last year. In the East and South a large amount of corn sowing has been done, and in some districts

nearly all the seed has now been drilled. Germination, has, however, been very slow, owing to the low temperature, but where any plant is showing it appears regular. In the North and West little seeding has yet been done, but the seed-beds are ready, as a rule. The preparation of the land for potatoes is also well advanced, and early varieties have been planted in most districts. In the Isle of Ely potato-planting is well forward, and in the Holland division of Lincolnshire most farmers are now doing this work, but it is not quite so forward as usual. The growth of winter corn has been checked very considerably by the frosts and cold winds of March, and, on the whole, these crops are now not at all forward for the time of year in most districts. Wheat is thick on the ground, as a rule, but some of the crops sown late have lost plant, and generally do not look so well as the earlier-sown crops. In many parts of the country the wheat has lost colour, but the crop is most healthy and promising. Some crops have been thinned by wire-worm, and frit fly has done some damage in a few districts in Norfolk. Winter oats have not lost colour to the same extent as wheat, and are good, healthy crops. Beans also look promising, being a good plant and healthy. Except in the case of the late breeds, lambing is now over or in full progress. The fall of lambs has been quite up to average, and the lambs are strong and healthy. Losses have been light. Prospects among hill flocks are considered favourable. Pastures are very backward, the cold weather having prevented growth, and in no part of the country is there as yet any young grass. Livestock have required much fodder during March, and farmers are anxious for the grass to come, the supplies of winter keep being nearly exhausted in many districts. The position as regards foot-and-mouth disease has improved. The supply of labour is in excess of requirements in practically all parts of the country.

Russia's Foreign Trade.—*Russian Information and Review*, a fortnightly journal published by the Information Department of the Russian Trade Delegation, gives some interesting details of Russian foreign trade in 1921. Imports rapidly increased from March to September, in the period following the signing of the trade agreements with Great Britain and other countries. From September to the end of the year there was a considerable contraction. Total imports for the year are given as 920,000 tons, and exports to 216,000 tons, but while the ratio of exports to imports was 15.7 in the first quarter, it rose to 37.4 in the last quarter. Foodstuffs accounted for 334,000 tons of the imports, of a value of 32 million roubles at the pre-war rate of exchange. In 1921 food accounted for 36.3 per cent. of the total imports, fuel, &c., for 29.6 per cent., and metal, ores, machinery, tools, &c., for 20.3 per cent. Great Britain supplied 35.2 per cent. of the imports, Germany 24.0 per cent., the United States 15.8 per cent., and Norway and Sweden 10.1 per cent. In pre-war years Russia imported from Great Britain coal, machinery, and textiles. Of the 320,000 tons imported from Great Britain during eleven months of 1921, 120,000 tons were foodstuffs, 170,000 tons coal, 5,900 tons textiles, and 3,000 tons metal manufactures. Of the imports from Germany in the first nine months of the year, 26.8 per cent. was metals and machinery, 47 per cent. agricultural machinery, 14.2 per cent. electrical engineering plant, and 3.8 per cent. seed. The bulk of the imports throughout the year consisted of coal, foodstuffs, boots and shoes, and drugs. The total value of Russian exports for 1921, calculated at pre-war prices, was 20 million roubles. Of the total exports, 4.5 per cent. was classified as foodstuffs, and 95.3 per cent. as "raw and partly manufactured material." The chief market for Russian exports was Great Britain, with 47.9 per cent. of total exports; 22.7 per cent. went to Latvia, 12.9 per cent. to Norway, and 5 per cent. to Germany. The total trade done by Russia in 1921 represents about 10 per cent. of the trade of 1913.

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**UNITED STATES.—THE TEXTILE AND COAL STRIKES
—FURTHER ADVANCE IN DOMESTIC AND
FOREIGN BONDS—GERMAN MUNICIPAL BONDS
OFFERED.**

(FROM OUR CORRESPONDENT.)

NEW YORK, April 4.

Two big strikes, both precipitated by a reduction in wages, although other issues are involved in the disputes, are now in progress, with no indications of an early settlement being reached. One is the strike of union workers in textile plants in various parts of New England, and the other is the walk-out of coal miners in the bituminous and anthracite fields. According to latest figures, more than 70,000 operatives are now idle in New England as a result of the strike which began several weeks ago in cotton goods mills in Rhode Island and New Hampshire, and in Lowell, Mass., and recently spread to Lawrence, Mass., on the announcement of a 20 per cent. wage reduction by mills there, including some that produce woollen and worsted goods. Reliable estimates show that the lost production to date closely approximates 80,000,000 yards, and that the loss is being increased daily by more than 2,300,000 yards. Repeated efforts by State authorities to bring about arbitration have failed, and although the United States Department of Labour is attempting mediation, nothing has thus far transpired to indicate that such overtures will meet with any success. The effect of the vast curtailment of production is beginning to be felt in a number of directions, not so much in printcloths and other unfinished cottons as in finished goods, notably gingham, which had been extensively ordered for the fall season. One of the largest producers of the latter, whose plant in New Hampshire has been shut down on account of the strike, has been obliged to cancel one-third of the orders on its books which called for April and May deliveries, and there is every likelihood that further cancellations will be announced by that company and other manufacturers if the strike continues. In that event, it seems inevitable that buyers will sooner or later experience increasing difficulty in obtaining well-known, popular-priced brands of gingham, which have been, and continue to be, in great demand throughout the country. Merchants may be forced to turn to other and similar cotton goods, such as percales, which have been moving slowly, and the production of which has not thus far been affected to any extent by the strike. The heavy loss in the output of printcloths has not yet produced much effect in the primary market, but it will undoubtedly become an important factor eventually.

The nation-wide coal strike that began on April 1 involves approximately 450,000 bituminous miners in the United States and Canada, and 150,000 anthracite miners in north-eastern Pennsylvania, the total, including some non-union miners who are expected to join the walk-out, amounting to more than 600,000 men. The soft coal miners are demanding a continuance of their present wage scale, a 6-hour day, working 5 days a week, and the "check-off"; while the operators demand wage reductions of 20 to 40 per cent., abolition of the "check-off," and State agree-

ments. Anthracite miners, on the other hand, are striking for a 20 per cent. increase in pay for contract men, \$1 a day increase for day men, the "check-off," and an 8-hour day for all employees. The operators are seeking a lowering of wages, in order to reduce coal prices. Little information is available as to the total stocks of anthracite on hand, and such figures as are given are indefinite. In view of the large production during the past three months, however, it is believed that supplies are fairly large; but some estimates place the supply as only sufficient for six or seven weeks. Naturally, the approach of mild weather will serve to reduce household consumption materially. It seems to be the general impression that there is at least two months' supply of soft coal; railroads, industries and public utilities are known to have rather large reserves. According to the geological survey, the total quantity of bituminous coal in the hands of commercial consumers on March 1, 1922, was about 52,500,000 net tons, and it is estimated that this amount was increased to at least 63,000,000 tons by April 1, or about equal to the total at the end of the war. The weekly consumption in 1921 is said to have approximated 8,000,000 tons. Just what industrial needs will be during the next few months it would be difficult to state, since some lines, notably the iron and steel trades, are showing increasing activity, while textile trades have lately been slowing down owing to strikes. It should be remembered, however, that many textile plants have installed oil burners and therefore are not dependent upon coal. How long the coal strike will last is, of course, problematical; but, as *Bradstreet's* remarks, "a long-drawn-out, but in the end an unsuccessful, fight by the miners against the inexorable logic of events is apparently the most widely entertained view." That will apply also to the textile strike in New England.

In financial markets perhaps the most important development of the past week, or at least the one that attracted most attention, was the really enormous demand from investors for bonds, both old and new issues. The outstanding feature, in point of activity and strength, was the heavy and persistent buying of United States Government war obligations, particularly Liberty loan bonds, a number of which established new high records for the year as the result of gains ranging from $\frac{1}{2}$ to nearly 1 point. The Fourth Liberty $4\frac{1}{2}$ per cent., to mention one issue, moved up to 99.40, as compared with their low price of 82, reached in May, 1920. It will be of interest to note also that many foreign government bonds have shared in the sharp upturn of recent weeks, and have made a very substantial recovery from their lowest levels of 1920. During that period, the United Kingdom $5\frac{1}{2}$ per cent. of 1937, for instance, have advanced more than 17 points; while Canadian $5\frac{1}{2}$ per cent. of 1929 have risen over 12 points. Many domestic railroad and industrial bonds, also, during the past week passed their best previous prices for this year, which in most cases meant the highest levels touched since the latter part of 1918, or the first half of 1919. The continued broad and vigorous investment demand from both individuals and institutions is attributed to the easier conditions in the money market, and expectations of further relaxation, with a possible early lowering of Federal Reserve Bank rediscount rates in eastern districts. In some quarters the action of the Atlanta and Chicago Federal Reserve banks last week in cutting down their rates from 5 to $4\frac{1}{2}$ per cent. is regarded as foreshadowing reductions at other central reserve points. Seven of the 12 Federal Reserve institutions now have a $4\frac{1}{2}$ per cent. re-discount rate, the others still maintaining a 5 per cent. rate.

The flotation of new securities continues on an unusually large scale. Last week's offerings alone exceeded \$82,000,000, consisting of about \$19,000,000 State, municipal and county bonds, \$22,500,000 industrial, \$19,000,000 railroad, an equal amount of public utility, and \$2,000,000 farm loan bonds. All were readily absorbed. No new foreign issues have been placed here lately with the exception of 66,000,000 marks of the City of Elberfeld 5 per cent. municipal bonds of 1922, which are now being offered by Farson, Son and Co. to American investors. This is said to be the first offering

of German municipal bonds in this country. After April 1, 1932, the bonds are redeemable by annual drawings of at least 2 per cent., with a total redemption in 30 years. It is understood that the proceeds of the issue are to be used for municipal improvements. To protect investors in the event of any change in the financial system of Germany, the bankers handling the issue announce that the bond's indenture provides that "the payment of interest and principal of the bonds shall be made in the legal mark currency, or at the official rate of exchange and accounting in any new currency which might exist at the time of payment, against surrender of the respective coupon and bonds at the main paying station of the City of Elberfeld."

GERMANY.—GENOA CONFERENCE—FINANCES— EXCHANGE AND BOURSE—INDUSTRY—FOREIGN TRADE—CROPS.

(FROM OUR CORRESPONDENT.)

BERLIN, April 8.

THE Genoa Conference continues to be the subject of some unfriendly newspaper criticism; but, in spite of the exclusion from the programme of the Peace Treaties and of Reparations, business circles hold that good may come out of the ventilation of connected questions. Doubt is felt as to whether the Conference can decide on any measures which will be effective and at the same time binding on the participating countries; and it is not believed that any organisation of international credit, whether with the aim of stabilising exchanges or, what is much the same question, compounding international debts, can be achieved without the participation of the United States. Regulation of the exchanges, of which the German is the most important, cannot, it is declared, take place until the Reparations, which mainly determine Germany's foreign payment balance, are settled.

German expert opinion is that the importance of the exchanges has been over-emphasised, or at least that this question has been put in the wrong order as a cause of the decline or non-revival of international trade. Experience here is that the unstable exchanges do indeed raise great technical difficulties in the conclusion of foreign deals; but that they are not the cause of the present bad condition of trade but the result. The lowest European exchanges are the most violently unstable; and here the lowness has been reached by the perfectly normal process of heavy passive payment balances, due to insufficient exporting to pay for imports and also (in Germany's case) for Reparations. In 1919 and 1920, the very high exchanges of the former neutral countries were brought down by the fact that these countries, denuded of food-stuffs and foreign raw materials during the war, had to import heavily, while for their particular exports there was a very small demand, and also by the fact that for long the gold prices of imports—in particular coal—were far higher than those of exports. Last year this process was in some measure corrected, because there was a heavy drop both in the volume of imports and in their gold prices. The cause of bad trade in general is here seen to be the diminished purchasing power of Europe owing to the war. The products, largely manufactured, which European countries formerly exported cannot be bought in the same measure as before the war; while the countries whose exports have for this reason declined cannot reduce their imports beyond a certain point, because these largely consist of absolute necessities. Import surpluses, sending down exchanges, are the result. Germans who so diagnose the situation do not expect any speedy recovery as a result of possible (but it is held not probable) exchange regulation measures. They hold that only long years of intense production and saving will restore the balance, and will so gradually re-establish stability in the exchanges, naturally at much reduced gold values, at least for the present low-exchange countries.

The "mantle Bill," by which the Forced Loan and the sixteen new taxation Bills together become law, has passed the Reichstag. The main changes from Dr Wirth's original programme are: The tax on post-war increment of wealth is abandoned; the Sales Tax, sug-

gested at 3, then at $2\frac{1}{2}$, per cent. on all turnovers, is reduced to 2 per cent.; and the Coal Tax is 40 per cent. on selling price, instead of 50 per cent. The 15 years' supplement to the new permanent Property Tax, by which the loss caused by abandoning the Emergency Levy is to be recouped, has been reduced to 100, 150 or 200 per cent. according to the value of the taxed property. The Eight Hours Day ordinance, which expired on March 31st, and several other temporary measures taken during the Revolution, have been provisionally prolonged. The Bill, already under consideration for some months, putting eight hours on a permanent legal basis has not yet become law. The Syndicus of the Chamber of Commerce of Minden, Dr Hoffmann, has published a book on the effect of eight hours on production. His conclusions in general are that no increased intensity of labour has taken place to compensate for the shortened working hours; he puts the decline in the national production due to shortened hours only (independently of other causes) at 15 per cent., and thinks that the minimum annual loss is $3\frac{1}{2}$ milliard gold marks—which figure exactly agrees with the original estimate of the annual cost of the Reparations fixed in the London Ultimatum programme.

The financial year, 1921-22, ending March 31st, shows the following results, it being noted that "general administration" includes the items booked in the new Budget, 1922-23, as "for execution of the Peace Treaty." Less than half the expenditure was covered by taxation:—

REVENUE.		Paper Marks.
Taxation	82,559,600,000	
Floating Debt increase	105,605,900,000	
Funded	126,300,000	
	188,291,800,000	
EXPENDITURE.		
General Administration	155,105,300,000	
Service of Debt	20,399,200,000	
Subsidies	12,787,100,000	
	188,291,600,000	

At the beginning of the past financial year, the floating debt of discounted Treasury bills totalled 165,346,187,000 marks; at the close the total was 271,935,165,300 marks, or with other short-term payment obligations 281,148,655,416 marks. In the last week of the financial year, as shown in the Reichsbank's statement for August 31st, the bank's holding of discounted Treasury bills increased by 14,470,663,000 marks to a total of 146,531,247,000 marks, both the increase and the total constituting new records; and in the same week note circulation increased by 7,767,814,000 marks to 130,671,352,000 marks. The total increase in circulation, including newly issued "Kassenscheine," was 3,496,500,000 marks, also a record. A small part of the bank's gold (the statement does not say how much) has been transferred to the Bank of England to serve as security for short-term advances; but until the advances are made, this gold, in accord with the law of last month, will continue to be booked as part of the metal reserve.

The main cause of the extraordinary pressure for credit is the usual demand for money for quarterly settlements. But in general money is getting tighter; the price rise causes an ever-increasing demand for working capital; and bank interest rates for advances have gone up. The Bourse this week was undecided and inclined to weakness, until yesterday, when outside speculators re-entered the field under the stimulus of favourable industrial reports and rumours of new capitalisation transactions. Mining, metal and potash papers were in demand; also, on the annual report of the United Mortgage Banks, land and building stocks. Federal Threes, after reaching a high point on the 5th of 153.50, on continued foreign buying, dropped yesterday to 141.60. War Loan was 77.50, Federal 4 per cent. 97.20, $3\frac{1}{2}$ per cent. 90.40, Colonial 4 per cent. 108, Savings and Premium Loan 81.30, Prussian 4 per cent. Consols 88.50, 3 per cent. Consols 66.90, Bavarian 4 per cent. 81.50, Hamburg 3 per cent. Staats-Rente 75, Berlin 4 per cent. (1904) 92.50.

The Prussian Trade Ministry's report on industry in March is almost uniformly good; but the only cause of this prosperity was the mark's continuing depreciation

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at home and abroad. The iron industry has been somewhat hampered by transport difficulties, and successful Belgian competition is complained of; but the home market absorbs all the heavy iron and steel that it can get, and scarcity prevails. The boom in the small iron and hardware branches continues; large foreign orders for steel goods were given at Leipzig; the Berlin engineering trade reports great activity, and the Westphalian works in this branch are well occupied, but are hampered by insufficiency of materials. There is an active demand for light and middle weight locomotives; but a bad market for railway trucks. The shipyards report having sufficient foreign orders. The electrical branch is actively engaged, the demand for motors, transformers, installation material and meters being great, also for cables and wire; but for electrical railway and tram material there is hardly any demand. Textiles concerns report having orders for months ahead; all available cloth has been bought up, and already big orders have been given for next winter. Weaving firms are refusing to quote fixed prices, and they demand part payment in advance. The silk trade is flourishing; and leather and footwear active. Conditions in the chemical trades are described as satisfactory. The glass industry reports shortness of soda and fuel; and Belgian and Czech competition is reported; but home and foreign selling remains good. The pottery works are fully occupied; the demand for paper has increased; and in spite of shortage of fuel the rubber industry is abundantly occupied. The number of persons registered at the Sick Insurance Bureaux as employed increased in March. The live-stock census of December 1st last has yielded the following results, the figures for 1913 being for the present area of the Republic:—

	1913.	1921.
Horses	3,835,893	3,683,343
Horned cattle	18,570,591	16,839,559
Pigs	22,668,789	15,875,636
Sheep	4,988,953	5,882,272
Goats	3,197,275	4,337,299

The Foreign Trade report for February shows a new—the third successive—export surplus. Imports were 1,475,180 metric tons, of value 12,047,311,000 marks; exports 1,747,282 metric tons, of value 14,539,593,000 marks. The value of exports has been almost exactly the same in the last three months; but the value of imports has continued to decline, despite the mark exchange fall, the reason being a very sharp fall off in the quantity of imported food, minerals and base metals. Machinery and chemicals excepted, February shows a decline as against January in quantity of all important exports; in February 255,000 tons of chemicals were exported, against 226,470 tons in January and 200,600 tons in December. Value totals, since foreign trade statistics were resumed in May, 1921, are:—

MILLIONS OF PAPER M.		
	Imports.	Exports.
May, 1921	5,487	4,558
June "	6,410	5,433
July "	7,580	6,212
August "	9,418	6,684
September "	10,668	7,519
October "	13,875	9,712
November "	12,278	11,931
December "	13,702	14,468
January, 1922	12,767	14,554
February "	12,047	14,540

The rapid rise in prices of breadstuffs came to an end this week, quotations dropping slightly as a result of the

undecided mark exchange; and the price of the 2,000-gramme loaf in Berlin has been raised to 15.20 marks, on better reports of American crops. Home crop prospects are not favourable. Winter crops are described as mediocre. As against 57 per cent. last year, 34 per cent. of reports state winter crops to be good, 52 per cent. against 34 per cent. as middling, and 14 per cent. against 9 per cent. as bad. The condition of rye is considerably better than last year. Spring sowing is late. The potato crop promises better than last year.

DENMARK.—LOOK-OUT—PRICES—BANKING.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, April 3.

The big lock-out, which was referred to in a previous report, has not yet been settled. A further and very considerable extension of the conflict has been spoken of, and the trade situation as a whole has, of course, been strongly affected by these conditions. It should, however, be mentioned that the situation has developed quietly, and the serious labour conflict has not given rise to disturbances of any importance. *Finanstidendes'* last price index has risen 5 points to 182. Coal, petroleum, foodstuffs and other goods, which were affected by the ice difficulties in February, show the principal increases. On the other hand, prices for meat, butter and eggs have fallen. It must, moreover, be mentioned that the quotations for butter have just lately again indicated an upward tendency, and that agriculture is looking to the English market with greater reliance now that the import of colonial butter has decreased.

Considerable interest has been aroused in the numerous balance-sheets and reports which have appeared from the leading Danish trading companies, including the banks. The largest bank in the country, Den Danske Landmandsbank in 1921 made a total profit of 64.5 million kroner, in which is included 16.9 million kroner brought forward from last year. From this total amount must be deducted about 14 million kroner for expenses. The sum of 25.8 million kroner is employed in writing off for depreciation, and taxes amount to 3.3 million kroner. Of the remainder, 21.3 million kroner, a dividend of 10 per cent. is paid to shareholders. After transfers to the reserves and payments of statutory tantième the bank carries forward 9.6 million kroner to new account.

In spite of the unavoidable losses which unfavourable conditions have caused, Handelsbanken, whose share capital is 50 million kroner, has also had a satisfactory 1921 result. The net balance is 8.2 million kroner, to which must be added 7.8 million kroner brought forward. The dividend to shareholders is 10 per cent., and by further allotments to the reserves these are increased to 29 million kroner. Furthermore, 8.2 million kroner are brought forward to this year's balance-sheet.

The Privatbanken's accounts show a balance of 16.2 million kroner, including 5 million kroner brought forward. Shareholders in this instance also get 10 per cent. in dividend and about 1½ million kroner are placed to the reserve fund, while 6.9 million are carried forward. The bank's share capital is 60 million kroner, and the reserves now amount to 21½ million.

The 27th of March marked the day when the Danish East Asiatic Company, Limited, with its world-wide activities, commenced its operations 25 years ago. The company's balance-sheet and report, which includes a concise survey of the company's activities since 1897, has under these circumstances been received with all the more interest. The company is working at the moment on a share capital of 50 million kroner (originally 2 million), against which there is a reserve fund of 62½ million kroner, or 125 per cent. of the share capital. In 1921 the East Asiatic Company's total income was 45.6 million kroner, from which must be deducted 24.3 million kroner for staff and administrative expenses for the head office, branches and agencies, also 3.1 million kroner for depreciation. The net profits are therefore 18.2 million, and shareholders obtain a dividend of 20 per cent.

The United Shipping Company (Det Forenede Dampskibs-Selskab) has also published its 1921 report. The company, which is well known in England, had a total gross income from ships of 80.3 million kroner last year. After deducting all expenses, there is a balance of 12.4 million kroner from which a dividend of 10 per cent. is paid to shareholders. Apart from lighters, barges, &c., the company's fleet amounts to 201,589 B.R. tons, which are entered in the accounts at a total value of about 57 million kroner.

GREECE.—NATIONAL BANKS' MEETING—GOVERNOR'S REPORT—NEW TAXES.

(FROM OUR CORRESPONDENT.)

ATHENS, March 30.

At the annual meeting of the shareholders of the National Bank of Greece, held on March 25th, the governor, Mr D. Maximos, praised the economic staying-power of Greece, which participated in the European war with its own financial means, the only assistance obtained from abroad consisting in a quantity of war material furnished to Greece by the Allies up to the Armistice. Greece placed in the field for the Asia Minor campaign an army of 200,000 men, at a distance of hundreds of kilometres from its military bases. During that time the economic machine worked normally. The tables submitted to the meeting show that at the end of 1921 the public debt of Greece amounted to 1,491 million francs and 4,372 million drachmæ. The *per capita* proportion of public debt is £42 for Greece, as against £56 for Bulgaria, £67 for Roumania, £115 for Italy, £165 for the United Kingdom, and £286 for France. It is worthy of notice that nearly 50 per cent. of the public debt in gold, the service of which is effected by the International Financial Commission, is nationalised. The circulation of banknotes per head of population is larger than in the United Kingdom, but much smaller than in France, Italy, Roumania, and Bulgaria. The *per capita* taxation, direct and indirect, is much less than in the United Kingdom, France, Italy, Roumania, and Yugoslavia. Foreign trade for the last year shows a remarkable improvement. Despite the continued war, imports have decreased by 21.46 per cent., whereas exports have increased by 23.02 per cent. Remittances during 1921 from Greeks residing abroad through the National Bank of Greece only amount to 830 million drachmæ. The Bankers' Consortium, which had during the second half of 1921 a monopoly in foreign dealings, bought during that period £17 millions, of which sum it has disposed for the needs of the country. Agriculture is making progress, and agrarian credit, under the leadership of the National Bank of Greece, is being spread all over the country. From the data available, it is deduced that in a few years Greece will be self-sufficient. The bank's business increased considerably during the past year. The bank granted every possible assistance to the State. This has been rendered possible by the ample funds disposable by the bank. Deposits with the National Bank of Greece increased to Dr. 1,700 millions in 1921 from Dr. 1,200 millions at the end of 1920. On the other hand, deposits with the remaining banks reached Dr. 1,416 millions at the end of 1921, as against Dr. 1,100 millions on December 31, 1920. The profits realised during the year have been exceptionally large. During that period it has been added to the reserve funds of the bank the sum of Dr. 85 millions. The total of the capital and reserves of the bank amounts now to Dr. 155 millions. Finally, Mr Maximos laid stress on the fact that though Greece had been conducting during the period under review the Asia Minor campaign, which required from the country the greatest sacrifices, the economic machine has worked without any accident. Greece has displayed an economic staying-power which inspires an absolute confidence in the future.

The Minister of Finance deposited in the National Assembly a Bill providing for the payment of Custom duties—assessed in gold—at the current rate of exchange on London. At the present rates of exchange this means an increase of 60 per cent. over the rates hitherto charged. The Bill entered into force immediately upon its deposit in the Assembly. Moreover, it is expected that during the

present session of the Assembly a number of bills will be passed imposing new and considerable taxes for the purpose of increasing the public revenue. This was inevitable in view of the heavy expenditure incurred by the continuation of the war and of the fact that taxation in Greece is very slight in comparison with the other ex-belligerent countries.

CANADA.—THE FEDERAL ESTIMATES FOR 1922-23—RUMOURED TARIFF CHANGES—RAILWAY PROBLEMS—BUSINESS CONDITIONS—THE MERCHANTS' BANK.

(FROM OUR CORRESPONDENT.)

OTTAWA, March 25.

THE estimates for the financial year 1922-23 were tabled on March 24th, and show a substantial reduction from last year. They call for an expenditure of \$466,983,359, which is a decrease of \$138,452,291. However, over 100 millions of the decrease is accounted for by a much smaller capital expenditure on schemes for the benefit of ex-soldiers, and by the enormous diminution of the special vote inserted in last year's estimates to provide for the refunding of maturing railway obligations. Otherwise the reductions are meagre, and while Mr Fielding has done his best, the Departments have been very successful in their resistance to economies; in fact, there are increases in 16 items, and the general impression is that promises of economy have been very sparingly fulfilled. Mr Fielding will ask next week for an interim vote of supply to provide funds until the Budget is passed; the latter is not expected before the third week in April.

It is difficult to see how new taxation of some sort can be avoided, as the expenditure which should be paid out of current revenue is not materially less, and the revenue available from the existing taxation will certainly be much smaller. The Speech from the Throne foreshadowed some tariff changes, and the impression here is that Mr Fielding, with a view to conciliating the Progressives, will propose slight reductions of the duties on farm implements, on machinery used for productive purposes in mines and fisheries, on boots and shoes, and on certain articles of food. The reductions will be accompanied by a promise of an investigation with a view to a more thorough revision immediately after the House prorogues.

The promised statement by the new Minister of Railways is eagerly awaited. It is believed that the Government do not intend to consolidate the Grand Trunk with the rest of the national system. Their excuse will be a desire to avoid the risk of international complications which might possibly arise if they attempted to run a railway in American territory. But during the debate on the Address both the Progressives and the Conservatives, who between them control a majority of the House, strongly advocated immediate consolidation, and they may combine to force it. It is rumoured in Ottawa that a powerful syndicate in which American capital is interested have made overtures to the Government about buying the Grand Trunk, but the negotiations are still in an inchoate stage.

Just as the pulp and paper industry is beginning to recover from the slump of the last two years, there comes information from Washington that the Senate Finance Committee are likely to yield to the demands of the American pulp manufacturers for a duty of 10 per cent. on imports into the United States of every kind of wood-pulp. Such legislation would be a very heavy blow to the Canadian pulp and paper industry, which is dependent to a great extent on the United States market. There is a hope here that the newspaper publishers of the United States will combine to defeat a proposal which would leave them at the mercy of local manufacturers. However, there is also a suspicion that the proposed duty is another move in the campaign which certain powerful American interests have been carrying on for the removal of the restrictions placed by certain provincial authorities in Canada upon the export of pulpwood cut upon Crown lands. Two years ago a movement was initiated at Washington to prohibit the export to Canada of coal,

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sulphur, and other raw materials which she needs unless the fullest freedom of export for Canadian pulpwood was accorded; but President Wilson vetoed the manoeuvre. One possible effect of a 10 per cent. duty on Canadian pulp would be to enlist the American newspapers on the side of a general reciprocity treaty, and to ensure for it likewise the support of influential interests in Canada.

The suggestions made in some British papers that the Grand Trunk shareholders are likely to receive some generous compensation from the new Federal Government are merely raising false hopes. People who make them simply do not realise the financial and political situation in Canada. It may be that certain Canadian financiers are pressing the King Government to offer some consolatory compensation, but the great mass of the Canadian people will be very hard to persuade that the Grand Trunk Railway, taking all the facts into consideration, did not receive generous treatment. In the coming financial year there will be only a meagre sum available for the numerous public works for which supporters of the Government are clamouring, and any proposal to divert funds for a charitable gift to Grand Trunk shareholders would arouse a revolt within the Liberal party. It is therefore very unfair to foster the delusion among Grand Trunk shareholders that the King Government are going to risk their political lives on their behalf.

The Federal Government has been compelled by pressure of public opinion to deal with the Merchants' Bank case, and proceedings are now being taken in Montreal at the instigation of the Department of Finance against Sir Montagu Allan, the president, and Mr D. C. Macarow, the general manager. The charge against the former is that he "falsely and negligently concurred in the preparation of the October financial statement made by the Merchants' Bank to the Department of Finance," and against the latter that "he falsely and wilfully made a deceptive return to the Federal Government on the bank's standing." Both defendants have pleaded not guilty. Speaking in the House of Commons on the subject, Mr Fielding evinced a desire to avoid a general Parliamentary inquiry into the affair, but many members are quite convinced that it is of sufficient importance to be thrashed out thoroughly before a Parliamentary Committee, and public opinion is restless upon the whole banking situation.

Despite the prosecution of Sir Montagu Allan and Mr Macarow, the Finance Department has given final approval to the absorption of the Merchants' Bank in the Bank of Montreal. As a result, Bank of Montreal stock has risen to 220, or 3½ points above the highest of 1921. For every two shares of the Merchants' stock, there is being given in exchange one share of Montreal stock and \$10 cash.

General reports on business conditions show a slowly improving sentiment in many localities, particularly in the Prairie Provinces, where the rise in prices for agricultural products, now checked for the moment, has generated a real note of optimism. But there is no indication that any real revival of prosperity can be hoped for till another crop is harvested, and meantime the readjustment of economic factors must continue. What promised to be a very early spring in Eastern Canada has been checked by a cold snap, which has had an adverse effect upon the market for seasonal goods. The stock markets are still very unsettled, and there are very serious labour troubles in the Cape Breton area, which will affect the fortunes of the British Empire Steel Corporation unless they are settled.

AUSTRALIA.—BANK RETURNS—GOVERNMENT RAILWAYS—TRADE IN 1921.

(FROM OUR CORRESPONDENT.)

MELBOURNE, February 23.

THE leading totals of the quarterly average banking returns to December 31, 1921 (not including the Commonwealth Bank of Australia), of liabilities and assets within Australia and New Zealand, compare with those for the previous quarter and the corresponding period of 1920 as follows:—

	December Quarter, 1920.	September Quarter, 1921.	December Quarter, 1921.
Deposits—			
Not bearing interest	£ 141,606,939	£ 128,416,680	£ 124,770,821
Bearing interest	128,738,584	131,581,848	128,316,369
Total deposits	270,345,523	259,998,528	253,087,190
Advances (including Government securities)	253,875,577	241,168,970	236,439,975
Cash items	27,435,184	27,559,664	27,521,008
Gold and bullion	28,020,849	27,955,160	25,978,540
Australian notes			
Legal tender notes of other banks (N. Zealand only)	1,008,656	643,773	912,619
Total cash	56,464,689	56,158,597	54,412,167

Deposits have decreased by £17,258,333 during the year, the decrease in Australia alone being £6,014,689, and in New Zealand £11,243,644. Part of the decrease has been due to the remittances made from Australia during last year of moneys in payment for imported goods, which moneys had had to remain here for a time when the exchange difficulty was experienced, bank deposits in Australia being thus maintained rather higher than would have been the case if the money could have been remitted promptly. Apart from this cause, there has been a tendency for deposits to shrink from the maximum point reached about the middle of 1920, the shrinkage being in current accounts, but fixed deposits showing a slight increase. The decrease in advances during the year has been largely the result of the reduction in traders' overdrafts as stocks of merchandise have been in process of realisation after the over-importation of a year ago.

The principal figures (within Australia) of the Commonwealth Bank of Australia, not included in the above table, compare as follows:—

	December Quarter, 1920.	September Quarter, 1921.	December Quarter, 1921.
Deposits—			
Not bearing interest	£ 14,205,502	£ 16,588,230	£ 15,425,621
Bearing interest	11,315,972	12,486,109	9,826,265
Savings Bank deposits	25,521,474	29,074,339	25,251,886
Discounts, loans, &c.	22,565,971	36,587,445	35,983,860
Government and municipal securities	16,281,439	13,678,539	14,652,186
Cash and bullion	21,781,067	33,575,297	34,537,456
Australian notes	1,703,759	1,718,611	1,955,451
Total	2,417,433	6,271,218	5,836,209

The increase in Savings Bank deposits of the Commonwealth Bank is principally due to the taking over of the Queensland State Savings Bank about the end of 1920.

Stocks of coin and bullion in Australia and New Zealand held by the ordinary banks for the December quarter, 1921, amount to £27,521,008, and by the Commonwealth Bank £1,955,451. Adding £23,600,000 for the gold reserve held in the issue department of the Commonwealth Bank against the note issue, the total is £53,076,459, against £52,538,943 for the December quarter 1920.

The Government railways in the six Australian States, together with the Commonwealth Government railways and those of New Zealand, showed a loss of £4,926,369 for the financial year 1920-21, after providing for interest

on railway debt, £11,878,757. The totals compare with those for the two previous years as follows:—

	1918-19.	1919-20.	1920-21.
Gross revenue	£ 30,221,989	£ 37,770,452	£ 42,743,932
Working expenses	22,478,317	29,030,148	35,791,544
Net revenue	7,743,672	8,740,304	6,952,388
Interest	10,661,531	11,368,903	11,878,757
Deficit	2,917,859	2,628,599	4,926,369

The gross revenue of £42,743,932 for 1920-21 is much the largest, and the final deficit is much the worst on record. Gross revenue has increased partly on account of increases from time to time in freights and fares, but against this has been the rapid increase in wages and other expenses.

The figures for 1920-21 are summarised as follows:—

	Gross Revenue.	Working Expenses.	Interest.	Deficit.
Victoria	£ 9,694,264	£ 8,021,146	£ 2,409,674	£ 736,556
New South Wales	14,267,205	11,032,677	3,811,560	577,032
Queensland	5,279,412	5,048,498	1,970,389	1,739,475
South Australia	2,942,028	2,655,465	847,867	561,304
Western Australia	2,720,032	2,422,004	716,398	418,370
Tasmania	600,045	476,187	205,765	81,907
Commonwealth Govt.	332,415	498,966	288,648	455,199
Total Australia ..	35,835,401	30,154,943	10,250,301	4,569,843
New Zealand	6,908,531	5,636,601	1,628,458	356,526
Grand total	42,743,932	35,791,544	11,878,757	4,926,369

Australian trade during 1921, according to totals unofficially compiled from the monthly official returns, compares with that for the previous year as follows:—

	1920.	1921.	Decrease.
Imports—			
Merchandise	£ 147,257,075	£ 119,831,647	£ 27,365,428
Gold	23,718	20,670	3,048
Total imports ..	147,280,793	119,912,317	27,368,476
Exports—			
Merchandise	£ 134,307,517	£ 123,581,500	£ 10,726,017
Gold (inc. premium)	4,240,197	4,098,243	141,954
Total exports ..	138,547,714	127,679,743	10,867,971

The reaction in imports is the effect of the restriction of ordering after the excessive imports towards the end of 1920 and in the early months of 1921. The imports for the first four months of 1921 showed an increase of about 20½ millions, as compared with the corresponding period of 1920, but in the following eight months a decrease of about 48 millions took place, leaving a net decrease of over 27 millions for the year, as above.

At present imports are still on a relatively moderate scale. Exports are being made steadily, and during the first half of 1922 wool should supply a good volume of bills on London, especially as merino wool has hitherto been realising high prices, while there are indications of a genuine improvement in the demand for crossbreds. Wheat and butter shipments are now going forward freely, but as prices are much lower than a year ago, these two articles mean less value in the aggregate. Between the steady flow of exports, the diminution of imports, and the amount of public borrowings in London to set against the annual interest to be remitted from Australia, there has been an improvement in exchange on London, and rates have eased correspondingly.

ARGENTINA.—PRESIDENTIAL CAMPAIGN—LOAN IN NEW YORK—PENSIONS—BUSINESS CONDITIONS.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, March 20.

OFFICIALLY proposed candidates for the Presidency and Vice-Presidency of Argentina have at last been named by the Union Civica Radical, Drs Marcelo T. de Alvear and Elpidio Gonzalez being the choice of the party. Other political elements have also announced their candidates. It is clear that Dr Alvear will, unless something unforeseen should occur, be the next Argentine President. He is a cultured and travelled person of liberal tastes and diplomatic reputation, preferring to employ tactful methods of settlement rather than the more abrupt

courses, which have during the last six years been noticeable in Argentina's handling of international questions. Moreover, while a fervent Radical, and as such dear to the fanatic element in what is unquestionably the dominant Argentine party, Dr Alvear, who is at present Ambassador in Paris, is popular in other political circles. Thus the political outlook may be considered promising, though much depends on the choice of the Cabinet, and the ability of the newcomers to deal with the financial and economic difficulties now pressing for urgent consideration.

News of the flotation of a further \$27,000,000 U.S. Argentine loan in New York does but draw attention to these difficulties, inasmuch as the terms are far from satisfactory. The Argentine Government sells its five-year bonds at 95, free of all charges save cost of inscription and printing, the interest yield being 7 per cent. on the face value. Price to public was 99, and within a few hours the amount was over subscribed, with dealings up to par, and a marked enquiry for other Argentine bonds now on the New York market. So far so good, but there is a considerable body of opinion which holds that Argentina's credit is being cheapened by these haphazard calls for ready money, especially when one bears in mind the fact that consolidation must be faced very soon if the position of the treasury is ever to be regularised. It is even alleged that better offers were made on behalf of European financial interests working jointly with New York, money being promised on a 6 per cent. basis for a larger sum and for a longer term than was embodied in the above-mentioned deal. The Government published a full transcript of the negotiations with the lenders, and also particulars of other New York offers which were not as favourable, but no reference was made to European proposals, notwithstanding it was well known that such existed. The proceeds of the new loan are officially said to be needed by the Banco de la Nacion in repayment of a portion of the Government's debts to that institution's funds.

Rightly or wrongly, there is a feeling abroad that under the new régime even the Radical party will adopt a more conservative treatment of the country's financial problems. Meanwhile, great electoral play is made of the social legislation which has been sanctioned during the actual presidential term. Minimum wages, maximum hours, indemnity and accident insurance, and pensions. In the matter of pensions Argentina indeed threatens to run riot; a fact which, in view of her need for further foreign capital investment, may call for modification. Railwaymen, tramwaymen, telegraph and telephone operators, Government and municipal employees, all are now pensionable. The expense falls on their employers, and to a lesser extent on themselves. Hence it will be understood that legislation on these lines is very effective as a means of securing the worker's vote in a country where the general public seldom, if ever, analyse financial matters at any length. Bank employees and journalists are next on turn to be favoured, years of service being computed irrespective of consecutive employment with one concern. Funds are administered by the beneficiaries, with an ex-officio president—in the case of the banks the manager of the Banco de la Nacion—and the general idea is that 30 years' service will entitle a man to retire on 85 per cent. of his final pay, with a maximum of approximately £1,500 a year. Such schemes, while reading well on paper, have yet to be proved efficient in practice. In the case of institutions employing foreign—i.e., non-Argentine—labour the objections are many. To begin with, their men are not permanently stationed in Argentina, and, as a general rule, banks, cable companies, mortgage and insurance concerns, shipping agencies, and, in short, all the chief representatives of foreign capital in the Republic, have definitely constituted and properly guaranteed schemes for pensioning their personnel, based on the natural wish of most men to spend their last days in the land of their birth. With these schemes the Argentine proposals must clash. It is to be hoped that the progress of such measures will be closely followed, and representation, polite but firm, be made in the proper quarter with a view to eliminating such clauses as may be prejudi-

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cial to foreign interests, and modifying those in which both Argentine and foreign aspirations may be aided by a little judicious drafting.

Exports of Argentine produce continue to be brisk, and the price for both cereals and pastoral products has improved during the month of March. Wheat, which was at one time over \$14 Arg. paper the 100 kilos, has, however, fallen back a little, and is at present but \$13.50 spot, and there has also been a slight depression in maize prices, now quoted round about \$8.60 for prompt shipment. Linseed is reported largely in the hands of the speculative element. Spot seed is listed in the Buenos Aires futures market at \$20.55 Arg. paper per 100 kilos, with \$21.40 asked for May delivery. Two million tons of wheat and three million tons of maize are said to be the exportable surplus at present calculable, with about 600,000 tons of linseed in sight, which would leave 500,000 tons exportable. In wool and in hides there has been strong interest shown during the past fortnight. Prices for the latter are firmer all round, and exporters say that orders for prime camp hides flow in from both Europe and the States. In wool it looks very much as if Argentina was about to retrieve much more than she ever thought possible from the wreck of the last two years. There are but 11,000,000 kilos in the central warehouses, as against close on 17,000,000 kilos this time last year, and prices for the finest Southern wools are as high as \$16.70 Arg. paper per 10 kilos, coarse crossbreds being \$6.50. Flocks have in many cases been either killed off or neglected to a greater extent than is usual, and it is anticipated that the next clip will be small and poor, thus strengthening prices for those whose animals have been cared for and dipped in a satisfactory manner.

Letters to the Editor.

THE INVESTOR'S DILEMMA.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The interesting article in your issue of April 1st suggests a fruitful field of discussion. I give below the yields corresponding to some of the prices you quote, with yields also on recent prices:—

	1890.	Minimum 1890-1913.	1913.	Tax Free Nov.	Highest Yield 1920-1.	Maximum Variation % of Lowest Yield.
Consols	2.7*	2.3	3.4	3.15	4	74
Glasgow 3½%	3.4	2.6	3.5	3.7	4.7	81
G.W.R. 4% deb.	3.1	2.5	4	3.4	4.4	76

* Yield at 2½% was 2.9—allowance has been made for reduction to 2½% after 1903.

Tax in 1913 reduces the net yield by about .2, so that Consols now yield a shade less than in 1913, Glasgow 3½ per cent. yields nearly ½ per cent. more, and G.W.R. 4 per cent. debentures nearly ½ per cent. less. Why? Consols were converted in 1888-9 from 3 per cent. to 2½ till 1903, and 2½ thereafter. The conservative class of

investor pinned his faith to a more or less permanent rise in value of gilt-edged securities; he backed his opinion, too, by continuing to buy Consols at increasing prices for some years after the fall in value of the other items had set in. In the great uncertainty as to the future that must last for some years, we may expect a similar attitude in the same class of investor.

Glasgow 3½ per cent. were held by solid Scotch investors, and were never much on offer. These felt the fall in values least in the period 1890 to 1913, and the rise in 1890-95 was the most ephemeral. There are many similar securities to-day in which the market is quite small, and in which the search for bargains has pushed up prices; such prices will fall most rapidly when selling takes place; the market in these is usually all one way.

G.W.R. 4 per cent. debentures always had a free market, and these showed the widest range of fluctuation in the period 1890-1913. It is noteworthy, however, that in the more serious crisis of 1920, which forced even cautious investors to realise good securities, the G.W.R. debentures stood up better than the Glasgow 3½ per cents. Again, to-day, realising to invest in trade would no doubt knock off the high prices of securities in which there is a free market first, but a crisis would more seriously affect those in which the market is very limited.

The outstanding feature of the present day, as compared with 1913, is the immense increase in the volume of high-class securities; in 1920 these were still largely in the hands of persons who had taken them up in war time with intent to realise as opportunity occurred. The crisis produced heavy selling; a large proportion has since found a more permanent home, at low prices, in the hands of financiers who will retain them till a real revival of trade makes it worth their while to take the risks attending the lure of large profits. The slump of 1920 is thus not likely to be repeated in any circumstances. Apart from the conditions of trade, the present high prices have been very largely brought about by foreign buying, both from the countries which made money out of the war, and now look upon British Government securities as the safest investment, and equally by rich men among the more or less ruined countries of Europe who have been saving what they can from the wreck by similar investments.

Great Britain is in a position to earn more than any other country by carrying out the financial re-organisation necessary for reconstruction of trade in Europe and the East, and it is likely to be a long time before the foreign purchasers of British securities will be tempted to a wholesale reversal of their policy, but sooner or later this must come.

An early general revival of the world's trade is out of the question, and for the moment some further rise in the value of British first-class securities is generally expected, while in the long run a fall seems inevitable. In the interval speculation is likely to cause large fluctuations, and the investor in close touch with the markets, and dealing only in securities which have a free market, will hope to cover the gradual fall in value by taking advantage of the fluctuations to buy and sell.

At the moment the position is largely dominated by War Loan, which is likely to be the first to feel the effects of a revival in British trade; this depends a good deal on conditions in India, China, and Egypt, and the holder of War Loan might do worse than cover by the purchase of a selection of the best securities of these countries which he can buy to yield about 5½ per cent., less tax.

The comparative value of irredeemable securities depends largely on income-tax. At present tax free 4 per cent. War bonds are at about par, and it would take a reduction of 2s in the £1 to bring the yield on 5 per cent. War Loan to the same level. This month's Budget will effect an adjustment of prices based on such an anticipation, but should it be realised it must necessarily involve some further Government borrowing, and he would be an incurable optimist who looked for a further reduction until the general revival of the world's trade materialises.

On that assumption securities redeemable in the next ten years or so should prove quite as good value as irredeemable securities based on the same yields, with the

additional attraction that in most cases they have a better market.

As to what will happen more than ten years hence, let us look back at the figures quoted at the opening of this letter and forbear to prophesy. There will be plenty of opportunities to exchange from securities which have a free market into others in the next ten years.—Yours faithfully,

H. D. C.

THE GOVERNMENT ACCOUNTS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Has not the time come when his Majesty's Government might publish returns in a form more suited for public consumption? It takes an expert to find his way through the jumble of heterogeneous figures which takes up a column and a-half of your paper, and which can convey little but bewilderment to the mind of the ordinary man.

Revenue and advances in anticipation of revenue, money in the Treasury, money borrowed by the Government, and money repaid to the Government are all added together to form a grand total, which represents nothing real. All this may be in accordance with Acts of Parliament, and may be of interest to a professional accountant, but to no one else.

Curiously enough, the sum called total revenue does not appear to be quite correct. Dividends in the Suez Canal shares are presumably included in the miscellaneous receipts, but the dividends from the Persian Oil Company are found lower down, sandwiched in between Ways and Means advances and repayments. And at the end there is an item of interest, which appears also to be revenue.

What we, the public, want is a simple, clear statement of (1) the total revenue, (2) the total expenditure, (3) the surplus or deficit, (4) the total funded debt and the amount added or paid off during the period, and (5) the same for the floating debt. All the rest is mere encumbering detail.

No doubt the newspapers could, if they took the trouble, extract this information from the various published statements, but it would be more satisfactory to have it direct from the Government.—Yours faithfully,

A. MITCHELL INNES.

Travellers' Club, April 7th, 1922.

CITY EQUITABLE GROUP.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The failure of the companies in the City Equitable group is not a failure due to the insurance business carried on. The underwriting account would not in itself have brought the company down.

The collapse has been caused by mal-administration of funds. If the same dangerous freedom from control had been ceded to the managing director of almost any business such as a bank or a trust company as was allowed to the head of the group in question, similar disaster would have been equally possible.

Be the legal responsibility of directors what it may, it was within the powers of the other members of the board of this company to have made it impossible for any one man to dissipate the funds. No such preventive steps seem to have been taken; indeed, the opposite policy seems to have been followed, powers being gradually surrendered into one pair of hands.

Attempts to make finer the mesh of the Assurance Companies Act, 1909, will all fail to achieve the object aimed at if there be laxity in the board room. Whatever may be the strictness of the periodical review made of a company's assets, and however great the degree of publicity imposed upon the company when making its annual report, there must always be intervals during which manipulations are possible if the control be all centred in one person, and if that person prove to be unscrupulous.

The board of directors of an insurance company exists just in order to see that control does not pass into one man's hands. If it were not for this function, no small life assurance society would saddle itself with so expensive a body.

If a board ceases to take positive action, relapsing into a negative apathy, there is no hope of safety in an Act of Parliament.—Yours obediently,

"SECRETARY."

London, April 11th, 1922.

Books and Publications.

REPARATIONS.*

MR ANGAS is a pessimist *pro futuro*; our present troubles are nothing to what they will be if we do not revise our present reparations policy. The thesis is the author's deduction from a series of propositions which may be summed up thus: The indemnity can only be paid in goods and services, directly or indirectly. Thus unemployment is caused in this country, and this unemployment must progressively increase, for the credit policy of banks accentuates the depression even among those industries which are not directly attacked by German goods. To this must be added the further effects of the rate at which the Allies insist on the indemnity being paid. This pressure is causing the German Government to sell marks at prices suited to the speculative demand at a given moment. There arises undervaluation, and consequently "exchange-dumping." Present undervaluation will bring floods of goods into this country as soon as our present slump shows any signs of lifting. But Mr Angas does not believe that there is any obstacle to Germany being able to produce £6,600 millions in the period of time fixed under the London agreement of last year.

Though all forms of indemnity would seem to be bad from the standpoint taken up by the author, yet he is willing that the indemnity should be paid in the shape of capital goods to be furnished to the colonies, and even to foreign countries, for such capital goods would ultimately increase the market for British goods.

The assertion that an indemnity is a bad thing because it causes unemployment needs considerable qualification. It will cause a certain amount of dislocation, but to get something for nothing, even under the capitalist system, may free resources for other purposes. Mr Angas is on much safer ground when he ascribes the exchange muddle to the present Reparations policy, which takes no account of the real capacity of Germany to pay. But though an adverse exchange may improve things for Germany immediately, by transferring sums from speculators to the Allied treasuries, it does not follow that it will in the long run, or that an indemnity is impossible without depreciated exchanges.

The real difficulties of the Reparations problem lie elsewhere: in the reduced capacity to produce goods and services without a return. No doubt Germany could export a gross total of £6,600 millions in 42 years without overmuch difficulty, assuming that prices do not change very much. But that is not the problem. The real problem is to export a surplus of this amount over imports, and to finance it out of taxation. No doubt it is momentarily popular to argue that this is quite easy, but that in self-defence we ought to refuse the gift. But popularity and economic truth are not necessarily the same thing.

* "Reparations: Trade and Foreign Exchange." By L. L. B. Angas P. S. King and Son, Limited. 1922.

A WANDER YEAR.*

THE travels of an acute observer, moving in high places, make interesting reading at any time. Colonel Repington is an acute observer; in the course of the travels described in this volume he met and talked with the men who matter in a large variety of countries, and his experiences took place at a unique period. He is also a fluent writer, and the book would therefore in any case be interesting. But his freedom in recounting private conversations with all and sundry adds a piquancy which may be distasteful to the old-fashioned, but ensures that the average reader will not quickly lay his book aside. London, Paris, Rome, Athens, Prague, Vienna, Budapest, Bucharest, Berlin, Sofia, Coblenz, New York, Washington—it is an itinerary which, at a period when Europe was gasping from the shock of war, and America officially aloof but watching for the opportunity of useful help, could obviously teach unique lessons. Of many of those lessons we get bright glimpses through Colonel Repington's diary, which, though suffering, perhaps, from over-volubility, discloses a broadness of view not popularly attributed to military

* "After the War. 1919 to 1921." A Diary. By Lieut.-Col. C. A. Repington, C.M.G. (London) Constable. 21s.

critics. Thus we find him arguing that "economics lead politics," and that economics are "by far the most pressing matter." The book is full of side-lights upon the shortcomings of the Treaty of Versailles, and equally upon the complexity of the problems that baffled the statesmen, and the general tone is sympathetic treatment of hard facts, whatever country is under discussion. For America and the Americans Colonel Repington has a profound admiration, expressed in unsparing eulogy. Perhaps the most lasting impression on the reader's mind is the contrast between European tangles, mistakes, and suspicions and the bold, straight, effective work of the Washington Conference. Readable through its 470 pages, the book will give future generations an entertaining peep at the chaos into which great wars plunge continents and peoples.

FIDELITY GUARANTEES.*

COMMERCIAL fidelity guarantees, Government bonds and Court bonds are the main topics dealt with by the authors of this book, who have had in view mainly the needs of students and insurance officials. As a manual of instruction in every day routine the work may be commended. Messrs Evans and Jones understand what they are writing about, and give useful information on the actual practice commonly followed, but the severe practicality of their book detracts from its interest. One learns nothing from its pages of the extent to which fidelity guarantees enter into business, for instance, and there are no references to enable the student to follow up any question of detail. Thus, though particular attention is called to the point that, when a payment has to be made under a fidelity guarantee, the defaulter, in addition to the criminal responsibility, is a debtor, against whom civil proceedings may be taken by the guarantor, the book gives no glimpse of the historical setting of this rule. It tells what needs to be known in the rush of the day's work; but, for all one learns here, the rule referred to might have come into existence as inexplicably as Topsy. One recalls some statement in Blackstone that originally the private wrong was legally regarded as swallowed up in the public, and that there was no satisfaction for the individual, but that the freedom to resort to a civil remedy was enlarged in course of time. A bit of history worked into a passing phrase gives a wider view, but too many legal works, even when on a more ambitious scale than this one, are lacking in this respect.

* "The Law and Practice as to Fidelity Guarantees." By Christmas Evans, Barrister-at-Law, and Fred H. Jones, Solicitor. (London) Sir Isaac Pitman and Sons, Limited, 1922. 6s net.

FIRST STEPS IN ECONOMICS AND HISTORY.*

THERE is nothing on the world more difficult than to write a really good elementary text-book, an introduction, to a subject intrinsically hard, for those who are quite unprepared for it. Some very distinguished teachers have realised this, and make a practice, at the Universities and elsewhere, of taking the elementary class themselves, while allowing their assistant to deal with the more advanced students.

Older readers may, some of them, recall a little work by Mrs Henry Fawcett, which they were given by way of cutting their teeth in relation to the study of economics. Those who, nowadays, can begin on Mrs Fisher's "Getting and Spending" are certainly better off. It is interesting that she should have chosen this title, for it recalls vividly the first chapter in Mrs Fawcett's manual, of which what remains in the mind is a sense of the immorality of wasting pieces of string. Even in Mrs Fisher's skilled hands, however, one feels something of the old awkwardness which inevitably occurs when an effort is made, within a very small compass, to turn compact and concentrated technical terms

* "Getting and Spending." By Mrs H. A. L. Fisher. With an introduction by Sir William Ashley.

"Britain as a European Power." By Andrew Browning, M.A.

"XIXth Century Europe." By Professor Raymond Beazley. Collins, New World Series. 3s 6d.

"Industrial and Commercial Geography." By Arthur Radford. Collins. 3s.

back into simple language. The language is apt to get so much simpler than the ideas which it tries to convey. One feels this particularly in her sections on value and price, and on money in relation to wages.

At the same time, it should be said that, on the whole, Mrs Fisher has done her hard task well, and that her little book, thoroughly orthodox in its general outlook, can safely be recommended. Whether it will enable the teacher to meet the sort of questions that will be fired at him in the Adult or Continuation Schools or Study Circles for which it is, in part, designed, is more dubious. A good many of the things that will interest these young learners are left in what they may feel as rather a questionable shape.

In attempting to survey the development of Britain as a world power within the compass of a very small volume, Mr Browning has taken on a task which he admits to be almost impossible; his success is only moderate. In writing a history of Europe and Britain in the nineteenth century, Professor Beazley has, on the other hand, achieved a really interesting and singularly comprehensive statement, enlivened by a genuinely Liberal point of view. The fact that he has an unusually wide and deep knowledge of Russia enables him to give the whole survey a new and exceedingly interesting perspective.

Mr Radford's Industrial and Commercial Geography seems well designed for its purpose; the questions that follow the lessons are excellent. One's strongest feeling, however, in glancing through his survey, is that it is nothing short of a disaster that geography, however considered, should ever be taught except in the closest connection with history.

BOOKS RECEIVED.

- What Next in Europe?* By Frank A. Vanderlip. (London) George Allen and Unwin, Limited. 8s net.
- The Expansion of Europe.* By Ramsay Muir. Third Edition. (London) Constable and Co., Limited. 12s.
- Œuvres de Turgot et Documents Le Concernant.* Par Gustave Schell. Tome Quatrième. (Paris) Librairie Felix Alcan, 108 Boulevard Saint Germain.
- Credit-Power and Democracy.* By C. H. Douglas and A. R. Drage. Second Edition. Revised. (London) Cecil Palmer. 7s 6d net.
- Economic Democracy.* By Major C. H. Douglas. Second and Revised Edition. (London) Cecil Palmer. 6s.
- Britain as a European Power.* By Andrew Browning. (London) Wm. Collins, Sons, and Co., Limited. 3s 6d net.
- Getting and Spending: an Introduction to Economics.* By Lettice Fisher. (London) Wm. Collins, Sons, and Co., Limited. 2s 6d net.
- Nineteenth Century Europe and Britain.* By C. Raymond Beazley. (London) Wm. Collins, Sons, and Co., Limited. 3s 6d net.
- Europe and Ourselves.* By Otto H. Kahn. (New York) Committee of American Business Men. 354 Fourth avenue.
- Industrial and Commercial Geography.* By Arthur Radford. (London) Wm. Collins, Sons, and Co., Limited. 3s 6d net.
- Peace in India: How to Attain It.* By S. M. Mitra. (London) Longmans, Green, and Co. 1s.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.
April 26.

ACCOUNT.
April 27.

The main interest of the Stock Exchange week lies in the fact of the War Loan having crossed 100 for the first time since it was issued in January, 1917. At the round three figures there were hundreds of selling orders waiting to be executed, and during the clearing-off of these limits—some of them literally years old—the price remained close to the level of 100. Many thousands of people are willing enough to sell the War Loan if they can find something equally good into which to reinvest the money, but the advance in the war stock

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has brought about sympathetic appreciation in everything else of the same character. It is difficult to obtain securities which shall meet the demand for good return on the money plus the possibility of improvement in prices. Victory bonds, the Funding Loan, Conversion stock, India Government issues, and Colonials continue in the ascendant. This time last year, it may be recalled, the War Loan stood at 87½.

The Commonwealth Government 5 per cent. stock, offered at 96, looked dear last week, but it was fully subscribed, and the price rose to 15s premium. West Australia has followed with a loan of smaller amount on similar lines, and will no doubt be equally successful. Home Railway prior-charge stocks can scarcely be bought, so pronounced is the scarcity. The demand for investment stocks is absorbing everything of good class in the markets round the Stock Exchange, its effect extending even to what must certainly be deemed second-rate preferred stocks and shares which, six months ago, nobody would look at with any degree of favour.

Foreign Government bonds are mostly harder, and a sharp decline in French railway issues, P.L.M., Midi, Orleans and Nord, was followed by an upward reaction. The Midi and Orleans scrip are still at a slight discount. Chilean, Brazilian, and Argentines are good, with Chinese and Japanese somewhat neglected. Czechoslovaks spurred to 2 premium.

The Home Railway market is hesitating. A good deal of profit-taking on the eve of Easter served to reduce the prices from the best recently touched, but the undertone does not appear to be bad, and any support which comes in after the holiday should not fail to have a favourable influence over prices. Canadian railway investment stocks are better, and Argentines have been buoyant, taking in their train the leading Brazilian railway stocks, which have gone ahead briskly. Nitrate railways are also better, hardening in sympathy with the rises amongst the shares of the producing companies.

Rubber shares are firmer, owing to the produce improving a shade. The oil market remains the centre of the liveliest interest so far as industrials are concerned. Shells and Royal Dutch spurred on a report that the two companies had arrived at some agreement with the Standard Oil of America, but Mexican Eagles have been weak for the greater part of the time, on apprehensions of a new issue, details of which are expected immediately. Phoenix had a frenzied rise to 30s, causing other Roumanians to stiffen in company, but dropped back with a run. In other industrial sections the story is one of uninterrupted progress upwards. Advances are to be noted in textile, shipping, banking, insurance, breweries, iron, coal and steel, armament, stores, cable, trust companies, gas and electric lighting, tramway and industrial shares of every sort and description. All the Mexican utilities are better, rises ranging from 1 to 5 points. This is on the expectation that the long-expected settlement between Mexico and the United States is on the point of being reached. Amongst new issues, premiums are maintained upon most of the recent comers, but, as an exception, it may be mentioned that underwriters of the Whitehall Electric debenture stock were left with 75 per cent. of their obligations, while the preference underwriters got as much as 92 per cent. The prices opened at a discount in each case, but support was soon forthcoming, and the quotations are not far from par.

South Africans fail to make much headway; Diamonds, however, are better. Copper shares are decidedly harder. A general rise in tin mining issues followed Monday's advance in the metal market. Indian shares are quiet; Broken Hills, with Zincs, have hardened, and Burma Corporations rallied.

Business in many markets has been astonishingly active for this week in the year, and the Stock Exchange talks cheaper money as possible in the near, after-Easter, future.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

	Nominal Capital, £	Cash Subscription, £	First Payment, £	Further Liability, £
ISSUES OF THE WEEK—				
Amount previously recorded	312,178,381			

TREASURY BONDS.

5½% 1929 total receipts	283,752,539
5% 1927 receipts to March 11, 1922	40,601,369
Do (by tender, April 1, 1922) \$15,000,000, in 5% Bonds, at £100½	15,112,500

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHANGES APRIL 1 TO APRIL 8, 1922.

April 1 to April 8, 1922, £18,550,000

To the Public—				
Western Australia, £2,000,000 5% Inscribed Stock (red. at par, 1935-45), issued at 96% (April 10)	2,000,000	1,920,000	100,000	1,820,000
International Sleeping Car, £500,000 6% Sterling Bonds to Bearer (red. at par, 1926-55), issued at 87½% (April 10)	500,000	437,500	50,000	387,500
Swansea Gas Light Co., £250,000 7% Red. Pref. Stock (red. at par, June 30, 1932), issued at 96%	250,000	245,000	25,000	220,000
Total offered to Public	2,600,000	175,000	2,425,000	
To Shareholders only—				
British East Africa Corporation, £100,000 8% Debts, at par	100,000	100,000		100,000
Harmony Proprietary, £66,000 8% First Mort. Debts, at 75%	66,000	49,500	6,600	42,900
Sapon Soap, £25,000 10% Second Debts, at 90%	25,000	22,500	5,000	17,500
Total	172,000	11,600	160,400	
Total offered for subscription to date				
1922	£348,615,381	1921	£388,978,203	
1921	67,388,095	1920	357,549,656	
1920	152,922,475	1919	1,036,059,961	
1919	310,104,948	1918	1,331,381,441	
1918	508,002,672	1917	1,518,596,010	
1917	861,164,178	1916	585,436,850	
1916	174,231,131	1915	686,236,326	
1915	51,199,436	1914	512,522,633	

To complete our record of new issues and summary of profit and loss accounts, company secretaries are requested to furnish us with copies of new prospectuses and report and accounts. Our readers can also assist by forwarding copies of prospectuses and company reports and accounts which may fall into their hands.

Western Australia 5 per Cent. Inscribed Stock, 1935-1945.—Issue of £2,000,000 at 96 per cent. Interest is payable in London. The principal is repayable at par on June 1, 1945, the Government of Western Australia having the option to redeem the stock at par on or after June 1, 1935, on giving three months' notice. A sinking fund at the rate of ½ per cent. per annum will be provided. The accumulated sinking funds invested in the names of trustees in London, it is stated, now amount to above £8,000,000. The proceeds of this issue will be used for railways, harbours, water supply, "land resumption for closer settlement, agriculture, goldfields, and settling ex-soldiers on land." This is a good trustee security, and when held by people not domiciled in Western Australia, free of the taxes of that State.

International Sleeping Car Company.—Incorporated under Belgian law. This is an offer for sale of £500,000 6 per cent. sterling bonds to bearer of the Compagnie Internationale des Wagons-lits et des Grands Express Européens at 87½ per cent., the proceeds being required mainly to pay for new rolling-stock ordered in England. The company, which is a Belgian undertaking, runs special cars on European railway lines. Principal and interest are payable in sterling in London, free of Belgian taxation. Redemption will be effected by a cumulative sinking fund beginning July 1, 1926, to be applied annually in drawings at par, and calculated to redeem the whole of the bonds by July 1, 1955. The company has the right to redeem at par on and after July 1, 1932, subject to three months' notice. Accounts published show that the bonded obligations of the company already amount to 57,862,500f. This issue will raise the total to approximately 82½ million francs. Gross assets are 222½ million francs, from

which must be deducted sundry liabilities of 40 millions, leaving a surplus of 182½ millions available as security. It should be noticed that no bonds issued by the company carry a preferential charge, and that the new bonds rank *pari passu* with existing bonds. The table of past profits shows that service charges on the bonded issue are well covered, the company having a successful record. The bonds now offered were purchased by the present vendors at 80½, the latter paying issue charges and commission. An industrial holding not without merit, but foreign incorporation, and the possible position of bondholders in the event of a serious decline in the company's prosperity must be considered in relation to the terms offered.

ACTIVE SECURITIES.

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.

	Price at Close	Week's Range	Latest Price	Rise or Fall
War 5½% 1925-28	94½	94½-95	94½	+
Loans 5½% 1925-28	94½	94½-95	94½	+
Do 7½% 1926-31	101	101-101½	101	+
Funding Loan 4%	85½	85½-86	85½	+
Victory Bonds 4%	90½	89½-90½	90½	+
Conversion Loan 3½%	74½	74½-75	74½	+
Consols 3½%	57½	57½-58	57½	+
Irish Land Stock 2½%	58½	58½-59	58½	+
Local Loans 3%	63½	63½-64	63½	+
Anst. 6% 1931-41	104	104-104½	104	+
Canada 4½% 1920-25	99	99-99½	99	+
India 3½% Stock	64½	64½-65	64½	+
Do 7½% 1926-31	111	111-111½	111	+
Do 5½% 1933	94½	94½-95	94½	+
N.S.W. 5½% 1922-32	101½	101½-102	101½	+
Nigeria 6% 1949-79	111	111-111½	111	+
U.S.A. 6% 1930-40	103½	103½-104	103½	+
Victoria 5½% 1924-34	102	102-102½	102	+

Colonial and Foreign Railways.

Antofagasta Cons	55	55-59	59	+
B. A. & Pacific	50½	50-50½	50½	+
B. A. G. Southern	71½	70-71	71	+
Buenos Ayres West	70½	70-71	70½	+
Canadian Pacific	153	153-154	153	+
Central Argentine	61½	61-62	61½	+
Grand Trunk Ord.	11	11-11½	11	+
United Havana	57	57-58	57	+

Banks.

Barclays B. (£1, f.p.d.)	2½	2½-2½	2½	+
Lloyds (£5 with £1 p.d.)	2½	2½-2½	2½	+
London Joint City & Midland (£12 with 2½ p.d.)	8½	8½-8½	8½	+
London County West. minster and Farn's (£20 with 2½ p.d.)	17½	17½-17½	17½	+
Nat. Bank of Egypt (£10)	20	20-20½	20	+
Nat. Bank of S. Africa (£10)	11	11-11	11	+
Nat. Prov. & Union of England (£20 with 2½ p.d.)	10½	10½-10½	10½	+
Standard of S. Africa (£20 with 2½ p.d.)	11½	11½-11½	11½	+

Foreign Government Securities.

Argentine 5% 1886-7	98	98-98	98	+
Belgian 5%	72	72-72	72	+
Brazil 5% Fund, 1914	72	72-72	72	+
Chilian 4% 1896	70½	70½-71	70½	+
Do 7½%	104	104-104½	104	+
Chinese 5% 1912	76½	75-76	76½	+
Egyptian 4%	72	72-72	72	+
French 5%	45	45-45½	45	+
Do 4%	36	36-36½	36	+
Greek 4% 1889	40½	40½-40½	40½	+
Japanese 4%	103	103-103	103	+
Do 4% 1910	70	70-70	70	+
Mexican Cons. 1899	66½	66-69	66½	+
Peruvian Corp. Pref.	18½	19-19	18½	+
Russian 5% 1906	13½	13-15	13½	+
Spanish 4%	73	73-73	73	+
Seine (Dept.) 7%	100½	100-100½	100½	+
Siamese 7%	105	105-105	105	+

Telegraphs.

Anglo-American "A"	22	22-22	22	+
Marconi Wireless	2½	2½-2½	2½	+
Marconi Canada	1½	1½-1½	1½	+
Marconi Marine	1½	1½-1½	1½	+

British Railways.

Great Central Pref.	18	18-18	18	+
Great Eastern	38	38-38	38	+
Great Northern Def.	36½	36-36½	36½	+
Great Western	95	95-95	95	+
London, Brighton, & South Coast	57½	57-57½	57½	+
London, Chatham & Dover	10	10-10	10	+
L. & N.W. (New)	94½	94-94½	94½	+
L. & S.W. (New)	27	27-27	27	+
Metropolitan	42	41½-42	42	+
Metropolitan District	33	32-33	33	+
Midland Deferred	60	60-61	60	+
North British Def.	16	16-16	16	+
North-Eastern	94	94-94	94	+
South-Eastern "A"	34	34-34	34	+
Underground Electric	28	28-28	28	+
Do "A" (1/1)	43	43-43	43	+
Do "A" (1/100)	75	75-75	75	+

American Railroads.

Chesapeake & Ohio	73	73-73	73	+
Erie	134	134-134	134	+
Do 4½% 1st Pref.	22	22-22	22	+
Southern	36	36-37	36	+
Do Non-cum Pref.	61	61-62	61	+

Miscellaneous.

Aerated Bread (£1) ..	14½	12	+	+	+
Armstrong (Sir W. G.) ..	16½	17	+	+	+
Ass. Paint & Cement (£1)	15½	15	+	+	+
B. & S. Small Arms (£1)	106	106	+	+	+
Brazil Traction (£100)	42	49	+	+	+
British-American Tobacco (£1)	38	38	+	+	+
Brit. & Arg. Meat (£1) ..	14½	14	+	+	+
Burmah Oil (£1) ..	58½	58	+	+	+
Costs (J. and P.) (£1) ..	34	34	+	+	+
Courtauld's (£1) ..	18½	18	+	+	+
Cunard (£1) ..	1	1	+	+	+
Dorman, Long (£1) ..	38	38	+	+	+
Dunlop Rubber (£1) ..	18	18	+	+	+
Fine Cotton Spinners (£1) ..	18½	18	+	+	+
Forestal Land (£1) ..	17	17	+	+	+
Furness, Withy (£1) ..	18½	18	+	+	+
Highlands and Lowlands Rubber (£1) ..	14½	14	+	+	+
Hudson's Bay (£1) ..	64	64	+	+	+
Imperial Tobacco (£1) ..	21½	21	+	+	+
Linggi Planting (£1) ..	14	14	+	+	+
Lipton (£1) ..	14	14	+	+	+
Lever Bros. 7% Div. (£1) ..	88	88	+	+	+
Do 8% Div. & A. Prt (£1) ..	88	88	+	+	+
Do 2½% Div. Prt (£1) ..	88	88	+	+	+
Lister (£1) ..	17	17	+	+	+
Lyons (J. & Co.) (£1) ..	37	37	+	+	+
Magadi Soda (£1 Ord.) ..	3	3	+	+	+
Mexican Eagle (£10) ..	34	34	+	+	+
North Caucasian (100) ..	7	7	+	+	+
Pekin (2) ..	7	7	+	+	+
Rubber Plantations ..	7	7	+	+	+
Investment (£1) ..	35	35	+	+	+
Shell Transport (£1) ..	58	58	+	+	+
Smithfield & Argentine ..	5	5	+	+	+
Meat (£1) ..	4	4	+	+	+
United Berland (2) ..	7	7	+	+	+
United Tobacco (£1) ..	12	12	+	+	+
Vallambrosa (2) ..	7	7	+	+	+
Vickers (£1) ..	7	7	+	+	+
Watney Def. Stk.	166	166	+	+	+

Orders for the publication in these columns of the reports at Company Meetings should be addressed to the Reporting Manager of the ECONOMIST, 3 Arundel street, Strand, London, W.C. 2.

COMPANY MEETINGS, &c.

BARRY, OSTLER, AND SHEPHERD, LIMITED.

COMPANY'S SOUND FINANCIAL POSITION.

CURRENT YEAR'S PROSPECTS.

The annual meeting of Barry, Ostler and Shepherd, Limited, was held at Kirkcaldy, on the 11th instant, Mr William Wright, the chairman, presiding.

The Chairman, in moving the adoption of the report and balance-sheet, said: As these have been in your hands for some time, I, with your permission, will take them as read. The year just closed has been one of very general commercial depression, and, in common with other industries, our volume of business was much reduced. With us the falling off had begun to make itself felt in October, 1920, and when our last annual meeting was held we were just at the beginning of the coal strike, which had such a disastrous effect on general trade throughout the country. In spite of the great difficulties we experienced then in getting sufficient supplies of coal to keep our works going, we were only completely shut down for one week, and succeeded in continuing manufacturing operations (although at a reduced rate of production) during the remainder of the strike period. There was also more than usual difficulty in doing business in all our foreign markets owing to the fluctuations in exchange, which adversely affected our sales in these countries.

Considering all the difficulties we had to encounter, we may fairly congratulate ourselves on having before us to-day what I think may be looked upon as a most satisfactory balance-sheet, and this is to some extent due to the conservative valuation of our stocks at January 31, 1921, following the fall in prices of raw materials, a policy which we have adhered to in the year now under review.

PROFITS AND DIVIDEND.

The net profits for the year amount to £149,951 7s 3d. Out of this, with the amount carried forward from last year, the directors could have declared a larger dividend, but I am confident that shareholders will approve the policy of caution we have followed in restricting distribution to 10 per cent., less tax. With the anticipation that we have of adding to our trade in the current year—and our returns since stocktaking show a gratifying increase on last year's figures for the same period—we shall require to husband our cash resources so as to be able to meet the extra demand on them without asking for extra capital.

You will observe that at the date of the balance-sheet we still held £150,000 of 5 per cent. War Loan. This was written down to market value, £127,500 at January 31, 1921, and although the value at the date of our balance-sheet had increased to £139,500, we have not taken credit in our profits for that appreciation.

BALANCE-SHEET ITEMS.

Turning to the figures in the balance-sheet, you will observe on the asset side that our property accounts have increased from £238,965 to £243,947; the item "engines, machinery, working plant, and stocks" shows an increase of £7,164, from £824,802 to £831,966; and the amount at the debit of sundry debtors has gone down from £607,225 to £500,571, due, of course, to the falling off in business and to a reduction in our selling prices, which took place early in January this year; on the other side of the accounts the items of capital remain unchanged, and the amount due to sundry creditors has been reduced from £320,684 to £339,633. As you will see, there is no longer any necessity to include under this heading a liability in respect of excess profits duty.

THE RESERVES.

A feature in the balance-sheet which, I am sure, shareholders will note with much satisfaction is the total now reached by our various reserve funds. The premium account on preference shares is £25,000, the special reserve for preference shares £63,000, special depreciation and contingency funds £225,000—total £313,000; if we add to this the amount available after paying the proposed 10 per cent. dividend, £102,094, we have a total of £415,094, or nearly two-thirds of our ordinary share capital, making our financial position stronger than ever it has been.

COMPANY'S SPLENDID REPUTATION.

Looking at our competitive position in all our markets, and especially the home market, I am glad to say that the reputation of this company for quality and for excellence of design and colouring has never stood higher, both as regards our ordinary standard lines and the special articles to the development of which

in recent years we have devoted much time and attention. For the information of shareholders I may state that our manufactures include, in addition to the ordinary plain and printed goods, the Walton and other makes of inlaid linoleums, as well as several special qualities in the highest grade goods not made by any other manufacturer.

At our works in France, as explained in our report, trade was fairly good during the last few months of the year. This has been continued up to date.

THE FUTURE.

While it is difficult to prophesy with regard to the future, we feel that the worst of the trade depression is past. Orders are showing a large increase over last year's for the same period, and we hope that, although selling prices are lower, increased production, together with lower costs of raw materials, will enable us to have a satisfactory year's trading.

I have again to express my sense of gratitude to my colleagues on the board and to the staff and workers in every department for their cordial support and assistance during a very trying year.

I now have pleasure in formally moving "That the report and balance-sheet be adopted; that a dividend at the rate of 10 per cent., less income-tax, be paid on the ordinary share capital, absorbing £45,500, payable April 20th; and that the balance of £102,094 4s 4d be carried forward, subject to directors' fees."

The report was unanimously adopted.

The retiring directors, Mr William Sutton and Mr Andrew Alison, as also the auditors, Messrs Romanes and Aitchison, C.A., were re-elected, and a sum of £5,000, free of income-tax, was voted as directors' fees.

The proceedings concluded with a vote of thanks to the chairman.

EDISON SWAN ELECTRIC COMPANY, LIMITED.

LAMPWORKS' SPLENDID PROGRESS IN DIFFICULT YEAR.

The thirty-eighth ordinary general meeting of the shareholders of the Edison Swan Electric Company, Limited, was held, on the 11th instant, at Winchester House, Old Broad Street, London, Mr C. Jermyn Ford (the chairman) presiding.

The secretary (Mr R. H. Parker) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of his speech, having referred to the slump in industry, the unprecedented fall in values, German competition, labour troubles, and excessive taxation, said:—

There is, amid the prevailing gloom, one bright spot, I am glad to say—our lamp works—which has been progressing most satisfactorily. We have, during the last few months, introduced to the public two new types of lamp. One is the "Fullolite," which is an opal lamp designed to obviate all glare, and this has caught on beyond our most sanguine expectations, and doubtless many of you have noticed it. The other is a daylight lamp, constructed of special tinted glass, which gives a daylight effect, and is of great use in all cases where the question of colours comes into play. Considering the slack times we are moving in, our lamp sales have been good, and this branch of the business should largely develop, and we are now thoroughly equipped to deal with it.

LOANS FROM BANKERS.

During the period covered by the accounts loans from bankers have been increased to £223,800, and since the date of the accounts they have been still further increased, and now stand at £313,950, but without our bankers' assistance we should have been placed in a serious position, and the thanks of all interested in the company are due to them for the manner in which they have helped us. We, naturally, had to provide them with security, and it will be within your recollection that a meeting of shareholders was specially called in November last for the purpose of increasing the company's borrowing powers.

You will note from the directors' report that, after providing for the adjustments shown in the accounts, the balance standing to the debit of profit and loss is £344,720, and that the board recommended that the sum of £55,000 now standing to reserve be transferred to profit and loss account, thus reducing the debit balance to £289,720. The board have been asked how they propose to treat this debit balance, and whether they intend to bring forward a reconstruction scheme, embracing a reduction of capital in order to wipe it out. They have given the matter full consideration, and have taken the opportunity of obtaining the views of some of the largest shareholders, and these latter feel that no good purpose would be served by bringing forward any scheme at this juncture, and in this view the board concur.

THE FUTURE.

In the depressing circumstances under which we meet, it is difficult to take anything but a gloomy view of the future, accentuated, as it is, by labour and political unrest, excessive taxation,

and slack trade, and he would indeed be an optimist who could take a reasonably cheerful view of the future. This company, however, has, I am convinced, a marvellous reserve of recuperative strength, centred mainly in its widespread sales organisation, represented by its 26 important depots in the United Kingdom and Australia. The heavy depreciation in our stocks, which we have had to face, after all does not prejudice the company's earning capacity, and I am convinced that with a moderate revival in trade we ought to do fairly well, and the whole crux of the position for this and almost every other industrial concern rests on this revival. The position in which trade finds itself to-day is the inevitable result of post-war deflation, but I think that we may safely assume that the worst is over and that the tide is on the turn.

The board have been unremitting in their efforts to steer the company through the industrial crisis in which it has been involved, and I need hardly tell you have been beset with endless difficulties and anxieties, and, in the position in which the company now finds itself, I beg of you as shareholders to support us, and you may rest assured that no stone will be left unturned to steer this ship into smooth waters, and it will be a great comfort and strength to us to feel that shareholders sympathise with us in our countless troubles and are out to help us.

Replying to expressions of the views of shareholders, the Chairman said it was hardly fair to try to drag out of him some eulogistic prophecy as to what might happen—a prophecy which, for some reasons quite beyond the control of the directors, might not be fulfilled. With the very best intentions, he did not think he could add anything in that connection to what was said in the report.

The motion was carried unanimously, and, the formal business having been transacted, a vote of thanks to the chairman terminated the proceedings.

BRUSH ELECTRICAL ENGINEERING COMPANY, LIMITED.

FURTHER SUBSTANTIAL IMPROVEMENT.

The thirty-third general meeting of the Brush Electrical Engineering Company, Limited, was held, on the 10th inst., at 88 Kingsway, London, Mr E. Garcke (chairman of the company) presiding.

The secretary (Mr F. M. Hodson) having read the notice convening the meeting and the report of the auditors,

The Chairman said that the directors were glad to be able to report a further substantial improvement in the general prosperity of the company. Including the amount brought forward from the previous year, they had a total profit balance of £374,585 to deal with. It was proposed to apply to depreciation of buildings, plant, patents, &c., £15,000, to pay a further 4 per cent. interest on the prior lien participating debenture stock, and to add to the reserve fund £73,190, bringing it up to £150,000, and to pay a dividend on the ordinary shares of 15 per cent. for the year. The cash position was a strong one, and, taking it all together, he thought he might fairly say that the present balance-sheet was the best which the company had issued since its reconstruction 34 years ago.

They were fortunate in entering 1921 with a good order book, so that the trade depression which prevailed so generally during the year did not affect their activities in the same degree as those of many engineering undertakings. All departments of the works were fully employed, and they were concentrating on specialities which to some extent placed them outside the rigours of extreme competition.

At present they had a very substantial amount of work on hand, and with the anticipated revival of business they were justified in looking to the future with confidence, provided that the labour unions recognised the altered circumstances of to-day, and settled down to production under conditions which permitted of successful competition for work both at home and abroad.

On previous occasions he had referred to the development of the company's Brush Ljungstrom turbo-generator plant and had drawn attention to the change which the installation of this plant had brought about in the fortunes of certain electricity supply undertakings. The merits of the design were now generally recognised and evidence of the economies which it effected in steam consumption continued to accumulate.

They were well equipped for securing their fair share of any business offering, not only as regarded tramcars and trucks and motor-bus bodies, but also of railway rolling stock.

The report and accounts were unanimously adopted, and the Chairman announced that the dividend warrants would be posted that evening.

RIO TINTO COMPANY, LIMITED.

CHAIRMAN OPTIMISTIC OF COMPANY'S FUTURE.

The forty-ninth ordinary general meeting of the Rio Tinto Company, Limited, was held, on the 12th instant, at 3 Lombard Street, London, Sir Charles W. Fielding, K.B.E. (the chairman), presiding.

The secretary (Mr J. Gordon Macleod) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that during the strike the demand for sulphuric acid all the world over had greatly fallen off, and, in some cases, brimstone and, in a few other cases, competitive pyrites had secured some of their customers for the time being.

While they expected to have to face somewhat low prices, the proportion of the market which they had already secured was at least as large as in years gone by, and as regarded the aggregate amount of pyrites sales, they believed they would gradually recover their former position. In regard to the demand for copper, and the price for that metal, the situation for all producers had been most unsatisfactory. At the end of the war the accumulation of stocks of copper in the hands of the Allied Governments had been exceedingly large, and consumers were still able to supply a large proportion of their wants from those old stocks. Over the last year or two most of the mines of the world had been closed down at least half the time. The remainder of the old stocks, together with the output of those mines which were able to produce at low cost, was more than sufficient for the world's use at its present rate of consumption. Unless copper became more in demand, and went to a higher figure, very low rates of output must prevail. Of all the large mines their company was able to produce its copper at the lowest cost per ton, and, therefore, while the market price of the metal reduced their dividends, the directors were able to carry on their operations without being too much influenced by the world's copper price.

He had recently returned from Spain, and he could assure them that, except for fluctuations in demand and market price, the company's affairs were in a sound, healthy, and improving condition. There were still several directions in which reduction in costs and improvements in process would be carried out to a not inconsiderable extent. Taxation in Spain, as in England and France, was very high, and the recent imposition of additional import and export taxes in Spain was adding to the weight of the company's burden. They could not expect any very great results from 1922

THE ANGLO-SOUTH AMERICAN BANK, LIMITED,

Capital and Reserves exceed £13,000,000.

BRANCHES IN SPAIN:

BARCELONA: Plaza de Cataluna
BILBAO: Estación 6
SEVILLE: Plaza de la Constitución

MADRID: Av. Conde Penalvia
VALENCIA: Calle Pascual y Genis.
VIGO: Calle del Principe

HEAD OFFICE:

62, Old Broad Street, London, E.C.2.

while the world was in such an unsettled condition, but he had a feeling of moderate optimism in regard to the company's prospects for the following 12 months, and had no doubt as to the ultimate return to dividends, which would compare not unfavourably with those of all but the very highest of pre-war years.

The report and accounts were unanimously adopted.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

ASSETS EXCEEDED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.

Edinburgh: 35, St. Andrew Square.

London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

Clerical, Medical & General

LIFE ASSURANCE SOCIETY.

2½% Valuation
and
BONUS as BEFORE

Chief Office: 15, St. James's Square, S.W.1, London

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE.

REVENUE AND OTHER RECEIPTS.

	April 1, 1922, to April 8, 1922.	April 9, 1922, to April 11, 1922.
Total Receipts into the Exchequer from		
Bank of England	9,963,424	2,591,051
Bank of Ireland	1,210,106	483,455
REVENUE.	11,173,530	3,074,506

Customs	1,768,000	3,275,000
Excise	1,408,000	1,835,000
Motor Vehicle Duties	528,000	602,000
Stamps	1,671,000	664,000
Land Tax, House Duty, and Mineral Rights Duty	312,000	275,000
Property and Income Tax (including Super Tax)	120,000	100,000
Excess Profits Duty, &c.	18,190,000	16,623,000
Corporation Profits Tax	4,000	5,185,000
Post Office	555,000	170,000
Crown Lands	700,000	750,000
Interest on Sundry Loans	227,091	..
Miscellaneous—		
Ordinary Receipts	3,650,214	1,330,834
Special Receipts	2,103,400	1,888,000
Revenue	31,236,705	30,697,834
Total, including Balance	42,410,235	33,772,340

OTHER RECEIPTS.

Temporary Advances Repaid—		
Bullion	..	100,000
Money Raised by Creation of Debt—		
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Acts, 1920 to 1921	..	..
(b) Under the Unemployment Insurance Acts, 1921	..	..
(c) For other issues:		
By Treasury Bills for Supply	68,034,000	154,788,000
By National Savings Certificates	19,250,000	1,110,000
By Treasury Bonds—		
5-15 year, 1925-35	..	390,000
5 per cent., 1927	18,835,918	..
(d) Ways and Means Advances	50,100,000	35,907,000
Repayments—		
In respect of Issues under Land Settlement (Facilities) Act, 1919 and 1921	5,381	2,029
Total	198,639,534	228,062,369

EXPENDITURE AND OTHER ISSUES.

	April 1, 1922, to April 8, 1922.	April 9, 1922, to April 11, 1922.
Total Issues out of the Exchequer to Meet Payments from		
Permanent Charge of Debt	3,281,736	3,136,314
Interest, &c., on War Debt	28,649,825	26,300,413
Payments to Local Taxation Accounts, &c.	..	90,000
Payments to Northern Ireland Exchequer	..	..
Other Consolidated Fund Services	36,049	32,537
Supply Services	7,000,000	20,024,000
Expenditure	38,967,610	49,583,294

OTHER ISSUES.

Temporary Advances—		
Bullion	..	100,000
Under the Unemployment Insurance Acts, 1921	340,000	..
Issues to Meet Capital Expenditure—		
Under the Telegraph (Money) Acts, 1920 and 1921	..	600,000
Redemption of Unfunded Debt—		
Treasury Bills for Supply	124,500,000	159,194,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917	191,356	..
Principal of National Savings Certificates—		
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920	700,000	..
(b) Repaid otherwise	..	750,000
Principal of Exchequer Bonds paid off—		
5% 1922, £19,136,605; less paid off by the National Debt Commissioners, £1,000,000—£18,136,605.	18,136,605	..
Other Debt under the War Loan Acts, 1914 to 1919	..	500,000
Ways and Means Advances Repaid	12,750,000	12,500,000
Balances in Exchequer—	195,585,571	223,227,294
Bank of England.. £1,907,011 .. £2,674,156		
Bank of Ireland.. 1,146,952 .. 160,919		
Total	198,639,534	228,062,369

The Bankers' Gazette.

As the *Economist* goes to press earlier this week, in consequence of the Easter holidays, we are unable to give the returns of the Bank of England and other customary statistical matter.

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Inc. or Dec.
Aggregate Totals to April 8.			
BIRMINGHAM	43,456,900	31,346,000	12,080,900
Bristol	22,669,500	19,646,000	3,023,500
DUBLIN	105,604,800	94,861,100	10,743,700
LONDON	17,797,000	16,392,100	1,404,900
LEICESTER	11,457,800	11,517,800	60,000
LIVERPOOL (to April 1)	136,833,700	112,210,800	24,622,900
MANCHESTER	232,215,300	211,712,900	20,502,400
NEWCASTLE-ON-TYNE	34,487,300	26,371,500	8,115,800
NOTTINGHAM	9,777,800	11,101,700	1,323,900
SHEFFIELD	21,948,500	13,858,000	7,590,500

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

	April 7, 1922.	Mar. 31, 1922.	April 4, 1922.	Week's Movement.
Total gold reserve	2,983,300	2,975,380	3,246,440	7,940
Legal tender notes and silver reserve	126,400	128,020	214,780	1,820
U.S. bills discounted for member banks	624,890	635,950	3,214,600	11,060
U.S. bills bought in open market	98,380	102,690	122,490	4,310
Government obligations owned	462,760	404,860	776,100	21,080
All other resources	62,620	62,420	43,020	400
LIABILITIES.				
Government deposits	35,540	66,030	82,100	90,490
Other deposits	1,768,900	1,749,110	1,663,400	19,790
Federal Reserve Notes in actual circulation	2,138,070	2,181,940	3,908,150	18,330
Federal Reserve Bank Notes in actual circulation	81,080	80,360	189,720	730
All other liabilities	17,780	17,810	56,880	50
Capital and surplus	519,400	519,390	503,170	10
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	77.7%	77.8%	83.4%	0.1%

BANK OF FRANCE.

(000's omitted.)

	April 6, 1922.	Mar. 30, 1922.	April 7, 1921.	Week's Movement.	Position May 28, 1914.
ASSETS.					
Gold coin and bullion	5,525,225	5,526,055	5,504,629	+ 170	3,730,625
Of which held abroad	1,948,367	1,948,367	1,948,367	..	1,948,367
Silver coin and bullion	825,154	825,154	825,154	..	17,695
Discount and advances	5,103,669	5,260,374	5,246,710	+ 156,705	2,397,775
LIABILITIES.					
Notes	36,153,385	35,528,005	38,695,618	+ 625,380	5,811,875
Government deposits	19,742	26,298	75,887	+ 6,556	183,700
Private deposits	2,091,372	2,209,747	3,055,190	+ 118,375	845,950

BANK OF SPAIN.

(000's omitted.)

	April 1, 1922.	Mar. 25, 1922.	Mar. 18, 1921.	Week's Movement.	Position May 30, 1914.
ASSETS.					
Gold	2,520,849	2,520,414	2,519,663	+ 435	521,775
Silver	635,528	636,654	633,448	+ 1,126	728,600
Loans and discounts	2,426,706	2,471,834	2,509,135	+ 45,128	800,725
Spanish 4% stock	344,475	344,475	344,475	..	344,475
Treasury bills	150,000	150,000	150,000	..	150,000
LIABILITIES.					
Circulation	4,178,370	4,134,536	4,166,125	+ 43,834	1,901,550
Deposits	1,163,177	1,124,005	1,098,376	+ 39,172	477,500

NATIONAL BANK OF GREECE.

	Feb. 28, 1922.	Feb. 13, 1922.	Feb. 28, 1921.	Previous Return.	Last Year.
ASSETS.					
Gold and balance abroad	1,389,409,455	1,373,611,719	1,441,045,362	+ 15,797,736	51,635,907
Government loans and securities	2,313,053,489	2,314,194,574	1,262,941,549	+ 1,141,042	+10,051,193
Discounts and loans	759,533,784	768,814,911	782,427,343	+ 9,281,167	22,935,559
LIABILITIES.					
Notes in circulation	2,123,365,480	2,115,932,591	1,523,064,787	+ 7,432,889	+600,300,693
Government deposits	140,437,873	188,802,798	164,147,810	+ 48,364,926	23,709,937
Private sight deposits	1,121,044,331	1,006,337,204	872,995,733	+ 1,147,071,227	+ 248,048,598
Private deposits at fixed dates	971,503,152	965,141,853	698,062,467	+ 6,361,299	+273,450,685

BANK OF JAPAN.

(000's omitted.)

	Mar. 11, 1922.	Mar. 4, 1922.	Feb. 25, 1922.	Feb. 18, 1921.	Mar. 12, 1921.	Position Jan 30, 1914.
ASSETS.						
Gold and silver	1,224,127	1,224,748	1,226,429	1,227,165	1,275,168	221,320
Discounts	87,299	120,994	95,352	62,614	46,999	41,740
Advances	85,437	86,280	83,567	69,049	110,229	70,540
LIABILITIES.						
Notes	1,097,970	1,174,637	1,167,179	1,108,458	1,006,401	362,270
Govt. deposits	1,328,840	1,302,403	1,289,224	1,305,259	1,335,327	87,540
Private deposits	64,687	39,616	43,799	72,056	222,353	11,440

IMPERIAL BANK OF GERMANY.

(000's omitted.)

	Mar. 31, 1922.	Mar. 23, 1922.	Mar. 31, 1921.	Week's Movement.	Position May 30, 1914.
ASSETS.					
Gold	936,887	936,887	1,091,521	..	1,313,340
Silver	19,286	19,286	9,095	+ 294	321,920
Treasury notes	6,272,763	4,741,935	23,836,278	+ 1,530,828	943,460
Bills discounted	148,682,924	133,551,718	66,802,639	+15,131,206	60,780
LIABILITIES.					
Notes in circulation	130,671,352	122,903,538	64,382,183	+ 7,767,814	2,018,860
Deposits	33,358,333	24,145,398	33,077,756	+ 9,212,934	842,940

BANK OF ITALY.

(000's omitted.)

	Mar. 10, 1922.	Feb. 28, 1922.	Feb. 20, 1922.	Mar. 10, 1921.	Move-ment.	Position May 31, 1914.
ASSETS.						
Total cash	1,414,758	1,461,738	1,440,484	1,272,636	+ 46,960	1,231,875
Inland bills	4,364,063	4,416,827	4,432,068	3,197,990	+ 52,764	418,400
Foreign bills	9,482	9,484	9,450	26,137	+ 8	81,300
Advances to the Treasury	6,540,964	6,582,314	6,587,177	7,688,222	+ 41,350	nil
Other advances	3,434,026	3,639,136	3,466,536	2,198,439	+ 905,110	79,175
Securities	533,863	534,401	535,486	217,269	+ 538	205,700
LIABILITIES.						
Notes in circulation	13,976,433	14,119,261	14,031,218	14,564,713	+135,818	1,556,925
Deposits & drafts	1,819,123	1,855,574	2,001,361	1,884,243	+ 36,451	193,975

NETHERLANDS BANK.

(000's omitted.)

	April 3, 1922.	Mar. 27, 1922.	Mar. 20, 1922.	Mar. 13, 1922.	April 6, 1921.	Position May 30, 1914.
ASSETS.						
Gold	605,953	605,953	605,953	605,953	621,034	163,099
Silver	5,567	5,567	5,567	5,567	16,011	8,436
Discounts & advances	3,793,558	3,767,701	3,963,603	413,408	464,466	163,604
LIABILITIES.						
Notes in circulation	1,004,022	961,923	963,735	986,897	1,054,070	218,833
Deposits	40,345	26,126	36,927	26,765	48,605	6,016

NATIONAL BANK OF ROMANIA.

(000's omitted.)

	Mar. 4, 1922.	Feb. 25, 1922.	Feb. 18, 1922.	Feb. 11, 1922.	Mar. 6, 1921.
Assets.					
Gold.....	4,581,590	4,581,590	4,581,590	4,581,590	3,600,222
Silver.....	587	467	408	331	318
Government loan	12,541,323	13,541,444	12,538,148	12,567,313	8,943,623
Other advances	2,722,607	2,694,671	2,679,526	2,746,042	2,927,469
Liabilities.					
Notes in circulation	11,643,798	13,689,397	13,689,969	13,701,633	10,597,922
Deposits.....	6,267,090	6,201,395	6,161,849	6,212,994	5,670,451

NATIONAL BANK OF EGYPT.

(000's omitted.)

Assets.	Feb. 28, 1922.	Jan. 31, 1922.	Nov. 30, 1921.	Feb. 28, 1921.	Position May 31, 1914.
Gold	3,361	3,360	3,362	3,358	1,571
Government securities	38,928	40,352	39,994	39,593	2,084
Liabilities					
Notes in circulation	32,529	33,899	34,722	34,350	2,400
Government deposits	2,881	2,590	2,520	2,556	3,315
Other deposits	12,228	12,516	12,707	12,856	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.

(000's omitted.)

Assets.	Mar. 31, 1922.	Mar. 31, 1922.	Mar. 31, 1921.	Mar. 31, 1921.	Position May 31, 1914.
Gold	42,625	42,625	42,625	42,625	35,091
Balance abroad and foreign bills	156,713	173,464	335,418	16,751	90,379
Financial and Foreign Government securities	778,077	779,078	1,111,555	1,001	21,528
Discounts and loans	731,553	740,151	264,248	8,598	105,151
Liabilities					
Notes in circulation	1,441,226	1,424,867	1,476,026	16,359	123,941
Deposits at notice	51,860	84,453	80,739	32,593	21,225

BANK OF PORTUGAL.

(000's omitted.)

Assets.	Mar. 15, 1922.	Mar. 9, 1922.	Mar. 1, 1922.	Feb. 22, 1922.	Mar. 15, 1921.
Gold and bullion	27,241	27,175	27,181	27,181	27,599
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	2,535	3,612	3,555	3,561	7,450
Discounts	149,576	145,982	141,200	138,074	118,777
Government loans	620,099	620,099	620,099	620,101	588,111
Liabilities					
Notes in circulation	749,522	751,571	747,886	738,329	632,161
Deposits	51,917	45,435	55,729	52,491	58,327

NATIONAL BANK OF BULGARIA.

(000's omitted.)

Assets.	Dec. 22, 1921.	Nov. 14, 1921.
Gold	52,715	53,239
Balance at foreign banks	989,123	1,051,116
Liabilities		
Notes in circulation	3,570,374	3,592,379
State advances	3,691,997	3,576,312

POLISH NATIONAL BANK.

(000's omitted.)

Assets.	Feb. 28, 1922.	Jan. 31, 1922.	Dec. 31, 1921.	Nov. 30, 1921.	Oct. 31, 1921.
Gold	28,300	26,500	24,900	22,500	20,800
Silver	41,200	42,200	42,800	42,200	41,200
Foreign bank	118,200	120,700	94,500	76,700	65,300
Advances to the Govt.	230,600,000	227,350,000	221,000,000	214,000,000	198,500,000
Private loans and discounts	41,882,700	37,728,500	34,624,400	29,491,400	21,551,900
Other assets	45,026,100	38,258,100	27,145,600	25,137,200	19,813,200
Liabilities					
Notes in circulation	247,269,500	239,615,300	229,537,600	207,029,100	182,777,300
Government accounts	36,673,600	30,064,800	23,440,100	34,484,800	30,255,500
Other accounts	27,977,300	2,639,000	19,573,200	19,034,800	14,792,700
Reserve	11,338,000	11,332,900	2,967,700	68,900	68,900
Other liabilities	2,128,600	2,287,100	15,873,600	17,210,700	16,977,300

* Transferred at par of exchange.

THE STATE SAVINGS AND CREDIT BANK OF LATVIA.

Assets.	December 31, 1921.	December 15, 1921.	December 1, 1921.	November 15, 1921.
Total cash	113,677,630	120,445,955	123,118,534	91,198,484
Foreign bank	328,184,387	321,931,646	381,816,720	374,315,168
Discounts and loans	108,265,974	165,161,575	370,873,792	291,498,305
Other assets	213,786,354	300,000,000	74,336,921	168,963,318
Liabilities				
Capital	300,000,000	286,808,113	300,000,000	300,000,000
Deposits	233,317,483	295,116,253	341,892,091	410,948,503
Other liabilities	230,600,462	292,201,036	308,353,578	316,115,773

BANK OF ESTONIA.

(000's omitted.)

Assets.	Feb. 28, 1922.	Jan. 31, 1922.	Dec. 31, 1921.	Nov. 30, 1921.
Total cash	428,950	288,332	240,601	342,493
Discounts and loans	2,308,528	1,818,576	1,567,722	1,397,936
Liabilities				
Capital paid up	250,000	250,000	250,000	250,000
Reserve	10,674	10,674	10,674	11,674
Notes in circulation	700,000	500,000	350,000	350,000
Deposits	1,369,543	1,109,122	1,069,786	1,021,017

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

Assets.	Mar. 31, 1922.	Mar. 21, 1922.	Mar. 15, 1922.	Mar. 31, 1921.	Week's Movement.
Liabilities of the Austro-Hungarian Bank to the Banking Office	10,098,701	10,098,692	10,098,692	9,526,494	+ 572
Discounts and advances	2,899,783	2,925,174	2,960,316	3,653,715	- 25,391
Gold, silver, foreign bills and balance abroad	938,005	906,819	1,014,401	1,475,247	+ 25,186
Other assets	663,748	656,500	497,708	1,475,247	+ 7,348
Liabilities					
State bonds in circulation	10,323,069	9,958,437	10,155,151	10,921,856	+ 364,632
Deposits	1,741,338	2,113,411	1,981,959	1,475,471	- 378,073
Other liabilities	5,427,830	2,407,337	3,432,505	2,852,229	+ 20,493

* Resulting from bank notes, current accounts, Exchequer bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENES.

(000's omitted.)

Assets.	Mar. 22, 1922.	Mar. 15, 1922.	Mar. 8, 1922.	Mar. 22, 1921.	Week's Movement.
Gold	73,635	73,671	73,655	64,337	+ 36
Other coin and notes	17,686	18,030	17,188	21,343	- 344
Foreign credits	305,424	304,843	305,876	349,906	+ 781
Bills	821,556	781,368	787,096	196,640	+ 37,187
Govt. advances	4,418,518	4,418,509	4,418,509	3,383,045	+ 9
Liabilities					
Notes in circulation	4,728,417	4,703,729	4,695,826	3,447,840	+ 24,588
State credits	334,281	334,275	334,274	374,909	+ 6
Deposits	594,663	586,868	567,700	241,518	+ 7,906

LONDON RATES.

	April 7, 1922.	April 8, 1922.	April 10, 1922.	April 11, 1922.	April 12, 1922.	April 13, 1922.	April 14, 1922.
Bank rate (reduced from 5% Feb. 16, 1922)	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Market rates of discount—							
60 days' bankers' drafts	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
3 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
4 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
6 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount (Treasury Bills)—							
3 months'	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

		Bank Bills.			Trade Bills.		
Short Loans.		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1922.		%	%	%	%	%	%
Jan. 27.....	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5 1/2	5 1/2
Feb. 3.....	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5 1/2	5 1/2
10.....	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5 1/2	5 1/2
17.....	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5 1/2	5 1/2
24.....	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5 1/2	5 1/2
Mar. 3.....	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5 1/2	5 1/2
10.....	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5 1/2	5 1/2
17.....	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5 1/2	5 1/2
24.....	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5 1/2	5 1/2
Apr. 7.....	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5 1/2	5 1/2
12.....	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	5 1/2	5 1/2

RATES OF EXCHANGE.

London on	Usance	Par.	April 14, 1922.	April 7, 1922.	April 12, 1922.
Paris	francs to £1	T.T.	25-224	55-00-05	48-13-18
Berlin	marks to £1	T.T.	20-43	247-248	1340-1345
Vienna	krone to £1	T.T.	24-02	1325-1375	32500-33500
Prague	krone to £1	T.T.	24-02	277-283	227-230
Warsaw	zloty to £1	T.T.	20-43	3050-3150	16500-17500
Bukarest	lei to £1	T.T.	25-224	228-233	600-620
Budapest	kr. to £1	T.T.	24-02	315-330	3750-4000
Constantinople	piastres to £1	T.T.	25-224	570-590	600-620
Sofia	levas to £1	T.T.	25-224	315-330	600-620
Belgrade	dinas to £1	T.T.	25-224	135-145	600-620
Amsterdam	florin to £1	T.T.	13-107	11-28-29	355-365nom
Brussels	francs to £1	T.T.	25-224	53-05-10	51-64-05
Christiana	kroner to £1	T.T.	18-159	24-27-32	21-75-82
Copenhagen	kroner to £1	T.T.	18-159	16-33-38	16-85-95
Helsingfors	F. marks to £1	T.T.	18-159	21-57-61	20-77-80
Greece	drachmas to £1	T.T.	25-224	178-182	230-235
Italy	lire to £1	T.T.	25-224	564-57	100-101
Switzerland	francs to £1	T.T.	25-224	88-90	88-90
Madrid	pesetas to £1	T.T.	25-224	28-58-43	28-58-71
Lisbon	pence to £1	T.T.	25-224	28-08-11	28-41-46
Alexandria	piastres to £1	Sight	97	97	97
New York	dollars to £1	Cable	4-88	3-90-91	4-38-9
Manila	dollars to £1	Cable	4-88	4-41-42	4-51-52
Buenos Ayres	pence to £1	T.T.	47-584	45-454	45-8
Rio de Janeiro	pence to £1	T.T.	15	15	15
Montevideo	pence to £1	T.T.	15	15	15
Valparaiso	pence to £1	T.T.	15	15	15
Lima	soles to £1	T.T.	15	15	15
Calcutta	ster. to rupees	T.T.	10 to 15	10 to 15	10 to 15
Bombay	ster. to rupees	T.T.	10 to 15	10 to 15	10 to 15
Madras	ster. to rupees	T.T.	10 to 15	10 to 15	10 to 15
Hong Kong	ster. to dollar	T.T.	25-224	25-224	25-224
Shanghai	ster. to dollar	T.T.	25-224	25-224	25-224
Yokohama	ster. to dollar	T.T.	25-224	25-224	25-224
Manila	ster. to dollar	T.T.	25-224	25-224	25-224
Mexico	pence to £1	T.T.	25-224	25-224	25-224

† Rate for previous day.

(a) Pence to pence

OVERSEAS BANK RATES.

Bank Rate	Bank Rate
Amsterdam	July 1, 1915
Athens	May 15, 1920
Berlin	Dec. 23, 1914
Brussels	May 19, 1921
Bucharest	Sept. 4, 1920
Christiana	Feb. 16, 1922
Copenhagen	Jan. 25, 1922
Helsingfors	Nov. 5, 1921
Lisbon	Nov. 8, 1920
New York	Nov. 3, 1920
Paris	Nov. 2, 1921
Prague	Nov. 4, 1920
Rome	Aug. 16, 1921
Sofia	May 11, 1920
Stockholm	June 24, 1919
Swiss Bank	Mar. 2, 1922
Tokio	Nov. 18, 1918
Vienna	Nov. 29, 1921
Warsaw	Sept. 1921

IRISH BANKS' RATE.

Present Rate.	Date Changed.	Previous Rate.	Date Changed.
Discount	Feb. 16, 1922	6	July 21, 1921
Deposits	Nov. 4, 1921	3	June 25, 1921

RATES OF EXCHANGE ON GERMANY.

		Par Level.	April 14, 1921.	Mar. 30, 1922.	April 6, 1922.	Apr. 11, 1922.
Amsterdam	Florins to 100 marks	59-26	4-62½	0-815	0-855	0-94
London	Francs to 100 marks	143-46	9-27½	1-085	1-066	1-082
Copenhagen			8-86½	1-085	1-525	1-666
Stockholm			6-76	1-17	1-22	1-35
Christiania	Kroner to 100 marks	88-88	9-96	1-740	1-76	1-99

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Date of Payment.	Method of Payment.	Dividend for Whole Year.	Pre-vious Year.
Interim or Final.	Interim or Final.	Interim or Final.	Interim or Final.	Interim or Final.	Interim or Final.
Banks.					
Colonial Bank	8%	May 5	Less tax	17/6p	17/6p
Guarantee Society	6%	May 5	Less tax	11	10
Licenses and General	6%	May 5	Less tax	25	25
National of Great Britain	14/ p.a.	May 5	Less tax	20	20
Provident Accident, &c.	6/ p.a.	May 5	Less tax	20	20
World Marine and General	1/6 p.a.	April 29	Less tax 6/ in £	2/3p	2/3p
Insurance.					
Coregon Gold	3 1/2%	May 1	Less tax 6/ in £	16	16
Rahang Con. Prof.	3 1/2%	May 1	Less tax 6/ in £	16	16
Union Corporation	3 1/2%	May 1	Less tax 6/ in £	16	16
Tea and Rubber.					
Ayer Kuning	15%	May 16	Less tax	10	7 1/2
Changkat Selak, Dtd.	5%	May 12	Less tax	20	10
Consolidated Estates	5%	May 12	Less tax	20	10
Damanara (Selangor)	5%	May 12	Less tax	20	10
Highlands and Lowlands	15%	May 12	Less tax	20	10
Mount Vernon (Ceylon) Tea	15%	May 12	Less tax	20	10
Travancore Tea	15%	May 12	Less tax	20	10
Other Companies.					
Abolition Company	3%	May 1	Less tax	9	8
African Steamship	4%	May 1	Less tax	8	10
Amalgamated Press	30%	May 1	Less tax	7	7
Arday Tobacco	25%	May 1	Less tax	7	7
Ben Evans and Co.	4 1/2%	May 1	Less tax	7	7
Blackburn's Brewery	3%	May 1	Less tax	7	7
Borax Consolidated, Prof.	6%	May 1	Less tax 6/ in £	11 10s	10
British American Land, "A"	10/ p.a.	May 1	Tax free	10	10
British Automobile Traction	6%	April 18	Less tax	10	8
British Canadian Trust	1/ p.a.	May 1	Tax free	10	8
British L. M. Ericsson Mfg.	8%	May 1	Less tax	10	8
Brown, Hopwood, and Gilbert	1/ p.a.	May 1	Tax free	10	8
Bushell, Watkins, and Smith	8%	May 1	Less tax	10	8
Central Spinning	1/ p.a.	May 1	Tax free	10	8
City of Dublin Steam Packet	6%	May 1	Less tax	10	8
City of Santos Improvements	3%	May 1	Less tax	10	8
Direct United States Cable	4/ p.a.	May 1	Less tax	10	8
Eastern Ext., &c., Telegraph	2 1/2%	May 15	Tax free	10	10
Edinburgh Investment, Dtd.	5%	May 1	Less tax	10	10
Forth & Clyde & Sunnyside Iron	10/ p.a.	May 1	Less tax	10	10
Highland Distilleries	7 1/2%	May 1	Tax free	10	10
Hope Brothers	7%	May 1	Less tax	10	10
Indo-European Telegraph	1 1/2%	May 1	Tax free	10	10
J. B. Brooks and Co.	5%	May 1	Less tax	10	10
J. J. Allen	15%	May 1	Less tax	10	10
John Barker and Co.	15%	May 1	Less tax	10	10
John Clegg Spinning	15%	May 1	Less tax	10	10
Joseph Lyons	15%	May 1	Less tax	10	10
Joseph Nathan and Co.	15%	May 1	Less tax	10	10
Lang Brothers	15%	May 1	Less tax	10	10
London & South American Trust	15%	May 1	Less tax	10	10
Mercantile Marine Finance	7%	May 1	Less tax	10	10
Metropolitan House Investment	7%	May 1	Less tax	10	10
Monkswell Waterworks	5%	May 1	Less tax	10	10
New Bulwary Syndicate	5%	May 1	Tax free	10	10
People's Refreshment House	5%	May 1	Tax free	10	10
Rangoon Electric Tramway	Rel.p.s.	May 1	Tax free	10	10
Robinson and Cleaver	5%	May 1	Tax free	10	10
Scottish Malt Distillers	4%	May 1	Tax free	10	10
Schweppe, Limited, Dtd.	20%	May 1	Tax free	10	10
Stagg and Mantle	20%	May 1	Tax free	10	10
Steel Brothers	27 1/2%	May 1	Tax free	10	10
Tebbit Brothers	27 1/2%	May 1	Tax free	10	10

EGYPTIAN DELTA LAND AND INVESTMENT.—No dividend will be recommended for year to Dec. 31st last.

Reports and Notices.

Mr Alexander H. Dewar has been elected chairman of the Greenwich Inlaid Linoleum Company, Limited, in succession to the late Mr W. G. Rayner.

The directors of the Manchester and Liverpool District Banking Company, Limited, have elected Sir Christopher T. Needham as chairman of the board, in place of the late Sir Edward Tootal Broadhurst, Bart.

Mr Robert William Wilson has resigned the secretaryship, after 50 years of service, and was elected to a seat on the board of directors. Mr F. H. James, M.A., has been appointed secretary.

GOVERNMENT STOCKS, &c.

3 PER CENT. DIPLOMATIC DEBT OF VENEZUELA, 1905.—The Council of Foreign Bondholders notify the receipt of a sight draft for £4,390 15s 4d, being the moiety of the fifth fortnightly instalment of the Debt Service, payable to the council in respect of the half-year ending June 30, 1922.

BANKS.

INTERNATIONAL BANKING CORPORATION.—The semi-annual statement of this Corporation, to December 31, 1921, shows that the total assets, taken at exchange \$5 to £, amounted to \$3,164,911. The principal item in the assets is \$3,588,874 (demand loans and advances); bills, remittances, &c., are given as £4,701,303; securities and investments, £1,428,297; time loans and bills discounted, £2,278,283; cash amounts to £2,703,857, and acceptances to £4,922,171. With regard to liabilities, the capital is £1,000,000,

and reserve fund £1,000,000. Reserve for dividends is £120,000, and reserve for taxes, £300,509. Deposits (demand) are £8,050,311, and deposits (time), £5,916,707. Acceptances are £3,015,329, and bills payable, £1,739,620. The undivided profits are £1,084,953.

THE FARMERS' LOAN AND TRUST COMPANY.—Statement of March 10, 1922:—

LIABILITIES.	ASSETS.
Deposits	121,536,810
Accrued interest, &c.	1,995,126
Acceptances	1,474,173
Capital stock	5,000,000
Surplus and undivided profits	14,183,982
	144,190,091
	144,190,091

RAILWAYS.

LIMA RAILWAYS.—The report for 1921 shows that the average rate of exchange at which the remittances of the company have been transmitted for the year, on which basis the accounts are prepared, has been 22.95d, as against 30.74d per sol in the previous year. The general results in Peru have been as follows:—

	Receipts in Peru.	Expenses in Peru.	Net Receipts.
	£ s d	£ s d	£ s d
1920	16,943 8 6	3,658 12 2	13,284 16 4
1921	16,301 4 6	2,346 11 10	13,954 12 8
	-642 4 0	-1,312 0 4	+669 16 4

The balance on net revenue account amounts to the sum of £8,048, from which an interim dividend of 1s 8d per share, amounting to £3,333, has been paid already, leaving a disposable balance of £4,715, from which the directors recommend a final dividend of 2s 4d per share, less income-tax, making a distribution for the year of 4s per share.

ASSURANCE.

LICENSES AND GENERAL INSURANCE.—The report for 1921 states net premiums, after deducting re-insurances, were £303,804, increase of £14,062; interest earned yielded £12,913, increase of £1,543; total income, £316,717. Net claims paid £138,025, being 45.4 per cent. of net premium income, and inclusive of provision for all outstanding, £144,205, or 47.4 per cent. of income. Expenses of management absorbed £86,008, being 28.3 per cent. of income, while commission payments amounted to £41,901, or 13.8 per cent. of income, giving combined ratio of 42.1 per cent., against actual ratio of 45.99 per cent. After providing for unexpired risks at 45 per cent., an additional £20,504 reserve for marine (making 79.3 per cent.), £11,069 to depreciation of investments, and £958 to superannuation fund, balance of profit was £24,521. Directors propose dividend of 6 per cent., making 11 per cent., free of tax, for year, carrying forward £17,233. Reserves total £290,016, or 95.4 per cent. of the premium income.

NATIONAL GUARANTEE AND SURETYSHIP.—The premium income for 1921 was £40,368, an increase of £1,116. The total profit for the year, including £4,969 from interest, was £7,272. The directors recommend a dividend at the rate of 10 per cent. per annum, less tax, absorbing £3,500, and leaving £6,585 to be carried forward to the credit of profit and loss.

SCOTTISH PROVIDENT INSTITUTION.—The report for 1921 states that new assurance proposals were received for amounts aggregating £3,125,266 15s, in respect of which 3,389 policies were issued for £2,735,234 15s—whereof £465,000 was reassured with other offices. The net new business completed was thus £2,270,234 15s. The new premiums were £116,483 15s 10d, or after deducting the premiums on sums reassured £92,247 5s 9d, whereof £10,460 10s 7d represented single payments, and £81,786 15s 2d annual premiums. Fifty-nine annuity contracts were granted for £3,196 14s 8d, in respect of which the sum of £23,758 0s 10d was received in single payments, and £330 9s 9d in annual premiums. On the other hand, 133 annuities for £6,589 4s have ceased to be payable by the institution owing to the deaths of the annuitants. The total premium income of the year, minus on re-assurances, was £978,347 11s 10d, while the total receipts, including net interest, were £1,658,947 3s 4d. Endowment assurances for £125,550 13s were paid at maturity. The aggregate amount of the funds amounted at December 31, 1921, to £17,100,919 18s 10d, showing an increase during the year of £419,807 2s 5d. The rate of interest realised was £5 5s 8d per cent., subject to deduction of income-tax.

UNIVERSAL AUTOMOBILE.—The report for last year shows in the general account net premiums of £31,377, claims of £15,644, and an increase in the reserve for unexpired risks from £7,032 to £10,426. In the profit and loss account interest yielded £1,130, the total profits on trading accounts, less tax, £2,038, and the dividends paid amounted to £907. The directors recommend a dividend for 1921 of 10 per cent.

and a bonus of 5 per cent.—the same as for 1920—carrying forward £13,837, as against £12,483 brought forward.

WESLEYAN AND GENERAL.—The total number of policies issued last year in the ordinary and industrial departments was 178,199, assuring £3,255,533. The premium income amounted to £1,450,237, and the gross interest revenue was £198,412, making a total income of £1,648,649, an increase for the year of £100,348. The assurance funds amounted to £4,370,861, showing an increase of £439,786. The general and investments reserves together amounted to £50,000. The valuation disclosed a surplus in each department, the total surplus amounting to £59,576, including £19,798 brought forward from 1920. Of this sum £38,784 is to be divided among the holders of with-profit policies in the ordinary department in the form of a reversionary bonus at the rate of £1 4s for each £100 assured, upon condition that such bonus will become an effective addition to the sum assured as soon as the policy has been two years in force. The balance of the surplus, £20,792, was carried forward.

MISCELLANEOUS.

CANADIAN GENERAL ELECTRIC COMPANY.—The report for the year 1921 has just been published. The statement of profit and loss shows that a profit of \$1,707,339 was earned, and that after deducting \$599,416 for interest paid on borrowed capital, and \$401,830 for depreciation, there remains a net profit of \$706,092. This, added to the undivided profits of \$778,672 carried over from last year, makes \$1,484,764 to the credit of profit and loss account. From this amount \$927,038 has been paid in dividends at the rate of 8 per cent. per annum on the common stock, and 7 per cent. per annum on the preferred stock, leaving a balance of \$557,726, carried to the credit of this account. The company had to draw on undivided profits to the extent of \$220,946 to provide for the above dividends.

MERCANTILE MARINE FINANCE CORPORATION.—The report for year ended February 28, 1922, states that the operations of the corporation for the period under review show a gross profit of £65,301 as compared with £51,611 for the previous year. After providing for all expenses, including directors' fees, corporation profits tax, and income-tax on all profits earned since the inception of the corporation to date, the net profits, with the amount brought in, amount to £98,068. The directors propose to write off the whole of the preliminary expenses, including brokerage and underwriting expenses, amounting to £62,024, leaving a balance available for appropriation of £36,043. The directors recommend the payment of a dividend of 6 per cent., absorbing £30,000, and that the balance of £6,043 be carried forward. The report states that the directors have continued the conservative policy adopted since the formation of the corporation, and notwithstanding further depreciation in the shipping industry during the past year, they are of opinion that all advances are fully protected.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Wednesday Evening.

Spring seeding and growth of winter cereals have been retarded by adverse weather conditions of late, but prospects are now more settled, which will enable farmers to proceed with wheat sowings, as drilling operations are somewhat backward, the area laid down under the all-favoured cereal, so far, being of small extent. A fairly steady tone prevailed at market, and buyers were more in evidence owing to the approaching holidays, though opening prices in some instances were not maintained, especially for breadstuffs. Native wheat continues in fair supply, and suitable milling qualities ruled at 52s to 55s, with inferior down to 48s per 504 lbs, free on rail. Of imported, No. 1 Northern Manitoba quoted 62s 6d, Australian 58s, and Argentine 54s to 56s 6d per 480 lbs, all ex ship to arrive. A better tone was noticeable in the floating and forward cargo section on improved Continental inquiries, and prices generally marked a slight advance. Steamers of Australian about due sold at 53s 6d, ditto on passage further distant 55s net to 55s 6d, a sailer of ditto arrived at Falmouth 56s 6d, and steamer of Rosaf, 63s 10s, May-June, 54s 10s per 480 lbs, all mostly to the Continent. Shipments continue on a fairly liberal scale, while crop news from most exporting countries are of a satisfactory nature. The demand for flour continues quiet, but prices ruled steady, in keeping with the wheat position. Of home-milled, London standard straight run quoted 48s, town households 46s, patents 50s to 51s, all English straight run 45s per sack, delivered in London area. Country straights from all English wheat 41s to 42s, free on rail at London stations. Imported makes remain unaltered, but in some



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Cebu, to Hamburg, April-June, £24 12s 6d. Palm kernels, April-June, Liverpool, £18 5s to £18 10s.

RUBBER.—The market after opening the week very steadily developed a quieter tone. Standard, crepe and sheet, spot, sold, 8½d to 9d, and 8½d; May-June, 9½d to 8½d; July-September, 9½d to 9d; October-December, 9½d to 9d. Fine hard Para, spot, sellers, 10½d; soft fine, 10½d; and ball, 7½d per lb.

MENTHOL.—Spot, 25s; Japanese peppermint oil, 5s 6d; aniseed, 5s 6d; slab camphor, 3s 7d; crude, 3s 3d per lb. Japanese wax, spot, 97s 6d per cwt.

OILS.—Linseed firmer, and a fair business transpired. Spot, net, naked, 38s; April, 37s; May-August, 35s 10½d; September-December, 35s 3d. Rape nominal. Crude, spot, 44s; refined, 49s. Cotton dull. Crude Egyptian, 40s; Bombay, nominal; common edible, 48s. Chinawood: Hankow, spot (barrels), 62s; and shipment, 64s 6d. Coconut quiet. Ceylon, spot, 42s 6d; April-May, 39s 6d; Ceylon, ditto, 41s 6d. Soya steady. Oriental, barrels, ditto, 39s 6d; Ceylon, ditto, 41s 6d. Cod steady. 37s 6d. Japan fish steady. March-April, cases, 21s. Cod steady. English, spot, 30s to 31s. Ground-nuts steadier. English crushed, naked, spot, 45s; deodorised, barrels, 56s. Turpentine firm for spot and near positions, but distant weak. American, spot, 71s 6d; April, 71s 6d; May-June, 67s 6d; July-December, 56s 6d. Rosin steady. American, grade B, 13s; F, 13s; G, 13s; WW, 19s. French, F/G, 13s; WW, 17s; extra pale, nominal. Petroleum quiet. American standard white, 1s 4½d; and water-white, 1s 5d per gallon.

OILSEEDS.—Linseed market firm, with a fair demand. Bold Bombay, afloat, £20 15s. Small Bombay, ditto, £19 15s. Calcutta, afloat, £19 15s; April-May, sold, £19 to £19 2s 6d. Plate, afloat, £19 2s 6d; March-April, £19 2s 6d. Rapeseed steady. Toria, March-April, sold, £16 17s 6d; April-May, £16 15s. Cotton seed dull. Egyptian black, April, £11 5s; and white, £10 15s, paid. Bombay, April-May, £8 15s. Gingly firm. Chinese, March-April, Continent, £24 10s. Castor, Bombay, March-April, £16 15s. Ground nuts quiet. Coromandel, machine-dried, April-May, Hull, £23 to

£23 5s; Continent, £23 to £23 5s; Chinese decorticated, f.a.q., April-May, Continent, £23 5s per ton.

RETAILS.—Tin: The market opened active and stronger last Monday, with business in cash at £153 to £152 10s, and three months' at £153 to £154 15s. A reaction followed on Tuesday, the tendency being somewhat irregular, while these dates settled down at £150 5s and £151 15s respectively. A further decline was established during the middle of the week, dealings being on a large scale. Cash changed hands at £148 10s to £148 15s; early May, £149 5s; and three months' at £150 10s to £149 17s 6d. English ingots, £149 to £149 10s. Copper: Dearer at the week's commencement. Standard cash changed hands at £59 10s, and three months' at £60 5s to £59 15s. On Tuesday values moved in a lower direction. Cash sold at £59 2s 6d to £59, and three months' down to £59 12s 6d. During the middle of the week cash realised £58 15s to £58 10s, early May £58 15s, and three months' chiefly at £59 10s. Electrodes, £64 10s to £66 10s; best selected, £63 to £65; strong sheets, £88. Wire bars, £66 5s to £66 10s. Lead firmer, at £22 12s 6d to £22 5s, as to position. Spelter dearer, £26 10s, both positions. Antimony, English regulus, £29 5s to £33. Aluminium, home delivery, quoted at £120; export, £125 per ton.

METROPOLITAN CATTLE.—APRIL 12.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.

Beasts—Herefords	8 d	8 d	8 d	Sheep—Downs	14 d	14 d	14 d
Shortfords	7	4	8	Ewes	10	10	10
Devons	7	8	8	Crossbred	13	8	15
Norfolks	7	4	8	Scottish	16	0	20
Scottish	nominal			Lamb—Downs	16	0	20
Irish	nominal						

LONDON POTATO MARKETS.—APRIL 12.

Per Cwt.	Per Cwt.	Per Cwt.	Per Cwt.
King Edwards	10	6	11
Evergoods	7	0	7
Blacklands	6	0	9
Scottish	7	0	10

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12th April, 1922.

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Vol. XCIV.

SATURDAY, APRIL 22, 1922.

No. 4,104.

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TABLE OF CONTENTS.

The Money Market	751	Stock Exchange News—	
Leading Articles—		The Stock Markets	770
Finance and Politics at		New Issues	771
Genoa	753	Active Securities	771
Housing Prospects Under		Company Meetings	772
Private Enterprise	754	Government Returns—	
Russian Problems.—IV. ...	755	Public Income & Expendi-	
Overseas Trade in March ...	756	ture	774
Italian Railways	757	Currency Notes Account ...	775
Rail Reports and March		Treasury Bills and Treasury	
Quarter Results	758	Bonds by Public Tender..	775
Work of Commissions at		Bankers' Gazette—	
Genoa	759	Bank of England	775
Notes of the Week—		Clearing Returns	776
War Bond Conversions ...	760	Overseas Bank Returns ..	776
The Engineering Dispute ...	760	Loan and Discount Rates..	777
Allied Controls in Germany	760	Overseas Bank Rates	778
Employment in March	761	Rates of Exchange	778
Cost of Living	761	Indian Treasury Bills	779
Another Brazilian Loan ...	761	Bullion	779
Cunard Results	761	Imports and Exports of Gold	779
Birmingham Small Arms ...	762	Gold and Silver Prices	779
London and Lancashire		Company News—	
Insurance Company	762	Dividend Announcements..	779
The "Old" Equitable and		Analysis of Balance-Sheets ..	780
the London Life	762	Reports and Notices	780
Two Insurance Corporations	763	Railway and Tramway	
British Italian Corporation	763	Traffics	781
Belgian Premium Loan ...	763	Profit and Loss Accounts ..	782
Labour Ministry Estimates	764	Commercial Reports—	
Transvaal Output and the		Corn Trade	782
Strike	764	Overseas Trade Returns ..	783
Overseas Correspondence—		Iron and Coal Trade	784
United States	764	Wool Trade	784
France	765	Cotton Trade	785
Germany	766	Vegetable Oil and Oilseeds	785
Greece	768	Hide and Leather Trades ..	786
Switzerland	768	Overseas Produce Markets ..	786
Books and Publications—		Price Current	787
The Condition of Germany	769		
Farmers and Co-operation	769		
The Works of Turgot	770		
Books Received	770		

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THE MONEY MARKET.

THURSDAY week's reduction in Bank rate has so far had little effect in the money market, but has rather produced the feeling that for the present "there is nothing to go for." General indications point to the likelihood that the market will sooner or later succeed in pulling Bank rate down again; but now that Bank rate is largely a moral weapon in the hands of a strict disciplinarian, the old-fashioned considerations and formulas by which its move-

ments used to be guessed at have lost most of their significance. In the meantime, money has been plentiful at the lower level, the clearing banks' rate for weekly loans being $2\frac{1}{2}$ per cent., while it was easy to borrow more cheaply in other quarters. Discount rates were very nominal at $2\frac{1}{4}$ per cent. for Treasuries and $2\frac{1}{2}$ per cent. for other paper. Yesterday the market was suddenly stiffened by the surprisingly high rate at which the Treasury bills were allotted. After the announcement there were buyers of Treasury bills at $2\frac{1}{10}$ per cent., and bank bills were quoted very nominally at $2\frac{1}{2}$ - $\frac{3}{4}$ per cent.

	Apl. 21, 1922.	Apl. 12, 1922.	Apl. 7, 1922.	Mar. 31, 1922.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	(Apl. 13, '22)
Bank Deposit Rate	2	2	2	2	(Apl. 13, '22)
Discount (Call)	2	2	2	2	(Apl. 13, '22)
Houses (Notice)	2	2	2	2	(Apl. 13, '22)
Market rate (3 mths' bills)	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	3	..

The Bank return showed a minute increase in the stock of gold, a decline of £800,000 in the circulation, and a similar increase in the Reserve. The proportion was appreciably higher at 19 per cent., owing to a substantial reduction in the deposits, due apparently to the repayment of advances by the Treasury, which had diminished the Government securities by over 8 millions. The currency note circulation was increased during the past fortnight by £4,323,000 to £307,300,300, which includes £1,641,600 for notes called in but not yet cancelled. The fiduciary issue is £257,708,800, or £52,279,600 below the maximum.

THE STOCK MARKETS.

The volume of business transacted on the Stock Exchange this week has shown a considerable reduction, and developments at Genoa have checked the upward movement. Gilt-edged stocks are a little better on balance, and War Loan has touched a new high record at 101 $\frac{1}{2}$, but the reduction in Bank rate last week had already been discounted. In the Foreign market, the recently issued French railway bonds have been dull, but Mexicans have attracted some attention. Interest in Home Rails has slackened, but some of the preferred stocks are higher. Rubber shares have eased on a decline in the price of the raw material, but oil shares have been active. Industrials have shown some strength, but the mining markets are heavy.

COMMODITY MARKETS.

The cotton trade was slow in recovering from the disturbing effect of the Easter holiday; business, however, has been moderately fair in grey shirtings and the lighter fabrics. In the wool trade, dealings have been few, on account of the holiday atmosphere, but prices finished firm, with a tendency to advance all round. Cleveland No. 3 is quoted at 90s per ton and East Coast hematite mixed numbers 66s in the iron market, but orders have been on a small scale. In the coal trade, best Admiralty is quoted at 28s 6d per ton, and orders have been booked up to the middle of May. Better prices were realised for wheat, but markets were inclined to quietness at the close. Sharp upward movements are recorded for linseed oil. Prices were lower for all classes of hides and skins at the Bermondsey auctions, while in the boot and shoe trade there is nothing of interest to report. Further details from our special trade correspondents will be found on later pages.

FOREIGN EXCHANGES.

Uncertainty as to the results of Genoa would seem to have been the main factor in restraining activity on the foreign exchange market, which has had an, if anything, quieter week than has been usual lately. The dollar, on the whole, has been firm, and moved up from 4.41 $\frac{1}{2}$ on

Saturday last to about 4.42 in the middle of the week, but has weakened very slightly again yesterday morning to 4.41 $\frac{1}{2}$. On the whole, however, there is a general feeling that for some time yet the tendency will be upwards. The forward rate for one month remains on a parity with spot; for two months it is $\frac{1}{4}$ cent over spot. Paris also has moved little, with a slight tendency towards appreciation, the alarms of Genoa having had little direct effect on the rate, which yesterday stood at 47.50, as compared with 47.55 on Saturday last, Brussels showing similar movements to 51.57 $\frac{1}{2}$. Forward francs in Paris remain on a parity with spot; in Brussels they are 6 centimes per month below the spot quotation. Italy, after improving, moved up again rather sharply on Thursday, for reasons not yet explained, and yesterday stood at 81 $\frac{1}{2}$, as compared with 81 $\frac{1}{2}$ on Saturday last. The mark has been more sensitive than other currencies, as was to be expected in view of the developments in Genoa and the outstanding Reparation difficulty. Even here, however, movements have been surprisingly small, and at 1.245 yesterday the rate was considerably better than the 1.275 of last Saturday. Forward marks remain on a parity with spot. Among neutral currencies, Amsterdam has moved very slightly against us, forward florins being $1\frac{1}{2}$ cents. per month over spot, Madrid and Switzerland slightly in our favour. Of the Northern currencies, Christiania has again appreciated slightly, while Copenhagen and Stockholm are on balance practically unmoved. Helsingfors, although at 237 $\frac{1}{2}$ better than the sudden leap to 243 $\frac{1}{2}$ on the 13th, shows an upward tendency. In Central Europe, Vienna is steady at 33,000 and Warsaw at 17,000. Prague shows at 222 $\frac{1}{2}$ a slight reaction from the recovery following the recent issue in London, while Belgrade, for the first time for some time past, is a little better at 335. Bucharest and Sofia are unchanged, Constantinople a little higher. In the East, the rupee is unchanged at 1s 3 $\frac{1}{2}$ d, the yen at 2s 1 $\frac{1}{2}$ d. Owing to disturbed conditions in China and the beginnings of a run on some of the native banks, there was a sharp demand for silver in the early part of the week, bringing up the rate on the 19th to 35 $\frac{1}{2}$ d, a higher figure than at any time since the end of last year. The demand, however, quickly brought out supplies, and the price reacted again. Hongkong, after being up to 2s 7d, fell again yesterday to 2s 6d, the same as a week ago, while Shanghai, after reaching 3s 6d, is back at 3s 4 $\frac{1}{2}$ d. In South America, Valparaiso is a little higher at 39.90, and Rio slightly lower at 7 $\frac{1}{2}$. Monte Video shows little change at 42 $\frac{1}{2}$, Buenos Ayres slightly lower at 43 $\frac{1}{2}$.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended April 15, 1922:—

REVENUE.	Min. £	EXPENDITURE.	Min. £
From Revenue	15,069	Supply Services	4,100
		Interest on Debt	2,135
		Sundries	183
		Reduction of Debt	951
		Added to Exchequer balances ..	140
	15,069		15,069

The revenue of £15,068,947 for the week ended April 15th compares with £21,704,710 in the corresponding period last year. The week's expenditure at £6,417,766 compares with £13,253,011 in the same week last year. Property and Income-tax yielded £8,167,735, against £9,635,000 in the corresponding week last year. Customs produced £1,427,000, against £2,092,000 last year, while Excise, at £1,372,000, compares with £3,336,000. Estate, &c., duties yielded £1,270,000, against £884,000. The yield from Special Receipts under Miscellaneous was only £350,000, as compared with £3,000,000 in the corresponding period.

The week's operations reduced the National Debt by the sum of £8,511,352, and caused the following changes:—

	Min. £		Min. £
National Savings Certificates ..	+ 1,260	Bank of England Advances ..	- 2,900
Treasury Bonds by tender	+ 15,113	Treasury Bills	- 25,410
Public Department Advances ..	+ 4,150	Surrenders of Bonds, &c.	- 348
Sundries	+ 115	Unemployment Insurance	- 480
	+ 30,638		- 29,138

The net sales of National Savings Certificates were £1,250,000. The floating debt was reduced by £24,085,000 to £986,200,000.

FINANCIAL YEAR, 1922-23 (April 1 to April 15, 1922).

Total spent	£ 45,385,376	Raised by revenue ..	£ 46,305,652
Dec. in balances	7,979,738	Net repayments	8,900,014
Total	37,405,638	Total	37,405,638

FINANCIAL YEAR, 1921-22.

Total spent	£ 1,079,186,627	Raised by revenue ..	£ 1,124,879,873
Inc. in balances	8,099,024	Net repayments	37,594,222
Total	1,087,285,651	Total	1,087,285,651

REVISED ESTIMATES for YEAR 1921-22.

Ordinary Expenditure ..	£ 1,080,418,000	Ordinary Receipts ..	£ 1,058,150,000
Special Expenditure ..	65,705,000	Special Receipts ..	158,500,000
	1,146,123,000	Total	1,216,650,000
		Surplus	79,527,000

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1916.	Mar. 31, 1918.	Dec. 31, 1918.	Mar. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.	April 15, 1922.
Funded Debt	588	318	318	315	315	315	315	315	315
Term. Annuities	30	82	83	80	80	80	80	80	80
4% War Stock	..	63	63	63	63	63	63	63	63
4% War Stock	..	18	14	13	13	13	13	13	13
4 & 5% War Stock ..	..	2,091	2,068	2,047	2,040	1,996	1,966	1,943	1,942
National War Bonds ..	..	649	1,636	1,509	1,476	1,413	1,201	1,201	1,201
4% Funding Loan ..	..	..	..	409	409	405	405	405	405
4% Victory Bonds ..	..	..	..	..	..	..	..	..	..
3% Conversion Ln. ..	..	..	..	..	..	..	..	..	..
5-15 year Treas. Bonds	..	..	..	..	..	23	265	265	265
5% Treasury Bonds ..	..	..	..	..	..	..	273	380	380
5% Treasury Bonds ..	..	..	..	..	..	..	..	40	40
Do by tender	..	..	..	..	..	..	..	8	42
Treasury Bills	15	961	957	1,107	1,107	1,121	1,060	882	800
Exchequer Bonds	20	392	394	323	319	389	218	194	176
Natnl Savings Certs. ..	..	138	297	267	274	285	294	324	344
War Expend. Certs. ..	..	..	..	..	..	..	..	..	..
Other Debt	..	944	1,341	1,306	1,181	1,132	1,097	1,090	1,090
American Loan	..	51	51	51	51	..	..	..	..
Temporary Advances ..	1	204	455	843	805	154	200	147	186
Other Capital Liabilities	654	5,879	7,435	8,033	7,829	7,574	7,748	7,658	7,650
Total Liabilities	711	5,921	7,481	8,029	7,876	7,623	7,799	7,708	7,700

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.

	Out- April 15, '21.	Mar. 31, '22.	April 15, '22.	Week ended April 15, '22.
Temporary Advances ..	1,288,169,000	1,029,520,500	986,200,500	- 24,885,000
standing—				
Advances by Bank of England ..	5,500,000	..	..	..
Advances by Public Deptms ..	179,339,000	147,301,500	180,301,500	+ 2,500,000
Treasury Bills outstanding ..	1,103,330,000	882,219,000	799,899,000	- 25,735,000
Total Floating Debt	1,288,169,000	1,029,520,500	986,200,500	- 24,885,000

FINANCE AND POLITICS AT GENOA.

EXCEPT in one important particular the Treaty of Rapallo, signed on Easter Sunday by the Bolsheviks and Germans, leaves the economic situation of Europe very much as it was. The possibility that either party would meet its obligations to the other within any reasonable period of years was negligible, and in this respect the Treaty merely wipes out a pretence. The undertaking by Russia to give Germany most-favoured-nation treatment in any concessions that may subsequently be granted for the exploitation of that country also confirms a situation which has long been seen to be inevitable. Even the Federation of British Industries, which included among its members firms who have hopes of extending their business in Russia, accept the fact that if Germany is to resume a permanent place in the world's economic life it will be less disagreeable for British industry as a whole if she turns her attention eastward rather than to overseas markets. In forgoing claims to the restoration of private property seized by the Bolsheviks the Germans have, however, created an awkward precedent for other negotiating countries. The one substantial concession which would do more than anything else to restore confidence and stimulate enterprise in Russia is some tangible compensation for the sequestration of factories and property of all

kinds owned by foreign capitalists. A pre-war Germany could no doubt have afforded to start in this way with a clean slate, relying on economic and military pressure to secure that the new undertakings of her neighbour were honoured; but this pressure cannot be so readily applied by the Germany of to-day, and we may hazard a guess that German capitalists are relying on other countries to pull these particular chestnuts out of the fire, since the Treaty provides that private property rights of Germans shall be admitted if they are recognised by the Bolsheviks in the case of any other Power.

But though economically the Treaty does not change the situation very much, and indeed is in accordance with expectation, the time and method of its signature have had deplorable political results. In this respect the Germans are seriously to blame. There is plausibility in the French argument that in surrendering any claims they may have in Russia the Germans are disposing of property which might go to reparation, and are therefore committing a formal breach of the Treaty of Versailles. A much more serious charge is that the Treaty is a breach not only in the letter, but still more in the spirit of the Cannes resolutions, and a disregard of the implication that, by inviting the Germans to Genoa, the Powers desired to deal with the European situation jointly and not individually. We believe Germany's action to have been a blunder rather than a deliberate attempt to create difficulties for the Allies or for the Conference. But Germany at Genoa should have been at particular pains, even under provocation, to observe the conditions on which the Conference was called, and the incident will, we fear, diminish the prestige both in Germany and abroad of Herr Rathenau, to whom we had looked for a wise direction of German foreign policy. But the blame for the incident cannot entirely be laid at the door of the German delegation.

Before the Conference was a week old, Mr Lloyd George's incorrigible propensity for cabals and private meetings had smashed the solidarity of the Conference. When we pointed out a week or two ago the danger of a Conference without a constitution, we did not expect that the lesson would be so quickly driven home. The immediate cause of the signing of the Treaty seems undoubtedly to have been the exclusion of Germany from some of these private meetings where the Russian question was discussed, and the suspicion that the Allies were about to make a separate arrangement. When the Treaty was announced, the pretence of consulting the neutrals was thrown overboard incontinently, and the Allies, assuming to themselves authority to speak for the whole Conference, presented Germany with an ultimatum either to withdraw from the Treaty or to be left in disgrace outside the door when the political Commission is meeting. But a formal disavowal of the Treaty would, of course, be useless, for the French Press has at once realised that an act of this kind cannot be undone. Nor do we think Germany is likely to withdraw on demand. On the other hand, the reprimand involved in exclusion from Commission I. is reasonable,

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but should, of course, be administered by the Conference as a whole. At the moment of writing, the German reply has not yet been received, but it is quite evident that, however the matter may be patched up, the Conference has resolved itself into two antipathetic groups of victors *versus* vanquished, with an audience of disgruntled neutrals sore at having been ignored.

The technical discussions on currency and finance, which are more fully dealt with by our correspondent in another column, have followed the lines anticipated, and have proceeded so far that Sir R. Horne is arranging to leave Genoa this week with his work completed. The doctrines of the Brussels Financial Conference are, of course, strongly reaffirmed, but whereas the Brussels Conference spent a "certain amount of" time discussing the possibility of barter, finishing credits, and other emergency suggestions for dealing with the abnormal state of Europe, and regarded the question of stabilising currency as premature, the main consideration of the experts at Genoa has been the possibility of drawing up conditions which may make possible the restoration of a gold standard at an early date. In this connection an elaborate document issued by the League of Nations yesterday, containing all available currency statistics for the last two years and the first number of the *Manchester Guardian Reconstruction Supplement*, which is mainly a commentary by a number of highly competent writers upon the recent exchange situation, both point to the conclusion that, with the exception of certain countries where the value of money is still completely beyond control, prices and exchanges in Europe are to-day moving within comparatively restricted limits. In these circumstances, the Genoa experts are unanimously opposed to the attempt to restore by artificial means the old price-level, but look to a restoration of the gold standard by devaluing the currencies of Europe. We gave details last week of the scheme which Mr Keynes has recently propounded in this connection, but we think it will be found that the experts of Genoa have not gone so far as to lay down the conditions on which devaluation might take place, or suggested a new gold value for the currencies of various countries. They have, however, faced the gold problem, upon what Professor Cassel has hitherto laid so much stress, and are proposing an International Convention which will place the gold reserves of Europe to some extent under international control. This suggestion, which contains greater possibilities than any other which has emanated from Genoa, and was foreshadowed in the report of the experts who met at London, has led to the suggestion of a conference of central issuing banks, to which the United States Federal Reserve Board will be invited. This meeting is to be called as soon as possible on the invitation of the Bank of England. The details of the scheme in final form are not yet available, but it appears to be contemplated that only certain countries are to become free gold markets, and that the other parties to the Convention should, in effect, restore the gold standard on whatever new ratio is decided upon by means of approved assets deposited in these gold centres. The Committee of Experts, which includes no less than four members of the Finance Committee of the League of Nations, recognises, however, the necessity of first dealing with international indebtedness. An event which holds out some hope of making progress in this direction is the appointment by the Reparation Commission of an International Committee to advise as to the possibility of raising a Reparation Loan on German security in foreign countries. The Commission is to consist of M. Delacroix (Belgium), Signor d'Amelio (Italy), Mr Morgan (U.S.A.), Sir Robert Kindersley (England), M. Vissering (Holland), and Herr Bergmann (Germany). The present idea seems to be that there should be a loan to be guaranteed by the German Customs revenue, but it is difficult to believe that a body of this kind, including a leading banker of the United States and a neutral representative, as well as a representative of Germany herself, can advise on such a question without reconsidering the capacity of Germany to pay Reparations as a whole. Indeed, it may be hoped that the appointment of this Commission, which may see its way to offer France something in the way of ready money, may suggest a solution of the deadlock into which the Reparation question is

HOUSING PROSPECTS UNDER PRIVATE ENTERPRISE.

(FROM A CORRESPONDENT.)

Two years or even a year ago few prospects seemed more remote than that of seeing houses built once more on a substantial scale by unsubsidised private enterprise. It was never easy to determine the precise width of the gulf which yawned between an economic rent for the new houses which were being built and the actual rents at which they were being let. But it had become fairly common for calculators, with a taste for round numbers, to figure it out as follows:—A capital cost approaching £1,000, equivalent to a weekly cost to defray interest and maintenance of, say, 30s per house, the contribution from actual rents about 10s, leaving a deficit to be made good by the State subsidy of £1 per week, or (what was not less serious) two-thirds of the total cost. And this, if perhaps it exaggerates the average deficit, was a fair enough picture of the conditions in many districts, and was near enough to the truth to indicate the order of magnitude of the problem as a whole.

The last year has witnessed a remarkable change. The costs of building have fallen heavily. Sir H. Kingsley Wood has conveniently come forward to supply the calculator's taste for round numbers with a new figure of £400 as the present capital cost. This, of course, is an underestimate of average costs to-day, just as the £1,000 may have been an overestimate two years ago. But it is as natural now to speculate on the basis of the former figure as it was formerly to envisage dolefully the latter. For if the £400 house is still only an exception, it may easily very soon become the rule. Sir H. Kingsley Wood has given more detailed figures in a recent letter to the *Times*: "In December, 1920, tenders were being approved for non-parlour houses with three bedrooms at an average price of £841; in June, 1921, at £693; and in December, 1921, at £514." This is an extraordinary rate of fall; and it certainly did not cease with 1921. There have recently been substantial cuts in wages, and it is unlikely that bottom point has yet been reached. When, further, we take into account the marked decline in the rate of interest, it seems as though that enormous gulf of two-thirds between rent and cost was already within measurable distance of being spanned.

This gratifying result is evidently due largely to the curtailment of the housing programme under the new régime at the Ministry of Health. At the same time, however, the need for new houses seems to have become less urgent. In fixing the rents of their new houses, the authorities have already seriously to consider, not merely how much it is *fair* to impose upon a helpless tenant, but how much a hesitating tenant will be prepared to pay. The possibility, indeed, no longer appears fantastic that, before the restricted housing programme is completed, some of the new houses may be left, for a time at least, upon the hands of the authorities. The moral seems inevitable, and it is very widely drawn, that our grandiose housing schemes were a gigantic folly, and that the time is near when we may put the Rent Restriction Acts upon the scrap-heap, and return without uneasiness to our pre-war policy of private enterprise. This, however, is a conclusion which it would be rash to accept without a more critical examination.

In the first place, it must not be overlooked that the changes of the past year have largely sprung from conditions of severe and general trade depression. How much of the decline in building costs is attributable to this cause, and how much to the substitution of the economical Sir Alfred Mond for the idealistic Dr Addison, it is impossible to estimate. Nor is there any object in trying to do so. But industry will not always remain depressed; and the effects of a revived industrial demand for labour and materials must be taken into account in forecasting the future costs of building. To the trade depression must be attributed the useful fall in the rate of interest. The trade depression, again, has been mainly responsible for the apparent diminution of the housing shortage. "The effective demand to-day," writes Sir H. Kingsley Wood, "is not so high as the estimates of two years ago, when they were undoubtedly exaggerated by special circumstances, and represented maximum figures." But the circumstances of to-day may prove to

be as "special" as those of two years ago. The danger is still as great of attaching undue weight to momentary and perhaps ephemeral tendencies. We may get a better-balanced view if we turn to considerations of a more general and fundamental character.

When normal conditions are restored it seems reasonable to assume that building costs will bear, roughly, the same relation to prices in general as they did before the war. It is true that there has recently been much speculation as to the possibilities of more economical methods of construction; and many lines of development have been indicated, such as the erection of houses upon engineering principles, which may one day come within the sphere of actuality. But for practical purposes no expectations of substantial economy can as yet be based upon such projects. The future of the general price-level is uncertain; but, for various reasons, it is unlikely to settle (certainly no one with a concern for our national finances would wish to see it settle) at less than 80 per cent. above 1914. The rate of interest, moreover, seems likely to rule higher for many years than it did before the war. If, accordingly, we are in future to rely for our new houses upon unsubsidised private enterprise, we must face the prospect of rents at least 80 per cent. above their pre-war level. This must apply not merely to the rents of the new houses, but eventually to those of pre-war houses as well; and, inasmuch as the increases of rent permitted so far under the Rent Restriction Acts amount to only 40 per cent., this points to a further increase of rents of a far more substantial order than is generally contemplated at the moment. It does not follow that such an increase, occurring gradually, and accompanied by some recovery of purchasing power, would necessarily be undesirable. Houseowners have so far been unfairly prejudiced by the restrictions of the Rent Restriction Acts. There is no ethical reason why their money incomes should not have increased, like those of other people, with the price-level; and, as houses have not been sold since the war on a considerable scale, except to actual occupiers, it is improbable that many people would receive an unjustifiable bounty. The tenants, of course, would not like an increase in rents; but what real grievance would they have, it may be asked, if the increase is only proportionate to the decline in the value of money?

Here, however, a most important factor must be taken into account. The social importance of good housing conditions, and the argument which this affords for a policy of State subsidy, have been so much stressed that we have almost come to forget that the building industry has for long been subject to a very heavy tax, in the shape of local rates. Rates of 10s in the £, raised for "non-beneficial" purposes, are equivalent to a 50 per cent. *ad valorem* tax upon buildings of all kinds, and have precisely as much effect in checking building as would a 50 per cent. increase in the costs of labour and materials. In modern times there has been a great increase, not merely in the level of local rates, but in the proportion of them which is "onerous." Since 1914 the apparent increase in "onerous" rates has been particularly heavy. The real increase, indeed, has not been so great as the figures indicate; since the assessments of houses have not been increased as yet by very much, and a readjustment of assessments to correspond to the increased costs of building will permit a substantial reduction of the rate in the £. But, even so, rates are likely to remain above their pre-war level; and a prevailing upward trend seems likely to continue. An increase of rents by 80 per cent. will thus mean a more than proportionate increase in that combination of rent and rates which represents the real price which the tenant must pay for house room. Or, where rates are paid by the owner, the rents, if the foregoing analysis is correct, are likely to increase in greater degree than the general price-level.

It is a mistake to suppose that under pre-war conditions the supply of house-room was regulated by a really free play of economic forces. For years these forces have been impeded by our rating system in a manner which must have seriously affected both the number and the quality of the houses built. It is true that real property is selected as the basis of assessment, not for the express purpose of checking housing, but because of fiscal exigencies, which are still as cogent as they ever were; but

the discouragement to housing has been none the less on that account. It is not easy to devise a better rating system. The present state of things, under which a heavy local tax on houses is balanced by a large State subsidy, is confused, wasteful, and unsatisfactory. But it is pertinent to realise that a return to our pre-war arrangements must mean a return, not to natural, but to artificially restricted conditions of supply, and that, with every increase in local rates, this artificial restriction must become more formidable. With the leeway of the war still to be made good, this is not a prospect to be regarded without uneasiness.

RUSSIAN PROBLEMS.—IV.

(FROM A CORRESPONDENT.)

GRANTED that the potentialities of Russia are enormous, the question still remains by what practical means can any substantial improvement be brought about so long as the Soviet régime continues?

On the assumption that the counter-revolutionary forces have failed, and that there is no stable alternative Government to be looked for in the near future, it will be to the interests of Western capitalists to strengthen the hands of the Soviet Government in preserving order and protecting life and property. But beyond this it is sometimes held that the Soviet Government should be required to abdicate all authority in the economic sphere, or to exercise it merely in form, like the Government of China, under the effective control of an International Consortium. We believe that the analogy of China is mistaken, and that the most far-seeing financiers and industrialists in this country and in Germany realise that the effective co-operation of the present rulers in Moscow is essential to the solution of Russia's economic problem. Whether that co-operation can be counted on and trusted remains to be seen, but without it no progress seems possible. This is another reason why full political recognition is an essential preliminary to any programme of economic reconstruction.

Nor can the reconstruction of Russia be left entirely to the individual enterprise of small traders and speculators. Western capitalism must offer a concerted plan of co-operation. The needs of Russia must be considered as a whole, and if the best results are to be obtained there must be an agreed order of priority. The larger the organisation which is handling the problem, the smaller become the risks, and the greater become the chances of achieving a rapid and substantial improvement. This is the real argument for the establishment of an International Corporation to co-ordinate the plan of campaign. This will be specially important when the time comes for issuing fresh loans to Russia and extending long-term credits.

In the meantime, there is scope for individual enterprise on a smaller scale. The Soviet Government has announced its willingness to restore factories to their former owners, including foreigners. One British firm has recently restarted an agricultural machinery factory in South Russia, which was found to be intact, though the workers had been dispersed and the output had fallen to practically nothing during the period of nationalisation. Another British company is at the present moment arranging to establish agricultural machinery factories in one of the most fertile parts of Central Russia; and in order to make sure of being able to convert its revenue without loss into foreign currency, has taken the lease of a large tract of timber forest. Another plan which the Soviet Government is trying to realise is the re-establishment of British timber companies in the Archangel district, with Government participation in the share capital. This system of mixed companies with capital subscribed partly by foreigners and partly by the Soviet Government is one of the most important features of the new economic policy, and has interesting possibilities.

It has been mentioned that one of the plans which has been discussed, and is said to be specially favoured by the French, is to start reconstruction in limited areas in the richest and most accessible portions of Russia. Though politically the plan has dangers for the Soviet Government and is not likely to be accepted in the sense suggested in Paris, economically there is much to be said for treating different regions of Russia separately. Since the

available supplies of credit will be limited, progress will best be made by concentration rather than by dispersion over a wide area. An endeavour would be made, for example, in three large areas round Archangel, Pskoff, and Odessa to restore all the various elements on which their economic life depends, so that progress could proceed on parallel lines. First in order of importance comes transport. In most areas the limiting factor even now is not the shortage of engines but the shortage of fuel; but the two interact on one another. Engines and rolling-stock in large quantities will undoubtedly be required, though the contracts already placed abroad by the Soviet Government will reduce this item. While the railways and waterways are being improved, the terminal points and the great river ports will have to be repaired and developed. Next, the output of fuel must be stimulated; factories must be re-equipped and overhauled; raw materials must be made available for restarting the factories; attention must be given to the machinery of wholesale trade; the workers must be guaranteed sufficient supplies of food and clothing; and the peasants must be supplied through their co-operative societies with the machinery, seeds, and manufactured goods of which they stand most in need.

A programme of this kind depends upon the provision of adequate credit, and even under the most favourable circumstances loans to Russia are not likely to be an attractive investment until confidence has been restored by actual achievements. It is all the more important, therefore, that all the eggs should not be placed in one basket. The granting of credit for one purpose, however desirable, may be useless by itself; whereas if financial assistance is distributed over a number of different purposes in a limited area the general effect will be cumulative, and each application of credit will render previous investments sounder and more profitable.

We have left to the last the most difficult problem of all. So long as there is no currency worthy of the name progress will be blocked at every turn. It will be useless for a foreign company to put a railway into working order, or to start an agricultural machinery factory, or to establish an electric power station, if the revenue is received in the form of worthless paper roubles. This difficulty is not altogether removed by the same company taking a concession for the exploitation of forests, mines, or oilfields; it would probably pay better to take the concession and drop any idea of selling goods or services in Russia for roubles. For the value of the rouble (or, as we should now say, of a million roubles) is depreciating so fast that it would be quite impossible to make any public utility concern pay its way. You cannot alter railway tariffs and electric power charges every day to keep pace with the falling value of the rouble. The most vital of all Russian problems is, therefore, to restore a moderate degree of stability to the currency.

The present position appears to be that the total volume of paper money outstanding is more than 20 million million roubles, and that the rate of exchange is somewhere in the neighbourhood of 5 million roubles to the £. Yet even so, there are constant complaints of a shortage of currency, and the Soviet printing press finds it difficult to keep pace with the demands made upon it even when notes are printed in units of millions. Prices in the open market have been rising during the last three months at the rate of about 100 per cent. per month. Consequently, we may expect that the total volume of money will be nearer 40 billion roubles a month hence, and the rate of exchange 10 million roubles to the £. What is to be done when a currency has reached this stage of disintegration?

The view is sometimes put forward that the only way to establish a satisfactory currency is for the whole of the existing paper money to be repudiated, and an arrangement made with foreign capitalists to introduce a new currency quite independent of the old. This view appears to be mistaken. It is wrong to argue that because so much money has been issued it is therefore worthless. Paradoxical though it sounds, depreciation does not necessarily reduce the total value of the currency; it merely alters the value of the unit. So long as the currency is used at all, the value of the total volume issued remains much the same. If a cabman in Moscow will take a

million-rouble note where before the war he was content with a rouble, a million-rouble note has a definite value. All the evidence seems to show that though the Soviet rouble is worthless, the Soviet million-rouble note is by no means worthless. This is an important fact, which is apt to be overlooked by those who advocate repudiation. The right line of advance, therefore, in Russia, as in other European countries, is not repudiation, but drastic devaluation.

OVERSEAS TRADE IN MARCH.

THE official returns of the overseas trade of the United Kingdom in March reinforce the evidence recently available of an improvement in various branches of trade and industry—an improvement that might by now have become more pronounced had the dispute in the engineering industry been prevented. Exports of British produce and manufactures in March, judged by the value figures, were the highest since March, 1921, a feature that is the more favourable when the almost continuous decline in the general commodity price level over the past 12 months is taken into account. On the other side of the accounts, imports of raw materials were 20 per cent. greater in value than a year ago, when prices were very much higher. It is, of course, dangerous to deduce too much from the import figures of a single month, but these results suggest that manufacturers are purchasing more freely in preparation for a prospective growth in the demand for finished products. A summary of the value figures for the imports, exports, and re-exports of March, and the first quarter of this year and last reads as follows:—

MONTH OF MARCH.				
	1921.	1922.	Ino. or Dec. in March, 1922.	
Imports	£ 93,783,662	£ 87,879,424	£ 5,904,238	— 6.3
British exports	66,808,961	64,580,793	2,228,168	— 3.3
Re-exports	8,888,005	10,153,612	1,265,607	+ 14.3
Total exports	75,696,966	74,734,405	962,561	+ 1.3
Excess of imports over total exports	18,086,696	13,145,019	4,941,677	— 27.3

THREE MONTHS ENDED MARCH 31.				
	1921.	1922.	Increase or Decrease in 1922.	
Imports	£ 307,711,772	£ 233,709,547	£ 74,002,225	— 24.1
British exports	227,786,786	186,062,852	41,723,934	— 18.3
Re-exports	26,847,427	28,786,638	1,939,211	+ 7.2
Total exports	254,634,213	214,849,490	39,784,723	— 15.7
Excess of imports over total exports	53,077,559	18,860,057	34,217,502	— 64.2

The excess of imports in March approximates to the pre-war monthly average, while the import excess for the March quarter is far below the pre-war quarterly average. Both in March and the March quarter exports of bullion and specie exceeded imports, the figures being:—March, imports, £2,541,359; exports, £3,092,568; March quarter, imports, £9,495,464; exports, £11,942,072.

The rise in the quantity of coal exported is one of the most favourable features of recent trade statistics, and the exports of other leading British industries show signs of improvement, as will be seen from the following table:—

	March.			March Quarter.		
	1920.	1921.	1922.	1920.	1921.	1922.
Coal	Millions 2.4	Millions 2.0	Millions 5.2	Millions 8.4	Millions 5.4	Millions 13.2
Iron and steel and manufactures thereof	29	15	29	77	54	77
Machinery	0.26	0.49	0.45	0.78	1.46	1.19
Cotton yarn	10.1	8.8	18.7	38.4	24.6	49.5
Cotton piece goods (sq yds)	397.1	231.9	303.8	1,123.9	726.0	894.9
Woolen tissues (sq yds)	18.0	6.2	9.9	49.6	23.1	26.6
Worsted tissues (sq yds)	6.2	2.8	5.0	17.2	10.4	15.8
Linen piece goods (sq yds)	10.4	2.1	8.1	33.8	6.3	23.1
Soap	19	0.5	1.0	60	15	28

The general tendency shown by these branches of trade is one of substantial improvement over the figures of a year

ago, and in some cases a comparison with two years ago is not unsatisfactory. The improvement thus shown by exports is accompanied, as has been mentioned above, by an increase in the quantities imported of certain important raw materials of British industry. Thus of hard wood we imported in the March quarter 4,615,567 cubic feet, against 3,482,418 cubic feet a year ago; of raw cotton 3,169,042 centals, against 2,917,737; of sheep's and lambs' wool, 3,251,866 centals, against 1,900,005; of raw silk, 224,959 lbs, against 90,436; of cotton seeds, 122,901 tons, against 89,967; of wet hides, 122,987 cwts, against 58,849; of dry and dry-salted hides, 114,086 cwts, against 68,788. There are, however, instances to the contrary, of which the most prominent, perhaps, are iron ore, with imports of 640,995 tons for the quarter, against 1,110,678 in the first quarter of 1921; flax, hemp, and jute, with 57,919 tons, against 79,360; and rubber, with 365,698 centals, against 622,345. In connection with the last-named commodity, it is noteworthy that re-exports of crude rubber in the March quarter were 442,556 centals, against 114,629 a year ago. The evidence of improvement afforded by the raw material figures is decidedly patchy as regards the quarter as a whole, though fairly definite in the aggregate as relating to the past month alone.

Indeed, some statistics published this week by the Board of Trade Journal show that the volume of raw material imports retained in this country in the March quarter was below that recorded in the similar period of 1921. Calculating the trade in each period at the prices of 1913, our contemporary finds that on this basis raw material net imports for the past quarter would be valued at £33,791,000, against £37,020,000 a year ago, £53,180,000 two years ago, and £59,937,000 in the first quarter of 1913. On the other hand, the calculation of exports on the same basis of valuation reveals the important and encouraging fact that exports of British manufactures in the March quarter were 17 per cent. better than a year ago. At 1913 prices, exports of manufactured goods for the first quarter work out at £66,329,000, against £56,608,000 a year ago, £74,048,000 two years ago, and £102,514,000 in the first quarter of 1913. The list of manufactured goods contributory to this increase is varied and important.

The official figures of ships engaged in the foreign trade bear out other evidence that the general activity of trade is increasing. The following are the figures of tonnage engaged in the foreign trade entered or clearing with cargoes from British ports in March and the March quarter:—

Period.	Entered with Cargoes.		Cleared with Cargoes.	
	Tons.		Tons.	
March, 1922	3,237,676	....	4,813,701	....
" 1921	2,866,545	....	2,943,721	....
" 1920	2,955,875	....	3,183,451	....
March quarter, 1922	8,722,746	....	12,622,010	....
" 1921	8,327,755	....	8,176,623	....
" 1920	7,958,340	....	9,522,984	....

Tables showing the value of imports and exports in March and the first three months of 1922 and 1921 under 40 or more heads will be found in the commercial section on later pages of this issue.

ITALIAN RAILWAYS.

At this moment, when railway men from all over the world are meeting in international congress at Rome, a sketch of the present position of Italian railways may have interest for our readers. Italian railways suffer from two inherent disadvantages. The geographical configuration of the country, mountainous in most parts, and with the chain of the Apennines dividing east from west down the whole length of the peninsula, makes railway construction, with innumerable tunnels, bridges, and viaducts, difficult and costly, and makes the working over the unavoidably steep gradients and round the unavoidably sharp curves difficult and costly also. Further, Italy possesses no coal. Not only does its absence deprive the railways of profitable traffic, but the cost of the imported fuel enhances the working expenses. Electrification, now under process of adoption on a large scale, will no doubt decrease working

expenses, but only at the cost of a very heavy addition to the capital account.

The Italian railways suffer also from a further disadvantage, not inherent, but the result of past history. Till 1860 Italy was only a geographical expression. It was not a nation, and so could not have a national railway policy. There were Piedmontese railways in the north-west, Austrian railways in Lombardy and Venetia, Neapolitan railways in the south, and so on. The constitution of the Italian Kingdom in 1860 was followed by the acquisition by the Italian Government of the bulk of the railways of the country, some from the former Governments, some from private companies. The new State had acquired the railways, and had strained its resources to do so. The question was what was to be done with them. A famous Railway Commission sat for three years, produced a monumental report, and recommended that the working of the railways should be entrusted to private management. The recommendation was adopted. Three companies were formed—the Adriatic, operating all the length of the east coast; the Mediterranean, similarly serving the west coast; and a third smaller company for Sicily. It was provided, however, that, either over its own road or by running powers, each of the two mainland companies should reach every important traffic centre. The Mediterranean, for instance, got to Venice; and the Adriatic both to Rome and Florence. The leases, which took effect in 1885, and ran for 60 years, with a break after 20 or 40 years, were very complicated. They guaranteed to the operating companies a minimum net revenue, and made elaborate provision for the disposal of a net surplus which was expected to increase rapidly. Things, however, turned out badly. Net revenue only increased very slowly. Large new expenditure for additions and improvements, and especially for new rolling stock, was urgently necessary. There were endless disputes as to how the money should be provided, and on what terms. The companies, tenants with only a short term to run, would only consent to find it on onerous conditions. The Government grudged investments in a property which they did not control. When the first period of 20 years was drawing to a close, and it had been impossible to find a *modus vivendi*, the rolling-stock was almost falling to pieces, and the railway servants, who asserted, probably truly, that they were overworked and underpaid, were out of hand, and conducting an intense political agitation in favour of State ownership. A new Committee of Inquiry again reported against it. But in spite of the Report, Parliament suddenly determined in April, 1905, to cut the knot which could not be untied, and to nationalise the whole railway system. And this decision, taken on the spur of the moment, was put into effect, without waiting to make provision for the necessary changes in organisation and administration, only two months later.

The whole of the railways of the country, with the exception of lines of purely local interest, which, however, are not without importance, especially in Lombardy, are now managed directly by a Minister in Rome. From the time the railways were taken over till Italy came into the Great War, 10 years elapsed, during which the results of the change had time to show themselves. Undoubtedly the public were better served. The old rolling-stock was largely reconstructed, and the number of engines and trucks was increased by 50 per cent. On the congested routes lines were doubled, and train services were improved and increased. But the financial results were disappointing. Italian railways have never been remunerative, but in the last year of the company régime the Government received on their investment of £200,000,000 a return of almost exactly 1 per cent. In the last year before the war the capital invested had risen to £275,000,000, and the return on it had fallen to 2.5 per cent. Political pressure had increased the number of the staff by 23 per cent., and their wages by 57 per cent., and had also defeated an attempt of the Government to impose an increase in rates adequate to meet the increased expenses. Moreover, the position was steadily worsening. In the first year of nationalisation the net income was 26.6 per cent. of the gross receipts. The percentage fell steadily, and for the three years 1911-13 it averaged only 15.6 per cent. Seeing that during this period the gross receipts had in-

creased by more than 50 per cent., while the length of line open had remained almost stationary, it is difficult to believe that the continuous increase in operating ratio was consistent with efficient and economical operation. The charges brought against the railway administration are the same as are always brought against Government management of commercial affairs. The service is, it is said, swathed in red tape, everything is controlled from Rome, bureaucrats are in the saddle where men with practical and commercial training are required, and so on.

The war was confined to the north-east corner of Italy. But its effect was felt very seriously throughout the peninsula. The foreign trade which was carried by the railways was mainly to and from Germany, and this, of course, came to an abrupt end. Further, rolling-stock, always inadequate, was so heavily drawn upon for military purposes that little was available for the domestic needs of the country, and there was neither time, materials, nor labour to keep in repair such rolling-stock as remained. The German coal supply was cut off. It was not easy to get cargoes of English coal to Genoa, and still more difficult to distribute them from Genoa when they got there. Engines had to use wood or peat, or anything else that would burn somehow. Permanent way repairs and renewals fell badly in arrear. Even since the war the difficulties are not at an end. The exorbitant prices charged for the famine supplies of coal which reached Italy from England in 1919 and 1920 are said to have roused a bitter feeling against us throughout the whole country, and, indeed, the workmen of a factory closed for want of fuel are hardly likely to be in a good temper. The difficulties of getting back the railways and the rolling-stock into a reasonable state of repair are still very great. Needless to say, the working expenses of the Italian railways are to-day much larger than the gross receipts. Italy shares, it is true, this unenviable situation with the whole of the Continent of Europe. Even in Great Britain the working expenses last year were £8,600,000 higher than the gross receipts.

The Government are now embarking on a bold policy of improvement, and especially of wholesale electrification. In one respect the Italian railways seem exceptionally suited for electric traction, for water power is abundant, and everywhere available. On the other hand, most of the Italian lines have but scant traffic. And the accepted opinion among railwaymen both in England and in the United States is that it is only on lines where the traffic is heavy that the reduction in operating cost is sufficient to recoup the additional expenditure of capital involved. It will be many a long day before the Italian railways can expect to be self-supporting. But every Englishman wishes well to Italy, and the English railwaymen who are now enjoying the hospitality of the Italian Government and the great municipalities will doubtless see much on their various excursions to interest and instruct them. And we may trust that when, if ever, passports cease to trouble and high fares and poor service no longer scare away the unprivileged traveller, the railways of Italy will again benefit by the presence of the crowd of visitors who would be only too glad to tour once more in that favoured country.

RAND REPORTS AND MARCH QUARTER RESULTS.

(BY OUR MINING CORRESPONDENT.)

THE annual statements of several important South African mining concerns are now in the hands of the shareholders in this country, and merit attention. First may be taken those of the Modder Deep and Geduld Proprietary companies, subsidiaries of the Union Corporation, whose position we discussed last week. Both show the satisfactory feature of a reduction in the working cost average, although the saving was insufficient fully to counterbalance the decline in the currency price of gold. In the case of the Geduld the economy on the whole year was 6d per ton—not a great amount; but there is the significant point that the average for the second half was 1s 7d below that of the first period. The working profit of £369,600 fell slightly short of the 1920 amount, but no difficulty was experienced in maintaining the dividend at 17½ per cent. On this basis the yield is barely 6 per cent., the shares

being quoted at about 2½; but allowance is made by the market for a further extension of the treatment plant, which is quite incommensurate to the size of the property. It is assumed that this extension will not be long delayed. Ample funds are now available, £303,600 having been brought in by the subscription of shares at £2 under options. During the year the ore reserves were increased, and now stand at 3,545,000 tons. This quantity would supply the present mill for over five years.

In the case of the Modder Deep a saving of 8d per ton in costs was accompanied by a small expansion in revenue due to the crushing of higher-grade ore. Thus the net profit came out £39,000 up at £767,000, and the dividend was raised to 150 per cent. This rate shows the high yield of nearly 17 per cent. on the current market price—45s for the 5s share. It is noteworthy that taxation absorbed £161,300. At 4,375,000 tons the ore reserves are up by more than a quarter of a million tons, the value of 9.3 dwts, although still high, showing a small decrease. The quantity represents nearly seven years' supply for the mill. Unfortunately, the mine, although rich, is somewhat small.

That big fusion, the East Rand Proprietary, whose shares at one time figured amongst the market leaders, last year again treated an increased quantity of ore. But as costs—contrary to the experience of the two companies referred to above—rose 1s 1d to 26s 8d per ton, comparing with 23s 6d no further back than 1919, and the gold premium brought in £100,000 less than before, the working profit amounted to only £78,300—insufficient to cover debenture redemption and other charges. This is a poor result from the crushing of a million and a-half tons of ore. Although a somewhat increased development footage was performed, the tonnage of ore opened up failed fully to replace that extracted; moreover, certain low-grade blocks had to be eliminated as unpayable under existing conditions. Hence the ore reserves estimate has been cut down to 1,946,650 tons—about 15 months' supply for the mill. Developments, except in one section of the property, were of a discouraging character. The company has a large cash reserve set aside for development, and the interesting question in the air is whether it be devoted to that purpose, having regard to the results of recent years.

A neighbouring concern, the New Kleinfontein, cut its costs down by 2s per ton; part of this, however, was due to the suspension of work in one section of the property. A profit of £65,000 was made on the treatment of the company's own ore, and £25,500 was received from the Modder East as rental for the use of the Apex plant. The dividend of 5 per cent. paid absorbed £57,600. Favourable developments are reported in the Benoni section, but the future of the company depends mainly upon the Apex section, where work has for some time past been suspended.

The City Deep, an important Central Rand consolidation, is able to report record results for 1921, this happy circumstance being largely due to the accession to the company's labour force secured through the absorption of the outcrop mine. The working profit of £711,500 compares with £457,700 in 1919, prior to the event just mentioned. Expenditure on capital account absorbed £96,200 and taxes £114,400. After payment of dividends totalling 37½ per cent. the increased balance of £326,300 remained to be carried forward. The absence of any response in the ore reserves to the greatly increased development footage is explained as arising from the large amount of dead work performed. The tonnage of 2,428,300 represents no more than two years' supply, and the grade is again lower at 8.8 dwts. On the basis of last year's dividends the shares yield about 16½ per cent.

As promised, all the leading groups have now cabled the results of operations during the quarter ended March 31st—it will be recalled that no monthly returns were issued owing to the strike. With operations in progress for less than one-third of the period, and expenses under several heads continuing all the time, it was a foregone conclusion that a bad showing would be made. Actually the figures are in some cases worse than looked for. Appended is a tabulation of the working results for the past two quarters. The figures for the March period

represent losses, unless otherwise stated; those for the three months ended December, profits:—

	Quarter Ended March. Loss.	Dec. Profit.		Quarter Ended March. Loss.	Dec. Profit.
Aurora West	13,020	2,180	New Modder	38,700	404,820
Brakpan	50,760	100,540	" Primrose	19,770	10,800
City Deep	33,470	170,180	" Unified	10,860	5,490
Cons. Langlaagte	32,420	41,400	Nourse	40,300	15,220
Cons. Main Reef	41,900	37,620	Randfontein	165,550	30,830
Crown Mines	89,660	163,840	Robinson Deep	46,580	46,710
Durban Deep	39,370	11,750	" Gold	24,200	16,500
East Rand Prop.	141,550	4,800	Rondelet United	15,200	1,640
Ferreira Deep	32,460	15,280	Rose Deep	3,820	23,830
Geduld	20,190	101,110	Simmer and Jack	36,660	15,420
Geldenhuis Deep	55,330	44,280	Springs	57,080	85,000
Govt. Areas	52,910	468,340	Sub Nigel	2,010	20,320
Knight Central	14,960	6,500	Van Ryn	19,290	17,690
Langlaagte Estate	41,740	39,510	" Deep	1,020	234,720
Meyer & Charlton	6,250	72,790	Village Deep	54,000	17,110
Modder B	7,200	200,350	" West Rand	39,840	9,830
" Deep	52,870	219,780	Wit. Deep	35,060	17,720
" East	33,080	13,600	" Gold	25,910	85,580
		Profit			Loss.

A study of these statistics will enable some idea to be formed of the dividend prospects for the current half-year. It will be seen that in only four cases are working surpluses shown for the past quarter, and that in not a few instances the losses substantially exceed the profits earned in the December quarter. Nevertheless, the Stock Exchange is in hopeful humour, talking of a substantial reduction in working costs.

WORK OF COMMISSIONS AT GENOA.

(FROM OUR CORRESPONDENT.)

GENOA, April 17.

THE Conference opened on the 10th, and resolved itself at once into Commissions. Of these there are four. No. 1 deals with the first three clauses of the Cannes agreement, and is in consequence mainly political; Nos. 2, 3, and 4, are concerned with finance, commerce, and transport. On each committee are represented the five inviting Powers, i.e., Italy, Great Britain, France, Belgium, and Japan, plus Germany and Russia. No. 1 Commission has four other members, viz., Sweden, Switzerland, Poland, and Roumania. Commissions 2, 3, and 4 number twelve members each. On each Commission the members, other than the five inviting Powers, Germany and Russia, were balloted for. In the balloting the Dominions voted.

Commission No. 1, on which the heads of delegations sit, may be expected to produce the excitements of the Conference. After a preliminary sitting it has adjourned whilst the Russian delegation considers the proposals of the Allied experts drawn up in London, and published this week as a White Paper.

At the moment there is something near a deadlock. Mr Lloyd George insists on the recognition of pre-war and war debts, together with indemnity for damages done to property under the Bolshevik régime, in all some 2,000 million pounds sterling, before further questions are discussed. The Russians put forward even heavier counter-claims for damages occasioned by Wrangel and Co. Both sides are playing with the fantastic. Whilst the Russians would probably accept arbitration, they require some *quid pro quo*, for any acknowledgment of debt, to put before their people, hence their delegates desire to discuss other matters first and the debts afterwards.

The work of the Finance Commission, under Sir Robert Horne's chairmanship, is divided, following the arrangement of the experts' report, into three sub-committees, to consider currency, credit, and the exchanges. The sub-committee on currency has entrusted to a body of international experts the consideration of the German and Russian amendments to experts' report. This body, presided over by Sir B. Blackett, consists of Messrs Vissering (Holland), Cassel (Sweden), Avenol (France), Havensstein (Germany), Bianchini (Italy), Dubois (Switzerland), Pospischil (Czechoslovakia), Cattier (Belgium), and Brand and Strakosch (South Africa). A Russian claim to be represented was set aside on the ground that experts only were required.

The report of the experts, as issued in the White Paper, does not contain the British Draft Amendments which were circulated on April 11th. These amendments are of importance as strengthening the project of a convention, and they raise the experts' report out of the realm of pious

hopes towards one of definite accomplishment. Thus the amendments lead up to the issue, which eventually must be faced, of the participation of America in any general return to the gold standard. If the assistance of America is essential then the most that can be hoped from the financial side of the Conference is that it may lead speedily to a successor in which the United States will be actively interested. The principal British draft amendment to Art. 36 reads as follows:—(a) It is not essential that the membership of the International Convention contemplated in the preceding resolution need be universal, even in Europe, but the wider it is the greater will be the prospect of success. Nevertheless, if the participating countries and the United States are to use the same monetary standard, no scheme for stabilising the purchasing power of the monetary unit can be fully effective without co-ordination of policy between Europe and the United States, whose co-operation, therefore, shall be invited. (b) It is desirable that the following proposals forming the basis of the international convention contemplated in Article 8, be submitted for the consideration of the meeting of central banks suggested in Article 2.

(1) The Governments of the participating countries declare that the restoration of an effective gold standard is their ultimate object, and they agree to carry out, as rapidly as may be in their power, the following programme:—(a) In order to gain effective control of its own currency, each Government must meet its annual expenditure without resorting to the creation of paper money or bank credits for the purpose. (b) The next step will be, as soon as the economic circumstances permit, to determine and fix the gold value of the monetary unit. This will not necessarily be at the former gold par. (c) The gold value so fixed must then be made effective in a free market. (d) The maintenance of the currency at its gold value must be assured by the provision of an adequate reserve of approved assets, not necessarily gold.

(2) When progress permits, certain of the participating countries will establish a free market in gold, and thus become gold centres. (3) A participating country, in addition to any gold reserves held at home, may maintain in any other participating country reserves of approved assets in the form of bank balances, bills, short-term securities, or other suitable liquid resources. (4) The ordinary practice of a participating country will be to issue additional paper money only against equal additions to its reserves of approved assets at the gold centres, and to offer exchange on other participating countries within a prescribed fraction of parity in exchange for its own paper money on demand. (5) The Convention will thus be based on a gold exchange standard. The condition of continuing membership will be the maintenance of the national currency unit at the prescribed value. Failure in this respect will entail suspension of full membership. (6) Each country will be responsible to the Convention for maintaining the international value of its currency at par, but will be left entirely free to devise and apply the means, whether through regulation of credit by control banks or otherwise. (7) Credit will be regulated not only with a view to maintaining the currencies at par with one another, but also with a view to preventing undue fluctuations in the purchasing power of gold. It is not contemplated, however, that the discretion of the central banks should be fettered by any definite rules framed for this purpose. Dr Hermes (Germany), at the opening discussion of the Experts' Report, entered only one amendment, which proposes to add to Article 6: "In countries with an adverse balance of payment, however, this step will be dependent on the re-establishment of the balance of payment." This is a scarcely veiled allusion to the effect of Reparation payments on the German Budget. M. Rakovsky (Russia) suggested the pooling of gold resources and the reassignment on pre-war proportions.

The Third Commission on Economics and Commerce, with M. Cobret (France) as President, is divided into two sub-committees, the first to consider tariffs, export and import restrictions, and equal treatment for traders, the second to discuss industrial property legislation. The latter body in its first sitting accepted Article 54 of the Experts' Report that "Foreign firms or individuals carrying on any permitted trade, profession, or occupation should be subject to no higher taxation than is borne by

nationals. The taxation of foreign companies should be based on similar principles, and the system of taxation so framed and administered that branches of foreign companies carrying on permitted trades, professions, and occupations in the territory of any country should not bear a greater burden of taxation in that country than the businesses carried on in the country by national companies."

The Commission No. 4, to deal with transports, has as its President Colonel Theunis (Belgium). Sir Francis Dent is the British representative. It also has resolved itself into sub-committees to deal respectively with rail and water transport. The question of the decisions of Porto Rosa has been raised. The forementioned Conference has been generally considered a success, but months go by without the Governments ratifying the decisions to which they are parties. The first step of the Transport Committee as a whole has been to ask each Government whether, and if so when, ratification is to take place.

It would be unfair to expect results from the first week's work of the Conference, and it is perhaps all to the good that there is little definite to report. The tense atmosphere of the opening days inclines the spectator to consider no news as good news. Presupposing the absence of dramatic developments, it will be possible for the Conference to fulfil the best that can be hoped of it. It should be considered a success if the recognition of Russia and a pact of European peace can be agreed upon, if a currency convention capable of being submitted to the United States can be adopted, and if the resolutions of Porto Rosa Conference obtain immediate ratification, and the decisions of that Conference be adopted by an enlarged number of States. The two controversial questions of Reparations and disarmament must if possible be kept out of discussion. If a European pact is accepted and a sane currency policy hammered out, then both Disarmament and Reparations will *ipso facto* have to be dealt with by other conferences in the early and more mature future. Whether these two skeletons can be kept in their cupboards remains to be seen.

Notes of the Week.

War Bond Conversions.—It was announced last night that holders of 5 per cent. National War Bonds maturing on October 1, 1922, and April 1, 1923, are offered conversion either into 4½ per cent. Treasury Bonds, repayable on April 15, 1932, at the rate of £100 4½ per cent. Treasury Bonds, together with £4 in cash, for each £100 nominal of War Bonds, or into 3½ per cent. Conversion Loan at the rate of £134 Conversion Loan for each £100 nominal of War Bonds. Conversions will be effected as on April 1, 1922, the latest date for application for conversion being May 15th next. Interest on the Treasury Bonds will be exempt from Corporation Profits Tax. National War Bonds outstanding which mature on October 1st next amount to £133½ millions, while those due on April 1, 1923, amount to £129 millions. This conversion operation will reduce the charge on the amount converted from 5 per cent. to a rate between 4½ and 4 per cent.

The Engineering Dispute.—Our Labour correspondent writes:—At the back of the minds of the engineers, when they rejected the memorandum on "managerial functions," there was more than a repudiation of the claim of the employers to determine overtime and similar questions without prior consultation with the men. There was the question of security and the future of the skilled tradesmen. Much has been made of the "split" between the Amalgamated Engineering Union and the remaining unions concerned either wholly or in part with the engineering industry. But, apart from the fact that the quarrel in the first instance was between the A.E.U. and the Engineering Employers' Federation, the truth is that the full enforcement of "managerial rights" by the employers means less to most of the other unions, and particularly to the unions of general workers, than it does to the Amalgamated Engineering Union. Indeed, the general workers have everything to gain by the employers exercising their managerial functions to the full; and the fact that but for a modification in the basis of negotia-

tions which seemed to offer to the unions some hope of an agreed settlement, the general workers would have been on the streets, is a tribute to Labour solidarity. The unions understand and appreciate the difficult situation in which the Amalgamated Engineering Union find itself. The A.E.U., notwithstanding its title, is not an organisation covering all workers in the engineering industry. It is an amalgamation of unions of relatively skilled workers, and it is to-day essentially a "craft" union. The development of specialisation had before the war begun to present a serious problem for the skilled men, and during the war well-established trade practices were suspended, and "dilutees" were admitted in large numbers. These "dilutees" were for the most part semi-skilled machine minders, working on specialised operations. And though after the war a Restoration of War Pledges Act was passed, it is obvious that the experience of the war period could not be forgotten. The engineering industry is changing as a result of the introduction of specialised processes and machinery and of methods of mass production, and the skilled workers are confronted by a new set of conditions which appear to endanger their calling. Immediately before the "lock-out" was carried into effect the chairman of the Engineering Employers' Federation in a published statement quoted as an illustration of the exercise of "managerial functions," not over-time, on which question the dispute had originally arisen, but the "right" of the employer to determine what kind of machines should be used and what kind of labour should be used to man them. The engineers were, of course, aware that by elevating the issue as regards overtime to the level of a general principle the Engineering Employers' Federation was raising an issue which included the question of the manning of machines and the future of apprenticeship. No one believes that the Employers' Federation is fighting to retain "managerial functions" unimpaired merely in order that its members may determine when overtime is to be worked. Overtime is a relatively small matter compared with that of machine manning, which affects the whole future of the industry, and it is reasonable to suppose that once the A.E.U. admit the unqualified "right" of the employers "to manage their works in their own way," the extension of semi-skilled labour to processes now confined to skilled workers will be forced. The two questions of machine manning and apprenticeship hang together, as the latter must become obsolete if there is no opportunity of all-round training and juvenile workers are employed on specialised jobs. Overtime, the manning of machines, and apprenticeship are all questions which might be appropriately and successfully dealt with in industrial agreements; and they should be included in the agenda for discussion when negotiations are resumed. The advantage of an inquiry under the Industrial Courts Act, such as has been suggested, is that general formulae such as that relating to "managerial functions" would need to be interpreted by application to workshop practice and problems. The result would be an understanding, probably of an elaborate kind, covering all the real questions on the minds of engineering employers and employees rather than one consisting in declarations of principles.

Allied Controls in Germany.—The *Times* has published a telegram from its Berlin correspondent announcing important changes in the plans of the Allies with regard to Control Commissions in Germany. According to this correspondent, an Allied note was received in Berlin on Monday in which the Council of Ambassadors informs the German Government (1) that the Inter-Allied Air Commission will cease to exist on May 5, and that its place will be taken by a small "Guarantee Committee," which will be charged with seeing that the obligations undertaken by Germany in restriction of the manufacture of aircraft are carried out. (2) That the Allied Powers have decided upon the regulations whereby a military aeroplane is to be distinguished from a civil aeroplane, and the differences are defined in an appendix to the Note. The Committee is to exist only until the beginning of 1925, that being the end of the first period of occupation. (3) That the Inter-Allied Military Commission of Control shall be

replaced by a similar small "Guarantee Committee" as soon as it has completed its more urgent tasks. (4) That the Naval Commission of Control is to be abolished and no guarantee committee is contemplated in its place.

Employment in March.—The position as regards employment last month is summed up thus by the *Labour Gazette*:—"Employment during March, though still bad generally, showed a further slight improvement on the whole, notwithstanding the adverse effect of the engineering dispute on employment in that industry and in the iron and steel trades." Better demand for labour was shown by the cotton and wool textile industries, iron mining, pig-iron manufacture, and the building and clothing trades. The Trade Union percentage of unemployment at the end of March showed no change as compared with the figure recorded at the end of February. The following table shows how the percentage has moved month by month in recent years:—

		TRADE UNION UNEMPLOYMENT PERCENTAGES.											
		1913.	1917.	1918.	1919.	1920.	1921.	1922.					
End of—		%	%	%	%	%	%	%					
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8						
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3						
March	1.9	0.3	1.2	2.9	1.1	10.0	16.3						
April	1.7	0.3	0.9	2.8	0.9	17.6							
May	1.9	0.4	0.9	2.1	1.1	22.2							
June	1.9	0.4	0.7	1.7	1.2	23.1							
July	1.9	0.4	0.6	2.0	1.4	16.7							
August	2.0	0.5	0.5	2.2	1.6	16.3							
September ..	2.3	1.3	0.5	1.6	2.2	14.8							
October	2.2	1.1	0.4	2.6	5.3	15.6							
November ..	2.0	1.1	0.5	2.9	3.7	15.9							
December ..	2.6	1.4	1.2	3.2	6.0	16.5							

* Excluding coal miners. † Revised figure.

Improvement is, however, shown by the employment figures for the whole body of workers coming under the Unemployment Insurance Act. Of these 12,000,000 workers, 14.6 per cent. were unemployed at March 27th, as compared with 15.2 per cent. at February 28th. The total number of workpeople registered at the employment exchanges as unemployed on March 27th was 1,740,000, as compared with 1,837,000 a month earlier. The improvement extends also to the working of short time. At the end of February 155,000 males and 105,000 females were registered as working systematic short time in such a manner as to entitle them to unemployment benefit. At March 27th these numbers had been reduced to 132,000 males and 91,000 females. It appears, therefore, that if it had not been for the engineering and shipbuilding dispute, which involved about 240,000 workers, a substantial improvement in employment conditions would have been recorded in March. Changes in rates of wages reported as having taken effect in March in the industries covered by official statistics resulted in a reduction of over £223,000 in the weekly full-time wages of about 1,350,000 workpeople. Wage reductions took place in various coal-mining areas, in merchant shipping, dock labour, iron puddling, the heavy chemical trade, and other industries.

Cost of Living.—According to the official calculation of the *Labour Gazette*, there was a further decline during March in the cost of living for an average working-class family. The decline in the index number was 4 points, which brings the figure to a level 82 per cent. above that which was in force in July, 1914. As will be seen from the following table, the fall, which has been continuous since last August, has now brought the cost of living below the level recorded at the beginning of 1918:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914. (Food, Rent, Clothing, Fuel, and Light, &c.)

		1918.	1919.	1920.	1921.	1922.
January 1st		%	%	%	%	%
February ..	85.90	120	125	165	92	
March	90	120	130	151	88	
April	90	115	130	141	86	
May	90.95	110	132	133	82	
June	95-100	105	141	128		
July	100	105	150	119		
August	100-105	105-110	152	119		
September ..	110	115	155	122		
October	110	115	161	120		
November ..	115-120	120	164	110		
December ..	120-125	125	176	103		
January 1st	120	125	169	99		

For food only, retail prices at April 1st were 73 per cent. above the pre-war level, as against 77 per cent. a month earlier. In food prices the most marked movement in March was the fall in the price of eggs. Milk and fish, and to a lesser extent bacon, became cheaper in March. On the other hand, advances took place in the prices of butter, mutton, bread, flour, sugar, and tea.

Another Brazilian Loan.—It is announced that a new loan will be issued, possibly next week, through Messrs Rothschilds, Schröder and Co. and Baring Brothers, for the purpose of paying off the credits for Brazilian coffee arranged last year with certain banks for the continuance of the scheme of valorisation. No further information is available at present, not even whether the loan is to be issued by a State Government or by the Federal Government, or, as may be more probable, by one or more of the Governments of the four chief coffee-producing States, backed by a Federal guarantee. Whether effective aid can be given to the coffee planters of San Paulo, in view of the greatly decreased purchasing power of their Central European customers, and the competition of other coffee-growing regions, is open to question. Brazil, for the last 30 years, has depended far too much on coffee and rubber, though during and since the war there has been a notable increase in the production of other commodities, particularly cotton, rice, maize, beans, sugar, and meat, and it seems at least doubtful whether the coffee industry should be artificially kept up by steadying prices in contravention of the ordinary principles of economics. But the coffee States are the most powerful in the Republic, and valorisation has evidently come to stay. It is noteworthy that Messrs Rothschild, whose chief opposed the scheme in 1908, are now taking part in issuing the new loan. And in any case the bank credits must be taken up. The State loans for valorisation purposes have hitherto been secured on export taxes on coffee, the revenue from which is reserved to the States; it remains to be seen whether there will be a Federal guarantee also, and whether it will be secured on general revenue or on Customs. The External debts of the four coffee States—San Paulo, Minas Geraes, Espirito Santo, and Rio Janeiro—in 1919 together exceeded £20,000,000. The total Federal foreign debt in that year was over 116 millions sterling; the loans quoted or known in London amount to £102 millions. Funding operations have twice been necessary in the last quarter of a century, and the sinking funds are suspended till 1927. An issue of \$75,000,000 8 per cent. bonds was made in New York last year, and the interest on these, on the Lloyd Brasileiro bonds guaranteed by the Government, and on the loans quoted or known in London, brings up the accrued interest charges to about £5,790,000. Two of the loans are specifically secured on the Customs duties, primarily those of Rio Janeiro. At present, of course, there is serious financial and commercial depression. The exchange last year fell heavily, and the London and Brazilian Bank, for the first time for many years, has found it inadvisable to pay a bonus in addition to its regular dividend. The political situation, too, has given rise to some disquiet, owing to the doubts as to the result and the regularity of the Presidential election.

Cunard Results.—A further decline in profits is recorded in the report and accounts of the Cunard Steam Ship Company, Limited, for the year ended December 31, 1921. Receipts from freights, passage moneys, &c., which in 1920 rose to the record figure of £12,260,662, fell to £9,286,027 for 1921. Fortunately working expenses also fell, and net profits at £947,771, although substantially lower, cannot be considered unsatisfactory in view of industrial conditions prevailing last year. The following comparative summary shows results for the past five years. Figures for 1913 are also given:—

	1913.	1917.	1918.	1919.	1920.	1921.
Freight and passages	£ 3,659,774	£ 3,999,917	£ 3,801,655	£ 9,201,728	£ 12,260,662	£ 9,286,027
Working expenses	2,468,467	2,890,991	2,594,530	7,476,808	11,079,042	8,336,256
Repairs and renewals	271,207	..	..	..	..	..
Insurance premiums	66,736	..	..	..	..	..
Balance	851,374	1,108,926	1,207,125	1,724,920	1,181,620	949,771
Brought forward	88,964	151,474	157,552	173,237	144,187	169,075
Sundry receipts	63,249	..	..	..	..	..
Total	1,005,587	1,260,400	1,364,677	1,898,157	1,325,807	1,118,846
Deb. int., taxation, &c.	122,293	321,136	320,725	395,622	293,206	449,741
Depreciation	443,637	379,632	353,231	370,429	394,310	..
Insurance and reserve	188,528	135,000	135,000	135,000	135,000	135,000
Prof. dividend	56,750	(5 & 6%)	(5 & 6%)	(5 & 6%)	(5 & 6%)	(5 & 6%)
Ord. dividend	64,002	(10 %)	(10 %)	(10 %)	(7 & 8%)	(7 & 8%)
Carry forward	130,378	157,552	173,237	144,187	169,075	199,890

* Including repairs and renewals and insurance premiums.

The ordinary dividend is maintained at 7½ per cent., and at £199,890 the carry forward is a little higher than that of last year. No figures are shown for depreciation or reserve, although included in the item debenture interest, taxation, &c., is £60,000, being a proportion of the total discount of £520,710 on £4,000,000 7 per cent. mortgage debenture stock. In the balance-sheet steamer and shipping investments are valued at £16,358,031, and general investments, without further explanation or comment, are taken at £2,233,215. Cash in hand and at bankers totals £1,963,751. The balance-sheet will be found fully detailed and analysed in our usual column. The report states that "the services of the company, both for freight and passenger business, although considerably interfered with by labour disputes from time to time, have been maintained with a greater degree of regularity than was possible during the preceding year. While not yet normal, owing to the protracted delay in the delivery of new tonnage, they will be materially strengthened in the course of the next month or two. Freight rates continued to decline on the North Atlantic and in other trades in which the company are interested. The passenger carryings of the company have been satisfactory, although the West-bound movement generally was curtailed by United States legislation."

Birmingham Small Arms.—In the annual report and accounts of the Birmingham Small Arms Company for the year ending January 31, 1922, issued this week, the directors explain a loss of £469,168 on the year's trading by observing that, "unfortunately, not only did the slump come with unforeseen suddenness and unprecedented severity, but it has persisted ever since, and continues to dominate the industrial situation. In such circumstances," they continue, "a deficit in the year's accounts was inevitable." The sum brought forward from the previous year's accounts amounted to £510,818, and as £200,000 was transferred from the general reserve "to meet special expenditure incurred in the change over to, and development of, peace products," £219,816 was carried forward to next year's accounts after payment of preference dividends. Recent years' results are compared below:—

YEAR ENDING JULY 31.

	1914.	1915.	1917.	1918.	1919.	1920-21*	1921-22.
Net profit	£ 190,429	£ 408,465	£ 427,976	£ 435,207	£ 375,091	£ 566,881	£ 469,168
Preference dividend	19,694	25,230	21,118	20,649	19,710	133,471	31,834
Ordinary dividend	115,047	153,398	230,094	230,094	234,511	140,759	Nil
To reserve	50,690	133,491	150,000	155,473	100,000	5 %	Nil
Carried forward	£ 5,638	£ 96,346	£ 26,764	£ 28,591	£ 18,876	£ 29,265	£ 291,002

* 18 months ending January 31, 1921. + Including £100,729 interest on short term notes.

Total assets now amount to £8,064,174. Stocks, which a year ago stood at £1,434,994, now figure at £894,082, while sundry debtors are down from £725,079 to £455,755. Investments "at or under cost" are recorded at £3,992,323, and it is stated that these "are brought forward on the same basis as last year, and no adjustment in view of existing trade conditions has been made." Under liabilities, loans from two subsidiary companies have increased from £580,000 to £705,000, but sundry creditors have fallen from £544,957 to £400,085. The report states that "the contingent liability under guarantees to the bank in respect of the overdrafts of the Aircraft Manufacturing Company, Limited (in liquidation), and Peter Hooker, Limited (in liquidation), has been

reduced during the year from £950,000 to £596,063 (since further reduced to £550,600). The bank holds debentures from these companies as its primary security."

London and Lancashire Insurance Company.—For several years past the report of the London and Lancashire has been of outstanding interest, and the one issued in respect of 1921 will not disappoint expectations. The fire premiums were reduced from £3,668,249 to £3,007,501. The claims were 49.9 per cent. of the premiums, as compared with 40.9 per cent., and the expenses were 41 per cent., against 37.8 per cent. But the smaller premium income has meant a substantial reduction in the necessary provision for unexpired risks, so that the underwriting surplus of the year was £538,634 (17.9 per cent.), against £621,677 (17 per cent.). In the marine accounts there was the big cut in premium income which is now usual in insurance companies' reports for last year. The premiums were reduced from £2,669,516 to £1,383,306. The claims were £1,914,004, against £1,839,442. After the marine funds had been strengthened by a transfer of £110,773 from profit and loss, they stood at £853,500, against £1,368,000 a year before. In the accident and general account, the premiums were £1,630,724, against £1,746,672, and there was a transfer to profit and loss of £104,746. The underwriting surplus for all departments amounted to £511,526, to which falls to be added £228,000, provision for E.P.D. made in previous years in excess of ascertained requirements. Against the total of £739,526 comes a deduction of £308,288 for income-tax and provision for corporation tax. The net interest receipts on investments, after deducting £61,512 paid in debenture interest, was £337,095. After increasing the additional reserves in the fire and accident revenue accounts by £400,000, and transferring the sum of £20,000 to staff pension fund, the directors propose to pay a dividend of 6s per share, less tax, making, with the interim dividend already paid, a total distribution for the year of 12s per share, less tax, or £301,321, and to carry forward £1,026,431 to the next account. The reserve funds, excluding capital paid up, amounted on December 31st last to £6,098,287, being 101.27 per cent. of the premium income for the year. The company has come successfully through one of the most difficult insurance years. Mr Rutter, the general manager of the company for more than 20 years, is now its chairman and governor. He is the third general manager of recent years to pass from his office to the chairmanship of the board, the other two being Sir Gerald Ryan, of the Phoenix, and Mr Roger Owen, of the Commercial Union.

The "Old" Equitable and the London Life.—Just as one tends to group together the two eminent insurance survivors of the "South Sea Bubble," so one always thinks of the old Equitable and of the London Life Association in terms of one another. These two life offices have no shareholders, no branch establishments, and no agents. For a carefully selected class of policy-holders they supply life assurance on bed-rock terms. Two years ago the glory of the "old" Equitable was sadly dimmed by the passing of its bonus for the first time in a history of nearly 160 years. The depreciation of assets had eaten up its normal surplus. But now, as at the end of 1921, a fresh valuation discloses the grateful fact that its brightness has been restored. A severe re-valuation of assets and liabilities discloses a surplus of £667,392 on funds of £5,249,511. The actuary recommends—and the directors concur in his recommendation—the distribution of slightly more than half a million—leaving £160,000 to be carried forward—a sum which will provide bonuses on whole-life assurances for the past five years at the same rate as on previous occasions. The endowment assurances are to have in respect of the five years a compound reversionary bonus (bonus on sums assured and previous bonuses) at the rate of £1 10s per cent. per annum, and a 5s per cent. simple bonus at maturity. There is still an "unbonused" gap of two war years, 1915 and 1916, but the policy-holders have not much to complain of. The London Life Association pursues the even tenor of its way. War casualties and depreciation of assets to all appearance leave it unscathed. During last year the new business

amounted to £1,550,056 (costing not one farthing in commissions), and the funds increased by £490,572. The expenses of management were reduced from £6 8s 7d per cent. of premiums to £6 5s 11d per cent. The usual increase of 1 per cent. in the rates of reduction of premium has been made for the year beginning on July 1st next. This means that the reductions will range from the equivalent of 128 per cent. for the old first series to 51 per cent. for the sixteenth series. The reversionary bonus on policies entitled to participate in this way will be at the rate of 35s per cent. on sums assured and existing bonuses, being the same rate as that declared in each year since 1914. This is, perhaps, the most remarkable feat accomplished by a British life office. During all the years of war, and the more difficult years which followed the war, the annual rates of bonus on the London Life have been unchanged.

Two Insurance Corporations.—One inevitably deals with corporations of the London Assurance and the Royal Exchange as if they were twins. Although there is no real connection between them except their common foundation in 1720 and their successful development up to the present day, their historical association is too close to be lightly broken. The London has at last outgrown its Royal Exchange buildings, and left for new premises at No. 1 King William street, but its 200-year-old companion remains faithful to its rather inconvenient eyrie among the familiar pillars of the Exchange. The two reports have been issued almost simultaneously, and have some features in common. In the fire department the London Assurance has reduced its premiums from £1,603,063 in 1920 to £1,564,030 in 1921. The fire claims for last year were 51.5 per cent. of the premiums, against 46.1 per cent., and the total expenses 44.4 per cent., against 41.3 per cent. The net result, after allowing for unexpired risks, was a fire surplus for last year of £80,003 (5.1 per cent.), against £105,657 for 1920 (6.6 per cent.). The Royal Exchange's fire department also shows a reduction in premiums from £1,792,448 to £1,533,103. The claims last year were 54.9 per cent., against 46.2 per cent., and the expenses 45 per cent., against 41.6 per cent. After an adjustment for the unexpired risks, the surplus in 1921 was £103,952 (6.7 per cent.), as compared with £94,449 (5.3 per cent.) in 1920. In both marine departments considerable changes are to be seen, especially in that of the Royal Exchange Corporation. Here we have what is almost a voluntary liquidation, the reduction of the marine premium income from £1,070,952 in 1920 to £248,364 in 1921. The claims were £649,930, against £740,206, and after transferring £60,000 to profit and loss, the marine fund was reduced by £551,916 to £886,793. The London Assurance also cut down its marine account, though less drastically. The premiums in 1921 were £678,232, against £1,219,825 in 1920. After meeting claims and expenses and transferring £58,996 to profit and loss, the marine fund was £200,000 lower at £800,000. The London Assurance closed last year with a credit balance of £208,244 at profit and loss, after providing £100,000 for income and corporation taxes. A dividend of 28 per cent., tax free, is recommended, and is much more than met out of the receipts from interest. In the case of the Royal Exchange, income and corporation taxes absorbed £104,018, and the credit balance at profit and loss was £958,356. The total dividend for the year will be 16 per cent., less tax, which is also easily provided by interest receipts.

British Italian Corporation.—The report for the year 1921 of the British Italian Corporation, formed in 1916 under the auspices of certain leading British and Italian banks, shows net profits of £44,364, which compares with £62,927 for 1920, and £68,483 in 1919. Income-tax and provision for corporation profits tax required £33,100, as against £20,600 in the previous year. The dividend is maintained at 4 per cent., free of income-tax, absorbing

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£40,000, and £27,700, or £3,400 more, is carried forward. Changes in the balance-sheet are set out below:—

LIABILITIES.		ASSETS.	
Amount.	Inc. or Dec.	Amount.	Inc. or Dec.
Share capital ..	1,000,000 ..	Cash in hand ..	760,394 ..
Reserve ..	233,418 ..	and at banks ..	262,364 ..
Sundry creditors ..	968,704 ..	Bills receivable ..	554,526 ..
Acceptances, &c. ..	4,601,409 ..	Investments ..	149,471 ..
Profit and loss ..	68,692 ..	Sundry debtors ..	764,430 ..
		Cover for acceptances, &c. ..	4,601,409 ..
		Premises ..	41,992 ..
		Furniture ..	1 ..
Total	6,872,223 ..	Total	6,872,223 ..

The reserve of £233,418 is the amount received from the British Government in previous years, which has now become the absolute property of the company, the contingent liability to the Government having now been cancelled. The sum of £50,000 paid by the Government in November last as final principal payment under the agreement of June, 1916, together with other amounts out of contingencies and trading profits, has been used to write off bad and doubtful debts. The Corporation has also received, and will receive, from the Government the sums necessary to meet income-tax and excess profits duty in respect of the amounts received from the Government. The Italian auxiliary—the name of which has been changed from Compagnia Italo-Britannica to Banca Italo-Britannica—distributed, as in previous years, a dividend of 4 per cent. The directors of the British Italian Corporation state that they have found it advisable to acquire those shares of the Italian company which were held by the Italian banks. The principal movement in the balance-sheet is the substantial drop in acceptances. This, however, follows an increase a year ago to the extent of £2,895,000. In view of the difficult financial conditions prevailing in Italy the results are not unsatisfactory.

Belgian Premium Loan.—We are informed that the Fédération des Co-operatives pour Dommages de Guerre, the Belgian organisation formed under the auspices of the Belgian Government to make reparation in anticipation of German payments, which successfully raised a loan of 1,000,000,000 in February of last year, is about to launch an appeal for a similar amount under the guarantee of the Belgian Government. The bonds will again be of the nominal value of 250f, but will bear interest at the rate of 5 per cent. (again free of coupons tax, present or future), instead of 4 per cent., payable annually on June 1st. The issue price has been fixed at 247.50f per bond (payable on subscription) instead of 200f, as on former occasions, but the bonds which do not gain a prize are all redeemable at 300f, or a premium of 52½f over the issue price. The loan will be redeemable by drawings within a period of 90 years, 12 in each of the first 20 years, and 10 in each of the 70 years thereafter, and authority is taken to redeem the loan at any time after June 1, 1922. In each of the first 10 years there will be 37 prizes, totalling 7,000,000f, in each of the next 10, 32 prizes, totalling 6,000,000f, and in each of the subsequent 70, 25 prizes, totalling

5,000,000. Bonds which do not gain a prize will be redeemed at 300f each. The subscription lists will be opened in Brussels on May 15th next, and closed as soon as the milliard is obtained.

Labour Ministry Estimates.—The Select Committee on Estimates has issued a first report (White Paper No. 70. Price 2d), which deals with the estimates for the Ministry of Labour. The report points out that the actual expenditure of the Department will this year be about £23,000,000, of which "no less an amount than £4,340,560 goes in salaries and administration." However, the only definite economies suggested by the Committee are that the £3,000 a year paid to the Chief Labour Adviser is excessive, and that the £3,000 a year paid to the President of the Industrial Court might be reduced to £1,500, which is the salary received by a County Court judge. A comparison is made in the report between the cost of the employment department of the Board of Trade before the war and the present cost of the Ministry of Labour. The old department in 1913-14 cost only £541,364 for administration. The Ministry of Labour, however, administers the following services, which the old department did not:—(1) Trade Boards, (2) Conciliation Act, 1896, (3) Industrial Courts Act, (4) Collection and Publication of Labour Statistics, (5) National Roll for the Disabled, (6) Professional Training for ex-Service Men, (7) Industrial Training for ex-Service Men, (8) Interrupted Apprenticeship Scheme for ex-Service Men, (9) Re-Settlement Grants for ex-Service Men. Moreover, the number of persons insured under the Unemployment Insurance has risen from 2½ millions in 1913-14 to 12 millions at the present time. Apart from reference to the two salaries mentioned above, no opinion is expressed as to whether the increase in administrative expenditure is in proper proportion to the increase in work.

Transvaal Output and the Strike.—The Transvaal Chamber of Mines have just issued statistics of gold output in the Transvaal during the first quarter of the year 1922. The Chamber have not published their customary monthly statistics since those issued for the month of December owing to the Rand strike. It is not surprising to find a marked decline in output. The total gold output for the quarter is stated to be 639,728 ounces of fine gold, which compares with 1,880,853 ounces in the first three months of 1921. The following table shows the production for a number of years past:—

	1916.	1917.	1918.	1919.	1920.	1921.	1922.
January..	787,487	782,634	714,182	678,056	670,503	651,593	639,728
February..	753,594	781,321	659,759	636,728	625,330	558,137	..
March....	796,869	787,094	696,381	712,379	707,036	671,183	..
April.....	754,872	749,778	717,000	694,944	686,979	681,382	..
May.....	777,581	779,385	741,517	794,206	699,041	687,776	..
June.....	761,764	759,724	727,696	702,379	715,957	678,490	..
July.....	761,067	767,839	736,199	725,497	736,099	699,556	..
August....	781,150	756,658	740,310	706,699	702,083	711,526	..
September..	771,587	738,231	708,206	698,558	684,173	691,026	..
October...	795,339	761,390	679,764	725,722	683,472	707,826	..
November..	783,066	722,839	656,701	677,970	633,737	704,236	..
December..	774,463	722,418	641,245	650,191	638,215	681,247	..
Totals...	9,296,618	9,018,084	8,418,292	8,330,061	8,153,625	8,114,516	6,397,728

NUMBERS OF NATIVES EMPLOYED at the End of Last Eight Months by Members of the Witwatersrand Native Labour Association and Contractors.

	June, 1921.	July, 1921.	Aug., 1921.	Sept., 1921.	Oct., 1921.	Nov., 1921.	Dec., 1921.	March, 1922.
Gold mines....	168,152	166,999	169,008	171,912	175,533	176,410	177,836	124,169
Coal mines....	14,704	14,688	14,446	14,244	13,938	13,465	13,230	11,155
Hand....	1,517	1,246	1,207	1,219	1,224	1,217	1,224	1,204
Totals.....	184,373	182,933	184,661	187,375	190,495	191,092	192,290	136,528

The number of natives employed at the gold mines shows a marked diminution as compared with the preceding months.

Oversea Correspondence.

UNITED STATES.—STOCKS AND BONDS BUOYANT: GREAT INVESTMENT DEMAND—FOREIGN ISSUES—COMMODITY PRICES IN MARCH—INDUSTRIAL IMPROVEMENT.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 10.

EXTRAORDINARY buoyancy characterises both the bond and stock markets. Every day during the past week transactions in shares on the New York Stock Exchange have been well above the million mark, which is always considered a big turnover, and the total in two different sessions exceeded 1,500,000 shares, the largest single day's dealings in about two years. Trading has been on a very broad scale; in fact, broader than ever before in the history of the Exchange. Under heavy purchases, representing not only hasty covering by an extensive short interest, but also considerable buying on the part of the outside public, whose speculative appetite has been whetted by the recent bull movement, prices have scored sensational advances to new high levels for the year in rails, industrials, and practically every group of stocks in the active list, as well as numerous issues heretofore relatively inactive, including high and low-priced dividend and non-dividend paying shares. Demand, however, has not been entirely speculative, for there have been evidences of substantial accumulation for the "long pull," and of investment buying, especially in well-seasoned preferred stocks. The marked increase in activity in iron and steel, better railroad earnings, present and prospective, and expanding business in automobile and various other trades and industries, are largely responsible for the recent outburst of bullish enthusiasm. But the market as a whole seems to be discounting an expected general revival in trade and industry later on, which, in former years, has always followed periods of depression, and, it might be added, has invariably been foreshadowed a number of months in advance by rising prices on the Stock Exchange.

Bonds, likewise, have been and continue exceptionally active and strong, many reaching new high levels for this year, and some passing their best previous records. United States Government war obligations have been conspicuous features, the First Liberty Loan 4½'s touching par for the first time, while the so-called first-second 4½'s again sold at par after ruling below that level for nearly three years. In fact, four out of the ten different issues of United States war bonds are now selling at or above their original subscription prices. United Kingdom 5½'s of 1937, Canadian 5½'s of 1929, and French and Scandinavian municipal bonds exceeded previous high records. Domestic railroad, industrial and other corporate bonds generally have likewise enjoyed a vigorous advance under an investment demand that seems almost insatiable. The amount of funds available for investment by individuals, institutions, and corporations has proved to be vastly greater than financial interests expected a few months ago; it no doubt represents, in large measure, money left idle as a result of the widespread industrial and business depression in this country during the past year and a half. Money rates have shown no material change in the past week or two; but a great deal of the recent investment demand is believed to have been based on expectations of further relaxation in money before long.

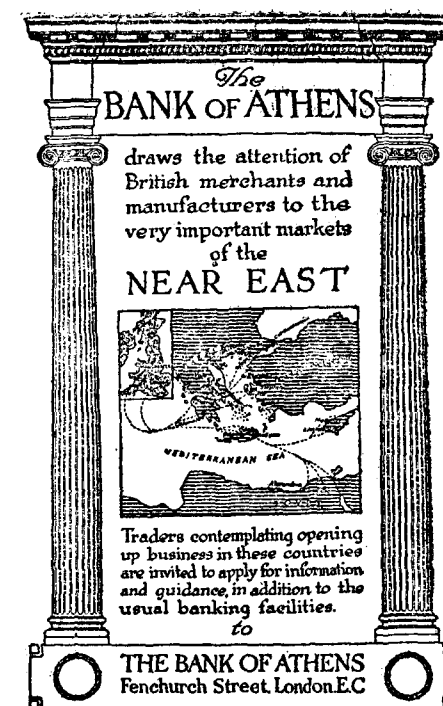
The really surprising feature is that the demand for outstanding bonds has not been checked in the least by the veritable flood of offerings of new securities. New bond issues last week alone totalled nearly \$112,000,000, and in the week before more than \$82,000,000; nevertheless, all of the offerings were successfully floated with no apparent effort. The entire offering of \$60,000,000 New York Central Railroad Refunding and Improvement Mortgage 5 per Cent. Bonds, priced at 94½, to yield 5.30 per cent., was taken up in half an hour, and the amount was

so heavily oversubscribed that allotments, it is understood, were made on a 30 per cent. basis. Other offerings consisted of \$14,955,000 public utility bonds, \$10,757,000 state and municipal securities, \$2,500,000 land bank bonds, and \$23,700,000 foreign issues. The largest piece of foreign financing was the \$14,000,000 8 per cent. bonds of the Czechoslovak Republic, which were offered at 96½, to yield 8.30 per cent., and were a part of the \$30,000,000 loan, the remainder of which was sold simultaneously in London and Amsterdam. They were readily placed here, where the issue attracted much attention, because it was the first financing for a Central European country to be undertaken in this market since the war. Another foreign offering consisted of \$6,700,000 5½'s of the Dominican Republic, secured by the Customs receipts of that country. They were promptly disposed of on a 6 per cent. basis. There was an equally quick response from investors to the Province of Alberta, Canada, \$3,000,000 30-year 5½ per cent. non-callable gold bonds, dated April 1, 1922, which were offered at 103 and interest to yield 5.30 per cent. The pronounced success of recent foreign loan flotations here will probably lead to several others within the next month or so. It is just announced that the Holland-America Steamship Line has sold to a well-known New York investment house 20,000,000 guilder bonds, which are about to be offered here on a basis slightly better than 6 per cent. This is the second guilder loan in this market during 1922, the other having been 75,000,000 guilders for the kingdom of Netherlands, but it is the first industrial loan of its kind to be undertaken here. Another house, dealing in investment securities, is offering for immediate delivery 5 per cent. bonds, in denominations of 1,000 and 5,000 marks, of the Bank für Industriewerte Actien Gesellschaft (the "B.I.A." of Berlin). The issue of \$13,000,000 Rio de Janeiro 8's, offered to-day at 103, was heavily oversubscribed.

During March there was a slight downward trend in commodity prices, as is indicated by *Bradstreet's* index number at April 1st—namely, \$11.5317, which compares with \$11.6001 on March 1st. This marks the second decline in the 10 months' period from June 1st to April 1st, during which the price-level, as a whole, advanced 7.9 per cent. The March decline was shared in by 10 out of 13 groups; 34 articles declined, while 19 advanced and 53 remained unchanged. As compared with the low point on June 1, 1921, the April 1st index number is 7.9 per cent. higher; it is 44.7 per cent. below the peak of February 1, 1920, but 32.4 per cent. above the August 1, 1914, level. The same authority reports that the rising tide of bank clearings, which began in February, was maintained in March. The total at 119 leading cities of the United States for that month, amounting to \$30,985,270,000, shows a gain of 6.6 per cent. over the same month a year ago, whereas the gain in February was only 2.2 per cent., and the January total showed an actual loss of more than 8 per cent. from that recorded in the first month of 1921. Cities in New England, the Middle West, and the Far West showed gains, but the heaviest increase last month, as in February, was at New York.

Some of the more important industries in this country have shown a decided turn for the better in recent weeks, but the most remarkable improvement is reflected in the statistics of building expenditures for March, as compiled by *Bradstreet's*. Such expenditures for which permits were issued last month at 109 cities aggregated \$194,600,000, approximately, as against only \$99,200,000 in February and \$91,800,000 in March of last year.

Improvement in the steel industry is strikingly indicated by the report of the United States Steel Corporation, showing unfilled orders on its books at April 1st of 4,492,148 tons, the largest since last September, and representing an increase during March of 353,079 tons, which is the first gain reported since last December, and is a much larger increase than was generally expected. About half of the gain is accounted for by the influx of new orders during the last week in March, before the advance in prices of certain products which became effective April 1st. Railroads and equipment companies were the largest buyers, although the building trades placed a substantial portion of the new business. Railroad earnings, as a whole, are showing steady improvement.



FRANCE.—DECISIONS OF REPARATIONS COMMISSION—GENOA—COMMODITY PRICES.

(FROM OUR CORRESPONDENT.)

PARIS, April 18.

THERE is some danger, perhaps, that the noise that has been made over the developments of the week at Genoa may cause to be overlooked the much more important circumstances attaching to the decisions that have meantime been come to by the Allied Reparations Commission here. The German Government, it will be remembered, replied flatly refusing to give the guarantees asked for by the Reparations Commission, in exchange for the temporary moratorium which the Allies, in certain conditions, were prepared to grant. The Reparations Commission, in its Note to Berlin on March 21st, in which it set forth the terms on which a moratorium would be granted, expressly stated that it proposed, in order to allow Germany ample time to come to a decision, to accord the provisional moratorium down to May 31st, but that it reserved the right to decide, on that date, whether the temporary respite should be confirmed or nullified. In the same Note the German Government was warned that if the decision is that the temporary moratorium shall be annulled, the whole of the sums due under the Agreement of May, 5th last, and so far unpaid, will become payable within 14 days after such annulment, under penalty of the stipulations laid down in the Treaty of Versailles, for application in case of default by Germany, being immediately put into execution. The stipulations referred to are contained in Chapter VII., Appendix II., Paragraphs 17 and 18 of the Treaty.

These paragraphs provide that in the event of Germany failing to carry out her engagements, the Reparations Commission will immediately notify the various Allied Governments of the fact, together with the proposals it suggests shall be put into operation to enforce payment. The Treaty further lays down that the steps which the Allies may take in these circumstances may include "acts of prohibition and of economic and financial reprisals, and, in general, such other measures as the respective Governments may esteem necessitated by the circumstances." This is interpreted here as giving France full power to take independent action against Germany, if circumstances should make it necessary, in order to secure payment. It is argued by a large section of public opinion that nothing but the seizure of the Ruhr area, which would both put an immediate stoppage to Germany's economic life and furnish France with all the coal she needs, would bring Germany into a frame of mind in which she would take the necessary steps to carry out the Treaty.

Such being the juridical and penal situation under the Treaty, it can easily be understood that the majority of people here are awaiting the advent of May 31st with

extreme interest, in the belief that the Allies will then take decisive decisions that will put an end to the uncertainty that has for so many months unsettled the whole economic, financial, and business outlook. It should be noted that in their Note to Germany the Reparations Commission intimated that the temporary moratorium can only be continued until May 31st on condition that Germany pays the agreed sums of 18,051,079 gold marks on April 15th and a further 50,000,000 gold marks on May 15th. It is reported that the first of these amounts was paid last Saturday.

Meanwhile, the French Press repeatedly insists that, whatever may be the opinion of Mr J. M. Keynes and a certain section of the British public, Sir John Bradbury, the British delegate on the Reparations Commission, is convinced, like his French and Belgian colleagues, that Germany can pay the sums demanded from her if she chooses to do so. In these circumstances, there is no sign of any tendency to making further concessions to the Berlin Government. At the same time, steady progress is being made by the special sub-committee appointed by the Commission, with a view to drawing up a comprehensive and practical scheme for the issue of an enormous international loan by Germany, the yield from which will be devoted, it is proposed, to the paying off of a substantial portion of the Reparation debt owing to the Allies.

The reconstruction of Europe at Genoa is dominating France, both politically and economically, and the eve of the Conference was auspicious, owing to the announcement that there was complete agreement between Mr Lloyd George and M. Poincaré as to the policy that was to be adopted. When the Conference actually opened there was a feeling of disappointment here because the inauguration speeches were all set and formal, and in the minds of the public and the business community the impression was very generally created that Genoa would result merely in one more Conference at which a large number of words had been delivered.

In France, as elsewhere, everyone is convinced of the desirability of reconstituting the economic position of Europe, but, as has been pointed out by the *Economiste Européen*, this can only be achieved by establishing a definite basis for Customs systems by the adoption of wiser fiscal measures, devised not merely in the interest of individual countries, but constituted by regarding the needs of Europe as a whole, and by the general improvement of international relations. As a preliminary to these measures, however, it is recognised here as fundamental that the monetary and budgetary equilibrium of the various States should be re-established. The pessimism with which the attempt at Genoa has been regarded here is now held to be justified, and there is profound disappointment at what has occurred in the opening days of the Conference. Russia evaded accepting a clear undertaking that she would respect the terms of the Cannes Convention, Germany has done her utmost to prove insolvency and to compromise the Conference by her *non possumus* Note to the Commission of Reparations, and on the top of this France has learnt with consternation of the Germano-Russian Treaty. From the French standpoint, the Genoa Conference has opened gloomily, and the *Temps* reflects public opinion by congratulating the Chamber of Deputies on having passed the 18 months military service law.

The French index figures for the first three months of 1922 show that the cost of living is still steadily, although very slowly, falling. The regional and local commissions, whose duty it is to control the cost of commodities, base their investigations on the 45 categories comprised in the two great divisions generally adopted by economists, namely, industrial raw materials, and foodstuffs of prime necessity. The former classification embraces 25 categories, and includes pig-iron, bar iron, copper bars, tin, English lead, London coal, raw cotton, flax, hemp, jute, Australian and English wool, silk, hides, skins, tallow, palm, olive, and linseed oils, petroleum, carbonate of soda, indigo, and building timber. The foodstuffs include English and American wheat, flour, barley, oats, maize, potatoes, rice, first quality beef, average quality mutton, bacon, butter, refined sugar, beetroot, Java sugar, coffee and tea.

The following figures show the recent movement in the

cost of living as compared with prices in 1914 (the base figure for which is taken as 100):—

	Food.	Heating.	Rent.	Clothing.	Sundries.	Total.
Paris—4th Quarter, 1921...	310	307	133	318	400	297
1st Jan., 1922...	301	302	140	312	400	291
Le Mans—Dec. 31, 1921...	368	362	167	331	407	331
Feb. 28, 1922...	367	338	167	329	407	329
Angers—June 1, 1921...	348	463	222	283	336	320
April 1, 1922...	348	464	222	283	336	320
Rouen—October 19, 1921...	321	311	200	320	322	309
January 14, 1922...	309	345	200	320	322	302
April 8, 1922...	298	335	200	320	326	296

So far as wholesale prices are concerned, inquiry has shown that, if the prices of the whole of the two categories in August, 1914, be taken at an index figure of 100, the corresponding index figure for the whole of France on March 30, 1921, is represented by 315. Prices as a whole are, therefore, still enormously higher than before the war. At the same time, there has been a very substantial decline during the past two years, since the index figure for these same articles in April, 1920, when high-water mark was reached, was 679. The fall of prices has been remarkably regular during the past six months; the index figure for October, 1921, was 355; for November, 350; December, 347; January, 1922, 342; February, 329; March, 315. A curious fact is that the present prices in Paris are relatively less high, in comparison with those of 1914, than anywhere else in France.

The Genoa Conference is the dominating factor on the Bourse this week, and in view of the feeling of optimism caused by the meeting at Genoa in the United States, there has been a sharp recovery here caused out of sympathy with the American market. As to how far this recovery can or cannot be regarded as permanent, must depend on the results obtained at Genoa. French Government securities remain satisfactory, the 1915 Five per Cents., under the influence of a free market, having risen from 76.20 to 78.50; there is an improvement also in Turks and Mexicans, Unified Turks having risen from 41.20 to 41.45, while Mexican Four per Cents. have advanced from 116 to 120. Banks are generally stronger, Crédit Foncier having gained some 40 francs largely as a result of the passing of the law authorising it to extend its issue of obligations from 25 to 50 times the amount of its capital. Banque de Paris is rather heavier owing to the new shares issued last September having now come officially on the market. Railways have been in demand with a general rise in consequence, the chief quotations being Est 677, P.L.M. 880, Midi 748, Nord 994, Orléans 860, and Ouest 658.

GERMANY.—GENOA — REPARATIONS — TAXATION REFORM—EXCHANGE AND BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, April 18.

THE incident of the Russo-German Agreement has made a bad impression here. The German Press representatives at Genoa insist that the Agreement contains no harmful provisions, that it had been under negotiation for weeks, and was public knowledge before signing; but they add, as justification, that the "inviting Powers" were negotiating with Russia without participation by Germany's delegates, and thereby they present the Agreement as a German counter-measure, which is not consistent with the first three explanations. The feeling here is general that the Agreement, not through its provisions, but through the conditions and time of its conclusion and publication, was a serious diplomatic blunder, which could not be approved of by impartial judges, and was bound to be exploited in anti-German sense by any interests already prejudiced in that direction. Before this incident a fairly favourable view of Genoa's prospects was taken. The newspapers praised Mr Lloyd George's handling of the earlier threatening incidents, in particular of the conflict between M. Tchitcherin and M. Barthou; and it was felt that English diplomacy would at the worst prevent a formal collapse of the Conference, without necessarily ensuring the solution of those of the programme questions which by their nature are apparently beyond immediate solution. It is not even now believed that the Conference will break up, as quarrels, mistakes, and misunderstandings can hardly be presented to the European public as

good reasons for dropping problems which must sooner or later be handled. But the Conference is held to be weakened by the political groupings and secret negotiations, which seem to leave little scope for the influence of the expert financiers and economists who are supposed to be taking part.

The Reparation Commission's reply to the Note of April 7th is taken to foreshadow further negotiations, for which apparently six weeks remain. Although Genoa can do nothing in Reparations matters, only from it can come a clear word on the question of international credits, and this is the only immediate Reparations question. In reply to the Commission's statement that Germany cannot expect any considerable foreign loan as long as she does not make a better attempt to balance her Budget, newspapers point to the Bank of England's statement that loans are excluded by the Reparations obligations of May, 1921. In reality, this is one question, as the immediate balancing of the paper-mark Budget, if that were possible by means of a new levy, would only produce a new mark exchange fall as soon as the paper marks were realised for Reparations gold; and by the new price-rise which must result the Budget would be thrown out of balance again. The insistence in the Allied experts' programme for Genoa on Budget balancing as a cure for bad currency, while the vital foreign payment-balance factor is practically ignored, does not seem justified either by German experience or by that of low-exchange countries, which, though they have no Reparations to pay, cannot export sufficiently to pay for their necessary imports. The *Frankfurter Zeitung* points out that the real intent of the Note of April 7th was to request general reconsideration of Germany's payment capacity under Article 234 of the Versailles Treaty. As far as is known, the Wirth Cabinet has no plans either for raising a further considerable sum in taxes, or for meeting the Commission's demands for control.

The financial reform plan submitted last year has become law in a form which would have been fairly satisfactory then, but cannot be called satisfactory now, after State expenditure and the paper-mark cost of Reparations have been driven up enormously by the new mark exchange decline. The two main changes are the abandonment of the one-time levy on increment of wealth between July, 1919, and June, 1921, which was to yield 3 milliards, and the inclusion of a forced loan of 1 milliard gold marks, which at present exchange will yield about 70 milliard paper marks. With the exception of the one-time levy on increment, all 15 taxation Bills have become law, sometimes, however, with considerable amendments. The emergency levy of 1919, in so far as it has not been already paid, is abandoned, and replaced by a permanent triennially reassessed, annually collected, property tax. For this all the property, wheresoever situated, of foreigners resident in Germany is liable, with the exception of their land and working capital abroad. Property not exceeding 100,000 marks is exempted. For public companies and juristic persons the tax is 3½ per cent. For individuals in the first 15 years the rate on the first taxable 250,000 marks is 2 per mille, on the next 250,000 marks 3.75 per mille, on the second million 1.2 per cent., and so on progressively up to 3 per cent. on the sixteenth to twenty-fifth millions. Persons not resident in Germany, whose property in Germany only is taxed, do not enjoy the 100,000 marks exemption. Jewellery and works of art exceeding certain values count as taxable property. The second permanent property tax is on the increment of wealth. This will be assessed and collected triennially. Increment not exceeding 100,000 marks is exempt, after which the rates rise progressively from 1 to 10 per cent.

The coal tax has been raised from 20 to 40 per cent., but varies according to quality between 25 and 115.5 per cent. The sales (turnover) tax has been raised from 1½ to 2 per cent. The original plan was 3 per cent. Hitherto receipts from exports have been free; henceforth such receipts are liable when the exporter is also the manufacturer. The tax is payable at the close of each quarter. The corporation (company income) tax is increased from 10 to 20 per cent. (original plan 30 per cent.), plus 15 per cent. of the income paid in dividends. Only part of this tax is allowed against the individual shareholder's income-tax. The import duties on numerous semi-luxury goods

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are doubled, and the import duties on certain fruits and spices are increased; also the duties on coffee, tea, and cocoa. The sugar tax is increased from 14 marks to 50 marks (original plan 100 marks) per 100 kilos. Chemical sweeteners are made a concession monopoly, with State participation in profits. The Excise duties on beer are quadrupled, the tax being distributed at different rates according to production of breweries, the lower rates being on small production. The taxes on mineral waters are also raised, those on matches doubled, and those on electric lamps and other lighting materials quadrupled. The tobacco taxes are radically altered. Of the price exceeding 3 marks of a cigar 40 per cent. is taken; for cigarettes 50 per cent., these in addition to the ground taxes on tobacco. The stamp duties on insurances are considerably increased: Life and certain other kinds of insurances hitherto exempt are made liable. The insurance tax does not apply to foreign insured property, but it applies to foreign insurances with German companies. Bookmakers' bets are taxed 10 per cent., and made lawful; the existing 16½ per cent. tax on totalisator bets remains unchanged. The tax on motor-cars is increased, the rates for private cars being 100 marks per h.p. for the first 6 h.p., and so on up to 400 marks per h.p. on more than 14 h.p. Commercial cars are taxed by weight, rates beginning at 300 marks for up to 500 kilos, and ending at 2,000 marks for more than 4,000 kilos. Some of the taxes on consumption are not unduly severe. This remark applies where the tax is assessed on weight or volume. The quadrupling of such taxes does not mean any real increase, as prices since the taxes were last fixed have, as a rule, risen very much more.

The Bourse last week was undecided, with only a slight rise in averages of dividend-payers, but a great demand for foreign loans, in particular 5 per cent. silver Mexicans. There was a moderate renewal of buying by the investing public, but reserve is shown by speculators. To-day stocks opened firm. Money for stock-buying is increasingly tight, owing to heavy demands on the emission market. Federal Loans last week mostly had slight drops. The buying craze for Threes seems to have subsided, and this bond ended the week at 140, or 13 points below its high record. Loan and stock prices to-day were:—War Loan, 77.50; 4 per cent., 97; 3½ per cent., 90; 3 per cent., 140; Colonial 4 per cent., 107.50; Savings and Premium, 82.30. The Verein-Glanzstoffe, which manufactures artificial silk and is a favourite speculative paper, announces net profits of 50 millions on a capital of 60 millions. Industrial reports continue good. The Federal Commissary for Import and Export Licensing complains that large quantities of goods which are being sold at cheap prices to low-exchange countries are being re-exported at much higher prices to high-exchange countries; and that firms have been specially founded for this purpose. As a result, high-exchange countries are getting goods cheaper than would be allowed if the goods were delivered direct, because minimum export prices about equal to those of the world-market are supposed to be a condition for granting licences for such exports. For low-exchange countries, which cannot pay world-market prices, export licences are granted at prices which are considerably lower than those of the world-market, but which, nevertheless, yield the German producer a profit. As a result of the resales, profits which should go into German pockets go into the pockets of the foreign middlemen, and Germany's markets in high-exchange countries are spoiled.

GREECE.—BUDGET STATEMENT—NEW TAXES—
FORCED LOAN.

ATHENS, April 11.

The provisional balance-sheet for the financial year 1920-1921, and the Budget estimates for the year 1921-1922, ending on March 30th, have been deposited in the National Assembly by the Minister of Finance. The figures for the first period show:—

(In Millions of Drachmæ.)			
	Revenue.	Expenditure.	Deficit.
Ordinary	633	759	126
Extraordinary	1,094	1,171	77
Total	1,727	1,930	203

Extraordinary revenue to the amount of Dr. 1,005 millions was raised by loans. On the other hand, the estimates for 1921-1922 are as follows:—

(In Millions of Drachmæ.)			
	Revenue.	Expenditure.	Deficit.
Ordinary	715	1,399	684
Extraordinary	1,003	1,997	994
Total	1,718	3,396	1,678

Of the amount of Dr. 1,003 millions, extraordinary revenue for 1921-1922, Dr. 918 millions represent loans. Almost the whole of extraordinary expenditure is due to the war, directly or indirectly. Among the items constituting ordinary expenditure, the service of the public debt (interest and sinking fund) figures for an amount of Dr. 407 millions. The net revenue raised by taxation or against services rendered by the State to the public, amounts for 1920-1921 to Dr. 609 millions, and for 1921-1922 to Dr. 689 millions. The Minister of Finance proposes to meet the deficit from ordinary expenditure by economies and new taxes. To that effect he will submit to the Chamber a set of Bills providing for new taxes and increasing those already existing, by which he hopes to increase ordinary revenue by 600 million drachmæ. To cover the deficit from extraordinary expenditure, he presented before the Assembly, and the latter has passed, a Bill authorising the Government to raise a forced loan. The principal provisions of this law, which has already come into force, are the following:—The loan will amount up to Dr. 1,600 millions, with interest at 6½ per cent. per annum, and ½ per cent. premiums, distributed by way of drawings, and is repayable by sinking fund instalments in 20 years. However, the loan may be repaid either wholly or in part at any time from the proceeds of the first external loan to be contracted in the future. The loan is obligatory to all holders of National Bank notes, and for an amount equal to the half of the sum held by each of them. In view of the urgency of the case, the notes will be cut in halves, the one half (on which is shown the portrait of the late founder of the bank, Mr. George Stavrou) circulating hereafter as money for half its face value, and the other half constituting a provisional bond of the State for half of the value of the note. Both halves will have to be exchanged for new notes and the final bonds respectively, within a period to be fixed by Royal Decree, after expiration of which, if not presented, they will be declared as void. The National Bank of Greece will place forthwith to the credit of the Government a sum equal to half of its notes circulation. The holders of the halves which represent provisional bonds of the State, or of the final bonds, when delivered, may, within six months, obtain a loan from the National Bank for half of the value of the bonds, by pledging them as security, at 6 per cent. interest annually. Debts existing before the passing of the law (among which are included deposits with the banks) may be repaid by the debtor, irrespective of their falling due, within three months after the date on which the law came into force, half in circulating money and half in bonds of the forced loan. An exception is made as regards payments of debts to foreigners residing abroad and payments for the service of the national debt, which will have to be made in full in circulating money. The half of the notes which will represent bonds of the State is not allowed to circulate as money under heavy penalty. The following revenues are assigned for the service of the loan:—(1) The surplus of revenues assigned to the International Financial Commission, and of the taxes and duties col-

lected by the latter. (2) The synthetical income-tax (assessed on a new scale) is doubled, and half of the proceeds will be deposited with the National Bank for the service of the loan. (3) On all direct and indirect taxes (with the exception of synthetical income-tax, monopolies, and tobacco tax) will be added an amount equal to 10 per cent. of the tax, and this amount will be paid to the bank for the service of the loan. (4) Public property not utilised for the service of the State will be gradually sold and paid for exclusively by bonds of the forced loan, which must be afterwards cancelled.

As was natural, the announcement of this drastic measure occasioned some excitement at first, until the public knew the exact implications of the law. Small depositors hastened in large numbers to withdraw their deposits from the banks and purchase various articles of personal use, while others thought it better to deposit their money at the banks or to buy Treasury bills in order to get rid of banknotes. However, once the unavoidable technical inconveniences arising from the application of the law have passed, it is believed that the necessary adjustment will take place without any serious disturbance to the economic machinery of the country.

SWITZERLAND.—BANK PROFITS AND BANKING
CONDITIONS—THE QUESTION OF FOREIGN LOANS.

(FROM OUR CORRESPONDENT.)

GENEVA, April 11.

THE annual reports of the leading Swiss commercial banks have now appeared. The uncertainty which ruled among investors during December and January proved not to have been justified. With only one exception—that of the Comptoir d'Escompte de Genève—the eight big banks distributed the same dividend as in the previous year. It must be stated, however, that the margin between the net profit published and the dividend distributed was, in some cases, and especially in that of the Banque Populaire Suisse, extremely narrow. In all cases it was smaller than in the previous year. When, at the beginning of February, it became known that dividends would be maintained, there was a certain rise in the value of banking shares in the Swiss stock markets. During the first two months of the year the shares of the Swiss Bank Corporation rose by 11.8 per cent., those of the Credit Suisse by 11.6 per cent., of the Banque Fédérale by 8.2 per cent., of the Swiss Banking Union by 7.6 per cent., and of the Banque Commerciale de Bâle by 13 per cent. The fact that the last-mentioned bank maintained the dividend of the previous year was an agreeable surprise for many holders of the shares. At the end of March, however, bank shares were cheaper than at the end of February, although the average price of money, and especially the interest for loans on securities at the end of March, was considerably lower than at the end of February. The shares of the Swiss Banking Union, in particular, sank again below par.

With the single exception of the Banque Populaire Suisse, the debtors of the leading Swiss banks are chiefly to be found amongst the ranks of exporters and merchants dealing with international transactions. It is self-evident, therefore, that the leading commercial banks have to endure comparatively serious losses in their loans. Unlike France, for example, Switzerland offers many credit facilities for middle-class people, and especially for the rural middle class, but this class of debtors, which is suffering less from the present crisis, resorts, in most parts of the country, with the exception of the large towns, to the cantonal states banks and local institutions. The slackness in industry had the effect that the turnover of all Swiss leading banks decreased in 1921 on an average by 20 per cent. What did not cease, even in 1921, was the growth of business expenses. The source of income for the meeting of rising business expenses, namely, exchange transactions, now yields less than in 1919. It must be remembered that even turnovers of hundreds of millions of German marks or Austrian crowns, such as were handled in Zurich and Basle, are not very profitable for institutions having their business expenses in Swiss francs.

The endeavours of leading Swiss banks to grant loans to various Eastern countries, provided the proceeds of these loans should be more or less reserved for purchases of Swiss manufactured goods, failed in practically all cases. The merchants of Eastern countries judge Swiss goods too expensive for them even when supplied against long-term loans. That is the reason why last week negotiations with Czecho-Slovakian banks fell through. The granting of loans without making adequate purchases of Swiss goods a necessary condition has not yet been taken into consideration, but there are many people who consider that the tight-fisted standpoint (Swiss money only to buyers of Swiss goods) will in the long run bring serious damage to Swiss commerce.

Books and Publications.

THE CONDITION OF GERMANY.*

AMID the confused and conflicting reports as to the internal condition of Germany, it is a relief to turn to the short but suggestive impressions recorded by the late chairman of the War Trade Intelligence Department in January of this year during a tour of the occupied areas. Sir Henry Penson's book is only a sketch, and does not attempt any elaborate statistical analysis, but he is a skilled observer, and his statements, particularly with reference to the relative economic position of the upper, middle, and lower classes, constitute a valuable addition to our understanding of a very complex situation. Sir Henry noted an absence of the old domineering manner on the part of Customs and railway officials, due perhaps partly to the fact that their uniforms are not so smart and new as formerly. In the railway train men and women of the professional classes who would formerly have travelled first or second class are now to be found in the fourth class. The old curiosity about the visitor's personal affairs was lacking, and replaced by a new passivity, and Sir Henry evidently thinks the condition of these classes would be deplorable indeed but for the remarkable aptitude of the German housewife. The position of the official classes in relation to the value of money was wittily expressed by one of Sir Henry's informants, who observed that before the war in his circle "We used to change our collars every day and a 100-mark note once a week; now we change our collars once a week and a 100-mark note every day." After examining the exchange and price figures he arrives at the conclusion that the internal value of the mark in January was three times its external value, but these prices are changing so rapidly that such calculations are out of date as soon as they are made. More permanent importance attaches to his study of German psychology and of the part which it plays in the question of Germany's ability to pay reparation. Summarising his impressions, he observes that Germany has all the outward appearance of prosperity, but that prosperity has very little solid foundation. The alteration in the external and internal value of the mark has added enormously to the difficulty of the problem, while the effect of the war upon the material condition of German plant and on the physiological condition of her people was not sufficiently considered in fixing the Reparation terms. "To recover the will to pay, which a spirit of hopelessness, a sense of ill-treatment, or a feeling of having had no say in the settlement have undoubtedly engendered, should not be beyond the powers of statesmanship."

* "Is Germany Prosperous?" By Sir Henry Penson, K.B.E. Edward Arnold and Co. (1922). 3s 6d net.

FARMERS AND CO-OPERATION.

THE orderly, compact, and interesting little volume which Mr Warman devotes to the subject of agricultural co-operation makes no attempt to indicate what future developments are likely to be in this country; and its merit

* "Agricultural Co-operation." By W. H. Warman. With an Introduction by Sir Leslie Scott, K.C., M.P. London: Williams and Norgate. 5s net.

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consists in the reliability of its facts in the first place, materially also in their excellent marshalling. Mr Warman describes briefly but sufficiently the early labours of Holyoake, an "undifferentiated" worker for combination generally; of Greening, a champion of "one and all" within the wide field of silviculture, agriculture, and horticulture; and of Yerburgh, the first real founder of agricultural co-operation as it is now understood. The late member for Cheshire never rose to the political eminence that might conceivably have been his, and farmers' energies took for a spell that form of direct political co-operation which resulted in the National Farmers' Union. The business side of organisation found for the first decade of the present century its foremost advocate in Mr Nugent Harris, and for the last ten years the leading name has been that of the new Solicitor-General, Sir Leslie Scott, whose seat in the House of Commons has enabled him to take up the position of Mr Yerburgh, together with something more than Mr Yerburgh's influence.

Sir Leslie, in his well-reasoned introduction to Mr Warman's work, shows the potential advantages of combined action very clearly, but his insistence on a purely democratic control raises a business issue of some magnitude. If the co-operators must have equal votes, irrespective of how much money each puts in, will not the tendency be towards a minimum investment, and will not that restrict severely the scope of each co-operative group?

The present state of co-operation, as disclosed in Mr Warman's chapters, is alive with problems. On the whole, Denmark and New Zealand appear to tie for first place in his record of successful co-operation, but Denmark has developed on purely individualistic lines, New Zealand on those of State and compulsory socialism. In England the number of agriculturists using co-operation ranges from 12 per cent. in a district to 60 per cent.; but Devon and West Yorkshire, which show a minimum of combination in effort, are not conspicuously

either more or less prosperous than Lincolnshire and East Yorkshire, where co-operators are a clear majority. Hampshire is twice as "co-operative" as adjacent Berkshire, Wales much more devoted to combined effort than the well-farmed counties of the West English marshes.

The societies now existing consist of two well-defined groups, the first of which has a total of about 84,000 members and a turnover of £17,000,000 yearly, or a little more than £200 per member, and the second of which has about 116,000 members and a turnover of only 50s per member, £290,000 in all. Thus the experience of 50 years have crystallised into two absolutely separate types. There happily seems to be ample room for each type to extend, and do steadily increasing service.

Mr Warman is a chronicler rather than an apologist, but there is one point on which he insists, and that is the large societies having a skilful and well-paid manager to trade for them, whether they buy wholesale and divide up to members, or send their goods to a common store and sell them, graded, therefrom. Economists will appreciate the author's contention that the manager, as the servant of the co-operation, will become an asset of increasing value with continuance of service and acquired knowledge of markets. A matter which Mr Warman puts in a very clear and instructive light is that these co-operative efforts, bringing agriculturists together locally, educate them by observation, by comparison, and by the revealed need of all that he groups under the word "standardisation." The present volume, though unpretentious, is likely itself to become "standard," embodying, as it does, a brief and clear history down to date of what agricultural co-operation has thus far effected in England and Wales.

THE WORKS OF TURGOT.

"Œuvres de Turgot et Documents le Concernant, avec Biographie et Notes." Par Gustave Schelle. Tome quatrième. Paris: Librairie Felix. Alcan, 1922. Pages 723, 8vo. 40s net.

THE French *économistes* of the 18th century were the earliest apostles of what Adam Smith calls "the system of natural liberty" in trade, industry, and commerce. They hold a secure place in the history of economic theory, and in the memory of their liberty-loving countrymen. But it must be confessed that their writings are more praised than read, their principles more admired than practised. M. Schelle is one of the few enthusiasts still surviving to whom no detail of their lives and actions seems too trivial for record. He is now producing a complete edition of the works of Turgot, with a Life and notes. This is the fourth and penultimate volume.

Turgot, it is true, refused to be reckoned as a member of the school of *économistes*. His hatred of the sectarian spirit and the disfavour into which the *économistes* fell at Court sufficiently account for this formal disclaimer, but in all essentials he agreed with them, and if not a pillar was a powerful buttress of their edifice. Himself one of the noblest and purest figures in political history, spotless in life, vigorous and fearless in action, gifted with "a wise and understanding heart," Turgot filled with conspicuous success various offices, including the highest financial position in France. "Only Turgot and I really love the people," said Louis XVI. Voltaire's ode to Turgot outlasts brass and marble. Lord Morley's well-known essay depicts him in the most appreciative colours.

His friend and biographer, Du Pont de Nemours, collected nine volumes of his life and works in 1809-11. Some new matter was added in the edition in two volumes by Daire and Dussard in 1841, and a reprint of the collected works at the present time is somewhat surprising. The volume before us deals only with the period 1774-5, and includes a fine portrait and a few hitherto unpublished documents from the *Archives Nationales* and other sources, but, on the whole, we find nothing that is both new and important, and would have been spared much of the minute and ephemeral matter contained in the volume. In his celebrated *Encyclopædia* article on *foundations* or pious endowments Turgot wrote:—"If there were a tomb for every man who has lived, it would be necessary, in order to find land for cultivation, to sweep away these barren monuments and stir the ashes of the

dead to provide sustenance for the living." In the same spirit we are tempted to say that if the works and years of all great men were dealt with on the scale of this volume "even the world itself could not contain the books that should be written." Having said so much it is hardly necessary to add that the zeal and research of M. Schelle show an untiring enthusiasm for his great subject.

BOOKS RECEIVED.

The Unity of Western Civilization. Essays arranged and edited by F. S. Marvin. Second edition. (London) Humphrey Milford, Oxford University Press. 6s net.

Europe in Convalescence. By Alfred E. Zimmern. (London) Mills and Boon, Limited. 5s net.

"Manchester Guardian Commercial" *Reconstruction in Europe.* Section 1. General editor, John Maynard Keynes. (Manchester) Office of the "Manchester Guardian," Limited. 1s.

World Trade and World Recovery. By Mercator. (London) Eveleigh Nash and Grayson, Limited. 4s 6d net.

The Foundations of Japan. By J. W. Robertson Scott. (London) John Murray. 24s net.

Canada as a Market for British Goods. Introductions by Sir Peter Rylands and Stanley Machin. (London) Selwyn and Blount, Limited. 7s 6d net.

Nitrate Facts and Figures, 1922. Compiled by A. F. Brodie James. (London) F. C. Mathieson and Sons. 5s net.

The Edinburgh Review. April, 1922. (London) Longmans, Green, and Co. 7s 6d.

Manchester Association of Importers and Exporters. Report for the year ended February, 1922. (Manchester) 44 Spring gardens.

Labour and National "Economy." (London) 33 Eccleston square, Westminster, S.W. 1. 6d.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.
April 26.

ACCOUNT.
April 27.

THE Stock Exchange is disappointed at the way in which business has fallen off during the present week. Members hoped to return after Easter to find markets buoyant under the influence of an abundance of buying orders. What checked the boomlet has been, of course, the unexpected developments at Genoa. These are causing the Stock Exchange a certain amount of nervousness, if not of anxiety, and have laid a check upon public buying in most markets.

The War Loan gave way to 100 before it recovered to 101, but gilt-edged stocks of most descriptions are better. The newly-issued West Australia and Commonwealth scrip stocks are both at a fair premium. The City of Wellington subscription lists were opened for barely ten minutes. New Zealand's bold attempt to raise money at 5 per cent. created a favourable impression, and the tendency of Home Railway prior-charge issues sympathised with that for Colonials, Corporation stocks, and British Government securities. In the foreign market, one of the features has been dulness in the recently-issued French Railway loans. German Threes dipped to 51s before recovering to 53s 9d. Chinese bonds are rather better. Czechoslovak Eights rose to 2 premium, dropped back to par, and then recovered to about 10s premium. Russian railway bonds are mostly lower. Mexicans have been moving irregularly.

Interest in Home Railway stocks has fallen to a lower ebb, and although the undertone of the market is described as firm, it cannot be said that business is by any means active. This is reflected in the comparative dulness of prices. Great Westerns, however, stand out with conspicuous strength, and the list, taken as a whole, is not bad. Preferred stocks in several cases show substantial improvement. Grand Trunks are better, moving up for the first time for many weeks. Mexican Rails cannot get started, but Mexican utilities are generally higher, rises of 3 to 10 points being common in today's quotations as compared with those of a fortnight ago. Argentine Railway ordinary stocks dwindled, but the debentures and preferences are all good.

Rubber shares, after showing a certain amount of firmness, eased off when the price of the produce was posted at 8½d per lb sellers. Oil shares are remarkably active. Not only the leaders, but a number of lower-priced shares have come this week into prominence, and there is a wide extension of gambling in the oil area. Shipping stocks and shares are good, the Cunard dividend having a strengthening effect. Banking shares show a number of rises, and the insurance market exhibits strength. Most of the iron and steel shares are better. A general rise in textiles was succeeded by something of a reaction, as sellers came in to take advantage of the improvement. Harrods and other stores shares are better, in spite of a disappointing dividend from the Army and Navy Stores. Electric lighting shares further improved, and gas stocks, while somewhat irregular, are higher on balance. Most of the industrial preferences are difficult to get at all. The list of trust companies' stocks shows rises in about 70 issues this week.

The Kaffir market is inclined to be heavy for lack of interest. Paris has been a seller of her favourite stocks and shares, the reason being attributed to the Genoa Conference. Diamonds managed to maintain a fairly firm front, but Rio Tintos gave way, together with a few other copper shares. Malayan tin varieties are mostly better, on a recovery in the price of tin. Russo-Asiatics dropped to 9s before regaining a shilling. Mexican mining shares have strengthened a little, by reason of the rise in the price of silver. In the miscellaneous mining shares there is not much going on, and interest in West Africans is still as dormant as ever.

To complete our record of new issues and summary of profit and loss accounts, company secretaries are requested to furnish us with copies of new prospectuses and report and accounts. Our readers can also assist by forwarding copies of prospectuses and company reports and accounts which may fall into their hands.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—				
Amount previously recorded	348,615,381			
5% Treasury Bonds (by tender, April 15, 1922), £20,000,000, at £101 11s				20,510,000

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED APRIL 15, 1922

April 1 to April 15, 1922, £19,800,000..... 1,250,000 .. 1,250,000

To the Public—

City of Wellington (New Zealand), £693,000 5½% Debts, at 98%, red. at par Dec. 1, 1940 (Apr. 20) 693,000 .. 679,140 .. 34,650 .. 644,490

Total offered for subscription to date	whole year—	Total offered for subscription for
1922.....	£370,854,521	1921..... £388,978,203
1921.....	76,241,145	1920..... 367,649,666
1920.....	158,428,705	1919..... 1,036,059,951
1919.....	314,038,342	1918..... 1,393,381,441
1918.....	528,404,110	1917..... 1,318,598,010
1917.....	877,855,178	1916..... 685,436,850
1916.....	180,187,131	1915..... 685,326,326
1915.....	51,199,416	1914..... 512,522,633

City of Wellington, New Zealand.—Issue at 98, of £693,000 5½ per cent. debentures, being £519,000 for the City electricity supply purposes, and £174,000 for water supply. Interest and principal are repayable in London, and it is stated that the loan is "redeemable December 1, 1940." Apparently there is a sinking fund of 1 per cent. These loans are for specific purposes, as stated above, and are secured by special rates on the City of Wellington, and the Corporation has power to increase these rates if necessary. The rateable value of the city in 1921 is recorded as £14,488,330, while the total capital value of all rateable property is given as £28,312,933. No

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figures are given in the advertised prospectus as to the total debt of the city, but it is stated that the Corporation owns assets worth £4,094,219. An excellent investment of its class, which was over-subscribed.

ACTIVE SECURITIES.

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
War Loans 1914-15 2½% .. 94½ .. 94½ .. +			
Loans 1915-16 2½% .. 94½ .. 94½ .. +			
Loans 1916-17 2½% .. 94½ .. 94½ .. +			
Funding Loan 4% .. 86 .. 87 .. +			
Victory Bonds 4% .. 89½ .. 89½ .. +			
Conversion Loan 3½% .. 75 .. 76 .. +			
Consols 2½% .. 58½ .. 59 .. +			
Irish Land Stock 2½% .. 59 .. 60 .. +			
Local Loans 3% .. 63½ .. 64 .. +			
Aust. 6% 1931-41 .. 104 .. 104 .. +			
Canada 4½% 1920-25 .. 99 .. 100 .. +			
India 3½% Stock .. 64½ .. 64½ .. +			
Do 7½% 1926-31 .. 111 .. 111½ .. +			
Do 5½% 1932 .. 95½ .. 96 .. +			
N.S.W. 5½% 1922-32 .. 101 .. 101 .. +			
Nigeria 6% 1949-79 .. 111 .. 111 .. +			
U.S.A. 6% 1932-40 .. 103 .. 104 .. +			
Victoria 5½% 1924-34 .. 101 .. 101 .. +			

Colonial and Foreign Railways.

	Price Last Week.	Latest Price.	Rise or Fall.
Antofagasta Cons. .. 59 .. 60½ .. +			
B. A. & Pacific .. 50 .. 48½ .. -			
B. A. Gt. Southern .. 70 .. 69½ .. -			
Buenos Ayres West. .. 70 .. 68½ .. -			
Canadian Pacific .. 160½ .. 163 .. +			
Central Argentine .. 62½ .. 62 .. -			
Grand Trunk Ord. .. 1½ .. 2 .. +			
Grand Trunk 1st Pref. .. 17 .. 19 .. +			
Leopoldina .. 27 .. 27½ .. +			
Mexican Railway .. 17 .. 17 .. +			
Do 1st Pref. .. 44 .. 45 .. +			
Do 2nd Pref. .. 118 .. 116 .. -			
San Paulo .. 58½ .. 57½ .. -			
United Havana .. 58½ .. 57½ .. -			

Banks.

	Price Last Week.	Latest Price.	Rise or Fall.
Barclays B. (£1, f.p.d.) .. 2½ .. 2½ .. +			
Lloyds (£5 with £1 p.d.) .. 2½ .. 2½ .. +			
London Joint City & Midland (£12 with £2 paid) .. 8½ .. 8½ .. +			
London County Westminster and Parr's (£20 with £5 paid) .. 17½ .. 17½ .. +			
Nat. Bank of Egypt (£10) .. 20½ .. 20½ .. +			
Nat. Bank of S. Africa (£10) .. 11 .. 11½ .. +			
Nat. Prov. & Union of England (£20 with £4 paid) .. 10½ .. 10½ .. +			
Standard of S. Africa (£20 with £5 paid) .. 12 .. 12½ .. +			

Foreign Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
Argentine 5% 1886-7 .. 98 .. 98 .. +			
Belgian 3% .. 72 .. 73 .. +			
Brazil 5% Fund. 1914 .. 72 .. 73 .. +			
Chilian 4½% 1895 .. 103½ .. 104½ .. +			
Do 7½% 1912 .. 75 .. 74 .. -			
Chinese 5% .. 72 .. 73½ .. +			
Egyptian 4% .. 45½ .. 48 .. +			
French 5% .. 36½ .. 37½ .. +			
Do 4% .. 36½ .. 37½ .. +			
Greek 4% 1889 .. 40½ .. 40½ .. +			
Japanese 4½% .. 103 .. 103 .. +			
Do 4% 1910 .. 70 .. 70 .. +			
Mexican Cons. 1899 .. 69 .. 72½ .. +			
Peruvian Corp. Pref. .. 19 .. 20 .. +			
Russian 5% 1906 .. 15½ .. 16 .. +			
Spanish 4% .. 73 .. 73½ .. +			
Seine (Dept.) 7% .. 104 .. 105 .. +			
Siamese 7% .. 104½ .. 105½ .. +			

Telegraphs.

	Price Last Week.	Latest Price.	Rise or Fall.
Anglo-American "A" .. 22 .. 22½ .. +			
Marconi Wireless .. 2½ .. 2½ .. +			
Marconi Canada .. 1½ .. 1½ .. +			
Marconi Marine .. 1½ .. 1½ .. +			

British Railways.

	Price Last Week.	Latest Price.	Rise or Fall.
Great Central Pref. .. 18 .. 18 .. +			
Great Eastern .. 38½ .. 39 .. +			
Great Northern Def. .. 35 .. 36 .. +			
Great Western .. 57½ .. 59 .. +			
London, Brighton, & South Coast .. 10 .. 10½ .. +			
London, Chatham & Dover .. 94½ .. 94½ .. +			
L. & N.W. (New) .. 28 .. 27½ .. -			
L. & S. Western, Def. .. 28 .. 27½ .. -			
Metropolitan .. 41½ .. 41½ .. +			
Metropolitan District .. 32 .. 34 .. +			
Midland Deferred .. 61½ .. 62 .. +			
North British Def. .. 16½ .. 16 .. -			
North-Eastern .. 93½ .. 95½ .. +			
South-Eastern "A" .. 35 .. 36½ .. +			
Underground Electric (L) .. 28 .. 28 .. +			
Do "A" (1) .. 28 .. 28 .. +			
Do Ino. Bds. (£100) .. 75 .. 77 .. +			

American Railroads.

	Price Last Week.	Latest Price.	Rise or Fall.
Chesapeake & Ohio .. 73 .. 73 .. +			
Erie .. 14½ .. 15 .. +			
Do 4½ 1st Pref. .. 24 .. 26 .. +			
Southern .. 27 .. 28 .. +			
Do Non-cum Pref. .. 62 .. 64 .. +			

Miscellaneous.

	Price Last Week.	Latest Price.	Rise or Fall.
Aerated Bread (£1) .. 12 .. 12 .. +			
Lipson (L) .. 14 .. 14 .. +			
Armstrongs (Sir W. G.) .. 17 .. 18½ .. +			
and Co. (£1) .. 17 .. 18½ .. +			
Ass. Ptd. Cement (£1) 15/9 .. 16/5 .. +			
B'ham Small Arms (£1) 10/6 .. 9/10 .. -			
Brazil Traction (£100) 49 .. 49½ .. +			
British-American Tobacco (£1) .. 3½ .. 3½ .. +			
Bris. & Arg. Meat (£1) 1½ .. 1½ .. +			
Burnah Oil (£1) .. 5½ .. 6 .. +			
Coats (J. and P.) (£1) .. 5½ .. 5½ .. +			
Contraids (£1) .. 2 .. 2 .. +			
Cunard (£1) .. 1 .. 1 .. +			
Dorman, Long (£1) .. 1 .. 1 .. +			
Dunlop Rubber (£1) .. 1 .. 1 .. +			
Finest Cotton Spunners (£1) .. 1½ .. 1½ .. +			
Foreland Land (£1) .. 1½ .. 1½ .. +			
Furness, Withy (£1) .. 1½ .. 1½ .. +			
Highlands and Lowlands Rubber (£1) .. 1½ .. 1½ .. +			
Hudson's Bay (£1) .. 1½ .. 1½ .. +			
Imperial Tobacco (£1) .. 1½ .. 1½ .. +			
Linggi Plantins (£1) .. 1½ .. 1½ .. +			
Lipson (£1) .. 14 .. 14 .. +			
Lever Bros. Cmp (£1) .. 14 .. 14 .. +			
Do 8% Cmp A Pref (£1) .. 1 .. 1 .. +			
Do 20% Cmp Ord (£5) .. 1 .. 1 .. +			
Lister (£1) .. 1 .. 1 .. +			
Lobitos Oilfields (£1) .. 1 .. 1 .. +			
Lyons (J. & Co. (£1) .. 1 .. 1 .. +			
Magadi Soda (£1 Ord.) .. 1 .. 1 .. +			
Mexican Eagle (£10) .. 100 .. 100 .. +			
North Caucasian (10) .. 1 .. 1 .. +			
Pekin (20) .. 1 .. 1 .. +			
Rubber Plantations Investments (£1) .. 1 .. 1 .. +			
Shell Transport (£1) .. 5 .. 5 .. +			
Smithfield & Argentine Meat (£1) .. 1 .. 1 .. +			
United Serdang (2) .. 1 .. 1 .. +			
United Tobacco (£1) .. 1 .. 1 .. +			
Vallambrosa (20) .. 1 .. 1 .. +			
Vickers (£1) .. 1 .. 1 .. +			
Wayne Def. Ssk .. 140 .. 140 .. +			

Mines.

	Price Last Week.	Latest Price.	Rise or Fall.
Brakpan (£1) .. 2½ .. 2½ .. +			
Broken Hill Prop. (5) .. 11 .. 11 .. +			
Chartered (£1) .. 1 .. 1 .. +			
Cons. Gold Fields (£1) .. 1 .. 1 .. +			
Crown Mines (10) .. 11 .. 11 .. +			
De Beers Def. (£20) .. 11 .. 10½ .. -			
East Rand Prop. (£1) .. 1 .. 1 .. +			
Gold (£1) .. 2½ .. 2½ .. +			
Gov. Gold Areas (£1) .. 4 .. 4 .. +			
Kings .. 2½ .. 2½ .. +			
Modderfontein (100) .. 2½ .. 2½ .. +			

COMPANY MEETINGS, &c.

LAW UNION AND ROCK INSURANCE COMPANY, LIMITED.

SURPLUS PROSPECTS FOR NEXT VALUATION.

The ordinary general meeting of the Law Union and Rock Insurance Company, Limited, was held on Thursday, the 20th instant, at 7 Chancery Lane, W.C., Mr Charles G. Hamilton, the chairman, presiding.

The secretary and actuary, Mr James Stirling, having read the notice convening the meeting and the report of the auditors,

The Chairman said:—In the life department the net new business amounted to £1,314,350. This is not equal in volume to the new business transacted during the boom years of 1919 and 1920, but it is much larger than the new business completed in any other year. Having regard to the great depression in trade during 1921, and the consequent decrease in incomes, new life business was bound to fall off in volume. The net premiums in respect of new assurances amounted to £40,703. The total net life premium income was £828,228, and the total life funds amounted to £8,849,109—an increase during the year of £187,605.

The expenses of the life department amounted to 17.53 per cent. of the net premium income, a reduction of 1.44 per cent. on the figures of 1920.

The claims by death were £434,122, an amount well within the mortality expectation; indeed, I believe the mortality experience of 1921 to be the most favourable the Law Union and Rock has ever had. The net rate of interest on the funds was £4 9s per cent.

PROSPECTS FOR NEXT QUINQUENNIAL VALUATION.

At the last quinquennial valuation, at the end of 1919, the Law Union and Rock fund—that is the going fund—showed a surplus of £331,938, which was not then divided. At the end of 1920 there was a considerable depreciation in the market value of our investments, but by the end of 1921 that depreciation had quite disappeared, and to-day the going fund shows a substantial appreciation; so the prospects for a large surplus at the end of 1924, the date of the next quinquennial valuation, are distinctly favourable. If we can only escape depreciation, there is bound to be a substantial surplus, for we base our tables on the assumption that

we only make 3 per cent., whereas, in fact, we are making nearly 4½ per cent. net on our funds. Again, if the income-tax comes down only 1s in the £, that, by the end of 1924, will make a substantial addition to our surplus.

Coming to the other departments, the figures in the fire department are very satisfactory, having regard to the adverse conditions prevailing in 1921.

The result, after putting aside 40 per cent. of the premium income for unexpired risks, shows an underwriting profit of £84,534.

The premium income shows a decrease of £61,019, but that was only to be expected, for manufacturers and merchants have been holding greatly reduced stocks of raw and manufactured materials, and at lower cost, and inevitably fire premiums have been correspondingly affected. The directors have decided to strengthen the fire reserve by adding £50,000 to it, bringing the total fire reserve up to £427,239, and to carry £50,500 to the profit and loss account.

The accident and general account is also satisfactory, the reduction in the premium income being rather less than 4 per cent. After adding an additional £20,000 to the reserve fund, bringing it up to £128,627, £13,596 was carried to the profit and loss account.

That account, after payment of the dividends and interest on debentures, closes the year with a balance of £341,490 to its credit, or about £10,000 less than the balance at the end of 1920; but as against this decrease you must remember that we carried from the profits earned in the fire and accident and general account £70,000 to strengthen the reserves in those accounts; but for this we should have shown a considerably increased amount at the credit of the profit and loss at the end of 1921.

SYSTEM OF CONTINUOUS AUDIT.

Before I sit down, I should like to mention that all our Stock Exchange securities in this country are kept at our bankers, and that we have a system of continuous audit—that is, the auditors have no fixed date for their audit; they come in when and as often as they like and audit our accounts.

The prospects of the current year are fair, but until trade improves our trading departments are not likely to show increases or large profits.

The Chairman concluded by moving the adoption of the report

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL

INSURANCE COMPANY, LIMITED

ALL CLASSES OF INSURANCE EFFECTED

and accounts, which was seconded by Mr J. H. Clayton and carried unanimously.

The proposed dividend was approved, and on the motion of Mr F. W. Pascoe Rutter, seconded by Colonel A. G. Lucas, C.B., M.V.O., the retiring directors, the Earl of Middleton, K.P., and Mr C. W. Washbrough, were re-elected.

Messrs W. B. Peat and Co. were re-appointed auditors, and the proceedings terminated with votes of thanks to the officers and staff and to the chairman and directors.

NESTLE AND ANGLO-SWISS CONDENSED MILK COMPANY.

At a meeting of the board of directors held on April 11, 1922, the accounts for the business year 1921 were considered, and it is with much regret that the board have to inform the shareholders that for the first time since the foundation of the company, over 50 years ago, the business year closes with a loss.

The loss for 1921 is caused by the general economic crisis, enhanced by the recently developed crisis in the milk industry, which has been reflected so severely in the selling prices of dairy products.

The board, therefore, consider it necessary to make even greater depreciations of stocks of manufactured goods than were at first considered advisable. In consequence of this the total loss for 1921 amounts to 93,184,240.80 Swiss francs, consisting of the aforesaid depreciations of stocks amounting to 30,158,171.08f, loss in exchanges 30,884,792.47f, and trading losses 32,141,277.25f.

The exchange losses were due to the difference between the exchanges as at December 31, 1920, and December 31, 1921, on balances due to the company in foreign currencies.

The trading losses resulted from reduction of output following the decreased demand, necessitating during the whole business year the use of stocks of raw material previously contracted for at high prices, thus keeping the manufacturing cost at a high level as compared to the greatly reduced selling prices prevailing during the year.

Our associated companies in various parts of the world also show a loss totalling 14,116,335.71f.

The board propose to cover part of the loss shown above by appropriation of the profits carried forward from 1920, as well as the statutory and special reserves amounting in all to 25,508,355.47f.

In accordance with the Decree of the Swiss Federal Council of December 24, 1919, exchange losses can be carried forward in the balance-sheet subject to annual amortisation until 1940. These losses are already appreciably diminished by the rise in the exchange rates since December, 1921.

The directors, taking into consideration the fact that the sales are now more than double the highest pre-war figures, the undoubted value of the company's goodwill, and the energetic measures which are being taken to reduce the overhead charges, view with confidence the future of the company.

The board desire to remind the shareholders that the paid-up capital of the company is 205,000,000f, of which 160,000,000f is in ordinary shares and 45,000,000f in 8 per cent. cumulative preference shares. The assets after deducting all depreciation of stock and losses on exchanges exceed the total liabilities by 163,000,000f, which is more than three and a-half times the amount of the preference capital.

The board is at present carefully considering a plan for the financial reorganisation of the company, and will convene the annual meeting of shareholders as soon as possible, most probably early in May. Any such reorganisation will preserve the rights of the preference shareholders.

THE BOARD OF DIRECTORS.

Vevey, April 12th, 1922.

JOHN BARKER AND CO.

COMPANY'S SATISFACTORY POSITION—ANOTHER RECORD YEAR.

The 29th ordinary general meeting of John Barker and Co., Limited, was held, on the 21st instant, at the Town Hall, Kensington High Street, London, Mr S. M. Skinner, J.P., the chairman, presiding.

The secretary (Mr G. Wright Bellamy) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that he trusted that the figures before the shareholders that day, gratifying as they were to the directors, were not less acceptable to the shareholders. He was pleased to say that they had had another record year. It had been a most difficult period for retail trading. In the early spring they had thought that prices had become stabilised to some extent, and they had not

been alone in that opinion, but, unfortunately, prices had begun to fall very rapidly and had continued to fall for practically the rest of the year. Even now it was impossible to say what the future held in the way of prices and difficulties of merchandising, but the directors were decidedly optimistic as to the future of Bakers, and their policy was to go full steam ahead.

All their stocks had been taken upon a conservative basis; and whatever happened they could assure the shareholders that their customers would not suffer, as they were out to meet any fair competition, both in service and in goods, in whatever guise it might present itself. They had built up a huge business on bedrock values; their world-wide connection was proof of that, and it would always be the directors' policy to maintain that high standard of value and quality which had been the chief characteristic of their business for many years past.

BALANCE-SHEET ITEMS.

With regard to the accounts, the total assets now amounted to the splendid figure of nearly 3½ millions. The stock-in-trade stood at about £400,000 less than the previous year, and was constantly being reduced. All the directors were greatly averse from carrying unwieldy stocks, and the utmost was done, and would be done, to keep regular stocks at a merchandising level. They had, however, made a great name in the country for "stock" offers, and, in their opinion, it would be a mistake to ignore the opportunities that were offered them for big cash buying of factory and other stocks, which their exceptional resources enabled them to carry through—to the immense advantage of the public. The same argument also applied to large orders placed with manufacturers for goods specially made for them. If they had a huge turnover, they must have a big stock. An adequate stock, competing for every need, well bought and tastefully displayed, was the biggest asset of a distributive business, and it was certainly one of the secrets of any success which John Barker and Co. might have attained.

The general reserve fund almost reached half a million—a very gratifying figure—while they had a further £40,000 in reserve towards the rebuilding of Clarence Mews, the freehold of which they had secured. The rebuilding on that site would not be proceeded with until the cost of erecting business premises became more reasonable and building regulations less stringent.

In common with all business men, he would welcome the re-introduction of the Sunday collection of letters and the reduction in the cost of postcards to one penny; also the lessening of telephone charges. They were all looking forward to the Government in the next Budget doing something to alleviate the burden of taxation and the various bureaucratic exactions of the last few years. The next Budget should see a marked reduction in the rate of income-tax, as well as the entire abolition of the corporation profits tax, which bore so unfairly on limited companies. The present heavy taxation was crippling trade, and not only at home but export trade also. Local taxation also called for some redress.

GROSS PROFIT INCREASE.

The gross profit again showed further increase, but it was almost all accounted for by the increase in their expenses. Notwithstanding all the difficulties, their three businesses had done wonderfully well. The keynote of most company meetings had been the deplorable state of trade, due to falling prices. Such was not their keynote. They had practically maintained their trade, despite the fall in prices and all other difficulties. The sister firms of Derry and Toms and Pontings had shown a remarkable growth and expansion, standing up to the difficulties of the year in a very robust way. The figures of Derry and Toms steadily grew from month to month—a very healthy sign in business building—and the fact that Pontings had fully justified its title of "The House for Value" was shown in the crowds which daily thronged the place. Bakers as a firm was on the threshold of great things. Long since it had outgrown its environment and become a big business. In the last few years, with its sister shops and associated businesses, it had become a national shopping institution. The directors were called upon to legislate for a great future. Bakers had in it, they felt, all the elements of a business pre-eminently great. To work for that future, the re-arrangement of the management had been devised.

The report and accounts were unanimously adopted, and the formal business transacted.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

HEAD OFFICE:
62, OLD BROAD STREET,
LONDON, E.C.2.

NORTHERN DISTRICT OFFICE: 68 Market St., Bradford

Manchester Agency—
WILLIAMS DEACON'S BANK, LTD.

Foreign Exchange Shipping and Agency
Branch—York Street, Mosley Street
(P.O. Box 356), where our Representatives are in daily attendance for the greater convenience of Manufacturers and Shippers.

BRANCHES OF THE ANGLO-SOUTH AMERICAN BANK, LIMITED:
• BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.
• BRANCHES OF THE COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

BRANCHES:
SAN FRANCISCO, NEW YORK, MEXICO, GUATEMALA, SALVADOR, MANAGUA, SANTA MARTA, BARRANGUILLA, PUERTO CABELLO, CARTAGENA, CARACAS, MEDELLIN, BOGOTA, MANTA, GUAYAQUIL, IQUITOS, LIMA, IQUIQUE, ANTOFAGASTA, COPIAPO, COQUIMBO, VALPARAISO, SANTIAGO, CHILLAN, TALCAHUANO, CONCEPCION, RIO DE JANEIRO, SAO PAULO, SANTOS, PORTO ALEGRE, PELOTAS, RIOGRANDE DO SUL, MERCEDES, ROSARIO, BUENOS AIRES, MONTE VIDEO, ROSARIO, MONTE VIDEO, BUENOS AIRES, PERGAMINO, MENDOZA, SAN RAFAEL, BAHIA BLANCA, TRELEW, COMODORO RIVADAVIA, PUERTO DESEADO, SAN JULIAN, SANTA CRUZ, RIO GALLEGOS, PUNTA ARENAS, MANCHESTER, LONDON, PARIS, VIGO, MADRID, SEVILLE, BARCELONA, VALENCIA.

BRITISH AUTOMOBILE TRACTION COMPANY, LIMITED. COMPANY'S SUCCESSFUL YEAR'S BUSINESS.

The 18th ordinary general meeting of the British Automobile Traction Company, Limited, was held, on the 21st instant, at 88 Kingsway, London, Mr C. Shirreff Hilton, the chairman, presiding.

The secretary (Mr W. E. Bennett), having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that those documents showed a very satisfactory state of affairs. The past year had been one of the most successful in the history of the company, due to some extent, no doubt, to the fine weather, but due also to the very satisfactory progress and development of the business. Including the amount brought forward, there was a surplus of £49,637, out of which it was proposed to pay a dividend of 10 per cent. on the participating preference shares, and also on the ordinary shares.

During the year the authorised capital had been increased to £500,000, and 50,000 ordinary shares of £1 each had been issued at par. In July 200,000 cumulative 8 per cent. participating preference shares of £1 each had been offered to the public and 100,161 had been allotted, making the total issued capital at December 31st £300,161. Loans and deposits had been reduced; the cash position was very strong, and, if further capital was required, he believed there would be no difficulty in disposing of the balance of preference shares.

The net traffic receipts and other revenues amounted to £56,269, compared with £44,932 in the previous year. Administration and general expenses showed an increase of £867, which, in view of the largely increased turnover, was a very small percentage.

As a result of the increased fare the London omnibuses, which for some time past had been operating at a loss, now showed a reasonable profit. Fares had since been reduced, but it was hoped that with a revival of trade the results would still be satisfactory. The results at Macclesfield, the other undertaking worked directly by the company, continued to show improvement. Following a strike of employees at Barrow-in-Furness, it had been decided to close the business down permanently, and the omnibuses had been transferred elsewhere. The prevailing industrial depression was adversely affecting the revenue, but expenses of operation were falling, and would, he believed, continue to fall, so that there was every reason to hope that they would be able to maintain the satisfactory results of the past year.

One of the most difficult problems they had to deal with was the competition of the small driver-owned vehicles, and many of their companies were considering the desirability of running smaller and faster vehicles on pneumatic tyres, which might also enable them to get into districts not available for the larger class of vehicle owing to narrow and unsuitable roads. The report and accounts were unanimously adopted, and the formal business was duly transacted.

Orders for the publication in these columns of the reports at Company Meetings should be addressed to the Reporting Manager of the Economist, 3 Arundel Street, Strand, London, W.C. 2.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 248,700,000.00
Deposits and Cheque Accounts
(31/12/21) - Fmk. 1,234,000,000.00

124 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE. RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Total Issues out of the Exchequer to meet Payments from	Receipts	Issues
	Apl. 1, 1922, to April 15, 1922.	Apl. 1, 1921, to April 15, 1921.	Week Ended April 15, 1922.	Week Ended April 15, 1921.
Balances in Exchequer on 1st April:—				
Bank of England	9,963,424	2,591,051	..	..
Bank of Ireland	1,210,106	483,456	..	..
REVENUE.	11,173,530	3,074,506	..	..
Customs	3,195,000	5,367,000	1,427,000	2,092,000
Excise	2,780,000	5,171,000	1,372,000	3,335,000
Motor Vehicle Duties	690,000	723,000	162,000	121,000
Stamps, &c., Duties	2,941,000	1,548,000	1,270,000	884,000
Land Tax, House Duty, & Mineral Rights Duty	539,000	571,000	220,000	296,000
Property & Income Tax (including Super-Tax)	200,000	180,000	80,000	80,000
Excess Profits Duties, &c.	26,357,735	26,458,000	6,167,735	9,835,000
Corporation Profits Tax	104,000	4,455,000	100,000	1,270,000
Post Office	775,000	300,000	220,000	150,000
Crown Lands	1,400,000	1,500,000	700,000	750,000
Interest on Sundry Loans	..	..	..	..
Miscellaneous	227,091	..	..	..
Ordinary Receipts	4,650,426	1,441,544	1,000,212	110,710
Special Receipts	2,453,400	4,888,000	350,000	3,000,000
Revenue	46,305,659	52,402,544	15,068,947	21,704,710
Total, Inc. Balance	67,479,182	56,477,050	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion	200,000	250,000	200,000	150,000
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Acts, 1920 to 1921	..	..	..	..
(b) Under the Unemployment Insurance Acts, 1921	..	..	..	..
(c) For other issues: By Treasury Bills for Supply	125,383,000	264,437,000	58,345,000	109,449,000
By National Savings Certificates	21,100,000	1,950,000	1,853,000	850,000
By Treasury Bonds—				
5-15 year, 1925-35	..	600,000	..	210,000
5%, 1927	33,948,693	..	15,112,775	..
By Other Debt created under the War Loan Acts, 1914 to 1919	..	..	..	..
(d) Ways and Means Advances	65,500,000	53,900,000	15,400,000	18,000,000
Repayments—				
In respect of issues under Land Settlement (Facilities) Act, 1919 and 1921	5,381	2,029	..	..
Total	304,616,266	378,428,079	105,978,722	150,363,710

EXPENDITURE AND OTHER ISSUES.

	£	Total Issues out of the Exchequer to meet Payments from		Issues.	
		Apl. 1, 1922, to April 15, 1922.	Apl. 1, 1921, to April 16, 1921.	Week Ended April 15, 1922.	Week Ended April 16, 1921.
EXPENDITURE.	£	£	£	£	£
Permanent Charge of Debt.....	..	3,281,893	3,136,314	157	..
Interest, &c., on War Debt.....	..	30,784,767	29,813,205	2,134,942	3,512,782
Road Fund.....	..	..	122,000	..	122,000
Payments to Local Taxation Accounts, &c.....	..	..	90,000	..	..
Payments to Northern Ireland Exchequer ..	..	100,000	..	100,000	..
Land Settlement.....	..	79,312	123,458	79,312	123,458
Other Consolidated Fund Services.....	..	39,404	227,328	3,355	194,791
Supply Services.....	..	11,100,000	29,324,000	4,100,000	9,300,000
Expenditure.....	..	45,385,376	62,836,305	6,417,766	13,253,011
OTHER ISSUES.					
Temporary Advances—					
Bullion.....	..	..	250,000	..	150,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	84,909	84,909	84,909	84,909
Under the Unemployment Insurance Acts, 1921.....	..	820,000	..	480,000	..
Issues to Meet Capital Expenditure—	..	..	..	..	..
Under the Telegraph (Money) Acts, 1920 and 1921.....	..	..	600,000	..	..
Redemption of Unfunded Debt—	..	..	..	..	..
Treasury Bills for Supply.....	..	208,655,000	281,301,000	84,155,000	122,107,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917.....	..	540,574	1,536,846	349,218	1,536,846
Principal of National Savings Certificates—	..	..	..	..	..
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920.....	..	1,300,000	500,000	600,000	500,000
(b) Repaid otherwise.....	..	..	750,000	..	..
Principal of Exchequer Bonds paid off.....	..	18,136,605	..	..	..
5%, 1922, £19,136,605; less: paid off by the National Debt Commissioners, £1,000,000—£18,136,605.	..	..	..	..	..
Other Debt under the War Loan Acts, 1914 to 1919.....	..	..	500,000	..	..
Ways and Means Advances Repaid.....	..	26,500,000	23,550,000	13,750,000	11,050,000
Depreciation Fund, under the Finance Act, 1917.....	..	..	1,000,000	..	1,000,000
Balances in Exchequer—	..	301,422,464	372,909,080	106,838,893	148,681,768
Bank of England.....	..	2,076,147	1,938,554	171,136	715,602
Bank of Ireland.....	..	1,115,645	1,568,465	31,507	1,291,644
Total.....	..	3,193,792	3,517,019	139,829	681,944
Treasury, April 17, 1922.					

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to Bankers.	Savings Banks.	Gold and Bullion.	Bank of England Notes.	Ratio to Government Securities.	Balance of Bank of England.
1914.	21,535	..	6,302	3,810	18,500	..	48.1	11,423
Aug. 26. 1915.	38,478	..	169	600	..	..	9.924	9,286
Dec. 29. 1915.	103,125	729	159	249	28,500	..	27.6	54,621
Dec. 27. 1916.	150,144	2,430	64	40	28,500	..	19.0	118,102
Dec. 26. 1917.	212,782	8,554	39	675	28,500	..	13.4	186,637
Dec. 31. 1918.	323,241	15,529	..	570	28,500	..	8.9	305,133
Dec. 31. 1919.	356,152	17,182	250	245	28,500	4,000	9.1	337,537
June 30. 1920.	357,356	16,700	..	190	28,500	13,400	11.7	331,660
Dec. 29. 1920.	367,626	16,962	..	..	28,500	19,450	13.0	336,504
Mar. 30. 1921.	343,826	15,599	Silver Coin.	..	28,500	19,450	13.9	311,334
June 29. 1921.	323,884	14,965	..	..	28,500	19,450	14.8	287,750
Sept. 28. 1921.	314,382	14,830	..	..	28,500	19,450	15.2	278,119
Dec. 28. 1921.	325,584	14,658	..	..	28,500	19,450	14.7	289,131
Mar. 30. 1922.	300,351	14,255	..	..	28,500	19,450	15.9	261,479
April 13. 1922.	306,571	14,101	..	..	28,500	19,450	15.6	267,572
April 20. 1922.	307,300	14,186	..	..	28,500	19,450	15.6	268,391

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,000,000, for 1921 at £317,555,200, and for 1922 at £309,988,400.

TREASURY BILLS AND TREASURY BONDS BY PUBLIC TENDER.

Tenders for £55,000,000 in three months' Treasury Bills and Treasury Bonds, dated from Monday to Saturday, April 24-April 29, were opened on April 21, 1922, and the total amount applied for was £73,555,000. Tenders for Monday to Saturday bills at £99 7s od, about 33 per cent. above in full. The average rate of discount was £2 9s 10d. The average price at which the £10,000,000 of Treasury Bonds were allotted was £101 17s 8.58d, against £101 11s 0.69d the previous week.

The following table shows recent Treasury Bills and Treasury Bonds by tender:—

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	5 % Treasury Bonds, 1927. Average Price.
1922.				
March 17	(a) 40,000,000	(a) 70,825,700	£ s d 3 7 2.78	99 13 7.17
March 24	(a) 60,000,000	(a) 95,512,200	3 2 6.3	99 14 6.68
March 31	(a) 60,000,000	(a) 106,935,000	2 17 11.21	99 16 7.91
April 7	(a) 60,000,000	(a) 118,596,800	2 13 1.68	100 15 0.44
April 13	(a) 65,000,000	(a) 114,371,000	2 7 6.33	101 11 0.69
April 21	(a) 55,000,000	(a) 73,555,000	2 9 1.90	101 17 8.58

(a) Including Treasury Bonds.

Tenders will be received on Friday, April 28, 1922, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £50,000,000.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, April 12, 1922.

ISSUE DEPARTMENT.

Notes issued	145,497,550	Government debt	11,015,100
		Other securities	7,434,900
		Gold coin and bullion	127,047,550
	145,497,550		145,497,550

BANKING DEPARTMENT.

Capital	14,553,000	Government securities	57,139,146
Reserve	3,114,827	Other securities	77,673,770
Public deposits	17,430,957	Notes	23,058,205
Other deposits	124,572,039	Gold and silver coin	1,815,615
Seven-day & other bills	15,913		
	159,686,736		159,686,736

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Account.

Week ended Wednesday, April 19, 1922.

ISSUE DEPARTMENT.

Notes issued	145,500,085	Government debt	11,015,100
		Other securities	7,434,900
		Gold coin & bullion	127,050,085
	145,500,085		145,500,085

DEPRECIATION IN INDUSTRIAL INVESTMENTS

can best be covered by a
Limited Payment Policy
in the

SCOTTISH PROVIDENT INSTITUTION

HEAD OFFICE:

6, St. Andrew-square, Edinburgh.
London: 3, Lombard-street, E.C.3.
West End: 17, Pall Mall, S.W.1.

ACCUMULATED FUNDS - £17,000,000

BANKING DEPARTMENT.

Proprietors' capital	14,553,000	Government securities	48,454,146
Reserve	3,080,462	Other securities	78,101,751
Public deposits	16,834,505	Notes	23,861,840
Other deposits	117,761,293	Gold and silver coin	1,826,688
Seven-day & other bills	15,165		
	152,244,425		152,244,425

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Account.

COMPARISON with PREVIOUS WEEK and a YEAR AGO.

	Amount, April 19, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Reserve	3,080,462	—	—
Public deposits	16,834,505	—	—
Other deposits	117,761,293	—	—
Government securities	48,454,146	—	—
Other securities	78,101,751	—	—
Notes	23,861,840	—	—
Gold and silver coin	1,826,688	—	—
% of reserve to liabilities	19.4%	—	—

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve of Liabilities.	Bank Rate.
1922.	£	£	£	£		%	%
Jan. 25.....	128,447,117	122,205,840	135,453,106	128,746,174	24,691,877	12.8	12.8
Feb. 1.....	128,752,275	123,586,655	160,396,003	154,793,313	21,615,620	14.1	11
8.....	128,748,360	123,666,755	169,135,206	162,649,169	24,531,605	14.7	11
15.....	128,762,519	121,752,490	152,373,436	144,991,491	25,460,029	16.4	11
22.....	128,761,537	121,545,695	137,755,462	130,184,356	25,655,942	18.1	11
Mar. 1.....	128,762,306	123,093,340	135,643,344	129,715,387	24,118,966	17.2	11
8.....	128,763,964	123,234,355	138,265,592	131,468,690	24,979,809	18.1	11
15.....	128,765,444	123,276,196	134,649,144	127,367,580	25,467,940	18.4	11
22.....	128,776,763	121,704,445	142,190,053	134,862,288	25,526,518	18.7	11
April 5.....	128,771,301	122,718,940	150,541,882	144,349,557	24,504,263	18.3	11
12.....	128,879,159	122,896,990	146,528,233	139,777,038	24,432,169	18.4	11
19.....	128,863,165	122,439,345	142,009,396	138,812,916	24,873,820	18.4	11
26.....	128,876,773	121,638,345	134,955,798	126,555,897	25,688,528	19.1	11

BANKERS' CLEARING RETURNS.

Week Ending—	Town Clearing.	Country Clearing.	Total.
1922.			
January 1—April 5	9,799,764,000	762,049,000	10,561,813,000
April 12	8,616,417,000	874,634,000	9,491,051,000
Total to date 1922	10,616,181,000	820,266,000	11,436,447,000
Do 1921	9,280,113,000	984,547,000	10,264,660,000
Increase or decrease in 1922	+ 1,336,068,000	- 164,281,000	+ 1,171,787,000
	+ 14.4%	- 16.7%	+ 11.4%
Total for 1921	31,928,380,000	3,002,179,000	34,930,559,000
Do 1920	34,946,683,000	4,072,220,000	39,018,903,000
Increase or decrease in 1921	- 3,018,303,000	- 1,070,041,000	- 4,088,344,000
	- 8.6%	- 26.2%	- 10.4%

Week Ending	Town Clearing.	Country Clearing.	Total.
1922.			
January 1—April 12	10,616,181,000	820,266,000	11,436,447,000
April 19	535,504,000	41,502,000	577,006,000
Total to date 1922	11,152,085,000	861,768,000	12,013,853,000
Do 1921	9,863,086,000	1,047,416,000	10,910,502,000
Increase or decrease in 1922	+ 1,288,999,000	- 185,648,000	+ 1,103,351,000
	+ 13.0%	- 17.7%	+ 10.1%
Total for 1921	31,928,380,000	3,002,179,000	34,930,559,000
Do 1920	34,946,683,000	4,072,220,000	39,018,903,000
Increase or decrease in 1921	- 3,018,303,000	- 1,070,041,000	- 4,088,344,000
	- 8.6%	- 26.2%	- 10.4%

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Inc. or Dec.
Aggregate Totals to April 15.			
BIRMINGHAM	45,771,200	33,228,700	- 12,542,500
Bristol	24,227,000	20,224,000	- 4,003,000
DUBLIN	113,268,800	101,577,700	- 11,691,100
LIVERPOOL	18,761,800	17,243,500	- 1,518,300
LEICESTER	12,366,800	12,392,100	+ 25,300
LONDON	155,779,400	139,375,700	- 16,403,700
MANCHESTER	246,378,600	225,394,800	- 20,983,800
NEWCASTLE-ON-TYNE	36,566,500	27,838,900	- 8,727,600
NOTTINGHAM	11,926,300	10,461,900	- 1,464,400
Sheffield	22,239,900	14,501,100	- 7,738,800

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

	April 14, 1922.	April 7, 1922.	April 1, 1922.	Week's Movement.
Reserves.				
Total gold reserve	2,985,740	2,983,200	2,969,010	+ 2,540
Legal tender notes and silver reserve	126,290	126,400	217,820	- 110
Notes discounted for member banks	575,540	624,390	2,154,750	- 51,360
Bills bought in open market	35,610	38,380	103,610	- 4,770
Government obligations owned	512,960	462,760	279,240	+ 50,200
All other resources	63,700	63,820	44,100	+ 880
LIABILITIES.				
Government deposits	38,630	35,540	48,050	- 3,090
Other deposits	1,764,400	1,768,900	1,598,120	+ 4,500
Federal Reserve Notes in actual circulation	2,200,310	2,198,070	2,893,960	- 8,240
Federal Reserve Bank Notes in actual circulation	82,070	81,080	167,150	- 990
All other liabilities	17,910	17,780	52,090	- 150
Capital and surplus	319,500	319,400	303,260	+ 100
Ratio of total reserves to gross deposits	77.7%	77.0%	53.5%	
Federal Reserve note liabilities combined				

BANK OF FRANCE.

(000's omitted.)

	April 20, 1922.	April 13, 1922.	April 6, 1922.	Week's Movement.	Position May 30, 1914.
Assets.					
Gold coin and bullion	5,526,603	5,526,373	5,508,534	+ 230	3,730,625
Of which held abroad	1,948,367	1,948,367	1,948,367	—	—
Silver coin and bullion	282,723	282,251	271,268	+ 473	633,650
Discount and advances	4,985,957	5,053,135	4,910,430	+ 67,703	2,327,775
LIABILITIES.					
Notes	35,951,264	36,035,467	38,289,514	- 84,203	5,811,875
Government deposits	35,273	63,792	39,376	- 28,513	183,700
Private deposits	2,310,435	2,134,462	2,857,761	+ 175,973	845,950

BANK OF SPAIN.

(000's omitted.)

	April 15, 1922.	April 8, 1922.	April 1, 1922.	Week's Movement.	Position May 30, 1914.
Assets.					
Gold	4,521,760	2,521,333	2,520,919	+ 414	521,775
Silver	631,523	632,753	635,528	- 2,775	728,000
Loans and stocks	2,441,266	2,452,664	2,425,705	+ 26,959	800,795
Spanish 4% debt	344,475	344,475	344,475	—	344,475
Treasury bills	150,000	150,000	150,000	—	150,000
LIABILITIES.					
Circulation	4,194,601	4,202,884	4,178,370	+ 24,514	1,901,560
Deposits	1,116,788	1,111,054	1,163,177	- 52,123	477,500

NATIONAL BANK OF GREECE.

	Feb. 22, 1922.	Feb. 15, 1922.	Feb. 8, 1922.	Previous Return.	Last Year.
Assets.					
Gold and balances abroad	1,386,409,456	1,375,611,719	1,441,045,362	+ 15,797,736	- 51,635,907
Government loans and securities	2,315,053,483	2,314,194,594	1,362,941,549	+ 1,141,042	+ 1,050,119,933
Discounts and loans	759,533,794	768,814,911	762,427,343	+ 9,811,277	- 22,882,559
LIABILITIES.					
Notes in circulation	2,123,265,480	2,115,932,581	1,835,064,787	+ 7,432,889	+ 600,500,893
Government deposits	140,437,873	186,802,798	164,147,010	+ 42,655,788	- 379,937
Private deposits	1,181,044,331	1,006,337,304	878,985,733	+ 117,071,277	+ 248,048,598
Other liabilities	971,503,162	965,141,853	698,052,467	+ 4,361,269	+ 375,450,685

BANK OF JAPAN.

(000's omitted.)

	Mar. 11, 1922.	Mar. 4, 1922.	Feb. 25, 1922.	Feb. 18, 1922.	Mar. 12, 1922.	Position Jan 30, 1914.
Assets.						
Gold and silver	1,224,127	1,234,748	1,226,429	1,227,165	1,275,168	221,320
Discounts	87,299	120,594	95,352	62,614	46,999	41,740
Advances	85,437	86,280	83,567	69,049	110,229	70,540
LIABILITIES.						
Notes	1,097,970	1,174,637	1,167,179	1,108,458	1,008,401	362,270
Govt. deposits	1,328,840	1,302,403	1,289,224	1,305,259	1,335,327	87,340
Private deposits	64,687	59,616	43,799	72,056	222,353	11,440

IMPERIAL BANK OF GERMANY.

(000's omitted.)

	April 7, 1922.	March 31, 1922.	April 7, 1921.	Week's Movement.	Position May 30, 1914.
Assets.					
Gold	999,876	996,877	1,091,519	+ 2,999	1,313,240
Of which deposited in Bank of England	35,395	16,144	—	+ 19,251	—
Silver	19,141	19,286	8,614	+ 145	321,920
Treasury notes	4,979,747	6,272,763	22,941,114	- 1,933,016	943,840
Bills discounted	144,857,004	148,682,924	57,159,128	- 3,825,920	60,780
LIABILITIES.					
Notes in circulation	131,837,249	130,671,352	69,235,239	+ 1,185,897	2,013,880
Deposits	25,842,705	33,568,332	17,450,580	- 7,515,627	842,340

BANK OF ITALY.

(000's omitted.)

	Mar. 20, 1922.	Mar. 10, 1922.	Feb. 28, 1922.	Feb. 20, 1922.	Mar. 20, 1921.	Position May 30, 1914.
Assets.						
Total cash	1,412,067	1,414,768	1,461,728	1,440,484	1,288,460	1,221,875
Inland bills	4,342,881	4,364,063	4,416,887	4,439,089	3,225,453	418,400
Foreign bills	6,556	9,462	9,454	9,450	27,685	81,300
Advances to the Treasury	6,555,509	6,540,964	6,582,314	6,587,177	7,682,058	—
Other advances	5,317,832	3,434,026	3,639,136	3,466,536	2,084,168	79,175
Securities	535,364	533,863	534,401	535,866	216,764	205,700
LIABILITIES.						
Note circulation	13,839,045	13,976,433	14,112,251	14,031,218	14,358,523	1,556,925
Deposits & drafts	1,866,944	1,819,123	1,856,574	2,001,361	1,715,701	193,975

NETHERLANDS BANK.

(000's omitted.)

	April 10, 1922.	April 3, 1922.	Mar. 27, 1922.	Mar. 20, 1922.	April 11, 1921.	Position May 30, 1914.
Assets.						
Gold	605,953	605,953	605,953	605,953	610,976	163,092
Notes	5,420	5,567	5,885	7,156	610,976	8,436
Depts. & advances	407,023	379,358	375,701	396,603	441,747	153,504
LIABILITIES.						
Notes in circulation	998,899	1,004,022	961,923	963,735	1,043,329	318,632
Deposits	29,035	40,345	26,126	36,927	47,150	6,018

NATIONAL BANK OF ROMANIA.

(000's omitted.)

	Mar. 25, 1922.	Mar. 18, 1922.	Mar. 11, 1922.	Mar. 4, 1922.	Mar. 26, 1921.	Position May 30, 1914.
Assets.						
Gold	4,801,590	4,801,590	4,801,590	4,801,590	4,801,590	3,761,702
Silver	396	448	377	387	387	301
Government loans	12,552,798	12,552,429	12,552,429	12,552,429	12,552,429	9,108,180
Other advances	2,770,220	2,830,623	2,771,212	2,772,607	2,772,607	2,732,889
LIABILITIES.						
Notes in circulation	13,750,966	13,720,913	13,675,963	13,643,798	13,643,798	11,005,085
Deposits	6,331,469	6,308,057	6,331,251	6,257,090	6,257,090	5,252,981

SWISS NATIONAL BANK.

(000's omitted.)

	April 15, 1922.	April 7, 1922.	Mar. 31, 1922.	Mar. 23, 1922.	April 15, 1921.	Position May 30, 1914.
Assets.						
Gold	544,811	545,245	545,535	545,535	545,535	171,175
Silver	108,000	108,000	108,000	108,000	108,000	108,000
Antiquities-Kassens	17,620	17,671	17,794	17,695	17,695	17,695
Antiquities-Kassens	311,686	304,419	309,493	277,071	408,781	103,000
LIABILITIES.						
Notes in circulation	787,569	804,296	830,859	784,614	933,686	275,925
Deposits	230,344	205,186	175,090	202,110	153,380	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenkasse) shows that up to March 31, 1922, total issues were Fr. 27,131,482, of which Fr. 17,807,800 was held by the Swiss National Bank.

BANK OF SWEDEN.

(000's omitted.)

	April 15, 1922.	April 8, 1922.	April 1, 1922.	Week's Movement.	Year's Movement.	May 24, 1914.
Assets.						
Gold	274,330	274,348	281,839	—	7,509	104,818
Balance abn. and foreign bills	84,886	84,876	114,887	- 290	- 30,301	112,172
Swedish and for Gov. securities	63,356	63,356	12,696	—	+ 50,660	32,465
Discount and loans	495,248	534,841	537,045	- 39,593	- 41,797	112,668
LIABILITIES.						
Notes in circulation	573,407	583,620	658,066	- 10,213	- 84,659	226,565
Deposits at notice	306,293	317,133	231,112	- 8,840	+ 77,151	69,660

NATIONAL BANK OF BELGIUM.

(000's omitted.)

	April 13, 1922.	April 6, 1922.	Mar. 30, 1922.	Mar. 23, 1922.	April 14, 1921.	Position May 30, 1914.
ASSETS.						
Gold (gold & silver and bullion)	326,327	326,642	326,224	326,026	331,148	322,680
Securities	447,638	446,839	497,483	476,529	695,385	697,600
LIABILITIES.						
Notes in circulation	6,320,677	6,320,368	6,312,643	6,245,764	6,094,001	934,150
Current accounts ..	716,192	731,298	774,806	832,060	1,151,666	1,151,666

1922.		Gold.		Silver.		Date.	Silver.
		Per Ounce.		Cash Per Ounce.	Forward, Per Ounce.		Cash, Per Ounce.
		s	d	k	d		d
April 15 ..	Market			closed		April 28, 1916	34½
17 ..	Bank			Holiday		27, 1917	37½
18 ..	93	4	35½			26, 1918	49½
19 ..	93	6	35½			25, 1919	48½
20 ..	93	6	34½		33½	23, 1920	69½
21 ..	93	5	34½		34½	22, 1921	34½

Gold Imported into the United Kingdom.		Gold Exported from the United Kingdom.	
Countries from which Consigned,	Week Ended April 12, 1922.	Countries to which Exported.	Week Ended April 12, 1922.
	£		£
Belgium	300	Spain	10,000
France	1,471	British India	358,827
British West Africa	30,672	Other Countries.....	233
British South Africa	194,217		
Other Countries.....	337	Total declared value of exports registered in the week	369,060
Total value of imports of	227,497		

Gold Imported into the United Kingdom.		Gold Exported from the United Kingdom.	
Countries from which Consigned.	Week Ended April 19, 1922.	Countries to which Exported.	Week Ended April 19, 1922.
	£		£
British South Africa.....	320,785	Bombay	216,754
France	747		
Belgian Congo.....	23,142		
Total value of imports of gold.....	344,675	Total declared value of exports registered in the week.....	216,754

Statement showing the form in which the balance of the reserve was held on March 31, 1922 :—

In India	£ Nil
In England—	£
Cash at the Bank of England	1,775
British Government securities—	
Value as on March 31, 1922	40,140,132
	40,141,907

Messrs Samuel Montagu and Co. write on April 20th as follows:—

The small amount of gold available this week was taken for India. Gold to the value of £1,913,000 has been received in New York from Norway, and \$1,900,000 is said to be on the way from France. The following were the United Kingdom imports and exports of gold during the month of March, 1922:—Imports, total, £912,868; exports, £1,183,674.

Owing to a run (set in motion by the imminence of civil war in China), which some of the Chinese banks experienced, the market has been very agitated during the last few days by a persistent demand from that quarter. The inquiry was generally widespread. At first the impulse to rising prices

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus- tralia.	New Zeal'nd.	Aus- tralia.	New Zeal'nd.	Aus- tralia.	New Zeal'nd.	Aus- tralia.	New Zeal'nd.
T.T. Sight	..	..	..	..	..	..	..	..
8 days	..	..	..	..	..	..	..	..
On demand	97	97	par	par	100	..	101½	101½
30 days	96½	96½	..	..	99½	99½	101	101½
60 days	96	96	..	..	99	99	100½	100½
90 days	96	96	..	..	98½	98½	100	100
120 days	96½	96½	..	..	98	98	99½	99½

GOLD AND SILVER PRICES.
The price of gold and cash and forward prices of bar silver during this week and in previous years are as below :—

DIVIDEND ANNOUNCEMENTS.—Continued.

Other Companies—Con.	6*	May 18	Less tax	%	%
Dennis Brothers—Con.	15†	..	..	12½	..
Dickson and Benson	12½	..	..	9	..
Domestic Iron and Steel, Fred.	..	June 1	..	9	..
Ever Ready, Ltd.	..	June 1	..	9	..
Do Prof.	..	..	..	..	..
Fairbairn, Lawson, Combe,	13½†	..	..	18	15
Barbour	..	..	..	..	..
Forster, Green	5	April 15	..	15	..
Glasgow's Penrith Breweries	12½†	..	Tax free	15	..
Globe Shipping	16 p.s.†	..	Tax free	17	7½
Goldsmiths and Silversmiths	..	..	..	..	..
Hammond's Bradford Brewery	10	..	Less tax	..	..
Hodgson's Kingston Brewery	10*	..	Less tax	..	..
Hugon and Co.	10%†	..	..	15	20
Hyam and Co.	..	..	..	..	..
Indo-European Telegraph	8½ p.s.†	..	Tax free	7	10
International Nickel, Fred.	12*	May 1	..	..	..
Investors' Mortgage Security	12*	May 15	..	..	..
Irrawaddy Flotilla	..	..	Less tax	15 p.s.	..
James Howell and Co.	7½†	..	Less tax	10	10
John Walsh	..	..	Less tax	10	10
Joseph Travers	..	..	Less tax	15	10
Jute Industries, Cum. Ptg.	9	May 15	Less tax	5	..
Llandrindod Wells Springs	..	..	..	..	..
London and S. American Invest.	15†	..	Tax free	6½	12½
M. B. Foster and Sons	..	..	Tax free	12½	6½
M. C. Thomson and Co.	6*	..	Tax free	5	12½
Montevideo Telephone	1½	May 15	Tax free	..	..
Montreal Light Cons.	2%	May 15	..	..	..
Do Commerce	4%	May 15	..	..	..
Nelson Brothers	5%†	..	Tax free	..	..
Newton, Chambers, and Co.	5%†	..	Tax free	..	..
Ocean Coal and Wilsons	3%†	..	Tax free	7	12
Phoenix Brewery	..	..	..	2½ p.s.	..
Pontypool Gas and Water, Ltd.	..	..	..	..	..
Do "B," "C," and "D"	..	..	Less tax	7½	..
Printing Machinery	7½	..	Less tax	5	..
Richard Kay Spinning	11 p.s.	..	..	..	..
Richard Whelan and Sons	..	..	..	1½	..
Rio de Janeiro City Improvements	3½ p.s.†	..	Less tax	10	6
Do Special Distribution	4½ p.s.	..	Less tax	..	..
River Plate Electricity	..	..	..	7	7
Rolls-Royce	..	..	..	8	10
Royal Agricultural Hall	..	..	Tax free	5	..
R. White and Sons	..	..	..	15	..
Salas del Carmen Nitrate	15%†	..	Less tax	20	20
Scottish Ontario and Manitoba	..	..	..	..	..
Land	..	..	..	10	..
Second Edinburgh Investment	6%*	May 10	Less tax	..	..
Second Investors' Mortgage	6*	May 15	..	..	..
Second Scottish American	5%†	..	Less tax	9½	9½
Second Scottish Northern	8†	..	Less tax	8	8
Singleton and Cole	10 (6 bonus)	6 p.s.	..	..	..
Black Mills, Limited	3 p.s.†	..	..	..	..
Sneyd Collieries	10 p.s.†	..	Tax free	..	..
Tampara Waterworks	6%†	..	Tax free	30	20
Taylors Electric	25%†	May 1	..	7½	7½
Trust and Agency	1 p.s.	..	Tax free	15	10
Turner Brothers	1½ p.s.†	..	Less tax	10	10
Val de Tignes	1½ p.s.†	..	Less tax	7½	7½
W. M. Cuthbert, Ord, and "B."	..	..	Tax free	..	..

CLAYTON AND SHUTTLEWORTH.—In view of the uncertainty of the present trade and industrial position, the directors do not recommend the payment of an ordinary dividend, and they have agreed to the further writing down of stock values the profits which would have been available for this and other purposes. The balance of £54,915 is carried forward.

JOSEPH BUCKTON AND CO. announce that, owing to the present dispute with the engineering trade unions, the works are practically at a standstill, and it is necessary for them to put aside any consideration of an interim dividend.

MANGANESE BROWNE AND BRASS.—In view of present position of shipbuilding trade, due principally to the effects of the war and the cancellation of orders for war vessels resulting from Washington Conference, and the general unsettled conditions, directors do not recommend dividend on ordinary shares.

UNION INSURANCE OF CANADA.—Final dividend of 16s and a bonus dividend of 20s per share on account of the year 1920, with carry forward of £287,300 to underwriting suspense account; also an interim dividend of 24s per share and a bonus of 20 p.c. on contributory premiums on account of the year 1921.

UNITED ALKALI.—The directors agree to distribute the full dividend on the preference shares, but propose a dividend of 4s per share, less tax, making 4 p.c. per annum on account of the 7 p.c. due.

ANALYSIS OF BALANCE-SHEETS.

CUNARD STEAMSHIP.

December 31, 1921.

LIABILITIES.	Inc. or Dec.	ASSETS.	Inc. or Dec.
Prof. stock	1,500,000	Fleet & shipping	16,358,031
2nd cum. pref.	1,000,000	Investments	474,919
Ord. shares	4,066,189	Properties, &c.	804,173
Govt. share	20	Plant	109,880
Reserve	1,250,000	Gear, &c.	372,198
2½% deb.	780,000	Debtors	3,555,227
Int. accrued	10,725	Investments	2,355,215
7% deb. stock	4,000,000	Discount on deb.	16,510
5½% deb.	116,667	Stock	520,710
Loan	255,919	Cash	1,963,752
Saving fund	118,080		
Creditors	11,827,981		
Prof. dividend	67,500		
Profit and loss	534,105		
Total	25,917,186	Total	25,917,186

BIRMINGHAM SMALL ARMS COMPANY, LIMITED.

January 31, 1922.

LIABILITIES.	Compared with Jan. 30, 1921.	ASSETS.	Compared with Jan. 31, 1921.
"A" pref., 25	205,150	Properties and plant	3,199,885
"B" pref., 21	350,580	Stocks	294,082
Ord. shares	2,815,172	Sundry debtors	269,324
5½% deb.	2,450,000	Investments	4,069,300
Sundry creditors	400,986	Cash and bills	355,152
Loans from Daimler and Wm. Jessop & Sons	705,000		
Assets reserve	1,458,553		
General reserve	300,000		
Profit and loss	230,733		
Total	8,964,174	Total	8,964,174

Reports and Notices.

Goldman, Sachs, and Co., who for many years have been located at 30 Wall street, New York City, will remove to their new offices at 30 Pine street on May 1st.

Mr Charles L. Dalziel has been elected to the vacancy on the court of directors of the Royal Exchange Assurance Corporation occasioned by the resignation of the Right Hon. Earl Winterton, M.P., Under-Secretary of State for India.

The registered office and life department of the Consolidated Assurance Company, Limited, has been removed to 37-41 Gracechurch street, London, E.C. 3.

The offices of the Profits and Income Insurance Company, Limited, are removed to 37-41 Gracechurch street, London, E.C. 3.

BANKS.

LONDON AND BRAZILIAN BANK.—The accounts for year ended January 31, 1922, have been audited, and show an available balance of £723,622 9s 7d (including £511,647 4s 8d brought forward from last year). An interim dividend of 14s per share, amounting to £105,000, was paid in October last. The directors now recommend a further payment of 14s per share, being a dividend at the rate of 14 per cent. per annum, less income-tax, but on this occasion do not recommend the payment of a bonus. The above payments will absorb £210,000, leaving a balance of £513,622 9s 7d, which the directors recommend should be carried forward to the credit of profit and loss new account. The principal liabilities are:—The capital paid up £10 per share is £1,500,000 and reserve fund is £1,500,000; current accounts and deposits amount to £20,030,777; bills payable to £2,924,931; agents and sundry accounts stand at £1,618,749; and bills for collection on account of customers at £6,950,763. With regard to assets, the following are the leading items:—Specie and cash, £10,360,489; bills receivable, £2,130,272; bills discounted, loans, &c., £15,064,020; bills for collection as per contra, £6,950,763.

ASSURANCE.

STATE.—The report for last year shows that in the fire account the premiums were £449,308, other claims £267,840. A surplus of £20,627 was carried to profit and loss, and £30,000 transferred back to strengthen the fire fund to £209,723. In the credit and general account the surplus was £20,605, of which £5,000 was transferred back from profit and loss. Interest, less tax, yielded £28,038. The dividend of 35 per cent., less tax, absorbs £24,500. The directors report that the position in regard to the company's securities has so far improved that they have felt justified in bringing back into profit and loss account the sum of £25,000 out of the £50,000 which had been appropriated as provision for depreciation up to the close of the year 1920. They state that at the present time, instead of a deficit, there is a substantial surplus in the market value of the company's securities over the amount at which they stand in the balance-sheet. The directors have retained the sum of £25,000 as a general contingencies fund.

WORLD MARINE AND GENERAL.—The report for last year shows that the marine account for 1920 was closed with a profit of £87,000. The premiums for 1921 were £254,106, against £435,475, and the claims on the first year's account £47,887, against £100,862. In the fire and general account the premiums were £177,614, and the claims £117,541. After meeting expenses and providing for the increase in the reserve for unexpired risks (on the basis of 50 per cent. of the premiums), a transfer of £29,510 was made from profit and loss to meet the deficiency for the year, the total interest receipts were £41,800; the 20 per cent. dividend, tax free, absorbs £20,000; the investments at cost £997,784 show a depreciation of £5,165 on December 31st last, which is provided for by the investment reserve fund of £83,000.

OCEAN ACCIDENT.—The report of this company, which is owned by the Commercial Union, shows that the premiums were £5,560,791, and the claims £3,008,342. After meeting all expenses the funds were increased from £3,662,096 to £4,247,244. The income from investments, less provision for depreciation of leaseholds, yielded £266,343.

RAILWAYS.

SAO PAULO (BRAZILIAN).—The receipts for 1921 of the main line (Santos to Jundiáhy) have amounted to Rs.41,905,550,010 (£1,398,269), being an increase in currency, as compared with the previous year, of Rs.3,422,083,480, or 8.89 per cent., but a decrease in sterling of £743,104. The working expenses were Rs.32,883,217,840 (£1,097,219), or 78.47 per cent. of the gross receipts, and the net revenue was Rs.9,022,332,170, which, at the several rates of exchange at which the remittances were made, amounted to £301,049 13s 3d, as against £365,167 12s 6d in 1920. The average rate of exchange for the year was 8.0082d, as against 13.3545d for the year 1920. The expenditure in England and the balance available for distribution, including £32,802 8s 6d. The balance available for distribution, including £32,802 8s 6d brought forward from the previous year and the sum of £100,000 transferred from reserve fund (after allowing for the interest on the company's debenture stocks paid in November, 1921) is £226,490. Of this sum the directors have set aside £100,000 as a provision for income-tax and corporation tax. They will propose at the general meeting the payment of a final dividend of 2½ per cent. on the preference stock, making, with the interim dividend, 5 per cent. for the year (less income-tax), and on the ordinary stock a dividend of 3 per cent., making, with the interim dividend, 5 per cent. for the year (free of income-tax), and to carry forward £11,490 to next year.

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Week Ended April 16, 1922.			Aggregate 15 Weeks 1922.		
	Passengers, &c.	Goods, &c.	Total for Week.	Passengers, &c.	Goods, &c.	Total Receipts.
Brecon and Merthyr	60	1,161	3,762	4,923	13,796	55,443
Great Central (c)	6763	65,800	121,200	187,000	643,400	2,013,430
Do Joint Lines	1611	131,100	81,900	215,000	1,445,200	1,508,200
Great Eastern (c)	12073	131,100	81,900	215,000	1,445,200	1,508,200
Great Northern (c)	1050	113,700	347,000	681,000	3,624,000	5,640,000
Great Western (d)	2364	411,000	370,000	781,000	4,662,000	5,570,000
London & N. Western (d)	1633	167,700	56,300	224,000	1,665,200	380,500
Lon. & South-Western	968	114,079	30,814	144,893	1,172,064	429,353
London & Tilbury	423	1,278	2,048	3,326	16,763	24,656
Maryport & Carlisle (c)	791	33,478	3,336	36,711	492,053	56,817
Metropolitan (c)	15854	208,000	294,000	502,000	2,330,000	5,092,000
Midland (c)	63	949	1,519	2,468	12,318	26,103
Midland & S. W. Junc.	1758	137,600	193,900	331,500	1,640,300	3,295,700
North Eastern (c)	1	1,066	16,903	17,963	14,020	310,414
Do Hull & B. Section	..	..	..	..	..	..
Do Dock Receipts	16	4,417	9,629	14,046	73,418	153,530
North London	645	154,700	41,900	196,600	1,649,100	635,400
South-E. & Chatham (c)	..	..	..	..	..	..
Underground E.R. (c)	..	..	..	..	..	..
Lon. & Sub. Group (c)	1,097	84,800	99,100	183,900	907,200	1,481,700
Caledonian	476	32,800	37,600	70,400	373,500	556,100
Glasgow and S.W. (c)	1351	8,400	9,760	18,160	115,860	152,590
Gt. N. of Scotland (c)	492	10,120	11,219	21,339	140,546	164,255
Highland (c)	1,378	72,000	121,600	193,600	821,700	1,848,800
North British (c)	..	..	..	..	..	..
Down (b)	80	4,741	1,529	6,270	62,238	22,768
Dublin and S. East (b)	160	5,168	8,711	75,556	56,186	131,742
Midland Gt. West (b)	538	8,497	14,950	23,837	..	388,380

(a) Including 10 miles temporarily closed. (b) Week ended April 14, 1922.
(c) Week ended April 15, 1922. (d) Including receipts from Amalgamated Lines.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1921-22.	+ or -	1921-22.	+ or -
INDIAN.							
Assam Bengal	49 weeks	Mar. 11	993	2,37,747	+ 8,878	88,64,763	+ 18,87,322
Barel Lk. Ry.	50 weeks	..	118	28,700	+ 8,900	13,25,400	+ 11,200
Bombay & N. Western ..	50 weeks	..	18,206	2,13,947	+ 94,675	1,26,62,870	+ 3,21,781
Bombay Nagpur	50 weeks	..	18,697	13,92,000	+ 10,000	6,36,98,537	+ 20,25,168
Bombay, Bar. & C.L.	25 weeks	..	25,287	22,36,000	+ 78,000	5,03,14,000	+ 14,00,000
Bombay, Bar. & C.L.	49 weeks	..	11,342	8,03,437	+ 1,10,971	2,95,80,912	+ 22,00,243
Burma	1 week	Apr. 8	239	96,000	+ 1,27,288	48,20,000	+ 18,81,000
Delhi, Umballa & Kalke ..	2 weeks	..	15,272	22,89,000	+ 36,000	35,41,100	+ 85,117
G. Indian Peninsula	1 week	..	5,121	33,14,100	+ 26,500	33,14,100	+ 37,411
Madras & S. Mah.	50 weeks	..	18,508	14,00,000	+ 26,703	6,42,02,914	+ 2,41,639
Rohilk'd & Kumaon	24 weeks	..	18,259	46,500	+ 14,302	1,66,252	+ 26,000
Do Lucknow-Bareilly	24 weeks	..	18,259	91,560	+ 50,040	16,32,744	+ 2,93,094
South Indian	50 weeks	..	18,183	8,47,697	+ 1,20,294	4,20,12,083	+ 29,68,550
Sikh. Punjab (monthly) ..	3 mths	Dec. 31	717	8,95,697	+ 77,836	23,00,704	+ 2,36,564
Argentine (a).							
Argentine N.E.	41 weeks	Apr. 15	752	8,600	+ 3,200	435,200	+ 57,500
Argentine Trans.	41 weeks	..	15,111	2,900	+ 572	92,375	+ 26,696
Argentine Pacific	41 weeks	..	15,342	190,000	+ 26,000	5,776,000	+ 391,000
B. A. & Gt. Southern	41 weeks	..	15,389	166,000	+ 29,000	5,683,000	+ 266,000
B. A. & Gt. Southern	41 weeks	..	15,389	50,000	+ 10,000	1,655,000	+ 43,000
B. A. & Gt. Southern	41 weeks	..	15,389	79,000	+ 10,000	3,249,000	+ 275,000
B. A. & Gt. Southern	41 weeks	..	15,389	22,000	+ 10,000	6,000	+ 20,000
S. A. Western							
Buenos Ayres Cent.	7 mths	Jan. 31	190	38,352	+ 2,714	321,830	+ 19,313
Central Argentine	41 weeks	Apr. 15	1,305	201,000	+ 34,000	7,405,000	+ 432,000
Cordoba Central	41 weeks	..	1,305	42,000	+ 18,100	2,047,800	+ 102,700
Entre Rios	41 weeks	..	15,111	16,800	+ 12,100	796,700	+ 152,000
Brazilian (b).							
Bras. Gt. Southern	3 mths	Mar. 31	1,305	Ma 38,500	+ 1,500	115,250	+ 21,000
Gt. West. of Brazil.	15 weeks	Apr. 15	1,005	11,900	+ 2,020	221,500	+ 91,000
Leopoldina	15 weeks	..	1,831	7,831	+ 7,700	410,500	+ 87,000
Leopoldina	15 weeks	..	1,831	94,781	+ 1,281	408,950	+ 54,000
Sao Paulo	1 mth	Mar. 31	153	Ma 46,000	+ 25,000	..	..
State of Bahia, S.W.	1 mth	Mar. 31	153	..	..	..	..
Chile and Pers.							
Antofagasta	15 weeks	Apr. 16	838	13,835	+ 10,565	266,180	+ 203,000
Arauco	1 mth	Mar. 30	644	12,000	+ 500	..	..
Nitrato (2 weeks)	12 weeks	..	31,366	15,300	+ 19,877	..	..
Talca	9 mths	..	31,069	Si 468,640	+ 334,090	11,978,230	+ 1,152,500
Talca	9 mths	..	31,172	(b) 10,650	+ 9,503	84,874	+ 158,000
Cuban.							
Havana Central	41 weeks	Apr. 15	1,210	11,234	+ 6,240	452,922	+ 159,000
United of Havana	41 weeks	..	1,210	123,742	+ 51,780	3,051,473	+ 2,005,000
Uruguayan.							
Central Uruguay	41 weeks	..	273	20,370	+ 11,245	1,045,143	+ 42,000
Q. Urug. (East Ext.)	41 weeks	..	111	4,118	+ 1,470	20,651	+ 28,000
Q. Urug. (West Ext.)	41 weeks	..	185	1,591	+ 2,242	112,330	+ 30,000
Q. Urug. (West Ext.)	41 weeks	..	15,211	2,699	+ 265	10,666	+ 25,000
Q. Urug. (West Ext.)	7 mths	Jan. 31	313	15,688	+ 4,790	10,666	+ 25,000
Midland Uruguay	8 mths	Feb. 28	113	4,688	+ 860	54,165	+ 5,000
Uruguay North	7 mths	Jan. 31	73	1,915	+ 29	14,735	+ 2,000
Other Foreign.							
Alcoy and Gandia	15 weeks	Apr. 15	15	2,079	+ 311	4,119	+ 2,000
Bilbao	3 mths	Mar. 31	136	12,000	+ 1,894	32,400	+ 7,000
Bolivar	3 mths	..	86	17,240	+ 1,340	193,391	+ 37,000
Colombian Nat. Ry.	10 mths	Oct. 31	190	18,800	+ 3,408	132,433	+ 31,000
Costa Rica	2 mths	Feb. 28	70	8,500	+ 6,750	19,500	+ 3,000
Dorado Extension	2 mths	..	29	45	+ 400	9,000	+ 2,000
Dorado Popewy. Ext.	2 mths	..	29	45	+ 2,022	395,832	+ 100,000
European Delta	53 weeks	Mar. 31	5694	Pe 70,973	+ 26,283	913,508	+ 31,000
Gt. South. of Spain	4 weeks	Apr. 8	100	88,212	+ 5,165	255,306	+ 31,000
International of							
Central America	3 mths	Mar. 31	234	40,747	+ 6,990	101,920	+ 6,000
La Guaira & Caracas	3 mths	Mar. 31	403	11,570	+ 1,270	31,580	+ 4,000
Mexican Railway	14 weeks	Apr. 14	403	263,100	+ 32,020	4,196,600	+ 478,000
Do	2 mths	Feb. 28	403	210,200	+ 47,500	2,447,500	+ 300,000
Do	2 mths	Feb. 28	Net	276,900	+ 13,100	516,500	+ 106,000
Do	1 mth	Jan. 31	193	9,495	+ 3,393	..	..
Sanjo Oscarhamn	1 week	Apr. 8	974	6,595	+ 1,200	145,110	+ 40,000
Oslo	41 weeks	Apr. 15	974	3,450	+ 1,630	785,765	+ 5,293
Oslo	9 mths	Feb. 28	Net	64,111	+ 1,374	414,941	+ 120,000
Plaza Athens, &c.	3 mths	Mar. 31	35	8,250	+ 754	14,000	+ 1,000
Puerto Cabello, &c.	41 weeks	Apr. 15	100	4,538	+ 451	158,040	+ 15,000
Salvador	41 weeks	Apr. 15	100	137,246	+ 12,200	..	..
Santa Fe Province	1 mth	Feb. 28	118	7,010	+ 2,458	17,320	+ 4,000
Samana & Santiago	2 mths	Mar. 31	118	11,031	+ 1,696	22,457	+ 4,000
Santa and Huella	1 mth	Feb. 28	118	11,031	+ 1,696	22,457	+ 4,000

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefere.	Ordinary.				
		£	£	£	Amount.	Amount.	Rate.	£	£	%
Banks.										
Canadian Bank of Commerce	Nov. 30	366,571	573,521	940,092	..	400,685	13	139,391	400,016	..
London and Brazilian	Jan. 31	511,647	211,975	723,622	..	210,000	14	..	513,622	286,028
Union Bank of Scotland	April 1	47,708	308,480	356,188	..	170,000	17	135,000	51,188	312,132
Financial, Land, &c.										
British Italian Corporation	Dec. 31	24,328	43,395	67,723	..	40,000	4†	..	27,723	59,781
Trust and Agency Company of Australasia	Dec. 31	18,507	64,509	83,016	50,000	7,500	7½†	10,000	15,516	37,391
Hotels, Restaurants, &c.										
Criterion Restaurants	Nov. 30	Dr 9,220	Dr 19,460	Dr 28,750	..	..	..	..	Dr 28,750	..
Iron, Coal, and Steel.										
Clayton and Shuttleworth	Dec. 31	53,533	18,882	72,415	17,500	..	..	..	54,915	40,037
Fairbairn, Lawson, Combe, Barbour	Dec. 31	93,396	345,572	438,968	15,000	97,499	18	100,000	226,469	206,414
Manganese Bronze and Brass	Dec. 31	13,941	16,170	30,111	10,125	2,000	..	..	17,986	23,041
Robert Heath and Low Moor	Dec. 31	82,335	Dr 308,518	Dr 226,178	..	..	..	Dr 154,907	Dr 71,271	230,185
Motor and Cycle.										
Birmingham Small Arms	Jan. 31	510,818	Dr 469,168	41,650	21,834	..	..	Dr 200,000	219,816	466,152
Vauxhall Motors	Dec. 31	48,692	Dr 221,759	Dr 173,067	..	..	..	..	Dr 173,067	35,222
Nitrate.										
Agua Blanca	Dec. 31	37,781	41,414	79,195	..	33,075	70	6,941	39,179	57,151
Rubber, &c.										
Chersonese (F.M.S.)	Dec. 31	18,724	34,208	52,932	..	28,125	12½	5,000	19,807	29,253
Cheviot	Dec. 31	15,945	22,394	38,339	..	8,500	5	4,700	25,139	15,225
Glenshiel	Dec. 31	12,402	5,068	17,470	..	..	..	5,000	12,270	5,755
Hanwell	Dec. 31	Dr 1,709	1,213	Dr 496	..	..	..	..	Dr 496	Dr 1,708
Haputale Co.	Dec. 31	..	9,638	9,638	5,228	2,298	27	2,112	..	7,221
Kapar Para	Dec. 31	36,137	Dr 11,637	24,500	..	7,500	5	..	17,000	38,333
Labu (F.M.S.)	Dec. 31	1,400	27,719	29,119	..	10,000	5	5,700	13,419	22,578
Selangor	Dec. 31	7,901	34,684	42,585	..	15,000	12½	13,329	14,256	26,611
Sennah	June 30	48,602	Dr 26,612	22,990	..	..	..	..	22,990	22,096
Sungei Choh	Dec. 31	12,688	1,766	14,454	..	..	..	..	14,484	13,329
Sungei Way (Selangor)	Dec. 31	9,519	23,796	33,315	..	11,733	5	8,750	12,832	31,569
Ulu Rantau	Dec. 31	10,280	Dr 2,251	8,029	..	..	..	..	8,029	12,496
Shipping.										
Cunard Steam Ship	Dec. 31	169,075	500,031	669,106	135,000	334,216	7½	..	199,890	494,104
Globe Shipping	Dec. 31	14,782	39,747	54,529	..	12,000	5†	35,000	7,529	56,572
Shops and Stores.										
Army and Navy Co-operative	Jan. 28	22,542	14,348	36,890	..	82,000	10	Dr 60,000	14,890	246,047
Hope Brothers	Feb. 28	28,821	37,173	65,994	16,500	20,921	6	2,000	26,573	67,552
Tea.										
Poonagalla Valley, Ceylon	Dec. 31	8,828	14,527	23,355	..	13,125	17½	8,267	1,963	Dr 11,818
Tramways.										
British Automobile Traction	Dec. 31	19,723	29,915	49,638	2,607	17,324	10	10,000	19,707	..
Trusts.										
African City Properties	Dec. 31	11,299	30,128	41,427	7,500	17,626	8	5,000	11,301	23,524
Alliance Trust	Jan. 31	32,779	129,126	161,905	32,026	58,800	21	37,500	33,579	125,787
London and South American Investment	Mar. 31	64,118	25,548	89,666	..	21,875	6½	..	67,791	29,804
United States and South American	April 4	24,920	56,938	81,858	17,500	26,250	7½	7,000	31,108	77,056
Other Companies.										
Burton, Son, and Sanders	Dec. 24	17,138	75,478	92,616	10,219	49,451	8P.F. Or 20 Def.	..	32,946	..
City of Santos Improvement	Dec. 31	13,431	61,088	74,519	12,000	40,000	5	11,000	11,519	81,256
Dickson and Benson	Jan. 31	4,210	9,433	13,643	4,125	3,375	12½	2,000	4,143	..
Evans, Sons, Leecher, and Webb	Dec. 31	10,154	Dr 893,062	Dr 882,908	9,522	..	..	Dr 110,000	Dr 282,430	..
International Linotype	Mar. 31	1,337	33,894	35,231	..	33,340	6	..	1,891	36,390
Marling and Evans	Dec. 31	Dr 98,568	134	Dr 98,434	..	..	..	..	Dr 98,434	Dr 84,587
M. C. Thomson and Co.	Jan. 31	9,018	Dr 14,050	Dr 5,032	3,000	..	..	..	Dr 8,032	24,129
New London Borneo Tobacco	Dec. 31	..	Dr 29,156	Dr 29,156	..	..	..	..	Dr 29,156	8,609
Prov. Cinematograph Theatres	Jan. 31	36,658	100,780	137,438	82,917	..	..	26,000	28,521	224,913
Richard Wheen and Sons	Nov. 30	3,199	3,103	6,302	5,000	1,500	1½	Dr 1,000	802	6,302
Salinas of Mexico	Nov. 30	1,385	6,307	7,692	..	..	..	2,613	5,079	4,071
Schwepes	Dec. 31	20,342	96,722	117,064	15,000	28,000	Ord. 5 Def.	30,000	26,564	94,110
Tayside Floorcloth	Feb. 28	20,800	67,260	88,060	..	20,160	30	10,000	57,900	80,248

† Free of tax. (k) 18 months.

MISCELLANEOUS.

INDO-EUROPEAN TELEGRAPH.—The directors regret that it has not yet been found possible to furnish the accounts for 1921. They hope that they may be able to do so in the course of two or three months. They recommend payment of a final dividend of £1 2s 6d per share, free of tax, for 1921, making, with the interim dividend already paid, 7 per cent. for the year. The year 1921 was devoted to the organisation of staff and to the accumulation and dis-

tribution of material for the reconstruction of the line in anticipation of its re-opening as a whole, and there is little further of interest to report. There are, however, at this moment certain important developments which the directors hope to have in shape to report to the shareholders at the general meeting.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Weather conditions have continued unsettled, but generally fine, and farmers were able to make better progress with spring sowings. Quiet trading was witnessed during the week, the market being cereals, which also tended to check demand. English wheat in grades per 504 lbs, free on rail. Imported descriptions dearer in sympathy with higher c.i.f. offers, but a slow trade resulted. No. 1

Northern Manitoba quoted 64s, Argentine 64 lbs 58s 6d, Barusso 62½ lbs 57s 6d, all ex ship to arrive per 480 lbs, and Australian 61s 6d landed per 496 lbs. The market for floating and forward cargoes ruled firm, and holders more reserved in view of improved Continental inquiries. Steamers of No. 1 Northern Manitoba arrived at Queenstown sold at 58s 9d to 60s, Australian on passage 56s 3d to 56s 6d, Rosafe 64 lbs afloat 55s 6d to 56s per 480 lbs. The international position remains fairly satisfactory, with prices fluctuating slightly, while governed largely by the extent of Continental requirements. Meanwhile, crop prospects in the principal exporting countries are favourable, and the yield of winter wheat in the United States is expected up to average. Flour continues in quiet demand, but prices were advanced by 1s per sack for home milled. London standard straight run ruled at 49s, town households 47s, patents 51s to 52s, all English straight run 46s per sack delivered London area. All English country straights 42s to 43s free on rail at London stations. Imported makes steadily held, with a moderate trade in force for spot parcels. Manitoba export patents quoted 47s 6d, straight run 44s 6d, Australian 44s 6d to 45s per 280 lbs ex store. On c.i.f. terms there is only a small business passing at about late rates. Manitoba patents April seaboard quoted 46s, straights 43s, Kansas top patents 45s to 47s, Australian 41s per 280 lbs. Millers' offers firm to dealer. Broad bran quoted £8 10s, ordinary ditto £7 15s, middlings £8 10s per ton ex mill, bags included. Of imported, fancy Plate middlings £8 15s and Plate pollards £6 17s 6d per ton, both landed. Maize tends firmer, with rather more inquiry. Yellow La Plata quoted 43s, yellow round Africa, 37s 6d, American mixed 34s, all landed per 480 lbs. White African maize meal quoted £7 17s 6d per ton landed. Cargo market displayed firmer features owing to the wheat position, and holders required rather more money for new crop positions of Plate. A steamer of La Plata afloat changed hands at 40s 6d. Parcels irregular, but firmer on balance, with

a fair business reported in new crop. Barley dull and featureless. English malting ranges from 42s to 65s as to sample, and feeding sorts 39s to 41s per 448 lbs. Of imported, Californian quoted 41s to 48s, Chilean Chevalier 48s to 51s, Australian ditto 48s to 52s, all landed per 448 lbs. No. 3 Canada Western 35s, No. 4 ditto 34s, River Plate 34s, and Morocco 33s 6d per 400 lbs landed terms. Parcels of No. 4 Canada Western April-May sold at 32s 3d c.i.f. Oats firmer for imported descriptions on a better demand and lighter offerings. La Plata f.a.q. quoted 26s, ditto clipped 27s 9d, No. 2 Canada Western 31s 6d, New Zealand 35s to 40s, all landed per 320 lbs. Forward market also firmer and f.a.q. Plates afloat sold 24s to 24s 3d, April-May 24s 9d per qr. English ranges from 29s to 33s per 336 lbs. Oatmeal quiet. English all cuts quoted £18, rolled oats £18 10s, flaked oats £20, all ex mill. Ordinary Scottish oatmeal £18 10s to £19 10s, American all cuts £18 10s to £19 10s per ton. English beans quiet. Springs rule at 57s to 65s, and new winters 50s to 53s per 532 lbs. Chinese horse beans £10 10s to £11 10s per ton. Madagascar haricots old 12s to 16s, new crop 17s to 18s, Rangoon hand-picked 7s to 7s 3d per cwt. English peas steady. Maples quoted 8s to 9s, Duns 65s, small blues 8s to 10s per 504 lbs. Of imported, Dutch blue hand-picked sold 30s, New Zealand blue 20s to 24s, Tasmanian "A" grade 23s to 24s per cwt landed. English ryz quoted 44s to 48s per 504 lbs, free on rail. Lentils quiet. No. 1 split 29s to 30s, No. 2 also Egyptian 23s 6d to 24s 6d per 100 lbs. Homeward grain chartering was on a limited scale, but rates generally steady. The River Plate section displayed firmer features, and with charterers showing more interest, rates improved to 30s loading at upper ports to U.K./Continent up to June. North America quiet. Montreal to Antwerp/Hamburg quoted 16 cents, ditto West Italy 20 cents per 100 lbs. Northern States to U.K. indicates 4s. 3d. per qr, 14 cents per 100 lbs to Continent, 19 cents West Italy, and 24 cents Riga. Eastern markets quiet, and a large steamer cargo fixed from Bombay on deadweight at 20s. Rice ports dull, and rates nominally 32s 6d from Saigon, with option of meal at 35s to U.K./Continent. Australia quiet, but rates a shade firmer, and charterers have conceded 50s for wheat home, May loading. Danube steady, with 18s indicated for prompt loading to U.K./Continent, heavy grain.

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended March 31.		Three Months Ended March 31.	
	1921.	1922.	1921.	1922.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	10,502,893	12,113,375	29,869,723	22,781,240
B. Feeding stuffs for animals	433,427	447,247	1,745,264	1,387,019
C. Meat	12,525,063	9,614,931	37,242,833	22,958,770
D. Animals living, for food	60,113	186,535	60,113	351,537
E. Other food and drink, non-dutiable	14,882,416	11,971,747	48,839,375	33,423,597
F. " " dutiable	8,300,419	9,033,251	23,308,825	25,308,935
G. Tobacco	3,227,565	1,892,033	6,626,185	5,046,536
Total, Class I.	50,929,896	45,261,119	147,741,355	111,457,434
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	..	20	13,896	20
B. Other non-metallic mining and quarry products and the like	674,599	512,301	2,197,076	1,225,180
C. Iron ore and scrap	726,925	319,764	3,216,539	932,562
D. Non-ferrous metalliferous ores and scrap	646,998	457,890	2,819,162	1,379,298
E. Wood and timber	2,012,508	1,716,908	8,989,532	5,675,974
F. Raw cotton and cotton waste	3,409,328	4,827,459	21,552,191	19,678,453
G. Wool, raw and waste, and woollen rags	3,562,302	6,311,694	15,819,583	16,474,702
H. Silk, raw, knubs and noils	62,175	197,035	244,225	574,052
I. Other textile materials	1,164,187	911,542	4,541,542	2,293,821
J. Oil seeds, nuts, oils, fats, resins, gums	2,176,262	3,300,261	8,737,392	8,956,286
K. Hides and skins, unprepared	828,397	1,584,614	2,605,650	4,221,519
L. Paper-making materials	638,369	423,331	2,902,633	1,586,080
M. Rubber	1,170,969	581,988	3,889,001	1,887,205
N. Miscellaneous raw materials and articles mainly unmanufactured	666,408	940,134	2,574,314	2,345,603
Total, Class II.	17,739,427	22,094,941	80,248,455	66,879,765
III.—Articles Wholly or Mainly Manufactured:				
A. Coke and manufactured fuel	583,958	1,758	500	7,552
B. Earthenware, glass, abrasives, &c.	571,272	2,118,099	1,648,423	..
C. Iron and steel and manufactures thereof	2,792,668	908,591	9,393,988	2,743,620
D. Non-ferrous metals and manufactures thereof	1,905,518	1,480,473	5,670,088	4,596,780
E. Cutlery, hardware, implements, and instruments	625,730	640,662	1,935,865	1,484,979
F. Electrical goods and apparatus	225,409	115,510	685,287	316,662
G. Machinery	1,795,649	774,345	4,112,126	1,934,265
H. Manufactures of wood and timber	590,710	303,038	1,980,084	828,983
I. Cotton yarns and manufactures	497,286	678,253	1,430,943	1,647,896
J. Woollen and worsted yarns and manufactures	1,019,325	775,020	2,417,629	1,927,556
K. Silk and silk manufactures	2,133,083	2,071,301	5,738,958	5,542,745
L. Manufactures of other textile materials	834,016	867,057	2,674,213	2,400,688
M. Apparel	894,658	1,361,645	2,227,056	3,125,436
N. Chemicals, drugs, dyes, & colours	1,276,735	1,054,711	5,077,319	2,663,079
O. Oils, fats, and resins, manufactured	5,578,045	3,549,943	19,154,897	10,406,547
P. Leather and manufactures thereof	636,388	1,017,521	1,738,028	2,523,024
Q. Paper and cardboard	1,035,281	1,094,545	3,105,614	2,508,

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919.
Estimated sales of home-grown wheat—				
1 week to April 15.....	Cwts. 192,268	Cwts. 367,210	Cwts. 171,103	Cwts. 297,804
33 weeks to April 15.....	13,793,509	9,962,567	9,894,887	10,405,844
Average price of English wheat per quarter.....	s d 50 9	s d 88 2	s d 72 8	s d 73 1
— per cwt.....	11 10	20 7	16 11½	17 0

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1918 to 1921:—

	QUANTITIES SOLD.			AVERAGE PRICES.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1922.						
April 15.....	grs bsh 67,849 5	grs bsh 19,658 0	grs bsh 13,875 1	s d 51 4	s d 40 10	s d 29 4
1921.....	44,862 6	14,701 0	10,590 4	50 9	41 0	29 0
1920.....	60,283 3	14,558 0	5,731 7	73 3	56 6	47 0
1919.....	72,215 1	21,739 6	15,874 6	73 1	62 9	47 3
1918.....	39,224 2	8,815 1	6,004 7	72 8	87 3	55 5
1921.....	65,862 2	19,784 7	13,607 1	88 2	48 3	35 11

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated April 20th, is as follows:—Pig-iron: Business suspended during the holidays. Owing to the unsettlement caused by the engineering dispute a good many orders are doubtless held up or placed elsewhere. Prices are: No. 3 Cleveland G.M.B. pig-iron, 90s per ton; East Coast hematite mixed numbers, 96s per ton. Manufactured iron and steel: The steel trade is almost quite dead at the moment. Makers are hoping against hope. There are indications that orders would come out if labour troubles were cleared away. Steel ship plates, home, £10 10s; steel ship angles, £10; iron bars, £12; steel rails, £9 10s net. Iron ore: Inquiry small and for prompt cargoes. Prices steady.

Our Glasgow correspondent (writing on Thursday) says:—Quotations keep steady, but they are not being pushed by sellers, who unquestionably are in a conciliatory business mood. At the same time, Scotch Nos. 1 and 3 are dearer by 2s 6d a ton since last Thursday, and are to-day called £4 17s 6d and £4 12s 6d respectively, with hematite unaltered at £5 5s a ton. These are producers' f.o.t. figures at works. It is reported that founders are operating more freely in Scotch and Cleveland sorts, but though tested at the weekly meeting of the "Iron Ring" yesterday no tangible proof was forthcoming. No. 1 G.M.B. Scotch was given as at 97s 6d f.a.s. Glasgow one month; Middlesbro' No. 3, 90s f.o.t. or f.o.b. one month; and mixed numbers East Coast hematite at 97s 6d f.o.t. or f.o.b. Middlesbro'—makers' iron in each case—without business resulting. Talk is indulged in of a probable increase in local blast furnace power, but this is doubtful, even with outputs now being absorbed fairly well. Bar iron makers are short of orders for general material, but they are pretty well employed on one or two specialties, notably sheet bars, for which Beardmore have just booked one or two good lines. Common bars are now £12 a ton, and rivet bars £14. Conditions in the steel trade generally are very mixed. Yet, on the whole, there is more miscellaneous trade passing than was expected lately. This in a measure is due to the extent of the building operations proceeding in a several of the shipyards, where respectable squads of engineering apprentices and non-unionists are engaged. Repair work is being actively prosecuted, and in consequence a good tonnage in plates and angles is being utilised at steady values—say at, soft steel billets, £7 10s; medium, £8 15s; hard, £9 5s; boiler plates, £14 10s; ship, bridge, and tank plates, £10 10s; angles, £10; castings, £10 10s. There is not a great deal done in Scotland in steel rails, but an odd lot or two come along occasionally, and one for 1,500 tons has in the last few days been secured by Messrs Beardmore for an Irish railway company. The Beardmore firm has been laying down an entire up-to-date rail plant, and purpose competing with the rest of the United Kingdom for a share in this important trade. On the whole (the state considered) they presently are not badly off; but as regards other steel makers, sheet makers, &c., conditions are depressing and short working time common. There are many inquiries in circulation for both black and galvanised sheets from Australia, and works' managements are fearful of a proportion reaching this locality. It should be added, in purposes of comparison, that the export rate for ship plates is £9 5s per ton; angles, £8 10s f.o.b.; and for crown bars, £11 10s. Makers of castings, light and heavy, have hardly any orders in hand, but tube makers have just booked several fair lines for shipment. Another financial hitch has arisen over the German locomotive order, £2,000,000 of which was ear-marked, was understood, for Glasgow—and may yet be secured, the catch being being sound and substantial.

Our Sheffield correspondent writes:—That a distinct revival in the export trade of iron and steel manufacturers is in operation cannot be questioned. It is proved by successive Board of Trade returns, and, moreover, the coal trade is regaining its pre-war position. Unfortunately the revival has scarcely reached Sheffield up to the present time, and things here are about as bad as they possibly could be. Nevertheless, a slight improvement in a few local products can be recorded. South Wales and Cleveland are the most favoured districts so far. Our manufacturers, however, take comfort in the knowledge that the benefit of better trade is certain to come their way sooner or later. The chief weakness here is high-speed and other expensive tool steels. The exchanges preclude the buying of such materials by European countries, and America has done next to nothing for a long period. The home trade is still being affected by the sale of surplus war stores at less than cost price. The lock-out is hurting Sheffield indirectly, as the large engineers are buying no steel or small tools. The slump in the Lincolnshire iron and steel trade appears to be passed its nadir, and several large furnaces are to be put into operation shortly. Exports of iron and steel material during last quarter rose to the figures of corresponding period of 1920, when the slump had scarcely begun. India is by far the largest individual buyer. The importation of foreign pig-iron and steel has dropped one-half on the year. The cutlery trade is badly depressed, and prices are being severely cut to secure such business as is going. The coal trade has not yet recovered from the holiday stoppage, but there are prospects of the demand for manufacturing fuels exceeding the supply should the lock-out be settled, as there is a strong export business. As the home trade for house coals during the summer is likely to be poor some producers are lowering their prices. Coke is selling fairly well, and stocks of small boiler fuel have been greatly reduced of late.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The volume of business has naturally been less during the past week, but there is every prospect of the activity of recent weeks being maintained now that the holidays are over. Indeed, inquiry is already expanding, and on 'Change to-day prices were very firm with, if anything, a hardening tendency in merinos. There is evidently a world-demand for wool, and as the supply of tops is so restricted, top-makers are in a position to stand by their quotations. Moreover, most firms are very well sold forward, and in some cases it is difficult to place new orders for delivery before the end of July. Occasionally one meets with protective quotations—such as, for example, more than 4s 6d for warp 64's tops—but spinners can place business at the figure named, and, perhaps, in some cases at even 1d less. The increasing demand for cross-breeds is encouraging. Some good business has been done recently in carded sorts, and although prepareds are more easy to buy, it only needs a little better demand to put these qualities on a higher level. Worsteds spinners are busy, and although manufacturers are operating with extreme caution, there is just a nice steady flow of orders. The popularity of gabardines, whipcords, and similar goods for ladies' wear is causing quite a run on the yarn used in the manufacture of these fabrics. There is not much new in the hosiery section, and there is still plenty of room for improvement in coating yarns. The better feeling in the piece goods trade is being well maintained, and although many looms are still idle, the outlook is more encouraging than it has been for the last two years. Home trade is expanding, and the Far Eastern markets continue to place some very substantial orders. The mohair trade is steady, and the same may be said of alpaca. In home-grown wools, the finer sorts are moving freely at firm rates.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

There are unmistakable indications in the Board of Trade returns of a recovery in the wool textile industry. To a close observer of manufacturing conditions this has been in evidence for the past three months, and unless the writer is greatly mistaken, this development will continue. British exports of wool, tops, yarns, and piece goods are increasing, and if normal trading relations

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could be resumed with Central and Eastern Europe it would not be long before all the machinery in the wool textile trade would be able to run full time. As I have emphasised all along it is the piece end of the trade which is the worst, a good many looms still being standing. It does seem strange that there should be such a boom among combers and spinners, and comparative slackness among manufacturers, with hundreds of standing looms, in all districts alike. Huddersfield mills are certainly somewhat better off for work, but there are still many evidences of comparative quietness, and the difficulty of obtaining a margin is proverbial. Still, firms are prepared to work at bare cost rather than stand altogether, and the policy is the right one. Many worsted spinners have accepted prices which will barely cover actual costs, and if a firm has not largely anticipated the future, they cannot make a price compatible with the cost of the top. If 4s 6d has been paid for 64's tops, it is necessary to have at least 6s 1d to 6s 2d to get one's own back, and we only hear of 6s being made in a few cases, it being still possible to buy around 5s 9d. All this means buying tops on forward account, and many firms would to-day be in queer streets if they had not purchased fine tops when they were 6d to 9d below what they are worth to-day.

I think the future of the wool textile industry is going to be healthy and sound. Many are expecting that from now onwards there is going to be a scarcity of good combing merino wools. I cannot see eye to eye with those who take up this attitude. It is not the supply of good combing merino wools that is at fault, but the inadequacy of combing machinery to produce what the trade wants. Bradford wool combing operatives are to be blamed seriously for the present position; instead of the home trade being encouraged, it is being killed by union authorities, who care far more about their own name as officials than the good of the operatives or the trade as a whole. The Master Wool-combers' Federation is fully justified in claiming the right to employ such men as they think are best qualified to render them good service. To lose this right would result in a permanent weakening of their position, which would eventually reflect upon the general good of the industry, and even employees would be involved in a fashion which would be far from beneficial to themselves. By their refusal to hearken to common sense the officials of the Wool-combers' Society have shown that they are not qualified to sit in the councils of masters. The latter know their own requirements best. When thousands of bales of wool are going abroad in consequence of the policy of the union leaders, it shows conclusively where the entire business of the whole country would be landed if these short-sighted officials could have their way. The trade of the whole country would go to the wall, in which cases the operatives would suffer most.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—April 12, 1922.

Description.	Same Period 1921.			Same Period 1920.		
	Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	nm	nm	nm	nm	nm	nm
Florida do.....	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm
American.....	Ord G O L M Mid G M F	G O L M Mid G M F	G O L M Mid G M F	Ord G O L M Mid G M F	G O L M Mid G M F	G O L M Mid G M F
Brazilian.....	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66
Peruvian.....	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66
Paraguay, Rio Grande, &c.....	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66
Macaco, &c.....	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66
Mosoro, &c.....	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66
Ceara.....	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66
Maranhão, &c.....	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66
São Paulo.....	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66	8-16 8-66 9-51 10-21 10-61 11-66	5-29 6-54 8-79 9-16 9-26 9-66	5-29 6-54 8-79 9-16 9-26 9-66
Egyptian.....	Fr. G. F. for Gd. Fine	Fr. G. F. for Gd. Fine	Fr. G. F. for Gd. Fine	Fr. G. F. for Gd. Fine	Fr. G. F. for Gd. Fine	Fr. G. F. for Gd. Fine
Upper.....	12-25 13-25 14-00 14-75 15-75	10-00 13-00	nm	12-25 13-25 14-00 14-75 15-75	10-00 13-00	nm
Sakellariadis.....	12-25 13-25 14-00 14-75 15-75	10-00 13-00	nm	12-25 13-25 14-00 14-75 15-75	10-00 13-00	nm
Brown.....	12-25 13-25 14-00 14-75 15-75	10-00 13-00	nm	12-25 13-25 14-00 14-75 15-75	10-00 13-00	nm
Peruvian.....	MF Fr. G. F. Gd. Fine	MF Fr. G. F. Gd. Fine	MF Fr. G. F. Gd. Fine	MF Fr. G. F. Gd. Fine	MF Fr. G. F. Gd. Fine	MF Fr. G. F. Gd. Fine
Rough.....	12-00 12-75 13-50	12-00	12-00	12-00 12-75 13-50	12-00	12-00
Moderately Rough.....	10-25 11-75 12-25	7-00 10-50	3-75 4-50	10-25 11-75 12-25	7-00 10-50	3-75 4-50
Smooth.....	9-81 11-56 12-56 13-06 14-06	4-99 8-74 9-99 10-99 11-99	4-99 8-74 9-99 10-99 11-99	9-81 11-56 12-56 13-06 14-06	4-99 8-74 9-99 10-99 11-99	4-99 8-74 9-99 10-99 11-99
Tangula.....	10-06 11-56 12-81 13-56 15-56	..	..	10-06 11-56 12-81 13-56 15-56	..	..
Mitafi.....	11-00 14-00 15-50 16-50	..	..	11-00 14-00 15-50 16-50	..	..
West Indian, &c.....	23-00 26-00 29-00 31-00	25-00 31-00	9-00 10-00	23-00 26-00 29-00 31-00	25-00 31-00	9-00 10-00
Do Sea Island.....	6-75 7-75 9-50 10-50 11-50 12-50	6-00 8-00 10-00 11-00 12-00 13-00	6-00 8-00 10-00 11-00 12-00 13-00	6-75 7-75 9-50 10-50 11-50 12-50	6-00 8-00 10-00 11-00 12-00 13-00	6-00 8-00 10-00 11-00 12-00 13-00
African, East, &c.....	8-81 9-31 9-56 nm	8-81 9-31 9-56 nm	8-81 9-31 9-56 nm	8-81 9-31 9-56 nm	8-81 9-31 9-56 nm	8-81 9-31 9-56 nm
Do West.....	8-81 9-31 9-56 nm	8-81 9-31 9-56 nm	8-81 9-31 9-56 nm	8-81 9-31 9-56 nm	8-81 9-31 9-56 nm	8-81 9-31 9-56 nm
Machine Ginned Surtee.....	8-45 8-85 9-25 9-65 10-05	6-30 6-55 7-05 7-25 7-55	6-30 6-55 7-05 7-25 7-55	8-45 8-85 9-25 9-65 10-05	6-30 6-55 7-05 7-25 7-55	6-30 6-55 7-05 7-25 7-55
Machine Ginned Broach.....	7-20 7-70 8-20 8-60 9-00 9-40	4-64 5-04 5-44 5-84 6-24	4-64 5-04 5-44 5-84 6-24	7-20 7-70 8-20 8-60 9-00 9-40	4-64 5-04 5-44 5-84 6-24	4-64 5-04 5-44 5-84 6-24
Machine Ginned Bhowmgar.....	7-30 7-80 8-30 8-80 9-30 9-80	4-60 5-10 5-60 6-10 6-60	4-60 5-10 5-60 6-10 6-60	7-30 7-80 8-30 8-80 9-30 9-80	4-60 5-10 5-60 6-10 6-60	4-60 5-10 5-60 6-10 6-60
Machine Ginned Oomra No. 1.....	7-30 7-80 8-30 8-80 9-30 9-80	4-60 5-10 5-60 6-10 6-60	4-60 5-10 5-60 6-10 6-60	7-30 7-80 8-30 8-80 9-30 9-80	4-60 5-10 5-60 6-10 6-60	4-60 5-10 5-60 6-10 6-60
Machine Ginned Oomra No. 2.....	7-30 7-80 8-30 8-80 9-30 9-80	4-60 5-10 5-60 6-10 6-60	4-60 5-10 5-60 6-10 6-60	7-30 7-80 8-30 8-80 9-30 9-80	4-60 5-10 5-60 6-10 6-60	4-60 5-10 5-60 6-10 6-60
Machine Ginned Khandeish.....	8-40 8-80 9-20 9-60 10-00	6-15 6-45 6-75 7-05 7-35	6-15 6-45 6-75 7-05 7-35	8-40 8-80 9-20 9-60 10-00	6-15 6-45 6-75 7-05 7-35	6-15 6-45 6-75 7-05 7-35
Machine Ginned Comptah.....	8-20 8-60 9-00 9-40 9-80	3-60 4-10 4-60 5-10 5-60	3-60 4-10 4-60 5-10 5-60	8-20 8-60 9-00 9-40 9-80	3-60 4-10 4-60 5-10 5-60	3-60 4-10 4-60 5-10 5-60
Machine Ginned Bengal.....	8-10 8-50 8-90 9-30 9-70	3-48 3-98 4-48 4-98 5-48	3-48 3-98 4-48 4-98 5-48	8-10 8-50 8-90 9-30 9-70	3-48 3-98 4-48 4-98 5-48	3-48 3-98 4-48 4-98 5-48
Machine Ginned Soinde.....	9-75 10-15 10-55	7-30 7-55	2-25 2-50	9-75 10-15 10-55	7-30 7-55	2-25 2-50
Tianivelly.....	7-75 8-15 8-55 9-05	6-15 6-40	2-05 2-30	7-75 8-15 8-55 9-05	6-15 6-40	2-05 2-30
Madras, Western.....	8-80	6-15	1-90	8-80	6-15	1-90
Madras, Northern.....	8-80	6-15	1-90	8-80	6-15	1-90
M.G. Coconada, Red.....	8-80	6-15	1-90	8-80	6-15	1-90
China, Smyrna, &c.....	8-80	6-15	1-90	8-80	6-15	1-90

MANCHESTER, April 20.

The market has been rather slow in recovering from the disturbing effects of the Easter holidays, but to-day quite a healthy inquiry has been dealt with in certain sections. Plenty of cloth offers have been about for India, the most encouraging outlet in our Dependency being Calcutta. Moderate lines have been booked in grey shirtings and lighter fabrics, and according to the advices being received, more business will follow in the near future. The China market has not been active recently, but the rise in silver should do good, and a few more orders have been put through in fancies and specialities. A fair sorting-up business has been done for several minor outlets East and West, and a little more demand has been about in home trade fabrics. Manufacturers as a body continue to present a firmer front to their customers. The wages question is considered practically settled. A steady demand has been met with in American and Egyptian yarns for home use at about late rates, without trading being important. Contracts have been arranged in bundles for India and for the Continent.

(I.) Comparative Statement of the Cotton Trade.

	Price, April 20, 1922.	Previous Weeks in 1922.				
		Price, April 11.	Price, April 6.	Price, Mar. 30.	Price, Mar. 23.	Price, Mar. 16.
Raw Cotton—Fully Mid. American.....per lb	d 10-38	d 10-46	d 10-60	d 10-73	d 11-01	d 10-83
— Sakellariadis Fully Fair Egyptian.....per lb	d 17-50	d 17-50	d 17-50	d 17-75	d 18-00	d 18-25
Yarns—32's twist.....per lb	172	172	172	172	172	172
— 40's twist.....per lb	17	17	17	17	17	162
— 60's twist (Egyptian).....per lb	28	28	28	28	28	28
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	s d 29 0	s d 29 0	s d 29 0	s d 29 0	s d 29 0	s d 29 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	29	29	29	29	29	29
38-in. ditto, 38 yds, 18 by 16, 10 lbs.....	18 3	18 3	18 3	18 3	17 9	17 9
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs.....	16 9	17 0	17 0	16 9	16 9	16 6

Hull, and £41 London, with late April done at about 10s. per ton less. May-August is not so strong, and quotations are about 30s. below prompt. America's heavy buying appears to be due in some measure to the report that the import duty on linseed oil into the United States is likely to be increased on May 15, though there is no official confirmation of this. At present the duty on linseed is 30 cents per bushel, and on linseed oil 10 cents per gallon. The duty has been ineffective in keeping out foreign oil, imports of which have practically doubled in the past year, much to the loss of American crushers, who on the Atlantic Coast are underbid by English and Dutch oil to the extent of 12 cents to 15 cents per gallon, and on the Pacific Coast to as much as 25 cents. American crushers are therefore agitating for a duty of 40 cents per bushel on linseed, and 26½ cents on linseed oil.

Sellers of cotton oil are scarce, and it is difficult to buy for April delivery. Prices for near positions are thus firmer, and about 10s per ton advanced. Rape oil dearer, and castor oil in steady demand, but palm kernel and ground nut oils are a poor trade. There is rather more inquiry for oilcakes, but trade is still very disappointing for April.

In the oilseed section Plate linseed is firm and dearer, but crushers at present level of prices follow very cautiously, and give preference for Calcutta, for which £21 has been paid for passage and April shipment to London, with £21 10s for Bombay to Hull. Only a small trade passing in cottonseed, principally Sakellarides at £11 for on passage and April loading. Manchurian soya beans loading for Hull have been done at £12 10s, and May-June at £12 7s 6d per ton.

Imports of oilseeds and oilnuts into the U.K. in March were above the average, and totalled 141,963 tons, against 80,242 tons in March last year. For the January-March quarter the figures are 344,691 tons, against 302,107 tons. The increase is due almost solely to larger arrivals of linseed and cottonseed from India. Linseed imports are 122,901 tons, against 89,967 tons, and cottonseed 95,682 tons, against 75,842 tons. Palm kernels and ground nuts together show a decrease of 20,000 tons. Exports of unrefined vegetable oils continue substantial, the aggregate for the quarter being 24,195 tons, against 14,697 tons same period last year. Linseed oil accounting for 17,584 tons, against 7,584 tons. The greater proportion of this has been shipped to America. Exports of refined were 3,626 tons, against 5,744 tons, 66 per cent. being cotton oil.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

All classes of market hides and skins were easier in price at the auctions held in Bermondsey on Thursday, best ox and heifers fetching from 6d to 7½d per lb., while seconds realised from 4½d to 6½d per lb. Best cows made less money, seconds, together with bulls, changing hands at the last sale prices. All classes of kips depreciated in value, as was also the case with calf skins, the falls in values for these latter goods ranging from 1½d to 3½d per lb. Sheepskins were easier by from 3d to 9d per skin. A little more interest has been taken of late in the foreign hide market, and although no large sales have been made to this country, fairly satisfactory clearances have been made to the States of Frigorifics. The home trade has bought a few parcels of Saladeros. Dry and dry-salted descriptions are not receiving much attention, and prices are, if anything, rather easier.

In the leather market a fairly satisfactory amount of business was put through right up to the closing down for the holidays, and although most of the orders were for small lots, in practically every instance delivery of the goods was required at once, which is fairly evident that the consuming end of the trade are very short of stock. Since the resumption after the holidays nothing much in the way of fresh business has transpired, but, generally speaking, there appears to be more confidence, and not a few traders in the Bermondsey leather district hold more optimistic views as to the future. What demand there has been during the week has come from the repairing end of the shoe trade, and is mainly for 12-16lb. second bends, the better grades being neglected owing to price. Common shoulders suitable for cheap soles are inquired after, but as most of the stock has been cleared, difficulty is experienced in meeting the demand at the prices offered. The same remark applies to bellies so far as value is concerned, some of the prices mentioned being lower than those at which the goods can be produced.

Business in upper leathers has been small on account of most of the shoe factories being closed until the commencement of next week. What inquiry there has been is still centred around suedes in browns and greys. This class of goods is as popular as ever, and it would appear that anything with a nap surface will fetch a decent price so long as it can be worked up into a suede shoe. Chrome patent sides also continue to receive a fair amount of attention, while waxed splits have been inquired for here and there.

While the outlook for the boot and shoe trade seems to be more hopeful, the pre-holiday business was not anything like normal, and, as previously mentioned, most of the factories closed down until Monday next. Retailers and distributors of footwear also report a lesser demand for their goods as compared with previous holiday periods, some of them attributing this fact to the lessened spending power of the general public. Possibly the exorbitant charge made for a decent-class boot has something to do with the reduced turnover, as there is no doubt prices for some of the higher-grade footwear could be brought yet lower and still show a fair profit to the distributor.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, April 21.

General course of trade moved quietly this week, while largely under holiday influence.

SUGAR.—A steady tone again pervaded this market, and a fair amount of business was concluded, chiefly in British descriptions, as imported kinds remain very scarce. Messrs Tate and Lyle's cubes sold, 52s 9d to 53s 9d, as to quality; crushed, 50s 6d; granulated, 48s 6d to 49s; caster, 50s 6d to 51s; pieces, 35s to 43s 9d; granulated, May-July, 48s 3d. Crystallised West India, 42s to 44s, as to sample. American granulated, spot, sold, 47s 6d; ditto, May, 20s 3d to 20s; June, 20s 4½d to 20s 3d, c.f. and i. terms, London. White Brazilian, April, sellers, 18s 6d, c.f. and i. U.K. White Mauritius, spot, 44s to 45s 6d, as to quality. Cuban basis 96%, April quoted 13s; and Brazilian basis 80%, April-May, 9s, both c.f. and i. terms, U.K. Cuban stocks stand at 1,039,340 tons, against 954,300 at same time last year. Terminal market generally quiet. White August sold, 20s 3d to 20s. Liquid glucose, spot, 26s 6d per cwt. American syrup sold to a moderate extent at late rates.

COFFEE.—The market opened with a firm tone, and there is a good demand, particularly from home trade buyers. Fair supplies were submitted to auction this week. Future delivery market firmer. December sold, 59s 6d to 60s 3d.

COCOA in quiet support, but sellers adhered to steady asking prices. Butter quiet at 1s 8d per lb.

TEA.—Private contract market remained in a quiet state at mostly unaltered prices.

RICE steadily held, but there was not much response from buyers. Rangoon two Stars, spot, 13s 6d to 13s 9d. Bran slow, unaltered. Beans quiet. Rangoon hand-picked, spot, sold, 7s 3d. Dutch hand-picked peas, sold, 30s. Japanese peas, spot, quoted 47s.

SPICE.—Pepper market steady, but trade proceeded quietly. Fair black Singapore, spot, sold, 3½d; April-June, sellers, 3½d. Aleppy, spot, quoted, 4½d; Tellicherry, 4½d; white Singapore, 7½d; Muntok, ditto, 7½d; and ditto, May-July, sold, 7½d to 7½d. Zanzibar cloves, spot, 1s 2d; ditto, to arrive, 1s 1d, c.f. and i. terms. Pimento, spot, 2½d. Flake tapioca, spot, 1½d per lb. Fair Penang seed pearl tapioca, spot, 17s 6d; sago flour, May-July, done, 14s 3d. Desiccated coconut quieter. Spot parcels sold from 43s to 42s 6d; afloat, 41s to 40s; and May-June, 40s to 39s 6d. Ginger slow, unaltered.

FRUIT.—Currants sold quietly on about former terms. Pyrgos quoted, 54s to 55s; Amalia, 56s to 58s; Vostizza, 65s to 75s. Valencia raisins steady. Halves quoted, 50s to 58s; quarters, 55s to 95s. Sultana met with but retail support.

JUTE.—This market steadily hardened under adverse crop accounts received by cable and marked diminution in supplies of present crop

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PAID-UP CAPITAL ... £2,229,166
RESERVE FUND ... £2,888,335
UNCALLED CAPITAL ... £6,887,495
Total ... £21,809,995

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now available. A good steady demand was experienced from spinners. First grade, spot, Hamburg, sold, £27 to £28 10s, as to quality; lightning grade, spot, Hamburg, £23 10s; first grade, April-May, Continent, £27 15s to £28 15s; ditto, May-June, £28 15s. Lightning grade, April-May, £24 10s; May-June, £24 17s 6d. Hessians firm, quiet for spot lots; 10-oz, 26s; 8-oz, 19s. A twills, spot, quoted 75s; B, 64s; and salts, 53s.

HEMP.—The market for Manila remained very slow and quotations quite nominal with regard to the finer qualities, but more steadiness was observable in medium. G grade, May-July, sold, £34 10s; and streaky threes, ditto, quoted £35. New Zealand still quite idle, and high point, fair, spot, offered at £32. African sisal steady, quiet. No. 1 G.E.A., May-July, quoted £35 10s. Indian hems slow at about late rates.

SHELLAC.—Market presented firm, but quiet features. Fair T.N. spot, quoted 38s; May, sold, 38s; and August, 36s 7s 6d.

COFFRA.—Business was on a more extended scale this week, and a steady tone prevailed. F.M.S. Straits, March-April, and also April-June, to Rotterdam, sold, £24 17s 6d to £25 5s; F.M., ditto, May-July, to Rotterdam, £24 5s; Ceylon, May-July, Hamburg, £25 17s 6d; Malabar, ditto, at £26 7s 6d; South Sea Islands to Continent, £24 2s 6d; Cebu to Hamburg, £24 10s. Java sold £25 5s. Palm kernels steady, and April-June, Liverpool, sold, £18 7s 6d.

RUBBER received quiet patronage, and prices eased slightly. Standard plantation crepe and sheet spot, and April, sold, 8½d to 8½d and 8½d; May, 8½d, 8½d, and 8½d; June, 8½d, 8½d, and 8½d; July-September, 9½d to 9½d and 9½d; and October-December, 9½d, 9½d, and 9½d. Fine hard Para, spot, 10½d; soft fine, 10½d; ball, 8d per lb.

MENTHOL.—Spot quoted 25s; Japanese peppermint oil, spot, 5s 6d; aniseed, 2s; slab camphor very quiet, with liberal supplies now available. Refined, spot, 3s 6d; crude, 3s 3d per lb. Japanese wax, spot, 97s 6d per cwt.

EGG PRODUCTS.—Market quietly steady. Prime liquid yolk, spot, 15s per cwt; albumen, spot, 2s 9d per lb.

OILS.—Linseed: A fair business transpired at again dearer prices. Spot, net, naked, 41s; April, 40s 3d; May-August, 39s; September-December, 37s 3d. Rape dull. Crude, spot, 43s; refined, 49s. Cotton dull. Crude Egyptian, 40s; Bombay, nominal; common edible, 48s. Chinawood: Hankow, spot (barrels), 63s 6d; and shipment, 63s. Coconut quiet. Ceylon, spot, 42s 6d; April-May, 39s 6d; Cochin, ditto, 41s. Soya steady. Oriental, barrels, ditto, 37s 6d. Japan fish steady, April-May, cases, 21s. Cod steady. English, spot, 30s. Ground-nuts steady. English crushed, naked, spot, 45s; deodorised, barrels, 56s. Turpentine firmer for spot and near positions, but distant dull. American, spot, 75s 6d; April, 75s 6d; May-June, 69s 9d; July-December, 57s 3d. Rosin steady. American, grade B, 13s; F, 13s; G, 13s; WW, 19s. French, F/G, 13s; WW, 17s; extra pale, nominal. Petroleum quiet. American standard white, 1s 4½d; and water-white, 1s 5d per gallon.

OILSEEDS.—Linseed market firmer, and holders reserved. Bold Bombay, afloat, £23. Small Bombay, ditto, £21 to £22 paid. Calcutta, afloat, sold, £21 5s to £22; April-May, sold, £20 5s to £21 7s 6d. Plate, afloat, £19 15s; April-May, £19 15s. Rape-seed firmer. Toria, March-April, £18; April-May, £18. Cotton seed steady. Egyptian black, April, £11 10s; and white, £11, paid. Bombay, April-May, £9. Gincely steady. Chinese, March-April, Continent, £24 10s. Castor, Bombay, March-April, £16 15s. Ground nuts firm. Coromandel, machine-dried, April-May, Hull, £23 10s; Continent, £23 10s; Chinese decorticated, f.a.q., April-May, Continent, £23 10s per ton.

METALS.—Tin: At the renewal of business on Tuesday the market continued active and firmer. Cash changed hands at £152 5s to £152 10s; and three months' at £153 10s to £154 5s; and since again at £153 10s. The tendency was easier on Wednesday, when these dates were sold down to £151 15s and £153 to £153 10s, while finally done at £153 5s. Thursday's movements were in an upward direction, when cash fluctuated to £153 5s, and three months' to £154 12s 6d. At Friday's session prices advanced on active supporting orders, although settling down below the best respecting forward positions. Cash sold at £156 to £156 15s, and three months' at £156 10s to £158, while ultimately registered at £157. English ingots £156 10s to £157. Copper: Lower until the middle of the week, when standard early May realised £58 15s, and three months' £59 11s 3d. At Thursday's market values tended rather dearer, only a small business being done, chiefly three months' at £59 12s 6d to £59 15s. At Friday's session prices hardened. Standard cash realised £59 10s to £59 15s, and three months' at £60 5s. Electro's, £64 to £66. Best selected, £63 to £65. Strong sheets, £88; wire bars, £65 15s to £66 per ton. Lead firmer, at £23 15s to £23 5s, as to position. Spelter dealer, £27 to £26 17s 6d, according to position. Antimony, English regulus, £29 5s to £33. Aluminium, home delivery, £120; export, £125 per ton.

METROPOLITAN CATTLE.—APRIL 20.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.

Beasts—Herefords	nominal	Sheep—Downs	14 0 to 15 4
Shortbourn	7 4 to 8 0	Ewes	10 0 to 10 8
Devons	7 8 to 8 4	Crossbred	13 8 to 15 0
Norfolks	7 4 to 8 0	Scottish	nominal
Scottish	nominal	Lamb—Downs	16 0 to 20 0
Irish	nominal		

LONDON POTATO MARKETS.—APRIL 20.

Per Cwt.	s	d	s	d	Per Cwt.	s	d	s	d
King Edwards	10	6	11	6	Blacklands	6	0	9	0
Evergoods	7	0	7	6	Scottish	7	0	10	0

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.				INDIA RUBBER.—lb.				PROVISIONS.—s d s d				SPICES.—Popper, per lb.			
0000A—Duty, British grown	50	0	0	Para, fine, hard, spot	0	10	0	Butter—per cwt.	nom	nom	nom	Singapore, (all white)	0	7	0
30s foreign fine, cwt.	50	0	0	Plantation crepe	0	10	0	Do factory	nom	nom	nom	Black Singapore	0	7	0
Trinidad, per cwt.	50	0	0	INDIGO—per lb.	0	10	0	Argentine	154	0	0	White Siam	0	7	0
Grandes	50	0	0	Bengal, good red vici	0	10	0	New Zealand	160	0	0	Cinnamon	1	1	0
Ceylon, plantation	50	0	0	Mid. ord. vici to good	0	10	0	Danish	178	0	0	Do 2nd	1	0	0
Siam, plantation	50	0	0	Low to good ord.	0	10	0	Bacon, engd.—Irish	145	0	0	Do 3rd	0	11	0
OFFICE—British grown	50	0	0	Madras, dry leaf, good	0	10	0	Canadian	155	0	0	Chips	0	34	0
30s foreign fine, cwt.	50	0	0	Low to good ord.	0	10	0	American	115	0	0	Cassia Lignea	47	6	0
India, plantation	50	0	0	Low to good ord.	0	10	0	Hams—Irish	100	0	0	Gloves—Zanzibar	1	24	0
Do good to fine	50	0	0	Low to good ord.	0	10	0	Canada	nom	nom	nom	Penang	2	7	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	American	34	0	0	Cochin, cut	107	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Lard—Irish bladders	88	0	0	Do small rough	88	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	American boxes, 60lb	60	0	0	Do washed	60	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Beef—Frozen, per lb	2	0	0	Japan	155	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Sootch	7	0	0	Jamaica small	160	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Chesehire	nom	nom	nom	Mace	1	6	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Dutch	60	0	0	Nutmeg, good to fine	1	1	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Map, pr 127—English	15	0	0	Small to medium	1	1	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	FLOR—100 lb	35	0	0	Onions	155	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Eng. straight ex mill 48	8	0	0	TALLOW—per cwt.	41	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	RICE—per cwt. a.l.f.	13	7	0	Good mutton	41	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Broken 1A	12	0	0	Beef	68	6	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	ROBIN—per ton	13/0	19/0	0	TAPIOCA—per lb.	0	15	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	American	13/0	17/0	0	S. F. Flake, 100 spot	0	15	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	SAGO—Pearl, per cwt	25	0	0	Peas, per cwt	17/0	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Sago flour	28	0	0	TEA—Duty Ltd, British,	0	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	SHELLAC—per cwt	4	0	0	foreign 1b per lb	0	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Orange, first	480	0	0	Indian and Ceylon	0	14	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	TN Orange	380	3	0	Pekoe	0	14	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Garnet, LacAO	58	0	0	Orange Pekoe	1	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Blocky	none available	0	0	Broken Orange	1	2	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Blocky (TUN)	460	0	0	Pekoe Bouchong	1	1	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Blocky (FRI)	none available	0	0	TIMBER—Timber & Hewn Wood	0	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	SILK—per lb.	0	0	0	Kauri Pine cubic ft	8	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	China—Szechuan	30	0	0	Satinwood super	1	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Tussah	14	0	0	Oedar	0	4	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Re-selved	30	0	0	Japanese Oak cubic	0	4	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Japan	30	0	0	American Oak, 1b	0	24	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	India—G. & M. 38	0	0	0	TOBACCO—	0	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	SHELLS—M. O. per cwt	0	0	0	Duty 62—10/4 per lb.	0	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Manila, bold	10/00	13/10	0	Virginia leaf	0	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Macassar	15/00	0/10	0	Common to fine	0	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Peru	10/00	13/10	0	Strips	0	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	S. Australia	9/00	0/10	0	Kentucky leaf	0	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Bombay	6/100	6/100	0	Common to fine	1	8	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	SUGAR—per cwt duty 25	0	0	0	Strips	0	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Cent. per cwt	0	0	0	Borneo and Sumatra	1	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	B. W. Moscow	32	0	0	Seedling	1	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Crystallised	42	0	0	Havana	0	10	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Java, spot	nom	nom	nom	San India	0	6	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Raymond—London	43	0	0	Ogura, duty 15/7 per lb	0	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Allow Orissa	52	0	0	TURPETINE, p.cw 75	3	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Cubes	52	0	0	WOOL—per lb.	0	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Crushed	56	0	0	English, Southdown, whld.	18	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Granulated	48	0	0	Lincoln hog	0	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Cracked	50	0	0	Queensland, cut sup. subg.	20	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Queer	50	0	0	N. S. W. gross sup.	20	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0	Pieces	54	0	0	N. Z., cry, blt-bld, 60-65	15	0	0
Do good to mid	50	0	0	Low to good ord.	0	10	0					crossed, 40-45	0	0	0

OFFER OF CONVERSION TO HOLDERS OF £5 % NATIONAL WAR BONDS due 1st OCTOBER, 1922, and 1st APRIL, 1923.

Holders of the above Bonds may surrender their holdings in whole or in part and receive in exchange therefor:
either

£4 : 10s per Cent. TREASURY BONDS
Repayable at Par on the 15th April, 1932,

at the rate of £100 £4 10s per Cent. Treasury Bonds, with a cash payment of £4 (payable on completion of conversion), for each £100 nominal of £5 per Cent. National War Bonds surrendered;

£3 : 10s per Cent. CONVERSION LOAN

at the rate of £100 £3 10s per Cent. Conversion Loan for each £100 nominal of £5 per Cent. National War Bonds surrendered.

The GOVERNOR and COMPANY of the BANK OF ENGLAND are authorised to receive from holders of £5 per Cent. National War Bonds due 1st October, 1922, and/or 1st April, 1923, applications for the conversion of their holdings as above.

Conversions will be effected as on the 1st April, 1922.

£4 10s % TREASURY BONDS repayable 15th April, 1932.

The principal and interest of the Bonds will be chargeable on the Consolidated Fund of the United Kingdom.

If not previously redeemed, the Bonds will be repaid at par on the 15th April, 1932, but His Majesty's Government reserve to themselves the right to redeem the Bonds at par at any time on or after the 15th April, 1930, on giving three calendar months' notice in the *London Gazette*.

The interest on the Bonds will be exempt from Corporation Profits Tax.

The Bonds will be issued in denominations of £50, £100, £200, £500, £1,000 and £5,000, and the interest thereon will be payable by Coupon.

Bonds of this issue may be registered free of cost in the Books of the Bank of England as:-

1. "Transferable in the Bank Transfer Books," or
2. "Transferable by Deed."

Holders of Registered Bonds, which will be transferable in any sums which are even multiples of one penny, may be re-converted at any time in whole or in part (in multiples of £50) into Bonds to Bearer with Coupons attached.

Interest will be payable half-yearly on the 15th April and the 15th October. The first dividend on holdings issued in respect of converted £5 per Cent. National War Bonds will be payable on the 15th October, 1922, and will represent interest to that date from the 1st April, 1922. In the case of holdings issued in registered form, the first dividend will be forwarded to the holders (or their nominees) to whom the holdings were originally issued.

Interest on registered holdings will be subject to deduction of Income Tax at the source. Dividend warrants will be transmitted by post.

£3 10s % CONVERSION LOAN.

Stock issued in exchange for converted holdings of £5 per Cent. National War Bonds will rank *pari passu* and be consolidated with the existing £3 10s per Cent. Conversion Loan.

A full half-year's Dividend will be payable on the Stock on the 1st October, 1922.

Applications must be made upon the printed forms which, together with copies of this Prospectus, may be obtained at the Bank of England; of Messrs Mullens, Marshall, Steer, Lawford & Company, 15, George Street, Mansion House, E.C.4; or through any Bank or Stockbroker in the United Kingdom. Application Forms have already been sent by post to all holders of Registered Bonds (in the case of joint accounts—to the first holder).

A commission as under will be allowed to Bankers and Stockbrokers in respect of applications bearing their stamp, viz.:-

On applications received by the Bank of England not later than the 6th May, 1922, 5s per £100 nominal of National War Bonds converted

On applications received after the 6th May, 1922, 2s 6d per £100 nominal of National War Bonds converted.

The latest date for the receipt of Applications by the Bank of England will be Monday, the 15th May, 1922.

Bank of England, London,

21st April, 1922.

N.B.—National War Bonds of the Post Office Issue are not convertible at the Bank of England. They may be converted at the Post Office under the arrangements set forth in the separate Prospectus issued by H.M. Postmaster-General.

Insurance.

DEATH DUTIES.

Insure your life for the probable amount of your death duties and so leave your estate intact for your heirs.

PRUDENTIAL ASSURANCE CO., LTD.,
142, HOLBORN BARS, E.C.1.

REFUGE ASSURANCE COMPANY LIMITED.

Chief Office: OXFORD ST., MANCHESTER.

(For the year ending December 31st, 1921)

ANNUAL INCOME EXCEEDS £6,500,000.
ASSETS EXCEED £21,500,000.
CLAIMS PAID EXCEED £34,900,000.

PEARL ASSURANCE COMPANY, LTD.

Chief Offices: 252, High Holborn, W.C.1.

Annual Income nearly £3,000,000
Accumulated Funds £22,250,000
Total Claims Paid £29,500,000

LONDON AND MANCHESTER ASSURANCE CO., LTD., 50 Finsbury Square, London, E.C.2. Premium Income exceeds £1,350,000. Funds exceed £3,000,000. Claims paid exceed £6,000,000. Annual Reports and Prospectuses can be obtained on application.

THE ROYAL BANK OF CANADA.
DIVIDEND No. 129.

Notice is hereby given that a DIVIDEND of 8 per cent being at the rate of 12 per cent. per annum upon the paid-up capital stock of the Bank, has been DECLARED for the three months ending 31st May, 1922, and will be payable at the Bank and its Branches on and after Thursday, 1st June, 1922, to Shareholders of record, 14th May, 1922.—By order of the Board.
T. R. WHITLEY, London Manager.
Bank Buildings, Princess Street, London, E.C.2.
14th May, 1922.

THE BEST INVESTMENT For Capital, Effort and Enterprise

Is in the participation in the quick industrial development of the splendid Pastoral, Agricultural, Mineral and other resources, aided by the increasing population and settlement, of

NEW ZEALAND.

Good ports, expanding railways and other communications, convenient sites, cheap electricity, efficient workers, reliable markets, well established for all kinds of produce, raw materials and manufactured goods.

THE STATE FACILITATES PRODUCTION

Apply to—
THE HIGH COMMISSIONER FOR NEW ZEALAND, 413, Strand, W.C.2.

THE GREAT ALTERNATIVE: SANER POLITICS OR REVOLUTION. By LEONARD J. REID, M.A.

CROWN 8vo. 6/6 NET.

Press Opinions.

"His indictment of the criminal folly of Bolshevism is most effective."—*Morning Post*.

"Sane and thoughtful writing."—*Daily News*.

"A sound and rational contribution to political controversy. . . . We recommend every thinking politician to read it."—*Saturday Review*.

"Staunchly moderate."—*Economist*.

"An able plea for a great new liberalism."—*Scotsman*.

"To unsettled and troubled Liberals we would heartily commend it. It is a finely suggestive discussion of certain vexing questions, with the solution whereof Liberalism is vitally concerned."—*Liverpool Daily Post*.

LONGMANS, GREEN & CO., 39, PATERNOSTER ROW.

THE CUNARD STEAM-SHIP COMPANY, LIMITED.

Notice is hereby given that the FORTY-FIFTH ORDINARY GENERAL MEETING of the Cunard Steam-Ship Company, Limited, will be held at the Britannia Rooms, 6th Floor, Cunard Building, in the City of Liverpool, on Wednesday, the 26th April, 1922, at 11 o'clock a.m.

- (1) To receive and consider the Statement of Accounts and Balance Sheet to the 31st December, 1921, with the Reports of the Directors and Auditors.
- (2) To sanction the Declaration of Dividend.
- (3) To elect Directors and Auditors in place of those retiring but who being eligible offer themselves for re-election, and to fix the remuneration of the Auditors.

Notice is hereby also given, that the Ordinary Share Transfer Books will be closed until after the meeting.—By order of the Board.

W. DRANFIELD, Secretary.
Offices: Cunard Building, Liverpool. 15th April, 1922.

GOVERNMENT GOLD MINING AREAS (MODDERFONTEIN) CONSOLIDATED, LIMITED.

(Incorporated in the Transvaal.)

Issued Capital, £1,400,000 in 1,400,000 Shares of £1 each.

DIRECTORATE.

J. MUNRO (Deputy-Chairman). S. B. JOEL, J.P. (Chairman).
D. CHRISTOPHERSON, C.B.E. J. G. LAWN, C.B.E. G. IMROTH.
G. J. JOEL. J. H. CROSBY.

Extracted from the Annual Report for the Year ended 31st December, 1921.

	Tons Crushed, 1,625,500.	Per ton, based on Tonnage Crushed.
Total Working Revenue	£3,520,400 14 1	£2 3 4
Total Working Costs	1,757,910 19 10	1 1 8
Working Profit	£1,762,489 14 3	£1 1 8
Rents, Interest, sundry Revenue, etc.	40,996 12 5	
Balance unappropriated at 31st December, 1920	467,536 5 9	
	£2,271,022 12 5	

This amount has been dealt with as follows:—

Government of the Union of South Africa, share of profits	£896,210 14 7
Profits appropriated for Capital Expenditure to date in excess of working capital provided	413,002 18 7
Miners' Phthisis Sanatorium, Income-Tax, Provincial Gold Profits Tax, Depreciation, Donations, etc.	31,284 15 8
Dividends Nos. 8 of 25 per cent. and 9 of 30 per cent.	770,000 0 0
	2,110,498 8 10

Leaving a Balance unappropriated of £160,524 3 7

The **Ore Reserves** have been recalculated, and are estimated at 10,232,000 tons of an average value of 8.5 dwts. over a stoping width of 77 inches; they include ore of a value of 4 dwts. and over.

The full Reports and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Limited, 10 and 11, Austin Friars, E.C.2.

VAN RYN DEEP, LIMITED.

(Incorporated in the Transvaal.)

Issued Capital, £1,196,892 in 1,196,892 Shares of £1 each.

DIRECTORATE.

S. B. JOEL, J.P. J. G. LAWN, C.B.E. G. J. JOEL.
SIR WM. DALRYMPLE, K.B.E. H. A. ROGERS. J. H. CROSBY.
SIR ABE BAILEY, BART.

Extracted from the Annual Report for the Year ended 31st December, 1921.

	Tons Crushed, 611,400.	Per ton, based on Tonnage Crushed.
Total Working Revenue	£1,733,695 3 1	£2 16 8
Total Working Costs	810,777 4 2	1 6 8
Working Profit	£922,917 18 11	£1 10 2
Rents, Sundry Revenue, etc.	16,565 17 0	
Balance unappropriated at 31st December, 1920	137,675 17 0	
	£1,077,159 12 11	

The amount has been dealt with as follows:—

Miners' Phthisis Sanatorium, Income and Dividend Taxes, Provincial Gold Profits Tax, Donations, etc.	£160,806 13 1
Dividends Nos. 16 and 17 of 30% each	718,188 4 0
	878,994 17 1

Leaving a Balance unappropriated of £198,217 15 10

The **Ore Reserves** have been recalculated, and are estimated at 3,317,000 tons, of an average value of 9.2 dwts. over a stoping width of 73 inches. They include ore of a value of 4.25 dwts. and over.

The full Reports and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Limited, 10 and 11, Austin Friars, E.C.2.

Abridged.

NEW STATE AREAS, LIMITED.

(Incorporated in the Transvaal.)

CAPITAL £1,500,000, in 1,500,000 shares of £1 each, of which 1,441,000 are fully paid and 59,000 2s. per share paid up.

DIRECTORATE.

S. B. JOEL, J.P. (Chairman).
J. H. CROSBY.

J. G. LAWN, C.B.E.

J. MUNRO (Deputy-Chairman).
G. J. JOEL.

Extracted from the Annual Report for the year ended 31st December, 1921.

DR.	BALANCE SHEET as at 31st December, 1921.		CR.	
To Subscribed Capital	£1,448,900	0 0	By Mining Rights	—
Sundry Creditors and Credit Balances	18,061	17 10	Permanent Works, Buildings, Machinery and Plant, Development, etc.	£2987,961 6 10
Wages earned but not yet paid	3,952	18 7	Stores on Hand, Sundry Debtors and Payments in Advance, etc.	45,281 6 9
Rents and Interest received and accrued, etc.	52,229	7 4	Cash on Deposit with Interest Accrued, and on Current Account Administration and General Expenses to date, less Brokerage received	357,869 6 1
			Income Tax	119,356 16 4
				10,895 7 9
	£1,521,144	3 8		£1,521,144 3 9

Plans have been completed for a plant capable of handling 50,000 tons per month. As the result of experiments, it has been decided to make some distinct departures from current practice. All sliming of the ore will be effected by means of a crusher tube mill combination. The stamp mill and amalgamated plates will be eliminated.

The work of erecting and installing the reduction plant will be proceeded with, and provided we can carry on the work without any unforeseen delays, it is hoped that the plant will be running in the early part of next year.

The full Reports and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Co., Ltd., 10/11, Austin Friars, E.C.2.

WITWATERSRAND GOLD MINING COMPANY, LTD.

(Incorporated in the Transvaal.)

Issued Capital, £469,625 in 469,625 Shares of £1 each.

DIRECTORATE.

J. MUNRO (Chairman).
J. G. LAWN, C.B.E.S. B. JOEL, J.P.
H. NOURSE.J. DALE LACE.
WM. ROSS.

Extracted from the Annual Report for year ended 31st December, 1921.

	Tons crushed, 448,300.	Per ton, based on Tonnage Crushed.
Total Working Revenue...	£623,076 7 5	£1 7 10
Total Working Costs	532,022 8 0	1 3 9
Working Profit	£91,053 19 5	4 1
Rents, Sundry Revenue, &c.	23,443 19 9	
Balance unappropriated at 31st December, 1920	204,284 0 10	
	£318,782 0 0	
This amount has been dealt with as follows:—		
Miners' Phthisis Sanatorium, Income and Dividend Taxes, Provincial Gold Profits Tax, Donations, etc.	£12,483 18 3	
Dividends Nos. 34 of 10% and 35 of 15%	117,406 5 0	
	129,890 1 3	
Leaving a balance unappropriated of	£188,891 18 9	

The Ore Reserves have been recalculated and are estimated at 547,300 tons of an average value of 5.6 dwts. over 63 inches; they include all ore of a value of 5 dwts. and over.

The full Reports and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Co., Ltd., 10 and 11, Austin Friars, London, E.C.2.

APRIL 29, 1922.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCIV.

SATURDAY, APRIL 29, 1922.

No. 4,105.

ALLIANCE

. ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2

ASSETS EXCEED £25,000,000.

The Hon. N. CHARLES ROTHSCHILD, President

The operations of the Company embrace all branches of Insurance

Full information respecting
ESTATE DUTYand
CHILDREN'S EDUCATIONAL
POLICIES

Issued by the Company may be obtained on application to the Head Office as above or to any of the Offices or Agencies of the Company.

O. MORGAN OWEN, General Manager.

Centralbanken for Norge

Christiania, Norway,

transacts all kinds of banking business.

CORRESPONDENTS IN:

Aalesund	Haugesund
Bergen	Sandefjord
Christiansand S.	Skien
Drammen	Stavanger
Fredrikstad	Trondheim

and all Norwegian places of any importance.

CAPITAL AND SURPLUS

1 Jan., 1920... Kr. 69,000,000

CREDITO ITALIANO.

Capital Fully Paid ... Lire 300,000,000
Reserve ... Lire 90,000,000
Deposits and Current Accounts at 31st Dec-
ember, 1921 ... Lire 4,419,768,540

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES THROUGHOUT ITALY.

London Branch: 22 ABCHURCH LANE, E.C.4.

Managers (D. A. HORNER,
F. N. SCHILLER.

Transacts a general Foreign Banking Business, having correspondents in all Countries, and is specially prepared to grant facilities for the development of trade between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.

Telegrams: "Italo credit, Cannon, London."

Telephone: 7802-7803 City.

TABLE OF CONTENTS.

The Money Market	791	Books and Publications—	
Leading Articles—		The American Civil Service	810
On the Nation's Taxable Capacity	793	The Expansion of Europe	810
National Expenditure	794	Economic Conditions in Sweden	811
The State and Wages	795	Books Received	811
Lancashire Cotton Trade	797	Stock Exchange News—	
The Mexican Railway Company, Limited	797	The Stock Markets	811
Our Trade with the Con- stituent States of "Austria- Hungary"	798	New Issues	812
The Work of the Conference	799	Active Securities	813
Notes of the Week—		Company Meetings	814
The Demand for Lower Railway Rates	800	Government Returns—	
The American Tariff	800	Treasury Bills by Public Tender	830
The Economic Condition of Italy	801	Currency Notes Account	830
Cotton Trade Wages Settle- ment	801	Public Income & Expendi- ture	830
The Sugar Supply	802	Bankers' Gazette—	
War Loan Dividend Diffi- culties	802	Bank of England	831
White Star Line	803	Clearing Returns	831
Pennsylvania Report	803	Overseas Bank Returns	831
The Legal and General's Valuation	803	Loan and Discount Rates	833
Northern Insurance Com- pany	804	Overseas Bank Rates	833
British Cellulose	804	Rates of Exchange	833
The "Johnnies" Group in 1921	804	Bullion	834
Crown Mines Position	805	Imports and Exports of Gold	834
Japanese Trade & Finance	805	Gold and Silver Prices	835
Overseas Correspondence—		Company News—	
United States	805	Dividend Announcements	813
France	806	Analysis of Balance-Sheets	835
Germany	807	Reports and Notices	835
Canada	808	Profit and Loss Accounts	836
New Zealand	809	Rhodesian Gold Output	836
Letters to the Editor—		Railway & Tramway Traffic	837
The Price of German Publi- cations	811	Commercial Reports—	
		Corn Trade	838
		Iron and Coal Trade	838
		Wool Trade	839
		Cotton Trade	840
		The Timber Market	840
		Vegetable Oil and Oilseeds	841
		Hide and Leather Trades	841
		Overseas Produce Markets	841
		Price Current	842

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THE MONEY MARKET.

Now that the Government has almost extinguished its Ways and Means Advances from the Bank of England, it may be expected in the light of recent experience that the money market will not have much margin of credit available until it or the Government has borrowed again. For some time past it has been rare for both the market and the Treasury to be quit of debt to the Bank. Nevertheless, the end of the month brought hardly any increase in the demand for money, and on occasions when surplus

balances were rather less easy to find than usual, this feature was attributed by bill brokers to Stock Exchange demands in connection with large positions open in gilt-edged securities. Discount rates gave way slightly, and the extreme scarcity of bank bills again questioned the assertions of those who talk emphatically of trade revival. The week ended with money extremely abundant, and discount rates were easy at 2½ per cent.

	Apr. 28, 1922.	Apr. 21, 1922.	Apr. 12, 1922.	Apr. 7, 1922.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	(Apr. 13, '22)
Banks Deposit Rate	2	2	2	2	(Apr. 13, '22)
Discount Call	2	2	2	2	(Apr. 13, '22)
Household Notice	2	2	2	2	(Apr. 13, '22)
Market rate (3 months' bills) ..	2½	2½	2½	2½	(Apr. 13, '22)

The Bank return showed few and uninteresting movements. The stock of gold was practically unchanged, and a small decrease in the circulation produced a small increase in the Reserve. Government securities declined by less than a million, and Other securities rose by £360,000. About two millions were transferred from the public to the private deposits. The currency notes outstanding were reduced by £4,071,200 to £303,229,100, which includes £1,637,800 for notes called in, but not yet cancelled. The fiduciary issue is £253,641,300, or £56,347,100 below the maximum.

THE STOCK MARKETS.

The stock markets have been quieter this week, fluctuations and hesitation being caused in various sections by Genoa developments, Budget uncertainties, and the engineering crisis. War Loan, now quoted ex-dividend, was well supported early in the week, but heavy sales took place later, and British Government stocks finished the week below the best prices touched. Genoa proceedings caused weakness in French issues, and fluctuations in German Threes. Home railway prior-charge stocks rose day by day, but the ordinary stocks declined. Bank shares improved, and among industrials Courtald's made a smart. De Beers shares were well supported, but gold-mining shares generally were uninteresting, like rubber, while oil market interest is mainly confined to low-priced shares.

COMMODITY MARKETS.

A falling off in activity has been noticeable during the week in the cotton trade, business being confined to small dealings; from India there have been some inquiries, but apparently our prices have been too high, while the China market is at present under a cloud. In the wool trade there has been a strong and fairly active market, but more business could have been done in fine tops if early delivery had been assured. No change is reported in iron prices; the home demand for steel is bad, while foreign demand is fair. Best Admiralty coal has hardened to 28s 9d, and it is stated that supplies are scarce. The wheat markets were dull on account of the decline in American quotations, and prices here were slightly lower. A scarcity of supply in the timber trade is reported, and prices are said to be firm. A slight reaction this week has been noticeable in the vegetable oil and oilseed markets, and prices display tendencies to weaken. Quotations in the hide and leather trades are steady, and "calf" recovered some part of the previous week's fall. Conditions are better in the shoe trade. Further details of markets from our special trade correspondents will be found on later pages.

FOREIGN EXCHANGES.

Apart from excitement over the mark, the foreign exchange market has had another dull week, with relatively small movements. From 1,220, on the 21st, the mark recovered rapidly to under 1,090 on Monday, but

M. Poincaré's speech at the beginning of the week produced an instant reaction, on which the rate has risen steadily to 1,260 yesterday morning. The outlook is unsatisfactory. Should the Allies before the end of May force Germany into continuing reparation payments on the present scale, further inflation and a further depreciation of the mark would seem inevitable. Should Germany refuse the Allies' demands, and should measures of coercion be taken, it is impossible to say how far the rate may rise. Forward marks for the time being remain on a parity with spot. Paris also has shown the effects of the present uncertainties, and has risen from 47.50 on the 21st to 48.20 yesterday morning, after being down on Monday as low as 47.40. Although political considerations for the moment outweigh other factors, the unsatisfactory budget statement just published is also a bear factor. Brussels, as usual, has moved parallel with Paris to 52.40. After being for some time on a parity with spot, forward francs in Paris have moved to one-half centime for one month over spot, while in Brussels future rates remain 6 centimes per month below spot. The dollar rate has shown little movement, and having got up to 4.43, has been back again yesterday at 4.42½. There is at present an uneasy feeling in the dollar market, as, although the general economic position would suggest a further rise, a sharp reaction might come at any moment should the Americans decide to take profits on their recent foreign investments, while at the same time any revival of trade would also be likely in the first instance to cause pressure on the exchange. The rate for dollars one month ahead remains on a parity with spot, for two months ½ cent. above. Together with the other allied exchanges, Italy has continued to move upwards, and now stands at 83½, as compared with 81.95 the week before. Among the neutral exchanges, Amsterdam shows a slight move against us. Madrid, Switzerland, and Stockholm, Christiania and Copenhagen, have all, however, gone slightly in our favour. Helsingfors, on the other hand, for reasons not yet clear, but possibly on renewed rumours of loan negotiations, has had a sharp recovery from 240 on the 21st to 213½ yesterday morning. In Central Europe Vienna, in spite of the efforts that are now being made to improve its currency position, is rather higher at 34,000, in sympathy probably with the mark. It may be noted that in spite of the decision of America to release its liens on Austria, nothing has yet been heard of the proposed loan under the auspices of the League of Nations, and it would be interesting to learn whether, as was at one time reported, the Succession States have also on their part agreed to the release of Austrian liens. Warsaw also, after a slight recovery, is at 17,500, some 500 points higher than a week ago. Prague has moved up slightly to 227, and Bucharest is up to 615. Belgrade, however, and Budapest are both rather better. In the East the rupee at 1s 3½d is ½d more expensive than a week ago, but Japan at 2s 1½d is ½d cheaper. Speculation in the silver market has been far less active, and though the position is hardly sound, prices have shown only a very slight reaction. Hong Kong at 2s 6½d and Shanghai at 3s 4½d, are respectively ½d and ½d cheaper. In South America Valparaiso at \$39.50 is 40 points dearer than a week ago, Buenos Ayres at 44½d is ½d dearer, Monte Video has moved from 42½d to 43d per dollar, and Rio from 7 19-32d to 7 1-8d per mil.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended April 22, 1922:—

REVENUE.	Min. £	EXPENDITURE.	Min. £
From Revenue	16,719	Supply Services	4,360
		Interest on Debt	23
		Grants	104
		Reduction of Debt	10,076
		Added to Exchequer balances ..	117
	16,719		16,719

The revenue at £16,718,741 compares with an expenditure of £5,926,300 during the week. This compares with a revenue of £21,026,757, and an expenditure of £15,352,826 in the same week last year. Excise, at £7,438,000, compares with £1,372,000 in the preceding week and £8,139,000 last year. Customs yielded £1,700,000, against £2,800,000 in same week last year.

Property and Income-tax brought in £4,172,265, against £8,167,735 in the previous week. Ordinary Receipts under Miscellaneous yielded £864,476, while Special Receipts brought in £513,000.

The week's operations reduced the National Debt by the sum of £10,675,027, and caused the following changes:—

	Min. £		Min. £
Treasury Bonds by tender	+ 20,311	Bank of England Advances ..	— 3,500
Public Department Advances ..	+ 5,860	Treasury Bills	— 39,770
		Borrowers of Bonds, &c.	— 143
		Unemployment Insurance	— 190
		National Savings Certificates ..	— 300
		Housing Act, 1914	— 103
	+ 25,961		— 36,366

The repayments of National Savings Certificates at £400,000 exceeded the sums received under this head by £20,000. The floating debt was reduced by £30,725,000 during the week, and now stands at £955,475,500.

FINANCIAL YEAR, 1922-23 (April 1 to April 22, 1922).

	£		£
Total spent	51,311,676	Raised by revenue ..	63,024,393
Dec. in balances	7,862,324	Net repayments	19,575,041
Total	43,449,352	Total	43,449,352

FINANCIAL YEAR, 1921-22.

	£		£
Total spent	1,079,186,627	Raised by revenue ..	1,124,879,873
Inc. in balances	8,099,024	Net repayments	87,594,223
Total	1,087,285,651	Total	1,087,285,651

REVISED ESTIMATES for YEAR 1921-22.

	£		£
Ordinary Expenditure ..	1,080,418,000	Ordinary Receipts ..	1,058,150,000
Special Expenditure ..	65,705,000	Special Receipts ..	158,500,000
Total	1,146,123,000	Total	1,216,650,000
		Surplus	70,527,000

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Aug. 1, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Dec. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.	April 22, 1922.
Funded Debt	588	318	318	315	315	315	315	315	315	315
Term Annuities	30	22	22	20	19	18	17	17	17	17
5% War Stock	63	63	63	63	63	63	63	63	63	63
4½% War Stock	18	14	13	13	13	13	13	13	13	13
4½% War Stock ..	1,091	1,068	1,047	1,040	1,036	1,036	1,036	1,036	1,036	1,036
National War Bonds ..	949	1,636	1,509	1,478	1,478	1,478	1,478	1,478	1,478	1,478
4% Funding Loan	...	...	...	...	...	...	...	...	...	...
4% Victory Bonds	...	...	...	...	...	...	...	...	...	...
3½% Conversion L'n. ..	...	...	...	...	...	...	...	...	...	...
5-15 year Treas. Bonds ..	...	...	...	...	...	...	...	...	...	...
5% Treasury Bonds	...	...	...	...	...	...	...	...	...	...
Do by tender	...	...	...	...	...	...	...	...	...	...
Treasury Bills	15	861	967	1,107	1,107	1,121	1,050	882	787	62
Exchequer Bonds	20	322	324	323	319	289	318	294	176	176
National Savings Certs. ..	...	138	297	267	274	285	294	324	344	...
War Expend. Certs.	...	...	...	...	...	...	...	...	...	...
Other Debt	944	1,941	1,306	1,161	1,152	1,097	1,090	1,090	1,090	...
American Loan	51	51	51	51	51	51	51	51	51	...
Temporary Advances	1	204	465	943	905	154	200	147	188	...
Other Capital Liabilities ..	654	5,879	7,435	8,033	7,829	7,574	7,748	7,658	7,639	...
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,799	7,708	7,689	...

NOTE.—These figures have now been revised in accordance with a recent Treasury return on internal debt.

POSITION OF THE FLOATING DEBT.

	Out. April 23, '21.	Mar. 31, '22.	Apr. 22, '22.	Apr. 22, '22.
Temporary Advances	1,287,702,000	1,029,520,500	965,475,500	30,725,000
standing—				
Advances by Bank of England ..	23,000,000	—	2,500,000	3,500,000
Advances by Public Deptts	173,204,000	147,301,500	185,915,000	5,650,000
Treasury Bills outstanding	1,091,498,000	882,219,000	767,060,500	32,475,000
Total Floating Debt	1,287,702,000	1,029,520,500	965,475,500	30,725,000

ON THE NATION'S TAXABLE CAPACITY.

"The balancing of the Budget requires adequate taxation, but if Government expenditure is so high as to drive taxation to a point beyond what can be paid out of the income of the country, point beyond what can be paid out of the income of the country, taxation itself may still lead to inflation. The reduction of Government expenditure is the true remedy."—Extract from Report of the Financial Commission of the Genoa Conference.

We do not venture to prophesy which of the many possible devices the Chancellor of the Exchequer may adopt in order to show a surplus in his Budget which will justify a remission of taxation. But it is generally believed that the pressure to reduce the income-tax is proving irresistible, and that by allowing nothing for redemption of debt or for contingencies—a course the justification for which is presumably to be found in the peaceful state of Europe, Ireland, India, &c.—and, on

the other hand, by assuming that the arrears of taxation due in March will all be paid up and that reductions in the rates of taxation will improve their yield, he will see his way to make some small concessions. If reductions are made in the tea and sugar duties, a slight drop in the cost-of-living index will follow, wages governed by this index will fall, and a corresponding relief be given in the cost of production. On the other hand, income-tax remission may have some effect, almost entirely psychological, in encouraging business activity. But, in either case, the remission will be so small that it can have no important effect on the industrial situation.

This conclusion is by no means a comforting one to the payer either of direct or of indirect taxes, who will readily agree with the Genoa experts that there comes a point where taxation becomes an intolerable burden. The statement that taxation to-day is heavier than the nation can bear has, indeed, been in constant use during the last few months; but we doubt whether many of those who use it have a very clear idea as to its meaning. As the phrase is highly relevant to the Budget discussion which will take place next week, we would commend to our readers Sir Josiah Stamp's discussion of this subject in a book recently published. The answer to the question what is the nation's taxable capacity can best be sought by comparison, in the first instance, of the Budget with the total national income. Broadly, the total production of a country, less the consumption of the individuals who have a claim upon that production, furnishes a surplus which covers (a) the taxation, (b) the annual addition to the savings of the country. This surplus may be made larger either by increasing total productivity or by reducing consumption. But if the standard of consumption remains fairly stationary while the nation's production falls, the margin decreases, and if taxation is not reduced, it gradually eats into the normal annual savings of the nation. When taxation begins to absorb the whole of the surplus it can only be maintained by pressing upon consumption. This is also true even where a Government raises its revenue by means of the printing press; for inflation adds nothing to the nation's productivity, but merely alters the proportions in which the total purchasing power in the country is divided between the Government and the public respectively.

The methods adopted by Sir Josiah Stamp enable us to give these general ideas a concrete statistical form. Before the war Government expenditure amounted to about 200 millions and the estimated savings of the community to about 400 millions—i.e., the national income exceeded national expenditure, other than expenditure by Government, by 600 millions. But Sir Josiah does not think it necessary to assume that we must consume exactly what we did before the war. "I am going to assume that we might have saved 100 millions more, and that we could have spared 50 millions more in taxes, without having a really unhappy and down-trodden existence." This would have made the pre-war surplus 750 millions (taxation 250 millions and savings 500 millions), which is about 33 per cent. of the estimated total national income of 1913—viz., 2,200 millions. Assuming the value of money to be one-

* "Wealth and Taxable Capacity." By Sir Josiah Stamp. Published by P. S. King and Son, Limited, Orchard House, Westminster.

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half of its pre-war value, this is equivalent to a surplus of 1,500 millions to-day. "But," he continues, "we shall not collapse if only half the pre-war rate of savings is resumed," and he therefore allows 500 millions at 1921 prices for the amount to be saved, which leaves 1,000 millions for taxation. Moreover, he argues, and we think with justice, that interest payments are not entirely to be regarded as a charge on this surplus, but rather a transfer of consumable goods from one set of persons to another—or, to put the point in another way, that estimates of the national income may properly exclude incomes derived from interest on debt. This point is fully discussed in the current *Economic Journal* by Professor Bowley, who advocates the use of two estimates of the national income. But, as such incomes were negligible in pre-war times, Sir Josiah Stamp is right in adding them to the margin calculated from pre-war figures. The collection and redistribution of 350 millions in interest is, however, a disturbing factor which modifies the direct return secured by industry and economic effort generally, and he therefore assumes that it will diminish production by 100 millions, leaving only 250 millions to be added to his estimate of taxable capacity. His theoretical figure, therefore, which assumed that local taxation is not proportionately increased, yields for 1921 a possible Budget of 1,450 millions.

The assumption, however, that our pre-war production remains unimpaired is unfortunately far from the truth. If we assume that our pre-war income, estimated at £2,200 millions, has fallen by 80 per cent., and personal consumption, estimated at £1,600 millions, has fallen by 10 per cent., the margin is only £320 millions. Even if prices are 2½ times the pre-war level, this margin becomes £720 millions at post-war prices. If we allow only 50 millions for the actual savings of the year, the margin is only 670 millions. Adding £250 millions for interest charges, the available figure becomes £920 millions. If prices are twice pre-war, the figure is £840 millions, and at 75 per cent. above pre-war £760 millions. Moreover, the assumption as to local taxation is clearly optimistic, and Sir Josiah Stamp is disposed to allow 80 millions of the surplus to meet increased rates. This deduction leaves the surplus available for Budget purposes at 680 to 840 millions, according to the level of prices. If production can be screwed up to 85 per cent. of pre-war capacity, with consumption still at 10 per cent. below pre-war level, the margin would vary between 880 millions and 1,090 millions, according to the level of prices. These figures contain a large element of assumption, but they serve to show that even if present taxation is maintained, the Budget will only be comfortably covered if the level of prices is maintained at something like twice pre-war level, and if production does not fall below 85 per cent. of pre-war output. Indeed, Sir Josiah Stamp concludes that "if production can be maintained and prices do not decline, the Budget is just within our powers for 1921-22, but that 1922-23 will tell a different tale unless things rapidly improve in production."

This analysis emphasises the importance in the problem of the national finance of the price level, and even more of productivity. But, as the author points out, we are dealing not with a set of fixed conditions, but with a dynamic problem in which the factors are constantly changing. Taxation reacts both on production and on consumption, while national psychology, the distribution of wealth, the purpose for which taxes are used, and the progressive or decadent condition of a country's industries, are all elements which bear upon the extent of possible taxation. For these reasons the preceding figures give a false appearance of exactitude. In particular, we must scrutinise the assumption that consumption, which means not merely the standard of living of the working classes, but luxury and other consumption of the whole community, can be maintained at 90 per cent. of its pre-war level. A simple calculation will show that if consumption falls with national production, the problem becomes a much simpler one. Our Reparation policy towards Germany assumes that the German consumption can be sufficiently depressed by taxation to yield a large margin of production sufficient to meet the Allied claims. We must beware lest a reduction of taxation in Great Britain in response to popular clamour should encourage increased consump-

tion before the State of our finances justifies it. In this connection it has to be remembered that a lower income-tax means more money for trade only to a limited extent, and to an important extent will increase consumption. A far more important way of increasing capital as Sir Josiah Stamp points out, is by debt redemption, very little of which is likely to be spent on immediate consumption. Neither Great Britain nor any other country can avoid the necessity of maintaining a wide margin between its output and its consumption if it is to repair the ravages of war. The first step on the road to solvency is not to start by lowering taxes—though infinite pains must be taken to make their incidence as fair as possible—but to adopt a currency policy which will aim at stabilising prices, to foster production, and to cut expenditure so as to leave a margin for debt redemption. This will begin to restore the real savings of the country, and turn the stream into channels which will irrigate the fields of industry and trade.

NATIONAL EXPENDITURE.

WHATEVER Budget surprise may await us on Monday, public opinion has rightly fastened upon further reduction of expenditure as the only real solution of the critical state of public finance which we must face in the next few years. The Federation of British Industries, in their letter to the Chancellor, demand that the Geddes Committee, "or some equivalent body," should be immediately re-appointed in order to show the Government how to make further economies in the burden of the Budget, while Lord Inchcape, at the meeting of the Income-Taxpayers Association, though calling loudly for lower taxation, adds that "even worse than the burden under which the country is staggering at this moment would be the attempt to lighten it by the disastrous devices of shortsighted and cowardly finance." This sound conclusion has not been reached so much by hard thinking on the part of the man in the street as by painful experience, and by the terrible example of the results in other countries which follow attempts to avoid the issue by quack remedies.

In order to show how our present problem compares with the only other period in which we have had a burden of similar magnitude, we have extracted in summary form the Budget of 1818. This compares with the pre-war situation, and with that of the current year—as forecasted in our issue of March 25th, as follows:—

REVENUE AND EXPENDITURE in 1818-19 (Million £).	
REVENUE.	EXPENDITURE.
Customs	14
Excise	16
Stamps	72
Other Taxes	83
Post Office	22
Miscellaneous Revenue	1
	592
National Debt Service	312
Civil List, &c.	12
Lottery Prizes	1
Miscellaneous	1
Army	9
Navy	6
Civil Services	3
Cost of collection	3
Post Office	57

REVENUE AND EXPENDITURE in 1913-14 (Million £).	
REVENUE.	EXPENDITURE.
Customs	35½
Excise	40
Stamps	27½
Income Tax	10
Land Tax	2
House Duty	2
Property and Income Tax	47½
Land Value Duties	2
Post Office	32½
Crown Lands	1
Repts. Suez, &c.	1½
Miscellaneous	2½
	192
National Debt Service	24½
Road Improvement	12
Local Taxation Payments	12
Other Consol. Fund Services	14
Army	28
Navy	49
Civil Services	54
Post Office	24½
Revenue Departments	4½
Total Expenditure	197½
Balance	198

FORECAST of 1922-3 BUDGET (Million £).	
REVENUE.	EXPENDITURE.
Customs	128
Excise	126
Motor Duty	9
Stamps	48
Land Tax	21
House Duty	2
Land and Income Tax	880
Land Value Duties	30
Post Office	16
Corporation Tax	60
Interest	12
Miscellaneous Receipts	21
Total Ordinary Revenue	890
Special Receipts	50
	940
Interest on National Debt and Consolidated Fund	372
Interest due to U.S.A.	25
Navy	65
Army	62½
Air Force	11
Middle East	10
Ministry of Pensions	90
Other Civil Services	129
Post Office	54
Revenue and Excise Departments	12
Special War Liquidation Expenses	860½
	58
Sinking Funds and Debt Repayments	912½
	1,018½

It is difficult to give precise figures for a century ago, but the national income of 1818 is believed to have been in the neighbourhood of £400 millions. That of 1913 was about £2,200 millions, while that of 1921 was probably over £3,600 millions, though with falling prices it will be less in 1922. These figures are, however, sufficiently near the truth to give an approximate idea of the burden of expenditure which works out for the various periods at the following percentages of the estimated National income:—

RATIO of GOVERNMENT EXPENDITURE (EXCLUDING POST OFFICE OUTGOINGS) to NATIONAL INCOME.			
	1818.	1913.	1922.
	%	%	%
Debt	80	11	110
Defence	39	35	39
War Pensions	—	—	25
Civil Services	6	25	43
Other items	10	6	19
Cost of collection	9	2	3
Total	144	79	239
National Debt (million £)	791	600	7,900
Ratio to National Income	nearly 200%	26%	about 220%

It is interesting to find that interest on the debt was nearly as heavy a burden a hundred years ago as it is to-day. The problem was then solved, however, by the exceptionally rapid increase in productivity, and in population, which made the national income grow very fast, in spite of falling prices. Hence the debt, though reduced very little in the ensuing 50 years, dwindled in proportion to the nation's wealth. A second industrial revolution of similar magnitude and mainly confined to Great Britain cannot be expected in the twentieth century. On the contrary, we must assume to-day that the national income will not be much larger than the figure we have mentioned, and relief must therefore be found in reduction on the actual items of expenditure.

The detailed memorandum by the Financial Secretary to the Treasury on the Estimates for Civil Services for the current financial year throws little new light on the details already published, but is valuable as a comparative summary of expenditure in all branches of the Civil Services and Revenue departments for a number of years past. The reduction in the estimates for this year, as compared with those for 1921-22, including supplementary estimates, is given as £207 millions, made up as follows:—

(Million £'s.)			
	1921-22.	1922-23.	Decrease
Liquidation of War Commitments	99½	53	46½
Other Transitory Services	26½	10	16½
Ordinary Services	382½	254½	128
Revenue Departments	82	66	16
	590½	383½	207

It is explained that considerable transitory charges arising out of the war have still to be provided for in 1922-23, and a distinction is drawn throughout the Estimates between such services and ordinary services. "Services arising out of the war" is applied to transitory services, including resettlement and reconstruction. It is, therefore, wider than the term "liquidation of war commitments," which covers only the liquidation of charges arising directly out of activities entered upon during the war, and does not cover such reconstruction services as have since been undertaken. On the other hand, there are certain permanent charges due to the war, such as war pensions, which must remain a charge upon the State for many years to come, and are therefore included as ordinary Civil Services. The allocation to "War Services" has therefore been limited to certain types of expenditure definitely due to the war. Comparisons of the total expenditure are to some extent vitiated by the fact that the greater part of local Irish expenditure is no longer borne by the Imperial Exchequer, and it therefore disappears from the estimates, with a corresponding but rather greater diminution in revenue.

With the aid of the various departmental estimates made public within the last few weeks we have compiled the following comparative table, which shows actual expenditure in the financial years 1913-14 and 1920-21, the final estimates for 1921-22, and the estimates for the current year:—

(Million £'s.)				
	1913-14	1920-21	1921-22	1922-23
National Debt Services—				
Inside the fixed charge	24½	24½	24½	24½
Outside "	325	320½	320½	308
Road Fund	1	9	8½	11
Payments to local taxation	10	11	11	11
Land Settlement	7	5	5	3
Other Consolidated Fund Services ..	1½	1½	1½	2
Total Consolidated Fund Services	37	378	371	359½
Interest on debt to U.S.	28½	181½	84	25
Army	49	88½	82½	65
Air Force	..	22	18½	11
Civil Services—				
I. Public Works and Buildings	3½	12½	13	8½
II. Salaries and Expenses of Civil Departments	4	19½	21	12½
III. Law and Justice	4½	20	23½	15
IV. Education, Science, and Art ..	19½	59½	67	53½
V. Foreign and Colonial Services (Including Middle East) ..	1½	4½	33	14
VI. Pensions and Miscellaneous (Ministry of Pensions)	(nil)	137	151½	116½
VII. Health, Labour, & Insurance	14½	106	(111½)	(90)
Unclassified Services	6	49	52½	39
Customs and Excise and Inland Revenue	..	147	146½	58
Post Office Services	4½	12½	15	12
	24½	62	67	54
	197	1,193½	1,146	906

The actual expenditure in 1921-22, as shown by the revenue statement published on the last day of the year, was £1,179 millions, but no information is yet available as to how this amount was spread over the various services. Total consolidated fund services, however, figured at £359½ millions, and we have taken this amount as the probable expenditure for the current year, although there may, of course, be some further small saving on the debt charge, thanks to the low level of money rates. Interest for six months on our debt to the United States has to be included in the current year's liabilities. The comparison with the expenditure for 1920-21 shows that under each head of the Civil Services the estimate for 1921-22 was considerably higher, and that the estimates for the current year show a correspondingly smaller decrease in comparison with the expenditure of two years ago. As compared with the last pre-war year, there are enormous increases due in the main to new activities. In Class II. the Board of Trade requires £1,864,500, against £1,834,800, and the Ministry of Agriculture and Fisheries £1,834,800, against £264,300. In Class III. police in England, Wales, and Scotland are down for £7,048,700, against £109,000, while in Classes V. and VI. the figures in brackets show the reason for the largest increases. Old age pensions are estimated at £22,615,000 for the current year, as against £12,425,800 in 1913-14. In Class VII. the Ministry of Health is allotted £22,512,600, as against £6,008,300 in 1919-20, its first year of existence, and the Ministry of Labour £14,447,800, as against £906,900 in 1913-14.

The unclassified services include £33½ millions for Railways and Canal Agreements Liquidation, £5 millions for Coal Mines Deficiency, £5 millions for Compensation for Damage by Enemy Action, £2 millions for Compensation for Criminal Injuries in Ireland, £4½ millions for Disposal and Liquidation Commission, £3 millions for Shipping Liquidation. Of the £33½ millions for the Railways, £31½ millions has to be paid within 15 days of the end of December, 1922, the remaining £2 millions being provided to meet outstanding claims for deficiency of net receipts during the period of control. The provision of £4½ millions for the Disposal and Liquidation Commission is made to meet the expenditure necessarily incurred on the liquidation of war commitments, and on the sale of surplus stores and other assets. Gross receipts from this source during the current year are estimated at £42 millions, and this, it is unrepentantly added, "will, as in the past, be credited direct to the Exchequer."

THE STATE AND WAGES.

LORD CAVE's Committee upon Trade Boards, whose report has just been issued, was set the difficult task of determining what should be the duty of the State in regard

to wages. The principle prevalent in the nineteenth century—that the State should refrain from all intervention in such questions—was modified after many years of discussion by the Trade Boards Act of 1909, which is based upon the principle that in cases at all events where unduly low wages were being paid, the State should intervene, and, with the assistance of a Joint Board, should decree a certain minimum. Shortly, the philosophy behind this anti-sweating measure was that if economic conditions would not permit of even these minimum rates being paid, it was better that the trade should cease to exist rather than that these low wages should demoralise the labour market, and destroy the physique and morale of the present and future generations. The supporters of the Act added, with justice as events proved, that these industries would not, in fact, be driven out of existence, but that the enforcement of minimum rates was likely to improve their organisation, and make it efficient. The Act was administered with great discretion and care by the late Sir Ernest Aves, under whose direction and chairmanship less than a dozen boards, covering a-quarter of a million workpeople, were brought into existence. This situation was changed as a result of the war, during which the world got into the way of thinking that, because Governments were able to dictate wages and prices in the highly artificial circumstances then existing, a new economic era had dawned in which the fiat of the State would take the place of economic law. It was in this atmosphere that the Trade Boards Act of 1918 was passed, which authorised the Minister of Labour to create a Trade Board in any industry where the organisations of employers and employed were incapable of providing proper machinery for collective bargaining in regard to wages. It was thought that with Whitley Councils in all trades where organisation existed this provision would enable the whole industrial field to be adequately covered by comprehensive and orderly wage arrangements, and this view was endorsed by the National Industrial Conference of employers and workpeople which met in London in the spring of 1919.

Under the provisions of the Act of 1918, the Trade Boards system has enormously extended, until it now covers three million workpeople, and Trade Boards are contemplated which will bring the number up to five millions. These boards, which are now far too numerous to have their work co-ordinated by sharing the services of a single chairman, have not secured any substantial enlargement of their statutory powers. The circumstances of the post-war boom have, however, encouraged them to use their rights much more freely than the pre-war boards had done, and instead of fixing genuinely minimum rates, they have been fixing varying rates for different classes of workers, and giving the force of law to what were, in fact, the general current rates rather than minimum rates. They further appear to have shown a tendency to enforce flat rates all over the country. Thus we have stumbled, almost by accident, upon a complex system of State regulation of the wages of a large section of the population, including the distributing trades. There is, moreover, a possibility that this field may be further enlarged, since the Whitley Councils have begun to find, now that trade depression has followed the boom, that their decisions tend to become ineffective by the breaking up of the organisations on both sides. Consequently, those firms who remain loyal to their Councils desire to protect themselves against the competition of cut wages by procuring for their Whitley Councils the power to obtain legal sanction for their agreements, and they are therefore petitioning to be given Trade Board powers. In practice the Whitley Council movement mainly covers trades in which organisation is only moderately effective and, as these organisations tend to break up, it will be very difficult to refuse them Trade Board powers. The possibility that the millions of workpeople covered by the Whitley Councils may also before long be brought within the sphere of State-regulated wages, considerably magnifies the problem.

But State control, which is almost always cumbersome, in the case of Trade Boards, been deliberately made moving in order that every possible objector may be behind a given rate of wages. It can, therefore,

be well understood that the machinery proved thoroughly unsuitable to cope with the precipitate decline in wages and prices which the slump of 1921 involved. A large volume of complaints, therefore, arose which has occupied a great deal of the time as well as of the report of the Committee, and as the Committee unanimously decided against the abolition of the Act, a large number of the 34 recommendations are concerned with expediting the machinery of the Trade Board system.

The main point of public interest is, however, the Committee's view of the State's functions in regard to wages. They propose that the full machinery of the Trade Board system (under which members appointed by the Minister of Labour have a casting vote, and the rates so fixed become enforceable under the criminal law by Government inspectors, with a right of entry and power to examine books) should be confined to genuine minimum rates applicable to the lowest general grade of workers in any trade. As the actual lowest current rate is sometimes paid to a tiny group of ancillary workers, who do not properly speaking belong to the industry at all, the Minister of Labour is to be left to define the class of worker to whom the minimum is to apply in the Order setting up the Board. As regards piece workers, the Committee appear to think that it is not the function of a tribunal of an official character to fix elaborate piece price-lists, for they propose that the protection of the minimum should be given to piece workers by the Trade Board naming a minimum earnings standard. Piece rates must be such that they will yield to the ordinary worker at least this minimum standard. If it is admitted that the business of the community is to protect a minimum standard, this suggestion seems reasonable, for there is clearly the greatest difference between nominees of the State laying down that workers in a certain industry must be able to earn a given amount of wages, and their undertaking the highly technical task of fixing elaborate piece prices which may vary in every factory. The Committee makes an exception only in the case of home workers, for whom specific piece rates are to be fixed, since the home worker cannot possibly have his wages fixed on a time earnings standard. Within the sphere of minimum rates as defined by the Committee the Trade Board system is to remain as at present, subject to reforms designed to speed up and simplify their operation.

As regards wages, &c., outside this limited field, viz., the wages of semi-skilled and skilled workers, and the whole system of piece price-lists, the Committee propose that the two sides of Trade Boards should be entitled to fix rates by agreement; that these rates should then be submitted on the request of the parties to the Minister for confirmation; that if confirmed they should govern all wage contracts in the industry; that in the event of an employer failing to pay them, the worker, or a Government inspector on his behalf, should have the right to recover in the Civil Courts; that contracting out of this obligation in order to meet special circumstances will be subject to approval by the two parties on the board, or on appeal from the board, by a court of three impartial persons; and that such wage agreements shall be for any period, and subject to any arrangement as to permanence that the parties may decide. This scheme, which has the unanimous support of the Committee, is clearly an endeavour not merely to take the problem of wage regulation outside the sphere of the criminal law, but also to encourage the making of voluntary wage agreements in Trade Board industries, which will have behind them a carefully safeguarded machinery of civil enforcement. The Minister of Labour will have to see that the spokesmen on both sides are really representative; but it is thought that the scheme will strengthen the organisations in each industry by giving them more responsibility. As they will be able to vary the terms of their agreement as freely as is now done in the case of the organised industries of the country, the plan will have the necessary elasticity. This scheme, which it is thought will be welcomed by employers who naturally desire to be protected from the constant competition of cut wages, follows fairly closely on the lines of the system now current in the agricultural industry, except that contracting out to meet special circumstances is not left to the option of the individual employer and employed, but must be submitted

to the Trade Board, or to a Court of Appeal. It is an experiment which in the end may profoundly modify the system of wage bargaining in this country, and as such is worthy of very careful study.

LANCASHIRE COTTON TRADE.

(BY OUR MANCHESTER CORRESPONDENT.)

THERE has been an appreciable improvement in the Lancashire cotton industry during the past quarter. As a result of the larger trade in both yarn and cloth, more machinery is now running compared with the beginning of the year, and there has been a decrease in the amount of unemployment in Lancashire. Owing to the severe depression which has lasted over 18 months, the increased activity has brought considerable relief for numerous firms. Now that the corner towards better times has been turned, it is not anticipated that there will be any setback, although it is likely that business for some time will be rather irregular. Owing to the absence of fresh contracts for so long, supplies in distributing centres abroad have been allowed to run very low, and dealers have found it necessary to replenish stocks. In certain quarters the financial situation is not all that could be desired, but difficulties which have arisen in connection with the liquidation of dear goods are gradually being removed.

Speaking generally, there has not been any marked change in raw cotton values since the beginning of this year. On January 3rd the quotation for fully middling American on the spot in Liverpool was 12.04d. By January 19th the price had fallen to 10.46d, and there was a further drop to 9.55d on January 31st, while on February 6th 9.51d was registered. An upward movement then occurred, and 10.83d was posted on February 20th. There was a decline to 10.24d on March 6th, but 11.30d was the figure on March 22nd, with 10.84d on March 31st. The quotation at the end of last week was 10.38d. Egyptian cotton prices are rather lower than three months ago. On January 3rd the quotation for fully good fair Sakellaridis on the spot in Liverpool was 22.25d. Early in February the price was 15.50d, but by the end of that month there was an advance to 18d. During March there was little or no change, and that month ended with the figure at 17.75d, whilst the quotation at the end of last week was 17.50d. More interest is now being taken in the prospects for the cotton crop in the United States for the season 1922-23. It is believed there will be an increase in the acreage of from 10 to 15 per cent. If supplies are to be adequate to the requirements of users, the growth will have to be about 50 per cent. larger than the current season. The weather conditions so far have been about normal for the time of year. It is now being realised that the Egyptian crop for this season will be much bigger than the official estimate of 3,300,000 cantars. There is every probability of a yield of about 5,000,000 cantars. The outlook for next year is not very promising.

During the past three months there has been a distinct revival in the inquiry for piece goods for foreign outlets. The demand has been led by dealers in India and Manchester merchants with connections there. An extensive business has been done in a variety of cloths, especially for Calcutta. The arrest and sentence of Gandhi have undoubtedly had a marked effect upon trade. The developments relating to the Indian Budget have caused much interest in Manchester, and there is satisfaction in the fact that the import duty and the Excise tax on cotton goods are to remain the same as last year. Certainly from a trade point of view there has been a decided change for the better with regard to India during the last month or two. Dealers in the bazaars have met with much larger clearances, and Lancashire manufacturers have been able to dispose of their stocks and book encouraging orders. Shippers to China have also done fairly well, but latterly the unfavourable political news from the Far East has had an adverse effect upon this trade. Irregular operations have occurred for Egypt and the Levant, but more orders have been about for Turkey. An improvement has recently shown itself in the turnover for the outlets of Central and South America, whilst active buying has taken place for European countries, especially Switzerland. Quite a

feature of interest has been the larger turnover for some of our Colonies, such as Australia. There has been a distinct increase in the amount of weaving machinery working in Lancashire. At the end of January it was estimated that in Blackburn and Burnley less than 50 per cent. of the looms were running. It is now reported that cloth production in those towns is about 75 per cent. of the full output.

The following is a table of cloth shipments, particulars being given for the past three months, and the comparative figures for the corresponding period of the two previous years and the last pre-war year:—

	Yards.	£
1914.....	1,861,700	26,009,060
	Square Yards.	
1920.....	1,123,885,200	65,792,540
1921.....	726,017,700	50,154,020
1922.....	894,929,700	34,463,325

The increased activity in the weaving section of the industry has been reflected in the spinning department, and a healthier business has been done in both American and Egyptian yarns. Numerous companies have been enabled to reduce their stocks at the mills, and owing to there now being less pressure to sell, a stiffer front is being presented to buyers when business is offering. Idle machinery has been restarted in many factories, and numerous mills are now running longer hours. Prices in most counts and qualities are still unremunerative, but definite relief has been obtained, and a further slight improvement would result in rates being obtained which show a profit. There has been considerable activity in yarns suitable for export purposes. A big business has been done for India, China, and European countries.

The following is a table of our shipments of yarn, particulars being given for the past three months, and the comparative figures for the first quarter of the two previous years and the last pre-war year:—

	Lbs.	£
1914.....	56,954,400	4,039,634
1920.....	38,433,800	10,528,635
1921.....	24,494,300	6,154,229
1922.....	48,470,100	6,811,612

The wages agreement between the employers and the operatives in the industry came to an end last December, and, according to the previous settlement, it was necessary for either side to give three months' notice of any further change. The masters' associations, however, had consultations with the trade unions, and it was ultimately agreed that one month's notice would be sufficient. On March 24th the employers gave notice to the workpeople of a reduction of 75 per cent. on list rates, or 6s 1½d in the £ on current wages. Joint conferences have since been held, and just previous to the Easter holidays it was officially announced that so far as the employers and the spinners and weavers were concerned a deadlock had been reached. This week, however, a settlement has been reached, which is described in a note on a later page of this issue.

There is ground for believing that a steady improvement in local industrial conditions will show itself during the next few months. As a result of the recent increased activity, spinners and manufacturers have obtained relief. There is less cheap stuff about, and when buyers want to place orders there are fewer weak sellers. Scarcely anybody anticipates anything approaching a boom, and a state of affairs similar to that existing in 1919-20, when prices were rushed up to a most abnormal level, is not wanted. Since then a very severe reckoning day has had to be experienced, and the depreciation in the value of stocks has been most serious. The general trade outlook is brighter. Decidedly more interest is being taken on the Stock Exchange in textile shares, and prices for shares in spinning companies are hardening. The world is not over-supplied with cotton goods, and it is reasonable to expect steady buying for some time to come if prices keep steady.

THE MEXICAN RAILWAY COMPANY, LIMITED.

(FROM A CORRESPONDENT.)

MEXICO CITY, March 31.

A STAY of 48 hours at Vera Cruz enabled me to verify the fact that the import and export trade through the port was practically non-existent in mid-March, 1922—a great change from the congestion which, I was informed, had existed there a few months earlier.

Vera Cruz is the ocean terminal of the Mexican Railway Company, Limited. This line is British-owned. It connects Vera Cruz (population 80,000) with Mexico City, the Federal capital, with a population estimated at 1,000,000, but probably considerably less. From Vera Cruz to Mexico City is some 264 miles by this company's track, and the journey is one of extraordinary beauty as one mounts from the torrid zone into the colder air of the mountains, in the midst of which is situated the City of Mexico. In addition to the main line this railway owns five short off-shoots, two of which are of great importance to it, as one serves the industrial city of Puebla, with a population of 150,000, and the other serves Pachuca, a great silver-mining centre, with a population of some 50,000. At both these places there are connections with other railway systems. On the main line, too, besides the two terminal cities, there are places of some importance from the railway point of view, such as Orizaba and Cordoba. The former has factories and a population of 40,000, whilst the latter has a most important connection with other railways leading to the south of the Republic, from which the Mexican Railway Company, Limited, derives considerable traffic.

The Mexican Railway Company, Limited, meets with competition between Vera Cruz and Mexico, as the Inter-oceanic Railway has a narrow-gauge line between these two points. Though the grade of the Inter-oceanic Railway is far less, it is not a powerful competitor with the Mexican Railway Company, Limited, as the latter is of standard gauge and is able to give a far better service.

Far the greater part of Mexico's external trade, when there is any, is with the United States. Hence the railways from the north to the south which connect the U.S. with the Republic are obvious competitors with the Mexican Railway Company, Limited, as regards trade with the capital, which is the centre of the Republic's most populated part. But the railways which run from north to south are operated by the Mexican Government, and many of the trading public prefer the Vera Cruz route, owing to the better service provided by the Mexican Railway Company, Limited.

Owing to its fine strategical position as the main connecting link between the ocean and the capital, together with the absence of formidable competition, it is sure that the Mexican Railway Company, Limited, whose total issued debenture and share capital is only some 8½ million pounds, would do a profitable business when trade with the outside world was not at a standstill, and when political and labour conditions were good. It has done so in past years before the revolutionary period, and there is no doubt that it would continue to do so again if only political and labour conditions remained good. It might be inferred, too, that when there was little through freight being hauled between the two terminals it would do a bad business. But Mexico is a land of surprises, and the traffics of the Mexican Railway Company, Limited, are very good just now, and have been good ever since the railway reverted to British management in June, 1920, after having been operated by the Mexicans from November, 1914. This satisfactory state of affairs, I think, may be attributed in the main to the line's efficient management. This is in violent contrast with the inefficient management of most of the other lines in the Republic, practically all of which are operated by the Mexican Government, even though the capital invested in them belongs, in many cases, to foreign capitalists. As a consequence, the latter are feeble competitors, and the local traffic being despatched at present over the lines of the Mexican Railway Company, Limited, instead of its competitors, tends to make up for the loss created by the paucity of through traffic between the two terminals.

The main trouble with the Mexican Railway Company, Limited, is the unsettled political condition of the Republic. The railway is all right from the operating point of view, and it is earning at present a good return on its capital. So good, indeed, that even under present conditions, when the external trade of the Republic is almost at a standstill, it would be able, if the country remained peaceful, to pay off all the debt which it contracted with its debenture-holders during the period 1914-20 in about two years, or in less if trade were to revive and

the country still continued peaceful. There is no doubt about the natural wealth of the Republic. It possesses great tracts of agricultural and timber lands, numerous prosperous mining camps, and great petroleum fields. It also has people who are capable of using their hands cleverly and making quite decent textiles, castings, and other goods made with tools. But the makings of further political trouble are very much in evidence, nor should I advise those interested in Mexico to place too much faith in the intervention of the United States as a happy way out of all difficulties. It is unlikely that the U.S. will intervene there so long as they can possibly keep out of it. Intervention is contrary to their policy. The common story among foreign residents in Mexico, where most of the English-speaking population seem to be optimists, is that all will be well as soon as the U.S. consent to "recognise" the present Mexican Government. And the Mexicans speak as though this failure to "recognise" them was holding back their development through no fault of their own. All seem to forget that the U.S. cannot possibly grant this "recognition" until certain preliminary conditions are complied with, the principal one of which is to enter into some arrangement to render non-effective Article 27 of the Constitution of February, 1917, whereby private property may be confiscated at the will of the Government without other compensation than certain bonds of meagre saleable value. It is probable that sooner or later the Mexicans will agree to this, at any rate so far as property acquired before February, 1917, is concerned, and that they will then obtain the "recognition" of the U.S. Doubtless this formal "recognition," when it takes place, will turn the public eye on Mexico, and the value of Mexican securities of all kinds will probably have a temporary rise. In my judgment this will offer a fine opportunity for those who hold them to get out of them, however promising they may appear to be.

OUR TRADE WITH THE CONSTITUENT STATES OF "AUSTRIA-HUNGARY."

Our help, so far as it has hitherto been given, has certainly assisted the States carved out of the Austrian-Hungarian Empire to help themselves. During the past year their total trade with the United Kingdom rose to £13,521,323 from £8,285,291 in 1920, an increase of £5,236,032, or 63.2 per cent. This progress was made whilst our trade with most of the other countries of the world was gradually decreasing.

For the purposes of the official trade statistics affecting countries shown in the Trade and Navigation Accounts of the United Kingdom for 1921, "Austria" and "Hungary," as newly constituted, have been shown separately, and Fiume, Liechtenstein, Czecho-Slovakia, and part of the Serb-Croat-Slovene State are no longer included therein. We may briefly dispose of Fiume and Liechtenstein, as our total trade with the Port of Fiume for 1921 amounted to £69—the value of our imports—and £12,283, the value of our exports of British produce and manufacture; and the value of our imports from Liechtenstein, amounted to £429, and of our exports only to £6. The small independent State of Liechtenstein has, we believe, an area of less than 100 square miles, and a population of between 10,000 and 12,000. Fiume, however, the chief town of the Hungarian "Littorale," was long ago recognised as the outlet of Hungary to the Mediterranean, and has been famous for the ships built in its shipyards of the oak conveyed across the Julian Alps from Carlsbad, by the roads constructed by the Austrian Emperors and Hungarian magnates at various dates from early in the eighteenth century.

TABLE SHOWING THE VALUE OF THE TRADE DONE BY THE UNITED KINGDOM WITH AUSTRIA, HUNGARY, CZECHO-SLOVAKIA, AND THE SERB-CROAT-SLOVENE STATE DURING 1921.

Value of U.K. Imports From—	Quarter Ended March 31.	Quarter Ended June 30.	Quarter Ended Sept. 30.	Quarter Ended Dec. 31.	Whole Year, 1921.
Austria	£100,552	£129,217	£237,581	£233,409	£700,859
Hungary	3,854	14,706	22,464	56,544	97,568
Czecho-Slovakia	1,048,097	1,755,291	1,535,855	1,359,440	5,698,683
Serb-Croat-Slovene State	256,593	261,182	63,239	128,128	759,142
Total value of imports	1,405,596	2,150,396	1,858,939	1,837,721	7,252,333

VALUE OF BRITISH EXPORTS TO

	1913.	1920.	1921.	1922.
Austria	558,047	545,611	303,739	320,780
Hungary	106,181	32,668	82,435	76,099
Czecho-Slovakia	356,285	607,116	138,059	210,668
Serb-Croat-Slovene State	512,479	180,059	222,694	130,433
Total value of British exports	1,532,992	1,365,494	746,927	747,980

	1913.	1920.	1921.	1922.
Austria	139,796	79,007	86,980	103,532
Hungary	9,581	2,740	7,581	6,459
Czecho-Slovakia	717,554	489,620	78,387	133,295
Serb-Croat-Slovene State	9,895	1,563	9,897	5,981
Total value of re-exports	877,236	572,930	182,845	249,267
Total value of exports	1,532,992	1,365,494	746,927	747,980
Total value of imports	1,405,596	2,150,396	1,858,939	1,837,721
Value of total trade	3,819,824	4,688,820	2,788,711	2,834,968

Of the total value of our imports for the year (£7,256,652), seven-ninths (£5,698,683) came from Czecho-Slovakia, rather more than one-tenth from the Serb-Croat-Slovene State, rather less than one-tenth from Austria, and only £97,568 worth from Hungary.

Of the total value (£4,383,393) of our exports of British produce and manufactures, Austria took £1,728,177, or 40 per cent.; Czecho-Slovakia took £1,312,128, or 30.5 per cent., the Serb-Croat-Slovene State £1,045,705, or 24 per cent.; and Hungary £297,383, or about 6 per cent.

Czecho-Slovakia took 75 per cent. of the total value of our re-exports, Austria took 22 per cent., and each of the other countries about 1.5 per cent. The values of our exports and re-exports did not increase during the year at anything like the rate of our imports. The relative importance of the four States, so far as our trade with them is concerned, is shown in the next table:—

TOTAL TRADE WITH THE UNITED KINGDOM.

	Quarter ended Mar. 31.	Quarter ended June 30.	Quarter ended Sept. 30.	Quarter ended Dec. 31.	Whole Year, 1921.
Czecho-Slovakia	£2,121,946	£2,852,027	£1,752,101	£1,703,603	£8,429,677
Austria	798,405	753,835	628,300	657,721	£2,838,351
Serb-Croat-Slovene State	779,367	432,844	295,830	324,542	£1,832,583
Hungary	120,016	50,114	112,480	139,102	£421,712

It will not be possible to discriminate between the constituent States of "Austria-Hungary" until the volumes for 1921 of the Annual Statement of the trade of the United Kingdom are published. Some idea of the importance of various articles may be gathered from the values for 1919 (the latest available in detail), as shown in the following tables of our imports and total exports for the years 1913 and 1919:—

Value of Imports by U.K. from Austria-Hungary.			Value of Imports by U.K. from Austria-Hungary.		
Values in £'000's.	1913.	1919.	Values in £'000's.	1913.	1919.
Sugar, refined	2,533.7	70.8	Linen yarn	123.0	..
unrefined	1,618.0	..	Poultry	96.7	..
Eggs	375.0	..	Boots & shoes (leather) ..	78.5	..
Gloves (leather)	461.2	..	Hops	..	137.1
Jewellery	203.7	8.7	Fancy goods (Paris goods) ..	56.3	42.5
Glass	179.5	159.6	Seeds	10.0	8.7
Wood and timber	146.1	..	Beads	..	16.1
Barley	125.5	..	Drugs	12.2	7.5

We can supplement these figures in a few instances. Refined sugar was imported in 1920 to the value of £5,000, and in 1921 to the value of £5,500. Eggs in 1920 were imported to the value of £14,500, and in 1921 to the value of £28,200. Jewellery was imported to the value of £11,900, glass to the value of £413,600, and wood and timber to the value of £155,500 in 1920. The value of our imports in 1913 was £7,505,909, and in 1919 was only £505,813, but rose in 1920 to £2,626,288, and last year to £7,256,652.

Value of Total Exports from U.K. to Austria-Hungary.			Value of Total Exports to Austria-Hungary.		
Values in £'000's.	1913.	1919.	Values in £'000's.	1913.	1919.
Coal and coke	859.2	432.8	Boots and shoes	64.2	31.6
Woolen and worsted yarn and manufactures ..	724.6	156.6	Rubber	50.2	22.2
Machinery	474.5	27.8	Fish, canned	47.6	40.3
Ships and boats	384.2	..	Tea	35.9	30.9
Feathers, ornamental ..	339.7	..	Cordage and twine	34.0	26.8
Cotton yarn manufactures ..	300.3	..	Apples	18.8	20.7
Coffee	250.6	34.5	Spices	10.8	11.6
Leather	155.5	..	Tallow	1.4	89.0
Iron & steel manufactures ..	125.4	49.3	Potatoes	..	88.4
Oil (U.K. manufacture) ..	121.3	62.5	Petroleum	..	81.0
Shells	90.2	..	Palm oil	..	38.8
Chemicals and chemical preparations	79.5	..			

The last four items in the table show that under the famine conditions then obtaining we supplied goods in

1919 for which there was no demand from us in 1913. The value of our total exports in 1913 was £5,780,320, in 1919 £2,080,000, in 1920 £5,659,000, and in 1921 £6,265,278.

The ancient kingdom of Bohemia (the cradle of the Reformation) and Moravia ("the orchard of Austria") form the main bulk of the State of Czecho-Slovakia. Both countries have long been famous for their manufactures (especially of glass and fine linens). A hundred years ago the great landed proprietors of Bohemia were engaged in manufacturing glass, colours, porcelain, and earthenware, and were among the first to manufacture sugar from beet. If the Succession States will abolish their tariff-walls and reduce their armies to merely sufficient police forces they will soon show a condition of prosperity exceeding that at any time known under the late Empire.

THE WORK OF THE CONFERENCE.

(FROM OUR OWN CORRESPONDENT.)

GENOA, April 24.

THE work of the Conference in its second week has been overshadowed and partly suspended by the disclosure of the Russian-German Agreement. Very little exception has been taken to the terms of the Treaty, but it is generally agreed on all sides, except, perhaps, by the Russians, that its signature at the particular moment was a tactical error. Fear of Article 116 of the Treaty of Versailles referred to in Article 6 of the experts' report undoubtedly precipitated the conclusion of negotiations which had been in hand for months. It was thought that reconstruction of Russia was to be at the expense of Germany. Whether the Treaty infringes that of Versailles remains for the Reparations Commission to decide. The Allied legal experts on the spot were unable to discover any contravention. A more doubtful point is its interpretation in regard to pre-war debts. The German delegates incline to the view that these are not included in the Treaty, but admit that Article II. cannot be properly interpreted without reference to Soviet Legislation. The political uproar which the incident occasioned seems now to have been appeased by the German reply to the note addressed by the five inviting Powers and the Little Entente. Germany withdraws all claim to participation in the labours of Committee No. I. so far as concerns Russia.

A lengthy counterblast to the London experts' report on Russia has been issued unofficially by the Russian delegation, in which extravagant claims are met with wilder counterclaims. This document is now, however, superseded by the Russian reply to the species of three-point ultimatum presented by the British Prime Minister on April 15th. The three points read:—(1) The creditor Allied Governments represented at Genoa cannot admit any liability with regard to the claims advanced by the Soviet Government. (2) But in view of the serious economic condition of Russia, such creditor Governments are prepared to write down the war debts owing by Russia to them (by a percentage to be determined later); and the countries represented at Genoa would be prepared to consider not only the postponement of the payments of interest upon financial claims, but also the remission of some part of arrears of interest or postponed interest. (3) It must be definitely agreed, however, that there can be no allowance made to the Soviet Government against:—(a) Either the debts and financial obligations due to foreign nationals; or (b) the right of such nationals with regard to the return of their property and compensation for damage or loss in respect thereof. They were replied to as follows:—".....the Russian delegation.....accept items 1, 2, and 3(a) of the above-mentioned annex, provided (1) that the war debts and the arrears of interest or postponed interests of all debts are written down, and (2) that adequate financial help is given to Russia, assisting her to recover from her present economic state in the shortest possible period. With regard to 3(b), subject to the above two stipulations, the Russian Government would be willing to restore to its former owners the use of property, nationalised

or withheld, or where this is not possible, then to satisfy the just claims of the former owners, either by mutual agreement with them direct or in accordance with arrangements, the details of which will be discussed and agreed during the present Conference." The answer is more conciliatory than was expected in many quarters, and the line taken is the obvious one. Firstly, no acknowledgment of debts which do not lead to credits are of any avail; and, secondly, "de jure" recognition of debts are to be honoured. There is a difference of intention in the term "writing down"; obviously the Russians infer cancellation.

A sub-committee of seven experts nominated by Committee No. 1 is to study the possibilities of agreement. On this sit the five Inviting Powers, one neutral (Holland), and one Little Entente (Roumania). The work of the Finance Commission—i.e., Commission No. 2—is terminated so far as currency and exchange are concerned. The same experts considered both these problems. The currency resolutions differ from the original London report (White Paper) and the British amendments on currency given in the *Economist* last week on two points in particular. Article 7 admits that certain States, despite economies and taxation, will be unable to balance their budgets without an external loan. It also states that taxation may be driven beyond the reasonable capacity of the country, and may itself cause inflation. This last sentence seems a concession to the theorists, and both it and the preceding admission are dangerous doctrines likely to be abused by any State in difficulties. The credits clause will, at any rate, serve Germany in forthcoming Reparation controversies.

The idea of a monetary convention has been retained, and with this end in view the Bank of England is to convene immediately a Conference of European Issuing Banks, to which the United States is to be invited. At the presentation of the Report devaluation was definitely scouted by representatives of Italy, France, and Belgium, whilst certain of the Central European States took occasion to relate their particular conditions.

The resolutions on exchange included Art. 39 of the London expert's report, but instead of Art. 40, Resolution 2 on forward exchange is inserted: "It is desirable that where no adequately organised market in forward exchange exists, such a market should be established. It has been suggested that in any country where private enterprise is found to be unable to organise such a market, the central bank, without itself incurring any uncovered exchange risk, should provide facilities. It might, for example, give facilities to approved banks and financial houses to convert spot transactions in foreign exchange into transactions for forward delivery by a system of 'contango' or 'reports' of foreign exchange, their quotations being for the double transactions of a spot deal one way and a simultaneous deal the other. The Central Banks concerned would agree to provide facilities for holding foreign balances (and securities) on deposit on account of other central banks under special guarantees from each bank, and from its Government as to the absolute liquidity and freedom of movement of such balances under all conditions, and their absolute exemption from taxation, forced loans, and moratoriums. It is recommended that this subject should be considered by the Conference of Central Banks referred to in a previous resolution."

The German delegation proposed an amendment for preventing the flight of capital to evade taxation. The Finance Commission resolved that this question, being closely connected with that of dual taxation, should be referred to the League of Nations, which is actually studying the latter problem. Reparations, though excluded from the Conference, are the subject of conversation between Allied, Neutral, and German financiers at Genoa. German opinion holds that a loan must be raised to cover the four annual payments of 710,000,000 gold marks. The amount to be raised varies between 2½ and 4 milliards of gold marks, according as to whether reparation payments alone or these payments plus a sum for supporting the mark and liquidating clearing house debts are intended. As paper marks are useless for any of these purposes, an internal gold loan in Germany could only come from private holdings of foreign currency. It is thought that

this source could be tapped if confidence were restored by the vision of a four years' uninterrupted reconstruction period. A large proportion of the loan would in any case have to be raised abroad, possibly with the guarantees of the Allied Governments to the extent of their several portions of Reparations claims which the loan would satisfy. Given some definite proposition of this nature, neutral bankers might be persuaded to supply part of the additional sums which Germany requires for currency support and clearing house debts.

A meeting has been held this week of the creditor States of Austria, who are all represented at Genoa, with the exception of the United States. Despite the efforts of the League of Nations, Roumania and Yugoslavia have not yet agreed to the postponement of the Liens. A technical sub-commission has been formed of seven members, comprising one each from Great Britain, France, and Italy, two neutrals, and two of the smaller Reparation creditors to deal with this question.

Notes of the Week.

The Demand for Lower Railway Rates.—We understand that formal application has been made by the Federation of British Industries to the Railway Rates Tribunal for a general reduction of rates to a level not more than 50 per cent. above pre-war level. The present rates, with the exception of certain concessions to the coal, iron and steel and chemical industries, are about 110 per cent. above the pre-war level, so that the reduction asked for is a little more than 25 per cent. off current rates. In addition to the arguments based upon the necessities of trade, the Federation will doubtless urge that the Government money which the railways have received this year, together with a further £30 millions which the hard-pressed taxpayer will have to find next December on the one hand, and the drop in the railway wages bill as the cost of living has fallen on the other, have placed the railways in a financial position which will enable them to make very substantial reductions. A remission of railway rates at the present juncture would give a definite stimulus to trade revival, and the railway boards would greatly enhance their prestige if they would abandon their fears and hesitations and come forward with a bold offer without waiting to be compelled by the tribunal.

The American Tariff.—As our New York correspondent explains on a later page, there is a prospect of a sharp fight between the two branches of the American Congress over the tariff legislation. The crux of the dispute is the question of valuation. The Senate dissents from the "American valuation" scheme approved by the House, and proposes instead that duties on imported goods shall be levied *ad valorem* with relation to the cost of production in foreign countries. In the original form of the Fordney Bill, Section 402 provides that "the word 'value' wherever used in this Act or in any other law relating to the appraisement or classification of imported merchandise shall mean the price on the date of importation of the imported merchandise at which comparable and competitive products of the United States were ordinarily sold or freely offered for sale in the usual wholesale quantities and in the customary wrappings, coverings, and containers, whether holding liquids or solids, to all purchasers in the ordinary course of trade, including all costs, charges, and expenses." In determining this value, appraising officers "may exclude or include all or any cost charges and expenses, including duties, and also profits and commission, if any, keeping always in mind the legislative intention that duties *ad valorem* shall be assessed upon the fair market value of the imported merchandise in the United States." There is no doubt, of course, that in practice these charges would always be included in the computation. This scheme has been severely criticised in America because of the "pyramiding" of prices that must inevitably ensue. Take, for instance, hair nets. Their price in China is \$2.50 a gross. The duty is 35 per cent., or 87 cents. That makes the cost to the wholesale

importer \$3.37. He must add to that 20 per cent., or 67 cents, to take care of his overhead charges and profits. The total wholesale price in the United States to-day is thus \$4.04 a gross. But on the first importation after the passing of the Fordney Bill the duty will be levied not on the \$2.50 invoice price, but on the \$4.04 American wholesale price, and the duty will thus be \$1.41, making the cost, including duty, \$3.91. Add 20 per cent. of that for overhead charges and profits—i.e., 78 cents, and you reach a wholesale price of \$4.69. On the importation next following, the duty will be \$1.64, and overhead and profits 83 cents, reaching a wholesale price of \$4.97. On the next occasion the duty will be \$1.74, the overhead charges and profits 85 cents, and the total \$5.09. After a time a price will be reached that will be prohibitive, and importation will cease—the revenue, of course, ceasing with it. As a corollary, whenever any American producer is in a position to control the market and fix the domestic prices, he will, in effect, fix the tariff duty payable by his only possible competitor, the importer. Under this "American valuation" scheme, therefore, the consumer will be more than ever at the mercy of price-fixing organisations. Further, the uncertainty of such a plan will make importing no longer a business, but a gamble. It will bring to utter confusion the existing system of giving orders, in many lines of commerce, for goods to be made up and delivered six months or a year later. Not only will the importing merchant be hampered through his ignorance of what the goods will cost him at the time of delivery, but the American manufacturer will similarly be at sea if he attempts to buy raw materials and half-finished articles from abroad in advance. The Democratic members of the Congressional Ways and Means Committee expressed in their Minority Report the conviction that this valuation proposal was inserted in the Bill "for the purpose of indirectly, covertly, and in a concealed fashion raising the duties beyond any point hitherto accepted as reasonable by the most ardent Protectionists." The *New York Evening Post* has described it as "the biggest 'joker' ever carried by a Tariff Bill." If, however, the method of foreign instead of American valuation is adopted, the whole Bill will probably have to be rewritten, for the rates imposed by its schedules are all predicated on the American valuation scheme.

The Economic Condition of Italy.—Some features of the economic position in Italy have recently been dealt with in these columns—the railways, the financial outlook, and the banking and political crises. The survey is completed, though only till the end of last year, by the Report just issued by the Overseas Trade Department from the Commercial Secretary of the British Embassy at Rome. The impression left is hopeful, though the recovery must be slow. Internal disorder is far less frequent than a year ago. The Budget deficit is greatly reduced; the adverse trade balance, formerly corrected in part by emigrants' remittances, which are now cut down by the obstacles to emigration in the United States and elsewhere, may be effaced by intensive production and much-needed rapid transport, especially to English Channel ports. The increase of the National Debt last year by nearly 12 per cent. is the necessary and preferable alternative to more currency; but the floating debt should be funded and the war debts cancelled, in the interest of Italy and her creditors alike. Taxation has reached its limit; the way of safety now is through retrenchment and strict economy. The industrial situation is improving; the Labour extremists are losing ground; wage reductions have been accepted in the textile trade, and the collapse of the Ansaldo and Ilva combines frees the steel and iron industries of unsound undertakings, brought down by their dependence on political influences and by financial mismanagement rather than by industrial causes. Agriculture is regaining, and in some cases passing, its pre-war level, though wine has suffered by last year's drought, and silk through the depression which began in Japan in 1920, and the scarcity of mulberry leaves and cocoons. Livestock, except milch cows, is at its pre-war numbers, and in a few years the export of dairy produce should be large. Agricultural co-operative societies are multiplying, but are prone to "land-

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hunger," to the detriment of intensive cultivation and sound finance. Co-operative producing societies are largely engaged in industry, and are preparing to take over dockyards and arms factories; consumers' co-operatives should help to reduce the profiteering which keeps up the cost of living, though many are too small to be financially strong. In all, the co-operatives number 20,000, as against 1,400 in Great Britain; they are financed by a central institute. The textile trades, especially cotton, are recovering, and new markets have been found in the Balkan States, while Italian shipping is again active in the Levant and the Black Sea. Some of the chemical trades are making great progress, and electric power (chiefly for the railways) is being largely developed, notably in Apulia, Calabria, and Sardinia. The unemployed, however, numbered 492,000 last November, besides 65,000 out of work through strikes or lock-outs; the Government is providing largely for public works. The housing difficulty is serious, and building is costly, but reconstruction in the devastated districts is rapidly progressing. Much is being done to improve primary, secondary, and technical education, but the proportion of elementary teachers to scholars is about 1 to 48, which is far too low. British trade is kept back partly by high prices and neglect to study markets, but mainly by competition from Germany and other countries with a depreciated exchange. But Germany will never be allowed to regain her former domination. The United States is also a formidable competitor.

Cotton Trade Wages Settlement.—Our Manchester correspondent writes:—After very protracted negotiations, the officials of the various organisations, both employers and operatives, in the Lancashire cotton industry have this week reached an agreement on the wages question. The original demand of the masters' associations was for a reduction of 75 per cent. on list rates, or 6s 1d in the £ on current wages. Last week the negotiations between the employers and the operative spinners and weavers reached a deadlock, but a little later the masters came to terms with the cardroom workers, the provisional agreement providing for an immediate reduction of 40 per cent. on list rates, or 3s 3d in the £ on current wages, and a further reduction of 10 per cent. on list rates, or 9d in the £ on current wages, in six months, the latter alteration to remain in force for six months. It was anticipated that the operative spinners and weavers would accept the same terms, but a little difficulty has been experienced in getting them to agree. However, on Tuesday last a definite settlement was reached with the trade union officials. So far as the Operative Spinners' Amalgamation is concerned, it is necessary that the terms should be ratified at a delegate meeting of that organisation, and a meeting for this purpose was called for yesterday (Friday). The agreement is on much the same lines as anticipated a month ago, when this question was raised. Present wages are 145 per cent. higher than the lists, and 140 per cent. above the level existing at the outbreak of war in July, 1914. The workpeople next week will be paid on a basis of 105 per cent. higher than the lists. It is estimated that the reduction about to come into force will mean a saving to the employers of about £150,000 per week, and about 400,000 operatives are affected by this fall in wages.

The Sugar Supply.—The proposal of the Government to relieve home-grown sugar from the Excise duty calls to mind some statistical facts relating to sugar supplies that are not without interest. The consumption of sugar in the United Kingdom is now only 80 per cent. of what it was before the war. The higher cost, including heavier duty, to the consumer, a smaller export trade in confectionery, and the habit of economical use cultivated by war-time restrictions, have all, no doubt, contributed to reduced consumption. The quantity entered for home consumption last year was 27,778,517 cwt, against 34,638,596 cwt in 1913. Nevertheless, the 1921 figure was over 5½ million cwt higher than that of 1920, when it was 22,120,067 cwt, the increase accompanying a very marked reduction in price, wholesale and retail. How marked has been this latter may be gathered from a reference to the Board of Trade returns of imports, which, of course, do not necessarily correspond to the quantities released from bond for home consumption. The figures of imports for the past two years, with 1913 included for the purposes of comparison, are:—

	Refined. Cwt.	Unrefined. Cwt.	Aggregate Value, c.i.f. £
1913	18,450,897	20,934,293	23,066,621
1920	2,396,238	25,030,878	73,104,456
1921	9,366,885	16,223,407	35,283,957

The average value c.i.f. of unrefined or raw sugar in 1913 was only 10s 2½d per cwt; in 1920 it was 53s 3d, and in 1921 it had fallen to 25s 2d. In December last, however, the average for the month was but 15s 9d, while in March of this year there was a still further decline to an average of 13s 2½d per cwt, the January-March quarter's average being 14s. It will thus be seen that the fall has not only been heavy, but rapid, and it has only a little way to go to get back to pre-war level. The sources from which we draw our sugar supplies has, of course, undergone a very great change. Whereas formerly approximately 50 per cent. was refined beet sugar from European countries, Germany contributing one-half, the quantity from these sources was, in 1920, only 75,178 cwt, which in 1921 had grown to 4,891,581 cwt, equal to 26 per cent. of the 1913 import of refined sugar from Europe. The great bulk of last year's import was from Holland and Belgium, the quantity entered from Germany being but 23 cwt, though it is possible that some of the sugar from the former was of German origin. Taking the Continent as a whole, there is not much surplus, if any, for export, notwithstanding that estimates of the 1921-22 crop at 81.55 million cwt show an increase of 7.61 million cwt over the immediately preceding season, and 29.22 million cwt over 1919-20. The total of refined sugar imported into the United Kingdom from countries not in Europe has increased from a negligible quantity (13,532 cwt in 1913) to 4,475,304 cwt last year, nearly 77 per cent. being derived from the United States. At the same time, unrefined sugar imported from Europe has fallen 13,654,597 cwt to 279,140 cwt. Imports of unrefined from countries outside Europe have more than doubled, last year's import reaching 15,944,267 cwt, which is, however, only 66 per cent. of the 1920 total. In the past few years there has been a big swing round from beet to cane sugar, and it is interesting to have the opinion of Sir Robert Park Lyle, president of the British Sugar Refiners' Association, that sugar produced from sugar beet in Europe will never again be able successfully to compete with cane sugar as produced in Cuba, Java, or Peru. The world's sugar supplies to-day are made up of more than 70 per cent. cane sugar, though while beet is regaining lost ground, cane production is estimated at less than in two preceding seasons, when the outturn was abnormally heavy. The following are the latest estimates of the world's sugar production in 1921-22, appearing recently in an article in the *Vossische Zeitung* (Berlin):—

(In Millions of Cwt.)				
	1919-20.	1920-21.	1921-22.	
Beet sugar—				
Europe	52.33	73.94	81.55	
America	13.39	20.08	18.46	
Cane sugar—				
Europe	12	14	10	
America	125.26	131.53	112.19	
Asia	97.56	90.93	90.52	
Africa and Australia	15.17	15.50	17.58	
Total	303.83	322.12	320.40	

It is commented that Czecho-Slovakia, and to a lesser extent Poland, are practically the only European countries exporting sugar; the other sugar-growing countries merely cover their own consumption. The late Russian territory is a striking exception in this respect. Notwithstanding the improvement in European sugar production, it is asserted that the Continent imports colonial cane sugar to the extent of several million cwt; chiefly for France and for Switzerland, *via* Holland. Russia is reported to have 150 sugar factories working, and to have an estimated production of 10 million cwt for the current season. Before the war Russia produced annually 30 to 35 million cwt of beet sugar.

War Loan Dividend Difficulties.—There has been no time since the War Loan was issued in January, 1917, when the various questions surrounding dividend payments on the stock have become so widely a subject of interest as they are to-day. Owing to the rise in the price of the stock—which stands 12½ points higher than at the corresponding period last year—investment interest is quickened to an extraordinary degree in this particular security. People have been buying and selling the stock freely within the past few months, writes a Stock Exchange correspondent, and stockbrokers find themselves faced with a very unusual crop of queries respecting the quotation of the price ex dividend on Wednesday morning last. The matter is simple enough in itself. The Bank of England, in order to cope with the vast amount of work involved in the preparation of the dividend warrants for the June 1st payment, closed its transfer-books on the night of Tuesday, April 25th, and everybody who was on the register that evening will receive interest cheques on June 1st next, whether those people have sold the stock or not. So long as it stood in their names, and has not been transferred to anybody else by April 25th, it is to those holders that the payment will be made. The Bank re-opened its books for transfer of the stock on Wednesday morning ex dividend; that is to say, the people into whose name the stock was transferred from Wednesday morning onwards will not receive the dividend, although they may have bought it earlier, and are therefore entitled to the payment. If the date of the bank books closing is kept in mind, many of the difficulties will resolve themselves. What sellers fail to appreciate, however, is the fact that if they sold the stock cum dividend, and it was not transferred until after the price went ex dividend, the buyer has the right to deduct payment of the interest when he hands over his cheque for the stock, although the interest itself will not reach the seller until June 1st, and therefore he is out of his interest-money for some five weeks. This is a Stock Exchange rule which cuts, of course, in both directions; the members of the public who bought the stock cum dividend, and who did not get it transferred into their name until it was ex dividend can claim the payment immediately, and will receive it as a matter of course. Indeed, it may be said that in most cases the interest cheque will accompany the Bank of England stock receipt, without the buyer being laid under any necessity for sending in a formal claim himself. Long Stock Exchange experience has shown this to be the most convenient way for dealing with deduction of dividends from sellers as soon as a price goes ex dividend, or as soon as the company's books are closed for payment of them. A shorter experience, however, has had to be applied to another point which arouses no small amount of dispute and, frequently, annoyance. This is the fact that the prices of the three classes of War Loan, bearer, registered, and inscribed, all go ex dividend at the same time, and the bearer bonds are not placed in that class by themselves, which payment of the interest on June 1st would seem to render desirable. The Bank of England sends out dividend cheques to proprietors of inscribed and registered War Loan without making any deduction of tax unless specially asked to do so. When coupons on the bearer stock are presented, however, the full 6s in the £ tax is deducted. In the Stock Exchange the seller of bearer bonds, cum dividend, who failed to deliver his stock before two o'clock last Tuesday, will find that his buyer insists upon taking delivery of the bonds ex dividend and deducting the full £2 10s per

cent., although the seller himself, when cashing the coupon on June 1st, will receive £1 15s per cent. Not only does the buyer get the dividend five weeks in advance of its proper date of payment, but he also takes 6s in the £, which the seller will not receive. Endless disputes arose around this point during the first few half-yearly payments of the War Loan interest. The Stock Exchange Committee, appealed to for a ruling on the point, laid it down definitely that if bonds were not delivered cum coupon, then the seller would have to submit to losing the tax if the buyer, on paying for the bonds ex dividend, chose to knock off the payment in full, as, of course, he had the right to do. The reason lies in the fact that, had the sold bonds been handed to the buyer in time for the latter to inscribe them into his name at the Bank of England, the interest payment would have been made to the buyer without deduction of the tax, and that this entitles the purchaser to knock off the full amount, in spite of the fact that the seller, in presenting his coupons, will receive only 35s per cent. instead of £2 10s.

White Star Line.—The report of the Oceanic Steam Navigation Company for the year 1921 shows a distinct recovery in profits. But with a concern of this kind it is impossible to ascertain whether the company has fared better or worse than in the previous year from a short profit and loss account. The report states, for example, that during the year several vessels have been thoroughly overhauled and reconditioned, part of the cost being charged against revenue account, while £50,000 of the general purposes fund has been used for the purpose. On the other hand, the number of passengers carried in the North Atlantic services shows a marked decrease, and the freight position generally has been disappointing. The profit, however, including £160,800 for interest, has risen from £1,372,200 to £1,630,000. The company's record for the past 14 years reads as follows:—

	Profit.	Interest, &c.	Depre- ciation.	Reserve, &c.	Dividend.	Balance.
1908	£ 306,242	£ 103,605	£ 416,882	£ ..	£ 75,000 (10 %)	£ -283,246
1909	620,245	118,890	356,932	..	150,000 (20 %)	- 5,477
1910	1,070,274	106,222	370,016	360,626	225,000 (30 %)	+ 8,410
1911	1,102,756	137,580	414,141	..	450,000 (60 %)	+ 101,035
1912	919,033	146,040	527,649	100,000	225,000 (30 %)	+ 79,656
1913	1,121,268	166,445	437,168	..	487,500 (65 %)	+ 30,155
1914	887,548	255,151	398,967	..	262,500 (35 %)	+ 29,070
1915	1,68,285	256,904	628,712	500,000	487,500 (65 %)	+ 95,169
1916	2,402,758	258,138	440,752	810,000	750,000 (20 %)	+ 143,868
1917	1,534,261	401,702	318,940	210,000	750,000 (20 %)	+ 146,320
1918	1,341,542	419,469	317,793	100,000	637,500 (17 %)	+ 133,220
1919	1,746,624	387,627	397,521	128,000	750,000 (20 %)	+ 83,476
1920	1,372,158	307,673	388,112	..	750,000 (15 %)	- 73,627
1921	1,630,037	346,510	438,967	25,000	750,000 (15 %)	+ 69,560

Debenture interest requires £78,300, and £266,800 goes in income-tax. The allowance for depreciation on fleet and buildings is £50,000 higher, and £25,000 goes to superannuation funds. The dividend is maintained at the reduced rate of 15 per cent., but it may be mentioned that the shares of the company, which was registered in 1869, are held by the International Navigation Company, which, in turn, is controlled by the International Mercantile Marine Co. The balance-sheet shows a reduction of £2,375,400 in creditors and of £1,699,400 in debtors, but the property item is £453,900 higher at £6,762,900. General investments are £699,000 lower. Trade bills, which appeared a year ago at £213,400, have disappeared, but acceptances and bank overdrafts now figure at £740,000. During the year debentures to the value of £124,600 were redeemed by purchases and drawings. The directors regard the outlook as still very discouraging, and anticipate a further reduction in third-class West-bound numbers to the United States during the current year, as a result of the restrictions placed on immigration by the American Government.

Pennsylvania Report.—The report of the Pennsylvania Railroad Company for the year 1921 states that no settlement has been made with the United States Railroad Administration for matters growing out of Federal control. The directors confess to great disappointment in view of their belief that a large sum is due "which could have been used for maintenance, replacement, and other necessities in 1921, and which would have assisted

in mitigating the effects of the business depression and unemployment." Operating income for the year 1921 amounted to \$500,175,100 and operating expenses to \$430,758,600, net revenue from railway operations being \$69,416,400. Operations during 1920 having been for two months under Federal control, for six months under the Government guaranty, and for four months without Government relationship, no comparison of railway operating revenues and expenses is given. Comparative figures for the remaining items of the statement are, however, shown as follows:—

	1921.	Inc. or Dec. on 1920.
Net railway operating income	\$ 41,221,968	—21,881,900
Non-operating income	38,036,467	+13,242,358
Gross income	79,258,435	— 8,639,542
Deductions from gross income	54,950,766	— 145,538
Net income	24,307,669	— 8,494,004
Sinking and other reserve funds	1,147,830	— 1,091,960
Dividend (4 per cent.)	19,966,936	— 9,983,468
Expenditure on leased roads	2,759,796	+ 2,759,796
Balance	433,107	— 178,372

While the net operating results show a great improvement, the net railway operating income of 1921, compared with the accrued compensation from the Government for the first eight months of 1920 and the remaining four months of that year, shows a decrease of over \$21,800,000, owing largely to decreased traffic and to high wages, taxes, and other costs. The dividend of 4 per cent. compares with 6 per cent. for the previous year, the directors having decided to reduce the distribution owing to general conditions and the continued recession in business. The balance at profit and loss account, including the transfer of this year's balance and after deducting \$2,854,000 for discount on bonds issued in 1921, amounts to \$47,083,400. The report mentions that thousands of rate reductions and modifications were made by the railroads during the year, including general reductions in rates on farm products, "and it is impossible to see how any further general reductions in rates can be made without corresponding decreases in the cost of labour." On the Pennsylvania system, total operating expenses were reduced over \$190 millions, of which over \$98 millions was in transportation expenses and the balance in maintenance and other expenses. Some part of this decrease was due to wage reductions of about 12 per cent. last July and to modifications of working conditions. The net railway operating income of 1920 was equal to only 2 per cent. upon the investment in road and equipment of the system.

The Legal and General's Valuation.—The Legal and General Assurance Society has been in the habit of publishing a complete list of its securities, so that shareholders and policyholders may see for themselves the valuation of its resources on specific dates. For the future the auditors are going to drop in when they please and make a surprise investigation, so as to ensure that no unauthorised changes are made between whiles. When companies of the first rank adopt precautions of this kind, other companies of lesser rank will be compelled to follow. The valuation of the liabilities has been made at 3 per cent., instead of at 2½ per cent., and a basis adopted in valuing the future premiums which is stated to require larger reserves than the more usual "pure premium" system. The net liabilities are shown at £12,309,266. The investments are taken as at December 31st last, which necessitated a writing off of £252,200 for depreciation. The reversionary interests, of which this society holds large quantities, have been revalued, and the results submitted to an independent actuary in addition to the regular consulting actuary. The life assurance fund is given as £13,431,201, and a divisible surplus shown of £1,142,828, leaving £60,000 to be carried forward. The participating policyholders get a reversionary bonus of 38s per cent. per annum on sums assured and existing bonuses, and the profit and loss account receives £121,299. The additions made to policies five years in force range from £95 per £1,000 to £279. This society has given up the issue of new

with-profit policies, yet its new assurances last year (all non-profit) numbered 4,655 for £3,073,575. The death claims of the past five years, including war casualties of £270,798, were 82 per cent. of the amounts expected under the tables employed. So far, the abandonment of with-profit assurances does not appear to have stemmed the flow of new business; yet we cannot feel that the needs of the life-assuring public are met by non-profit assurance. The passing of bonuses by high-class offices as the result of war depreciation of investments temporarily dulled the gilt on with-profit assurance, but under normal conditions—which are now rapidly returning—a bold with-profit policyholder in a really good office, who completes an average life-time, will get better value for his money than one who selects a timid non-profit contract.

Northern Insurance Company.—This company, which from its original home at Aberdeen has extended all over the world, issues consolidated accounts, and also statements, in regard to its chief subsidiaries—the Indemnity Mutual Marine, the World Marine, the Provident, Accident and Guarantee, and the White Cross. The fire premiums have been reduced from £2,851,011 in 1920 to £2,575,823 in 1921. The claims were 55.2 per cent. of the premiums, against 47.1 per cent., and the expenses 42.9 per cent., against 39.1 per cent. The surplus, after allowing 50 per cent. of the premiums for the reduced reserve for unexpired risks, is given as £48,299. If we take the usual basis of 40 per cent. of the premiums as the reserve for unexpired risks, the fire surplus of the Northern for 1921 would be £20,780, against £68,706 for 1920. Very little can be made of the Northern's marine account, except that the premium income was reduced from £3,491,354 to £1,986,789, and that the marine funds were reduced from £3,404,800 to £2,520,068, after £32,176 had been brought in from profit and loss. It is stated that the Indemnity Mutual Marine shows an underwriting loss of £80,000, after allowing for income-tax, as compared with a profit of £119,114 in the previous year, and that the World Marine and General made a profit of £57,489, and the White Cross a profit of £42,302. A surplus of £101,394 was carried to profit and loss from the accident department. Interest receipts, less debenture interest, amounted to £296,281, while income-tax on profits and corporation tax required £290,897. There was a profit on investments realised of £56,362. The net result, after paying £208,250 in dividends on the ordinary shares (17s a share, less tax), was a reduction in the credit balance at profit and loss from £377,314 to £259,525.

British Cellulose.—The unhappy fortunes of the British Cellulose and Chemical Manufacturing Company, Limited, appear to go from bad to worse. For the year ended June 30, 1920, the loss on the year's operations amounted to £237,739. The accounts for the year ended June 30, 1921, now issued, show a net loss of £758,415 on the year, and from the lengthy document which accompanies the account it would appear that the directors are in great trouble. The directors and Messrs Dunn, Fisher and Co., however, have succeeded in inducing the Fabrique de Soie Artificielle de Tubize—the well-known Continental makers of artificial silk—to take an interest in the undertaking, and it is to be hoped that some means for a satisfactory development will be found. Although the prospectus issued in March, 1920, held out promise of early success, and the board had "exact knowledge of the costs of manufacture," we ventured to point out at the time that the company had yet to prove that it could "produce artificial silk on a commercial basis." The fact that it was stated that the Government would take £1,450,000 in shares in payment of advances to the company no doubt influenced many unfortunate subscribers, who are now informed that if they wish "to save their property it is most important" that they should support certain resolutions put forward by the directors. The balance-sheet gives assets as worth £6,329,019, of which goodwill, patents,

and patent rights at cost figure at £1,885,738. We do not know the amount paid to the inventors for the process, but it is an excellent suggestion of Messrs Dunn, Fisher and Co.'s that "the inventors should compensate the company for the unexpected expenses it had had to incur in perfecting the processes." The value of compensation, however, offered by the inventors, as set out in the report, is difficult to appraise. The balance-sheet is fully analysed in our usual column.

The "Johnnies" Group in 1921.—Our mining correspondent writes:—In number and importance the Witwatersrand gold mining companies controlled by the Johannesburg Consolidated Investment Company rank second only to the Rand Mines-Central Mining combination; hence their results deserve attention both from an individual and a general standpoint. The average price obtained for the gold produced having averaged £5 5s 9d per fine ounce, as against £5 12s 9d for 1920, it follows that profits are proportionately lower, except in so far as the decline in revenue has been counterbalanced by the treatment of an increased tonnage of ore, reduction in working costs, or both. Appended are the salient statistics for the past two years with reference to the six leading producers:—

	Ore Crush'd	Results per Ton.			Working Profit.	Divs.	Ore Reserves.	
		Yield.	Costs.	Profit.			Tonnage.	Value.
Cons. Langlaagte	Tons.				£	%		Dwt.
1920	503,900	32/	24/8	7/4	185,110	12 1/2	1,339,000	6 1/2
1921	484,600	31/7	24/6	7/1	172,610	12 1/2	1,371,000	6 1/2
Govt. Areas								
1920	1,515,000	44/9	22/2	22/7	1,709,160	50	10,291,000	8 1/2
1921	1,625,500	43/4	21/7	21/9	1,762,490	55	10,232,000	8 1/2
Langlaagte Est.								
1920	465,300	33/3	26/9	6/6	152,350	10	1,016,800	6 1/4
1921	479,300	32/6	26/3	6/3	149,760	12 1/2	950,000	6 1/4
Randfontein Central								
1920	1,560,000	29/6	27/6	2/	158,100	..	3,593,400	6 1/2
1921	1,461,000	31/1	27/9	3/4	245,320	..	4,142,100	6 1/2
Van Ryn Deep								
1920	583,580	58/8	25/7	33/1	964,880	65	3,360,000	9 1/2
1921	611,400	56/8	26/6	30/	922,920	60	3,517,000	9 1/2
Wit. Gold								
1920	416,200	31/3	24/10	6/5	133,760	20	774,500	6 1/4
1921	448,300	27/10	23/9	4/1	91,050	25	547,300	5 1/8

It will be seen that two undertakings—the Government Areas and the Randfontein Central—last year earned larger working profits than in 1920, the gain being, in the first-named instance, due to the treatment of an increased tonnage of ore, and in the second to an improvement in grade. Four of the companies operated at a lower cost ratio, but despite this the profit per ton showed expansion in only one case—that of the Randfontein. The increase of the dividend on the part of the Witwatersrand Gold, despite a sharp decline in the profits, is due to the circumstance that the directors last year distributed more than the sum earned, whereas in respect of 1920 a contrary policy was followed. The Randfontein has been out of the dividend list since 1915, and its debt to the Estate company now stands at £1,120,000, irrespective of a debenture issue redeemable by annual instalments; hence the prospect of any return to the shareholders side the Consolidated Langlaagte is able to report a small increase in both the quantity and value of the ore reserves. The Government Areas also shows a gain in value; the absence of any expansion in the tonnage is attributed to large areas already exposed rather than opening up new ground. This company is faced with an expenditure of £125,000 for the sinking of an additional shaft, which may affect the dividends of the current year. The ore reserve estimate of the Randfontein Central has benefited from the inclusion of the material developed in what was formerly the Randfontein Deep, and that of the Van Ryn Deep from the work done in the Western section of the mine; in the latter case an appreciable decline in grade has to be noted. Costs last year were swollen by repairs and renewals. The consulting engineer looks for a reduction of waste ore sorted out—about 25—the ratio at this mine must always be comparatively high. At the Witwatersrand Gold "very little payable ore" was developed during 1921; hence the drop in the reserves. Prospects seem dubious. The affairs of the two

other producing companies—the Primrose and the Unified—are of little interest, the properties being nearly exhausted. Much importance, however, attaches to the position of the New State Areas, whose 50,000 ton reduction plant—based on the new "all-sliming" process, which dispenses with stamps—is expected to be running early in 1923. The present stage of the developments scarcely seems to warrant so large an equipment.

Crown Mines Position.—In regard both to the size of the property worked and of the capitalisation (including the debentures), this company is the most important enterprise of the Central Rand. Last year it milled nearly 2,200,000 tons of ore; yet, save for the gold premium, an actual working loss would have resulted. This arises, to some extent, from a small falling off in the value of the ore treated; in the main, however, it is due to the expansion in the working costs. For 1921 the ratio figures at 25s per ton, an increase of little short of 50 per cent. upon that of 1915. With the currency price of gold still lower, it is obvious that the position will become parlous indeed, unless substantial economies can be effected. The instance affords a striking exemplification of the fact that the alterations in pay and other matters recently decided upon by the Transvaal Chamber of Mines were, so far as the great majority of properties are concerned, sheer urgent necessity. That the shares should still be quoted at a premium of 250 per cent. argues considerable faith on the part of investors in a more reasonable state of affairs sooner or later. Last year's dividends, of course, aggregated 32 1/2 per cent., upon which basis the return is no more than 9 1/2 per cent. The company's future from the mining standpoint depends largely upon the southern section of the property, the development of which has been retarded by labour shortage.

Japanese Trade and Finance.—Cabled advices from Tokyo state that heavy revenue payments to the Treasury caused a severe limitation of loanable credit in the first half of April. The repayment of loans was slow, and the rate for short loans remained practically unchanged at 9.1 per cent. Loans from the Bank of Japan were increased. In the cotton yarn market the export position improved, but a decline took place in internal demand. In several directions the oppressive effect of the unfavourable balance of trade has become more pronounced. Generally speaking, industrial production has become more stagnant; stock market weakness has continued, and the present spirit of caution is expected to increase. The import and export figures of Japan for March, 1921 and 1922, compare as follows:—

	March, 1921.	March, 1922.
	Yen.	Yen.
Imports	136,000,000	205,000,000
Exports	94,000,000	115,000,000

The Bank of Japan's wholesale commodity price index number for March was 265.5, compared with 252.98 a year before and the basis of 100 in the year 1900. On April 15th the note issue of the bank was 1,114,000,000 yen, as compared with 1,015,000,000 yen a year ago, discounts and advances being 202,000,000 yen, against 85,000,000 yen.

At the Institute of Actuaries, Staple Inn, Holborn, on Monday, May 1st, at 5 p.m., Mr E. H. Brown will read a paper on "The Valuation of Endowment Assurances by Select Tables."

The fortieth annual meeting of the London Chamber of Commerce will be held at Skinners' Hall, E.C., on May 3, 1922, at 2.30 p.m., to receive the report and accounts for 1921, to elect a president and honorary auditors for the ensuing year, and to fill vacancies on the council, &c. Mr Stanley Machin, J.P. (retiring president), will occupy the chair.

The British Chamber of Commerce at Athens have telegraphed the London Chamber of Commerce to the effect that they have been authorised to undertake the collation

and protection of British claims for exemption from contribution in respect of the Greek Forced Loan, and that British firms having monies outstanding in Greece should forward declarations to them (the British Chamber of Commerce at Athens, 6A, Rue Dragatsaniou, Athens) without delay.

Oberzee Correspondence.

UNITED STATES.—SENATE TARIFF BILL.—TREASURY LOWERS RATE ON TREASURY CERTIFICATES.—FURTHER RISE IN BONDS AND STOCKS.—EASIER MONEY EXPECTED.—COTTON CONSUMPTION.—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 15.

The Finance Committee of the United States Senate reported to the latter body this week a general tariff revision Bill, designed to replace the Underwood Tariff Law of 1913. Generally speaking, it increases the rates of the Underwood Act, and appears to be based to a great extent upon the rates in the so-called Payne-Aldrich tariff law of 1909. According to experts, the rates of duty provided in the measure now before the Senate are, on the average, somewhat higher than those of the Payne-Aldrich statute. As compared with the tariff revision measure passed last year by the House of Representatives, the specific duties in the pending Senate Bill are higher, but the *ad valorem* duties are lower. The reductions in *ad valorem* rates are due chiefly to the fact that the Senate Finance Committee adopted "foreign valuation" as the basis upon which tariff rates are to be computed, instead of "American valuation," as provided in the House Bill. The Senate committee's valuation plan, however, contains several provisions to meet unusual situations arising from conditions abroad, particularly the depreciation of foreign currencies. In this connection, the measure now before the Senate confers extraordinary powers upon the President. For example, should conditions be found to exist enabling foreign countries to sell goods in the United States at prices below the cost of producing and marketing similar goods in this country, the President would have authority to increase the rate on any article up to 50 per cent. of the duty prescribed in the Bill. Should such increase be found inadequate to protect American industry, the President would be empowered to transfer the imported goods from the foreign valuation to the American wholesale selling price, and to increase the rates in the Bill up to 50 per cent. The President would also be authorised to change the classification in the Bill from the free to the dutiable list. The Chief Executive, furthermore, would be empowered to prevent importations from countries where there might exist unfair methods, charges, or regulations discriminating against products of the United States, until such discriminations should be removed.

As indicated, this Bill proposes many sharp increases in rates, not only over those in the Underwood law, but also over those in the House measure. In the agricultural schedule, for instance, wheat—which was free under the Underwood tariff and taxed 25 cents a bushel in the House Bill—is assessed 30 cents a bushel in the Senate Bill, while wheat flour, free under the Underwood law and dutiable at 50 cents per hundredweight in the House measure, is rated at 78 cents. Cattle, free in the Underwood tariff and rated at 1 1/2 cents a pound in the House Bill, are made dutiable at 1 1/2 to 2 cents, according to weight. Fresh beef and veal, formerly free, would pay 3 1/2 cents a pound, as compared with 2 cents under the House measure. Fresh mutton and goat meat, non-dutiable under the former tariff, would be dutiable at 2 1/2 cents a pound, or double the House rate, while fresh lamb is raised to 5 cents, as compared with the House duty of 2 cents, and bacon, hams, and shoulders would be assessed 2 cents a pound, against 1 1/2 cents in the House Bill. Noteworthy increases in the wool schedule, which has caused more controversy, perhaps, than any other schedule, are those affecting

Douskoy, South American, and similar wools. They were on the free list in the Underwood tariff, but are rated at from 12 cents a pound in the grease to 24 cents scoured, as against 7 cents in the House Bill. All other wools and the hair of Angora and Cashmere goats, the alpaca and like animals, formerly allowed free entry, would pay a duty when imported in the scoured state of 33 cents a pound, as compared with 26 cents in the House schedule. Long staple cotton, free under the House Bill, as in the Underwood tariff, would pay a duty of 7 cents a pound. Hides of cattle, instead of being free, as in the House Bill and in the Underwood law, would pay 2 cents a pound raw and 4 cents dried. Coal tar dyes would be dutiable at 7 cents a pound, with 60 per cent. additional, while the present embargo may be continued by the President under licence for a year. Much higher duties than have heretofore prevailed, and higher than those adopted by the House of Representatives, are contained in the Senate schedule covering silks and silk goods. The items enumerated give an idea of the very drastic increase made by the Bill now under consideration in the Senate. The measure is described by competent authorities as the highest tariff Bill ever written in the United States, and seldom, if ever, has a proposed tariff aroused such a storm of protests throughout the country; it has been received with widespread disfavour, even among staunch Republicans and high-protectionists, including some of the leading Republican newspapers. In many quarters it is asserted that the Bill pending in the Senate, if enacted, would greatly increase living costs, and would seriously affect our foreign trade. Indications are that it will be many weeks, and perhaps a number of months, before any tariff legislation is finally enacted by Congress. The Senate Bill, when passed by that body, together with the House Bill, will be submitted, in the usual course, to a conference committee representing both branches of Congress to adjust differences in the two Bills. How long it will take that committee to reach an agreement is problematical; the tariff measure which it finally decides upon will have to be accepted by both the House of Representatives and the Senate before it will become law. The chairman estimates the annual yield of the Senate Bill at \$350,000,000.

Financial circles were greatly surprised this week by the Treasury's announcement that the new issue of approximately \$150,000,000 United States certificates of indebtedness would carry an interest rate of only 3½ per cent. That is the lowest rate at which such certificates have been put out since September, 1917. The new issue is dated April 15, and will mature October 16, 1922. The previous offering, last month, bore 4½ per cent., although the maturity of that issue was one year. Bankers had looked for some reduction in the rate, but the 3½ per cent. was much lower than they had expected. This action of the Treasury Department is generally regarded as foreshadowing further relaxation in money in ensuing months. The announcement greatly stimulated investment demand for bonds of all descriptions, particularly the Liberty loan issues, with the result that seven out of the ten bonds in that group advanced to or above par, while the other three Liberty bonds moved up to within a small fraction of par. Foreign Government and municipal bonds shared in the vigorous rise, several reaching new high records for this year. Trading in bonds on the Stock Exchange this week was on a larger and broader scale than in recent weeks. The stock market also continued exceptionally active and buoyant. Numerous developments, such as the marked improvement in the steel industry, increased car-loadings as compared with a year ago, larger railroad earnings, expansion of trade in several lines, and easier call money rates, served to increase bullish enthusiasm.

Notwithstanding the fact that the number of cotton spindles in the United States operated during March was nearly 2,000,000 less than in February, owing principally to the New England textile strike, cotton consumption last month was approximately 46,000 bales more than in February, according to the latest report of the Census Bureau. With the exception of two months, the March consumption was larger than in any month since the summer of 1920, when the general trade reaction began.

Foreign trade returns for March make a better show-

ing than for some time past. Exports last month totalled \$332,000,000, the largest since October of last year, while imports, valued at \$258,000,000, were the heaviest since December, 1920. The excess of exports, amounting to \$74,000,000, was the largest trade balance in favour of this country reported since November, 1921, when the total was \$83,000,000. Last month's excess of exports compared with \$34,000,000 in February, and with \$135,000,000 in March a year ago.

Practically complete returns of railroad operations, filed with the Interstate Commerce Commission, show that the net operating income of the principal carriers amounted to \$47,700,000 approximately in February, which compares with an operating deficit of about \$5,100,000 during the corresponding month of 1921, and is equivalent to an annual return at the rate of 4.57 per cent. on the tentative valuation of the railroad property investment, as fixed by the Commerce Commission for rate-making purposes. Gross earnings for February totalled \$401,328,000, or 1.3 per cent. less than comparative revenues a year ago, notwithstanding an increase of 14 per cent. in the volume of traffic handled. Operating expenses of \$324,423,000 were 15.6 per cent. less. The gain in net income, therefore, was due chiefly to the cut in expenditure.

FRANCE.—M. POINCARÉ'S SPEECH—BUDGET—FOREIGN TRADE—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, April 25.

FROM the economic standpoint, the event of the week has unquestionably been the speech delivered by M. Poincaré at Bar-le-Duc at the Conseil Général of the Department of the Meuse. Put in plain language, the statement of M. Poincaré means that if Germany fails to pay the instalment of her debt that falls due on May 31, and if she does not modify taxation on the lines that have been laid down by the Reparations Commission, she must expect a menace of further occupation, whether the Allies decide to co-operate with France or not. The speech interpreted plainly in this way caused perturbation in certain quarters here, despite the fact that one after another of the Conseils Généraux have passed resolutions strongly backing the French Premier in his utterance, and since the speech was delivered there have been explanatory notes to show that the truculence that was read into it by some of M. Poincaré's political opponents was not justified. The French Premier, it appears, in no way contemplates or contemplates independent action on the part of France, because he is quite convinced that if the Germans do fail to fulfil their obligations she will receive the co-operation of the Allies in enforcing the claims that are hers under the Treaty of Versailles.

The forecast of the new Budget is not a very satisfactory one. The Estimates will be ready in a few days, it is reported, and will be laid before the Chamber on the day the Session is resumed. Although they will be marked by a considerable reduction in estimated expenditure, it is feared this will by no means counter-balance the falling off in anticipated revenue, and it is probable that a deficit of about 3,000,000,000 will have to be provided for in respect of the coming financial year. The monthly taxation returns have been distinctly unsatisfactory for several months past. The receipts for the first three months of the present year, indeed, proved to be some 503,000,000 less than had been expected, this being largely owing to the world-wide depression in business (as shown by the fact that over 300 million francs of the falling off is in regard to Customs alone). The actual decline in Customs receipts for the single month of March was over 100 million francs. Then there is the fact that the revenue to be derived from the sale of army and other stocks can no longer be counted on, as these have been exhausted, or soon will be. Nothing, apparently, can be expected from Germany, as matters stand, and the 80,000,000,000 or more which this country has furnished for the restoration of the devastated area—which is really an advance that has been made to Germany, if the Treaty of Versailles means anything—will have to be still further increased during the coming year.

The limit of direct taxation is believed to have been reached, therefore the anticipated deficit can only be met by further borrowing, either in the form of continued further issues of Treasury Bonds or of Rentes.

The French foreign trade returns for the first three months of the current year, although showing a substantial falling off in both imports and exports, show a balance in favour of this country. The detailed figures are as follows, as compared with the corresponding period of 1921:—

	First Three Months of		Difference in 1922.
	1921.	1922.	
Imports.	Francs.	Francs.	Francs.
Foodstuffs	1,241,127,000	1,198,358,000	-42,769,000
Raw materials	3,115,136,000	3,030,571,000	-84,565,000
Manufactured goods	1,539,709,000	1,037,714,000	-501,995,000
Totals	5,895,972,000	5,266,643,000	-629,329,000
Exports.			
Foodstuffs	551,458,000	406,013,000	-145,445,000
Raw materials	1,360,839,000	1,363,845,000	+3,006,000
Manufactured goods	3,352,291,000	3,291,071,000	-61,220,000
Postal parcels	309,097,000	307,792,000	-1,305,000
Totals	5,573,685,000	5,368,721,000	-204,964,000

It should be remarked that the imports for the current year are no longer estimated according to the Permanent Valuation Commission of the Customs Department, but according to the declarations made by the importers themselves. The valuation of exports, on the other hand, continues to be based on the official bases fixed for 1919.

As a supplement to these figures, it is interesting to quote also those relating to the trade between France and her colonies and protectorates. These are now available for the year 1921, and they indicate in a striking manner how seriously trade between France and her own colonies has declined simultaneously with the fall in the amount of exports and imports as between France and other countries. The comparative figures for 1920 and 1921 are as follows:—

IMPORTS INTO FRANCE. (In Millions of Francs.)		
From—	1920.	1921.
Algeria	1,053,492	1,128,753
Tunisia	269,374	297,245
Morocco	193,596	114,033
Other Colonies and Protectorates	2,011,601	1,589,782
Total	3,528,063	3,129,813
EXPORTS FROM FRANCE.		
To—	1920.	1921.
Algeria	2,290,097	1,447,809
Tunisia	368,958	268,192
Morocco	649,674	455,869
Other Colonies and Protectorates	721,250	492,473
Total	4,029,979	2,664,343

The comparative figures show that, whereas in 1920 the exports from the Mother Country to the colonies exceeded the imports into it by 501,916,000f, the balance of trade was completely reversed during 1921, when the imports into France from the colonies exceeded the exports to them by 465,470,000f. The principal imports into France from the colonies last year were wines from Algeria (441,000,000f), cereals (43,000,000f), and oils (104,000,000f) from Tunisia, cattle from Morocco (15,000,000f), and from the rest of the colonies and protectorates: fish (509,000,000f), seeds and oleaginous fruits (2,769,000,000f), sugar (1,036,000,000f), and rice (1,271,000,000f). Exports to Algeria included textiles (165,000,000f), and clothing (84,000,000f); to Tunis, textiles (32,000,000f), and clothing (20,000,000f); to Morocco, sugar (102,000,000f); and to the rest of the colonies and protectorates textiles (87,000,000f), wines (29,000,000f), machinery (27,000,000f), tools and metallurgy (29,000,000f).

The Genoa Conference has produced the same effect on the bourse that it has in political circles here. So far there have been three main results, the exposition of the extravagant claims of the Bolsheviks for Reparations, the Germano-Russian Rapallo agreement, and the insistence of Monsieur Poincaré that the terms of the Versailles treaty must be complied with by Germany even if it is necessary to have recourse to the sanctions laid down in the treaty. There has been in consequence considerable hesitancy

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on the Bourse, and early in the week there was a marked decline followed for no very apparent reason by a recovery. The most satisfactory feature of the market has been the buoyancy of French rentes. The 1917 and the 1918 Four per Cents, which are now free, have been largely dealt in at prices approximately the same as those that prevailed when there was a forced quotation, the 1917 stock closing at 63, and the 1918 stock at 62.75. The 1915-1916 Five per Cents that were opened to buyers earlier have changed hands at 78.15. Russians, under the influence of the news from Genoa, were less in demand, the 1891 Three per Cents losing 1f 30c, and the 1909 Four per Cents 3f 75c. French banks opened in demand, but were generally weaker towards the end of the week; Banque de France advanced from 5,665 to 5,730, but Banque de Paris et Pays Bas fell from 1,140 to 1,110, and Banque de l'Union Parisienne from 635 to 605. Transports have been stronger, Nord, for instance, improving from 990 to 1,010, but the group of Paris transports remained unchanged except for Omnibus that rose to 707 to drop back to 695. Suez Canal has declined from 5,850 to 5,740; the gross receipts for transit have been declared for 1921 at 149,251,000f, or 2,617,000 less than the previous year.

GERMANY.—GENOA—EXCHANGE AND PRICES—BOURSE—FINANCES—IRON INDUSTRY—WAGES.

(FROM OUR CORRESPONDENT.)

BERLIN, April 25.

AT the time of writing, newspapers here, and their representatives in Italy, deal with the Genoa Conference as a dead affair, destined to yield no useful results. The Russo-German Treaty, which, as I reported last week, was at first here regarded as a mistake, has since in public opinion been promoted to a necessary act of self-defence, and German and Russian negotiators are being exalted as the only participants who knew what they were about, and who were to be deceived neither by others nor by themselves. The very meagre prestige which the Allies or the Entente as a united institution enjoyed here has dwindled still more, and those unfriendly Germans who formerly proclaimed that there was a bad will in Western Europe have come to the conclusion that there is no will at all. In the Conference's remaining non-political work, if any there is, no interest is taken; it is concluded that the only results can be renewed affirmation of economic truths and good advice, and that if any attempt be made to give these binding form the political element will re-enter and produce further conflicts and scandals.

The effect of the Genoa impasse on business has so far been nil. In the past two years the mildest conflict between Germany and the victor countries has shaken the mark exchange; a mere pronouncement from the Ambassadors' Conference has been sufficient to create panic, and a semi-ultimatum from the Reparations Commission has wreaked as much havoc in finances as could the payment of Reparations for several months. But this time, the worse political appearances became, the firmer became the mark. In part this firmness is due to earlier causes—the demand for foreign bills for commercial purposes has been small; in part it is due to American Loan stories, and here the mark was led by New York; and in part

the cause is probably the exaggerated German hope of a formal break-up of Ally solidarity, resulting in new combinations. The dollar, which reached 339 on March 28th, yesterday sold at 237, with very little buying. Industry, it is stated, has more foreign currency than it needs, and speculative currencies acquired a month ago have been released. The mark recovery led to a sharp fall in prices. American cotton, 134 marks on April 5th, yesterday was quoted 105.25 marks; wheat has fallen from (April 8th) 807.50 marks to 677 marks; rye from 597.50 marks to 488.50 marks; maize from 505 marks to 395 marks. In metal prices there has been a considerable drop, and scrap iron, which owing to the fixed prices for pig and rolling mill products, is the day-to-day index of iron prices, has fallen since the 6th from 5,100 marks to 3,600 marks. A week ago a new increase in iron prices was being considered. Among the large class of "hamsters," mostly not regular business men, who buy up anything and everything in expectation of a continuing mark exchange depreciation, and consequent price rise, a panic yesterday prevailed, and efforts, mostly unsuccessful, were made to unload. The exchange market to-day was very irregular, the dollar varying between 230 and 252, and apparently for the present the American Loan reports will continue to dominate the exchange market.

The Bourse has been weak. Between April 13th and 21st the *Frankfurter Zeitung's* index for dividend-payers shows a drop of from 40,177 to 38,774. The main cause was the upward mark movement, but tight money has also had effect. Home Loans have been firm, but the upward movement has transferred itself from Federal to the formerly neglected State Loans. Federal Threes were to-day 143, War Loan 77.50, 4 per Cent. 96.40, 3½ per Cent. 89.50, Colonial 4 per Cent. 105.75, and Savings and Premium 82.30. While Federal Threes, the foreign favourite, are 10 points behind their highest price of this month, Prussian Consols rose between the beginning of April and the 21st from 80 to 90, Prussian 3½ per Cent. Consols from 65.50 to 72.75, 3 per Cent. from 64 to 86, and Bavarian 4 per Cent. from 74.75 to 88; but these bonds had yesterday a considerable set-back. Last week's Bourse event was the fusion between the Deutsche Bank and the Deutsche Petroleum Gesellschaft. The latter, which has a capital of 100,000,000 marks, divided the home oil business with the Deutsche Erdoel Gesellschaft, and had large foreign interests, chief of which was in the Roumanian Steaua Romana Company. Deutsche Petroleum has also home oil interests, and is engaged in brown coal distillation. Through the sale of its Steaua Romana shares to an Anglo-Franco-Roumanian syndicate, the company practically withdrew from the international oil market, and it announces its intention of not attempting to re-enter. It has very large resources, for which it has no use, its holding of foreign currencies being estimated at 75,000,000 Swiss francs, at present exchange about 3,750,000,000 marks. Through the fusion the Deutsche Bank gets the use of a great part of this capital. The bank, whose shares are quoted at 605, while D.P.'s stand at about 2,300, will issue four new 1,000 mark shares in exchange for one 1,000 mark share of the Petroleum Company, and will increase its capital from 400 to 800 million marks. The total capital and reserve of the bank after the transaction is carried through will be about 2,000,000,000 marks, and this will put it ahead of the Disconto and Dresdner banks, which at present lead. The transaction is of a kind entirely new in German private finance. It enables the Deutsche Bank to extend its operations enormously without resorting to the capital market. A new company will be formed to carry on the Deutsche Petroleum's home production and trade.

The Reichsbank report for April 15th shows an increase in Treasury Bill discounts by 6,435,737,000 marks to 149,182,551,000 marks, and of note circulation by 2,226,364,000 marks to 134,063,613,000 marks. The Finance Ministry's report for April 20th shows an increase in the floating debt during the preceding ten days of 2,798,590,000 marks, the total floating debt of discounted Treasury bills being now 276,544,815,000 marks. The expenditure classed as "for execution of the Peace Treaty" takes an even bigger share in new floating debt. The following table shows in milliards of

marks the distribution of the money borrowed on Treasury bills:—

	1920.	1921.	1922.
General Administration	44.9	20.5	58.0
State Services	18.7	40.9	112.4
Execution of Peace Treaty	3.1	19.4	176.0

The State finances proper, this means, are almost in order, and the sole question is reparations and other Peace Treaty costs. With the mark exchange in general falling, this tendency must become more marked, because while the home buying-power of the currency falls relatively slowly, and gives the Finance Ministry some chance of catching up by levying new taxes, the full increase in the paper-mark cost of reparations takes place at once.

In connection with the disappointing result of financial reforms, criticism is directed against the excessive number and unnecessary complication of taxes, many of which give an insignificant real yield and are hardly worth collecting. The bureaucratic financial machine suffers from overwork, but the time of officials and citizens alike is wasted ruthlessly. Some of the State's expedients for raising petty sums at great cost of labour and money are beyond all reason. (1) In 1920 the Postal Department imposed a forced loan of 1,000 marks on each telephone subscriber. An elaborate interest account is kept for this petty sum, which would hardly purchase a pair of boots; a special "payment postman" brings separately to each dwelling the interest on the 1,000 marks, which is 40 marks a year, or about 8d; and as every citizen has to pay 10 per cent. tax on all interest and dividends, an account for less than 1d annually has to be kept. Not only so, but the payments of interest tax have to be specially reported in income-tax declarations, and in at least some cases the non-statement of the 1d has been a subject of correspondence between the income-tax authorities and particular tax-payers. (2) The Government recently imposed a dwellings tax, the aim of which is to provide money for financing new building. This tax on 10 or 20 flats in a large house is as low as 300 marks, or 5s; but the house-owner is required to apportion the tax justly between his 10 or 20 tenants, and if one tenant finds his share of the 5s too high, he makes a formal appeal to a higher "instance," and the agreements of the whole 10 or 20 tenants must be produced and judicially examined, though, owing to the minuteness of the regulations, it is practically impossible that a tenant could be overcharged more than ½d. These are the most extreme cases, but there are many others much too extreme for common sense.

Ruhr coal output in 27 working days of March was 9,014,278 tons, against 7,737,974 tons in 24 days of February, and 9,181,430 tons in March, 1913. Coal prices have been again raised from (for *Foerdergrus-kohlen*) 699.80 marks to 890.30 marks, foundry coke from 1,059.60 marks to 1,355 marks, other qualities in proportion. These prices include 40 per cent. tax and 2 per cent. sales tax. The shortage of pig-iron is extreme. The *Eisenwirtschaftsbund* reports that were coke available, 20 blown-out blast furnaces might be fired, and there is a plan to take coke from the railways and supply them instead with English coal, it being cheaper, reasons the *Bund*, to buy English coal than English pig-iron, of which (together with Luxemburg) a considerable amount is being imported at prices very little above the native.

CANADA.—FEDERAL FINANCES—COMPARATIVE REVENUE AND EXPENDITURE—RAILWAY RETURNS—BUSINESS CONDITIONS—STOCK MARKETS.

(FROM OUR CORRESPONDENT.)

OTTAWA, April 9.

The fiscal year closed on March 31st, and the Federal Department of Finance has now issued the balance-sheet for the year 1921-22. Revenue totalled \$371,519,454, as compared with \$451,366,029 in 1920-21. Ordinary expenditure, however, dropped from \$357,515,278 to \$324,758,377, and capital expenditure from \$48,316,807 to \$16,742,081. The figures indicate a nominal surplus of about 30 million dollars, but it is easily swallowed up by

the railway deficits, whose exact extent is not known. The estimates of last year provided for about 168 million dollars on the railway account, and while a considerable proportion of this sum was allocated to the refunding of maturing obligations, at least 60 million dollars of it should properly be charged to revenue. The accounts for the past two years are appended below:—

REVENUE.		
	Total to March 31, 1921.	Total to March 31, 1922.
Customs	162,812,951	104,420,451
Excise	36,699,474	36,581,356
Post Office	23,998,410	24,368,486
Public Works, including Railways and Canals	38,873,833	1,269,346
WAR TAX REVENUE.		
Inland Revenue	76,441,812	72,628,564
Business Profits Tax	37,601,512	22,680,383
Income Tax	38,814,496	78,392,562
Other War Tax Revenue	1,806,621	1,789,353
Other Revenue Accounts	34,316,920	29,388,953
Total	451,366,029	371,519,455
EXPENDITURE (ORDINARY).		
	Total to March 31, 1921.	Total to March 31, 1922.
Interest on Public Debt	129,118,279	130,912,906
Agriculture	4,746,670	5,176,505
Pensions	35,312,736	33,372,713
Public Works Consolidated Fund	8,816,177	9,272,061
Post Office	20,348,014	23,684,349
Dominion Lands and Parks	3,645,416	3,782,695
Soldiers' Land Settlement	1,924,978	2,024,922
Soldiers' Civil Re-establishment	31,796,932	15,339,049
Other Expenditure Accounts	121,806,076	101,193,177
Total	357,515,278	324,758,377

The Dominion Bureau of Statistics has published some figures about the Government railways which afford their champions some hope. There is a net operating deficit for the year 1921-22 of \$10,480,283, which compares very favourably with the deficit of \$31,796,033 for the previous year. Of the four groups of railways now operated by the Government, the Grand Trunk makes easily the best showing, with an operating surplus of \$5,678,739, as compared with \$5,328,832. Of course, when its fixed charges are taken into consideration, the deficit is very serious. The operating loss on the Grand Trunk Pacific has dropped from 10 to 4 million dollars, that on the C.G.R. from 10½ to 5½ millions, while the Canadian National group has lost \$6,574,000, as compared with \$16,440,476 last year. There has also been a welcome improvement in the operating ratio: Last year, for instance, the G.T.P. ran 170 per cent. over revenue, but it has now been cut to 124 per cent. The Grand Trunk figure is 92.61, or about 1 per cent. better than in the previous year. The Government have made no move in the direction of a policy of consolidation, and the expectation is that Montreal influences will be strong enough to prevent this being carried out, and that a loose co-ordination will be maintained.

A summary of the articles which have appeared in the *Outlook* attacking the Canadian Government and the arbitrators in connection with the Grand Trunk decision has been cabled over and reproduced in the Canadian Press. Mr Meighen protested strongly in the House of Commons against their tone. Such papers as have commented upon them have taken very strong issue with the temper and facts of the articles, and have expressed surprise that a responsible paper would publish such comments while the question is still *sub judice* pending the decision of the Privy Council. Some are urging the Government to issue an official reply. It cannot be too strongly emphasised that apart from a limited circle of financiers the people of Canada are solidly convinced of the inherent equity of the Grand Trunk decision.

The sudden return of winter in the closing days of March has had an adverse effect upon business. The seasonal trade of spring purchases was rudely interrupted, and the effects have been felt by retailers, wholesalers, and manufacturers. Houses, however, in Eastern Canada which deal in dry goods, hardware, and groceries find orders reasonably plentiful. The boot and shoe trade

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is still very slack, and the iron and steel industries find difficulty in securing orders. Reports from the Maritime Provinces indicate a welcome revival in the fishing industry, which has been in a very unhappy condition for the last two years. Last year, owing to curtailment of operations through lack of markets, the catch was small, and at present the merchants have very little salt fish in stock. The exchange situation has practically ruined what used to be profitable markets for Canadian cured and salted fish in the Mediterranean countries, but there are signs of a revival on a modest scale of a demand from these regions. Merchants who have fish in stock are now getting better prices, and an increase is very unusual in the late winter or early spring. As a result of the diminution of stocks and rise in prices, the number of vessels going to the deep-sea fisheries this spring from our maritime ports is larger than in any year since the war.

The preliminary trial of the president and general manager of the Merchants Bank was fixed for April 7th, but has been postponed a week at the request of the Government's counsel. The stock markets have been generally quiet during the past fortnight. Among industrial stocks pulp and paper issues are reviving in popularity. Many mills are now operating to full capacity with a large volume of orders on hand for immediate delivery. Improved earnings have also given a fillip to traction stocks. There have been placed on the market lately a considerable number of comparatively small bond issues from counties and towns, and the close bidding which resulted augurs a plenitude of money. It is also reported that more money is now available for building mortgages in Ontario than in any year since 1914. Lower money rates are anticipated, and higher prices for securities will follow.

NEW ZEALAND.

(FROM OUR CORRESPONDENT.)

CHRISTCHURCH, N.Z., March 9.

A POINT of some interest to English manufacturers, as well as to New Zealand importers in these days of fluctuating prices, is the lag or interval that is evident between the two countries. It is well known that any marked change of business conditions in the Old World takes some months to be reflected in the markets of the Antipodes, and by comparing the movements in prices and business activity during the recent abnormal period it is possible to get a fairly definite idea of the length of time that elapses before conditions change in New Zealand. Any investigation is, however, made difficult by the lack of adequate data in New Zealand, and also by the fact that the great marketable products of this country are seasonal in character, so that the continuity of production is less. Nor does speculative activity even up the seasons as in older countries, for the farming community as a whole is slow to move.

The importance of this lag is evident in such a situation as existed during the year 1920 and the early part of 1921. The level of prices, which had for some years been steadily rising, began to fall in England and the United States early in 1920, but wholesale prices con-

tinued to rise in New Zealand until October, 1920. This was a major reason why English exporters at the worst stage of the industrial depression were able to unload on to a market where demand was still keen and prices rising. Hence imports into New Zealand in 1920 were double the figure of 1919.

Similarly, it may be observed that the financial stringency, which was severe in the United States in February, 1921, and in England about the same time, did not become acute in New Zealand until June, 1921. The shorter interval in this case is apparently accounted for by the better organisation and more sensitive nature of the banking as compared with the commercial system.

The significance of these facts would seem to be that in a period of falling prices New Zealand will be an attractive market for British exporters. With prices lagging at least six months behind, demand will be relatively strong; the prospects of a steady flow of immigration will increase the purchasing power of the Dominion, and, compared with foreign rivals, British manufacturers will, under the new tariff, enjoy an exceptionally favoured position. The market is a small one, but apparently worth cultivating.

Books and Publications.

THE AMERICAN CIVIL SERVICE.*

NINETY-THREE years ago President Andrew Jackson reconstituted the Civil Service of the United States on the principle "To the victors belong the spoils." In 1883 admission was, for the most part, made to depend on examination, directed by a permanent Commission, a result achieved after six years of agitation, which split the Republican party and incidentally led to President Garfield's murder. But the reformers mainly concentrated on admission, and, though political influence has since been further eliminated by the prohibition of assessment of employees for campaign contributions and of their participation in the campaigns as workers, its exclusion has been made more urgent by the enormous increase in their numbers. The service has grown, chiefly by separate and unco-ordinated Acts of Congress, into a huge, unsystematised and heterogeneous mass, employed in the most varied capacities, and paid very differently in different departments for precisely similar work. On July 1, 1919, the Federal employees, including workmen, outside those of Congress, the judicial services, the army and navy, and the administration of the District of Columbia, numbered 757,095. Of these, about 85,000 were stationed in Washington, and were officially ranked in 1,702 "classes" and 376 "categories." Clerks were a minority; the remainder, besides workmen, postal sorters and postmen, included scientists, engineers, medical men, surveyors, agricultural and patent experts, inspectors, and others; and women, first tentatively admitted during the Civil War, made up some 62 per cent. of the more important classes. Entrance examinations are conducted at 2,150 centres all over the Union. As each of the 48 states and of the thousands of local authorities has also its own service, the total number of public servants is remarkable, especially in the most individualistic nation in the world. As a step towards getting the conditions of Federal employment and pay into some sort of uniformity, a Reclassification Commission was appointed, which, by ascertaining what each employee was expected to do and to receive, obtained a synthetic view of the conditions, and reported in 1920. Pending action by Congress on its conclusions, Mr Mayers issues his book. It is one of a series published by the Bureau of Social Service, a society for the study and application of sociology, and it gives a mass of interesting detail, rather obscured by lack of form and style. How to keep out political influence and how to get the best possible personnel are the two chief problems which it attempts to solve.

Some 85 per cent. of the employees in Washington and 63 per cent. outside are appointed after "examina-

tion," but the term sometimes only means "selection," and the test, when there is one, may be merely qualifying and non-competitive. The choice is hampered by the statutory requirements that appointments shall be distributed among the states in proportion to population, with a preference to former soldiers or naval men, their widows, or even their wives. Political influence may operate in the selection of qualified candidates, and in all promotions and transfers, which are never regulated by any rule. The higher officials are appointed by the President and Senate jointly—and the Senate's motives are always political—or by the President alone; some resign, by custom, at every change of the Administration; all are apt in dealing with their subordinates to take politics as their guide. Some appointments are only for a term of years; life tenure is popularly disliked, partly as interfering with "rotation in office," partly because it implies pensions; the lack of these involves keeping incompetent employees out of charity. Outside Washington, the employee is under the eye of the local politicians, and must please them or take his discharge. The Civil Service Commission has no power to enforce the laws regulating the service, and the public believes that "the average man" is good enough. Mr Mayers wants merit to be the only title to employment. The prestige of the service should be raised; promotion and transfers should be systematised; the highest posts should be obtainable by any employee, and educational facilities should exist within the service for that end; as in private concerns, "appointments clerks" should supervise entrances and promotions, and there should be retiring pensions. "Bureaucracy," he holds, was generated in Germany by social conditions; it does not exist in England and France, and will not in America. As the upper age limit for the entry of higher grade postmasters, for instance, is 65, and "business experience" counts for 50 per cent. in these marks, we think so too. His last chapter deals with employees' unions, affiliated either to the regular trade unions, or, through the National Employees' Federation, to the American Federation of Labour. We gather that he thinks their legitimate functions may be fully performed by bodies analogous to works committees in factories.

THE EXPANSION OF EUROPE.*

The first edition of this book appeared early in the war; the second in the summer of 1917. In the third, now before us, Mr Ramsay Muir has made fresh revisions and adds two new chapters on the world war and its relation to the expansion of Europe, and on the problems left behind by the war. The first of these two chapters gives a bird's-eye sketch of the world-wide extent of the war's direct consequences, and leads up to the point that "the Great War was the culmination of that vast historical process whereby the civilisation of Europe has won the domination of the world. It proved that this process had made the world economically and politically one, and demonstrated the interdependence and the mutual responsibility of all peoples. It was the first event in human history in which every tribe and people of the earth was manifestly and consciously involved." The significance of the final chapter lies in the author's vision of a completed and perfected League of Nations as the culmination of the historical process traced throughout the volume, namely, the expansion over the globe of the ideas and influences of Europe. The argument does not suffer from the admission that "the driving force which secured the acceptance" of the League came from a great statesman of the New World. As regards the aloofness from the League of America, whose President provided this "driving force," Mr Muir is hopeful. "By one mode or another," he writes, "America is bent upon playing once more the great part which ought to be hers in the councils of a unified world. Her help is needed; she desires to give it; the trend of the world's thought forbids her to return to an isolation which, however splendid, is sterile. And in these conditions the obstacles will sooner or later be overcome." Mr Muir's style is slightly rhetorical, but his rhetoric is as

* "The Federal Service." By Lewis Mayers, Ph.D., LL.D. (New York and London) D. Appleton and Co. 1922. 25s net.

* "The Expansion of Europe." By Ramsay Muir. Third revised and enlarged edition. (London) Constable and Co. 12s.

readable as his judgment of history is intelligent. All students of international affairs will find the volume stimulating and constructive, and if it is open to a charge of optimism, few in these pessimistic days will find this spirit other than refreshing. Foreign readers, no doubt, will find Mr Muir's laudation of the British Empire fulsome; but that it is not mere blind partisanship is proved by the fact that his belief in its survival is formed in spite of "all the blunders, and even crimes, that have been committed in its name."

ECONOMIC CONDITIONS IN SWEDEN.

THE number of documents issued by banks and commercial houses, as well as by Government departments, on economic conditions, has grown in recent years to such a volume that it is impossible to keep in touch with them all. The first English edition, however, of the *Economic Review of Sweden* (quarterly), compiled by the Swedish Board of Trade, in collaboration with economic experts, deserves special notice, not only because of the excellent style in which economic phenomena are presented, but also because of the significant fact that the Swedish Government has thought it worth while to reproduce an abridged English edition of this official publication. Though flattering to our national pride, this precedent, if widely copied, suggests a rather terrifying increase in the volume of literature that will pile up upon the table of the English student of economic affairs. The most significant graph in the document is that comparing unemployment in four countries of Europe. Of the countries shown Germany alone has less than 5 per cent. of its trade unionists out of work, though the figure for February is appreciably higher than at the end of 1921. Great Britain's percentage is approximately stationary at about 15 per cent.; Denmark's percentage is above 25 per cent., while Sweden is approaching 35 per cent., and appears to be increasing.

The review contains no real evidence that trade has turned the corner, but, as elsewhere, the reviewers show a hopeful spirit. Prices are still declining, as is also the cost of living, but the note circulation is now becoming stationary, while the dollar exchange, which has so long stood at a premium, is now at about par.

BOOKS RECEIVED.

- League of Nations. Memorandum on Currency, 1913-1921; and Memorandum on Public Finance, 1921.*
The two above-mentioned publications of the League of Nations, which are in continuation of the documents prepared for the Brussels Financial Conference, are obtainable from Constable and Co., Limited, London.
- Money and Credit.* By C. J. Melrose. With an Introduction by Professor Irving Fisher. (London) W. Collins, Sons, and Co., Limited. 3s net.
- Organised Produce Markets.* By John George Smith. (London) Longmans, Green, and Co. 12s 6d net.
- High Prices and the Quantity Theory.* By Sir John O. Miller. (London) Sifton, Praed, and Co., Limited. 2s 6d net.
- The Economic Resources of Italy.* Their Development During the Last Twenty-five Years and their Present Condition, 1895-1910. (Milan) Credito Italiano. Published in English in two volumes.
- The Story of the Agricultural Club, 1918-1921.* By Sir Henry Rew. (London) P. S. King and Son, Limited. 10s 6d net.
- The Press and the Organisation of Society.* By Norman Angell. (London) The Labour Publishing Company, Limited. 3s 6d.
- Les Débâcles des Soviets et la Restauration Economique de la Russie.* Mémoires présentés à la Conférence de Gènes par l'Association Financière, Industrielle et Commerciale Russe. (Paris) 5 Place du Palais-Bourbon.
- America and Europe.* Economical Observations by Dr A. H. Lijdsman, with a Preface by Prof. Dr M. W. F. Treub. (Haarlem) H. D. Tjeenk, Willink, and Zoon. Fl 0.90.
- Third Annual Report of the Governors of the Imperial Mineral Resources Bureau.* (London) 2 Queen Anne's Gate buildings, S.W. 1.

Statistics of the Dominion of New Zealand for the Year 1920. In four volumes. Vol. II.: Trade and Shipping. (Wellington) Marcus F. Marks, Government Printer.

A Plea for Prosperity. By Otto H. Kahn. (New York) Committee of American Business Men, 354 Fourth avenue.

The Attempt to Smash the A.E.U. Part of a General Attack. (London) Amalgamated Engineering Union, 110 Peckham road, S.E. 15.

Letters to the Editor.

THE PRICE OF GERMAN PUBLICATIONS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—There is, perhaps, one aspect of the reparations problem which is insignificant if measured directly in money values, but of very great importance from other points of view. I refer to the cost of German books and periodicals in this country, and more especially scientific publications. Whatever may be said of the handing over by Germany of material goods, the same objections cannot be advanced in respect of scientific knowledge. It is quite possible, doubtless, that the world's indebtedness to German knowledge and scientific research has, in the past, been unduly exaggerated; but this does not justify the payment of extortionate prices for such scientific and technical information as may be available from that country. It cannot be disputed that German technical and scientific literature should be made as accessible as possible to all workers in this country; and yet, under the pernicious influence of powerful rings of publishers, in Leipzig and elsewhere, German books and periodicals are reaching ridiculous prices, whilst prices of the same journals in Germany itself are correspondingly reduced. It is only too likely, also, that the German Government and Customs officials are collaborating with the book trade in fleecing British students and research workers.

To give one or two examples of these high prices, I would like to draw your attention to the charges made for chemical literature. One of the most useful works of reference to the worker in organic chemistry is Beilstein's "Handbuch," of which, unfortunately, we have no equivalent in England. This book of 730 pages may be purchased from a bookseller in Germany for 412 marks, which may be taken to be about equal to 6s. The price to English buyers has been raised to 110s, and the corresponding price is 38s in France and \$22 in America. Another book, "Die Zwischenprodukte der Teerfarbenfabrikation" (Intermediates in Coal-Tar Dye Manufacture), costs 210 marks in Germany, whilst the price in England is 80s.—Yours faithfully,

STUDENT.

April 27th, 1922.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
May 17.	May 18.

THERE has not been so much excitement in the Stock Exchange this week, and, although prices have moved up and down with considerable variations, the proceedings at Genoa, the engineering crisis at home, and the Budget uncertainties have combined to encourage a good deal of profit-taking. The War Loan was quoted ex dividend on Wednesday morning. The last cum dividend price was 102½. Thousands of limits are in brokers' books to sell the stock at par or anything over. Knowledge of these has helped to hold the price back. Moreover, heavy sales of stock on Thursday afternoon, coming on top of the realisation of a large block of conversion stock the previous day, served to dull the market for gilt-edged issues generally. New Zealand had no difficulty in obtaining the £5,000,000 in 5 per cent. stock, for which she boldly and successfully demanded 100. Home Railway prior-charge stocks have mounted monotonously every day without exception, but the British Government stocks finished the week below the best prices reached.

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In the foreign market, French Government and French Railway bonds are easier as a consequence of the attitude taken up by France at Genoa. German Threes moved up and down in accordance with the rise and fall in the mark. Chinese bonds, after showing weakness, rallied during the last few days, and a number of rises occurred in Chilean securities. Czechoslovak Eights touched $\frac{1}{2}$ premium, and then fell to a slight discount. Business has been quiet as a whole in this department.

Home Railway ordinary stocks are somewhat flabby and uninteresting. Prices have gone back, and there seems to be a disinclination on the part of the investor to follow up the recent improvement by making further purchases. Consequently, a little profit-taking rapidly reduced values, and the various groups are easier. Furness ordinary, exceptionally, has improved. Canadian Railway investment bonds and stocks have been advancing. Mexican Rails are heavy. Argentine Rails went back, on further pressure to sell, although for the debenture and preference issues there is sufficient demand to keep the list exceedingly hard, a good many rises being established on the week. Indian Railway stocks are better all round. United of Havana eased off, on the passing of the interim dividend. Brazilians are disposed to follow the lead of the Argentine list.

Rubber shares are quiet and uninteresting. The Anglo-Malay report is an exception to many other reports which have recently appeared, showing unexpectedly satisfactory profits for the past year. In the oil market the underwriting arrangements for a new issue of Mexican Eagle preference shares had no particular influence over the price of those existing. Shells, Anglo-Persian, Burmahs and Royal Dutch attract mild attention, but speculative interest has concerned itself more actively with a number of the lower-priced shares, those in the Roumanian group arousing a good deal of attention. Most of the shipping stocks are better, though prices left off well below the best. Banking and discount shares show good rises in many cases. The insurance market is steady. Amongst textiles, Courtaulds enjoyed one of their sharp spurts, and in the Stores group, Barkers and Harrods were prominently strong. A number of electric lighting shares have further advanced. Gas stocks maintained their rises. Premiums on new issues hold their ground with remarkable firmness. Stock Exchange shares, nominally $\frac{1}{2}$ paid, advanced to 111 after the annual general meeting last Monday. Marconis went ahead, and Radio Corporations were run up on American buying. Some of the hotel shares are materially better, on London season prospects. Apollinaris advanced sharply. Hudson's Bays and other land shares are higher.

Prospects of a reduction in the income-tax has had little effect upon the prices of stocks and shares, the dividends of which are paid tax-free. The cable group remains very firm; Underground income bonds are quiet, and War 4 per Cents. moved in consonance with other British Government securities.

Kaffirs present few points of interest. The exception to a prevailing dullness was provided by De Beers, persistent purchases of the shares being accompanied by statements that the trade in diamonds shows marked improvement. Apart from small spurts in two or three Rhodesians, the general list for such shares has sympathised with Kaffirs, and Chartered came on offer at 135. Russo-Asiatics moved up and down in accordance with Genoa hopes and fears. Several of the Mexican shares attracted interest from the advance in silver, but Broken Hill and shares in the tin companies continue languid. There has been a little improvement in copper shares. A feature in the Kaffir market, it may be added, is the strength shown by the preference shares of a few of the leading companies.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

ISSUES OF THE WEEK—	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	370,854,521	..	..	..

5% Treasury Bonds (by tender, April 22, 1922), £7,030,000, at £101 17s 9d%

7,164,809

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED APRIL 22, 1922.
April 1 to April 22, 1922, £19,780,000

Dr20,000 .. Dr20,000

To the Public—	New Zealand Government	5% Inscribed Stk.	(rep. at par, 1935-45), issued at par (April 24)	5,000,000	5,000,000	250,000	4,750,000
Sheba Gold Mining Co., 300,000 Shares, 5s (3s paid), at 2s per share (April 24)	75,000	..	30,000	..	15,000	..	15,000

Total offered to Public	5,030,000	..	265,000	..	4,765,000
Total offered for subscription to date	whole year—	1921	..	1922	..
1922	£383,029,330	1921	£388,378,203	..	..
1921	76,706,145	1920	367,649,656	..	..
1920	164,386,738	1919	1,036,059,951	..	..
1919	324,448,286	1918	1,393,301,441	..	..
1918	546,839,586	1917	1,314,596,050	..	..
1917	885,189,178	1916	885,436,386	..	..
1916	187,688,137	1915	885,436,386	..	..
1915	58,619,426	1914	513,523,653	..	..

£5 per Cent. National War Bonds, due October 1, 1922, and April 1, 1923.—Offer of conversion. Holders of these bonds may surrender their holdings in whole or in part and receive in exchange: (a) £4 10s per cent. Treasury bonds, repayable at par on April 15, 1932, at the rate of £100 £4 10s per cent. Treasury bonds, with a cash payment of £4 (payable on completion of conversion), for each £100 nominal of £5 per cent. National War Bonds surrendered; or (b) £3 10s per cent. conversion loan at the rate of £134 $\frac{3}{4}$ per cent. conversion loan for each £100 nominal of £5 per cent. National War Bonds surrendered. The latest date for the receipt of applications by the Bank of England will be Monday, May 15, 1922. Full details of the offer were given in the *Economist* for April 22, 1922, under "Notes of the Week" (see page 760).

New Zealand Government £5 per Cent. Inscribed Stock, 1935-1945.—Issue of £5,000,000 at par, repayable at par on July 1, 1945. The New Zealand Government has the option to redeem at par on or after July 1, 1935, on giving three months' notice. Principal and interest are payable in London. The statement of war and other debt contained in the prospectus would have been more informative if the total national debt had been given. Approximately, £3,000,000 of the proceeds of the loan will be applied to purchases of rolling-stock and materials for railways in the United Kingdom. The loan is a trustee security, free from all New Zealand Government taxation, and may be considered a sound investment for trustees, but the terms offered were not especially tempting. The issue was quickly oversubscribed.

New Zealand: City of Nelson.—Issue of £100,000 $\frac{1}{2}$ per cent. debentures at 98 per cent. The principal is repayable at par on May 1, 1932, and principal and interest are payable in London. The issue is subject to existing City loans, amounting to £137,350, and as the loan is secured by a special rate of 1s 3d in the £1 on annual rateable value, which amounts to £129,359, the issue is well secured. The loan is free from all New Zealand taxes by means of a sinking fund of 1 $\frac{1}{2}$ per cent. per annum. These facts and figures are extracted from an announcement made in the public Press to comply with the regulations of the Stock Exchange.

Felixstowe Gas Light Company.—Incorporated by special Act of Parliament, 1904. This is an offer for sale by tender of £15,000 7 per cent. redeemable preference stock. The minimum price of issue is par, and the stock is to be redeemed at par on July 1, 1932. The authorised stock capital of the company is £49,970, of which £30,161 has been issued. The authorised loan capital is £14,235, of which £9,303 has been issued. The net revenue of the company for the year ended December 31st last was £2,433, but it is estimated that if it had not been for the miners' dispute the net revenue would have exceeded £3,500. The interest on the loan capital amounts to £438, and as the dividend on existing preference stock and that now offered will only require £1,449, it will be seen that the issue is fairly well secured. It is intended to apply to the Stock Exchange Committee "to allow dealings in the stock now being issued." A good investment, but regard must be paid to the narrow market for such a security.

The Sheba Gold Mining Company, Limited.—Authorised capital £300,000, divided into shares of 5s each. This is an offer for sale of 300,000 shares, 3s paid, at 2s per

share. The liability of 2s per share is payable by the purchaser in calls of 6d a time at two months' notice. The prospectus states that "over a million ounces of gold have been extracted from the Sheba mines, realising over £4,000,000, of which nearly £900,000 has been paid in dividends." Whether the fresh discovery of "rich ore bodies" will prove as productive as those of the past is a speculation, the merits and disadvantages of which subscribers must carefully weigh up.

Mexican Eagle Oil.—An offer for sale will shortly be made of 7,000,000 7 per cent. cumulative first preference shares in the Mexican Eagle Oil Company. They will be offered by Messrs Higginson and Co. and Messrs Cull and Co. at 20s 6d per share.

ACTIVE SECURITIES.

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.

	Price	Week.	Latest	Price	Week.	Latest	Price	Week.	Latest
War 4% 1925-28	94	..	94	..	..	..	..	..	..
Loans 4% 1925-28	95	..	95	..	..	..	..	..	..
Canada 4% 1920-25	100	..	100	..	..	..	..	..	..
India 3% Stock	64	..	64	..	..	..	..	..	..
Do 7% 1926-31	111	..	111	..	..	..	..	..	..
Do 5% 1932	96	..	96	..	..	..	..	..	..
N.S.W. 5% 1922-32	101	..	101	..	..	..	..	..	..
U.S.A. 6% 1930-40	104	..	104	..	..	..	..	..	..
Victoria 5% 1924-34	101	..	101	..	..	..	..	..	..

Colonial and Foreign Railways.

Antioquia Cons.	59	..	59	..	..	..	..	..	..
B. A. & Pacific	48	..	48	..	..	..	..	..	..
B. A. Gt. Southern	59	..	59	..	..	..	..	..	..
Buenos Ayres West.	58	..	58	..	..	..	..	..	..
Canadian Pacific	163	..	163	..	..	..	..	..	..
Central Argentine	62	..	62	..	..	..	..	..	..
Grand Trunk Ord.	2	..	2	..	..	..	..	..	..
Grand Trunk 1st Pref. 19 ..	19	..	19	..	..	..	..	..	..
Leopoldina	27	..	27	..	..	..	..	..	..
Mexican Railway	17	..	17	..	..	..	..	..	..
Do 1st Pref.	45	..	45	..	..	..	..	..	..
Do 2nd Pref.	28	..	28	..	..	..	..	..	..
San Paulo	116	..	116	..	..	..	..	..	..
United Havana	57	..	57	..	..	..	..	..	..

Banks.

Barclays B (£1, f.p.d.) 2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..
Lloyds (£5 with £1 pd.) 2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..
London Joint City & Midland (£1 with £2 pd.) ..	8 $\frac{1}{2}$..	8 $\frac{1}{2}$..	8 $\frac{1}{2}$..	8 $\frac{1}{2}$..	8 $\frac{1}{2}$..	8 $\frac{1}{2}$..	8 $\frac{1}{2}$..	8 $\frac{1}{2}$..	8 $\frac{1}{2}$..
London County West. & Minster and Parr's (£20 with £5 paid) 1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..
Nat. Bank of Egypt (£10) ..	20 $\frac{1}{2}$..	20 $\frac{1}{2}$..	20 $\frac{1}{2}$..	20 $\frac{1}{2}$..	20 $\frac{1}{2}$..	20 $\frac{1}{2}$..	20 $\frac{1}{2}$..	20 $\frac{1}{2}$..	20 $\frac{1}{2}$..
Nat. Bank of S. Africa (£10) ..	11 $\frac{1}{2}$..	11 $\frac{1}{2}$..	11 $\frac{1}{2}$..	11 $\frac{1}{2}$..	11 $\frac{1}{2}$..	11 $\frac{1}{2}$..	11 $\frac{1}{2}$..	11 $\frac{1}{2}$..	11 $\frac{1}{2}$..
Nat. Prov. & Union of England (£20 with £4 paid) ..	10 $\frac{1}{2}$..	10 $\frac{1}{2}$..	10 $\frac{1}{2}$..	10 $\frac{1}{2}$..	10 $\frac{1}{2}$..	10 $\frac{1}{2}$..	10 $\frac{1}{2}$..	10 $\frac{1}{2}$..	10 $\frac{1}{2}$..
Standard of S. Africa (£20 with £5 paid) ..	12 $\frac{1}{2}$..	12 $\frac{1}{2}$..	12 $\frac{1}{2}$..	12 $\frac{1}{2}$..	12 $\frac{1}{2}$..	12 $\frac{1}{2}$..	12 $\frac{1}{2}$..	12 $\frac{1}{2}$..	12 $\frac{1}{2}$..

Foreign Government Securities.

Argentine 5% 1886-7 ..	98	..	98	..	..	..	..	..	..
Belgian 3% ..	73	..	73	..	..	..	..	..	..
Brazil 5% Fund, 1914 7s ..	72	..	72	..	..	..	..	..	..
Chilian 4% 1895 ..	77	..	77	..	..	..	..	..	..
Do 7% ..	104	..	104	..	..	..	..	..	..
Chinese 5% 1912 ..	73	..	73	..	..	..	..	..	..
Egyptian 4% ..	43	..	43	..	..	..	..	..	..
French 5% ..	48	..	48	..	..	..	..	..	..
Do 4% ..	37	..	37	..	..	..	..	..	..
Greek 4% 1889 ..	40	..	40	..	..	..	..	..	..
Japanese 4% ..	103	..	103	..	..	..	..	..	..
Do 4% 1910 ..	70	..	70	..	..	..	..	..	..
Mexican Cons. 1899 ..	72	..	72	..	..	..	..	..	..
Peruvian Corp. Pref. ..	20	..	20	..	..	..	..	..	..
Russian 5% 1906 ..	16	..	16	..	..	..	..	..	..
Spanish 4% ..	75	..	75	..	..	..	..	..	..
Seine (Dep.) 7% ..	102	..	102	..	..	..	..	..	..
Siam 5% ..	105	..	105	..	..	..	..	..	..

Telegraphs.

Anglo-American "A" ..	22 $\frac{1}{2}$..	22 $\frac{1}{2}$..	22 $\frac{1}{2}$..	22 $\frac{1}{2}$..	22 $\frac{1}{2}$..	22 $\frac{1}{2}$..	22 $\frac{1}{2}$..	22 $\frac{1}{2}$..	22 $\frac{1}{2}$..
Marconi Wireless ..	24 $\frac{1}{2}$..	24 $\frac{1}{2}$..	24 $\frac{1}{2}$..	24 $\frac{1}{2}$..	24 $\frac{1}{2}$..	24 $\frac{1}{2}$..	24 $\frac{1}{2}$..	24 $\frac{1}{2}$..	24 $\frac{1}{2}$..
Marconi Canada ..	4 $\frac{1}{2}$..	4 $\frac{1}{2}$..	4 $\frac{1}{2}$..	4 $\frac{1}{2}$..	4 $\frac{1}{2}$..	4 $\frac{1}{2}$..	4 $\frac{1}{2}$..	4 $\frac{1}{2}$..	4 $\frac{1}{2}$..
Marconi Marine ..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..	1 $\frac{1}{2}$..

British Railways.

Great Central Pref. ..	18	..	18	..	..	..	..	..	..
Great Eastern ..	39	..	39	..	..	..	..	..	..
Great Northern Def. 37 ..	37	..	37	..	..	..	..	..	..
Great Western ..	98	..	98	..	..	..	..	..	..
London Brighton, "A" ..	59	..	59	..	..	..	..	..	..
London Chatham ..	58	..	58	..	..	..	..	..	..
L. & N.W. (New) ..	94	..	94	..	..	..	..	..	..
L. & S. Western, Def. 27s ..	27	..	27	..	..	..	..	..	..
Metropolitan ..	41 $\frac{1}{2}$..	41 $\frac{1}{2}$..	41 $\frac{1}{2}$..	41 $\frac{1}{2}$..	41 $\frac{1}{2}$..	41 $\frac{1}{2}$..	41 $\frac{1}{2}$..	41 $\frac{1}{2}$..	41 $\frac{1}{2}$..
Midland Deferrd ..	16	..	16	..	..	..	..	..	..
North British Def. ..	25	..	25	..	..	..	..	..	..
North-Eastern ..	95 $\frac{1}{2}$..	95 $\frac{1}{2}$..	95 $\frac{1}{2}$..	95 $\frac{1}{2}$..	95 $\frac{1}{2}$..	95 $\frac{1}{2}$..	95 $\frac{1}{2}$..	95 $\frac{1}{2}$..	95 $\frac{1}{2}$..
South-Eastern "A" ..	36 $\frac{1}{2}$..	36 $\frac{1}{2}$..	36 $\frac{1}{2}$..	36 $\frac{1}{2}$..	36 $\frac{1}{2}$..	36 $\frac{1}{2}$..	36 $\frac{1}{2}$..	36 $\frac{1}{2}$..	36 $\frac{1}{2}$..
Underground Electric (£10) ..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..
Do "A" ..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..	2 $\frac{1}{2}$..
Do Inc. Bds. (£100) ..	77	..	77	..	..	..	..	..	..

American Railroads.

COMPANY MEETINGS, &c.

BRITISH ITALIAN CORPORATION, LIMITED.

CHAIRMAN'S REVIEW OF ITALY'S FINANCIAL POSITION.

CHANGES IN ITALIAN AUXILIARY.

IMPROVEMENT IN NATION'S FINANCE.

The sixth ordinary general meeting of the British Italian Corporation, Limited, was held, on the 25th instant, at the offices of the company, 12 Nicholas Lane, London.

Mr J. Beaumont Pease, chairman of the company, presided.

The secretary (Mr A. R. Wheeler) having read the notice convening the meeting,

The Chairman said: Gentlemen, the report and balance-sheet having already been distributed, you will, no doubt, agree to take them as read. Before passing on to general considerations, allow me to comment on the figures given in the balance-sheet as compared with those of the previous year.

BALANCE-SHEET ITEMS.

You will have noticed a considerable reduction in the amount of the item guarantees, which I illustrated in my speech last year as being guarantees which were given by us, under the joint and several indemnity of the four major Italian banks, for the payment of instalments due by Italian shipowners to the Ministry of Shipping for tonnage purchased from this country.

The total outstanding on December 31, 1920, was	£ 4,501,394
The instalments remitted and paid off during the year 1921 amounted to	1,069,439

Leaving a balance of guarantees outstanding on December 31, 1921, of

Taking, as last year, the two items acceptances and endowments together, we again find a considerable reduction of our liabilities to the extent of £659,479.

Last year the aggregate figures were as follows:—

Acceptances	£ 999,412
Endorsements	829,520

1,828,932

As against this year:—

Acceptances	£ 901,365
Endorsements	268,088

1,169,453

This reduction, as in the case of the guarantees, is due to the paying off of the engagements by our Italian customers, and you will agree that it is a very satisfactory feature, considering the fact that, during the last year, the fluctuations of the exchange were again strongly adverse to Italy.

MEDITERRANEAN CARGO STEAMERS, LIMITED.

We have had only one serious disappointment in connection with financial assistance given to Italian shipping interests. This occurs in the case of a transaction initiated in May, 1919, for the carrying out of which we formed a separate company, the Mediterranean Cargo Steamers, Limited.

This company purchased a fleet consisting of seven cargo boats, aggregating 53,000 tons d.w., which was hired to an Italian shipping company under an arrangement providing for an indemnity against loss of capital, and for the guarantee of income, and these undertakings were backed by substantial collateral securities and guarantees, which, at the time, we could reasonably consider as ample.

Until early last year the arrangement worked satisfactory, but the slump in shipping values afterwards became so serious that the Italian company came to grief, and had to go into liquidation, and this involved the same fate for the Mediterranean Cargo Steamers, Limited. The disappearance of the shares of the latter accounts for the reduction you will notice in our investments.

Our claim against the contracting parties arising out of this misfortune has been valued in our balance-sheet at a figure which we confidently hope to realise.

The loss, together with a few other bad or doubtful debts, has been met to the extent of about half out of the profits of the year, and the balance by taking in the £50,000 paid to us by H.M. Government on November 30th last, and a further sum out of other available funds.

With these provisions, you can take it that the valuation of the assets of the company is established on a very conservative and sound basis.

As to the remaining figures of the balance-sheet, I will only call your attention to the liquidity of the company's resources, shown by the following items:—

By cash at call and balances with banks	£760,394
By bills receivable, including 425,000 of British Treasury bills	554,525

as against sundry creditors	£1,314,919
	£968,703

ITALIAN AUXILIARY.

I presume you would like to have some particulars in respect of the changes in our Italian auxiliary, which are mentioned in the directors' report.

You will remember that only three years ago the original distribution of the capital of the Compagnia Italo-Britannica was rearranged, on the occasion of the admission of three more of the big Italian banks into the concern. The advantages which we expected from this wider association were not obtained, owing, no doubt, to the peculiar conditions which have been ruling, and which did not offer sufficient prospects for a satisfactory rotation of transactions such as were considered suitable for a combination of forces of this kind.

On the other hand, the feeling was growing on this side that we should not be waiting for developments which might be very slow to mature, but pursue the object of our enterprise by assisting British interest in the field of their everyday business with Italy. This view, in which we were encouraged from many quarters in the banking as well as in the trading communities of our country, could, however, hardly appeal to our Italian associates. Meanwhile, the Compagnia Italo-Britannica was merely marking time and losing its usefulness owing to its activities being so largely restricted. We were not satisfied that this should become its normal condition. We, therefore, considered the advisability of bringing about a complete rearrangement by which we could purchase the shares in the Compagnia Italo-Britannica held by the Italian banks, whilst they would take over amongst themselves the 2,500 shares in this corporation held by the Compagnia. Our association with the Italian banks, in view of future developments requiring action in common, would thus be preserved and further maintained by their representation on our board. The suggestion was accepted by them, and became operative as soon as the arrangement with the Board of Trade referred to in the report had been concluded.

This coincided with the recent regrettable troubles in the banking world of Italy, and increased the demands which were made on the Compagnia Italo-Britannica for more extensive banking service. Prompted by these considerations, our Italian company was induced to embark on a more pronounced banking programme, and as an indication decided to change its name to Banca Italo-Britannica.

NEW ORGANISATION.

No time was lost in establishing a new organisation; a new board of seven directors was elected, and an efficient managing staff appointed. Appropriate premises were acquired for the head office of the bank in Milan. The results of the first few months of this year clearly show that our expectations were well founded.

It is not proposed that the bank should concern itself with local banking business, its chief object being the financial transactions connected with exports and imports between Italy and the British Empire, besides acting as agents in Italy for British, Colonial, and foreign banks generally. This latter activity will be made a special feature.

We do not anticipate that the programme of the bank will necessitate great requirements of capital; it has, however, been found advisable to authorise the extension of its capital from 10 to 20 million lire. This additional capital will be called up in accordance with requirements or convenience.

In order to place as complete services as possible at the disposal of customers, the extension of branches of the bank is contemplated, especially to the principal ports in Italy where British interests are mainly centred.

HEALTHIER ECONOMIC OUTLOOK.

The conditions which prevailed during 1921 were the natural consequences of the boom which set in after the end of the war. It was a year of general liquidation, and brought in its trail in all countries, and perhaps to a greater extent in the apparently rich ones, a sequence of serious embarrassments. A more healthy position has, however, resulted everywhere, and there are now signs of a healthier revival of trade.

None of the great economic problems which the world has inherited from the war has yet found its final solution, but facts and common sense have gradually forced their lesson upon the learned theorists, and the frame of mind in which discussions and negotiations now proceed is likely to bring about practical results in a not too distant future, in spite of the political passions and the reactionary tendencies which prevail here and there.

It seems now, at last, to be a case of bend or break for all those who refuse to adapt themselves to a world view.

Some of the theories which are now being accepted were those which we have been advocating since the Armistice, and which for a long time have been looked upon as heresy.

PROBLEM OF EXCHANGES.

The question of exchanges—that most important of all questions in respect of trade—is now discussed on a sound basis. The depreciation of currencies in terms of gold, save where all control over circulation has been lost, is no longer considered in the countries affected by it, as well as abroad, as a symptom of a hopeless state of things. The law of adaptation, gradually acting on values, has shown that wild fluctuations of the exchange, not their actual level of depreciation, are adverse to prosperity; once this is generally admitted, there can be only one obstacle, a false pride, to the acceptability of the next step towards stabilisation—namely, the adoption of a new relation of the currency to gold. What this relation is to be, in order to become effective and durable, is, of course, a matter of profound study, the manifold factors of which are well indicated in the resolutions of April 20th of the Financial Commission of the Genoa Conference, presided over by Sir Robert Horne, arising out of the experts' report on currency and exchange.

This problem involves the whole of the question of reparations and inter-Allied war debts, as well as that of internal financial and economic policy.

It is at last placed on its real basis, and we look confidently to its solution by the International Conference of Issuing Banks, which is to take place in London next month, for this purpose.

It is not too much to say that a relative stability of exchanges is the first consideration for a revival of trade, which is indispensable at the present juncture for the pacification of this tried world; no sacrifice should be deemed too great to achieve it.

FINANCIAL CONDITIONS IN ITALY.

Referring to Italy, which, apart from Great Britain, is the country in which this corporation is specially interested, I should like to draw your attention to the steadiness she has shown during the serious industrial and banking crisis which has affected her in these last 12 months. I have on many previous occasions expressed the confidence your directors have felt in the future of that country, and I must say that the absence of any apparent reflection of such grave economic events as those referred to, even in the exchange, is in the highest degree remarkable.

The exchange has actually improved from 96.50, at which figure it stood at the moment of the suspension of the Banca Italiana di Sconto, to the present figure of 81.

I have, however, a suspicion that too optimistic conclusions should not be drawn from this tendency of the Italian exchange, as, apart from the favourable causes, concomitant unfavourable factors might contribute to it.

There is no inconsistency in this observation; quite opposite factors might work towards the improvement of the exchange; on the other hand, the favourable factors, as, for instance, increased exports of natural and industrial products, reduced imports of foodstuffs and other articles of consumption, foreign investments and the expenditure of foreign visitors, remittances from emigrants, and the like. On the one hand, the economically unfavourable factors having the same effect on the exchange, as, for instance, the reduction of imports of raw materials consequent on the reduction of industrial output.

EFFECTS OF TAXATION.

I am afraid this last-named factor has been increasingly at work as a result of certain extreme measures in the fiscal policy adopted by the Government in its otherwise praiseworthy endeavours to raise the revenue for the purpose of balancing its Budget. We hear, in fact, of many plants which have come to a standstill in consequence of the last turn of the fiscal screw, by which the in-consequence excess profits due to the war were indiscriminately confiscated at the rate of 100 per cent. in favour of the State. Few, if any, industrial concerns had refrained from investing the said

profits in additional plant, in which policy they were expressly encouraged by the allowances to which, in such case, the original Act entitled them. Many of them, being unable to face their unexpected liability by borrowing, had no other alternative than to close down.

I think that already last year I expressed the opinion that, though the Italian nation had responded wonderfully to the call of taxation, its taxable capacity might already have been surpassed. Since then, the above-mentioned increase of the excess profits tax was introduced. In the matter of taxation, as in other matters, there are limits which cannot be surpassed or exceeded with impunity, lest the best of measures defeat their purpose.

The balancing of the Budget is undoubtedly one of the most essential conditions towards the solution of the present problems, and it would fall singularly short of its object if its price were the prostration of the nation.

"BEARER" SECURITIES.

Whilst I am on this subject, I might, perhaps, be allowed to refer to another example of regrettable disregard of consequences in fiscal matters.

In Italy, as in most Continental countries, the great mass of securities, including State securities, has always been "to bearer." It is probably true that this custom has favoured the evasion of death and succession duties, with very great damage to the revenue. If it is so, this is a lamentable enough state of things, but the remedy which pressure for revenue has suggested—namely, that the dividends on all securities which, by a certain date, have not been registered in the name of the owner, shall be subject to a 15 per cent. tax—is open to criticism as affecting a principle of good faith, a matter of special importance where State securities are concerned.

These were issued and subscribed on the understanding that the scrip should be at the option of the holder, either "registered" or "to bearer." Quite apart from any unlawful advantage which might be derived by the evasion of death and succession duties, such an option was of considerable value on account of the greater marketability which, under the old-established customs, "bearer" securities enjoyed, as against "registered" securities.

In effect, it constitutes a tax of 15 per cent. on securities, which were specifically free of any present or future taxes at the time of issue, and such course may be detrimental to the credit of the Italian State and Italian securities generally.

There is no doubt in my mind that, but for this innovation, the Italian markets would have profited to a very much greater extent than they have done by the present all-round reduction of money rates, which has attracted so much capital into the investment market in other countries.

ITALY'S FINANCES.

As last year, I shall review and compare the figures of the Budget, of the public debt, of the circulation, and of the commercial balance.

The Budget deficit exceeded 10,000 million lire for the fiscal year 1920-21. It is estimated that the end of this fiscal year (June 30th) will see it reduced to 5,000 million lire, and a further reduction to 3,000 millions is expected for the following year.

As to the revenue:—

	1918-19.	1919-20.	1920-21.
Final figures in million lire	5,365	8,956	12,250
For 1921-22 it is estimated at 12,500 millions, on the strength of the first eight months, which have yielded 8,514 millions—i.e., an improvement of 1,414 millions over the corresponding period of 1920-21.			

	Million Lire.
Public Debt:—	
Consolidated debt	49,000
3, 5, and 7 years' Treasury Bonds	5,700
War debt to Allies (at par exchange)	21,000
3-12 months' Treasury Bills, December 31, 1920	13,174
" " " " " 1921	24,500
Circulation:—	
Treasury Notes, December 31, 1920	2,268
" " " " " 1921	2,150
Notes of the three issuing banks:—	
For account of the State, December 31, 1920	10,743
" " " " " 1921	8,504
Against commercial assets, December 31, 1920	8,989
" " " " " 1921	10,704

TRADE POSITION IMPROVING.

The trade position continued to improve.	Million Lire.
The imports for the first 11 months of 1921 were	18,182
The exports	8,370
And the adverse balance	9,812

—an improvement of 3,806 millions, *i.e.*, 28 per cent., as compared with 13,618 million lire, the adverse balance for the corresponding 11 months of 1920.

These latter figures are official, and are based on 1920 prices; the figures I gave last year were also official, but based on the lower 1919 prices.

I am now at your disposal to answer any questions you may wish to ask. I shall then call upon our auditors to read their report, after which I shall request you to pass the resolutions.

The first resolution which I have pleasure in moving is as follows:—

"That the report and balance-sheet for December 31, 1921, be received and adopted, and that, in accordance with the recommendations of the directors, a dividend of 4 per cent. per annum, free of income-tax—namely, 16s per share of £20, be declared, and that the balance of profits of £27,723 12s 1d be carried forward to new account."

Mr Cooper said that, on the whole, he thought the shareholders must agree that the statement of affairs in Italy made by the chairman was of a reassuring character. The chairman had mentioned the Banca Italiana di Sconto, and it might interest some of the shareholders to learn whether the corporation's affairs were in any way affected or whether they had relations with that bank.

The chairman replied that that was a very pertinent question. He was glad to be able to assure them that the board had plenty of warning of the difficulties of the Banca Italiana di Sconto, and the only amount unsecured at the time of the suspension was a matter of about £100. With the exception of one exchange operation in which the Banca Italiana di Sconto was acting as agent for one of the big London clearing banks, which matter was under discussion at the present time between them, and of which he had every hope of a satisfactory conclusion, there was not a single thing that gave them the slightest anxiety in connection with the Banca Italiana di Sconto.

Sir Gilbert Garney then read the auditors' report.

Sir Guy Granet seconded the resolution, which was carried unanimously.

Mr Couper moved:—"That the Right Hon. Walter Runciman be elected, and that Mr L. G. Buxton, Brigadier-General Hugh H. J. W. Drummond, and Mr R. H. Tennant be re-elected directors of the company."

The resolution was seconded, and carried unanimously.

On the motion of Mr Ness, seconded by Mr Cambie, the auditors, Messrs Price, Waterhouse, and Co., were reappointed.

EXTRAORDINARY GENERAL MEETING.

An extraordinary general meeting of the company was next held, at which resolutions were passed to effect a number of alterations in the articles of the company.

A vote of thanks was accorded to the chairman and directors, and the chairman having briefly responded, the proceedings terminated.

LONDON TRUST COMPANY, LIMITED.

INCREASED VALUE OF THE TRUST'S HOLDINGS.

The thirty-third annual general meeting of the London Trust Company, Limited, was held, on the 27th instant, at Winchester House, Old Broad street, London, E.C., Mr William Douro Hoare, C.B.E. (chairman of the company), presiding.

The Chairman, in moving the adoption of the report and accounts, said the total income of the trust during the past year was £94,272, and after providing for expenses, debenture interest, and the dividend on the preferred stock, which required £53,262, there remained a balance of £41,010. After meeting the corporation profits tax for 15 months to March 31, 1921, out of the carry forward of that date, there remained a sum of £45,623, so that they had now to deal with £86,633. The directors proposed that £10,000 be placed to reserve, while the dividend of 10 per cent. on the deferred stock would require £26,250, making together £36,250, and leaving to be carried forward to next year's accounts the sum of £50,383.

It might interest shareholders to know that, after providing for charges, the break-up value of the deferred stock of the trust, taking the values at March 30th last, worked out at about 134 per cent. He thought stockholders would be satisfied to know that the trust's holdings had appreciated during the year, and possibly during the next 12 months they would see still better prices, and he hoped, in due course of time, to be able to say that their reserve account was intact, as well as their capital. The past year had been one of anxiety in the commercial world, and this was a

matter which affected the trust materially, as they were interested in many commercial concerns. This was, to some extent, reflected in their accounts by a slight reduction in the revenue, due to the fact that many companies had had to curtail their dividends, and in some cases suspend making any distribution at all.

There was one matter which affected all, and that was the high rate of income-tax. This fell very severely on the community, and in his opinion at its present figure was a deterrent to business. The Chancellor would do well to seriously consider whether some amelioration was not necessary, and he hoped there might be some reduction in the forthcoming Budget, as otherwise they might run considerable risk of killing the goose.

The report and accounts were adopted, and the dividends recommended therein were agreed.

OOREGUM GOLD MINING COMPANY OF INDIA, LIMITED.

INCREASED GOLD PRODUCTION AND GROSS PROFITS.

The ordinary general meeting of the Ooregum Gold Mining Company of India, Limited, was held, on the 25th instant, at the Cannon street Hotel, London, Mr Malcolm Low, chairman of the company, presiding.

The secretary (Mr F. H. Williams, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman said that his predictions of a year ago had been fairly well borne out by events. They had dealt with 314,820 tons of ore slimes and tailings, an increase of over 3,000 tons; while the underground development was not quite so much, being 10,209 feet, against 10,653 feet, the latter including a more than proportionate acceleration of the sinking of the circular shaft. Each of the two years was equally satisfactory in the amount of ore blocked out in reserve, the total at December 31, 1921, being estimated at 419,245 tons, or over two and a-half years' supply at the present rate of consumption.

When they came to gold production and gross profits, 1921 romped home the winner, the gold produced being 501,592 ounces, with a profit of £246,397, against 96,628 ounces, with a gross profit of £226,017 in 1920.

BALANCE-SHEET FIGURES.

The balance-sheet showed that the reserve fund of £100,000 was well covered by war stock and National War Bonds, and it was not thought necessary to increase this substantial figure. They had written off £21,000 for depreciation, as well as the expenditure of £37,036 on circular shaft, in profit and loss account. From the commencement of circular shaft its cost had been written off in this way, together with a considerable sum for depreciation. The gold produced realised £538,773, a record amount, reduced to £508,862 by royalty and refining charges; while £6,147 of interest was received and £1,435 for rents, &c., the total income being thus £516,446. The expenditure (£270,048) showed an increase of £17,765, due to the somewhat larger tonnage dealt with, the greater amount of ground broken in the stopes, and higher import duty and surcharges on railway freight on materials, while a very heavy rockburst, which severely damaged a section of the mine, occasioned exceptional expenditure.

Fortunately, in the lower levels they had grand runs of rich ore. They had the goods; but the goods needed careful and costly handling before they could be put on the market.

THE DIVIDEND.

The final dividend proposed made totals for the year of 32½ per cent. on the preference shares and 22½ per cent. on the ordinary shares. Last year shareholders were informed of the grant of a prospecting licence in respect of their copper area at Kharsawan. Many months had passed before they were in a position to enter upon the property, but at long last they had obtained proper legal possession, and active prospecting was now proceeding.

Mr Edgar Taylor, detailing the underground developments of the year, said that the developments of gold quartz during 1921 had been really very remarkably good. The rich values being found to continue at the depths at which they were now working, gave them cause for great satisfaction and confidence in the future. (Hear, hear.) The chairman had mentioned that the company made a new record in the £537,621 realised for the gold won. There were, however, two other milestones which the company had passed, in that it had now paid in dividends over £3,000,000, and had won from the mine gold of a value exceeding 10 millions sterling.

The report and accounts were unanimously adopted.

The Hon. Lionel Holland, Sir John D. Rees, Bart., and Lieut.-Colonel Sir Donald Robertson were re-elected directors of the company, and a cordial vote of thanks to the chairman, directors, managers, and staff terminated the proceedings.

ROYAL EXCHANGE ASSURANCE.

SUCCESSFUL DEVELOPMENT OF CORPORATION'S BUSINESS. EXTREMELY SATISFACTORY FIGURES IN MARINE DEPARTMENT.

CORPORATION'S SOUND POSITION.

The annual general court of the Royal Exchange Assurance was held, on the 26th instant, at the head office of the corporation, Royal Exchange, London.

Mr Vivian Hugh Smith (the Governor) presided.

The Secretary (Mr Percy F. H. Hodge) having read the notice convening the meeting and the auditor's report,

The Governor said: Gentlemen, before submitting to you the report and accounts of the corporation for the year 1921, I am sorry to have to inform you of the death of Lord Ebury, who had been a member of the Court since 1910, and who, for the preceding two years, had occupied a seat on our West End local board of directors. He is greatly missed by all of us, but I am sure you will all be glad to know that his brother, who succeeded him in the title, has become a local director attached to our West End branch.

I also have to announce that the Rt. Hon. Earl Winterton, M.P., has, greatly to our regret, had to resign his seat on the Court owing to his appointment as Under-Secretary of State for India.

CHANGES ON THE BOARD.

In order to fill the first vacancy Mr Edward Manville, M.P., was appointed. Mr Manville has been the chairman of our subsidiary company, the Car and General Insurance Corporation, for many years, and your directors had great pleasure in creating this further link between the largest of our affiliated companies and the corporation.

The second vacancy has been filled by the appointment of M. Charles L. Dalziel, a partner of Messrs Higginson and Co. We welcome him on our board and feel that he will be of the greatest assistance to our corporation.

You will remember that at the last general meeting I placed before you the figures of our bicentenary year, and I am glad to say that, taking into consideration the very difficult times that have been experienced in insurance during the past twelve months, we can, I think, again consider the results to be satisfactory. In view of the depression in trade and the very uncertain conditions generally prevailing, it was expected that insurance business would be affected, and this expectation is reflected in the reduced premium incomes of three of our largest departments. You may recollect that this reduction was anticipated in my remarks at the last meeting, when I made particular reference to the marine department, in which you will see later on, when I take the accounts in order, that there has been a very considerable reduction in income. In spite of this, the total premium income of over £3,000,000 and the results shown will, I think, prove that the corporation still maintains its position amongst the leading insurance companies of this city.

LIFE DEPARTMENT.

Dealing first with the Life Department, the proposals completed were £2,781, while the new sums assured were £1,615,000. The total premium income, after deducting reinsurance premiums, was £546,100, showing an increase of £18,700 over 1920. The interest earned of £237,100 gave a gross return of £5 9s 8d per cent. on the life fund, which was an increase of 4s 5d per cent. over the previous year. This increase in the rate of interest on the life fund—which in the last three years has been £5 9s 8d per cent., £5 5s 3d per cent., and £4 18s 9d per cent., and going backwards—is very satisfactory; but I am afraid that with the cheaper money now prevailing it may be difficult to maintain such a satisfactory yield in the future. The claims by death paid and outstanding amounted to £207,300, which was below the amount expected. Surrenders amounted to £47,360 and expenses of management and commission to £98,860. I am glad to say that this latter figure is nearly £13,000 less than last year, all items outstanding and accrued having been fully allowed for. The life fund now stands at £4,560,000, which is an increase of over £270,000 in the last twelve months. The annuity fund now amounts to £738,000 and the capital redemption fund to £265,000; while the trustee and executor department shows a profit of just over £1,000.

FIRE BUSINESS.

We now come to the fire department. The premium income at £1,533,000 shows a reduction of £260,000, but this, as I have already mentioned, was to be expected. I think it is well known that last year was not a good one from a fire insurance point of view. The losses were £842,600, but it is generally found that heavy fire losses run with a period of depression in trade, and last year was no exception to this experience.

You will see an unusual item in this and the accident account

in a provision for claims on reinsuring companies in liquidation. The corporation had, in common with the other big companies, placed certain business with the "City Equitable" group. It is unnecessary for me to discuss the details of the difficulties in which this group has found itself, as of course they are common knowledge, but it is hoped that the provision made in the fire and accident accounts and the reserves in the marine department will be sufficient to meet any claims for which we may be liable. The position, however, as disclosed at the recent meetings is so involved that it is impossible to make definite estimates. Still, the failure of the "City Equitable" and the other companies in the group must, in the aggregate, involve the companies reinsuring with them in a considerable loss, but, gentlemen, in my opinion, the failure is, after all, but a ripple on the waters of the insurance world. The losses incurred have not affected the credit or the stability of any one of the important insurance companies of this country. I hope this fact will cause the public which is entrusting its insurance business to British companies, both at home and abroad, to realise how great is the stability and how immense are the resources of the leading British companies.

After transferring to the profit and loss account £80,770, the fire fund amounts to £813,240.

MARINE DEPARTMENT.

In the marine department you will notice a very considerable reduction in the premium income, which, as you see, stands at £248,000. This is after deduction of discount, commission, brokerage, and reinsurances effected and returns for vessels laid up, the premiums for which appeared in previous years. You may like to know how an adjustment of these figures will affect the amount shown. For 1920 over £378,000 had to be deducted for this purpose, and a further £26,000 on account of previous years, making up a total of £404,700. If this amount is added to the net premium shown you will see that the normal net premium for 1921 was £653,000.

This department is the first to feel the effects of any depression in trade, and the utmost caution was needed last year in the selection of risks. The claims in respect of 1921 and previous years amounted to nearly £650,000, while the expenses of management were £108,000, which shows a reduction of £19,000 on the previous year. After transferring the sum of £60,000 to profit and loss, the marine fund stands at nearly £886,800. I think you will agree that these figures are extremely satisfactory; indeed, considering the times we have been going through, I think they are very remarkable.

GENERAL ACCIDENT FIGURES.

In the general accident department the premiums at nearly £742,000 were £150,000 less than in the previous year, while the losses were £446,000, and commission and expenses £298,000. After making the provision in connection with companies in liquidation already referred to, we have been able to transfer the sum of £75,300 to profit and loss. The general accident fund now stands at £511,200. Another very satisfactory result.

PROFIT AND LOSS ACCOUNT.

In the profit and loss account the interest, less income-tax, amounted to £63,000, as against £80,500 in the previous year. This reduction is to a very large extent caused by the heavy payment of over £353,000 for excess profit duty and income-tax. You will notice that it is unnecessary for the former item to appear in this year's account, but the large sum of over £104,000 has had to be provided in the 12 months for income-tax and corporation profits tax. As I have mentioned already, £80,700 has been brought in from the fire account, £60,000 from the marine account, £75,300 from the general accident account, and £1,020 from the trustee and executor account, while we have an unusual receipt in a refund of excess profit duty amounting to £85,400.

After paying the dividend, expenses not charged to other accounts—which are considerably less, largely owing to the special bicentenary expenses last year—and the taxes which I have just mentioned, there is a balance of £958,300, which is an increase of £130,000 in the year. This result, I think you will agree with me, is very gratifying.

CORPORATION'S INVESTMENTS.

I should like to add a word as to the value of the investments of the corporation. You have seen from the certificate of the auditor that these were arrived at on the basis of the latest market

prices at December 31, 1921, less accrued interest and dividends. This valuation disclosed an appreciation of the value of the investments in all three accounts—fire, annuity, and general, particularly in the first named. Your investments, therefore, were actually in excess of the value at which they appeared in the books and balance-sheet, and you are, I am sure, aware that this margin must have been very considerably increased since December 31st last. Still, gentlemen, your directors have considered it wise to adhere to the practice which they have followed for so many years of not writing up the value of their investments.

DIVIDEND RECORD.

It has been suggested in many quarters that the dividend recommended by the court could well have been larger, but, gentlemen, a steady building up of reserves and a conservative policy is one that I feel sure you will agree with us ought to be adopted. May I remind you that the dividends in the last few years have been as follows:—For the year 1915, 11 per cent.; for the year 1916, 12 per cent.; for the year 1917, 12 per cent.; for the year 1918, 14 per cent.; for the year 1919, 16 per cent.; for the year 1920, 16 per cent., with an extra bonus of 5 per cent. (making 21 per cent.) to the shareholders on account of the bicentenary year; so that the increase in the dividend has been fairly rapid, and no one will welcome more than your directors the possibility of increasing it again in the future. At the same time, gentlemen, our business is growing very largely, and, notwithstanding the fact that our premium income this year is less than in 1920, we still show a net premium income of over £3,000,000 in all departments, and that is the Royal Exchange alone, and not any of its subsidiary companies. If we take the 1914 figure of £1,875,000, there is in the present accounts an increase of well over £1,000,000. Thus our business is everywhere showing satisfactory expansion, and this makes it more and more important for us to do everything we can to build up our reserves in all departments.

SUBDIVISION OF THE STOCK IMPRACTICABLE.

There is one other point which I think you will like me to mention, and that is the suggestion, which has been made from time to time, that our stock should be subdivided into shares. We are always extremely glad to hear any suggestions from the proprietors, as it shows that they take an active interest in the welfare of the corporation, and they have on one or two occasions made this proposal. Difficulties are created, however, by the curious alteration of our original share capital—with varying sums paid up—into stock in our early years, and the destruction of practically the whole of our records in the burning of the Royal Exchange in 1838. These are difficulties which, as far as I know, have not arisen in the case of any other company. Then, again, gentlemen, if you will allow me to say so, I really cannot see any particular point in splitting the stock into shares, even if it were perfectly feasible for us to do so, for you can go into the market and buy or sell any amount of our stock, however small. Of course, if any of our stockholders think that they can only buy £100 of our stock standing at over 400, I can understand their criticism, because it is a heavy stock for them to handle; but this is not the case, because it is perfectly easy for them to buy (say) £1 of stock, for which they would pay, at the present price, about £4.

TRIBUTE TO MANAGERS AND STAFF.

Now, gentlemen, before formally submitting for your adoption the printed report and accounts, I would like to say that the results shown are to a very large extent due to the care and attention shown by the managers of our various departments and the branch managers and the staffs at home and abroad, and I am sure you would like me, on your behalf, to thank them for the zeal which has consistently been directed by them to the welfare of this corporation. In view of the very difficult times which have been experienced during the past 12 months, and of which we have not yet seen an end, I feel sure you will agree that the report and accounts placed before you to-day show a satisfactory position. It is impossible to foretell the future—perhaps never more so than at the present time—but I am satisfied that after over 200 years of trading the Royal Exchange Assurance is to-day in an extremely sound position, and I look forward to its future with the greatest confidence.

Before putting the resolution to the meeting, I would ask any stockholder who wishes to do so to put any question or make any comments.

No questions being asked, the Governor moved the adoption of the printed report and accounts for the year 1921.

The sub-governor (Mr Seymour Grenfell) seconded the motion, which was unanimously carried, and the proposed further dividend of 9 per cent., less income-tax, making 16 per cent., less income-tax, on the capital stock for the year 1921, was agreed to.

A resolution for the reappointment as auditor of Sir Nicholas E. Waterhouse, K.B.E., having been passed, on the motion of Mr H. Gridley, seconded by Mr H. C. Sim, the court adjourned.

THE UNION BANK OF SCOTLAND, LIMITED.

BANK'S STRONG POSITION—DIVIDEND INCREASED.

The annual meeting of shareholders was held, on the 26th instant, in Glasgow, his Grace the Duke of Atholl, K.T., chairman of the bank, in the chair.

The Chairman, in submitting the directors' report, said: Since the shareholders met here a year ago a number of interesting events have taken place, and I would like to make passing reference to these. One of the most outstanding was the Washington Conference, and it is a matter of considerable satisfaction that an agreement was come to which will, we hope, through lessening expenditure necessary on naval developments, have the effect of lightening in years to come the very great burden of taxation that is weighing so heavily on all of us.

Another event of importance was the publication of the Economy Reports by the Geddes Committee, and I am doubtful whether sufficient credit has been given to the members of that Committee for the many hours of hard work which are represented by the three reports. It is hoped that the Government will give effect to such of the economies as are practicable, and that they will not be contented with these, but will endeavour even to better the recommendations of the Committee.

The third event is the Genoa Conference, which, at the moment of preparing these notes, is still in being. One had hoped for some limitation of land forces at this Conference, as it is very obvious that most of the European countries cannot afford to keep up large armies, and that it is absolutely essential that they should concentrate all their energies on the difficult task of putting their exchanges on a better basis.

The year 1921-22 has been a very black one industrially, and from a commercial point of view probably one of the worst within the memory of the present generation.

The strength of British banking has been shown very clearly in the industrial crisis through which we are passing, and this is largely due to the traditional prudence of British bankers, to the fact that banks do not have "boom" years in the ordinary sense, and that only a moderate part of their profits is distributed. It is probably a great safeguard, although trying to executive officers, that British banks never have an absolutely smooth path. When trade was booming we suffered from depreciation in gilt-edged securities; when bad trade came, with its accompanying worry of bad debts, which every bank has at present in varying degree, there has followed the recovery in security values as compensation I may say, in passing, that all bad and doubtful debts have been amply provided for by our institution out of the year's revenue.

BALANCE-SHEET ITEMS.

Turning to our balance-sheet, I would like to draw your attention to the very gratifying increase that has taken place in the amount of deposits, which, it will be observed, are at the highest point yet reached, and £2,500,000 higher than a year ago. The only other point that I would draw your attention to specially is the large increase in British Government securities. These are chiefly of a short-dated nature—in fact, £6,000,000 fall due within the next 18 months, and of the total, about £13,000,000 is repayable before the end of 1930. In addition, we still have a considerable holding of 5 per cent. War Loan, which has not been included in the foregoing figures, although the Government have the option of repaying it in 1929.

Loans and overdrafts show a large reduction—rather over £3,000,000 in all. This is due to natural liquidation, to the reduction of stocks, and to the carrying of stocks at lower values, not to the exercise of undue pressure on our part. It is, in fact, a sign of the healthy nature of our advances that such large reductions have been made. Bills under discount also show a decrease, but this is largely due to the smaller holding of Treasury bills, which amount to £6,285,000.

Our assets are really very liquid, over £14,000,000 being readily available, quite apart from the short-dated British Government investments, but including Treasury bills already referred to. This is a position of great strength to our depositors, and puts us in a position to finance any demands that may be made upon us when trade revives.

PROFITS AND DIVIDEND.

With regard to the year's working, the profits are just under those of 12 months ago, and we are glad to report that the total charges for the year have not increased. It is gratifying that we are able on this occasion to place £100,000 to rest account, bringing that item up to £1,100,000. We are also glad that we can recommend the payment of an increased dividend of 17 per cent.

The foreign branch which we opened in our property at 120 St Vincent street has had satisfactory results, and has been very useful to our clients. We are hopeful that the other two new branches will also be successful.

I shall now call on Mr Hutton to deal in detailed fashion with the balance-sheet figures, and to move the adoption of the report and accounts.

Mr Hutton, after dealing with the figures in the balance-sheet, moved the adoption of the report and accounts, which was carried, and the usual formal business having been transacted, a vote of thanks to the chairman terminated the proceedings.

THE LONDON ASSURANCE. RESULTS OF A DIFFICULT YEAR.

The annual general court of the London Assurance was held, on the 26th instant, at the offices of the corporation, 1 King William street, London, Mr Colin F. Campbell (the governor) presided.

The secretary (Mr S. I. E. Crouch) read the notice convening the meeting and the auditors' report.

The Governor, in moving the adoption of the report, said: I hope that you will agree with me in thinking that the corporation is much to be congratulated upon having secured a freehold site in the very centre of the City, where it can make its permanent home. It goes without saying that we have not made this change without a great deal of real regret, as the London Assurance has been connected with No. 7 Royal Exchange ever since 1845, and, even though it was not laid out on the most modern principles, there was a dignity and comfort about the old building which it may be difficult to transfer to a new one just put up.

The year 1921 has very little that is good to be said of it from the point of view of insurance, and in this respect it differs very materially from those through which we have recently passed. The prosperity of insurance companies during recent years had also led to a feeling in some quarters that insurance companies did nothing else but make profits, and that consequently premiums were too high. The year 1921 has, anyhow, buried that fallacy, for which I need hardly say there was never the smallest justification. Insurance companies are called upon to run great and increasing risks, and rates of premium in many instances are inadequate for the risks run; so much do I believe this to be the case that I feel confident that in some directions rates will have to be increased rather than decreased before insurance business is placed once again on a profitable and remunerative basis.

LIFE AND FIRE ACCOUNTS.

If you will turn now to the life account, the progress made during the year has been quite satisfactory, the premium income having been £332,379, against £308,699 in 1920, showing an increase of £23,680, and the life fund now stands at £3,155,338, against £2,947,729 a year ago. The rate of interest earned has also improved, being now £5 11s 1d per cent., as against £5 4s 6d per cent. in 1920. The mortality experience has been favourable, the claims being considerably below the amount expected.

As you are aware, it was found impossible a year ago to make any bonus distribution to the policyholders in consequence of the tremendous fall in the value of all securities during the quinquennial period which ended on December 31, 1920; consequently the shareholders have also to go without their share of the profits in respect of that period. We are, however, transferring to profit and loss account this year a sum of £10,000, which represents part of a balance remaining in the life fund belonging to the shareholders brought forward from previous quinquenniums; the total amount belonging to the shareholders in the fund is just under £60,000 after this transfer.

A pleasing feature about the fire account is that we have nearly maintained the premium income notwithstanding the world-wide depression prevailing—in fact, the reduction only amounts to £39,000.

UNITED STATES BUSINESS.

The year cannot be considered to have been a profitable one generally speaking, but we should have had nothing to complain about had it not been for the extremely bad results in the American field. For many years we have had a very important business in America, which has yielded very profitable results, but last year was an exception, and no profit was realised. From the figures which we have seen of some of the other companies operating in the States, the experience of most of them has been very much more unfavourable than our own.

I wish we could anticipate an upward bound in our premium income generally this year, but unfortunately our fire manager reports that at present he sees no indication of such taking place, as the volume of new business offering is still disappointingly small. There must first be a general revival in trade before we can look forward to improved conditions for ourselves.

THE MARINE DEPARTMENT.

We next come to the marine account, which will no doubt be examined with interest, for I indicated to you a year ago that in the opinion of our underwriters marine business was then passing through a very critical and anxious time. Two features of importance stand out in the account before you, one being the reduction in the net premiums from £1,219,000 in 1920 to £678,000 in 1921; the other being that the liquidation of a very big and difficult account has been accomplished with a small profit, and the marine fund, after the transfer of £58,996 to profit and loss, now stands at £800,000, against £1,000,000 a year ago.

You will thus observe that, although there is a reduction in premium income of £541,000, there is a reduction in the amount

of the fund of only £141,000, apart from the transfer to profit and loss.

With regard to the reduced premium income, it was only to be expected that, holding the views we did, we should curtail our operations, so that the material reduction in the figures is the result of a policy deliberately entered upon.

The present position of the account, with a fund of £800,000, apart altogether from any of the general reserves of the corporation, may be considered quite satisfactory from the marine insurance point of view. Our underwriters still regard the situation generally as being unhealthy, especially in hull insurance, and the dissolution of the committee of underwriters known as the Joint Hull Agreement Committee has merely tended to aggravate the position.

The cargo business is on a rather better basis, but it has been difficult to maintain our premium income in this direction owing to the downward trend of both export and import trade in this country.

We can only hope that, with a general improvement in trade, marine insurance will emerge from its condition of depression and that satisfactory results will again be secured.

Then, coming to the accident accounts, these have been divided this year into three sections—viz., accident, employers' liability, and general accident insurance. The results of last year were quite satisfactory, and an increased premium income is shown in each account, with the exception of employers' liability, which is slightly decrease owing to slackness of trade and a general reduction of rates.

PROFIT AND LOSS ACCOUNT.

Turning now to the profit and loss account, you will notice on the credit side interest and dividends not carried to other accounts, £101,009, and the transfers from the various accounts, making up a total, together with the carry forward, of £557,318. On the debit side the dividends absorb £189,517; income-tax and corporation profits tax again take £100,000; £10,000 is written off freehold premises; £6,208 represents the premium on a redemption policy we have taken out for the preference share capital, leaving an amount to be carried forward of £208,244, which shows an increase of £6,909.

We hope that this is the last occasion on which we shall have to transfer so large an amount as £100,000 for taxes, as after this year we shall begin to get the benefit of the smaller profits in the three years' average.

The provision of £10,000 for writing down our freehold premises will, I am sure, meet with your general approval, though it should not be forgotten that two years ago we wrote off £68,360 out of our war profits of that year.

The premium on the redemption policy calls for some comment, as it is an item that has never appeared before. The preference share capital of £250,000 matures, as you are probably aware, between the years 1943 and 1953, so we have taken out a redemption policy with our capital and leasehold redemption department to provide for the repayment of these shares in 25 years, and the annual premium, calculated at a low rate of interest, has been worked out for us by our actuary at £6,208. Consequently, you may expect to see this entry appearing at debit of profit and loss account regularly for some years, unless the directors decide, at some future time, to make any special transfer to this fund from surplus profits in any particularly good year.

THE BALANCE-SHEET.

Coming lastly to the balance-sheet, the capital remains the same at £873,275, and both the general reserve fund at £1,250,000 and the investments depreciation and contingencies account at £380,000 also remain intact, and I am glad to be able to tell you that at December 31st last less than £30,000 was required from the investments depreciation account to cover the depreciation in securities below the prices at which they stand in our books.

The freehold property at £541,000 is increased in consequence of the cost of our new building, and you will recollect that included under the heading of "railway and other ordinary stocks," the £835,734, is our investment in the Vulcan Boiler Company. The report and balance-sheet of this company is printed on the last pages of the statement in your hands, from which you will see that this very successful company has again had an excellent year.

The balance remaining of the cost of acquiring the British Law Fire Insurance Company of £200,000 will automatically disappear when the preference shares are paid off through the redemption policy, to which I have already alluded, and you will bear in mind that £51,665 has already been written off this account in 1919.

It again gives me great pleasure to repeat what I said last year, that we are very much indebted to the management and staff generally for the excellent work they have put in for the corporation, and the accounts which I have had the honour of submitting to you to-day will indicate with what measure of success their efforts have been attended.

The sub-governor (Mr C. S. S. Guthrie) seconded the resolution, and, in the absence of questions, it was at once put and carried unanimously.

The formal business having been transacted, a cordial vote of thanks to the governor terminated the proceedings.

THE AUTOCAR FIRE AND ACCIDENT INSURANCE COMPANY, LIMITED.

COMPANY'S STRONG FINANCIAL POSITION.
SUCCESSFUL YEAR—INCREASED PREMIUM INCOME.
DEVELOPMENT IN CANADA AND ELSEWHERE.

The second annual general meeting of the Autocar Fire and Accident Insurance Company, Limited, was held, on the 27th instant, at the registered offices of the company, 77 Cheapside, London.

Mr Edward M. Iliffe, C.B.E., J.P., presided.

The secretary (Mr A. W. Rosamond) having read the notice convening the meeting, the minutes of the previous meeting, and the auditors' report,

The Chairman said: I have much pleasure in presenting for your approval and adoption the report and audited accounts of the company's operations to December 31st last, being the second year of its existence.

Before formally moving their adoption, I would like to refer to one or two items in the accounts and to the progress which has been made by the company since the last annual meeting.

In the first place, it will be noticed that the net premium income in the fire and general departments has increased from £40,196 12s 3d for the year 1920 to £116,847 5s 11d for the year 1921. This increase of £76,650 13s 8d in our premium income will, I am sure, be regarded as eminently satisfactory, especially when it is realised that we have not attempted to show a large premium income, but have, on the other hand, carefully selected our risks in order to carry out the policy laid down when the company was inaugurated of developing on sound conservative lines.

It will be seen from a perusal of the accounts that the fire department is now our main sphere of operation, and that the increase in our premium income is entirely attributable to that department.

LOW LOSS RATIO IN FIRE AND GENERAL DEPARTMENTS.

I need hardly dwell upon the fact that the year under review has been an extremely difficult one, owing to the world-wide depression in trade. In times of commercial depression there are invariably two aspects which at once become manifest in connection with a fire insurance account unless exceptional care is exercised in the control and underwriting of the account. I refer to a decrease in premium income and increase in loss ratio. In the case of this company, however, not only has the premium income in our fire department increased very materially, but the loss ratio is one in which we have every cause for satisfaction, and for which we are indebted to the very careful discrimination which has been exercised by our fire manager. Our combined loss ratio in the fire and general departments, after fully reserving for all outstanding claims, stands at 39.48 per cent. It will be seen that, after reserving for unexpired liability 40 per cent. of our premium income, the fire and general departments, even in this most difficult year, show a small profit, which is carried to the profit and loss account.

ACCIDENT DEPARTMENT.

The accident business calls for no special comment. The premium income is almost identical with that obtained during the previous year, and the loss ratio in that particular section of our business may be considered as quite normal, having regard to existing conditions. During the present year it is confidently expected that considerable advance will be made in the accident department, and that the income derived from this particular class of business will be substantially increased.

During the year motor business, which forms a substantial part of our income in the accident department, required the exercise of great care. It is hoped, however, and I think quite justifiably, that the present year will show some little improvement in motor insurance generally.

CLOSING MARINE ACCOUNT.

You will remember that last year, when referring to the marine department, I was careful to point out that the marine market was one which was then calling for unremitting care and attention, and that so far as we were concerned we were keeping a very close watch on our marine account. Since that time, and after giving the matter very careful consideration, we came to the conclusion that owing to the conditions prevailing in that market the interests of this company would be better served were we to withdraw. Marine accounts in the normal way take some considerable time to run off, and, bearing this in mind, we decided to put a date to the period of liquidation so far as this company was concerned. With this end in view we specially reinsured with sound and substantial organisations all hull and time risks some short time prior to the end of the financial year, and the premiums in respect of the large bulk of these reinsurances have been debited in the accounts now before you.

Further than this, you will observe that we have transferred over £6,000 from the profit and loss account to the marine account, thereby creating a fund of £10,000, which we expect will be sufficient to meet all further contingencies likely to arise. Having regard to the somewhat unfortunate experience gained by other and older companies than ours in their marine departments, we hope you will consider that the action we have taken in regard to this particular section of our business is a prudent one and in your interests.

The profit and loss account is credited with dividends and interest not carried to other accounts, and after deducting the sum mentioned as being transferred to the marine account shows a small credit balance, which it is proposed to carry forward.

COMMISSION AND EXPENSES.

Before leaving the accounts, there is one other item to which I would draw your attention, and that is the item relating to commission and expenses of management. Having regard to the increase in our income, this item naturally shows an increase also, but this increase is due entirely to commission, which in turn, of course, is due to the advance in premium income. Expenses of management stand at practically the same figure as during the first year of our operations, and this, having regard to the increase in our income and that no sum has been charged during the year to preliminary or establishment expenses, you will regard as very satisfactory.

CANADIAN AND FOREIGN DEVELOPMENT.

The company has continued to develop both at home and abroad. Last year we made the necessary deposits in Canada, and are fully licensed in the Dominion for the transaction of fire insurance business. Our entry in the Dominion was too late in the year for any benefit to be shown in the accounts now before you, but we are hoping this year for quite an appreciable addition to our income in that area, and, speaking at this period, I am glad to be able to inform you that our progress in Canada is entirely satisfactory. Our representation is in very capable hands, and we are being well supported.

Our development in other places abroad is also proceeding satisfactorily, and we are gradually but surely achieving a reputation both for soundness of method and for prompt loss settlements.

COMPANY'S INVESTMENTS.

Mention has been made in the directors' report of the appreciation which has taken place in connection with our investments. In the early part of this year, and since, of course, the close of the accounts, the company still further invested a considerable sum in Government securities, so that the total appreciation in our investments at this date amounts to a very substantial sum. It will be noticed that investments stand at cost price in the balance-sheet, and it is not proposed at this juncture at all events to take advantage in our accounts of the appreciation which has arisen.

The financial position generally, having regard to our commitments, is a particularly strong one, and it is the aim of the directors that we should go on conserving our strength in this way and so merit the confidence of the policyholders both at home and abroad, and that of contemporary companies.

There is one other matter for congratulation, and that is that the various failures which have taken place in the reinsurance world recently can be viewed with equanimity so far as this company is concerned, and liabilities on such commitments as we had with those companies have been disposed of or adequately provided for in the accounts now presented.

TRIBUTE TO STAFF.

Before closing, I should like to add a word of appreciation of the work done by the staff at the head office and the branches, and the increasing support afforded to us by our agents, both at home and abroad, all of which is so essential to our progress. We are particularly indebted to Mr A. E. Morgan for the manner in which he is steering this company slowly and surely to success. That he is able to present so sound a balance-sheet at the end of a year which has been so full of pitfalls for insurance companies generally is a matter for congratulation.

I now beg formally to move the adoption of the report and accounts.

Mr W. Coker Iliffe seconded the motion.

Mr Arthur E. Morgan (managing director) said that he would like to thank the chairman for what he had said about his work, and to say that if he had been able to achieve anything it was due entirely to the support which he had received from the staff. The resolution was carried unanimously.

On the proposition of Mr A. D. Poulton, seconded by Mr Arthur E. Morgan, the retiring director, Mr Edward M. Iliffe, C.B.E., J.P., was re-elected.

The auditors, Messrs Mann, Judd, Gordon, and Co., were reappointed, and the proceedings then terminated.

JOSEPH TRAVERS AND SONS, LIMITED.

COMPANY'S "WONDERFUL POWER OF RECUPERATION."
SPLENDID RESULTS DESPITE YEAR'S DIFFICULTIES.

ROAD VERSUS RAIL TRANSPORT.

The annual general meeting of Joseph Travers and Sons, Limited, was held, on the 24th instant, at Cannon Street Hotel, London. Sir Edward Bowron, the chairman of the company, presided.

The secretary (Mr E. C. Watson) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—I presume you will, as usual, desire me to regard the report as read. The results shown in the balance-sheet before us to-day present a striking contrast to those of last year, which contained the inevitable aftermath of a period of extraordinary inflation of prices, and although the prospects at that time were never more difficult to predict, the business has again demonstrated its wonderful power of recuperation.

The change in the position is very great, and it would not be surprising to find an impression in the minds of shareholders that the difference may be largely due to fortuitous circumstances, such as the refund, or anticipated refund, of taxation. It is true we have received, or we are entitled to receive, certain sums from these sources, but it is also a fact that these amounts were not sufficient to wipe out the losses in stocks which we took over from last year, and which, owing to market depreciations, had to be disposed of at heavy losses, and, as I have just said, wiped out any help we received from returned taxation of all kinds. I hope I have made it clear that the results shown on the profit and loss account are quite fairly indicative of the trading of the year.

BALANCE-SHEET ITEMS.

Turning to the figures of the balance-sheet, you will notice on the assets side that the premises and plant show a slightly increased figure, due to additions being in excess of the amount written off for depreciation. The figures in this item still maintain a most satisfactory relationship to actual values. The stocks provide an interesting comparison in that the amounts closely resemble each other—namely, £586,541, compared with £583,254 for the year under review. This is the vital spot of every trading concern, and contains the hopes and fears of the future. Sugar, the largest article in which we deal, both from the point of view of weight and use of capital, has fallen in price from 72 to 46. The fact that our general stocks are heavier after such an important fall might reasonably be considered doubtful policy, but we have the best of all answers to give to such a criticism, in that our trade has increased and requires the additional stocks, and, what is more to the point, has greatly helped us to bring before you the satisfactory results we are showing you to-day.

Turning to the liabilities side of the balance-sheet, the reserve account now stands at £290,000, and, when added to the various special reserves, is over £300,000, equivalent to 150 per cent. of our ordinary share capital. You will remember that our losses in 1920-21 were almost entirely due to the misfortunes connected with our export trading, and we then intimated that we were taking steps to prevent the possibility of such recurrences. The response to our efforts has, so far, been quite satisfactory, and we have adopted the policy of cautiously plodding along waiting for our opportunity.

The abnormal state of exchanges completely excludes the possibility of working with some countries, and in others, affected to a less extent, the trade has been of a fragmentary character. There is, however, plenty of room in the British Empire for any amount of extension and development, and we are having sufficient encouragement from these sources to be confident of success.

POSITION OF THE SMALL TRADER.

The recurrent reduction in the Bank rate and the abundance and cheapness of money are conditions which, in ordinary circumstances, would immediately stimulate trade. This money can, no doubt, be obtained for trade purposes against actual security with a large margin for eventualities, but, with few exceptions, the small trader cannot be said to enjoy the financial facilities which he was able to obtain before the war. He is suffering for the sins of the speculator, for which he cannot, in any measure, be held responsible. Want of capital has made it necessary for him to carry smaller stocks, with the result of quickening the turnover and improving his business, both theoretically and in practice. After the expected further improvement in trade has become a fact, confidence will, doubtless, be renewed, and the small trader will once again resume his important position in the scheme of distribution. It is difficult to forecast the effect on future trade of the many changes which are occurring, and which must materially alter the character of our business, and, although we see no reason to anticipate a reduction of its earning power, yet the time may come when patience will have to be exercised until the many corners have been turned before we reach the main road again.

The fight that is quietly going on between road and rail transport must be evident to the casual observer, and which system will succeed it is impossible to say, but it is obvious that the railways have many untouched sources of competition, which, when released, will materially affect the whole question. The distribution of foodstuffs can never expect to have more than a narrow margin of profit, out of which there has to be found the money for all expenses, including a large sum for carriage, and we cannot afford to make mistakes in policy in the important question of transport. The developments of the last 10 years have left no room for doubt that the future has surprises in store for us. The railway companies seem to be handicapped in the matter of control of their labour, whereas the road transport is spread all over the country amongst so many small proprietors whose working conditions are much more elastic than old regulation-bound institutions. In any case, competition should result in reducing the rates from which we hope to benefit.

With the return of lower prices, less capital is required for our business. Our savings in interest this year have been considerable, and we hope to do still better in this direction. It is a subject for congratulation that we were able to steer through the treacherous time of 1920-21 without completing the addition to capital which, at one time, we were afraid would have to be done. Our financial facilities are, at present, sufficient for all requirements, and additional capital would have been a costly and heavy burden.

THE DIVIDEND.

You will observe that our recommendation of a dividend at the rate of 15 per cent. on the ordinary share capital, after adding £20,000 to the reserve fund, leaves us with a carry forward of £32,661. One of the reasons by which we have been actuated in proposing this substantial unappropriated balance is that we intend to use it to equalise dividends unless unforeseen circumstances should arise rendering this course inexpedient.

Before closing my remarks I would like to call attention to the loyal assistance we have had from our staff. After the return of men from the Army, the necessary adjustments were made with as much consideration as possible, and we are now settling down to normal conditions. I will now propose the adoption of the report, and ask Mr Travers to second it, after which I will endeavour to answer any questions that you desire to ask. The resolution is:—“That the report, balance-sheet, and profit and loss account for the year ended January 28, 1922, now laid before the meeting, be and the same are approved and adopted, and that the payment of a dividend of 15 per cent. on the ordinary shares of the company, as recommended by the directors, be and the same is hereby ratified and declared.”

Mr W. F. Travers (deputy-chairman) seconded the resolution, which was then put to the meeting and carried unanimously.

On the motion of Mr Travers, seconded by Mr E. T. Dottridge, C.B.E., the retiring directors, Sir Edward Bowron and Mr R. J. Harford, were unanimously re-elected.

The Chairman, on behalf of Mr Harford and himself, thanked the shareholders for the renewal of their confidence.

Mr R. R. Shaw proposed the re-election of Messrs Price, Waterhouse, and Co. as auditors for the ensuing year. He thought all the shareholders must realise how very fortunate they were in having the services of Messrs Price, Waterhouse, and Co. as their auditors, and he was sure they could not do better than ask them to do what they had done for the company this year—namely, to give them a clean bill of health in their balance-sheet.

Mr L. S. Gridley seconded the motion, which was unanimously agreed to.

VOTE OF THANKS TO CHAIRMAN AND DIRECTORS.

Mr Oscar Berry said that the shareholders had heard from the chairman of the loyal assistance he and his colleagues had received from the staff, but he was quite sure that it was the wish of every one present to acknowledge the services of the chairman and the members of the board. He desired, therefore, to propose a hearty vote of thanks to the chairman and his co-directors, and to associate with them the staff who had so loyally assisted them and helped them through a difficult year, and had thus enabled the shareholders to receive the very handsome dividend of 15 per cent.

Mr George Ling seconded the vote, which was unanimously accorded.

The Chairman, in acknowledging the compliment, said that every member of the board had been trained in the business, and in his opinion this was a very great source of strength to the company.

The proceedings then terminated.

UNITED ALKALI COMPANY.

LAST YEAR'S STRUGGLE—WORST NOW PASSED.

MR MAX MUSPRATT AND TAXATION'S DRAIN.

The adjourned thirtieth ordinary general meeting, and the thirty-first ordinary general meeting of shareholders in the United Alkali Company, Limited, were held at Liverpool, on the 28th instant, Mr Max Muspratt, the chairman, presiding. Completed accounts for the year ending December 31, 1920, were now presented. Pending a final settlement in respect of war taxation, the accounts for 1921 could not be prepared, but the directors hoped that at a comparatively early date they would be presented.

The Chairman, in moving the adoption of the accounts for the year 1920, and the report of the directors for 1921, said:—Ladies and Gentlemen,—We are met to-day for the purpose of holding the adjourned meeting for the adoption of the report and balance-sheet for 1920, and the annual meeting for receiving the report for 1921. The account I have to give you is a depressing one, as you will all readily understand, aware as you are of the disastrous nature of last year for the whole of British industry.

I hope, however, to be able to satisfy you that from every sign we can read, the worst is now passed, and that in the absence of any great catastrophe, such as the coal stoppage of last year, we are on our way to recovery.

Dealing first with the profit and loss account of 1920; in spite of the slump at the end of the year, the gross profit was £710,000. This was largely made in the first nine months, and includes a considerable sum in respect of the writing-up of stock values, in accordance with the requirements of Somerset House for excess profit duty purposes, from the conservative valuations observed by us for many years past. This profit would have been very appreciably higher had it not been for the rapid falling off of trade and stock values, which afterwards became so much emphasised in the first half of 1921.

As explained on a previous occasion, the Inland Revenue Authorities insisted on our writing-up the values of the stocks, which really only express our working capital, to market price or cost, whichever was the lower, thereby magnifying our profits on paper.

At the same time, we have made provision for such contingencies, and the shareholders need not fear that these serious temporary difficulties will permanently affect the company.

INTOLERABLE TAXATION.

I would invite your attention to the item of taxation, which is nearly £296,000 for 1920, as such items are the chief explanation of the state of the company's present finances.

However necessary or fair this taxation is in principle, its incidence in times such as we have passed through is intolerable. It means that for every pound paid to our debenture holders and shareholders for 1920, we have to meet 2½ in taxation. Quite frankly, it is, under such conditions, an impossible task to do justice to shareholders without seriously crippling the permanent interests of the company, as you will doubtless have observed from the reports of many companies. The same conditions, in accentuated form, have affected the figures for 1921, but with the final cessation of excess profit duty, and an approximate stabilisation of values, we shall be near a conclusion of this deadly drain on our resources, and can expect to enjoy that degree of prosperity which our general position justifies us in expecting.

I think it fair to state that, although I have spoken strongly about the effect of taxation, the attitude of the Inland Revenue Authorities has been courteous and considerate, and, within the limits of the Finance Acts, they have met with patience and in a broad spirit the many points placed before them so painstakingly by our colleague, Mr Hewetson Nelson, resulting in considerable alleviation from original assessments.

NO DEBENTURE ISSUE NECESSARY.

I indicated at our last annual meeting that we had it in mind to ask our debenture stock holders to assent to proposals in connection with our debenture stock issue, which, without asking for any public money, would, if accepted, enable us to finance the company through a difficult period of readjustment.

I am glad to report that at the meeting of debenture stock holders which was held upon May 10, 1921, our proposals proved acceptable, and we received the assent of the meeting to increasing our authorised issue of debenture stock from the amount of £2,665,000 stock outstanding on December 31, 1920, up to £3,500,000.

This authority has proved effective in providing the accommodation we required without the necessity, up to date at any rate, of making any issue of such increased stock.

FEATURES OF 1921 TRADE.

The situation in 1921 may be summarised as follows:—The first three months we were struggling against the effects of the trade slump, reducing production, and trying to reduce costs of production to meet the changed conditions. Then came the great disaster of the three months' coal stoppage, which converted acute depression into absolute paralysis for four or five months.

In August we had turned the corner, but the results up to August 31st, accentuated by the writing down of stocks to which I have referred, showed a heavy loss. The remaining four months, though trade was still bad, were fairly satisfactory, particularly for export, but the result for the whole year, when we get our complete accounts, can only be described as bad. This will surprise nobody when the prolonged stoppage of our works, due to lack of coal, is borne in mind.

In the course of the year 1921 we paid no less than £500,000 in taxes, and although nearly half was covered by securities earmarked for that purpose, finding the balance in cash, in such a year, made it impossible to pay more than a portion of the preference dividend, and we ask the shareholders to be patient, with the assurance that we are doing, and will do the utmost for both their temporary and permanent interests.

All the fundamental plant alterations reported in recent years are working in a most satisfactory manner.

Our ammonia soda works extension was started in December last without a hitch, and the product is at present well absorbed by the market, or by the subsidiary plants for caustic soda and soda crystals, which are at present, at any rate, working at full capacity.

At Newcastle, the electrolytic plants are working almost full, but at Widnes the similar plants are still on reduced load, as the demand for chlorine products, owing to the depression in the paper trade and textile industry, is still far below the normal. The position is, however, improving week by week, if only slowly, and every increase in consumption represents a decrease in cost which we hand on to the consumer in the hope of further stimulating consumption.

SULPHURIC ACID.

The position with regard to another important product, sulphuric acid or vitriol, has been extraordinarily difficult for us, as for the many other makers of that product. The main consumption is for the manufacture of superphosphate and ammonium sulphate, important fertilisers, and the grave depression of agriculture, combined with other causes, has created absolute chaos in those industries.

The result was a reduction of consumption to about 30 per cent. of the normal, and as sulphuric acid requires large and expensive plant, the standing charges are heavy, with the result that all reductions in raw materials and labour were more than counter-balanced by the standing charges. We have met this problem by concentrating production in the most efficient works with most satisfactory results, retaining skeleton staffs in the plants that are idle, thus enabling us to make substantial reductions in our prices to consumers, and so stimulating consumption. The results of this policy have been a slow but steady improvement of the demand for this important product.

Our mines in Spain, which to a considerable extent supply the raw material for our sulphuric acid, have been badly affected by the abnormal reduction in the consumption, and our copper works, which play an important part in the complicated cycle of operations of which sulphuric acid is the main product, have been brought to a complete standstill through economic changes resulting from the war.

A deputation of directors has recently spent some weeks in Spain, and we are confident that we have adopted a policy suitable to the changed conditions, of considerable advantage to our present operations and future prospects.

DYE PRODUCTION DEVELOPMENT.

I have dealt with our main products, and the situation is not unsatisfactory considering the condition of world trade, but the minor products, which in the aggregate are not inconsiderable, require a few words.

The developments we have made in organic products to assist the dye industry are at present under a cloud, partly due to the great depression in the textile industry, and partly from the erratic policy of the dye producers, although individual members have welcomed our attempts to assist them in this problem. We appreciate the national importance of this question, and intend

to take a part in the solution of the many problems associated with it.

In another direction we have made developments. Many of our products are suitable for domestic consumption, but, apart from soda crystals, have not been available in convenient form. We have, however, had a small package trade at our Greenbank works, which had become obsolete on the technical side. This we have transferred to Widnes, and with up-to-date plant intend to develop it.

RETIREMENT OF MR EDWARD MOUNT.

Last year I had to regret the absence of our secretary, Mr Mount, owing to serious illness, and to-day I am pleased to state that he has been able to return, but has since decided, for reasons of health, to ask us to relieve him from his duties. Mr Mount has been associated with the industry for a long period. As assistant-secretary to the company at its start, and then as secretary, he has rendered long and faithful service to the company, and has acted most successfully as expert in the sale of copper, which in normal times plays an important part in our operations. I am sure you will join us in wishing long life and happiness to him in his retirement.

The Chairman concluded by moving the adoption of the report and statement of accounts.

Dr G. C. Clayton, C.B.E., in seconding, spoke of the happy relations which had existed with the employees of the company during the year in spite of reductions, which were accepted without complaint and without prejudice to the work done. Their workpeople, in fact, were working very well. During the period of slackness in the organic manufacturing department, great progress was made in developing new processes of manufacture, and they were well prepared to meet any demands that might be made upon the company when the dyeing industry revived. Those shareholders who visited the British Industries' Fair in London would have been impressed with the large range of products the company could now produce, and for which they hoped there would soon be a steady demand.

The motion was carried unanimously.

On the motion of the Chairman, seconded by Mr J. A. E. Rayner, a dividend of 4s per share was declared on the £10 preference shares, making, with the interim dividend paid in January last, a dividend of 4 per cent. on account of the 7 per cent. due for 1921, less income-tax.

Sir E. A. Brotherton, Bart., M.P., Mr Horace Muspratt, O.B.E., Mr C. Hewetson Nelson, and Mr William Windus, retiring directors, were re-elected.

The Chairman, replying to a vote of thanks which the meeting cordially passed, said they had real hopes they had passed through the worst of their difficulties, and were looking forward to prosperity.

The meeting was formally adjourned to a date to be fixed for the reception of the accounts and balance-sheet for 1921.

AFRICAN STEAMSHIP COMPANY. BOARD'S SOUND AND CAUTIOUS POLICY. HEAVY BURDEN OF TAXATION.

The annual general meeting of the African Steamship Company was held, on the 28th instant, at the company's offices, 23 Billiter street, London, E.C., the Viscount Pirrie, K.P., P.C., chairman of the company, presiding.

The secretary having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and gentlemen,—I presume you will take the report as read. In my speech to the shareholders last year I pointed out that the West African trade, in common with the general trade of the world, was passing through a bad time. The enormous and sudden fall in the price of all commodities had the effect of almost closing down for a time the trade of the West Coast of Africa, and indeed of the trade of the world. The burden of taxation has pressed especially hard on the native producers, and it is to be hoped that in West Africa, as well as here, the Government will be able to effect such a saving in their expenditure as will lighten the burden.

IMPROVEMENT IN TRADE.

I am glad to tell you that latterly there has been an improvement in trade generally, and I hope with the gradual absorption of stocks and the reduction in taxation there will come a healthy and permanent revival of trade. We are not yet through the bad times, but I am sufficiently optimistic to feel that we have almost touched bottom, and if we could only have a period free from industrial trouble I feel sure the trade of the country would soon get back into a healthy position. In times like these a spirit of friendly co-operation between merchants, shippers, and shipowners should be fostered so that if possible ships should be fully loaded both outwards and homewards, which would inevitably lead to economy

HEAD OFFICE:
1 Dale Street,
LIVERPOOL.



LONDON:
Chief Office,
1 Cornhill, E.C.3

TOTAL ASSETS exceed - £20,000,000
TOTAL CLAIMS PAID over - £102,000,000

FIRE. LIFE. ACCIDENT. ANNUITIES.

Marine, Leasehold Redemption, Burglary, Fidelity Guarantee, Motor Car, Plate Glass, Personal Accident, Workmen's Compensation, Sickness, Live Stock, Loss of Profits, &c.

OFFICES IN ALL THE CHIEF COMMERCIAL CENTRES

of working and a cheapening of freights, and be advantageous to all concerned.

DIVIDEND.

We propose to pay a dividend for the year 1921 of 8 per cent., less tax. This is a drop from the dividend paid last year, but I think you will agree with the directors that in view of the lean period which may still be before us we are wise in not reducing this year the substantial carry forward of £156,618; in fact, there is a slight increase upon that, the present carry forward being £156,906, and I feel sure, having regard to the time we have gone through and the future, so far as it can be foreseen, you will consider that this is a most satisfactory dividend.

The ships are well written down, and, notwithstanding that a large proportion of our fleet has been acquired at the high prices ruling since the termination of the war, our whole fleet stands in the books at a price certainly not exceeding the present market values.

It is a great gratification to the board that we are able once more to announce that no serious casualty has occurred to any of the company's vessels. This reflects the greatest credit on the personnel of the fleet, and I am sure I am only voicing your views when I say we are all deeply indebted to the masters, officers, and engineers for the efficiency and care they show in handling the company's vessels, and for so ably supporting in every way the directors in guiding the company through a most difficult time.

CAPITAL—SUB-DIVISION OF SHARES.

Since we last met we have increased the company's capital from £2,000,000 to £2,500,000 by the issue of £500,000 6 per cent. cumulative preference shares. These shares were offered to the shareholders in proportion to the amount of ordinary shares they held. The whole of this issue was subscribed by the shareholders.

At the same time, we thought it was an opportune moment to carry out the scheme of sub-dividing the ordinary £20 shares of the company into shares of £1 each. We had been asked on more than one occasion by the shareholders to do this, and we decided to obtain the authority of the shareholders to effect this change. The authority was unanimously granted by the shareholders at the extraordinary general meeting on December 2nd last, and the £20 shares have now been divided into shares of £1 each.

In January last year your directors felt that the time had come, in order to provide additional capital to pay for new tonnage and in order to extend the company's operations, to make an issue of £1,500,000 debenture stock. This issue met with an instantaneous success from the general public, and was largely over-subscribed.

THE DIRECTORATE.

It is with very sincere regret that I have to report the death of our old friend and colleague, Sir Joseph Savory, on October 1st last. Sir Joseph Savory had been a director of the company since 1912, and had always taken a keen and intelligent interest in its affairs, and we shall miss him very much.

I am sure you will all be gratified to know we have induced our friend, Sir Owen Philipps, whom we are all pleased to see with us to-day, to fill the vacancy on the board. Sir Owen Philipps' intimate knowledge of the West African trade, and his sure judgment in all matters connected with maritime affairs, will be of the greatest value to his colleagues and to the company.

I have now much pleasure in moving: "That the report and accounts be received and adopted."

Mr G. W. Neville seconded the resolution, and it was adopted unanimously.

FORMAL BUSINESS.

The Chairman next moved: "That a dividend of 4 per cent. be declared for the six months ended December 31, 1921, which, with the interim dividend of 4 per cent. paid on October 28, 1921, makes a total payment of 8 per cent. for the year 1921, less income-tax."

The resolution was seconded by Sir Owen Philipps, G.C.M.G., M.P., and carried unanimously.

The Chairman moved: "That Sir Owen Philipps, G.C.M.G., M.P., be re-elected a director of the company."

Mr G. W. Neville seconded the resolution, and it was unanimously agreed to.

On the motion of Mr Picton Jones, seconded by Mr Leslie Couper, C.M.G., Messrs Cooper Brothers and Co., chartered accountants, were re-elected auditors of the company at a fee of £500 for the year.

Mr Leslie Couper, C.M.G., proposed: "That a vote of thanks be given to the chairman, the directors, the superintendents, officers, and engineers of the company." In moving the resolution, Mr Couper referred to the urgent necessity for a reduction in taxation on the Coast.

The Rev Gardner Preston seconded the resolution, and the vote was unanimously accorded.

The proceedings then terminated.

IONIAN BANK, LIMITED.

SUCCESSFUL YEAR—INCREASED PROFIT.

The ordinary general meeting of the proprietors of the Ionian Bank, Limited, was held, on the 27th instant, at the offices of the company, Basilidon House, Moorgate, London, Sir John Stavridi, chairman of the company, presiding.

The secretary (Mr William A. Shaw, Litt.D.), having read the notice convening the meeting and the report of the auditors,

The Chairman said the year had been one of extraordinary difficulty and perplexity, causing the directors to act with the greatest caution. Nevertheless, the business had materially expanded and the profits had responded. Last year he warned the shareholders that, having regard to the financial boycott imposed upon Greece by the Great Powers and to the prolongation of the war in Asia Minor, Greece might find herself in such financial straits as would lead to disaster. Since then, war expenditure had continued, and no assistance from outside had been obtained. Those months had been a searching trial for the country. Since the autumn of 1912 Greece had never been at peace, and if her finances had withstood the strain it must be attributed to the inherent virility of the race and the adaptability of her public financiers. During these trying months the experience of the banking world in Greece had been one of almost uniform expansion and prosperity. So far, Greece had largely escaped the effects of the world-wide depression following the boom of 1920, and her temporary prosperity was reflected in the balance-sheet now presented. The trials of the Greek State had necessitated forced paper issues which had depreciated the drachma currency, reflected in Greek bank balance-sheets in inflated figures of deposits and profit. Further, the vagaries of Greek exchange had caused speculation in exchange, and at such a time the banks were bound to make the middleman's profit.

A WARNING.

These views made him utter a word of caution. They all looked forward to the time when Greece would be at peace, when demobilisation would have removed the one disordering influence in her finances, and when the drachma would return to par. The process of deflation would inevitably result in a contraction of the mere volume of the bank's business in the figures of the balance-sheet and the items of profit-and-loss account. While, therefore, he congratulated the shareholders on as prosperous a year as the bank had ever enjoyed, he must forecast the possibility of some contraction in the near future, but this outlook need cause them no apprehension. In proportion as deflation rehabilitated the drachma, so it would improve the sterling value of their Greek profits. For the moment, however, there was no question of contraction or deflation. Greece was being saved temporarily by the fall of the drachma, and as her chief exports were a virtual monopoly, she was able to exact to the full the advantages of a depreciated currency. The consortium established last June by the Government to regulate the export of capital, and thus to stabilise exchange, had operated in the direction of controlling imports and of checking exchange gambling. Inherently Greece was sound, and if she were at peace she would speedily right herself; but as these conditions did not prevail she had a daily increasing deficit, now amounting to Drs.2,547,618,110. All the new branches recently opened were developing very satis-

In Egypt they were on the threshold of a new era by the acknowledgment of the political aspirations of the people and the declaration of the country as an independent sovereign State. It was difficult to forecast the economic results.

EXPANSION OF THE BALANCE-SHEET FIGURES.

The expansion of the balance-sheet figures must have impressed itself upon the shareholders. It arose partly from satisfactory business in Greece, Egypt, and London, and partly from the conversion of the drachma accounts at the par rate of exchange. The adoption of the latter system swelled materially all the figures in the accounts, without affecting the sterling balance of profits. The directors were considering the conversion in future of the drachma assets at the exchange of the day on which the books were closed, at all events until the exchange was stabilised. If this alteration were made in the next balance-sheet, the figures would show a truer position in sterling, though they would not be properly comparable with those now presented. If the directors' recommendation were adopted, the reserve fund would be increased by £20,000, reaching £150,000, entirely in sterling. In cash notes, investments—mainly British Government short-term bonds—and bills receivable, the bank held £2,726,317, almost automatically realisable in case of need, showing a very strong position. All the investments stood in the books at considerably below market price, and there had been a further considerable increase in value since December 31. They showed a net profit of nearly £20,000 more than last year, with the result that, in addition to the usual dividend and bonus of 7 per cent., tax free, the board recommended the transfer of £20,000 to reserve fund, and of £5,000 to the pension fund.

The report and accounts were unanimously adopted.

OCEAN ACCIDENT AND GUARANTEE CORPORATION, LIMITED.

CORPORATION'S JUBILEE—RECORD REVENUE.

The fifty-first annual general meeting of the Ocean Accident and Guarantee Corporation, Limited, was held, on the 27th instant, at the Institute of Chartered Accountants, Moorgate place, London, Mr E. Roger Owen (chairman of the corporation) presiding. The manager and secretary (Mr W. Singleton Hooper) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of moving the adoption of the report and accounts, said: The revenue for the year amounted to £5,827,134, as against £5,730,054, an increase of £97,080, of which £65,784 is increase in premium income. The claim paid and provided for amounted to £3,008,341, representing 54.1 per cent. on the year's premium.

To-day we commemorate the fiftieth anniversary of the birth of our corporation, and we must all rejoice when we see what a mighty oak has sprung from the little sapling planted half-a-century ago.

The success of the corporation must have exceeded immeasurably the most sanguine hopes of its founders, and the following facts will, I think, be of interest to you.

ORIGINAL OBJECTS OF THE CORPORATION.

The original name of the company was the Ocean Railway and General Travellers Assurance Company, Limited, which was changed to the present one in 1890, when the business of the Ocean and General Guarantee Company, Limited, was amalgamated with it. Its objects were defined as "for insurance against accident by land and sea." It would appear that a voyage was then regarded as an adventure of considerable hazard, as also the original prospectus were devoted to quoting rates for insurance against "accidental death at sea" and against "railway accidents only," with a lower rate for the latter for suburban passengers travelling within a radius of 15 miles from the General Post Office.

Modern experience, however, proves that a train journey exposes anyone to less risk of accident than is incurred when at home.

Rates were also quoted for "railway and conveyance accidents" only. Finally, rates were quoted for insurance against "general accidents," and here, again, the fatal risk was evidently considered the important hazard, compensation for non-fatal accidents being offered merely as an addition to the fatal risk.

The policy was also limited to accidents occurring in Europe, and was full of restrictive conditions, which have long since been eliminated.

At the end of the first year the income was the modest one of £2,472, and 15 years later had only grown to £42,142; in the following decade it rose steadily to £334,075.

The Workmen's Compensation Act of 1898 then became law, and from that date we began to forge steadily ahead, and within a

year the income had more than doubled, and had increased to £727,637.

In 1901 we passed the million and in 1912 the two million mark, and in this our jubilee year we reach the record income of £5,827,134.

Figures of such magnitude are only obtained by a great deal of hard work, coupled with good organisation, and by giving to our insured efficient claims service, combined with prompt and liberal settlements. I venture to say that in this respect the reputation of the "Ocean" stands second to none.

Security is a vital factor in insurance, and I would like to emphasise to our agents and policyholders how strong the security is which we offer, as shown by our balance-sheet.

THE PAST YEAR.

Last year I indicated that this year would probably prove a difficult and anxious one in view of the great trade depression and the aftermath of the coal strike, and this has unfortunately proved to be the case, and we have to report a decreased profit as compared with 1920. Until trade becomes more settled and returns to its normal channels we must look forward to somewhat leaner years than those recently experienced, for it is a natural sequence that the prosperity of an insurance company and that of the mercantile world go hand in hand, for bad times must of necessity greatly increase the moral hazard, which is so important a factor in insurance. All possible precautions are taken, however, to safeguard our interests by careful selection and subsequent watch on the risks we undertake.

It will interest you to know that in 1920, to extend and to facilitate our operations in the U.S.A., we floated a subsidiary company, which has received the happily chosen and appropriate name of "The Columbia," and which has already so fully justified its formation that it has secured an income approximating £400,000 per annum, and gives every promise of proving in a few years to be a successful and important adjunct to the parent company.

The report and accounts were unanimously adopted, and the usual formal business transacted.

LEGAL AND GENERAL ASSURANCE SOCIETY, LIMITED.

RESULTS OF QUINQUENNIAL VALUATION.

An extraordinary general meeting and also the annual general meeting of the Legal and General Assurance Society, Limited, were held yesterday at 10 Fleet street, London, Mr Romer Williams, D.L., J.P. (chairman), presiding.

The Chairman, in the course of his speech at the bonus meeting, said: In the previous quinquennium the dominant factor was the war, and again in this last quinquennium that same factor has been in the ascendant. But while at the date of the last valuation—December 31, 1916—the recent calamitous struggle was still raging, on this occasion it is behind us. The quinquennium now under review may in fact be approximately divided into two equal periods of war and peace. But, unfortunately, the succeeding period of peace has been fraught with grave problems, the aftermath of the war, and the conditions confronting us have throughout differed in almost every respect from what we looked upon as normal peace conditions prior to 1914.

The surplus shown is £1,202,828, and of this amount the directors recommend that the sum of £1,142,828 be divided, leaving £60,000 to be carried forward in the Life Assurance Fund. Since the last valuation the Society's Act of 1919 has come into force, and by its provisions the with-profit policy-holders are entitled to a first charge on nine-tenths of the total divisible surplus from whatever assurance fund it may arise up to such an amount as may be necessary to provide a compound reversionary bonus at the rate of 38 per cent. per annum. The sum required for the purpose is £953,705. Adding to this the amount already distributed in the quinquennium as interim bonus, with interest thereon, amounting to £67,824, the total sum divided among the policy-holders is £1,021,529. It is, I think, a matter of congratulation to these policy-holders that they should again participate in a bonus upon such a satisfactory scale—one that will now have been declared by the society for the sixth consecutive quinquennial period. In case anyone should question the comparative position of these policy-holders under the old and the new regulations, I may perhaps say here that under the previous system they would have participated to the extent of £1,016,783 only, as against £1,021,529 now divided.

DIVISIBLE SURPLUS.

The balance of divisible surplus amounts to £121,299, and this sum belongs to the proprietors in accordance with the society's regulations. It is therefore proposed to transfer this to the profit and loss account, which now appears in the accounts for the first time in lieu of the former proprietors' fund. The

available balance in this account thus becomes £131,984, and it is proposed to transfer therefrom the sums of £3,500 and £2,000 to the credit of the Fire and Accident Funds respectively, leaving a balance available for dividend of £126,484. The purpose of these transfers is to bring the reserves in the Fire and Accident Funds at the beginning of this year up to the generally accepted standard of 40 per cent. of the premium income.

THE DIVIDEND.

With regard to the balance available for the proprietors, you will have noted that no recommendation as to payments of dividends is made in the report, as on previous occasions. The reason for this is that, now the society undertakes classes of business other than life, the directors feel it would be wise to make a departure from the custom hitherto in force, and this in fact in some measure is a necessity. With the transaction of life business only, the dividend provided by profits available, once these have been ascertained, could safely be indicated over the quinquennium, although, as you will remember, the actual dividend has only been declared annually. The same procedure could have been adopted now, but, after careful consideration, we came to the conclusion that, with the greater uncertainty that must necessarily attach to the transaction of other classes of business, it would be better to adopt a more cautious policy and omit in the report reference to a dividend which might lead to misunderstanding. The sum available in the profit and loss account (if the transfers recommended are approved by this meeting), together with the natural accretions during the period, and on the assumption that no unforeseen liabilities have to be provided for, will admit of the payment of the dividend of 3s. per share free of income-tax for the present and four succeeding years, and at this meeting I propose to ask your approval of the declaration of a dividend at this rate for the current year. The valuation report was adopted.

THE ANNUAL MEETING.

At the annual meeting the Chairman said: The number of policies issued in the year was 4,655, as against 5,334 in 1920. The sums assured were £3,674,780, as against £3,655,826, and the new premiums £192,249, as against £183,727.

I would like to make a passing reference to the fire and accident accounts. In these we have, as you see, an increase of £52,377 in the net premium income over that of 1920, of which £39,757 is in the fire account. The progress in these new departments is necessarily slow, but I think it is satisfactory, and the results shown so far indicate that we have every reason to hope for profits from them in the future.

The report was unanimously adopted.

PHOENIX ASSURANCE COMPANY, LIMITED.

COMPANY'S POSITION IMPROVED—DIVIDEND MAINTAINED.

The one hundred and fortieth annual general meeting of the Phoenix Assurance Co., Limited, was held, on the 26th instant, at Phoenix House, King William street, London, Sir Gerald H. Ryan, Bart. (the chairman), presiding.

The General Manager (Mr R. Y. Sketch) read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said: Thanks to our abundant accumulations of past profits, the comparatively meagre profits shown in the present accounts cause us no anxiety. Our dividend is easily maintained and our position strengthened. Though the fire business has not yielded its usual percentage of profit and the marine business has not been good, an excellent accident account has served to make up much of the leeway. In the fire department there has been a drop in the premium income from £5,171,578 to £4,745,020, due principally to slackened trade and reduced values of insurable commodities all over the world, but at 55.4 per cent. of the premiums they cannot be said to be extravagantly high. The expenses work out at 42.4 per cent. of the premiums. The percentage would have been higher still had we not, after most careful consideration, thought it desirable to pass all foreign and colonial taxes through profit and loss instead of the several revenue accounts. Subject to the same reservation, we show a profit of £274,482. Last year we carried £328,321 to profit and loss. In the great continent of America the company has well maintained its high position. The marine department account presents the peculiar feature of a somewhat rapid return to normal conditions from the temporary exhilaration of war times. The premiums amounted to only one-half of the figure of the preceding year and about one-third of that for the year 1917. General business conditions were completely unfavourable, and we can only view the result as another instance of adverse experience which can never be eliminated from insurance operations. The small profit of £23,157 is the outcome of past accounts which have been closed. The marine fund is abundantly

sufficient for all our obligations, and we look forward to better times.

ACCIDENT AND LIFE DEPARTMENTS.

A moderate growth of our premium income from £1,565,909 to £1,666,263, and a very satisfactory increase in the profit from £61,161 to £103,364 are the main features of our accident account. Exceptional circumstances in one or two special branches of the business tended to reduce the profit we might otherwise have shown, but the account stands on a very sound footing, and we have by no means reached the limit of our expectations either as regards further improvement or resulting profit. The working of our life account in the past year has been extremely satisfactory, and the financial position greatly improved by the turn of the tide as regards the movement in the prices of securities. The new life business is of substantial and satisfactory amount, and the account altogether presents no unfavourable condition. I may call attention to the fact that our life funds realised interest at the rate of no less than 4½ per cent. after deduction of income-tax, and as we calculate our liabilities on an assumed rate of only 3 per cent., there is a large and favourable margin making for future profits. It is gratifying to the Board to be able to declare bonuses on the British Empire policies up to the highest level attained in the past.

Passing to the profit and loss account, our dividend requires £369,600, as against £338,800 last year, or if we add to these figures the sums paid away as interest on Debenture stocks, £419,216, as against £388,535. This year our free interest amounts to £335,914, being some £20,000 less than last year, due mainly to the diminution of the marine fund through payment of the heavy claims arising on past accounts when the business was so much larger than it now is. We cannot entertain any doubt that a well-established business like ours, carrying £8,200,000 in premiums, should produce a very much larger profit than will suffice to make good this relatively small balance in our dividend payment. A margin of 1 per cent. on the premiums would give us all that is necessary, and I need hardly say that the normal profits of insurance companies are much greater than this. Our dividend, therefore, appears to the directors to be abundantly well secured.

I have no doubt you will expect some reference from me to the liquidation of the City Equitable Fire Insurance Company, and some of the companies which were allied with it. The first question you will wish me to answer is whether our company stands to lose any considerable sum by these regrettable incidents. On this point I am glad to be able to give you reassuring information. Our advisers do not anticipate any substantial loss. Of the incident itself, I will only remark that it cannot be said to have any bearing whatsoever on the position or credit of ourselves or the other great insurance institutions.

It has not, as you will have gathered, been a very good year for us, but we have maintained our dividend, improved our position, and our prospects are undimmed, so I feel that the general result will be considered satisfactory.

The resolution, after some congratulatory remarks from shareholders, was carried unanimously.

THE WORLD AUXILIARY INSURANCE CORPORATION, LIMITED.

"EXTREMELY SATISFACTORY RESULTS."

The third ordinary general meeting of the shareholders of the World Auxiliary Insurance Corporation, Limited, was held on the 26th instant, at Winchester House, Old Broad Street, London, the Hon. Sir Arthur Lawley, G.C.S.I., presiding.

The Chairman said: Ladies and gentlemen, I am sorry to say that our chairman, Sir John Wimble, is unavoidably absent. He was the victim of a very severe chill early in the week; the doctor packed him off to bed and is resolutely keeping him there. I am sure you will join with me in expressing our regret at the cause of his absence. In Sir John's absence it devolves upon me to try and fill his place and to read the speech which he has prepared.

In moving the adoption of the reports and accounts under review, I wish to say that the results shown have been obtained under conditions which may well be described as "unprecedented"—the depreciation in values and the general world-wide depression is such as has never been experienced before. Naturally, insurance companies have been seriously affected by the conditions which have prevailed, resulting in excessive competition for such business as has been available. In the circumstances I venture to think that the results which we are placing before you can be considered extremely satisfactory.

REVENUE ACCOUNT.

First, referring to the revenue account, the fire account shows that the net premiums underwritten amount to £172,499 16s 1d, which, with the amount brought forward, gives a total of

£238,547 0s 8d. Claims paid and outstanding amount to £113,492 14s 7d. Commissions and expenses amount to £59,594 19s 4d. After transferring £5,000 from profit and loss account, our fire fund stands in credit £70,459 6s 9d, which we carry forward as a reserve for unexpired risks.

The marine account shows that premiums, less reinsurances, amounted to £164,966 15s 11d, which, with the amount brought forward, gives a total of £294,917 5s 10d. Claims paid and outstanding on account of the period to December 31, 1920, amount to £64,603 3s. Claims paid and outstanding on 1921 account amount to £29,591 15s 10d. Expenses amounted to £10,887 6s, leaving at December 31st last a marine fund of £189,835 1s, or over 115 per cent. of the premiums written during the year 1921, which is a very satisfactory position and reflects great credit on our underwriter Mr Sharrman.

You will see that our total premium income on fire and marine accounts combined amounted to £337,466 12s, which is approximately the same figure as the period from the company's commencement to December 31, 1920. No doubt we could have very largely increased our premium income had we so desired, but in the state of the insurance market which existed both for fire and marine business, we deemed it advisable to exercise most careful circumspection in selecting the business offered us.

The profit and loss account, after writing off £6,489 12s 6d of our preliminary expenses, charging expenses not allocated to the fire or marine accounts, directors' fees and the amount of £5,000 I have already mentioned transferred to the fire fund, shows a balance of £7,371 5s, which we carry forward.

INVESTMENTS.

You will notice that the interest earned during the year amounted to £19,967 3s 1d. Our investments are fully classified in the balance-sheet, but if any shareholder would like to see a detailed list, one is available for his inspection. These investments cost £500,509 13s 10d, and at December 31st last (as the report states) showed an appreciation in value of over £15,000. To-day, I am glad to say, they show an appreciation of over £56,000, which I think we may say is a very satisfactory state of affairs. Our investments in America largely consist of British Government securities, part of which were issued in the United States, and, I am pleased to say, acquired on very favourable terms last autumn.

You will notice that a reserve of £2,600 has been made for bad and doubtful debts, which the underwriting management assures me is ample. I am glad to say that the company's transactions with the City Equitable and its associated companies were only of an insignificant nature, and the sum provided, as I have said, is considered more than sufficient to cover all bad and doubtful debts arising from the recent failures to which I have previously alluded, or any other causes.

The greatest asset any insurance company can have is the confidence of its policyholders and the insurance market in general, and I venture to think that the figures in our accounts and the cautious policy we are pursuing, both in the method of our underwriting and in not declaring a dividend on the present occasion, will go far towards attaining the object which we have in view.

Mr John Godwin seconded the resolution, which was carried unanimously.

ARMY AND NAVY CO-OPERATIVE SOCIETY, LIMITED.

DIFFICULTIES OF THE PAST YEAR'S TRADING.

The annual general meeting of the Army and Navy Co-operative Society, Limited, was held, on the 25th instant, at Caxton Hall, Westminster, London, Rear-Admiral J. de Courcy Hamilton, M.V.O., the chairman, presiding.

The general manager and secretary (Mr W. W. Workman) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said, in the course of his speech: When I had the pleasure of addressing you last year, the Board were in a position to recommend a dividend distribution at the same very favourable rate to which they had for so long been accustomed, notwithstanding the fact that the results for the year had not reached the high level of 1919 to 1920, which constituted a record considerably in advance of any previous year, and enabled us to add £60,000 to our reserve fund. That result, as also the results since 1914, was largely contributed to by special contracts and business incidental to the war.

We were encouraged to maintain our dividend last year, as our normal trade had shown a very satisfactory increase, and the society's financial position admitted of it. It was not, however, without some misgiving as to what the past year's results were likely to be, as, when we met at our last general meeting, the prospects of trade had assumed an unfavourable aspect, which

was unfortunately intensified beyond all reasonable expectation, and resolved itself into the most acute trade depression.

RESULTS OF TAXATION AND RATES.

I need not enter into the causes that have brought this about beyond referring to the impoverishing effect produced by the long-sustained and crushing burdens of taxation and rates, which had seriously diminished the spending power of the public. No class has been more severely hit in this respect than that which constitutes our membership, as, unlike many others, they have not been fortunate enough to have their incomes supplemented to meet the prevailing conditions. Your ability to spend has been seriously diminished.

To add to the difficulties of trading in the past year, the great slump in values of commodities had to be faced, and the consequent reductions in prices had a very serious effect upon our gross profits, which was only partly offset by our claim for refund of excess profits duty paid in previous year.

For some time past we have admitted officers, ex-officers, and cadets of all branches of H.M. forces to deal with the society free of charge, and in the past year we decided to admit nominees of shareholders as hon. members without payment of any subscription. This plan has been very successful, and as a result our orders are steadily increasing, and a large number of deposit order accounts have been opened by new members. Arising out of this, it became necessary to consider the claims of those who paid subscriptions for membership, and, although we shall lose an appreciable revenue by discontinuing the charge for tickets, and enfranchising members from future payments, we feel it is only fair to do so, and their tickets will be renewed without charge in future.

INDIAN BUSINESS AND VALUE OF RUPEE.

In considering the results of 1921-22, it is necessary to refer to some other causes which have operated against us. Our Indian business, which has contributed very materially to our prosperity in previous years, was not only hit by the fall in values of commodities, but had to bear the heavy drop of 33½ per cent. in the value of the rupee. Whilst the volume of trade actually showed an increase over that of the previous year, the net result has been seriously affected. The conditions of trade are still depressed, but it is at least satisfactory to know that those causes are not likely to recur in the current year. Another very important consideration which had affected trading results was the higher level of wages which had prevailed.

Dealing with the accounts, the Chairman said that he wished to call their attention to the very satisfactory financial position of the society, notwithstanding the trading difficulties which they had experienced. They had a cash balance of over £150,000, and their investments in Government and other securities amounted to over £300,000, apart from their debenture fund investment, which amounted to over £96,000. Their proposal was to pay a dividend of 10 per cent., which would leave £14,890 to be carried forward.

As regarded the current year, he could make no pronouncement. Many of the causes that had operated against them were unlikely to recur, and they were hopeful that the action they had taken would prove beneficial to the society's business. They had passed through a very anxious time, having weathered an economic crisis of extraordinary severity, and it was a relief to them to be able to present such a satisfactory and stable financial position as their balance-sheet disclosed.

After discussion, the report and accounts were adopted, and the formal business was transacted.

INDO-EUROPEAN TELEGRAPH COMPANY, LIMITED.

IMPORTANT DEVELOPMENTS.

The fifty-fifth ordinary general meeting of the Indo-European Telegraph Company, Limited, was held, on the 26th instant, at 18 Old Broad Street, London, Mr J. Herbert Tritton, the chairman, presiding.

The secretary (Mr John I. Bethell) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen, I have now to move that the accounts for the years 1919 and 1920 be and are hereby received and adopted; that a final dividend be and is hereby declared for the year ending December 31, 1921, of £1 2s 6d per share, free of income-tax (making, with the interim dividend already paid, 7 per cent. for the year), payable on May 1, 1922, subject to the Trading with the Enemy Act, to shareholders registered on April 13, 1922.

The report for 1921 contains a paragraph, "There are, however, at this moment certain important developments which the directors hope to have in shape to report to the shareholders at the general meeting." I am very pleased to inform you that the directors have at last good news to communicate.

The Polish concession was signed some time back.

Within the last few days we have been advised by the Russian Department of Posts and Telegraphs that our concession from the Moscow Government was signed on April 12th. This is, of course, a very important fact, as the concession covers the whole territory traversed by our line from the Polish frontier on the west to the Persian frontier on the east, transiting various federated States who have also approved the concession. We owe much to the efforts of our representative in Russia, Mr Watt, in this connection.

Our concession from Persia is already in existence, and that from the German Government, although not actually signed, owing to international politics, has for a long time been agreed in principle and should offer no difficulty. Shareholders will be glad to know that the condition of the company's line is more satisfactory than could, perhaps, have been expected. We are informed from a reliable source that the line is workable for a stretch of over 200 miles north-west of Odessa, whilst east of Odessa a similar state of affairs exists for 300 miles into the Crimea. Beyond the Straits of Kerch the line is in working order between Ekaterinodar and Tiflis. Between Tiflis and Erivan there is a short section where the repairs have not yet been completed. The section Erivan-Djoulfa, on the Russo-Persian frontier, has undergone repair, and is now in working order, as is also the company's Persian section, Djoulfa to Teheran.

Further, you will be pleased to hear that the Black Sea cable, Odessa-Constantinople, is again in working order, and, we understand, has already been officially opened by the Soviet Government representatives at Odessa. This cable will therefore shortly be able again to carry the classes of traffic formerly dealt with by it, and will, we hope, help to re-establish business relations generally with Southern Russia and the Black Sea ports.

We are also informed by the Indo-European Telegraph Department that their Persian lines are in good order and are available at any moment.

The most arduous part of our work is, undoubtedly, the section from the German and Polish frontier on the west to the Polish-Russian frontier on the east. Much of our line in that territory has absolutely disappeared as a separate international line, and where three or four wires were suspended there are now ten to twenty of all sorts, including telephone wires; we therefore, in

THE ANGLO-SOUTH AMERICAN BANK, LIMITED,

Capital and Reserves exceed £13,000,000.

BRANCHES IN SPAIN:

BARCELONA: Plaza de Cataluna
BILBAO: Estación 6
SEVILLE: Plaza de la Constitución

MADRID: Av. Conde Penálvia
VALENCIA: Calle Pascual y Genis.
VIGO: Calle del Principe

HEAD OFFICE:

62, Old Broad Street, London, E.C.2.

accord with the Polish Government, arrived at the conclusion that our line must be rebuilt in a new location, namely, along the great chaussées or high roads. Our engineering staff is on the spot, as also the material required, but the work of building a fresh line of some 400 miles will occupy some months.

It may interest you to know that every detail for the constructional work has been elaborated here, in conjunction with our chief engineer, Mr Cook, and the variety of material and appliances that have been provided is legion; such things as specially constructed six-wheel lorries for transport of oak poles and other material, a motor caravan to enable the engineers to live on the spot, cars for travelling from one erecting gang to another, all tools and line tackle—in fact, a hundred and one items.

It is of the utmost importance to the shareholders that the Indo route should again carry international traffic, and the directors are making arrangements, where the company's line cannot at once be made available, to obtain from the Governments concerned the temporary use of a wire or wires to enable us to carry through traffic. This should offer no difficulty, and the directors hope before long to be able to announce that the Indo route is once more carrying international traffic, after being totally interrupted since July 31, 1914.

Sir William R. Brooke, K.C.I.E., seconded the resolution, which was carried unanimously.

BIRMINGHAM SMALL ARMS COMPANY, LIMITED.

COMPANY'S NEW PROGRAMME.

The annual meeting of the Birmingham Small Arms Company, Limited, was held, on the 25th instant, at the Grand Hotel, Birmingham.

Sir Hallowell Rogers (chairman of the company), who presided, proposed the adoption of the report and balance-sheet and the declaration of the preference dividend (leaving £219,815 to be carried to the current year's account).

Having dealt with some of the details of the accounts and the report, the Chairman reviewed the trade of the B.S.A. Engineering group—namely, B.S.A. Tools, Wm. Jessop and Sons, and Burton, Griffiths and Co. He pointed out that the drop in the exports of the country as a whole had led to a greatly diminished demand for tools, high-grade steel and imported machinery, with the consequence that each of these three concerns had been involved in losses. But there was no loss of goodwill, and there was every indication that a revival of trade would restore them to a profit-earning basis.

Summarising his review of the past, Sir Hallowell Rogers said:—During the last 18 months we have been faced by a period of unexampled trade depression just when we had laid down a programme made in the expectation of a great trade revival, but it was to be ready for this revival that Jessop and Sons and Burton, Griffiths and Co. were acquired and the Coventry road shops built. The question which your directors have had to consider is, can we put these additions to our resources to profitable use to-day? I will proceed to tell you why we think we can do so. Our five years' war production of Lewis guns and military rifles gave us an exceptional experience in the most obvious method of reducing costs. We framed our 1919 policy, therefore, on this method. We planned to make the smallest possible range of products on the largest possible scale. At Coventry we had two types of touring car, the Daimler 45 h.p. and the Daimler 30 h.p. Each of these stood out pre-eminently, and the demand for them, both at home and abroad, seemed to be assured. Similarly, the 6-7 h.p. and four and a quarter motor-cycles that we had been making in Birmingham, with our full range of pedal cycles, were well-proved products, and we counted on a similar demand for these.

LARGER RANGE OF CARS.

With the practical closing of the export markets the period of depression in the home trade set in, with its consequent restriction in the spending powers of the public, and our products, because they are of the highest class and therefore of the highest price, suffered most. Just when people were compelled to be as economical as possible, the running cost of high-class large-power cars was exceptionally high. That a limited range was not sufficient to fill our factories became obvious to us, and accordingly last year we put upon the market a 20-h.p. Daimler and a 10-h.p. B.S.A. air-cooled car. The reception of both has been most gratifying, and we intend to carry this principle to its logical conclusion.

It is therefore our settled policy for the Daimler Company to put upon the market a complete range of cars. It will maintain an output of its present standard sizes, 45-h.p. and 30-h.p.; it will add to this cars of all sizes down to and including a 12-h.p. The B.S.A. Company will continue the manufacture of its 10-h.p.

air-cooled car, the success of which is assured. We shall thus be able to offer a car in every size for which experience shows there is a demand. Similarly the B.S.A. Company will also add to its range of motor-cycles.

In every field in which either Daimler or B.S.A. has yet competed, each company (so excellent is their reputation for design and workmanship) has received what may be called a lion's share of the market. We are not, therefore, uneasy as to the sale of our output when every agent can add to his own goodwill by making full use of ours.

This extension of our programme will occupy, we believe, the whole resources of the company. Though our car programme will mostly be a Daimler programme, its execution will demand the full employment of all our factories at Small Heath, Sparkbrook, Redditch, Coventry road, Coventry itself, and Radford, all of which will co-operate to make this programme effective. It will necessitate, too, drawing upon Jessops for its steel supply, and will, we believe, in spite of a temporary falling off in our export trade, completely vindicate the acquisition of the further facilities for manufacture which we recommended to you three years ago.

The Chairman concluded by moving the adoption of the report, Mr Edward Manville, M.P., deputy-chairman, seconded, and, after the chairman had answered several questions, the motion was agreed to.

VOTE OF THANKS TO THE CHAIRMAN.

Mr Dudley Docker moved a vote of thanks to the Chairman. "I know," he said, "how difficult conditions have been. I know something of this board and this business, and I can assure you they have passed through a very difficult time, in my judgment, with great success. It is not satisfactory to know you don't get a dividend; but, in my judgment, it was impossible to earn it."

Mr Berkett Barker seconded, and expressed agreement with the remarks of Mr Docker. The resolution was carried unanimously.

FAIRBAIRN, LAWSON, COMBE, BARBOUR, LIMITED.

BEST RESULTS EVER SHOWN.

The twenty-third ordinary general meeting of Fairbairn, Lawson, Combe, Barbour, Limited, was held, on the 27th instant, at the Liverpool street Hotel, London, Mr J. Campbell Inglis presiding.

The Chairman, in moving the adoption of the report and accounts, said that the association with this company of the old-established businesses of Urquhart, Lindsay, and Co., Limited, and Robertson and Orchar, Limited, was a logical consequence of the establishment of this company in 1900, and would, the directors were convinced, be of great and permanent advantage to it. During the eight years prior to the amalgamation the Dundee firms proved their great earning powers, and the experience gained since the amalgamation confirmed that proof. The essence of the arrangement was that they had put the coping-stone on the edifice of their business. They had previously confined their attention to the preparing and spinning end of textile machinery, while their friends at Dundee had concentrated on weaving and finishing machinery. The whole range now came within the compass of the association.

Dealing with the accounts, he remarked that shareholders would have appreciated that the results shown were the best so far attained by the company. The item of sundry creditors included not only corporation profits tax—that grotesque and unfair imposition, the whole burden of which fell on the ordinary shareholders—but also the balance of the Dundee purchase money. The latter was a transitory item; and he wished he could think that the profits tax would likewise disappear. The directors, in recommending a final dividend of 13 per cent., making 18 per cent. for the year, were not only giving a good return to the ordinary shareholders, but, what was even more important, were adding to the permanent strength of the company by reason of the very substantial addition it enabled them to make to the reserve, with, in addition, a splendid carry forward. As in the case of their own company, the Dundee businesses had also done right well during the five months that they had been under this company's control, and they had the satisfaction of being able, out of the profits of those businesses, to write £50,000 off that part of the purchase money which represented the benefit of current contracts—a course which, he was sure shareholders would agree, was not only prudent but absolutely in the interests of their great undertaking. With regard to the Indian company, production should commence at a very early date, and Major Combe, the managing director, was full of confidence as to the future of the undertaking.

Mr H. L. Whalley seconded the motion, which was carried unanimously.

MONTE VIDEO WATER WORKS COMPANY, LIMITED.

EXCHANGE LOSSES—NEGOTIATIONS WITH THE GOVERNMENT.

The forty-third ordinary general meeting of the Monte Video Water Works Company, Limited, was held, on the 25th instant, at 52 Moorgate, London, Mr James Anderson (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the accounts showed a less favourable result than any they had laid before the shareholders for many years past. That was entirely due to a heavy fall in the sterling value of the currency in which their income was received. Taking the Uruguayan dollar at par, their gross receipts were only £2,212 under those of the year preceding, and that small increase was more than balanced by a saving of £4,675 in the expenses, so that the net result for the year expressed in dollars at par was £2,462 over that of the year preceding. The total amount they had had to charge to last year's profits for loss in exchange came to £35,404. The result was that in the year under review they had nothing to put to reserve, and had even to trench on the carry forward to pay their usual dividend of 8 per cent. The loss on exchange was quite exceptional.

With regard to the working of the business, the progress during the year had been quite satisfactory. The number of services at the end of December was 40,991, an increase of 1,513. Every new customer added to their revenue, but they felt they were nearing a point where they would have seriously to consider whether they were justified in taking any fresh customers, as the maximum demand during the hot weather had almost reached the limit of their capacity to supply. Two years ago they had realised that the time had come when the question of the increasing demand for water should be studied, and in May, 1920, he had placed the whole position before the Uruguayan Government. At that time the Government was considering a canal scheme, under which water would be brought to the neighbourhood of the city by gravitation, and a supply secured at a price lower than that charged by the company. The Government support of that competitive scheme naturally made it impossible for the company to undertake a costly extension of their plant. That was made clear to the Government. Negotiations had arrived at a point where an agreement to sell the property to the Government had been practically reached, when the Minister of Public Works resigned. His successor had intimated that he would require a further technical inspection, and that was the position of matters at the present moment.

The report and accounts were unanimously adopted.

SCHWEPPE'S, LIMITED.

INCREASED PROFITS.

The annual general meeting of Schweppe's, Limited, was held on the 27th instant, at the offices, 1 Connaught place, London, Sir Ivor Philipps, K.C.B., D.S.O., M.P., presiding.

In moving the adoption of the report and accounts, the Chairman said that he thought, on the whole, they might look upon the balance-sheet as a fairly satisfactory one. So long, however, as they had the item of goodwill standing at over £300,000, it could not be said to be thoroughly satisfactory, because there was no getting away from the fact that the ordinary and deferred shares were at present represented by no asset other than goodwill. The gross profit showed an increase of £21,000 and the net profit of £96,722 was an increase of £2,600 over the preceding year. They had not yet been able to get the Government to settle upon the amount of compensation which they proposed to pay them for the use of their Hendon factory during the war, but they had received £4,000 on account, which sum had been included in the present accounts. He particularly desired to draw attention to their Colonial department, the development of which was a comparatively new departure, and was now rapidly increasing its sales. They were taking the very greatest trouble to ensure that the output should be of the very highest quality and made of the very best materials, fully upholding Schweppe's reputation for putting out nothing but the best. He would especially draw attention to their lemon squash, which was second to none on the London market, and by many was considered the best. As to the current year's trade, he did not wish to prophesy, as so much depended upon conditions that would prevail during the year. They were probably not so subject to weather conditions as other mineral water manufacturers, but 1921 was a specially good year, owing to the long spell of warm weather experienced during the summer, and it would have been better still but for the high cost of materials. The result of the year's trading would no doubt have been still better had not the export trade been so restricted. That was partly due to the exchange, which in almost every part of the world was against them, and made it almost impossible to do business. He expressed the hope that when the exchange and

other conditions righted themselves to be able to revert to their pre-war trade on the Continent and other parts of the world.

Mr Charles Williamson Milne (deputy-chairman) seconded the motion, which was unanimously adopted.

NUNDYDROOG MINES, LIMITED.

SATISFACTORY YEAR'S OPERATIONS.

The first ordinary general meeting of the Nundydroog Mines, Limited, was held, on the 26th instant, at Cannon street Hotel, London, Mr V. Herbert Smith (the chairman of the company) presiding.

The Chairman said that the scheme of reorganisation sanctioned by the shareholders in November, 1920, had proved a great success, the issue being considerably over-subscribed. During the re-organisation operations were continued without interruption, and regular monthly returns of gold had been obtained. In the year under review 105,682 tons of quartz were treated at the battery, in addition to which 53,520 tons of tailings and 108,970 tons of slimes were dealt with at the cyanide works, yielding a total of 63,022 ozs. fine gold of an estimated value of £333,829. Compared with the previous year the gold receipts showed a decrease of £32,941. The principal cause of the diminution in the proceeds was to be found in the grade of the ore treated, which showed a falling off of 1 dwt 7 grains per ton. Nevertheless, the profit for the past year amounted to £105,421, against £109,781 in the previous year, being a difference of only £4,360. This comparatively satisfactory result was to a great extent due to the fact that the costs for 1921 showed a decrease of £25,432. The favourable Indian exchange had played an important part in this connection, but every effort had been made during the year to economise where practicable and consistent with efficiency. With a deepening mine, such as they had, the board fully realised the necessity of keeping a vigilant eye on all expenditure, and the managers in London, as well as the superintendent and technical staff in India, were ever watching for improvements in methods of working which gave promise of assisting to bring down operating costs. They were still under the war's influence in the matter of costs of labour and material, which were adverse factors affecting mining enterprises throughout the world. Dividends amounting to 15 per cent. for the year, less income-tax had been paid. In addition a dividend of 10 per cent., less tax, was distributed out of the profits made in the previous year by the old company, the latter distribution being made in accordance with the terms of the reconstruction agreement.

The ore reserves had been well maintained and were estimated at 175,200 tons on December 31st last, showing an increase of 9,400 tons. Close attention had been given to the provision of suitable machinery and plant to permit of mining at greater depth. This, it would be remembered, was the primary object of obtaining fresh capital in the latter part of 1920. In view of the recent improvements which had occurred in the deepest levels the directors continued to take a favourable view of the future of the mines. He moved the adoption of the report and accounts.

Mr Edgar Taylor seconded the motion, which was carried unanimously.

HOPE BROTHERS, LIMITED.

BURDEN OF EXCESSIVE TAXATION.

The twenty-second annual general meeting of Hope Brothers, Limited, was held, on the 27th instant, at the Cannon street Hotel, London, Mr Thomas E. Goodyear (the chairman) presiding.

The secretary (Mr F. L. Brayne), F.C.I.S., having read the notice and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said that in common with most other businesses in the country they showed a smaller amount of profit for the past year than they had done for several years. That, as they would judge, was due to the severe fall in prices, and a contributory cause was the heavy taxation to which they were subject. In cause was the heavy taxation, income-tax, corporation tax, local rates, Imperial Health and Unemployment Insurance they had paid more than three times the amount paid in the last pre-war year. He maintained that the present amount of taxation was altogether too excessive, and he expressed the hope that the efforts now being made to effect some relief to the taxpayer might be successful, but persistent and determined effort would be needed if a substantial reduction was to be effected. The present heavy taxation was draining the resources of the country, and was undoubtedly one of the factors which was hindering the general revival in trade. They had, of course, suffered in their manufacturing departments from the severe fall in prices, but their retail department, he was glad to say, had been entirely satisfactory. The total of their trade was slightly less than last year, the reduction occurring almost entirely in the closing weeks of the year, but the volume

of trade—that was, the quantity of goods sold—was largely in excess of the previous year. As to the future, it was, he said, impossible for anyone to prophesy with any degree of confidence. The past year had, he supposed, been the most anxious and difficult in the history of the company, and he did not think they could altogether count on smooth sailing during the current year. He was afraid they must still expect to be handicapped by excessive taxation, and there seemed little likelihood of a cessation of labour troubles and their accompaniment of unemployment. Those factors rendered it impossible to speak with certainty with regard to the future, but he had every confidence that at their next meeting they would be able to show substantially improved results.

Mr W. W. Greenslade seconded the motion, which was agreed to unanimously.

GOLDSMITHS AND SILVERSMITHS COMPANY, LIMITED. CHAIRMAN OPTIMISTIC OF THE FUTURE.

The 23rd ordinary general meeting of the Goldsmiths' and Silversmiths' Co., Limited, was held, on the 28th instant, at the registered office of the company, 112, Regent street, London, Mr A. T. Isaac (the chairman) presiding.

The secretary (Mr James W. Rice) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of moving the adoption of the report and accounts, said: In addition to the payment of 5 per cent. on the cumulative preference shares, they recommend the payment of 5 per cent. on the ordinary shares for the year, carrying forward, including the amount brought in, £22,690 16s 6d, to the new profit and loss account.

Our business is one which deals with objects of personal adornment and the innumerable accessories to a refined level of life. It is therefore not difficult to understand that heavy taxation and flagging industries have affected our returns very seriously. We need not assume, however, that the taste for beautiful things no longer exists, and it is more reasonable to believe that as times improve the old demands will re-assert themselves, and we shall not be behindhand in making up for lost time. In the more necessary articles of household use, such as table appointments, our sales have kept up well. This is satisfactory, as the goods we supply are of the finest quality, and it shows that the public are willing to pay for the best workmanship and the best materials. In fact, "good value tells."

Fine pearls still retain their pride of place. We have during the year sold some very important lines, and our reputation for a fine stock of the choicest pearls is becoming increasingly known. At the present time we are in a position to compete with any house in the trade for the finest quality of pearls. Our military department, which specialises in modelling of every kind, continues to grow, and we have supplied a great number of centre-pieces, guns, aeroplanes, and such like articles in silver and bronze. Our skilled artists have been much praised for their designs. Wrist watches are keeping well to the fore. We are continually improving our models, and are effecting economies in the manufacture which enable us to put them on the market at the lowest possible price. As regards jewellery generally, the lower-priced articles find a fairly ready sale, but the more highly-priced are not in such great demand at the present time.

The report and accounts were unanimously adopted, and the usual formal business transacted.

GOVERNMENT RETURNS.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £50,000,000 in three months' Treasury Bills dated from Monday to Saturday, May 1-May 6, were opened on April 28, 1922, and the total amount applied for was £81,875,000. Tenders for Monday to Friday bills at £99 7s 11d, about 65 per cent., above in full. Saturday bills at £99 8s 1d and above in full. The average rate of discount was £2 7s 5.81d.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	5% Treasury Bonds, 1927. Average Price.
1922.				
March 24	(a) 60,000,000	(a) 95,512,200	£ s d 3 2 6.3	99 14 6.68
March 31	(a) 60,000,000	(a) 105,935,000	2 17 11.21	99 16 7.91
April 7	(a) 60,000,000	(a) 118,596,000	2 13 1.68	100 15 0.44
April 13	(a) 65,000,000	(a) 114,371,000	2 7 6.33	101 11 0.69
April 21	(a) 65,000,000	(a) 73,555,000	2 9 1.90	101 17 8.58
April 28	(a) 50,000,000	(a) 81,875,000	2 7 5.81	..

(a) Including Treasury Bonds.

Tenders will be received on Friday, May 5, 1922, for Treasury Bills to be issued to the maximum amount of £50,000,000.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Coins Outstanding.	Investments Reserve Account.	Advances to Bankers.	Savings Banks.	Gold and Coin in Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance of Bank of England.
1914.	£	£	£	£	£	£	%	£	£
Aug. 26.	21,535	..	6,302	3,810	..	..	..	..	11,423
Dec. 30.	38,478	..	169	600	18,500	..	48.1	9,924	9,288
1915.									
Dec. 31.	103,125	729	159	249	28,500	..	27.6	54,621	20,536
1916.									
Dec. 27.	150,144	2,430	64	40	28,500	..	19.0	118,102	6,868
1917.									
Dec. 26.	212,782	8,554	39	675	28,500	..	13.4	186,637	5,486
1918.									
Dec. 31.	323,241	15,529	..	570	28,500	..	8.9	305,133	4,566
1919.									
Dec. 31.	356,152	17,182	250	245	28,500	4,000	9.1	337,537	2,802
1920.									
June 30.	357,356	16,700	..	190	28,500	13,400	11.7	331,660	305
Dec. 29.	367,626	16,962	..	..	28,500	19,450	13.0	336,504	134
1921.									
Mar. 30.	343,826	15,599	Silver Coin.	..	28,500	19,450	13.9	311,334	141
June 29.	323,884	14,965	..	..	28,500	19,450	14.8	287,750	143
Sept. 28.	314,382	14,830	..	..	28,500	19,450	15.2	278,119	143
Dec. 28.	325,584	14,668	..	..	28,500	19,450	14.7	289,131	161
1922.									
Mar. 30.	300,351	14,255	..	5,000	28,500	19,450	15.9	261,479	177
April 20.	307,300	14,186	..	5,000	28,500	19,450	15.6	264,391	145
April 27.	303,229	14,092	..	5,000	28,500	19,450	15.8	264,221	150

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,556,200, and for 1922 at £309,988,400.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Receipts.	Week Ended	Week Ended
	Apr. 1, 1922, to Apr. 22, 1922.	Apr. 1, 1921, to Apr. 23, 1921.	Apr. 22, 1922.	Apr. 23, 1921.
Balances in Exchequer on 1st April:				
Bank of England	9,963,424	2,591,051	..	..
Bank of Ireland	1,210,108	483,455	..	..
REVENUE.	11,173,530	3,074,506	..	..
Customs	4,895,000	8,167,000	1,700,000	2,800,000
Excise	10,218,000	13,310,000	7,438,000	8,139,000
Motor Vehicle Duties	680,000	725,000	..	..
Estate, &c., Duties	3,551,000	2,347,000	610,000	799,000
Stamps	532,000	68,000	..	122,000
Land Tax, House Duty, & Mineral Rights Duty	..	..	..	..
Property & Income Tax (including Super-Tax)	30,530,000	31,813,000	4,173,000	5,555,000
Excess Profits Duties, &c.	304,000	5,716,000	200,000	1,320,000
Corporation Profits Tax	1,016,000	540,000	..	240,000
Post Office	2,300,000	2,250,000	900,000	750,000
Crown Lands	..	..	..	..
Interest on Sundry Loans	227,091	44,496	..	44,496
Miscellaneous	..	..	..	..
Ordinary Receipts	5,514,902	1,898,805	864,476	457,261
Special Receipts	9,556,400	5,638,000	513,000	750,000
Revenue	63,024,393	73,429,301	16,718,741	21,026,757
Total, Inc. Balance	74,197,923	76,603,807	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid:				
Bullion	200,000	400,000	..	150,000
Money Raised by Creation of Debt:				
(a) For Capital Expenditure Issues:				
Under the Telegraph (Money) Act, 1920 to 1921	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921	..	..	..	..
(c) For other issues:				
By Treasury Bills for Supply	181,033,000	391,192,000	54,650,000	126,955,000
By National Savings Certificates	21,480,000	2,460,000	380,000	500,000
By Treasury Bonds—				
5-15 year, 1925-35	54,259,268	705,000	..	105,000
5%, 1927	..	..	20,310,575	..
By Other Debt created under the War Loan Act, 1914 to 1919	..	1,147,658	..	1,147,658
(d) Ways and Means Advances	76,400,000	77,900,000	10,900,000	24,000,000
Repayments—				
In respect of Issues under Land Settlement (Facilities) Act, 1919 and 1921	5,381	2,029	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920	..	3,750	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	..	71,624	..	3,750
Total	407,575,572	550,385,868	102,959,316	173,939,779

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended	Week Ended
	Apr. 1, 1922, to Apr. 22, 1922.	Apr. 1, 1921, to Apr. 23, 1921.	Apr. 22, 1922.	Apr. 23, 1921.
EXPENDITURE.				
Permanent Charge of Debt	3,281,893	3,147,382	..	11,068
Interest, &c., on War Debt	31,707,815	33,649,721	923,048	3,836,576
Road Fund	89,000	122,000	..	..
Payments to Local Taxation Accounts, &c.	..	90,000	..	..
Payments to Northern Ireland Exchequer	100,000	..	..	..
Land Settlement	93,564	178,640	14,252	55,184
Other Consolidated Fund Services	39,401	227,328	..	..
Supply Services	16,000,000	40,774,000	4,900,000	11,450,000
Expenditure	51,311,676	78,169,131	5,926,300	15,352,822

	Total Receipts into the Exchequer from	Receipts.	Week Ended	Week Ended
	Apr. 1, 1922, to Apr. 22, 1922.	Apr. 1, 1921, to Apr. 23, 1921.	Apr. 22, 1922.	Apr. 23, 1921.
OTHER ISSUES.				
Temporary Advances—				
Bullion	..	400,000	..	150,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1920	84,909	84,909	..	..
Under the Unemployment Insurance Act, 1921	1,010,000	..	190,000	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1920 and 1921	..	600,000	..	..
Under the Post Office (London) Railway Act, 1913	13,000	25,000	13,000	25,000
Under the Housing Act, 1914	..	..	..	..
Redemption of Unfunded Debt—				
Treasury Bills for Supply	296,075,000	419,703,000	87,420,000	138,402,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917	683,176	2,769,828	142,602	1,232,982
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (5) of the Finance Act, 1920	1,700,000	500,000	400,000	..
(b) Repaid otherwise	..	1,350,000	..	600,000
Principal of Exchequer Bonds paid off	18,136,605	..	..	..
5%, 1922, £19,136,605; less: paid off by the National Debt Commissioners, £1,000,000—	..	..	..	..
£18,136,605	..	..	..	..
Other Debt under the War Loan Act, 1914 to 1919	..	4,142,579	..	3,642,579
Ways and Means Advances Repaid	35,250,000	36,095,000	8,750,000	12,545,000
Depreciation Fund, under the Finance Act, 1917	..	1,500,000	..	500,000
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	..	980,000	..	980,000
Balances in Exchequer—				
Bank of England	404,264,366	546,364,447	102,841,902	173,455,387
Bank of Ireland	1,213,561	1,996,956	55,414	38,402
Bank of Scotland	1,177,545	2,024,465	62,000	466,000
Total	3,311,206	4,021,421	117,414	504,402
Treasury, April 24, 1922.				

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.

Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

Clerical, Medical & General

LIFE ASSURANCE SOCIETY.

2½% Valuation
and
BONUS as BEFORE

Chief Office: 15, St. James's Square, S.W.1, London

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, April 26, 1922.

ISSUE DEPARTMENT.

Notes issued	145,502,285	Government debt	11,015,100
		Other securities	7,434,900
		Gold coin and bullion	127,052,285
	145,502,285		145,502,285

BANKING DEPARTMENT.

Capital	14,553,000	Government securities	47,534,146
Res.	14,668,589	Other securities	78,461,465
Public deposits*	119,698,251	Notes	24,195,230
Other deposits	17,387	Gold and silver coin..	1,820,533
Seven-day & other bills	152,011,374		152,011,374

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Account.

COMPARISON with PREVIOUS WEEK and a YEAR AGO.

	Amount, April 26, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,074,147	6,315	61,675
Public deposits	14,668,589	2,165,916	623,400
Other deposits	119,698,251	1,936,958	6,270,017
Government securities	47,534,146	920,000	7,092,897
Other securities	78,461,465	359,714	7,579,850
Reserve	25,015,763	327,235	7,727,323
Note circulation	121,507,055	331,190	7,212,670
Coin and bullion	128,872,818	3,955	514,653
% of reserve to liabilities	198%	+	68%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.
1922.	£	£	£	£	£		
Feb. 1.....	128,752,275	123,586,655	160,396,003	154,793,313	23,615,620	142.5	14.5
8.....	128,748,360	122,666,755	169,135,206	162,649,169	24,531,605	141	14
15.....	128,762,519	121,752,490	152,373,436	144,991,491	25,460,029	169.4	14.5
22.....	128,761,537	121,545,695	137,755,462	130,184,265	25,665,842	168	14
Mar. 1.....	128,762,306	123,093,340	135,643,344	129,715,387	24,118,966	173.5	14.5
8.....	128,763,967	122,824,155	138,265,592	131,468,690	24,979,809	180	14.5
15.....	128,775,441	121,758,145	134,549,141	127,267,681	25,467,240	184	14.5
22.....	128,779,763	121,704,935	142,190,053	134,862,288	25,528,318	186	14.5
29.....	128,771,201	122,718,940	150,541,824	144,248,557	24,508,261	169	14.5
April 5.....	128,779,159	122,896,990	156,588,233	139,776,958	24,531,605	169	14.5
12.....	128,863,165	124,435,445	149,004,598	130,184,265	24,873,820	171	14.5
19.....	128,876,775	123,436,245	135,598,758	126,555,897	25,688,528	194	14.5
26.....	128,873,818	121,307,055	134,366,840	125,995,911	26,015,763	198	14.5

[April 29, 1922.]

BANK OF FRANCE.

(000's omitted.)

Assets.	April 27, 1922.	April 27, 1922.	April 27, 1922.	Week's Movement.	Position May 28, 1921.
Gold coin and bullion	5,526,878	5,526,603	5,514,735	+ 275	3,730,625
Of which held abroad	1,948,367	1,948,367	1,948,367		632,650
Silver coin and bullion	282,732	282,732	271,386	+ 9	2,327,775
Discounts and advances	4,305,726	4,305,726	4,305,726		5,811,875
LIABILITIES.					
Notes in circulation	35,787,208	35,951,264	36,211,184	- 164,056	183,700
Government deposits	53,962	35,279	71,540	+ 18,693	845,950
Private deposits	2,358,046	2,310,435	2,296,379	+ 47,611	

BANK OF SPAIN.

(000's omitted.)

Assets.	April 28, 1922.	April 15, 1922.	April 1, 1922.	Week's Movement.	Position May 30, 1921.
Gold	2,521,978	2,521,978	2,521,333		521,775
Silver	635,710	635,710	635,710		728,600
Loans and discounts	2,409,380	2,441,266	2,452,664		800,725
Spanish 4% stock	344,475	344,475	344,475		344,475
Treasury bills	150,000	150,000	150,000		150,000
LIABILITIES.					
Circulation	4,180,357	4,194,601	4,202,894		1,901,550
Deposits	1,112,242	1,116,788	1,111,054		477,500

NATIONAL BANK OF GREECE.

Assets.	Mar. 28, 1922.	Mar. 13, 1922.	Mar. 28, 1921.	Previous Return.	Last Year.
Gold and balances abroad	1,368,187,302	1,381,045,315	1,447,677,007	-12,858,013	-79,489,705
Government loans and securities	2,556,710,943	2,561,408,649	1,296,429,232	-1,697,706	+126,328,711
Discounts and loans	782,257,370	751,618,810	757,970,934	+30,638,586	+24,886,436
LIABILITIES.					
Notes in circulation	2,255,180,081	2,217,579,786	1,579,508,668	+37,600,275	+675,671,393
Government deposits	121,513,787	153,358,162	107,803,611	-31,424,375	+13,704,176
Private sight deposits	1,013,475,799	1,037,150,263	843,799,668	-23,674,465	+189,676,118
Private deposits at fixed dates	990,718,543	981,340,414	747,124,532	+9,378,129	+243,593,991

BANK OF JAPAN.

(000's omitted.)

Assets.	Mar. 18, 1922.	Mar. 11, 1922.	Mar. 4, 1922.	Feb. 25, 1922.	Mar. 19, 1921.	Position Jan 30, 1921.
Gold and silver	1,223,646	1,224,127	1,224,748	1,226,429	1,222,930	223,320
Discounts	79,252	87,259	120,994	95,352	44,555	41,740
Advances	84,885	85,437	86,280	83,567	139,352	70,540
LIABILITIES.						
Notes in circulation	1,097,287	1,097,970	1,174,637	1,167,179	1,003,201	362,270
Govt. deposits	1,330,411	1,328,840	1,302,403	1,289,224	1,411,386	87,340
Private deposits	50,054	64,687	39,616	43,799	290,943	11,440

IMPERIAL BANK OF GERMANY.

(000's omitted.)

Assets.	April 22, 1922.	April 15, 1922.	April 8, 1922.	Week's Movement.	Position May 30, 1921.
Gold	999,868	999,868	999,868		1,313,240
Of which held in Bank of England	41,301	35,395	35,395		321,920
Silver	19,439	18,893	18,893		943,460
Treasury notes	3,622,769	4,291,536	4,291,536		60,780
LIABILITIES.					
Notes in circulation	132,627,759	134,063,613	134,063,613		2,013,860
Deposits	29,771,760	30,774,367	30,774,367		842,340

BANK OF ITALY.

(000's omitted.)

Assets.	Mar. 31, 1922.	Mar. 20, 1922.	Mar. 10, 1922.	Feb. 28, 1922.	Mar. 31, 1921.	Position Mar 31, 1921.
Total cash	1,413,139	1,412,067	1,412,067	1,412,067	1,337,702	1,231,875
Inland bills	4,512,491	4,512,491	4,512,491	4,512,491	4,162,827	418,400
Foreign bills	9,715	9,656	9,656	9,656	29,358	81,300
Advances to the Treasury	5,474,341	6,555,509	6,540,934	6,582,314	7,478,734	nil
Other advances	3,517,307	3,517,332	3,434,026	3,639,136	2,152,427	79,175
LIABILITIES.						
Notes in circulation	14,049,710	13,839,045	13,976,433	14,112,251	14,483,451	1,556,925
Deposits & drafts	1,940,675	1,866,944	1,819,123	1,855,574	1,928,687	193,975

NETHERLANDS BANK.

(000's omitted.)

Assets.	April 24, 1922.	April 18, 1922.	April 12, 1922.	April 6, 1922.	April 25, 1921.	Position May 30, 1921.
Gold	605,889	605,953	605,953	605,953	610,976	163,092
Silver	406,101	408,602	407,023	379,358	479,668	8,436
LIABILITIES.						
Notes in circulation	987,228	1,000,580	998,899	1,001,022	1,043,276	316,632
Deposits	35,098	26,869	29,035	40,345	60,795	5,016

NATIONAL BANK OF ROMANIA.

(000's omitted.)

Assets.	Mar. 25, 1922.	Mar. 18, 1922.	Mar. 11, 1922.	Mar. 4, 1922.	Mar. 26, 1921.	Position Mar 26, 1921.
Gold	4,601,590	4,581,590	4,581,590	4,581,590	3,761,721	701
Silver, &c.	12,552,738	12,552,738	12,552,738	12,552,738	377	321
Government loan	2,770,420	2,770,420	2,770,420	2,770,420	9,109,180	1,019,180
LIABILITIES.						
Notes in circulation	13,750,966	13,750,966	13,750,966	13,750,966	11,005,085	11,005,085
Deposits	6,321,469	6,321,469	6,321,469	6,321,469	5,252,981	

NATIONAL BANK OF BELGIUM.

(000's omitted.)

Assets.	April 20, 1922.	April 13, 1922.	April 6, 1922.	Mar. 30, 1922.	April 21, 1921.	Position May 28, 1921.
Gold (gold & silver and bullion)	327,286	326,327	326,642	326,642	334,426	322,650
LIABILITIES.						
Notes in circulation	6,297,288	6,320,677	6,320,968	6,312,943	6,082,815	934,150
Current accounts	732,176	716,192	731,296	774,605	1,153,786	112,125

SWISS NATIONAL BANK.

(000's omitted.)

Assets.	April 22, 1922.	April 16, 1922.	April 7, 1922.	Mar. 31, 1922.	April 23, 1921.	Position May 31, 1921.
Gold	545,162	544,811	545,245	545,535	543,543	171,175
Silver	108,000	108,000	108,000	108,000	101,635	12,350
LIABILITIES.						
Notes in circulation	765,176	787,569	804,296	830,859	921,139	275,925
Deposits	268,551	230,344	205,186	175,090	151,181	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to March 31, 1922, total issues were Fr. 27,181,482, of which Fr. 17,807,800 was held by the Swiss National Bank.

BANK OF SWEDEN.

(000's omitted.)

Assets.	April 22, 1922.	April 16, 1922.	April 7, 1922.	Mar. 31, 1922.	April 23, 1921.	Position May 24, 1921.
Gold	274,325	274,325	281,903	281,903	5	104,918
Balance abroad and foreign bills	77,172	84,586	109,832	7,414	32,660	112,172
Swedish and for Gov. securities	72,208	63,356	12,696	8,852	59,512	32,465
LIABILITIES.						
Notes in circulation	496,719	495,248	508,662	4,171	11,943	112,668
Deposits at notice	543,002	573,407	632,619	30,405	89,617	226,555
Deposits at sight	317,318	308,293	220,667	9,025	96,651	69,660

AUSTRIAN BANK.

(000's omitted.)

Assets.	April 15, 1922.	April 9, 1922.	Mar. 31, 1922.	Mar. 21, 1922.	Mar. 21, 1921.	Position Mar 21, 1921.
Gold coin and bullion, bills	781	673	673	673	607	5
LIABILITIES.						
Notes in circulation	321,925,681	307,906,134	307,906,134	304,063,642	39,153	
Deposits	27,839	28,647	28,647	28,647		

HUNGARIAN BANK.

(000's omitted.)

Assets.	April 15, 1922.	April 9, 1922.	Mar. 31, 1922.	Mar. 21, 1922.	Mar. 21, 1921.	Position Mar 21, 1921.
Gold coin and bullion, bills	13,138	13,272	13,315	13,315	13,264	5
LIABILITIES.						
Notes in circulation	29,972,746	29,834,812	29,834,812	28,314,086	2,275,387	
Deposits	2,637,142	2,405,290	2,223,863	2,223,863		

NATIONAL BANK OF DENMARK.

(000's omitted.)

Assets.	Mar. 31, 1922.	Feb. 28, 1922.	Jan. 31, 1922.	Mar. 31, 1921.	Month's Movement.	Position May 31, 1921.
Gold and bullion	228,320	228,320	228,320	227,572	6	76,844
LIABILITIES.						
Notes in circulation	446,163	440,822	450,018	517,049	5,341	157,266
Deposits	132,092	124,730	127,209	63,569	7,362	6,696

BANK OF NORWAY.

(000's omitted.)

Assets.	April 22, 1922.	April 15, 1922.	April 8, 1922.	Week's Movement.	Position May 31, 1921.
Gold and bullion—Gold	147,292	147,292	147,292		44,234
LIABILITIES.					
Notes in circulation	380,129	390,126	415,317	9,997	113,484
Deposits at notice	142,699	131,816	96,947	8,883	7,188

New rules for issuing bank notes have been given by Statute of November 3, 1920. We are authoritative in informed that the right of issue of the Bank of Norway is calculated at an amount of 250 million crowns above the stock of gold and at present extraordinary additional amount of 50 million crowns from July 25, 1921 until further order.

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

IMPERIAL BANK OF INDIA.

(000's omitted.)

Assets.	Mar. 31, 1922.	Mar. 24, 1922.	Mar. 17, 1922.	Mar. 10, 1922.	Mar. 3, 1922.	Position Mar 3, 1922.
Govt. securities	9,035,4	9,138	9,217,0	9,225,6	9,376,7	
LIABILITIES.						
Notes in circulation	12,823	12,823	12,823	12,823	12,823	
Deposits	18,114,6	15,326,6	16,720,9	15,326,6	15,440,30	
LIABILITIES.						
Notes in circulation	12,823	12,823	12,823	12,823	12,823	
Deposits	18,114,6	15,326,6	16,720,9	15,326,6	15,440,30	

NATIONAL BANK OF EGYPT.

(000's omitted.)

Assets.	Feb. 28, 1922.	Jan. 31, 1922.	Nov. 30, 1921.	Feb. 28, 1921.	Position May 31, 1921.
Gold	3,361	3,360	3,362	3,358	1,571
Government securities	38,928	40,032	39,994	39,995	2,084
LIABILITIES.					
Notes in circulation	32,599	33,899	34,722	34,350	2,400
Government deposits	2,881	2,620	2,520	2,655	2,315
Other deposits	12,228	12,610	12,707	16,856	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.

(000's omitted.)

Assets.	April 15, 1922.	April 8, 1922.	April 1, 1922.	Week's Movement.	Position May 30, 1921.
Gold	42,625	42,625	42,625		35,091
Balance abroad and foreign bills	137,451	144,305	330,351	- 6,854	90,379
LIABILITIES.					
Notes in circulation	778,565	778,565	1,094,628	- 316,063	81,326
Government deposits	766,683	766,145	252,962	+ 538,000	106,151
LIABILITIES.					
Notes in circulation	1,432,915	1,437,737	1,443,174	- 4,822	123,941
Deposits at notice	71,406	67,816	85,125	+ 3,590	21,225

BANK OF PORTUGAL.

(000's omitted.)

Assets.	Mar. 22, 19
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CURRENT RATES IN NEW YORK.

The Irving National Bank of New York cable the following money and exchange rates in New York:—

	Apr. 28, 1921.	Mar. 30, 1922.	Apr. 6, 1922.	Apr. 13, 1922.	Apr. 20, 1922.	Mar. 27, 1922.
Call money.....	6 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Time money (90 days mixed coll.)	7 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Bank acceptances:—						
Members—eligible, 90 days	5 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Non-members—eligible, 90 days	6 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Ineligible, 90 days	6 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Commercial accept., 90 days	7 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

RATES OF EXCHANGE.

New York on—	Par Level.	Apr. 28, 1921.	Apr. 13, 1922.	Apr. 20, 1922.	Apr. 27, 1922.
London—					
80 days.....		4-8666	4-3825	4-3825	4-3962
Cable.....			4-4162	4-41	4-4276
Cheques.....			4-4125	4-41	4-4237
Paris.....			19-30	19-45	19-45
Brussels.....			19-30	19-45	19-45
Switzerland.....			19-30	19-45	19-45
Berlin.....			23-83	1-62	0-33625
Vienna.....			20-26	0-28	0-01375
Madrid.....			19-30	13-95	15-53
Amsterdam.....			40-195	38-07	37-95
Copenhagen.....			26-80	18-10	21-21
Stockholm.....			23-25	26-04	26-05
Athens.....			8-90	4-60	4-65
Monaco.....			100	89-10	97-87
Yokohama.....			49-85	48-55	47-35
Hong Kong.....			50-75	54-75	55-35
Shanghai.....			67-00	73-50	75-25
Calcutta.....			25-80	27-70	27-80
Bombay.....			103-65	140-00	123-00
Baratania.....			32-42	13-30	13-70
Valparaiso.....			20-60	12-90	10-85

RATES OF EXCHANGE ON GERMANY

	Par Level.	Apr. 28, 1921.	Apr. 11, 1922.	Apr. 20, 1922.	Apr. 27, 1922.
Amsterdam.....		59-28	4-45	0-94	0-93
Switzerland.....		133-45	8-95	1-82	1-81
Copenhagen.....			8-67	1-68	1-65
Stockholm.....		88-88	6-79	1-35	1-39
Christiania.....			10-05	1-92	1-825

CENTRAL AMERICAN EXCHANGE RATES.

The Commercial Bank of Spanish America, Limited, quotes the following rates of exchange:—

Country.	Par Value.	Usance.	Year, 1922.	Rate.
Buenos Aires.....	1000	Slight London	April 22	16-10
Venezuela.....	25-25	"	April 22	23-70
Colombia (Bogota).....	100	"	April 25	98
Nicaragua.....	4-8665	"	April 19	4-56
San Salvador.....	90-23	"	April 26	9-00
Guatemala.....	90-23	"	April 21	22-85
Costa Rica.....	10-45	"	April 1	18-95
Bolivia.....	19-20	"	Feb. 18	132

ESTHONIAN EXCHANGE RATES.

The Bank of Esthonia quote Reval exchange rates as below:—

Reval on	Feb. 28, 1922.	Mar. 4, 1922.	Mar. 30, 1922.	April 11, 1922.	April 20, 1922.
London (cheque).....					
New York.....					
Berlin.....					
Helsingfors.....					
Stockholm.....					
Copenhagen.....					
Paris.....					
Amsterdam.....					
Riga.....					
Frankfurt.....					

LATVIAN EXCHANGE RATES.

Riga on—	Mar. 1, 1922.	Mar. 15, 1922.
London.....		
New York.....		
Paris.....		
Brussels.....		
Stockholm.....		
Copenhagen.....		
Christiania.....		
Prague.....		
Amsterdam.....		
Berlin.....		
Helsingfors.....		
Reval.....		
Warsaw.....		

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From April 25, 1922.	From April 25, 1922.
	London on South Africa.	South Africa on London.
	Buying.	Selling.
T.T.	11% prem.	11% dis.
Demand ..	11% prem.	11% dis.
30 days ..	11% prem.	11% dis.
60 days ..	11% prem.	11% dis.
90 days ..	11% prem.	11% dis.
120 days ..	11% prem.	11% dis.

* Plus ad valorem stamp duty. (a) No discount allowed on sales of T.T. or demand drafts under £100.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.	Australia and New Zealand on London.
	Buying.	Selling.
	Ans. tra.	New Zealand.
T.T.	100	100
Sight	100	100
Cable	100	100
On demand	100	100
30 days	100	100
60 days	100	100
90 days	100	100
120 days	100	100

BULLION.

The gold movements to or from the Bank of England are no longer announced. For the week ended April 26, 1922, the stock of coin and bullion shows a decrease of £3,995, compared with the previous return.

IMPORTS AND EXPORTS OF GOLD.

	Gold Imported into the United Kingdom.	Gold Exported from the United Kingdom.
	Countries from which Consigned.	Countries to which Exported.
	Week Ended April 26, 1922.	Week Ended April 26, 1922.
British West Africa.....	£ 30,335	Germany..... £ 4,000
British South Africa.....	587,829	France..... 15,065
Other Countries.....	276	Egypt..... 50
		British India..... 233,668
		Other Countries..... 434
Total value of imports of gold.....	618,440	Total declared value of exports registered in the week..... 253,215

Messrs Samuel Montagu and Co. write on April 27th as follows:—

GOLD.

The price of gold on the 25th inst. reached a fresh low record since September, 1919 (when dealings in exportable gold were recommenced), namely, 93s, which represents a premium of 0.6 per cent. over the Bank of England pre-war buying price. The available supplies of gold were taken on account of India. Gold valued at \$2,000,000 has arrived in New York from London. The monthly trade figures for India (including bullion and rupee paper movements) show a balance in favour of that country for March last of 1,42 lacs of rupees, as compared with an adverse balance of 59 lacs in February.

SILVER.

During the speculative activity in China last week, the over-sold position in sterling exchange (tantamount to overbought in tals, i.e., silver) is said to have reached £2,500,000—say, an equivalent of 16,000,000 ounces of silver. Pending decisive developments in the strained political affairs of that country, speculation has now quieted down, and the reflex of this condition of affairs has been felt in the silver market. The bull silver position, naturally, is not an element of strength, and there is always a possibility of some speculators cutting their losses, but it should be remembered that stocks in Shanghai are inclined to shrink, and that some revival of trade had set in recently—a revival which in favourable circumstances might have been accentuated toward the close of next month when the silk crops will need financing. India has bought occasionally during the week, but the main support has come from "bears." The market has not been active, owing to some shortage of supplies, which have not been assisted by any eagerness on the part of American operators to sell, although the U.S. exchange has been, on the whole, firm in tendency, and free offerings of silver therefore might have been expected. The Toronto correspondent of the *Times* states, under date of April 18th last, that a big silver "strike" had been reported in the Yukon at Keno Hill, on the Erickson Gulch. The vein averages three to six feet in width, with ore yields assaying 500 ounces to the ton on the average, while in some cases as many as 6,000 ounces have been taken from one ton.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Mar. 31, 1922.	April 7, 1922.	April 15, 1922.
Notes in circulation.....	17,476	17,470	17,410
Silver coin and bullion in India.....	7,752	7,745	7,686
Silver coin and bullion out of India.....	2,432	2,432	2,432
Gold coin and bullion out of India.....	6,508	6,508	6,508
Securities (British Government).....	584	585	584
Inland commercial bills of exchange.....	200	200	200

No silver coinage was reported during the week ending 15th inst. The stock in Shanghai on the 22nd inst. consisted of about 36,700,000 ounces in sycee, 38,000,000 dollars and 166 silver bars, as compared with 37,600,000 ounces in sycee, 38,000,000 dollars, and 350 silver bars on the 12th inst.

GOLD AND SILVER PRICES.

The price of gold and cash and forward prices of bar silver during this week and in previous years are as below:—

1922.	Gold.	Silver.	Silver.
	Per Ounce.	Cash Per Ounce.	Forward, Per Ounce.
April 22 ..	93 5	34 1/2	34 1/2
24 ..	93 5	34 1/2	34 1/2
25 ..	93 0	34 1/2	34 1/2
26 ..	93 3	34 1/2	34 1/2
27 ..	93 3	34 1/2	34 1/2
28 ..	93 3	34 1/2	34 1/2

NOTICES.

Barclays Bank, Limited, announce the opening of a new branch on May 1st at 37 Stricklandgate, Kendal, under the management of Mr L. A. Fogg.

The National Provincial and Union Bank of England, Limited, announce that branches of the bank are now open at 1 Market place, Devizes (Wiltshire), under the management of Mr A. C. Burgess, and at 19 Warwick street, Worthing, under the management of Mr W. Quantock.

ANALYSIS OF BALANCE-SHEETS.

THE UNION BANK OF SCOTLAND, LIMITED.

LIABILITIES.	Inc. or Dec.	ASSETS.	Inc. or Dec.
Deposits, &c.	£ 35,211,965	Gold and silver coin, &c.	£ 3,297,857
Current drafts.....	138,017	Money at call and notice.....	4,710,250
Acceptances.....	275,443	British Govt. securities.....	16,175,586
Notes in circulation.....	2,840,934	Other investments.....	693,865
Capital paid up.....	1,000,000	Loans.....	1,625,840
Reserve account.....	1,100,000	Bills under discount.....	7,906,565
Profit and loss.....	256,188	Advances.....	5,578,322
		Acceptances.....	673,422
		Bank offices.....	268,400
		London property.....	110,260
		Heritable property.....	162,150
			10,144
Total.....	40,800,527	Total.....	40,800,527

OCEANIC STEAM NAVIGATION COMPANY.

LIABILITIES.	Inc. or Dec.	ASSETS.	Inc. or Dec.
Share capital.....	£ 5,000,000	Steamers, &c.	£ 6,762,869
Debentures.....	1,616,400	Plant.....	241,975
General reserve.....	430,000	Trade investments.....	855,492
Insurance fund.....	200,000	General invest.	1,769,377
General purposes fund.....	697,409	Debtors.....	1,700,588
Bills.....	213,417	Cash.....	32,515
Acceptances.....	739,966		
Creditors.....	1,695,498		
Profit and loss.....	100,446		
Total.....	10,479,719	Total.....	10,479,719

BRITISH CELLULOSE AND CHEMICAL MANUFACTURING.

LIABILITIES.	Inc. or Dec.	ASSETS.	Inc. or Dec.
7 1/2% cum. pref. £1 4,250,000	£ 6,730	Freehold land, buildings, &c.	£ 3,780,808
Ord. shares, £1 ..	2,300,000	Plant.....	120,862
Loans.....	180,000	Preliminary expenses.....	305,035
Sundry creditors.....	273,427	Goodwill, &c.	1,885,738
Profit and loss.....	85,007	Furniture, &c.	12,759
		Investments at market price ..	326
		Stocks.....	165,245
		Sundry debtors.....	49,800
		Cash.....	7,865
		Profit and loss.....	673,408
Total.....	7,002,427	Total.....	7,002,427

Reports and Notices.

Following the meetings of the shareholders and noteholders of Harris (Caine) and The General Produce Company, Limited, Mr J. S. Bodinnar, who presided at these meetings, owing to the retirement of the late chairman through illness, was unanimously elected by the board chairman of the company, and Mr Fernley Gardner, J.P., was appointed vice-chairman.

Mr Charles V. Sale has been elected chairman of Messrs Bessler, Waechter and Co., Limited, general merchants, Salisbury House, Finsbury Circus. The other directors are Mr R. M. Glover, Mr E. Ingram Johnson, Sir John Mann, K.B.E., Mr H. C. Ogilvy, Mr C. F. Riley.

Messrs Blades, East, and Blades, Limited, are removing on Monday next to their new offices at 17 Abchurch lane. The firm have carried on business in Abchurch lane for nearly 200 years.

GOVERNMENT STOCKS, &c.

3 PER CENT. DIPLOMATIC DEBT OF VENEZUELA, 1905.—The Council of Foreign Bondholders notify the receipt of a sight draft for

£4,390 15s 4 1/2d, being the moiety of the sixth fortnightly instalment of the Debt Service, payable to the Council in respect of the half-year ending June 30, 1922.

MISCELLANEOUS.

J. MANDELBURG AND CO., LIMITED.—The annual report for the year ended December 1921, states that the net profits for the period amounted to £22,414 17s 10d, to which must be added £109,552 13s 6d brought forward from last year, making a total available balance of £131,967 11s 4d. There has been transferred to the depreciation fund the sum of £3,500; the dividend of 7 per cent. on the cumulative preference shares for the year amounts to £4,900. The directors recommend:—The payment of the dividend on the preferred ordinary shares of 8 per cent. for the year, less income-tax (including the interim dividend for the half-year to June 19, 1921, at the rate of 8 per cent. per annum already paid), £11,998; the payment of a dividend of 10 per cent., less income-tax, for the year on the ordinary shares (including the interim dividend for the half-year to June 19, 1921, at the rate of 10 per cent. per annum, already paid), such dividend being calculated in respect of partly-paid shares on the amount for the time being paid up thereon, £45,633 16s; and to carry forward £65,995 15s 4d. The directors report that the profits have been adversely affected by the depression in trade and the very serious fall in values. The whole of the company's works and machinery have been maintained in complete efficiency, the cost having been charged, as heretofore, against the revenue of the current year.

SWAN, HUNTER, AND WIGHAM RICHARDSON, LIMITED.—The report for 1921 shows that after providing for depreciation on buildings, plant, and machinery, and for all Government taxation, &c., there remains a net profit on the year's trading of £415,398, to which has to be added the balance brought forward from the previous year £53,882, making a total of £469,280. Out of this sum it is necessary to provide interest on 4 1/2 per cent. first mortgage debenture stock for the year ending December 31, 1921, £13,742; instalment for sinking fund account, £1,000, leaving a balance to be dealt with by the shareholders in general meeting of £454,538, which the directors recommend should be appropriated as follows:—Interim dividend of 3 per cent. on cumulative preference shares, paid August 31, 1921, £22,195; interim dividend of 3 per cent. on ordinary shares, paid August 31, 1921, free of tax, £51,332; further dividend of 3 per cent. on cumulative preference shares, paid March 7, 1922, making 6 per cent. for the year, £22,195; further dividend of 5 per cent. on ordinary shares, paid March 7, 1922, free of tax, making 8 per cent. for the year, free of tax, £85,553; reserve account, £160,000; reserve for equalisation of dividends, £50,000; for donation to Wallend War Memorial, £10,000; leaving a balance to be carried forward of £53,263. The report states that the ships launched from the company's combined shipyards during 1921 were of an aggregate gross tonnage of 158,632, which was less than the output of the previous year, but greatly exceeded the output of any other British firm or combination. The reduction was due to the prevailing economic depression and consequent fall in shipping freights, to labour troubles in the trades employed, and to the repeated strikes of the coal miners, which had very far-reaching and disastrous effects.

ASSURANCE.

LONDON AND PROVINCIAL MARINE AND GENERAL.—The sixty-second annual report for 1921 shows the balance at the credit of profit and loss as stated in the last report amounted to £27,685 6s 6d; to this has been added interest and dividends, £46,187 5s 11d, and £100,000 transferred from the marine account. After charging loss on investments realised £2,225 17s 10d, and bad debts £899 19s 3d, there remains a balance of £170,746 16s 10d. From this amount £96,000 has been transferred to reserve for Government taxation and other liabilities, and £30,000 to fire and accident account. The directors recommend the payment of a dividend of 2s a share, free of income-tax, being at the rate of 10 per cent. for the year 1921. This will absorb £10,000, leaving £34,746 16s 10d at the credit of profit and loss account. The investments amount to £1,107,299 8s 4d, which, since the last valuation, show a depreciation in value of under £20,000, which is covered by the investment reserve fund of £125,000.

CANADA LIFE ASSURANCE.—The report for 1921 shows that the volume of new business was considerably greater than in any previous year in the company's history. Policies issued during the year, including revivals, amounted to £14,582,626, exceeding the record of the past year by £1,529,636. The new paid-for business, exclusive of dividend additions, totalled £12,752,634, an increase over 1920 of £781,287. The total income was £3,293,831 18s 10d (after including premium income new and renewal of £2,212,023 11s 2d (after deducting payments to other companies for re-assurances); considerations for annuities £59,259 12s 3d interest income including profits from sale of securities £893,579 16s 8d; and income from other sources £128,968 18s 9d. The assets now total £16,458,541 9s, an increase of £819,718 15s 6d for the year. The valuation of the company's securities has been made on the same conservative basis as employed in past years. The policy reserves, computed under the strong and conservative basis of valuation adhered to by the company, amounted to £14,093,790 at December 31st, showing an increase of £1,011,994 as compared with the corresponding reserves of 1920. The surplus, including £383,630 2s 9d, payable to policyholders during 1922, amounts to £1,492,807 9s 9d, being an increase of £178,953 13s 9d over that of the previous year. In addition, the contingent reserve of £102,740 has been maintained. The net surplus earned in 1921 was £534,305 4s 8d, which exceeds by more than £80,000 the net surplus earned in any past year.

SCOTTISH UNION AND NATIONAL.—The fire premium income for last year shows a reduction as compared with that of 1920; the figures are £1,088,785, against £1,313,333. The claims were £633,384 (58.2 per cent. of the premiums), against £710,111 (54 per cent.). The expenses were 38.7 per cent., against 41.9 per cent. The surplus, on the usual basis of allowing 40 per cent. of the premiums as the reserve for unexpired risks, was £123,325, against £43,358. The marine account is that of the Maritime Insurance Company, which has

AMERICAN RAILROAD GROSS AND NET RECEIPTS.
This table is extracted from the *Commercial and Financial Chronicle* of New York

RAILWAYS OF THE UNITED KINGDOM.									
	Miles Open.	Week Ended April 23, 1922.			Aggregate 16 Weeks 1922.			Total Receipts.	
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.		
		£	£	£	£	£	£	£	
Brecon and Merthyr...	60	1,305	3,107	4,412	15,101	58,550	73,651		
Great Central (c) ..	676½	58,300	107,600	165,900	701,700	2,121,000	2,822,700		
Do Joint Lines	161½	..	..	32,800	..	507,500	507,500		
Great Eastern (c) ..	1,207½	116,200	78,800	195,000	1,561,400	1,588,000	3,149,400		
Great Northern (c) ..	1,050	112,200	129,200	241,300	1,349,300	2,361,500	3,710,800		
Great Western (d) ..	1,355	312,000	312,000	625,000	3,937,000	5,676,000	9,513,000		
Great Western† (d) ..	1,355	312,000	357,000	757,000	5,068,000	6,894,000	11,556,000		
London & N.-Western (d)	18,653	968	60,400	206,500	1,811,300	940,900	2,752,200		
Lon. & South-Western (c)	968	146,100	18,508	124,680	1,278,236	447,861	1,726,097		
Lon. Brighton & C. (c) ..	487	106,172	18,508	124,680	1,278,236	447,861	1,726,097		
Maryport & Carlisle (c) ..	423	1,345	2,151	3,496	18,108	96,806	44,911		
Metropolitan (c)	794	33,904	3,172	37,076	528,557	59,389	588,946		
Midland (c)	1,585½	198,000	268,000	466,000	3,548,000	5,348,000	8,796,000		
Midland & S. W. Jnc. ...	63	1,132	..	1,132	18,934	21,702	40,636		
North-Eastern (c)	758	144,900	223,800	368,700	1,785,200	3,519,500	5,304,700		
North-Eastern (c)	758	144,900	223,800	368,700	1,785,200	3,519,500	5,304,700		
Do Hull & B. Section ..	1,92	1,343	13,316	14,659	15,363	323,730	338,093		
Do Dock Receipts	1,758	..	..	6,718	..	..	134,191		
North London (c)	65	5,040	9,251	14,291	78,458	162,781	241,233		
South-E. & Chatham (c) ..	164	132,400	35,200	167,600	1,781,500	670,600	2,452,100		
Underground E.R. (c) ..	..	..	..	235,339	..	..	3,449,400		
Underground E.R. (c) ..	..	..	..	4,916	..	..	267,62		
Underground E.R. (c) ..	..	..	..	52,364	..	..	746,31		
Underground E.R. (c) ..	..	..	..	+ 3,668	..	..	- 65,10		
Caledonian	1,097	75,200	98,700	173,900	982,400	1,580,400	2,562,800		
Glasgow and S.-W. (c) ..	476	32,200	30,400	66,500	405,700	590,500	996,200		
Gt. N. of Scotland (c) ..	476	8,190	14,920	18,610	124,050	163,010	287,06		
Highland (c)	392 (a)	9,784	10,454	20,238	150,330	174,709	326,03		
North British (c)	1,367½	65,500	113,800	179,300	887,300	1,962,600	2,849,900		
Belfast and County ..	80	6,789	947	7,736	69,027	23,715	92,74		
Down (b)	160	2,940	2,705	7,645	80,496	58,891	139,38		
Dublin and E.-West. (b) ..	153	5,847	14,990	23,837	..	..	388,38		
Midland Gt. West. (b) ..	..	..	..	..	..	..	..		

(a) Including 10 miles temporarily closed. (b) Week ending April 21, 1922.
(c) Week ended April 22, 1922. (d) Including receipts from Amalgamated Lines.

Year.	Gross Earnings.			Net Earnings.		
	Year Given.	Year Preceding.	Increase or Decrease.	Year Given.	Year Preceding.	Increase or Decrease.
1922.	\$	\$	\$	\$	\$	\$
Jan.	393,892,529	469,195,803	- 75,303,279	57,421,605	28,331,956	+ 29,089,649

Note.—The returns are based on 235,395 miles of road.

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.							
Name.	Period.	Ending.		Receipts for Week or Month.	Ino. or Dec.	Aggregate Receipts.	Ino. or Dec.
Algoma Cent. & Hudson Bay	7 mths	Feb. 28	Gross	\$100,776	-80,854	1,159,426	-844,319
Canadian Pac.	16 weeks	Apr. 21	..	\$334,400	-361,538	15,890,004	-5,294,948
Canadian N.W.	2 mths	Feb. 28	Gross	\$3,821,400	-1,853,664	8,088,977	-3,559,840
Canadian Pac.	16 weeks	Apr. 21	..	\$2,975,000	-160,000	44,845,000	-6,442,000
Canadian Pac.	2 mths	Feb. 28	Gross	\$11,304,000	-1,465,000	22,642,000	-4,992,000
Grand Trunk.	16 weeks	Apr. 21	Net	\$654,000	-159,000	1,137,000	-318,000
Temiscouata	1 mth	Feb. 28	Gross	\$311,356	+53,728	5,691,453	+1,186,999

OTHER BRITISH OVERSEAS RAILWAYS RECEIPTS.							
Name.	Period.	Ending.	Present Receipts.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1920-21.	+ or -	1920-21.	+ or -
Beira and Mashona- land.	1 mth.	Dec. 31	810	105,507	+ 4,046	8	—
Mid. of W. Aust.	8 mths.	Feb. 28	477	11,169	+ 436	—	—
New Cape Central.	13 weeks.	Apr. 1	1,283	11,169	+ 275	38,044	+ 1,181
			1,283	172,483	+ 10,289		

TRAMWAY WEEKLY GROSS RECEIPTS.							
Name.	Period.	Ending.	Passes Mileage	Receipts for Week.		Total Receipts.	
				1922.	or —	1922.	or —
Anglo-Argentine	16weeks	Apr. 22	389	£86,710 +	1,607	1,354,543 +	48,38
Burnley Corporation	1week	22	12	£5,366 +	1,365	..	..
Calcutta Tramways	16weeks	22	359	Rs107,108 +	18,631	..	+ 624,71
Chatham & District	15weeks	13 15	..	£1,602 +	111	21,683 —	2,90
Egyptian Markets	15weeks	15 ..	..	£1,838 —	240	27,918 —	6,93
Glasgow Corporation	47weeks	22	99	£43,596 —	3,386	2,096,392 —	13,17
Tramways	23weeks	19 ..	..	£1,503 +	707	17,906 +	7,71
Isle of Thanet	15weeks	18 39	..	£3,610 +	614	47,948 —	9,42
Lancashire United	22	194	27	£29,551 +	6,502	460,049 +	10,04
Liverpool Corporation	16weeks	27	156	£35,640 +	8,433	341,402 —	33,74
L.O.C. Tramways	15	..	..	Rs56,545 +	6,877	374,677 +	152,46
Madras Electric (S. W.)	16weeks	23	..	3,044 —	930	58,998 —	14,12
Pernambuco Tramways	10weeks	Mar. 11	..	£14,451 +	177	151,287 +	38,25
Tramways	10weeks	Mar. 11	..	..	..	..	..

TRAMWAY & OTHER MONTHLY GROSS & NET RECEIPTS.									
Name.	Period.	Ending.	Present Mileage.	Receipts for Month.		Total Receipts.			
				1920-21.	+ or -	1920-21.	+ or -		
Barcelona Traction, in pss.	3 mths.	Mar. 31	Gross	3,937,152	+ 1,045,409	11,429,309	+ 2,028,112		
			Net	2,499,055	+ 616,147	7,362,406	+ 1,273,070		
Brazilian Traction, in mll.	2 mths.	Feb. 28	Gross	14,471,000	+ 2,534,000	26,650,000	+ 5,689,000		
			Net	8,350,000	+ 2,681,000	17,156,000	+ 5,260,000		
Brisbane Electric	3 mths.	Mar. 31	Gross	3,300,000	5,500	14,890	+ 8,180		
Brit. Columbia Electric, &c.	8 mths.	Feb. 28	Gross	821,820	- 16,854	6,921,985	157,575		
			Net	248,769	- 11,103	1,907,861	6,350		
Buenos Ayres La Crosse Trams	8 mths.	28	5 1/4	\$55,237	+	1,275	40,044		
Buenos Electric Trways. & Lightg.	8 mths.	Mar. 31	Gross	\$60,236	+	9,365	..		
			Net	237,781	..	..	+ 55,350		
Cape Elec. Trams	1 mth.	31	Gross	11,158	..	..	..		
Canadian-Wetn. Natural Gas	5 mths.	Feb. 28	Gross	\$125,890	+	35,710	505,866		
			Net	2,145	-	81	7,993		
Carthagen	3 mths.	Mar. 31	12	2,145	-	81	7,993		
Cherrieras Trms.	1 mth.	31	Gross	12,600	-	12,100	..		
Casellinas Wareh.	12 mths.	31	Gross	\$1,313,679	-	127,071	12,735,375		
			Net	\$1,276,744	-	124,704	12,735,375		
Cities Service Co.	12 mths.	31	Gross	2,145	-	81	7,993		
			Net	2,145	-	81	7,993		
Cordoba Light.&c.	11 mths.	Feb. 28	Gross	2,145	-	81	7,993		
			Net	2,145	-	81	7,993		
Elec. Sup. of Viet.	48 weeks	26	Gross	\$1,077,896	+	43,025	2,217,945		
Hana Electric Rly.	2 mths.	Feb. 28	Gross	\$616,860	+	128,619	2,18,949		
			Net	\$20,632	575	172,670	2,400		
International Light & Power	8 mths.	28	Gross	\$6,967	-	1,394	61,668		
			Net	\$2,180	..	2,180	..		
Kalgoolie Electric Trmways....	1 mth.	Jan. 31	Gross	\$545	..	5,515	41,810		
			Net	\$139,477	..	11,250	164,906		
Keystone Tele. ...	3 mths.	Mar. 31	Gross	\$7,903	1,330	..	40,700		
			Net	..	27,067	3,664	90,109		
La Plata Harbr. Light & Power	8 mths.	31	Gross	\$64,843	1,801	749,820	65,000		
Lima Light, Pwr. & Trmways.	12 mths.	Dec. 31	Gross	\$18,213	2,762	210,466	41,200		
Manila Electric Railroad, &c.	3 mths.	Mar. 31	Gross	\$284,576	13,741	903,829	22,200		
			Net	\$120,962	1,680	390,037	17,100		
Para Electric....	4 mths.	31	Gross	\$22,233	49	89,446	1,700		
			Net	\$8,608	1,356	334,815	4,100		
Rangoon Electric	2 mths.	Feb. 28	Gross	\$4,267,000	20,150	66,650	2,100		
			Net	1,195,550	2,897	334,815	4,100		
Shanghai Electric United Electric T. of Meridico	3 mths.	Mar. 31	Max.	\$189,550	28,896	535,717	67,000		
Veracruz	5 mths.	31	Gross	\$51,158	2,833	231,649	9,000		
Victoria Falls & Transvaal Pwr.	1 mth.	Jan. 31	Gross	\$57,900	4,700	..	..		
	Quarter	Dec. 31	Net	\$205,689	..	..	..		
Winnipeg Electric	2 mths.	Feb. 28	Gross	\$438,577	38,452	1,005,824	39,000		
			Net	\$168,606	45,399	335,595	42,000		

14 weeks return.

* Approximate receipts.

OVERSEAS RAILWAY RECEIPTS.									
Name.	Period.	Ending.	Presented Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.			
				1921-22.	or —	1921-22.	or —		
				Rs	Rs.	Rs.	Rs.		
INDIAN.									
Assam Bengal	50 weeks	Mar. 18	993	2,151.6	24,475	90,79,879	—19,11,75		
Bacani Lal Ry.	50 weeks	18	118	28,700	8,308	1,32,000	— 11,20		
Bengal & N. Western ..	24 weeks	18	2,067	1,32,940	10,000	26,52,870	3,21,77		
Bengal Nagpur	50 weeks	18	1,691	1,592,000	191,000	6,36,957	20,25,16		
Bombay, Bar. & C.I. ...	3 weeks	Apr. 15	2,671	75,000	89,119	5,01,65,335	22,89,33		
Burma	50 weeks	Mar. 18	1,414	73,000	53,282	1,69,000	1,80,50		
Delhi Umballa Kalka ..	2 weeks	Apr. 15	239	29,00,000	1,04,000	77,20,000	19,85,00		
East Indian	2 weeks	22	3,772	29,08,000	35,000	62,22,500	1,68,50		
G. Indian Peninsula ..	2 weeks	22	2,729	26,00,000	68,383	6,68,02,914	28,10,00		
Madras & Mahr.	50 weeks	18	3,028	46,500	14,302	11,66,225	49,30		
Malak & Kamaon	24 weeks	18	269	91,560	50,040	16,52,744	2,83,00		
De Lucknow-Breilly ..	24 weeks	18	302	8,47,097	1,20,294	40,13,083	29,65,00		
South Indian	50 weeks	18	1,853	8,95,697	77,336	25,00,704	2,35,50		
Stn. Punjab (month) ...	3 mths	Dec. 31	717						
Argentine (A).									
Argentine N.E.	42 weeks	Apr. 22	758	10,600	900	445,800	56,66		
Argentine Trans.	42 weeks	22	111	3,750	623	95,125	47,30		
B. A. and Pacific	48 weeks	22	3,488	184,000	25,000	5,960,000	21,60,00		
B. A. Gt. Southern	42 weeks	22	3,889	174,000	3,000	6,857,000	28,00,00		
B. A. Western	42 weeks	22	1,882	58,000	36,000	1,713,000	468,00		
Buenos Ayres Cent.	7 mths	Jan. 31	190	97,000	6,000	3,346,000	25,00,00		
Central Argentine	42 weeks	Apr. 22	3,305	40,000	10,000	642,000	93,40		
Cordoba Central	42 weeks	22	1,206	203,000	35,000	3,218,300	19,50		
Entre Rios	42 weeks	22	811	44,000	17,000	2,091,800	397,00		
Brazilian (B).									
Brazil Gt. Southern ..	3 mths	Mar. 31	52	Ms 38,500	1,500	115,250	24,50		
Est. West of Brazil. ...	16 weeks	Apr. 22	1,005	11,900	3,000	233,400	92,40		
Leopoldina	16 weeks	22	1,831	21,690	8,348	432,813	53,60		
San Paulo	16 weeks	22	1,534	88,850	3,871	437,880	53,60		
State of Bahia, S.W. ...	1 mth	Mar. 31	52	Ms 46,000	25,000				
Chile and Peru.									
Antofagasta	16 weeks	Apr. 23	838	18,925	1,895	285,105	205,40		
Arauco	12 weeks	Mar. 30	644	12,000	500				
Nitrato (2 weeks)	12 weeks	31	366	15,304	19,877		93,80		
Peruvian Corp.	9 mths	31	1,059	51,668,640	334,090	11,578,280	1,152,29,000		
Taltal	9 mths	31	172	(b) 10,650	9,503	84,872	158,60		
Cuba.									
Havana Central	42 weeks	Apr. 22	1,210	12,445	4,227	465,367	163,60		
United of Havana	42 weeks	22	1,210	97,800	76,530	3,149,273	2,081,70		
Uruguay.									
Central Uruguay	42 weeks	22	873	24,321	4,741	1,069,464	38,00		
C. Urug. (East Rty.) ...	42 weeks	22	311	5,338	79	214,969	28,40		
C. Urug. (North Ext.) ...	42 weeks	22	185	2,637	1,040	115,572	11,90		
C. Urug. (West Ext.) ...	42 weeks	22	211	2,580	408	107,245	11,90		
Midland Uruguay	7 mths	Jan. 31	319	13,898	4,790	101,825	25,00		
North-West Uruguay ..	8 mths	Feb. 28	113	4,680	860	64,850	5,70		
Uruguay North	7 mths	Jan. 31	73	1,915	29	14,735			
Other Foreign.									
Aleocy and Gandia ..	16 weeks	Apr. 22	33	Ps 16,000	1,000	314,500	21,10		
Bilbao	3 mths	Mar. 31	15	2,079	311	4,119	2,70		
Bolivar	3 mths	Mar. 31	136	12,000	1,894	32,400	7,00		
Colombian Nat. Ry. ...	3 mths	Oct. 31	86	17,240	1,340	193,391	3,70		
Costa Rica	10 mths	Feb. 28	190	21,184	1,806	15,5617	11,90		
Dorado Del Rio	8 mths	28	70	8,500	6,750	19,500	41,50		
Dorado Del Rio	8 mths	28	70	4,000	500	9,000	11,90		
Dorado Del Rio	2 mths	23	45	9,311	302	8,701	2,70		
Dorado Del Rio	10 days	Apr. 10	559	Ps8,421	43,932	1,001,926	11,90		
Gt. Southern of Spain	15 weeks	15	104	88,212	5,165	235,306	1,40		
International of Central America	3 mths	Mar. 31	338	40,747	6,090	101,520	6,10		
La Guaira & Caracas	3 mths	Mar. 31	15	11,570	1,270	31,580	4,40		
Mexican Railway	15 weeks	Apr. 21	403	\$347,500	69,590	4,544,100	544,80		
Do	2 mths	Feb. 28	403	\$1202,000	47,500	2,447,600	2,447,600		
Do	3 mths	Mar. 31	403	\$726,900	13,100	516,500	106,50		
Do	1 mth	Jan. 31	100	9,499	3,393				
Namio Oosarhamm	1 week	Apr. 15	193	3,450	120	145,110	40,10		
Oosarhamm Railway	1 week	Apr. 15	193	3,450	120	145,110	40,10		
Panama Central	41 weeks	15	874	\$2,311,374	614,841	16,380,765	5,239,90		
Panama Athens, &c.	9 mths	Feb. 28	100	5,250	750	14,000	7,70		
Puerto Cabello, &c.	3 mths	Mar. 31	100	5,497	210	145,531	15,50		
Salvador	42 weeks	Apr. 22	100	\$53,190	21,075	17,390	61,50		
San Jo. Province	1 mth	Mar. 31	31	7,010	2,458	17,390	61,50		
San Jo. Province	1 mth	Mar. 31	31	7,010	2,458	17,390	61,50		
San Jo. Province	1 mth	Mar. 31	31	7,010	2,458	17,390	61,50		
San Jo. Province	1 mth	Mar. 31	31	7,010	2,458	17,390	61,50		
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San Jo. Province	1 mth	Mar. 31	31	7,010	2,458	17,390	61,50		
San Jo. Province	1 mth	Mar. 31	31	7,010	2,458	17,390	61,50		
San Jo. Province	1 mth	Mar. 31	31	7,010	2,458	17,390	61,50		
San Jo. Province									

OIL OUTPUTS.

COMMONWEALTH OIL CORPORATION, LIMITED.—For four weeks ended April 21, 1922 :—Shale mined, 1,912 tons; shale retorted, 1,757 tons; crude oil and naphtha produced 183,809 gallons, equal to 104.6 gallons per ton of shale.

UNITED BRITISH OILFIELDS OF TRINIDAD.—Combined production for the week ending Wednesday, April 19, 1922, amounted to 1,090 tons.

RHODESIAN GOLD OUTPUT.				
Month.	1919.	1920.	1921.	1922.
	£	£	£	£
January	211,917	211,851	293,794	240,056
February	220,885	250,020	268,225	304,488
March	226,008	199,681	134,932	257,356
April	213,159	208,834	282,396	..
May	218,057	403,855	225,841	..
June	214,215	194,194	328,200	..
July	214,918	313,136	279,264	..
August	207,339	241,270	81,6151	..
September	223,719	231,226	271,452	..
October	204,184	248,085	305,374	..
November	186,462	282,237	305,636	..
December	158,835	272,470	267,005	..
Total Gold	2,499,429	2,066,549	3,212,225	..

NOTE.—The value of the gold output fluctuates each month in accordance with the amount of premium which may be declared to the Mines Department of Southern Rhodesia in that month.

222,035 brought forward.

UNITED ALKALI COMPANY, LIMITED.— With regard to the accounts for the year 1921, the directors regret they are unable at the moment to present the same pending a final settlement in respect of war taxation; they hope, however, that at a comparatively early date these accounts will be presented. The directors take this opportunity of emphasising the difficulties which beset the company, in common with most industrial companies, during 1921. The strike on the part of the miners arrested most of the company's operations during many weeks, whilst the stagnation in trade prevailing throughout the world reflected adversely on the consumption of heavy chemicals, with the result that, even after the termination of the coal strike, much of the company's plant remained idle. Sales and deliveries of the company's products during 1921 hardly approached one-half of the 1920 quantities. Taxation and wages ruled at high figures, but the directors are glad to report that they have come to amicable arrangements with their employees for considerable reductions in the important question of wages. The directors regret their inability to distribute the full 7 per cent. per annum dividend upon the preference shares, but they will recommend to the shareholders at the annual meeting the payment of:—On the £10 cumulative preference shares a dividend of 4½ per share, less income-tax, making, with the interim dividend paid in January last, a dividend of 4 per cent. per annum, less income-tax, on account of the 7 per cent. per annum due for the year.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to April 22.....	159,310	296,725	179,574	190,539
33 weeks to April 22.....	13,958,819	10,269,293	10,074,461	10,406,844
Average price of English wheat per quarter.....	s d	s d	s d	s d
— per cwt.....	11 1½	20 4	16 1½	17 0

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1918 to 1921:—

	QUANTITIES SOLD.			AVERAGE PRICES.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1922.	qrs buh	qrs buh	qrs buh	s d	s d	s d
April 15.....	44,862 6	14,701 0	10,590 4	50 9	41 0	29 0
22.....	37,172 2	8,977 2	7,567 0	51 3	40 2	29 6
1918.....	49,914 3	11,326 4	6,876 3	73 3	56 10	46 8
1919.....	44,459 1	8,894 5	9,737 2	73 1	62 9	48 1
1920.....	41,900 6	9,762 6	7,892 0	72 8	65 0	56 5
1921.....	49,235 1	14,453 7	11,560 1	87 3	46 7	36 10

Weather conditions have continued unfavourable for spring sowings, and work is backward in many districts, so that farmers are hoping for a favourable turn, otherwise fears are expressed that a full acreage may not be laid down. A spell of sunshine would now also greatly benefit growing crops. The general tone of the market ruled firm for breadstuffs, but feeders displayed slight irregularity, with a moderate trade in force. Native wheat continues in moderate supply at the principal statute markets, and prices ruled firmer owing to the general position, suitable milling grades ruling at 54s to 57s per 504 lbs, free on rail. Imported kinds were again dearer, though inclined to ease slightly at the close, with business on a limited scale. No. 1 Northern Manitoba quoted 65s, No. 2 ditto 63s, Rosafe, 64 lbs, 60s, Barusso 62½ lbs, 59s, all ex ship to arrive per 480 lbs, and Australian, ex quay, 62s, per 496 lbs. In the floating and forward cargo section a fair amount of activity was displayed, and prices were maintained, being supported by a fair inquiry from Continental countries, also U.K. millers. Steamers of Australian on passage changed hands at 57s to 57s 4½d, Rosafe, 64 lbs afloat, 57s, Entre Rios, 63½ lbs, arrived, 56s 3d, per 480 lbs. Parcels were also in steady demand, and a good business transpired, chiefly in North American and La Plata descriptions at full rates. The International position remains unaltered, crop reports from the chief producing countries being fairly satisfactory, while the market is largely influenced by the extent of Continental requirements. Flour remains firm, and prices were advanced by 2s per sack for home milled grades. London standard straight run quoted 51s, town households 49s, patents 53s to 54s, all English straights 48s per sack delivered London area. Country all English straight run 48s to 49s per sack, free on rail at London stations. Imported quiet, but rather more firmly held owing to the advance in home made. Manitoba export patents quoted 48s, straights 45s, and Australian 45s to 45s 6d per 280 lbs, ex store. Millers' offals firm and occasionally the turn dearer. Broad bran quoted £8 15s, ordinary ditto £7 15s to £8, middlings £8 15s per ton, ex mill, bags included. Of imported, fancy Plate middlings £8 15s, and Plate pollards £6 17s 6d, landed, per ton. Forward parcels of flour quiet of sale owing to high limits imposed. Canadian patents, April-May seaboard, quoted 47s 6d to 50s 6d, Kansas top patents, April, 47s to 48s, and Australian, May, 42s to 43s per 280 lbs, c.i.f. terms. Maize opened firm but easier since. La Plata 40s 6d, ex ship 42s 6d, landed yellow round African 37s, American mixed 32s 6d, both ex quay per 480 lbs. White African maize meal, spot, quoted £7 17s 6d, ditto, afloat, London, sold £7 8s 9d per ton, c.i.f. Forward maize cargoes remain neglected, and prices mostly easier, particularly for new crop positions. Parcels were dealt in to a fair extent at fluctuating prices. Barley steady, but quiet. English malting ranges from 42s to 60s, feeding sorts 40s to 41s per 448 lbs, free on rail. Californian 40s to 48s, Chilean Chevalier 47s to 52s, Australian ditto 47s 6d to 52s per 448 lbs, La Plata 34s, Tunisian 35s 6d, all landed per 400 lbs. Oats in better request at firmer rates. Native ranges from 30s to 34s as to sample per 336 lbs. Of imported, La Plata, f.a.q., 27s, ditto clipped 29s, No. 2 white clipped American (38 lbs) 26s 6d, No. 2 Canadian western 31s 6d, New Zealand 35s to 40s per 320 lbs, all landed. Oatmeal firmer. London made, all cuts, quoted £18 10s, whole groats £17 10s, rolled oats £19, flaked ditto £20 10s, ordinary Scottish oatmeal £18 10s to £19 10s, American all cuts £18 to £19s 10s per ton. Beans firm. English winters 52s to 54s, old 50s to 57s, good springs 65s to 66s, ordinary 54s to 56s per 532 lbs. Of imported, Madagascar haricot beans, old crop, 10s to 12s, and new crop 13s to 16s. Rangoon hand picked 6s 9d per cwt, and Chinese horse beans £10 15s to £11 15s per ton, ex store. English

peas are in fairly good demand, while supplies are in moderate compass. Choice maples rule at 90s to 92s 6d, ordinary to good 82s to 88s. Duns rule at 60s to 65s per 504 lbs. Of imported, Dutch hand picked 30s, ditto screened 25s, Japanese 47s 6d, Tasmanian best 24s to 25s, New Zealand blue 20s to 24s per cwt. English rye 40s to 50s per 504 lbs free on rail. Lentils, No. 1 split 29s to 30s, No. 2 ditto, also Egyptian, 23s to 24s 6d per 100 lbs. There has been a fair inquiry for homeward grain freights at generally steady rates. The River Plate section showed most activity, and numerous charters were effected at firmer rates. Steamers, up river loading, were fixed up to 32s 6d for May, and 31s 3d June for handy sizes to usual U.K./Continental range of ports. North America quiet, and Northern Range to U.K. quoted 3s 6d per quarter, ditto Continent 14 cents, Russian Baltic done at 25 cents per 100 lbs. There is an expanding inquiry from Montreal, and May-June loading quoted 15-16 cents, 23 cents four ports Denmark, and 26 cents Baltic per 100 lbs. Clipped oats from Northern States, May, done at 3s 3d per quarter, to Antwerp/Hamburg range. Gulf of Mexico to U.K., May, quoted 4s 6d per quarter. From the North Pacific a steamer, May loading, was taken at 37s 6d ton to U.K./Continent. Wheat: Eastern markets dull, and rates quite nominal at about 20s to 20s 6d, Bombay, on dead weight, and Saigon rice 32s, while Australian wheat was fixed at 48s 9d, at which further business is possible to U.K./Continent. Danube grain quiet, and 16s paid to Antwerp Rotterdam, prompt loading, with option Hamburg, at 16s 6d ton.

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated April 27th, is as follows:—Pig-iron: The engineering lock-out is acting as a damper upon all enterprise, and is holding up a good deal of business. Prices are unchanged at 90s per ton for No. 3 Cleveland G.M.B. and 96s per ton for East Coast mixed numbers hematite. Manufactured iron and steel: Orders are still insufficient to ensure continuous working. Home demand for steel is bad, but foreign demand is fair. Steel ship plates, home, £10 10s; steel ship angles, home, £10; iron bars, £12; steel rails, £9 10s net. Iron ore: Business is very quiet, and only for a few prompt cargoes. Freights are tending lower.

Our Glasgow correspondent (writing on Thursday) says:—Though there was nothing done, holders of Scotch No. 3 G.M.B. asked 95s 6d, f.a.s. Glasgow (with 1s per ton less on trucks, Glasgow), while Middlesbro' No. 3 were 96s, f.o.b. Middlesbro', and mixed numbers East Coast hematite 95s 6d, f.o.b. Middlesbro'—makers' iron in each case. A moderate inquiry exists for pig-iron for Germany, which continues to place contracts through Hanover, instead of direct, for some reason that does not appear. Conditions in the steel trade are not satisfactory, though there is a good deal of rolling power running at certain establishments. Bridge-work contracts are said to have been secured by Sir William Arrol, Limited, and also by the Motherwell Bridge Building Company. This latter includes 2,000 tons for India, and with several other lines, the undertaking, which employs some 1,500 hands, it is stated will be well provided for for several months to come. There has been some talk of steelmakers cutting quotations, but from direct inquiries this seems to be a mistake. Boiler plates remain at £14 (home), £13 10s (export); ship plates £10 and up, £10 to £10 10s (home), £9 to £10 (export); joists, £10 to £10 10s (home), £8 10s to £8 12s 6d (export); angles, £10 (home), and about £9 5s and £8 10s, f.o.b. Glasgow. Malleable iron bars are quiet, all the works running short, at £11 for home, the last Black and galvanised sheets in increasing request for export, for the Far East and Australia especially. The rivet and bolt trade has received a fillip from the improvement in the bridge-building branch. Tube-makers are booking a number of orders for various sizes. In the iron and steel manufacturing departments generally prospects are described as rather better. The state of the coal trade this week is reported by both merchants and masters as nothing short of deplorable. Home inquiry is poorer than it has been for years—some authorities affirm that it never was as bad—and the export position all round is most disappointing, especially in Continental relations. However, an amendment there is looked for soon. Good sorts are selling at no better than about 20s a ton.

Our Sheffield correspondent writes: The decision to extend the lock-out to 47 unions other than the Amalgamated Society of Engineers has further clouded the industrial outlook, and if no settlement is arrived at before Tuesday, when the notices expire, most of the local steel works will be brought to a standstill. Business in the home market is now negligible so far as heavy steel, castings, forgings, and engineers' tools are concerned, nor is there any buying of raw materials. On the other hand, the recent improvement in overseas buying is being more than maintained, and symptoms of recovery of our export markets multiply every week. Ability to give prompt delivery, together with the lower prices current, are bringing in quite a nice crop of orders from various foreign countries, while inquiries have not been so numerous since the beginning of the slump. It is believed by some authorities that but for the intervention of the lock-out several branches of the iron and steel trade would by this time have been well on the way to a stable position. Prices of steel tend to stiffen, but owing to the general unwillingness to buy pig-iron is rather easier. A good deal of the business passing continues to be unremunerative, and firms consider themselves fortunate who are able to carry on even a part of their establishments without incurring actual monetary loss. The air is full of rumour of the impending placing in this

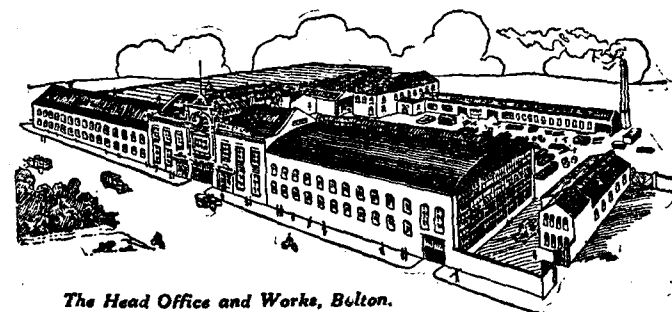
country of huge orders in connection with railway construction and maintenance, and important engineering products in various parts of the world. Cutlery makers are seeking to enforce lower piece rates in the spring knife department, and the operatives are faced with the alternatives of accepting the new list or losing their occupation a month hence. These prices average more than 100 per cent. above the pre-war basis, and their adoption will help the employers in their task of combatting the foreign competition which has captured the bulk of the trade. Inland business in steam coal is extremely quiet, consumption having dropped to a low level, while the uncertainty of the industrial outlook does not encourage buying except on a hand-to-mouth basis. The demand for slacks has fallen off. For the same reason competition is keen for the secondary classes of house coal, and prices are being cut, whereas quotations for best qualities are being maintained.

CUMBERLAND IRON.

Business in the Cumberland and North Lancashire hematite pig-iron market, in consequence of the paralysing effects of the trouble in the engineering and shipbuilding industries, is becoming more and more limited, and makers, though they have in hand sufficient orders to enable them to maintain the present production for this week and next, do not conceal from themselves the fear that a curtailment of activity is not far distant. Trade for months past has never been of a more than hand-to-mouth character. The outlook all along had been too uncertain to warrant users in buying forward, though when Bessemer mixed numbers were reduced to £4 18s 6d per ton at works, the figure at which ordinary iron still stands, there was more of a flutter in the market than was experienced during the whole of last year. Values cannot be said to be the obstacle to an expansion of business, though, as a matter of fact, the price has latterly had to be lowered somewhat to secure orders from the Continent. The position, it may be seen, then, is unsatisfactory, as it always is when only half the number of furnaces that are blowing in normal times are in operation. But for the circumstance that the local steelworks are rolling railway material, even this output of iron could not be absorbed. How much longer the Midlands and Scotland consumers can accept deliveries of special and semi-special qualities of iron no one can say. One thing, however, is certain, and that is that, keenly anxious as makers are not to damp down their furnaces, they will not smelt iron for stock. Rather would they choose the more drastic step, unless, indeed, it could be believed that the shortage of business was of a most temporary character. Of the 12 furnaces that are in draught, seven are in West Cumberland and five in the Furness district, and one of them is on ferro-manganese, for which there is a not inconsiderable export demand. The steel trade is dull, and makers have few orders on their books to execute. Some portion of the production of railway material is being shipped overseas. With a third of the furnaces on low phosphorus iron the needs of the best grade of local hematite ores are fairly substantial, and several pits are raising metal. Superior sorts of ore are quoted at 30s 6d to 34s 6d per ton. The coal trade likewise is dull. The political situation in Ireland and the boycott of North of Ireland boats in the South is responsible for the smaller shipment of Cumberland coal across Channel. Lancashire and Scotland are competing seriously for the diminished orders that are available, and owners in Cumberland are also underbidding each other. The result is that some round coal is being sent to Ireland at 32s per ton, delivered, and some at 28s per ton, f.o.b. It is a fortunate thing that the small coal is wanted for the local by-product coke ovens, and that the iron industry is absorbing practically all the coke that is being made. Certainly there is no other outlet for the Cumberland coke at the present time. East Coast coke supplies to West Cumberland and the Furness district, because of the considerable proportion of special iron being smelted, have risen to 10,000 tons per week. Benzol and sulphate of ammonia command a ready sale. Little is doing in the chemical industry. Sulphuric acid is a good market, but naphthalene and carbolic acid are difficult to dispose of.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The market is strong and fairly active, and considerably more business could be done in fine tops if topmakers were in a position to give reasonably early delivery. Unfortunately, the inadequate output from the combs is becoming more acute every week, and constant complaints are being received regarding late delivery. As things are at present, this does not do anything more than cause great inconvenience and worry, but it is obvious that some firms would be placed in a very awkward position if any weakness developed in the wool market. In the meantime, however, there is not the slightest indication of any easing in wool values. Indeed, the general expectation is that prices will show a further advance at the Colonial sales which open in London next Tuesday, and most traders do not anticipate cheaper wool during the next few months at least. Some topmakers are so heavily sold forward that they are refusing to accept new orders, and where business is being done sellers are generally asking an advance of 1d on last week's quotations. This refers to merinos; in fine crossbreds there is also an upward tendency, while medium and low qualities are firm at recent rates. There is an increasing demand for crossbreds, and if this can be maintained it should tend to bring the lower sorts on to an economic level. There is a fair amount of activity in the yarn trade, and spinners report more business during the past week, including some fair weights of crossbreds. Prices are firm, on the whole, and in botanics it is less difficult to sell on the



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current basis of values. Steady improvement is also being maintained in the piece trade. The worsted section is more favourably placed than the woollen branch, but even in the latter there is more inquiry, and holders of stocks are less disposed to accept very low offers.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

A lively time is expected at the opening of the third series of Colonial sales next Tuesday. The quantity of wool available is about 155,000 bales, arrangements having been made for the auctions to continue three weeks. Raw material markets everywhere appear to be very strong, users in practically all sections being keen to buy. There is just a little danger of too much of the spirit of speculation influencing the game. During the past two months great eagerness has been shown to buy merinos, because fears have been entertained that supplies of merinos were running short, but there is no justification for values being forced above the level of last series. There should be plenty of merino wool to supply all trade requirements, though the figures issued by the British Australian Wool Realisation Association, showing stocks at the end of March, indicate rather a small proportion of merino and fine crossbred combing wool compared with the weight of medium and low wools. Of course, nobody in the trade has any faith in this so-called merino "combing" being as good as it is described. Nevertheless, the writer's opinion is that no mistake has been made in buying, and the present feeling is such that a further appreciation of 5 to 10 per cent. is expected.

The reports of the Genoa Conference show that relations between France, Germany, and Russia are anything but satisfactory. There is trouble in Ireland, manufacturing conditions across the Atlantic are not what they should be, and the engineers' strike in this country will do no good to the general industry of Great Britain. All these things need to be taken into consideration in weighing up wool textile trade prospects, and at the very time they are in existence warehouse accommodation in manufacturing districts is taxed to the utmost, wool supplies being large enough to meet all immediate requirements. Much of the wool bought during the past three months is not yet consumed, but topmakers are forcing the pace for all they are worth, using the inadequacy of the supply as an argument for forcing up the price of tops. The woolcombing operatives, influenced by their leaders, are, however, largely responsible for this state of affairs. Their policy is short-sighted, for it is forcing up the price of clothing at a time when lower prices for piece-goods would stimulate trade with the outside world.

The above-mentioned statement made by the British Australian Wool Realisation Association, to which reference is made, shows stocks and sales of wool since December 31st. The stocks have been reduced about 300,000 bales during the past three months, which reduction can be regarded as very satisfactory. The remaining stock amounts to 1,590,589 bales, of which about 1,200,000 bales are crossbreds. It does not appear to be necessary for the association to make any effort to clear their stocks more rapidly than at present. As far as can be judged, there is every prospect of crossbred wool being absorbed in increasing quantities. The establishment of better trading facilities between Germany and Russia would result in higher prices for crossbreds. These two countries hold the key to the crossbred situation, for Germany is better able to sell crossbred yarns and fabrics to Russia and the Balkan States than any other country.

THE COTTON TRADE.

MANCHESTER, April 27.

There has not been much activity in the market during the past week, and for the most part business has been confined to small sales. A favourable feature has been the settlement of the wages' question. Shippers of piece goods to India have reported a very fair inquiry, but most of the bids have been unworkable. Scattered transactions, however, have been put through for Calcutta and Madras in greys and whites. The China market at the moment is under a cloud, and no trade of any importance can be expected until matters in the Far East are more settled. There has been some improvement in the advices from the Near East, and a few more contracts have been arranged for Egypt and Turkey. Developments in the home trade section are being held back by the unseasonable weather for the time of the year. The yarn market has been generally quiet throughout the week. Restricted operations have occurred in both American and Egyptian counts for home consumption. A fair turnover has been reported in bundle yarns for India.

(I.) Comparative Statement of the Cotton Trade.

	Price, April 27, 1922.	Previous Weeks in 1922.				
		Price, April 30.	Price, April 11.	Price, April 6.	Price, April 30.	Price, Mar. 23.
Raw Cotton—Fully Mid. American . . . per lb	10.35	10.35	10.45	10.60	10.75	11.01
—Sakellaridis Fully Good Fair Egyptian . . . per lb	17.50	17.50	17.50	17.50	17.75	18.00
Yarns—32's twist . . . per lb	17.50	17.50	17.50	17.50	17.75	18.00
—40's twist . . . per lb	17.50	17.50	17.50	17.50	17.75	18.00
—60's twist (Egyptian) . . . per lb	17.50	17.50	17.50	17.50	17.75	18.00
32's Printers, 115 yds, 16 by 16, 32's and 50's . . . per lb	28	28	28	28	28	28
32's Shirtings, 75 yds, 19 by 19, 32's and 40's . . . per lb	28	28	28	28	28	28
32's Dico, 38 yds, 18 by 18, 10 lbs . . . per lb	17	17	17	17	17	17
32's Dico, 38 yds, 18 by 18, 10 lbs . . . per lb	17	17	17	17	17	17

(II.) Compared with Previous Years.

	Price, April 27, 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American . . . per lb	10.35	8.25	7.75	7.55	7.04	7.25
—Sakellaridis Fully Good Fair Egyptian . . . per lb	17.50	17.75	16.50	16.50	16.50	16.50
Yarns—32's twist . . . per lb	17.50	17.75	16.50	16.50	16.50	16.50
—40's twist . . . per lb	17.50	17.75	16.50	16.50	16.50	16.50
—60's twist (Egyptian) . . . per lb	17.50	17.75	16.50	16.50	16.50	16.50
32's Printers, 115 yds, 16 by 16, 32's and 50's . . . per lb	28	28	28	28	28	28
32's Shirtings, 75 yds, 19 by 19, 32's and 40's . . . per lb	28	28	28	28	28	28
32's Dico, 38 yds, 18 by 18, 10 lbs . . . per lb	17	17	17	17	17	17
32's Dico, 38 yds, 18 by 18, 10 lbs . . . per lb	17	17	17	17	17	17

LIVERPOOL OFFICIAL QUOTATIONS—April 21, 1922.

Description.	Cena.	Mod.	Good Mod.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.		Same Period 1920.	
							Med.	Good Mod.	Med.	Good Mod.
Sea Island	4	4	4	4	4	4	4	4	4	4
Florida do	4	4	4	4	4	4	4	4	4	4
Georgia do	4	4	4	4	4	4	4	4	4	4
American	4	4	4	4	4	4	4	4	4	4
—Upper	4	4	4	4	4	4	4	4	4	4
—Lower	4	4	4	4	4	4	4	4	4	4
—Pernam	4	4	4	4	4	4	4	4	4	4
—Parahyba, Rio Grande, &c.	4	4	4	4	4	4	4	4	4	4
—Macao, &c.	4	4	4	4	4	4	4	4	4	4
—Mossoro, &c.	4	4	4	4	4	4	4	4	4	4
—Ceara	4	4	4	4	4	4	4	4	4	4
—Maranhão, &c.	4	4	4	4	4	4	4	4	4	4
—São Paulo	4	4	4	4	4	4	4	4	4	4
—Egyptian	4	4	4	4	4	4	4	4	4	4
—Upper	4	4	4	4	4	4	4	4	4	4
—Lower	4	4	4	4	4	4	4	4	4	4
—Sakellaridis	4	4	4	4	4	4	4	4	4	4
—Brown	4	4	4	4	4	4	4	4	4	4
—Peruvian	4	4	4	4	4	4	4	4	4	4
—Rough	4	4	4	4	4	4	4	4	4	4
—Moderately Rough	4	4	4	4	4	4	4	4	4	4
—Smooth	4	4	4	4	4	4	4	4	4	4
—Tangul	4	4	4	4	4	4	4	4	4	4
—Mixed	4	4	4	4	4	4	4	4	4	4
—West Indian, &c.	4	4	4	4	4	4	4	4	4	4
—Do	4	4	4	4	4	4	4	4	4	4
—African, East, &c.	4	4	4	4	4	4	4	4	4	4
—Do	4	4	4	4	4	4	4	4	4	4
—Machine Ginned Surtee	4	4	4	4	4	4	4	4	4	4
—Machine Ginned Brooch	4	4	4	4	4	4	4	4	4	4
—Machine Ginned Brown	4	4	4	4	4	4	4	4	4	4
—Machine Ginned Comra. No. 1	4	4	4	4	4	4	4	4	4	4
—Machine Ginned Comra. No. 2	4	4	4	4	4	4	4	4	4	4
—Machine Ginned Khandeish	4	4	4	4	4	4	4	4	4	4
—Machine Ginned Comptah	4	4	4	4	4	4	4	4	4	4
—Machine Ginned Bengal	4	4	4	4	4	4	4	4	4	4
—Machine Ginned Seinde	4	4	4	4	4	4	4	4	4	4
—Tinnivelly	4	4	4	4	4	4	4	4	4	4
—Madras, Western	4	4	4	4	4	4	4	4	4	4
—Madras, Northern	4	4	4	4	4	4	4	4	4	4
—M.G. Coconada, Red	4	4	4	4	4	4	4	4	4	4
—China, Smyrna, &c.	4	4	4	4	4	4	4	4	4	4

THE TIMBER MARKET.

(FROM OUR OWN CORRESPONDENT.)

It is anticipated that the opening of navigation of the timber shipping ports of the North of Europe will be a late one this spring—an advantage to holders of building woods on the spot, and a disappointment to those who desire to see a fall in prices. There is already a scarcity of sizes constantly in demand amongst builders, and prices for these are firmer, but taking the building wood market as a whole, spot values have not shown the improvement expected in the early weeks of the year.

Needless to say, should a strong demand for building timber suddenly arise, prices would immediately stiffen, for the new season's arrivals are not expected for some weeks yet; but the future trend of prices for wood for building work next summer is not so much concerned as regards selling at home as of buying abroad. Though large quantities of wood have been purchased from Finland for early delivery, sales of Swedish timber to this country have been but few in consequence of high f.o.b. demands—a basis of £26 a Petrograd standard of 165 cubic feet for 3 by 9 unsorted red deals and £18 for 7 inch, with 20s a standard less for Upper Gulf stocks—quite £2 10s above Finnish basis prices.

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In the Canadian section of the trade the market is quiet, the trades using spruce as a raw material being in a bad way, whilst the engineering and shipbuilding industries are making but little call for the usually highly valued Canadian yellow pine, neither for American pitch pine and East Indian teak. The recent distribution of large holdings of Canadian spruce held some time ago by the Government has affected forward buying from Canada, but the spruce position is improving weekly, and will continue to do so as the old stocks here are gradually consumed. In the mahogany trade the demand both for logs and boards has been well maintained over the past month—compared with other woods, mahogany is cheap, all things considered. Of American furniture woods the arrivals have been heavy, and stocks have accumulated, with the result that values have weakened.

As regards the native wood trade, our prime productions of hardwoods are having the effect of keeping the foreign supplies down in price. It is gratifying to note that considerable attention is being given by merchants in the West of England to the advantages of wood for paving purposes. The difficulty of this kind of home industry, it seems, has been to guarantee a sufficiency of supplies to cover large contracts, but one presumes this has been overcome, thanks to co-operation and good organisation on the part of merchants.

VEGETABLE OILS AND OILSEEDS.

After a period of marked firmness and rising prices linseed oil has taken an easier turn after £43 paid for prompt oil, ex Hull mill. After recent heavy sales for immediate shipment, supplies, on spot and near, fell slack, but with less demand and improved seed shipments prices have eased off, £42 being current value on Thursday for "spot" and month. Forward positions were also easier, closing at £38 15s May-August, and £36 September-December, ex Hull mill, a decline of 60s per ton from the highest.

Cotton oils on scarcity have again advanced, crude Egyptian being held for £41 10s, and edible refined for £46 10s prompt. Crude soya bean oil is inclined easier for spot, and is steady forward. Little or no change is reported in the demand for rape, castor, ground nut, and palm kernel oils.

Plate linseed has been somewhat irregular, but on balance values are not much altered, spot being fully steady. A fair business has been done to Hull at £19 15s to £19 17s 6d for April, May, and down to £19 10s for May-June; while London has been a ready buyer of Calcutta up to £21 5s April shipment, £20 15s to £21 April-May, and £20 15s May-June. Cottonseed has rallied strong, current value of black Egyptian being £12 15s, May loading, and Bombay £9 2s 6d, April-May. Soya beans are quiet, and chiefly interest the Continent, as also does rapeseed, shipments of both to the U.K. this year being on quite modest lines.

A better demand for oilcakes has sprung up, and linseeds are firm at late rates. Cottons and meals have also moved off more freely.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide market remains steady at recent prices, and at Thursday's Bermondsey sales ox hides sold from 6d to 7d, lights showing a fractional drop of 1d. Best cows sold from 6d to 6½d, and were an 1d up. Calf recovered to some extent from the spectacular fall of last week, heavies selling from 7½d to 8d, and lights 10½d to 11d, increases of 1d to 1½d being shown, as against last week's prices. There is rather more doing in imported hides, and prices are a shade firmer, as it is reported from the River Plate that big blocks of saladeros have been sold to this country and the Continent. The American position has improved, and heavy natives steers have advanced in Chicago to 14 cents, and light native cows to 12½ cents. Buffs are still offered at 8½ cents.

There is a slightly better tone in the sole leather market, and as several "dump" parcels of bends have been cleared, tanners are standing more firm on prices. There has also been a better demand for pinned offal and rough leather, and tanners and merchants are more hopeful. The question of the Government stock of tanned E. India leather has again come to the fore by the receipt of a circular from the Disposals Board, stating the schedule of prices is withdrawn, and that all allocations to factors are cancelled. The department is now open to consider offers for the kips in any quantities, but as there are about 17,000 bales to be disposed of, it will be some time before this stock is off the market.

Upper leathers are a steadier sale; the demand for suede has dropped off, but glacé kid seems inclined to come into its own again with the autumn demand from women. Patent is a good seller, the chief demand being for American sides of the medium grades.

The shoe section is better, and orders have been received in certain centres which will take some time to execute.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, April 28.

There was only a moderate amount of business stirring during the week, and as regards such articles as tea and sugar, buyers were not inclined to exceed pressing requirements pending the Budget statement.

SUGAR opened the week very quietly, but later a slightly increased trade resulted at a general decline of 6d per cwt for spot parcels. Messrs Tate and Lyle's cubes, sold, 52s 3d to 53s 3d; crushed, 50s; caster, 50s to 50s 6d; icing, 51s; ditto, in drums, 50s 3d; No. 3 crystals, 48s; granulated, fine and coarse, 48s 6d; London and No. 2, 48s; mineral water, 48s 6d; coffee crystals, 54s; yellow crystals, 42s 6d; pieces, 35s to 43s 3d. Granulated, second half May, sold, 48s; and July, 48s. West India crystallised met with but retail support, at 41s 6d to 43s, as to quality. American granulated, spot, sold, 47s 6d to 47s 4½d; Canadian, 47s 4½d. American granulated, arrived in River Thames, sold, 19s 9d; May, 20s to 19s 10½d and 20s 3d; June, 20s to 20s 4½d; with July, 20s 3d to 20s 6d, c.f. and i. terms. White Brazilian, due steamer, sold, 18s 6d, c.f. and i., London. White Mauritius, spot, 43s 9d to 44s 3d. Belgian crystals, October-December, quoted 18s 4½d, f.o.b., Antwerp. Czechoslovakian and Dutch sugars for shipment quite nominal as far as the U.K. market is concerned, also Java sorts. Cuban basis 96 per cent., April-May, sellers, 13s 3d; and Brazilian basis 80 per cent., May, 9s, both c.f. and i. terms, U.K. Cuban stocks, 1,053,700 tons, against 1,045,500 at corresponding period last year. Terminal market quiet. White, May, sold, 19s to 19s 1½d; August, 19s 10½d. Liquid glucose, spot, 26s 6d. American syrup steady, unaltered. Messrs Tate and Lyle's sugars closed 3d per cwt dearer.

COFFEE.—With sustained inquiries for all the finer qualities suitable to the home trade, these realised full prices, but medium and common experienced a rather slow market. Of East Indian, good to fine bold Coorg, sold, 129s to 138s 6d; fair bold Nairobi, 113s; Costa Rica bold, 120s to 136s. Future delivery market dealer, since easier. May, sold, 62s 6d to 60s 10½d; July, 62s 6d to 61s; September, 61s 6d to 60s; and December, 62s to 59s 9d.

COCOA.—Market featureless, actual dealings being of a retail character on about former terms. Supplies, however, are below the average. Butter quiet at 1s 7½d per lb.

TEA.—Public sales of Indian this week embraced some 36,700 packages. There was a fair demand for some invoices of autumnal flavour at steady rates, but otherwise a quiet and easier tone predominated. 24,250 packages Ceylon experienced a slow demand, and prices on balance ruled 1d to 1½d per lb lower.

FRUIT.—A steady but generally quiet tone prevailed with regard to currants. Pyrgos quoted 57s; Amalia, 59s to 60s; Patras, 60s to 62s; Vostizza, 65s to 75s. Valepica raisins steady, quiet. Only a limited inquiry prevails for sultanas at recent level of prices. Dates steady. Hallowee, spot, 44s; Siar, 28s 6d.

RICE.—Market firmer while influenced by higher advices from Rangoon, and where liberal operations have been carried through on Chinese account. Two stars, spot, sold, 14s; new, 15s; ditto, afloat and early May shipment to London at 13s 9d to 14s 6d. No 3 cleaned Rangoon, early May, sold, 14s 6d to 15s 3d, c. and f. terms Levant, double bags. Broken kinds steady, but not much inquired after. Bran steadiest, and May-June Rangoon held for 125s per ton, ex ship terms. Moderate transactions in Rangoon haricot beans on spot at 6s 9d to 6s 6d per cwt.

SPICE.—Pepper market ruled quite steady, and business on a moderate scale. Fair black Singapore, spot, sold, 4d; Aleppy ditto quoted 4½d; Tellicherry, 4½d; Ceylon black, 4½d; white Singapore, spot, 7½d; Muntok, 7½d. To arrive: black Singapore, May-July, 6½d; and Muntok, May-July, 7½d; June-August, 7½d. Zanzibar cloves, spot, 1s 2d; ditto, February-April, steamer, sold, 1s 1d; July-September, 1½d, c.f. and i. terms. Pimento, spot, 2½d. Flake tapioca, spot, sold, 1½d to 1½d per lb. Fair Penang seed pearl, spot, sold, 17s 6d; sago flour, April, steamer, changed hands at 16s; April-June, 15s; and May-July, 14s 7½d. Desiccated coconut: spot lots sold, 42s to 43s; afloat, 39s 9d to 40s 3d; May-June, 39s to 40s. Ginger quiet, but held for steady prices.

JUTE.—Business proceeded with general animation during the greater part of the week, and, though irregular at times, prices closed much higher all round, with consumers following the advance. First grade, spot, Dundee, sold, £29 10s; ditto, spot, Hamburg, £28 5s to £29; April-May, £29 7s 6d; May-June, £30 5s. Lightning grade, spot, Hamburg, £25; ditto, afloat, £25 10s to £26; ditto, April-May, £25 to £26; May-June, £25 15s to £27; Heart grade, April-May, £22 to £22 5s; Tossa No. 3, spot, Dundee, £27 10s. Hessians steady, quiet on spot and firmer forward; 10-oz, spot, 27s; April-May, 27s; 8-oz, spot, 19s 6d; April-May, 20s 6d per 100 yards. A twills, spot, 75s; B, 64s; and sugars afloat, sold, 76s per 100 bags.

HEMP.—Manila very quiet, only G and streaky three qualities meeting with any tangible support. Fine qualities largely nominal. G

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Advocates of a further reduction in Bank rate point to the late reaction in gilt-edged securities as evidence that some such tonic will be necessary if the Government's conversion schemes, present or expected, are to be made effective; but increases in the Treasury's demands on the Bank for accommodation have not in the past tended to bring Bank-rate down. Yesterday, transactions in commercial bills were done at $2\frac{1}{2}$ per cent., following the announcement of the low rate at which Treasury Bills were allotted.

	May 5, 1922.	Apr. 28, 1922.	Apr. 21, 1922.	Apr. 12, 1922.	Previous Rate and Date Changed.
Bank Rate	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	(Apr. 13, '22)
Bank Deposit Rate	2	2	2	$2\frac{1}{2}$	(Apr. 13, '22)
Discount Call	2	2	2	$2\frac{1}{2}$	(Apr. 13, '22)
Household Notice	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	(Apr. 13, '22)
Market rate 13 months' bills	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	(Apr. 13, '22)

The Bank return was unfavourable. Cash demands at the end of the month had expanded the note circulation by £785,000, while the stock of gold was unchanged, so that the Reserve was £785,000 lower. Its proportion to liabilities had fallen by over 2 to 17.2 per cent., owing to the increase of £16 millions in the Government securities, offset by a decline of only £3½ millions in the Other securities. There was thus an addition of £12 millions to the deposits, the whole of which went to Other. Currency notes outstanding were reduced by £1,900,900 to £301,328,200, which includes £1,634,400 for notes called in but not yet cancelled. The fiduciary issue is £251,743,800, or £58,244,600 below the maximum.

THE STOCK MARKETS.

The Budget was too closely in accord with expectation to exert much influence on the Stock Exchange, but Genoa developments caused uneasiness, which was reflected in the weakness of French issues, while Chinese bonds fell on the war news from that country. War Loan declined on heavy sales, but the Conversion Loan rose to a new high record, partly on the re-investment therein of proceeds of War Loan sales. British Governments stocks, as a whole, were irregular, but closed above worst. Home railway prior charge stocks progressed, and the ordinary stocks, after early depression, closed firmer. The rubber market was dull, oil shares were inclined to droop; and apart from De Beers and Russo-Asiatics, the mining markets showed little vitality. Speculators' attention is mainly absorbed by low-priced industrials, but iron, steel, and engineering shares were weak, owing to the unpromising outlook in the industrial dispute. The Index Number compiled by the *Bankers' Magazine* shows that at April 18th the market value of 387 representative securities had risen to 13.3 per cent. above the level of mid-December, 1921. Up to the middle of March the rise had been 7.3 per cent. Taking mid-December values as 100, fixed-interest security values rose from 108 to 112.9 between March 20th and April 18th, while variable-dividend securities showed a far greater rise—namely, from 105.9 to 114.1. These figures reveal a significant broadening in Stock Exchange business. The net increase in the market value of the 387 securities between March 20th and April 18th reached the large figure of £324,506,000.

COMMODITY MARKETS.

The price of fully middling American raw cotton advancing to 11.18d per lb caused a sympathetic hardening tendency in yarn and cloth quotations. Our Manchester correspondent reports that a larger turnover has taken place in grey shirtings and light bleaching cloths. At the third series of London wool sales last Tuesday, best merinos appreciated from 5 to $7\frac{1}{2}$ per cent. in value,

"tops" improved 10, and scoured merinos 15 per cent. There are no changes in iron quotation, though it is stated that the market for steel is slowly broadening. Best Admiralty coal remains firm at 28s 9d per ton, while house coals are quoted at 30s per ton at pit. Quotations for wheat were slightly easier, and business was dull. Linseed oil advanced in price. In the hide markets there was a decided hardening tendency at work. Trade in the shoe industry is better. Further details of markets from our special trade correspondents will be found on later pages.

FOREIGN EXCHANGES.

In spite of continued uncertainty as to the outcome of Genoa, the foreign exchange market, after a quiet opening, has had a rather more active week than for some time past. The mark has again shown most movement, rising from 1,256 on the 28th up to 1,333 on Wednesday, after having been considerably higher during the day, from which, on a rather more optimistic judgment of the outlook, it has fallen again to 1,270. Future rates remain on a parity with spot. No stability at any level can be looked for until more is known as to the issue of the reparation crisis, which will come to a head on May 31st. In the meantime, reports that America is now considering favourably the possibility of a German loan, should the reparation liability be fixed at a reasonable figure, may explain the recent slight tendency towards recovery. The Paris rate, as was to be expected at this period of strain, has shown a distinct upward tendency, having risen on the week from 48.26 to 48.50, while Brussels has gone up more sharply, from 52.56 to 53.02. From one-half centime last week forward Paris has moved up to one centime per month over spot, while forward Brussels is also one point higher at seven centimes per month over spot. From 4.42½ the dollar, after weakening a little, has moved up to 4.44. It is difficult to foresee future movements, but it should be remembered that prices are still rising in the States more rapidly than here, and that the manufacturers there seem bent on a continuance of this upward movement. Should the disparity continue we may look for higher rates, but it is not easy to judge when the effect of rising prices of raw materials may drive rates in the other direction. Forward rates, at parity for one month and $\frac{1}{8}$ cent over spot for two, remain unchanged on the week. Italy, which reached 84.06 on the 28th, has shown an improving tendency, and is now down to 83.12. It will be interesting to see whether the improvement in the lira, which since the war has generally taken place about this time of the year, will again make itself felt. Among neutral exchanges, Amsterdam has fallen from 11.60½ to 11.57½, after being on Tuesday at 11.56, possibly in connection with recent new flotations in Holland. The Scandinavian currencies have moved in our favour, Stockholm more sharply than usual, to 17.15½. Madrid also shows a higher quotation. Helsingfors at 212½ remains wanted on persistent rumours of a loan. In Central Europe Vienna has started on a new upward movement, rising during the week from 34,000 to 35,500, after being up to 36,500, probably in sympathy with the mark. The Polish mark is also some 500 higher at 18,000. Prague shows little change. Budapest is rather higher, but there is a distinct improvement in Belgrade down to 280 (from 320 last week) on reports of a probable loan in the United States. In the East the rupee is slightly dearer at 1s 3½d, while the yen has also fallen to 2s 1½d. The silver market has been disturbed owing to war in China. On the whole, there has been buying from that country, and some little demand from India, with a consequent small rise in price. The outlook, however, is uncertain. Hong Kong and Shanghai remain unchanged at 2s 6½d and 3s 5d respectively. In South America movements have been small. Valparaiso is unchanged at 39.50, Buenos Ayres a little dearer at 44½d, and Montevideo at 43½d, while Rio is slightly cheaper at 7 15-32d.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended April 29, 1922:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	11,190	Supply Services	7,074
Taken from Exchequer balances	199	Interest on Debt	2,200
		Sundries	36
		Reduction of Debt	1,999
	11,389		11,389

The total revenue for the week of £11,489,838 compares with £17,222,528 during the corresponding week of last year. The expenditure for the week was £9,690,218, as compared with £13,575,137 in the same week a year ago. Estate, &c., Duties was the largest item of revenue at £2,210,000, which compares with £610,000 in the previous week. Customs yielded £1,984,000, against £1,700,000 in the previous week, while Excise yielded only £437,000, as compared with £7,438,000 in the preceding week. Property and Income-tax amounted to £1,820,000, as compared with £5,119,000 in the same week last year. Ordinary receipts under Miscellaneous yielded £800,086, while Special Receipts amounted to £1,444,272. In the corresponding period Special Receipts yielded £2,768,000.

The week's operations reduced the National Debt by the sum of £1,998,396, and caused the following changes:—

	Min. £		Min. £
Treasury Bonds by tender	+ 7,163	Public Departments Advances	- 7,850
Bank of England Advances	+ 12,250	Treasury Bills	- 8,565
National Savings Certificates	+ 370	Surrenders of Bonds, &c.	- 104
Sundries	+ 200	Unemployment Insurance	- 200
	+ 19,913	Other Debt	- 4,752
		Exchequer Bonds repaid	- 500
			- 21,911

The receipts from National Savings Certificates at £1,200,000 exceeded the sums repaid under this head by £300,000. The floating debt was reduced by £4,105,000 during the week, and now stands at £951,370,500.

FINANCIAL YEAR, 1922-23 (April 1 to April 29, 1922).

	£		£
Total spent	61,001,894	Raised by revenue ..	74,514,231
Dec. in balances	8,061,100	Net repayments	21,573,437
Total	69,062,994	Total	52,940,794

ESTIMATES FOR YEAR 1922-23.

	£		£
Ordinary Expenditure	823,846,000	Ordinary Receipts ..	820,775,000
Special Expenditure	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000
		Surplus	706,000

NATIONAL DEBT. (Million £.)

	Aug. 1, 1914.	Mar. 31, 1916.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.	Apr. 29, 1922.
Funded Debt	588	318	318	315	315	315	315	315	315
Term Annuities	30	22	22	20	19	17	17	17	17
3½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	14	13	13	13	13	13	13	13
National War Bonds	2,091	2,958	2,047	2,040	1,995	1,995	1,995	1,995	1,995
4% Funding Loan	649	1,636	1,509	1,476	1,413	1,201	1,201	1,201	1,201
4% Victory Bonds	...	...	360	357	348	346	346	346	346
3½% Conversion Loan	...	...	...	...	...	266	266	266	266
5-15 year Treas. Bonds	...	...	...	...	23	24	24	24	24
5% Treasury Bonds	...	...	...	...	...	273	380	380	380
Do by tender	15	961	967	1,107	1,121	1,060	882	759	69
Treasury Bills	90	322	324	323	319	289	218	194	175
Exchequer Bonds	138	227	267	274	285	291	324	344	344
Nat'l Savings Certs.	23	944	1,241	1,306	1,181	1,132	1,091	1,085	1,085
War Expend. Certs.	...	51	51	51	51	...	...	...	...
Other Debt	...	51	51	51	51	...	...	...	...
American Loan	1	304	455	543	805	154	200	147	193
Temporary Advances	...	...	...	...	...	...	...	...	...
Other Capital Liabilities	654	5,872	7,435	8,033	7,829	7,574	7,748	7,658	7,637
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,793	7,738	7,687

POSITION OF THE FLOATING DEBT.

	Out. April 30, '21.	Mar. 31, '22.	Apr. 29, '22.	Apr. 29, '22.
Temporary Advances	£	£	£	£
Advances of Bank of England	19,250,000	19,250,000	19,250,000	19,250,000
Advances by Public Deptms	171,063,000	147,301,500	178,101,500	178,101,500
Treasury Bills outstanding	1,093,712,000	882,219,000	758,519,000	850,000,000
Total Floating Debt	1,390,025,000	1,029,570,500	951,370,500	1,050,000,000

A MAKESHIFT BUDGET.

THE reduction in the standard rate of income-tax by 1s in the £ and the remission of 4d per lb in the standard rate of duty on tea were so close to current forecasts that Monday's Budget was robbed of any element of surprise. Nevertheless, Sir Robert Horne's first Budget speech is one on which he is to be congratulated. Sir Robert is a clear and fluent speaker, and, in pleasing contrast to some previous finance statements made in the House this spring, his matter was well arranged and expounded in a way that could be followed without confusion. In view of the numerous changes made in the estimates for the past year, and the still more varied figures in the Geddes report and elsewhere that have been made public during the past three months in respect of the current year, it is a relief to be able to make a completely fresh start with a clear and definite balance-sheet, the figures of which are discussed in the succeeding article.

But the merits of the speech are not confined to the Chancellor's gift of exposition. It must also be said that the statement is based upon fair and honest estimating, and, subject to one very important qualification, to which we refer later, the difficulties of the position were frankly faced. The Chancellor estimated that on the basis of existing taxation there would be a substantial diminution in Customs and Excise amounting to 10 per cent. in the former case and 17 per cent. in the latter. Under the head of Income and Super-tax, he anticipates a drop to a figure of £362 millions, which, though rather above our forecast of £350 millions, is at the same time 9 per cent. less than the yield in the past year. Altogether the Chancellor expects to lose £87 millions from taxation, in addition to the loss of £81 millions under the head of special receipts (war stores, &c.), which yielded £171 millions last year. The last item remains the most mysterious in the revenue account, for the Chancellor did not explain where he will get 90 millions of special receipts in view of the facts that war stores will only yield 42 millions and that the Government does not propose to count upon any receipts at all in respect of reparations. Except as regards this special item, the revenue appears to us to have been conservatively estimated at 956 millions, and if trade maintains its slightly upward trend, we shall be disappointed if the forecasts are not realised. These estimates of revenue give a surplus of 71 millions over expenditure.

But the Chancellor did not attempt to disguise the fact that on this basis of existing taxation and of our statutory obligations as regards Sinking Fund, and after making the very modest allowance of 25 millions for contingencies, and reductions in postal and telephone rates which will reduce the revenue by 5 millions this year, there would be no surplus at all. The statutory Sinking Fund liabilities are 9 millions for the "New Sinking Fund of 1875," which, together with casual surpluses and annuities, was the means of repaying debt before the war. The amount required for securities tendered for Death Duties and Excess Profits Duty is between 10 and 15 millions, and the Special Sinking Funds attached to the Victory Bonds and 3½ per cent. Conversion Loans require a further 10 millions, making for the year from 30 to 35 millions in all. If these obligations are met out of revenue, the surplus would disappear. The Chancellor, therefore, finds means for a small remission of taxes by suspending all these funds, and by arranging to borrow in order to meet his contractual liabilities under them. This decision, though politically irresistible, is a most unfortunate lapse in our financial record. As Mr Hopkinson pointed out in the House, it is "humbug" to suggest that trade is benefited by withholding money which is due to the investor in Government loans and leaving it with the taxpayer. On the contrary, expenditure upon debt reduction is, as we showed last week, more likely to add to the capital available for trade and industry than remission of taxation. Again, the suggestion that the Government is not going back on its obligations to the investor because the Sinking Funds will be in form maintained is specious but inaccurate. The Sinking Funds were represented by the Government as a means of aiding capital appreciation. But if the Government issues more Conversion Loan in order to secure the funds to carry out its legal obligation to buy up a cer-

tain amount of this very stock, the object of the fund is neutralised. These considerations are of less immediate significance than they might be under other circumstances, since Government securities are high and money cheap. But if the State's obligations to the investor are regarded as subsidiary to the needs of the taxpayer, why boggle at borrowing to pay the interest on the debt as most of the States of Europe are doing? Sir Robert Horne's Budget means that it will be harder to revert to sound finance in the years immediately ahead, and for this reason it would have been better that the taxpayer should have been refused relief until expenditure had been reduced. For the burden of taxation is the most efficient force for compelling Governments, whose natural instinct is to spend money, to curtail their activities.

But the Budget is open to other objections. In the first place, the remission of taxes has only been secured by the assumption that only 25 millions will be needed for supplementary estimates. This compares with an average for the last three years of 100 millions a year. It is true that a large part of last year's supplementaries arose out of the coal dispute, and that in previous years various military operations were on hand, the course of which could not be forecast. In fact, we were to some extent in the realm of war finance. But conditions are still so unsettled both at home and abroad that a margin of only £25 millions is optimistic. It is true that in the ordinary estimates the Government make provision for spending as much on unemployment benefit as in the current year. But we start, as a year ago, with another big industrial dispute in progress, with a shadow of possible heavy expenditure in Ireland, and with none too rosy prospects in India, Egypt, and Mesopotamia. The Chancellor could not have been accused of being pessimistic if he had allowed 50 millions for supplementary estimates.

But the most serious criticism of the Chancellor is that in the course of an hour and a half's review of the country's finance Sir Robert Horne never carried his vision beyond the next twelve months, and though he is well aware that his present effort is but the first of a series of critical Budgets, he never invited the House to take this longer view. Had he done so, he would have had to remind them that the concessions which he now proposes will lose 20 millions more of revenue next year than they do in the current year. That, whereas it is now estimated that special receipts will exceed special expenses by 29 millions (90 millions of receipts to 61 millions of special expenditure), this margin will almost certainly disappear entirely next year. That we shall have to find 50 millions for the American debt next year instead of 25 millions, and that the income of the nation assessable for income-tax will show a still further decline in 1923. In other words, without allowing a penny for debt redemption and though borrowing to meet the statutory Sinking Funds, next year's Budget will show a deficit of at least 100 millions. The Chancellor of the Exchequer may well declare that the Treasury will continue without relaxation its efforts to reduce expenditure, for it has to find this 100 millions out of 823 millions of ordinary expenditure. Even under the most favourable circumstances the consolidated fund and interest charges, which absorb 363 millions of this amount, can hardly be reduced by more than 20 to 25 millions through falling rates of interest, since interest on the bulk of the debt is not capable of modification for several years. Of the remaining 460 millions, 66 millions are the expenses of the Post Office, whose economies must go to the lowering of postal, &c., rates, and of the Revenue Departments, while 90 millions represent pensions, which will fall automatically, but only by a few millions a year. The problem of next year's Budget therefore reduces itself to the necessity of saving 75 millions out of an expenditure on Civil Services and Defence amounting to 304 millions in the current year, or an all round further cut of 25 per cent. If the statutory Sinking Funds, which have this year been suspended are replaced, the cut will have to be over 100 millions, or 33 per cent. Moreover, even these difficulties would be further increased if the general level of prices continues to fall, for the revenue would dwindle while a large part of the charges would remain fixed. Some such picture as this should have been before the House on Monday, when the Government invited it to lower the rate of taxation. Sir Donald Maclean,

it is true, ventured to suggest that the condition of commerce is so parlous that a 5s tax may yield actually more than a 6s tax. But this we do not believe, for the stimulus to enterprise and production which the concession can provide is very small compared with the underlying conditions which determine the state of trade. The Budget is a speculation in the sense that we may be able to retrace our steps if our trade and industry in 1922 encounters fairer weather. The best that can be said for it is that it might have been much worse.

THE YEAR'S BALANCE-SHEET.

THE Treasury are to be congratulated on the clarity of the papers issued this week in connection with the annual budget. One or two obscurities still remain, but with these exceptions the "Financial Statement (1922-23)" gives the general public all the information needed to enable a proper understanding of the year's accounts. The expenditure side of the balance-sheet amounts to £910 millions, in which is £25 millions for contingencies. The net figure is thus £885, which is £20 millions less than the forecast given in our last issue. The difference comes under the head of debt interest, which the Treasury estimates at £310 millions, against an actual expenditure in 1921-2 of £332 millions, the decrease being the amount of the "New Sinking Fund" which is suspended plus the saving from a fall in the rate of interest. There are also minor changes in connection with payment to the Northern Irish Parliament. The final estimates are as follows:—

Service.	Estimate, 1922-23.	Estimate for 1922-23 more (+) or less (—) than 1921-22.
CONSOLIDATED FUND SERVICES.		
National Debt Services.....	£ 335,000,000	— 10,000,000
Payments for Northern Ireland Residuary Share, &c.....	2,500,000	+ 2,500,000
Road Fund	10,000,000	+ 1,600,000
Payments to Local Taxation Accounts, &c.....	9,788,000	— 1,327,000
Land Settlement	3,500,000	— 1,500,000
Other Consolidated Fund Services.....	2,650,000	+ 893,000
Total Consolidated Fund Services	363,438,000	— 7,834,000
SUPPLY SERVICES.		
Army (including Ordnance Factories).....	62,300,000	— 44,365,000
Navy	64,884,000	— 17,595,000
Air Force	10,895,000	— 7,516,000
Civil Services	317,455,000	— 61,580,000
Customs and Excise and Inland Revenue Departments	12,275,000	— 2,426,000
Post Office Services	53,822,000	— 13,343,000
Provision for Supplementary Estimates	25,000,000	— 72,000,000
Total Supply Services	546,631,000	— 218,825,000
Total	910,069,000	— 226,659,000
Estimated Expenditure chargeable against Capital	10,050,000	— 422,000

The Army figures are, of course, affected by the transfer of the Middle East vote to the Civil Services. The remaining figures have been previously commented upon in the *Economist*.

As regards revenue, the Chancellor assumes that on the existing basis the following will be the yield from the revenue:—

	Estimate for 1922-23 on Basis of Existing Taxation.	Estimate for 1922-23 More (+) or Less (—) than Receipts in 1921-22.
Customs	£ 117,250,000	— 12,802,000
Excise	160,750,000	— 33,541,000
	278,000,000	— 46,343,000
Motor Vehicle Duties	10,600,000	— 496,000

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	Estimate for 1922-23 on Basis of Existing Taxation.	Estimate for 1922-23 More (+) or Less (—) than Receipts in 1921-22.
Estate, &c., Duties	£ 48,000,000	— 4,191,000
Stamps	18,250,000	— 1,388,000
Land Tax, House Duty, and Mineral Rights Duty.....	3,000,000	+ 410,000
Income Tax (including Super-Tax) ..	362,200,000	+ 36,687,000
Excess Profits Duty, &c.	29,800,000	— 652,000
Corporation Profits Tax	19,750,000	+ 2,234,000
	481,000,000	— 40,274,000
Total Receipts from Taxes	769,600,000	— 87,113,000
Postal Service	40,517,000	+ 517,000
Telegraph Service	5,230,000	+ 670,000
Telephone Service	14,528,000	+ 4,028,000
	60,275,000	+ 3,875,000
Crown Lands	750,000	— 70,000
Interest on Sundry Loans	14,000,000	+ 193,000
Miscellaneous:—		
Ordinary Receipts	22,000,000	— 4,334,000
Special Receipts	90,000,000	— 80,806,000
Total Receipts from Non-Tax Revenue	187,025,000	— 81,142,000
Total Revenue	956,625,000	— 168,255,000
Borrowings to meet Expenditure chargeable against Capital	10,050,000	+ 2,005,000
Borrowings for Advances under Unemployment Insurance Acts, 1921 and 1922	14,500,000	+ 1,550,000

† Included with Income-tax in 1921-22.

Comparison of these figures with the expenditure items shows that the Post Office, which was expected to have a deficit in 1921-2 of £7 millions, and actually had a deficit of £9.6 millions, hoped to convert this into a surplus of £6.45 millions. The major part of this surplus was given away by the Chancellor in the form of reduced letter and postcard rates, lower telephone charges, and the restoration of Sunday collections of letters. These concessions are estimated to cost £6,250,000 in the current year. Inland letters not exceeding 1 oz are to pay 1½d instead of 2d, and postcards 1d instead of 1½d. The reduction in telephone charges disclosed by the Postmaster-General in the House of Commons on Thursday consists mainly of a reduction of £1 10s in the rental charge, and of ½d in the charge for local calls. All these concessions are wise, and should prove helpful to the business community.

Inland Revenue concessions are calculated to absorb £35,200,000 out of the Chancellor's supposed surplus of £46 millions on the old basis of taxation. Of this amount the reduction of one shilling in the £ in the standard rate of income-tax accounts for £32,500,000, and it will cost £53,700,000 in a full year. The remaining £2,700,000 to be lost to Inland Revenue is due to minor charges con-

nected with income-tax, super tax, and excess profits duty. All salaried employees are to be assessed for income-tax on the emoluments of the year of assessment without having the option of assessment on the three years' average. The Exchequer will lose on the change this year, but it is, on the whole, a fair and reasonable proposition, although, like most changes, its initial effect may be unpleasant in some cases. A further provision, on which the Exchequer will lose for the present, embodies the Chancellor's promise that "in suitable cases" the payment of E.P.D. arrears should be spread over five years from January 1, 1922, and yet further loss will accrue from the reduction of the farmers' assessment basis to one-third of annual value of agricultural land. On the other hand, legislation is proposed to stop up various loopholes by which income-tax and super-tax evasion has been recently practised. Finally, it is proposed that income falling within Case iii. of Schedule D shall be made "assessable for the first year of receipt on the basis of the amount of income in that year." This will affect interest on bank deposits, profits from discounts, and some minor items.

The remainder of the concessions come under the heading of Customs and Excise, and will cost £5,000,000, of which the 4d per lb off tea accounts for £4,400,000, and the readjustment of duties on cocoa, coffee, and chicory £440,000, £140,000, and £20,000 respectively. It might at first sight be supposed that the loss from lowering of the tea duty would be largely made up through increased consumption. But of this there is little likelihood, for consumption is already at a level which appears to leave little room for expansion. Tea imported for home consumption in 1921 was 410,717,753 lbs, against 392,823,610 lbs in 1920, 305,690,543 lbs in 1913, and 293,502,382 lbs in 1911.

The final balance-sheet (in millions £) may be summarised in the following form:—

Customs and Excise	273	Debt (including U.S.A.) ..	335
Motor Vehicle Duty	10.6	Other Consolidated Fund	
Inland Revenue	445.8	Charges	28.4
Post Office	54.6	Defence	129.7
Other ordinary non-tax		Civil Services	264.6
revenue	36.7	Revenue Departments	12.3
Special receipts	90	Post Office	53.8
		Special expenditure	61.2
		Contingencies	25
			910.0
		Surplus	.7
			910.7

The crux of the position lies in the last item on each side of the account. Disappointment over special receipts, or the failure to restrain the flow of supplementary estimates within the narrow limit set down, would effectively destroy the Chancellor's projected equilibrium.

THE PROBLEM IN PALESTINE.

THE immediate origins of the problem with which the British Empire is confronted at this moment in Palestine are to be found in the following declaration, made on November 2, 1917, by the British Government, and subsequently endorsed by the Governments of France and Italy:—"His Majesty's Government view with favour the establishment in Palestine of a national home for the Jewish people, and will use their best endeavours to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine or the rights and political status enjoyed by Jews in any other country."

This declaration was intended to conform to the aspirations, if not to serve the objects, of at least four parties. The British Government hoped, by means of it, to divide the allegiance of the German and Austrian Jews, and thus to sow confusion in the ranks of the enemy during the war. This was their immediate object; but they also looked forward to bringing under British control, by this avenue, a zone of territory covering the eastern approaches to the Suez Canal, in the event of a partition of Asiatic Turkey—a step which would prevent any other Western Power from becoming a dangerous neighbour to one of the "vital arteries" of the British Empire. The Zionist Jews (the other party to the compact) looked forward to turning Palestine into a country with a Jewish population, organised politically as a Jewish national State. On the other hand, the two conditions inserted at the close of the declaration were intended respectively to reassure the local Arabic-speaking population (and also the other Arabs of Asia, whose aspiration for national independence we had already pledged ourselves to recognise and support); and to allay the uneasiness of that party among the Jews of Western Europe and America which regards political and social assimilation to the surrounding Gentile majorities as a better solution for the Jewish question than the establishment of a Jewish territorial sovereignty elsewhere.

These immediate and concrete factors, however, do not go to the root of the Palestinian problem. The fundamental factor is the simultaneous germination of the Western political idea of nationalism in the minds of two utterly different bodies of people—the sedentary Arab population in the southern half of what used to be Asiatic Turkey, and the Jews scattered throughout the world. The essence of Western nationalism is that it conceives national existence as impossible, or at any rate unsubstantial, without a local habitation under the sovereignty of a national State; and, unfortunately, the Palestinian Arabs and the Jews of the Dispersion have set their hearts upon the same territory for their "national home"—the Arabs because they live there now, and the Jews because their ancestors lived there long ago. The British Government have committed themselves not only to giving moral support to both these two incompatible aspirations, but to carrying both into effect under their own aegis, as the local mandatory Power (administering a class "A" mandate).

It must be noted at once that the simultaneous presence of Jewish and Arab inhabitants in Palestine is not an impossibility under non-Western conditions. Hitherto, in the vast region extending between (while excluding) the Western world on the one hand and the Far East on the other, mixed populations have been not the exception but the rule. The Arabic-speaking people of Palestine are not themselves united, except in respect of language. The present impasse arises from the fact that the existing and the prospective inhabitants of Palestine have all alike been impregnated with the intransigent Western ideal of what the political conditions of national existence ought to be. The growing ascendancy of this ideal in Near and Middle Eastern countries has been working havoc for a century past. It has been disentangling mixed populations in which the several nationalities represent mutually indispensable economic classes, and it has been doing this, not by friendly adjustment through peaceful inter-migration, but by the hideous processes of massacre and deportation. A hundred years ago, the population which covered the East was a coat of many colours, and at the

same time a coat without seam, woven from the top throughout. But the men of war who have parted it among themselves by cutting it up into "self-coloured" national units after the Western fashion, have stained it all with blood. Everywhere the minorities have been, and are being, exterminated by the dominant majorities, fanatically determined to carve out national States of some particular uniform hue, produced by a greater or less infusion of red. The protection of minorities is, indeed, one of the most acute and the most difficult problems left by the war, and though projects have been formulated and treaties signed, no practical solution has been found so far. National fanaticism carries all before it, and where minorities still survive under its régime, it is becoming evident that the only possibility of preserving their existence lies in interchanging them geographically on such lines as to concentrate each, as far as possible, within the frontiers of its respective national State. This is the last resort which is more and more finding favour in the case of the Greeks, Armenians, and Turks, and in view of this unmistakable and irresistible current in Eastern affairs, the policy to which the British Government have committed the Empire in Palestine looks extraordinarily hazardous. At a time when old-established minorities in Eastern countries with mixed populations are being ruthlessly killed out, the British Government have pledged themselves to inoculate the comparatively homogeneous Arabic-speaking majority in Palestine with a fresh minority gathered from all the quarters of the earth. A way, therefore, has to be found out of a dangerous situation. In this difficult task the Cabinet will have the benefit of direct consultation with Sir Herbert Samuel, who has recently arrived in London.

STATE SHIPPING PROBLEMS.

THE entry of governments into commercial competition with shipowners since the war is an objectionable development. Apart from the competitive aspect, and looked at by themselves, the experiments have not had satisfactory results. The attempts to operate State ships commercially have shown the inability of bureaucrats to enter with any degree of success an international business requiring for its conduct highly specialised knowledge and experience. In a broader view, taking into account the effect on private enterprise, the development presents itself even less favourably. Government shipping concerns possess unfair advantages over ordinary shipowners, not only because of immunity from taxation, but also in other ways, and it is undesirable that individual initiative should be hampered.

Before 1914 State-owned ships other than war ships were few. During the war the Governments of the United States, France, Australia, and Canada, as well as Great Britain, and certain other countries acquired merchant fleets. This was done primarily to meet war conditions, but since the conclusion of hostilities these ships have (with the exception of the British, which were transferred as soon as possible to private ownership) been maintained and used in trading on Government account. This State trading is being in part terminated or reduced. The indications are, however, that it will be continued for some time on a temporary footing in America, and as a possible permanency in Australia and Canada. The objections to the system, therefore, demand—indeed, they are receiving—attention.

France, after sustaining heavy financial losses, has taken steps to dispose of her commercial fleet. The United States has declared the same policy as her ultimate object, though, for reasons which it is not necessary to recapitulate here in detail, the Shipping Board is still confronted with the problem of attempting to persuade investors to relieve it of the majority of its huge number of war-built ships. President Harding has endorsed the policy of gradual disposal, and has declared that the future must be built solidly on the development of private initiative and operation. Meanwhile, nearly a thousand of the ships are laid up, while 421 are trading for the Government. So far from making any profit, they are causing a loss estimated at 50 million dollars per year. The Government, it may be noted in passing, has a State subsidy scheme under con-

sideration. The Australian Commonwealth Government ships are being worked, though many of them are, like those of private owners, out of commission, and the enterprise has not escaped the world-wide depression. In Canada the building of Government ships was started relatively late. No ship was actually launched till after the armistice, but the programme of providing ships to enable Canada to expand her export trade has been proceeded with, and the ships have been operated—at a loss, it is almost needless to say—by the Canadian Government Mercantile Marine, Limited. Seventeen out of the fleet of 65 are laid up. Ex-enemy ships taken by way of reparation from Germany have contributed to the total of Government-owned trading vessels. Though the British policy has been for the State not to enter into the shipping business, a number of ex-enemy ships are still being run by the Indian Government. From the reply to a recent question in Parliament, it appears that this is not to continue indefinitely, though for the moment it is "convenient."

Though by no means alone in the opinion that the entry of governments into shipping business is inadvisable, shipowners have naturally been the most active in pressing this view. More than a year ago the Chamber of Shipping of the United Kingdom adopted a resolution recording its conviction that the best interests of the communities of the world would be served by leaving shipping entirely to private enterprise. The Chamber has now issued a statement putting forward the view that the immunity of public ships from various obligations gravely threatens the shipping industry, and, indeed, the prosperity of overseas trade as a whole. The extension of immunity to taxation is especially serious. It is impossible (it is pointed out) for private shipping, often paying income-tax in two or more countries, to compete with State-owned shipping paying no income-tax to its own and successfully claiming immunity from taxation in every other country.

Immunity from taxation is only one of the advantages enjoyed by State ships. There are others which it may be easier to level, and to these particular attention is being directed. The principle is established that a State cannot be made subject to the jurisdiction of its own courts either in respect of its property or otherwise, unless it chooses to submit to the jurisdiction. This rule, which prevails in England, and, subject to variations, also under some other systems of law, is applied not only to the home Government, but also to foreign States, which consequently cannot be proceeded against in respect of their maritime property. The practical result is that no claim can be enforced for collision damage, salvage, or towage against a ship owned by or in the service of a sovereign State, nor can cargo owners sue the State as carrier for short delivery or damage. Bankers, underwriters, harbour and dock authorities, ship repairers, and a variety of other interests are, of course, affected equally with shipowners and merchants.

In view of the importance of the matter, the Comité Maritime International has decided, at the suggestion of the Chamber of Shipping, to make this the sole subject for discussion at its next conference, which is to be held in London in October. In the meantime comparative information is being obtained from the various maritime countries, and with the questionnaire which has been issued is being circulated a valuable memorandum on the subject prepared by Mr Justice Hill, one of the Judges of the Admiralty Court.

It is suggested that steps should be taken to lead to the signing of an international convention recognising the principle that State maritime property other than ships of war should be placed on the same footing as that of privately owned, and that ships of war should, to a limited

extent, be made subject to the jurisdiction of the courts. The movement should certainly command support, and indeed, at the annual meeting of the Association of British Chambers of Commerce a week or two ago, a resolution was passed deprecating the extension of the doctrine of the immunity of sovereign States in respect of maritime property, whether cargoes or vessels, to such property when employed for ordinary commercial purposes. Other commercial organisations which have signified their intention of supporting the Chamber of Shipping in its campaign include the Bankers' Association, the Committee of Lloyd's, the Dock and Harbour Authorities' Association, the Manchester Association of Importers and Exporters, and the Shipbuilders' Federation.

THE INVESTMENT VALUE OF LIFE ASSURANCE.

THE instinct of the public is sound sometimes. We had a striking instance during 1919 and 1920, when young men released from war service disregarded omens which superficially were unfavourable, and plastered the life assurance offices with proposals for assurance. At a time when some of the best offices were compelled through the depreciation of investments to suspend bonus distributions, they were subjected to a barrage of new entrants. It was a remarkable exhibition of prescience on the part of all those who contributed to make 1919 and 1920 the most flourishing years for new business which the British life offices have ever known. Since then there has been some falling off; many of those who would wish to insure their lives are out of a job; many others have so much difficulty in keeping up their existing policies that they cannot contemplate any further assurance. But even in 1921 the general level of new business was much in advance of that of the average pre-war years.

What we propose to do is to indicate how rapidly the clouds which overshadowed life offices during the years of war and of uneasy peace are passing away, and how bright are the prospects of those who had the good sense to insure when they could, however unfavourable may have been the outlook at the moment. We are not concerned at present with life or endowment assurance under definite fixed contracts—"non-profit" assurance. A "non-profit" contract must be discharged in full, however much a life office may suffer from war or other losses. The public, which pays the premium, is concerned merely with security. But the co-operative system of assuring "with profits" has taken so strong a hold upon public imagination that it may be depended upon to recover from any temporary setbacks, and to appeal once more to all those who love to give hostages to fortune, and are prepared to lay out immediate cash in the hope of future gain. For all those who have adopted, or intend as soon as maybe to adopt, life assurance on a with-profit co-operative basis, the first consideration is the likelihood of substantial profits being earned by the companies of their selection. And, happily, there are nowadays so many good life offices that the selection of a thoroughly bad one for a with-profit assurance may be left out of account.

Life assurance companies were rarely, if ever, in a better position to earn profits for their policyholders than they are just now. We shall see this as we come to examine the sources whence flow their profits. They are: first, the margin of net interest earned by the funds above the rate assumed in the valuation of liabilities; secondly, the margin between the death rate assumed in the calculations and the death rate actually experienced; and, thirdly, the margin between the allowance made for expenses and the actual expenditure. The principal positive source of loss is the decline in the value of investments, a decline which compels life offices to write down the book values of their securities which are unsold, and to meet the deficiency on those which are sold. At present the sources of profit—except that which springs from diminished expenditure—are open and flowing strongly,

while the chief source of loss, the deadly continuous depreciation in investment values, has been dammed. And behind the dam the reservoir of investment values is rising.

Let us look for a while at the first two sources of profit—the margin of interest earnings and the savings on mortality. The rates of interest assumed at the valuation of the strong and prudent offices remain much the same as they were before the war—usually 3 per cent. The 2½ per cent. rate, though maintained by a few offices, is out of favour, and a rate of 3½ per cent. does not take sufficient account of the uncertain future. The actual net interest earnings of the offices on their large funds are higher than they were before the war. The greater yield upon new and revised investments more than compensates for the increased rate of income-tax. The actual rate earned ranges from 4 to 4½ per cent. net. The life offices receive an income-tax abatement in respect of the expenses of carrying on their business, so that they have not paid the full 6s rate, and will not pay the full new 5s rate. But they will, of course, get the Budget remission of 1s in the £ on the tax which they have been charged. This will give them, in respect of the current financial year, an addition of from 3s to 4s per cent. on their net rates of interest earned. If, then, we take the valuation rate at 3 per cent., the net average rates earned will range this year from about £4 3s 6d per cent. to £4 8s 6d per cent. under the reduced rate of taxation. This profit margin of £1 3s 6d to £1 8s 6d per cent. calculated on millions of funds, amounts to a very large sum indeed; on say five millions and extended over a valuation period of five years, it amounts to a profit from interest earnings of £293,000 to £356,000.

Then we come to the profit on mortality. The life tables employed by the offices get out of date very quickly. The latest one—the British Office's table—expresses the mortality experienced by assured lives during the generation which ended in 1893. Since the data were collected the conditions of daily existence in this country have become more and more healthy among the classes with which life offices are chiefly concerned. Medical science, by enabling offices to select their risks more carefully, and by protecting us from the malevolence of the microbes which slew our fathers, has reduced the death rate most materially. Even war casualties were not able to catch up with the normal improvement in the mortality rates of the newest of the life tables. The experience of life offices varies; taking it generally one may say that the death claims paid are not more than three-quarters of those "expected" by the tables, and in some recent years have been no more than two-thirds. One cannot put the profit on mortality into figures, but it is obviously great and increasing. The margin between expenses calculated for and expenses incurred tends to be a diminishing source of profit. Premium rates remain unaltered, but the ratio of expenses to premiums rises. This tendency towards a higher cost of administration is the one fly in the ointment of "with-profit" policyholders.

The most favourable feature of all is, of course, the damming of that open drain upon profits—the continual depreciation in investment values. But now that investment values are rising, the heavy writing down of the past seven years is all in favour of future profit earnings. The valuation reports which have been issued this year tell the same story—the appreciation instead of the depreciation of investments, and the resumption of bonuses where they had been suspended. Life offices do not write up the book value of their securities, yet they benefit directly by appreciation. They make judicious sales and reinvestments, they are able to release funds set aside as an investment reserve, and so long as they have in hand, as it were, a hidden appreciation they are independent of market fluctuations. It is not too much to say that the end of depreciation—if we have really come to the end—together with the opening of the sources of profit described in this article, will enable life offices generally to restore their pre-war rates of bonus distributions. No one doubted the value of life assurance as an investment before the war; no one, should the present favourable conditions continue, will have reason to doubt it in the future for so far ahead as we can now see it.

OUR INDEX NUMBER.

AFTER the upward movement for March, our index number of prices of wholesale commodities has fallen back slightly for April, the actual decline amounting to 12 points, making the total 4285. This compares with 4929 a year ago and 4357 at the end of December last. Last month's movement is of no economic significance, and prices may perhaps be described as steady, though not yet stable. The comparative table below shows that there have been no wide fluctuations in the various groups, the largest movements being a rise of 28 points in primary foodstuffs and a decline of a similar amount in textiles. The end of April figure, it will be seen, is 26 points higher than the lowest point touched recently, namely, 4259 at the end of February:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Tin, Oil, &c.).	Total.	Percentage Change.
Basis (avg. 1901-5)...	500	300	500	400	500	2200	100.0
End July, 1914....	879	352	616	464	553	2865	118.8
Dec., 1915....	897	446	731	711	848	3634	165.2
Dec., 1917....	1286	686	1684	839	1348	5845	265.9
Nov., 1918....	1289	782	1848	908	1389	6212	282.6
Dec., 1918....	1303	782	1805	866	1337	6094	277.0
Dec., 1919....	1441	881	2442	1145	1453	7364	334.7
Mar., 1920....	1808	914	2974	1246	1709	8382	379.6
Dec., 1920....	1344	805	1284	1216	1275	5924	269.8
Dec., 1921....	921	636	1106	762	931	4357	198.0
Jan., 1922....	907	654	1066	730	925	4284	194.7
Feb., 1922....	948	640	1037	696	936	4259	193.6
Mar., 1922....	980	687	1038	700	892	4297	195.8
April, 1922....	1008	667	1010	709	890	4285	194.8

Cereals show a very slight decline, but meat and potatoes have risen, the latter quite substantially. In the second group of foodstuffs tea, sugar, and butter are lower, but there was a slight rise in coffee. With the exception of an increase in jute, movements in the textile group were all in a downward direction, the largest being in silk and flax. Movements in cotton prices during month have been small and unimportant, the net result being a very small decline on balance. The rise in jute is attributed by Messrs Hindley and Co. in their monthly trade review to "reports of unfavourable weather for sowing the new crop coming on top of the short crop available this season."

In the minerals group iron and steel were unchanged, but the minor metals moved up slightly. Steam coal was higher, but this was more than offset by a decline in household coal. In the miscellaneous group the only movements of consequence were a rise in oilseeds and a decline in indigo. Movements in the various groups are set out in tabular form below, the figure 50 representing the average price during the base period 1901-5 in each case:—

Index Number.	Inc. or Dec.	Index Number.	Inc. or Dec.	Index Number.	Inc. or Dec.
Wheat—For... 108	+	Cotton A... 94	—	Copper... 49	+
English... 93	+	Cotton B... 120	—	Minerals... 709	+
Flour... 100	+	Yarn... 106	—	B. timber... 103	—
Barley... 88	—	Cloth... 125	—	Leather... 127	—
Oats... 84	—	Wool, Eng... 92	—	Petroleum... 137	—
Potatoes... 106	+	Aus. Wool... 91	—	Oil... 79	—
Rice... 102	—	Silk... 112	—	Tallow... 60	—
Beef... 102	—	Flax... 121	—	Indigo... 127	—
Mutton... 112	+	Hemp... 47	—	Crytals... 125	—
Pork... 113	+	Jute... 100	+	Rubber... 11	—
Cereals & Meat... 1008	+	Textiles... 1010	—	Miscellaneous... 890	—
Tea... 106	—	Pig-iron... 97	—	Total... 4285	—
Coffee... 102	—	Steel rails... 79	—		
Sugar cane... 150	+	Iron bars... 92	—		
Sugar beet... 106	—	Coal, steam... 125	—		
Butter... 86	—	House coal... 107	—		
Tobacco... 116	—	Lead... 101	—		
Other foods... 667	—	Tin... 59	+		

The position of the totals for the various groups compared with that obtaining at the outbreak of war

may be seen from the next table, in which the indices for the end of July, 1914, are taken as 100:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914....	100	100	100	100	100	100
Dec., 1918....	226	222	293	186	241	236
Dec., 1919....	249	250	396	247	263	287
March, 1920....	261	260	484	269	309	325
June, 1920....	261	263	415	278	281	305
Dec., 1920....	233	229	209	261	230	231
June, 1921....	203	188	158	210	185	188
Dec., 1921....	159	180	180	164	168	170
Jan., 1922....	157	186	173	158	167	167
Feb., 1922....	164	182	168	150	169	166
March, 1922....	169	195	168	151	161	167
April, 1922....	174	189	164	152	160	167

A levelling process has recently been observable between the groups, but secondary foodstuffs are still much higher than any of the other groups.

The final table shows how the latest price index numbers of some of the principal countries compare with pre-war levels:—

	Nov. 1918.	Highest, 1920.	End of 1921.	End of Feb., 1922.	End of Mar., 1922.
United States..	205	227 (Jan.)	123	133	132
France.....	358	591 (Apr.)	347	329	315
Italy.....	438	679 (Apr.)	594	562	534
Germany.....	..	5899*	3348	4888	5899
Switzerland....	..	325 (Jan.)	176	170	163
Sweden.....	367	366 (June)	172	166	164
Denmark.....	292	403 (Oct.)	178	177	182
Japan.....	214	322 (Mar.)	209	205	200

The latest figures are those referring to the end of March, and are therefore a month behind those given above for this country. The downward tendency is in most cases still continuing, but in the case of the United States there was only a very slight movement, which has followed an upward trend in previous months. In the case of Denmark the increase is due to coal, petroleum, and foodstuffs, which were affected by ice difficulties in February. Prices in Germany continue to mount, but the enormous rise in mark prices has been outstripped by the rise in the foreign exchanges.

THE WORK OF THE CONFERENCE.

(FROM OUR OWN CORRESPONDENT.)

GENOA, May 1.

As was anticipated last week, there was a confusion in the Russian mind between "Writing down" and "Writing off." The Russian reply meant cancellation of War Debts. This was not, however, the intention of the Allies, and though Mr Lloyd George is probably prepared to accept writing off, yet, in view of the precedent which would thus be created, he is in difficulties as to complete annulment. About 85 per cent. of the War Debt is owing to Great Britain. A result will probably be arrived at by admitting equal counter-claims from the Soviets arising out of Allied campaigns against them.

Apart, however, from this difference of interpretation, progress has been held up by the unsatisfactory attitude of the Russian delegates when their reply came to a verbal discussion. They are clearly determined to secure credits and "de jure" recognition before admitting claims.

To avoid endless discussion, a species of second "Ultimatum" is to be handed to the Russians, and the acceptance of the contents is to be *sine qua non* of further negotiations. This document will be, in fact, the London experts' report—reduced and revised to a preamble and ten clauses. At the time of writing, it has not yet come into existence. The preamble, which contains the benefits that will accrue to Russia, has been agreed upon. The clauses, however, cannot be drawn up until the very divergent Franco-Belgian and Anglo-Italian versions have been reconciled. The French have published the version which they wish adopted, but their views are too reactionary to stand any chance of success. They have, in fact, ignored the Russian reply of April 15th, and re-

verted to the London experts' programme already in part abandoned. In consequence, Tchicherin has published a note in which he warns the Commission that if his conditions of the 15th are not accepted, he will feel himself at liberty to withdraw the concessions he made in the note of that date.

When the new "Ultimatum" is finally presented, the same three issues will be raised. Firstly, the Russians will be asked to re-confirm the recognition of pre-war debts in return for a reasonable moratorium (not 30 years, as they suggest). Secondly, war debts are to be offset. Thirdly, compensation to private individuals for damages suffered under the Soviet régime must be acknowledged.

On this 3rd point the inviting Powers are not unanimous. Whilst rejecting the Soviet propositions, they are divided as to the extent of compensation. Italy and Great Britain would accept restitution of property and concessions in the form of fresh leases, but this does not satisfy the French and Belgians, who want actual compensation, or, at least, the power to realise through mortgaging their holdings. The Russian solution falls far short of satisfying either; all it concedes is a prior right to former concessionaires to repurchase their concessions. The chief obstacles are the Soviet laws and principles as to nationalisation, the right of inheritance, and alienation of property.

On the other side of the picture, the Russian delegation will probably be quite shrewd enough to question the *real* benefits which the preamble offers. Apart from the International Corporation, the only offer of credits comes from Great Britain, who proposes that the Export Credits and the Trade Facilities Acts will meet the case. The exports credits scheme has not hitherto proved attractive for risks in better-known European countries, so that without amendment British traders are not likely to use it for Russia. The Trade Facilities Act enables money to be borrowed cheaply, but it does not absolve the borrowers of risk. It is extremely doubtful whether either of these measures will appreciably meet the situation, whilst the International Corporation will firstly have to begin operations on a small scale, and, secondly, has no intention of pledging itself to work in Russia.

The Russians talk of £50,000,000 as their first year's requirement, but it seems unlikely that even a very much smaller sum will be forthcoming from any or all of the alternatives given. The meetings of the Economic and Transport Sub-commissions have been marked by opposition on the part of the Succession States of the Austro-Hungarian Empire to the clear-cut doctrines laid down in the London experts' report, and their refusal to ratify the Porto Rosa conventions unless these conventions are accepted as applicable to the Conference as a whole. Thus Articles 41 and 42* have been redrafted so as to avoid the binding convention of Porto Rosa, and to recommend only that the Porto Rosa decisions should serve as examples for individual agreements. Articles 46, 47, 48, and 49† are reduced to three clauses devoid of the original fundamental principle that restraint of imports and exports should be exercised through tariffs instead of by prohibitions and permits. M Yankovitch (Serbia) protested in no mild terms against the blessings of free trade being forced on the Succession States and the Succession States alone. Article 43‡ gave an opportunity for the Roumanian delegate to touch the sublime by protesting against adequate publication of Customs Tariffs—such an obligation being an infringement of sovereignty! Both Austrian and Hungarian representatives advocated a uniform tariff for Central Europe, a suggestion which was opposed by the Serbian delegate.

* These Articles suggested that the signatories of the Porto Rosa agreement relative to restrictions and prohibitions should take measures to give effect to the recommendations of that Conference, and that Customs duties and restrictions should be governed by principles set forth in following articles.

† The general purport of these articles was as follows:—Import and export restrictions and prohibitions are harmful, and such as are established for special purposes should be limited and publicly announced; as instruments of restriction Customs duties are preferable to prohibition modified by licence; pending the abolition of the latter system conditions for granting licences should be uniformly applicable, and clearly announced; licensing systems should permit no discrimination.

‡ Suggesting that all Customs tariffs should be clearly and fully published.

The work of the Commission No. 2 (Finance) is completed with the exception of the question of credits. On this subject Italian proposals were heard on the 25th. The fourth and last clause of these proposals contains something fresh in that States should agree to adopt uniformity in the publishing of their accounts, these accounts to be received by a central organisation. This central body should be given powers to ascertain that measures for the rehabilitation of national finances are actually put into operation, and that the States observe the conditions under which loans have been granted to them. These proposals were accepted, and the League of Nations is to be charged with their application. Whether the Conference as a whole will endorse them remains to be seen. The same meeting rejected the idea of an International Bank, presumably Mr Frank Vanderlip's conception.

The Credit Sub-commission heard also an exposé by Rakovsky of the Russian economic situation. Even outside the famine areas the crops are but 60 per cent. of the pre-war normal. The use of agricultural machinery and manure has been reduced by from 80 to 90 per cent. The total value of the paper roubles now in circulation is little more than £5,000,000. These conditions, it is claimed, are the result of the prolonged state of war. The Sub-commission has had in hand also the International Corporation. The formation of this body has been approved, and in addition to the four inviting Powers, Germany, Canada, Holland, the Scandinavian countries, and Japan have signified their intention, subject to final confirmation after the Conference, of taking shares in the original company. The strongest point in favour of the Corporation is that under it European creditors will for once provide a united front, and States which default to it will find borrowing a difficult matter.

The Transport Commission has presented its resolutions, which have been arrived at with comparative ease, due, no doubt, to the greater number of technical delegates and to the quiet determination of Sir Francis Dent. The Barcelona and Porto Rosa findings are re-endorsed, but more important still is the decision to convoke in Paris, as soon as may be, a conference of technical representatives of all the railway administrations of Europe, including also China and Japan. Among other matters, this conference is to consider "the creation of a permanent conference of railway administrations for the assimilation and improvement of the equipment and operating methods of the railways with a view to international traffics. Among the principal items on the agenda of this conference shall be the question of direct tariffs and the mitigation of the impediments to international transport occasioned by exchange fluctuations.

A plenary sitting of the Conference is to be held on Wednesday to pass the resolutions of the Finance, Economic, and Transport commissions. This will leave only the Russian question and the Pact of Non-aggression on the agenda.

GENOA, May 2.

The following resolution was passed yesterday (Monday) at a meeting of the Economic Commission:—"The Conference recalls the principle of the equitable treatment of commerce set out in Art. 23 of the Covenant of the League of Nations, and earnestly recommends that commercial relations should be resumed upon the basis of commercial treaties resting, on the one hand, upon the system of reciprocity adapted to special circumstances, and containing, on the other hand, so far as possible, the most-favoured-nation clauses." To this was appended this note:—"The majority of the countries represented on the first sub-commission, while recognising temporary difficulties which may preclude the general adoption of the most-favoured treatment, declared that this was the goal at which they should aim."

This is the outcome of a discussion on tariffs, and particularly of a strong speech by Sir Philip Lloyd Graeme on the advisability of the universal application of the most-favoured-nation clause. A motion to this effect was introduced by Germany, but met with unyielding opposition by the French. Hence the note appended to the resolution. The motion received the support of the Succession States and Japan, but the French point of view

seemed to be favoured by the Dominion representatives alone. It is one of the interesting sides to the economic discussions which have taken place—this attitude of the Dominions, and especially of India, to be bound by none of the resolutions relating to trade and tariff, their views conflicting in many cases with those of the United Kingdom.

Notes of the Week.

Labour Views on the Budget.—In Labour circles, the Budget is regarded as a rich man's budget, writes our Labour correspondent. The reduction of the income-tax by a shilling is deemed to be a much greater concession than 4d per lb off tea. The theory that the income-tax reduction will assist in revival of trade and thereby benefit the community as a whole is not accepted. The Labour movement does not believe that a shilling off the income-tax will do any more to provide markets for British goods than drastic wage reductions have done. It is conceived to be merely a sop to those who have for long clamoured for reducing income-tax. The Budget is regarded as bad finance, and strong objection is taken to the reduction of the income-tax at the expense of the Sinking Fund, especially having regard to the size of the national debt. The general Labour view is that though relief for the taxpayer is desirable, the financial situation is such as to make any real diminution of taxation impracticable, and that reduced taxation merely means postponing and not relieving burdens. The Labour Party still looks to a special war debt redemption levy as being the main plank in a national financial programme, and it is held that sooner or later the State must inevitably proceed on some such lines.

Engineers and the Industrial Court.—Our Labour correspondent writes:—"After a month's lock-out of the members of the Amalgamated Engineering Union and the final breakdown of negotiations between the Engineering Employers' Federation and the other unions, the Government decided to hold an enquiry under the Industrial Courts Act, 1919. The breakdown resulted from disagreement as to who was to determine what was a "material change" in working conditions. The employers claimed the right to determine this question; the trade unions naturally resisted this claim. Whilst conversations were proceeding, the lock-out notices against the members of the forty-seven unions did not operate; but when the discussion was broken off, the notices began to run, and over half-a-million more men are now locked out. The employers have, however, posted notices intimating that workers who return individually and accept the terms of the Federation's memorandum will be taken on, provided, of course, work is available. Notwithstanding the protest of Sir Allen Smith against any intention to break the unions, which was repeated at the first day's proceedings of the Industrial Court, the men feel that this step is an attempt in that direction; for clearly, men cannot return to work under the conditions laid down by the employers and at the same time remain members of their unions. A preliminary meeting of the two sides together with Sir William Mackenzie, president of the Industrial Court, was held last Saturday, and the first meeting of the Court was held on Wednesday. Though it is clearly the business of the employers to justify their attitude, Sir Allen Smith has taken the extraordinary line of merely putting in the documents, making a short statement to the Court, and declining to call any witnesses. On the men's side, the case is in the hands of Mr Brownlie and Mr Smethurst for the A.E.U., whilst the other unions are represented by Mr H. H. Slessor, Standing Counsel to the Labour Party.

Local Rates.—The Ministry of Health has just issued a White Paper (Cmd. 1633, price 1s) which gives important statistics of the amounts collected in rates during recent years by local authorities in England and Wales, and of the assessable value of rateable property. Rate collections, it is shown, rose from £71 millions in 1913-14 to

£173 millions in 1921-22. Statistics for each year since 1913-14 are compared below:—

Year Ended March 31st.	Receipts from Rates.	Assessable Value of Rateable Property.	Average Amount of Rates Collected.	
			Per £ of Assessable Value.	Per Head of Estimated Population.
	Mln. £	Mln. £	s d	s d
1914	71.3	211.6	6 8½	38 11
1915	73.7	214.3	6 10½	39 11
1916	75.9	216.3	7 0½	40 8
1917	72.9	217.1	6 8½	38 10
1918	75.4	218.6	6 10½	40 1
1919	84.7	219.6	7 8½	45 2
1920	105.6	220.7	9 6½	56 4
1921	148.7	223.7	13 3½	79 1
1922	173.0	234.0	14 9½	91 4

It will be seen that assessable values have risen very little in the nine years, and, therefore, that the major portion of the great increase in rates per £ is due to the fact that assessments have not been readjusted to follow the course of prices and values. The Ministry of Health states that the part of the increase in rates which is due to the undertaking of new services by local authorities is very small.

By far the larger part of the increase in recent years in the amount of the rates required by the local authorities is attributable to the increases in the cost of living, salaries and wages, and the prices of the materials required for the carrying on of the local services. Some part of the increase is traceable to the fact that the non-rate income of the authorities (rents, fees, recoupments, &c.), out of which a considerable part of their expenditure is met, proved less expansive than the corresponding expenditure, and the difference had to be made good out of the rates. Moreover, great arrears of work (especially on the roads), which necessarily accumulated during the war, have been put in hand and paid for since the Armistice; and the industrial depression has, especially during the year 1921-22, been accompanied by an abnormal increase in the number of persons receiving relief at the expense of the rates. The part of the increase in rates which is due to the undertaking of new services by local authorities is very small.

The purposes to which the £173 millions of rates in England and Wales are applicable are analysed as follows in the Financial Statement issued by the Treasury:—

	£
Poor Relief	35,700,000
Education	35,600,000
Police	10,200,000
Other Services	91,500,000

Generally speaking, the average of rates per £ reached its peak in the first half of 1921-22, and in the second half of last year there was a marked decrease in many places. Present indications, it is comforting to read, point to a further and more widespread decrease in the current half-year. Some of this decrease is attributable to increase in valuations, but "it would seem safe to assume that in many instances there is a fall in the amount required from the ratepayers, and that this is due to a reduction in the expenditure of the authorities." The re-assessment of profits proposed by the Chancellor in his Budget for purposes of Schedule A will presumably encourage rating authorities to follow suit. When the stage of price stability is reached re-assessment will be fair and desirable; but it will perhaps carry with it this danger—that when a penny in the £ yields more, small extravagances will be looked upon more light-heartedly by local authorities.

The Austrian Problem at Genoa.—During the Conference it was proposed that the Finance Committee of the League of Nations, most of whom were present, should meet to carry a stage further the plans for assistance to Austria. The task of getting the liens on Austrian assets withdrawn was undertaken by the Supreme Council, but Roumania and Jugo-Slavia have not yet given their consent. A meeting not of the Finance Committee, but of Austria's creditors, was therefore called, but as the nations mentioned showed reluctance to agree there and then to waive their claims, a small committee of the creditor nations was appointed to endeavour to arrange matters with these two States. If these efforts succeed, and if the Austrian Government can obtain conditional promises of further advances, the moment will be ripe for the League of Nations scheme to come into operation by the appointment of a Control

Committee, or of a single trustee to supervise the carrying out of any internal conditions that may accompany the loans and to be responsible for seeing that any assets that may be pledged are made available. In this connection it may be anticipated that the Ter Meulen bond scheme which was originally intended for use as collateral for private credits may be modified to suit the case of money loaned to the Governments themselves of the countries concerned. In any case, whether the Ter Meulen bond is employed or not, it is extremely desirable from all points of view that the League recommendations should be put into effect under its auspices. At present the situation is not altogether satisfactory. The only actual loan made to Austria is the two millions advanced by Great Britain, who has appointed Mr G. M. Young to see that the conditions are carried out. Mr Young was formerly attached to the British Embassy, but is now a director of the Anglo-Austrian Bank. This institution, in which the Bank of England has a considerable interest, is in competition with other Austrian banks, and the peculiar position in which Mr Young is placed may well lead to difficulties in Austrian banking circles. But the trouble goes still deeper. Mr Young's negotiations have exercised a very important influence in the internal politics of Austria, and his responsibilities have temporarily placed him in the position of dictatorship. We have no reason to doubt that Mr Young has been exercising these great powers with discretion, fairness, and tact, but it is thoroughly bad in principle that the representative of any single country should be placed in such a position. For the sake of avoiding international jealousy it is particularly important that Great Britain should not become involved in such a manner, but that any control which has to be exercised should be in the hands of a nominee of the League.

British Control in Mesopotamia.—A correspondent writes:—"The announcement that Mesopotamia was to be administered by Great Britain under a mandate from the League of Nations was bitterly resented by the Arab Nationalists, and was one of the causes of the abortive rising of 1920. The mandate is in its essence a temporary arrangement, but it was regarded as implying a British Protectorate, and the insurgents demanded complete and immediate independence. Since the establishment of the native State under King Feisal with British advisers, it has been arranged that the mandate shall be supplemented by a treaty recording the consent of the people to the present arrangement, and Mr Churchill stated in the House of Commons on February 11th that the Treaty was in preparation, but would in no way modify the obligations undertaken to the League of Nations by Great Britain. The leading sheikhs, however, appear to have believed that it would supersede the mandate, and the Baghdad correspondent of the *Times* reports that a number of them have petitioned for the retention of the mandatory system as a better security for British control. The petition also prays that only efficient Arab officials should hold appointments, and that the religious leaders should be prohibited from taking part in politics. This last demand appears to have been occasioned by a meeting recently convened by these leaders at the holy city of Kerbela, in consequence of the recent raids by the Muntafik Arabs from the south-western desert, which, though probably of merely local importance, were ascribed in some quarters to the instigation of the Emir of Nejd. But the result was entirely favourable to the maintenance of order. The sheikhs, though many of them were led by the holy men in question to join in the rising of 1920, are known to be profoundly impressed with the prospect of an increase of their wealth and comfort by the railways and roads which they owe to the British administration, and through the extension of cultivation, which is best ensured by the assistance of the British advisers in the fair distribution of the work among the tribes concerned in the reclamation of the necessary land. The insurgent sheikhs have been amnestied and have returned; the wealthier classes, whether sheikhs or Baghdadi landlords, were seriously alarmed at the prospect of disorder and anarchy opened up by the rising, and they have had ample experience of official incapacity and corruption under Turkish rule. It is quite natural,

therefore, that they should prefer peace and welfare under British supervision to the satisfaction of a sentiment of nationalism which is very faint among them. There is no sort of doubt that the petition is an absolutely spontaneous expression of their wishes, and that they desire that political and economic progress shall not be interfered with by Muslim fanaticism.

Dutch Finance and Trade.—The salient features of the economic situation in Holland are set forth in the report from H.B.M. Commercial Adviser at The Hague, just issued by the Department of Overseas Trade. The National Debt on January 1, 1922, stood at 2,500,150,000 fl, or about £208,500,000; the Floating Debt exceeded 855,000,000 fl, or about £71,000,000; and the deficits on ordinary, extraordinary, and East Indian revenues will bring it up this year to 1,265,000,000 fl. Of this \$100,000,000, or about 250,000,000 fl, has been borrowed at a little over 6 per cent. through the Guaranty Trust Company of New York, and it is proposed to fund 300 millions. Deficits existed before the war, but the ordinary revenue, in 1914 174.3 million florins, was last year 438 millions. But taxation was stated by the Minister of Finance in his Budget speech to have reached its limit, and absorbs, according to his calculation, 35 per cent. of the national income; and decreases last year, chiefly on Customs, stamps, and the Excise on imported meat, foreshadow a decline in revenue from direct taxation also. Stocks and bonds in the year ending last October depreciated by some 1,500,000,000 fl; capital issues fell off nearly 40 per cent., and certain insurance companies, whose assets no longer cover their liabilities, are being administered by the State. Some of the banks were severely shaken, but the strength of the Central Bank of the Netherlands kept them up. The area under cultivation declined except that devoted to potatoes and green fodder; fruit and vegetables require new markets, and the export of dairy produce decreased. That of bulbs is recovering, and there is a notable increase in that of pork. The fisheries suffered heavily. More coal was exported, but it was raised at a loss. Industry has suffered through the fall in foreign exchanges, the restriction of credit, and the eight-hour day; this last also hampered railway working through shortage of employees. German competition was encouraged by the exchange, and by the lower standard of life set in Germany by the war. The German printers, for example, worked rather longer hours than their Dutch competitors at a fifth of the wage, and in three shifts, which in Holland is impossible. But protection against such competition is not favoured, and readjustment is hoped for through a fall in the home purchasing power of German currency, reduction of the Dutch wage, and relaxation in practice of the Eight Hours Act. Eleven German banks are established in Holland, but are not at present doing purely Dutch business, and Dutch shipping is being transferred largely to the German flag. The cost of living has not followed the fall in wholesale prices; retail prices, rents, and the cost of labour are still high. The house scarcity continues, but the effect on public health is not apparent. The Dutch East Indies do not pay their way, and their produce has suffered, with the partial exception of sugar and tobacco. The Report and some of the figures, however, indicate that the worst is over, though recovery must be slow.

U.S. War Finance Corporation.—The April issue of the *Index*, published by the New York Trust Company, gives in some detail an account of the operations of the War Finance Corporation. This organisation, in its report of operations up to April 1st, shows advances made this year under the heading of "Assistance in financing exports" at \$50,250,000. Of this amount \$33,572,000 was employed in financing cotton exports, \$5,000,000 for grain exports, and \$3,596,000 for tobacco exports. Under another section of the law which set up the corporation, advances are sanctioned to banking and financial institutions and co-operative associations for "agricultural and livestock purposes." Under this head

advances of \$268 millions are chronicled on the following commodities:—

	Mln. \$		Mln. \$
Cotton	23.4	Dried fruits	1.2
Grain	21.3	Peanuts	1.1
Live stock	67.6	Tobacco	10.0
Sugar beets	10.0	General agricultural products	131.2
Rice	2.5		
Canned fruits	0.3		

The corporation, which was set up as an emergency organisation, draws its funds from the national Treasury. The total amount so drawn this year up to April 1st was \$322.8 millions, of which \$210.2 millions had been advanced to banking institutions. Up to March 25th, funds for export and for agricultural purposes had been advanced as follows:—

	Mln. \$
To co-operative associations	63.6
To banking and financing institutions	246.2
To exporters	9.0
	318.8

An amendment of the Farm Loan Act has now been proposed, which, if carried, would involve the setting up of a farm credits department in each of the Federal Land Banks, and presumably, in the course of time, the elimination of the special agricultural financing now done by the War Finance Corporation.

Stock Exchange Settlements and Contangoes.—The Stock Exchanges of the United Kingdom continue to be a good deal exercised over the matter of bi-monthly settlements and introduction of contangoes, both of which have already been crystallised into Rules passed by the London Stock Exchange Committee, but which do not come into force until they are confirmed. The meeting for this purpose is set down for Monday week, May 15th, writes a Stock Exchange correspondent, and, as already stated, petitions are in circulation amongst Stock Exchange circles praying there may be no reversion to the pre-war system of contangoes. The petition lays stress on the inadvisability of reinstituting contangoes under similar conditions to those which prevailed before the war. There would appear to be a suggestion that, with due safeguards, the signatories might be less hostile to the proposal. Members of various provincial exchanges have fortified the opposition by adding their protests to the petition just mentioned, and the Stock Exchange Committee will certainly take into account the weighty body of support which the anti-contangoes proposal has revived. The observer, thoughtfully considering the opposition, can see is placed. From the point of view of safety of the community and of their own members, the Stock Exchange Committee might well declare that, having regard to the undoubted danger of continuation business, this form of dealing should remain banned. There are, however, various points to be urged in its favour. Apart from the obvious argument that contangoes provide an exceedingly useful adjunct to the profits of a broker's or a jobber's business. While contangoes undoubtedly encourage speculation of an undesirable order, they also give facilities for such dealing as appears to be appropriate to what is still the chief market for Stock Exchange securities. It is at this last aspect of the case where the road sharply forks, and takes a very definite direction. For the Stock Exchange to remain the chief market in the world, it is necessary that there should be freedom of dealing as complete as possible. Under the cash system, it has been proved beyond dispute that such elasticity as the markets enjoyed before the war is impossible. If jobbers had a fortnight, or thereabouts, in which to undo their bargains, they would be much more willing to make close prices, to buy and to sell, to take reasonable business risks, than they are when they may be called upon within five days, to deliver stock which they have sold, and which they do not happen to have on their books, or to be able to buy straightaway. This really is the essence of the matter. To get back to flexible markets it is necessary that there should be bi-monthly settlements. With bi-monthly settlements, contangoes will creep in more or less as a matter of course. The suggestion that contangoes should

be allowed only when the orders are accompanied by a margin of cash or security is not generally regarded as being practicable, although it is backed by powerful firms in the Stock Exchange. The Stock Exchange Committee, in recognising the essential need for bi-monthly accounts, see also that under this pre-war system, contangoes must follow almost inevitably. The present petitions are apparently willing to admit the principle of settlements. What they object to is the re-introduction of contangoes. To the onlooker, the two things seem to be so closely interlaced that, if one is passed, the other follows as a matter of course; if contangoes are forbidden, then a system of bi-monthly settlements can only be instituted under conditions of such limitation as will thwart the intention of restoring to the London Stock Exchange its pre-eminence as a market for stocks and shares in the fullest sense of the word.

The World's Gold.—The pronouncement of the Financial Commission at Genoa that gold is the only common standard which all European countries could at present agree to adopt, lends interest to an article in the "Reconstruction in Europe" number of the *Manchester Guardian Commercial*, by Mr Joseph Kitchin. The writer points out that since 1830 there has been an enormous increase in the world's output of gold, the total for the decade 1830-40 being £28 millions, and that for the decade 1910-20 £876 millions, but that since the maximum of 1915 there has been a serious decline, amounting six years later to 30 per cent. A further decline will be shown in 1922, which, allowing £30 millions to the Transvaal, should total about £44 millions for the British Empire, and about £65 millions for the world. "After that it can be assumed that a moderate recovery will take place, but also that the output for some time to come will range at about the level of the last three years." The Witwatersrand probably reached its zenith in 1916, while as regards the rest of the world, the output is probably most promising in Canada, the United States, Mexico, and Russia—in the last three cases by recovery from the reduced figures of the last few years. It is estimated that the world's production will average about £70 millions per annum. The demand on the output by the industrial arts, India, China, is put at £22.1 millions for 1915, £15.9 for 1916, £25.5 for 1917, £38.1 for 1918, £14.1 for 1919, £61.2 for 1920, and £23.4 for 1921, at the price of 85s per fine ounce. In the five years to 1908 the average annual demand from these sources was £29 millions, and £48 millions for the five years to 1913. Assuming that industry, India, China, and Egypt will together require £40 millions per annum, the balance left for addition to the stock of gold money in the next few years will probably be reduced to an average of £30 millions, or as much as in the 10 years to 1902, but £20 millions less than the average for the ten years to 1913. On this assumption the world's stock of gold money will reach £2,277 millions in 1930, as against £1,916 millions in 1918, £733 millions in 1891, and £160 millions in 1810. During the eight years 1914-21 the gold held by the principal central banks and treasuries of the world increased by £561 millions, the new production added during the same period being about £440 millions. The world's stock of gold at December 31, 1921, is estimated at £2,025 millions, of which £751 millions (£621 millions in the Treasury), or 37.1 per cent., is in the United States, £613 millions, or 30.2 per cent., in the 13 central banks of Europe, and £261 millions, or 12.9 per cent., in the central banks or treasuries of Japan, Argentina, Canada, and Australia, the remaining £400 millions being undisclosed holdings of central banks, holders of banks other than the principal central banks, hoarded and in circulation.

Two Insurance Reports.—The experience of the North British and Mercantile Company, as shown in its latest report, resembles that of the other large composite insurance offices. There has been a considerable reduction in the fire premium income, and an increase in the proportion of claims and expenses to premiums. The marine accounts have not yielded profits for 1919 and 1920, and the pre-

miums for 1921 have been heavily cut down. Taxation has wiped out a large proportion of the underwriting profits of the successful departments. The fire premium income was £3,546,153, against £4,171,720 for 1920. The claims were 55.1 per cent. of the premiums, against 46 per cent., and the expenses were 43.3 per cent. against 38.3 per cent. The fire surplus, after adjustments for unexpired risks, was £306,507 (8.6 per cent.), as compared with £445,720 (10.7 per cent.) in 1920. The marine premiums for last year were £358,435, as against £760,178 for 1920, and the whole remaining balance of the underwriting years of 1919 and 1920 was carried forward. The total underwriting profits of the North British and its subsidiaries were £472,022, of which £195,773 was absorbed by income and corporation taxes. Interest receipts were £309,696, and the dividends paid £263,586. The net gain in the profit and loss balance was £298,329. The Alliance showed an increase in its fire premium income from £1,945,110 to £1,966,478. The claims were 48.2 per cent. of the premiums, against 40.9 per cent.; other expenses were 46.6 per cent., against 45.3 per cent. After allowing for unexpired risks, the surplus was £91,540 (4.6 per cent.), against £176,101 (8.1 per cent.). In the marine department the premiums were reduced from £1,352,414 to £550,819, and £57,464 was transferred to profit and loss on account of 1919. The appreciation of investments has released the investment reserve fund of £250,000, which has been carried back to profit and loss. The receipts from interest were £270,467, and the dividends cost £343,013. Income and other taxes took £92,740, and the profit and loss balance showed a net increase of £239,605, not quite as much as was brought in from the released investment reserve fund.

Pease and Partners.—The report of Pease and Partners for the eleven months ended March 31st last makes a dismal story. Owing to the coal stoppage, nearly the whole of the company's undertaking was at a standstill at the beginning of the financial year, while the stagnation in the iron and steel industries has deprived the company of its natural markets for coal, coke, ironstone, limestone, &c. The position, however, has been showing substantial improvement in recent months, and this presumably accounts for the fact that the directors pay an ordinary dividend of 5 per cent., free of tax, although the accounts show a net loss of nearly £100,000, as against a profit of over £500,000. A comparative summary of results for the past 15 years is given below:—

April 30.	Gross Profit.	Net Profit.	Dividends paid.	Rate.	Special Expenditure.	Reserve.	Carry Forward.
	£	£	£	Ord.	Def.	£	£
1908	288,624	216,779	125,000	12 1/2	12 1/2	47,291	35,000
1909	160,389	97,782	80,000	8	8	34,278	Dr. 16,116
1910	207,759	143,417	100,000	10	10	23,917	Dr. 12,372
1911	233,933	158,033	90,400	8	8	27,951	Dr. 30,000
1912	18,850	90,365	92,000	8	4	34,662	Dr. 30,000
1913	417,005	314,802	156,000	12	12	86,484	50,000
1914	412,110	315,154	156,000	12	12	25,036	115,000
1915	285,069	171,100	130,000	10	10	45,845	62,843
1916	285,015	356,467	195,000	15	15	25,469	115,000
1917	544,151	407,046	227,500	17 1/2	17 1/2	17,949	150,000
1918	519,496	401,989	227,500	17 1/2	17 1/2	24,750	140,000
1919	465,686	348,747	191,250	12 1/2	12 1/2	30,852	125,000
1920	679,258	493,633	275,400	18	18	34,949	165,000
1921	657,398	505,312	308,096	14	14	69,166	110,000
1922*	Dr. 77,864	Dr. 97,968	109,320	5	5	Dr. 18,000	117,951

* March 31st.

The loss on trading amounted to £89,600, but interest, dividends, &c., brought in £86,300. Reserve for equalisation of dividends is debited with £100,000, and the reserve for reinstatement of collieries with £80,000. The reduced dividend of 5 per cent. is almost entirely met from the transfer from equalisation of dividends reserve, which is thereby reduced to £100,000. The reserves, including £525,300 for depreciation reserve, total about £1,300,000, while the property item stands at £2,846,500. The amount due for special taxation has not yet been agreed with the Government, but it is estimated that the provision already made—the amount is hidden under Sundry Creditors—will substantially exceed the revenue authorities' demands. Any surplus, when ascertained, is to be transferred to income-tax account, with a view to placing it "in a satisfactory position." Investments, depreciation on which has been provided for, stand at £1,888,500, of which £1,488,700 represents shares in

subsidiary companies. The latter compares with £1,383,500 in the previous balance-sheet. The liquid position is far from satisfactory, cash in hand amounting to £1,900, debtors to £401,000, and creditors to £863,400, while there is a bank overdraft for £96,000. At the forthcoming annual meeting authority is to be asked for extending the borrowing powers of the company, and the capital will be increased when "a favourable opportunity" arises.

Bryant and May.—For the year ended March 31st last the directors of Bryant and May, Limited are able to show record results. Following the slight set-back in 1921, when profits fell from £226,642 to £215,324, the latest figures of £233,135 must be regarded as a satisfactory performance, especially when the fact that for the first time the full year's interest was paid on £300,000 7½ per cent. notes is taken into consideration. Results for the past six years are given below:—

YEAR ENDED MARCH 31ST.

	1917.	1918.	1919.	1920.	1921.	1922.
Net profits....	£167,743	£127,233	£149,556	£226,642	£215,324	£233,135
Reserves, &c....	55,000	25,000	25,000	45,000	45,000	45,000
Preference div..	67,200	67,200	67,200	67,200	67,200	67,200
Ordinary div..	48,000	48,000	52,000	88,000	88,000	88,000
Dividends	(12%)†	(12%)†	(9%)†	(11%)†	(11%)†	(11%)†
To employees..	2,456	12,967	5,356	2,441	9,293	8,081
Carried forward	2,456	12,967	5,356	2,441	9,293	8,081

† Free of tax.

As in the previous two years, £25,000 is written off premises, plant, and machinery, and £20,000 goes to reserve fund. After paying 14 per cent. on the preference shares, a dividend of 8 per cent., free of tax, is distributed to the ordinary shareholders, the same being also paid on the partnership shares, of which 10,674 pound shares have now been allotted. Under the Brymay co-partnership scheme, a further 3 per cent. is again paid on the ordinary shares, requiring £24,000, making a total distribution of 11 per cent., free of tax, to ordinary shareholders. This leaves £24,000 to be divided amongst the employees. During the year the Canadian Match Company, Limited, has been formed in conjunction with the Diamond Match Company, and another undertaking, each having a third interest. The first factory has been established in Ontario, and it is stated that "the product has received an excellent reception throughout the Dominion." The report makes no mention as to the redemption of the outstanding £300,000 7½ per cent. notes, although probably some further information on this point may be forthcoming at the annual meeting of the company to be held next Wednesday. The company has the option to redeem these notes at 102 any time after July 1st next, on giving three months' notice, and it is unlikely that the payment of such a generous rate of interest will escape the directors' attention. An excellent feature about the accounts is that part of the auditors' certificate which relates to valuation of stocks. It is stated that "the stocks-in-trade have been entered according to inventories certified by the managing director and the departmental managers, all items being valued at prices at or below cost, and not exceeding market value." No doubt most other companies similarly value their stocks, but the publicity given to this point by the directors of Bryant and Mays, Limited, is to be commended. The balance-sheet will be found analysed in our usual column.

Consolidated Mines Selection Group.—Our mining correspondent writes:—Of the four annual statements just issued, two relate to well-known producing companies, one to a concern in the early stages of development, while the fourth is that of a finance undertaking. The two first referred to—the Brakpan and the Springs—it may be recalled some time ago enlarged their borders on the terms of handing over a certain percentage of the profits to the Union Government. This transaction figures prominently in last year's accounts—especially with the Brakpan. In both instances an increased tonnage of ore was crushed at a lower ratio of cost than in 1920—the latter feature being due partly to the former

and partly to the enhanced degree of efficiency secured underground. Nevertheless, owing to the decline in the gold premium, the profits came out less than before. Appended is a comparison of the salient statistics for the past three years:—

	BRAKPAN.	1919.	1920.	1921.
Ore crushed.....tons	544,200	596,500	659,800	
Yield per ton.....	38/2	36/6	34/	
Cost per ton.....	26/8	29/7	27/2	
Profit per ton.....	11/7	6/11	6/10	
Working profit.....£	422,960	542,380	490,250	
Dividends.....	224,370	380,200	255,000	
Carried forward.....	133,363	34,100	59,300	
Ore reserves.....tons	2,484,000	2,526,500	2,423,200	
Value.....dwt.	8.74	8.88	8.61	

	SPRINGS.	1919.	1920.	1921.
Ore crushed.....tons	434,610	465,800	484,750	
Yield per ton.....	38/2	37/10	37/2	
Costs per ton.....	26/9	30/8	29/8	
Profit per ton.....	11/5	7/2	7/6	
Working profit.....£	343,660	438,490	397,800	
Dividends.....	251,400	197,600	197,600	
Carried forward.....	48,570	59,300	73,400	
Ore reserves.....tons	2,417,300	2,726,200	3,056,200	
Value.....dwt.	9.26	8.76	8.92	

With the Brakpan the revenue per ton set out above is somewhat deceptive. On the one hand, the grade of ore treated averaged nearly ½ dwt above the mean of the ore reserves; on the other hand, a portion of the gold won was set aside to form a reserve, and consequently did not figure in the yield. This procedure was followed for the purpose of providing funds for the development of the Lease area, acquired in the circumstances already mentioned. Of £180,000 capital outlay occurred in this connection, £100,600 was furnished by the appropriation of the gold reserve. The balance came out of earnings—hence the reduction in the dividend rate. The Government's participation in the profits for 1921 amounted to £49,500; this year it will be considerably more, the percentage being 12½ instead of 5 per cent. On the whole, development work proved a little disappointing, a considerable increase in the footage being accompanied by a decrease in the quantity of the ore in reserve; the slight falling off in value is to some extent accounted for by the over-mining already mentioned. In these circumstances it is especially unfortunate that owing to the labour position two encouraging discoveries made at the end of the year near one of the new shafts could not be followed up. On the basis of last year's dividends the shares yield slightly over 12 per cent. In regard to the Springs Mines, the consulting engineer is able to give a generally favourable account of developments. In the eastern section of the old mine the large ore body discovered some time ago continues to furnish a large tonnage, while in the western section, not only have the known ore shoots continued to show satisfactory widths and values, but a fresh payable area of considerable promise has been opened up. Then in the new ground encouraging discoveries have been made in the neighbourhood of No. 3 shaft, which will shortly be available for use. The performance of a substantially increased footage was reflected in the ore reserve estimate, and also in the appropriation account, where as much as £127,200 expenditure in excess of the monthly provision is written off. On the 1921 dividends the shares at current price show only 7½ per cent. yield, allowance being made for the expansion in the profits expected to accrue from the extension of the reduction plant to a capacity of 52,000 tons per month by means of additions on the all-sliming method—i.e., the elimination of the stamp. The West Springs, whose property adjoins that of the Springs Mines, has spent nearly a million sterling upon shaft-sinking and development without much result in the way of payable ore discoveries. The resources available amount to about £250,000, but it would look as though more will be required to bring the company to the producing stage. The Rand Selection Corporation, whose principal interests comprise shares in the three companies above dealt with, and in the Daggafontein, which has been under the necessity of suspending operations, last year made a profit of £159,300, as against £199,900 in 1920, and distributed dividends totalling 27½ per cent., or the same as before. The balance-sheet shows shares and interests £761,350; loans to the Daggafontein Company £65,250; loan (debit) £126,400. The shares—a rather nominal market—are quoted 2½, giving a return of about 11½ per cent.

Russia's Imports.—We have received from a well-informed correspondent in Russia some statistics which show that imports into that country in February were 57 per cent. greater than in January, and were five times as great in volume as the imports of January, 1921. Imports for February and for the first two months of 1922 are summarised below:—

	(In Thousands of Poods.*)	February, 1922.	Jan. 1 to March 1, 1922.
Food.....	2,395.6	3,856.3	
Animal products.....	20.6	25.7	
Timber and seeds.....	236.8	570.8	
Pottery materials.....	1.1	29.5	
Fuel.....	932.4	2,195.9	
Chemical products and materials..	32.8	63.0	
Metals and metallic products....	248.1	740.5	
Paper-making materials.....	312.6	611.4	
Apparel.....	3.3	12.1	
Famine relief goods.....	4,364.4	5,900.9	
Miscellaneous.....	18.8	33.4	
	8,566.5	14,039.5	

* 1 pood = approximately 40 lbs.

It will be seen that goods classified as for famine relief, together with food and fuel, compose the bulk of the imports. Under the heading of food, the principal imports in the two months were 798,200 poods of herrings, 420,000 of wheat, 9,000 of flour, 307,900 of barley, 161,800 of oats, 102,200 of rice, and 244,000 of sugar. Coal imports in the two months were 929,700 poods. Twenty-four locomotives also figure among the imports. Of the total weight of imports in the two months, 46.9 per cent. came from the United States, 15.5 per cent. from England, 11.8 per cent. from Germany, 7.2 per cent. from Norway, 6.8 per cent. from Esthonia, 4.9 per cent. from Finland. According to preliminary figures, Customs duties in February amounted to 334 milliards of paper roubles, against 50 milliards in January.

Oversea Correspondence.

UNITED STATES.—HEAVY NEW ISSUES—INTERNATIONAL ACCEPTANCE BANK—STEEL CORPORATION—ESTIMATED TREASURY DEFICIT IN 1923.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 24.

THE outstanding feature in securities markets here is the continued absorption on an enormous scale of investment bonds, both old and new, particularly the latter. Last week the total offerings of new issues realised \$142,400,000, approximately, or the second highest weekly total for 1922. State and municipal offerings were unusually numerous, comprising 20 separate issues aggregating \$23,300,000. The State bonds were sold at prices yielding around 3.95 and 4 per cent., while the city bonds were floated at prices to yield from 4.25 to 4.35 per cent. New domestic railroad issues included, among others, \$9,500,000 Chicago, Milwaukee and St. Paul 6 per cent. equipment trust notes, sold at prices to yield investors 5.35 to 5.75 per cent., and \$1,000,000 New York Central and Hudson River Railroad 4 per cent. consolidated mortgage bonds, which were offered at 89, to give an investment return of 4.88 per cent. Some of the larger American industrial corporations were able to market bonds on about a 5 per cent. basis, such as the Indiana Steel Company and the National Tube Company, whose \$7,000,000 and \$3,000,000, respectively, of 5 per cent. mortgage gold bonds were offered at 99½, yielding 5.05 per cent. New bonds of other industrial concerns were sold at figures giving an investment return ranging from 6.25 to 7.50 per cent. Yields on the new offerings of public utility bonds were about the same as those for industrials. One of the largest issues of the past week consisted of

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\$30,000,000 Series A Sinclair Crude Oil Purchasing Company 3-year 5½ per cent. notes, offered at 99½, to yield approximately 5.70 per cent.

Foreign financing supplied a substantial part of the week's total, a notable offering being \$20,000,000 Dutch East Indies 40-year external sinking fund 6 per cent. gold bonds at 96½, and interest to yield about 6.48 per cent. to the earliest redemption date, namely, March 1, 1932, and about 6.24 per cent. if held to maturity. Like the two previous issues of \$40,000,000 each, last week's offering was quickly placed, it completes the \$100,000,000 loan which the Dutch East Indies was authorised to float under the Netherlands law of December 30, 1921.

The Holland-America Line's 20,000,000 guilders 25-year 6 per cent. sinking fund bonds were sold at \$920 per bond, yielding 6.30 per cent. to maturity and 6.90 per cent. if redeemed in 1927. Simultaneously 10,000,000 guilders of the same loan were offered in Holland. An issue of \$10,000,000 Paris-Lyons Mediterranean Railroad 6 per cent. external sinking fund bonds was also made at 83½, to yield 7.25 per cent.

There will be offered to-morrow at 100 and interest \$100,000,000 30-year 5 per cent. bonds of the Dominion of Canada. The bonds are callable at the option of the Government at that price and interest on any interest date after 20 years; the proceeds are to be used to refund a portion of the Dominion's existing debt. The issue will be the first offered in this market by Canada since July, 1919, when \$75,000,000 5½ per cent. bonds were floated here.

The International Acceptance Bank celebrated its first anniversary last week. In spite of the general and drastic shrinkage in international trade the new institution has been able to attract business sufficiently large in

volume (with about \$13,000,000 of its acceptances outstanding) to give it ninth place among all the accepting banks and trust companies of the United States. At the meeting of the executive committee the chairman, Paul M. Warburg, said that the first year's results seemed to vindicate the policies and expectations of the organisers, while Mr Goodhue, president of the bank, declared that the latter is directing its efforts toward diverting to American markets a larger share in the financing of the existing volume of world trade. The present time, he remarked, offers "a great opportunity for our banks in this respect, America having two advantages of enjoying a free gold market and stable gold currency, while trade and banking in other countries suffer the severe handicap of the uncertainties of their widely fluctuating exchanges. The Federal Reserve Board, through its recent revision of its acceptance regulations, has greatly facilitated the development of American acceptance banking; particularly in dealing with foreign countries, the elimination of some of the restrictions, necessary as they were in the beginning, will enable American banks to compete more effectively with British banks, and will aid them to put dollar acceptances on a par with sterling bills in world markets."

The United States Steel Corporation's announcement that construction of a new lap and butt weld tube mill at Gary, Indiana, will be begun at once is interesting as further evidence of the marked improvement that has taken place in the steel industry. The new mill, which will cost approximately \$15,000,000, is expected to be ready for production in about eighteen months. It will have the capacity to produce 350,000 tons a year, which will add from 20 to 25 per cent. to the corporation's tube capacity.

The United States Treasury expects to end the current fiscal year with a moderate surplus, but will probably face a huge deficit of nearly \$500,000,000 for next year, according to estimates made by Secretary Mellon. Figures based on the latest available data indicate, he says, that total receipts for the present fiscal year will exceed expenditures by about \$47,000,000, as against an estimated deficit of some \$24,400,000 when the Budget was submitted. For the next fiscal year, however, indications now point to a deficit of \$359,000,000, in round numbers, as compared with a deficit of \$167,500,000, approximately, forecast last December. The Budget figures then submitted did not take into account \$125,000,000 accumulated interest on war savings certificates of the 1918 series, which, Secretary Mellon says, represents interest on the public debt and will appear as an ordinary expenditure. Including that accumulated interest the deficit for the coming fiscal year, indicated by figures now at hand, will be \$484,000,000 instead of \$359,000,000. Estimates for the fiscal year 1923, he points out, are based upon the Budget estimates after taking into account an indicated shrinkage of \$215,000,000 in internal revenue collections, an estimated decrease of \$25,000,000 in Federal Reserve Bank franchise tax receipts, additional revenue figured at about \$200,000,000 on account of interest payments by the British Government, estimated collections by the War Finance Corporation amounting to about \$100,000,000, and further expenditures on account of the railroads to the extent of approximately \$200,000,000. There are many uncertainties, however, as to just what the receipts and expenditures will be for the next fiscal year. As Secretary Mellon points out, many important appropriation bills have not yet been enacted by Congress. With respect to receipts, the Treasury has received no official notification, it is understood, that interest will be paid in that year on the British obligations held by the United States, although there have been announcements that the British Budget for the current fiscal year would include that item. Furthermore, estimates for the next fiscal year do not take into consideration expenditures which may be made under the proposed ship subsidy legislation, should the latter be enacted, or any expenditures on account of rivers and harbours, public buildings, and other undertakings beyond those already authorised by present laws and the regular annual appropriations. There is also the uncertainty as to what extraordinary outlays may be involved in the soldier bonus legislation should Congress pass such a measure.

FRANCE.—GENOA AND THE INDEMNITY—STATE FINANCE—RENTS AND HOUSING PROBLEMS—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, May 2.

How ever much space the newspapers may be devoting to the Conference at Genoa, this International event is regarded here as of very considerably less importance than the climax that will be reached on May 31st if Germany, as it is expected, fails to comply with the demands that have been made upon her by the Reparations Commission. The reason for the diametrically different points of view on the Genoa Conference held by France and Great Britain respectively is easy to understand. From the French standpoint the scores of milliards invested by the people of this country in Russia in years gone by may be regarded for some years to come as irrecoverable under any circumstances. Every Frenchman is satisfied that, whatever Mr Lloyd George may believe, under pressure of British unemployment, it will be a long time before Russia again yields anything in the way of wheat, sugar, or minerals, or is in a position to absorb any appreciable amount of anything worth speaking of in the form of manufactured goods. Germany, on the other hand, every Frenchman is equally convinced—and this belief is confirmed by the expert conclusions of the Allied Reparations Commission—is able to pay what she owes, if the head of the British Government will only agree with France in insisting that she shall. The Russian bonds, which are owned not merely by the large capitalists in this country, but especially (and certainly to the greater proportion) by the working classes, the small tradesmen, and the minor professional families, can be allowed to stand over for the time being. The payment of the German indemnity, on the other hand, is vital to France, unless her national finances are to fall into bankruptcy and the whole edifice of her credit come tumbling to ruin. France has already advanced some 80,000,000,000 of francs to Germany, by finding that amount towards the cost of restoring the devastated regions of the North which were wrecked by Germany. She insists that if Germany is able to finance the restoration of Russia, there can be no reason why she should not pay her debt to France. These are the reasons which make May 31st, when France will have every right to take steps to enforce payment, a much more important date than that of either the beginning or the end of the Genoa Conference and all that it involves.

Meanwhile, although both the Senate and the Chamber are still on holiday for another fortnight, the Finance Commission of the Chamber has already held its first meeting for the purpose of beginning the consideration of the estimates for 1923. The agenda opened, however, with a statement by the Rapporteur-Général, M. Bowkanowski, who pointed out that it would be useless to waste time in considering the various departmental budgets until the Commission had some idea of the manner in which the Government proposed to balance the coming Budget. In these circumstances the Commission decided first to call before it the Finance Minister, M. de Lasteyrie, who has acceded to the request, and will probably attend before the Commission ere the week is over. It has also been decided to ask the Minister of Agriculture, M. Henry Chéron (who is now absent with the President of the Republic on his official tour of Northern Africa), to explain to the Commission the decrees that have recently been issued authorising the export and prohibiting the import of butter, cheese, and cattle on the hoof, which are alleged to be responsible for the recent substantial rise in the price of meat and other commodities. It is explained that the reason for the Commission's unexpected intervention in this direction is based on a fear that the recent fresh rise in the cost of living may prevent the suppression of the extra allowances in respect of the high cost of necessaries that have for some time past been made to members of the public services, but which should, in the ordinary course, come to an end on July 1 next. The suppression of these allowances, which amount to a total of 714,000,000 francs a year, would, of course, have an appreciable effect on

both the current year's expenditure and on next year's estimates.

The law in regard to rents which has now come into force is expected to reduce the chaos that has prevailed in regard to this question since the war began, but will necessarily leave the housing problem still unsolved. Owing to the war and the consequent stoppage of building operations for the past seven years, France is 400,000 dwelling-houses short of requirements. Even before the war there was a permanent shortage of 25,000 holdings in Paris alone, which meant that 46,000 families had to be satisfied with less than one-half of a room per head. Since then, owing to the scarcity of labour and the rise in building costs, nothing has been done to provide the 1,200 houses a year required to keep up with current needs. The situation at present is that houses that before the war would have cost 100,000 francs to build, would now cost over 300,000 francs, while rents that would have amounted in 1914 to, say, 7,500 francs a year, must now be placed at from 25,000 to 26,000 francs (if the higher average rate of interest required by house owners and the greatly increased fiscal charges be included). Many Paris landlords now calculate their rentals on the basis of 1,000 francs per annum per room. Seventy-five per cent. of the holdings in Paris are flats. Flats that before the war were let at from 2,500 to 3,000 francs a year now produce from 7,000 to 10,000 francs.

From the landlord's point of view the situation since the war began has been fantastic. Practically nobody was able to pay rent during the war, and this was recognised by legal enactment. How this affected house-owners may be realised when it is recollected that in Paris there are many thousands of people owning only a single house, the rent from which is their chief and in some cases their only means of livelihood. As a matter of fact, many of these small owners found themselves reduced to penury, and many instances were recorded in which people were compelled to act as charwomen or handymen to their own tenants, in order to keep body and soul together. When matters began to settle down after the war, ejectment orders were issued on such a wholesale scale that Parliament was obliged to intervene. Courts were set up, particularly in the interest of men who had been mobilised, to fix how back rents were to be paid, and to deal with the problems of increased rentals, and leases that had expired during the war. Landlords were forbidden to eject tenants on good cause being shown against such steps, and restrictions were placed on rentals being increased more than to the extent of 40 per cent. From 50 per cent. to 75 per cent. of the arrears were swept off entirely, and ample time was given for the payment of arrears.

This did not fully meet the situation, however. Ejectment orders continued to be served, and at one time over 30,000 were in existence in Paris alone. Tenants refused to budge, however, being faced with the impossibility of finding other accommodation, or in any case with having to pay a vastly increased rental, which would be possible in the case of "vacant" property. Parliament again stepped in, and a new law has just come into force that gives tenants, whose leases have expired since the war began, substantial consideration. Subject to accepting a 40 per cent. (maximum) increase of rent, plus the payment of a further annual sum in regard to increased charges for heating, lighting, &c., sitting tenants may now claim the right to be given an extension of their leases, verbal agreements, and other forms of tenancy, for periods varying, according to circumstances, from five to 15 years. The starting point for these extensions was fixed as October 24, 1919. Leases that expired before that date may be extended as from that date; leases that have expired since, or are still running, may be extended from the date when they terminated or will terminate. Professional men (including journalists or artists) using their premises for their work, are entitled to five years' extension without question, and so are foreigners, provided the latter served with the Allies, or had a son serving, or were living here before the war. The new law is generally accepted as a sincere attempt to do justice all round.

Under the influence of Genoa the Bourse has remained

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hesitating and weak, for on the one hand the Rapallo Treaty has created a feeling of scepticism as to the possibility of the reconstruction of Europe, and on the other the speech delivered by M. Poincaré at Bar-le-Duc has emphasised the divergence of view between England and France as to the Allied attitude towards Germany. On all sides in consequence a waiting game has been played, because it is more and more evident that values must depend on the unknowns of the political situation. Most of the French Rentes have shown a decline. Thus the Three per cents. have dropped from 57.80 to 57.45, the 1917 Four per cents. from 63 to 62.77, and the 1918 Four per cents. from 62.75 to 62.45. The 1915 Five per cents. have, however, risen from 78.15 to 78.85. Owing to speculative selling, that has discounted the probable effect of the political situation, banks generally have declined, Banque de Paris falling from 1,110 to 1,075, Banque de France from 5,730 to 5,700, and Banque de l'Union Parisienne from 603 to 590. Transports have maintained their value better than many other securities, Nord improving from 1,010 to 1,040, though Métropolitain has shown a slight decline from 423 to 420. Shipping is depressed. Chargeurs Réunis is back from 372 to 365, Messageries from 184 to 175, and Transatlantique from 178 to 163. In electrical undertakings Thomson that had risen to 715 closed weak, fluctuating between 695 and 703, while Bréguet at 710 has lost 15 points.

GERMANY.—CURRENCY—EXCHANGE AND BOURSE—SHIPPING PRICES—CROPS.

(FROM OUR CORRESPONDENT.)

BERLIN, May 2.

UNFAVOURABLE views were taken last week of the prospects of Genoa. The Conference, it is remarked, becomes more and more political in measure as the inherent difficulties of the original purely economic programme become more plain. Mr Lloyd George's speech of warning delivered to the assembled journalists was well received here, but it is pointed out that the perils to Europe which Mr Lloyd George recapitulated are almost all political, and, according to the programme, not to be dealt with. On the question of the stabilisation of the mark currency the Socialisation Commission has rendered a report, after hearing banking, agricultural, industrial, and commercial experts. The report lays more stress upon the attaining of a foreign payment balance than upon restoring equilibrium to the Budget, and declares that stabilisation at any given exchange is impossible without both a foreign payment balance and a sufficient reserve of gold, of gold currencies, or of foreign credit. An over limit for the mark's gold exchange as well as an under limit must be fixed, in order to prevent an inundation of marks from abroad. A foreign payment balance can only be attained by reducing consumption and increasing production; and even with that the reparations burden must be reduced, and the payments due on the reduced total during the next five years must be cut down, and provided for by international loans, Germany paying for interest and amortisation. At present, says the report, reparations are a rigid item in the

foreign payment balance, and have no relation to Germany's economic capacity.

Money continues to be tight. The Reichsbank statement for April 22nd books separately that part of the gold reserve which is deposited with the Bank of England in order to provide security for short-term loans, but against which no loans are at present outstanding. The amount is 41,301,000 marks, the gold in Berlin thereby being reduced to 958,567,000 marks. The pressure on the Bank for credit has fallen off, discounted Treasury bills declining by 2,097,101,000 marks to 147,085,450,000 marks, while note circulation fell by 1,435,854,000 marks to 132,627,759,000 marks. The "Kassenschein" circulation increased to 8,754,200,000 marks. The revenue received in the financial year 1920 from the export duties—which were first imposed on May 10, 1920—was 1,155,500,000 marks, and in the first eleven months of the financial year 1921 1,809,000,000 marks. The monthly receipts from this source have about doubled since November, 1921, when the rates were increased. The Reichsrat has sanctioned a Bill establishing a Federal Railway Council and 13 subordinate local Councils, with power to advise in railway matters. The members are chosen partly by the local Chambers of Commerce and Agriculture, partly by the trades unions, and one-third of them are nominated by the State Governments. To the central Railway Council each local Council will elect three to five representatives, all of whom must belong to industrial, trade, agricultural, or shipping circles, and there must be at least one employer and one employee among the representatives of each local Council. Twenty members in the Central Council will be chosen by the Reichswirtschaftsrat.

The Bourse last week was undecided and inclined to weakness. The averages of dividend payers and of home bonds declined, while foreign bonds rose. The *Frankfurter Zeitung's* index for 15 dividend payers is 38,203 for April 28th, as against 38,774 on April 21st, and 40,250 on November 10th. The general public keeps away from the Bourse. Metal stocks were favourably affected by rumours of negotiations for the creation of an international iron and steel syndicate, it being held that the rise of German iron prices towards world market level threatens to terminate Germany's present independence of market conditions elsewhere. The Rhenish-Westphalian Electricity Company, a very large concern run jointly by Herr Stinnes and the western municipalities, has raised its capital from 400 to 550 million marks, and decided to offer part of its stock to employees. The annual reports for 1921 of the companies constituting the "Aniline Concern" show large increases in nominal profits, but the gold value of the profits of these companies tends to decrease. Net profits of the Badische Aniline Company were 165,261,933 marks, against 65,184,493 marks in 1920; of Friedrich Bayer and Co. 201,425,521 marks, against 67,500,225 marks; of Lucius and Bruning 172,343,884 marks, against 61,799,786 marks; and of Griesheim-Elektron 43,393,082 marks, against 17,166,503 marks. Most of the other annual reports now being issued show profits between 100 and 300 per cent. over those of 1920. Quotations of Federal loans to-day were: War Loan 77.50, 4 per cent. 94, 3½ per cent. 87.50, 3 per cent. 138.75, colonial 4 per cent. 140, savings and premium 83.25.

Shipping reports for 1921 are almost all favourable, the causes being cheap operation and cheap coal, which drew a sufficient part of the world's decreased freighting to German lines. All companies without exception paid dividends, the lowest 8, the highest 40 per cent. The gross profits of eight Hamburg companies totalled 214,617,676 marks, of which 96,171,675 marks was earned by the Hamburg-America Company, the net profit being 60,394,781 marks. Five Bremen companies' gross profits were 162,498,859 marks, and the net profit 68,280,791 marks, of which 45,764,678 marks was earned by the Norddeutscher Lloyd, as against 29,492,253 for the Hamburg-America. In the balance-sheets the share capital of 16 companies totals 1,096,500,000 marks, the value of ships 1,313,680,215 marks, bank deposits and claims 2,883,088,934 marks, debts 1,758,068,792 marks, and moneys available for reconstruction under the Government compensation plan

of last year, 2,558,355,634 marks. The amount paid in dividends for the business year, 1921, was 89,840,000 marks. The companies have for some time past been fused in a few groups, and last year no further fusions of importance took place, with exception of the union of the German-Australian and Kosmos companies, both of Hamburg. The Hamburg-America Company's group is the largest. This company has taken over entirely the Deutsche Levante Line, is shareholder in the Hamburg-South-America, Neptune, Woermann, East-Africa, Silesian Steamer Company and Bugsier Company, and has an "interest agreement" with the Harriman concern, which itself comprises four American companies, as well as traffic agreements with English firms. The Norddeutsche Lloyd is shareholder in the Hamburg-Bremen-Africa Line, Ocean Reederei, Woermann Line, East Africa Line, and Roland Line, and it has traffic agreements with the U.S. Steamship Company, the Nippon Yusen Kaisha, and two English firms. The prospects of German shipping this year are very good, and every effort is being made to provide for the reviving ocean passenger traffic. With the resumption of traffic with Australia, which is due next month, German shipping will have returned, either directly or in collaboration with foreign companies, to all its pre-war routes.

The foreign trade report for March shows a return to import surpluses. Imports are valued provisionally at 22,900 million marks; exports at 21,500 million marks, the import surplus being 1,400 million marks. February had an export surplus of 2,492.3 millions, January of 1,716.2 millions, and December of 847 millions, while the earlier months of 1921 had import surpluses. Imports by weight in March were 2,640,000 metric tons, against 1,480,000 tons in February, and 2,310,000 tons in January; and exports were 2,150,000 tons, against 1,750,000 tons and 2,030,000 tons. Details are not yet published, but the new passivity is stated to be due to a large increase in import of raw and half-finished materials, and of food. The large increase of exports also comes mostly under the heading manufactured goods, the value of which exceeded the February total by 5½ milliard marks. In the whole first quarter of 1922 imports were 6,430,000 metric tons of value 47,700,000,000 marks; exports, 5,930,000 tons, value 50,300,000,000 marks; and there was an export surplus of 2,600,000,000 marks.

Prices, after a short set-back in connection with the recent mark exchange recovery, continue to rise. Potash prices were again increased on May 1st, and are now about forty-fold the prices of 1914. Pig-iron prices have also again been raised, and are, per metric ton: hematite, 6,435 marks, against 79.50 marks in 1914; foundry iron No. 1, 5,870 marks, against 75.50 marks; ditto No. 3, 5,800 marks, against 70.50 marks; Siegerland steel-iron, 6,000 marks, against 79 marks; and spiegelisen, 6,525 marks, against 75 marks. The prices of ferro-manganese 80 per cent. has been raised from 13,820 marks to 14,860 marks; ditto 50 per cent., 12,580 marks to 13,735 marks; and ferro-silicium 10 per cent. from 7,450 marks to 7,750 marks. Consumers' representatives in the Eisenwirtschaftsbund demand a reduction of steel and rolling-mill product prices, and the employees' representatives are pressing for reintroduction of the former compulsory maximum prices on these products. The scrap-iron market continues weak, as, though the demand for iron far exceeds the supply, smelting continues to be checked by coke shortage. Very bad reports on crop conditions are coming in. In mid-April only 14 per cent. of wheat reports were good, as against 57 per cent. at the same date last year, while 45 per cent., against 36 per cent., were middling, and 41, against 7 per cent., bad. Of rye reports 29 per cent. were good, as against 60 per cent. last year; 51 per cent., against 33 per cent., middling; and 20 per cent., against 5 per cent., as bad. Only 17 per cent. of reports stated that spring sowing was finished, as against 87 per cent. last year. In the fortnight since these reports were sent in, the abnormally cold and wet weather has continued.

Berlin's municipal Budget for 1922 shows expenditure of 11,723 millions, against 6,117 millions last year. Revenue is estimated at 10,001 millions, and the deficit at 1,722 millions. It is proposed to increase the real property, industrial and other taxes.

AUSTRALIA—NEW SOUTH WALES ELECTIONS— OVERSEAS TRADE—COMMONWEALTH BANK.

(FROM OUR CORRESPONDENT.)

MELBOURNE, March 27.

THE result of the New South Wales General Election tends to relieve some of the anxiety which was felt as to the possible outcome, as the effect of a victory for the Labour Government would have been an immediate addition of about £2,000,000 to existing taxation by that State, in accordance with the proposals set forth in the Budget a few months ago, while the programme of the Government would have involved still further additions to expenditure and taxation, besides necessitating, in all probability, heavy loans from London to maintain employment at high wages by means of a large public works expenditure. As it is, the successors of the Labour Government will have a difficult task in attempting to balance revenue and expenditure after the growth of the latter under the Labour régime. The transition from the artificial prosperity prevailing for some years past under the influence of free Government expenditure to a more natural state of affairs based upon the production of the country will not be easy.

The population of Sydney is about 900,000, or about 43 per cent. of the total population of New South Wales, against a proportion of about 39 per cent. in 1911, and it is felt that a reversal of the tendency thus shown is now required. But, owing to the advance in the rates of wages, which, under the arbitration system, rest upon a legal basis, and are not capable of easy readjustment, it is difficult for country employers to absorb more men, especially as the prices obtainable for wool, wheat, meat and butter are much lower than during the period of war activity, and at the same time more has to be paid in taxation.

The Commonwealth trade returns continue to show reduced imports, the amount for February being £9,352,455, or a decrease of £2,408,314 as compared with February, 1921, while exports for the month were £12,986,857, or an increase of £606,769. The totals for the eight months, July to February inclusive, compare with those of the corresponding period of the two previous financial years as follows:—

	1919-20.	1920-21.	1921-22.
Imports—			
Merchandise	53,462,245	117,025,505	62,385,560
Gold	40,397	9,591	21,881
Total imports	53,502,642	117,035,296	62,407,441
Exports—			
Merchandise	94,753,423	82,559,696	78,824,156
Gold	3,774,570	3,698,091	2,617,099
Total exports	98,527,993	86,257,787	81,441,255

Imports of merchandise for the last eight months show a decrease of £54,639,945.

The Commonwealth Bank of Australia has just issued its balance-sheet for the half-year ended December 31, 1921, some of the principal figures comparing with six months and a year previously as follows:—

	Dec. 31, 1920.	June 30, 1921.	Dec. 31, 1921.
Deposits	27,153,311	34,515,485	26,556,692
Do Savings Bank	35,306,956	36,190,389	37,278,788
Bills payable, &c.	6,482,831	7,985,466	2,734,942
Cash and cash balances	7,030,246	13,384,711	7,557,887
Money at short call, London	4,160,000	8,090,000	10,715,000
Public securities	32,614,411	33,304,516	34,732,900
Bills receivable in London, &c.	4,829,519	7,174,175	1,937,197
Discounts and advances	20,804,850	18,657,922	13,904,223

The profit for the last half-year is £341,361, making the total accumulated profits £3,792,726, represented by the reserve and redemption funds. As a Government institution, the bank pays no taxation.

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SWEDEN—FINANCIAL AND INDUSTRIAL CONDI- TIONS—TRADE DISPUTES—COMMODITY PRICES.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, April 23.

LATELY there has been some slight improvement in quotations on the Stock Exchange, especially in industrial stocks, whereas banking shares have dropped in value. In all, there was a rise in values of 26 million kroner, traffic shares contributing 1.78 million kr. On the other hand, company reports now appearing daily are showing mostly unsatisfactory results. The Mölnbacka Trysil, a large timber and sulphite mill concern, discloses a loss of 3.32 million kr, as large depreciation has had to be written off stocks of raw materials and ready-made goods. There is a more reassuring tone in the Swedish timber market, since sales are reported as reaching 250,000 standards, or about one-third of the whole annual production. The timber industry is, however, still under a cloud owing to labour troubles. A lockout having been proclaimed, the mills find it naturally difficult to operate, and cannot fix their prices ahead, not knowing upon what wage basis to calculate. At the same time, the very late re-opening of navigation, about one month later than usual, will probably have some influence on freights, and is stimulating the hopes of shipowners for better values. British buyers of Scandinavian timber have this year been unusually cautious, in contrast to French and Spanish firms, but it is a known fact that stocks in England are rapidly dwindling, and that therefore, sooner or later, a strong demand will set in which must be filled. With regard to the market for newsprint, which is a very important one in the Swedish export trade, there is a pleasing recovery to be noted, and all the Swedish mills are working full time. A settlement has recently been reached of the labour conflict in the paper and cellulose trades. It is reported that the well-known Stockholm banker, Aschberg, director of the Svenska Ekonomibolaget, has recently concluded a contract with Centrosojus at Moscow for a credit to the Russians of 50 mill. kr, the amount having to be used for the purchase exclusively of Swedish goods, and the payment to be rendered in three months' bills.

A slight drop in wholesale prices has taken place during the last month, but such important articles as wheat, potatoes, butter, and wool were higher in price. Prices for fuel rose owing to a stronger demand after the protracted ice blockade, petroleum and fuel oil were stationary, and the same was the case with metals. Owing to the stagnation in the building industry, which is under a cloud owing to labour disputes, there was no material change in building materials and prices for fire-bricks dropped a little. The general impression is that prices for raw materials and foodstuffs are approaching a stabilised basis. The position as regards unemployment is still unsatisfactory, and the Riksdag has granted another 15 mill. kr for relief work. The Riksdag has still to decide about the total grant of 85 million kr asked by the Government for relief work during this year, and in the meantime a total of 35 million kr, including the above-mentioned 15 millions, have been advanced for this purpose. At the same time, however, the Government has decided to reduce wages paid for relief work by 15 to 20 per cent. of existing rates, this reduction being made on the basis of a comparison made with wages paid in the open market and also in accordance with a decision of the Diet that relief-wages should be lower than the wages for ordinary employment. There are now about 150,000 unemployed in this country.

It is expected that railway freights will be lowered in the near future, as the State railways, by means of cheaper working costs through lower prices for raw materials,

and also lower wages and salaries, are able to undertake such a step without running into loss. The Diet has also proposed a lowering of postal charges from October 1st next. Both measures will naturally bring a boon to the much-tried industrial and commercial communities.

POLAND.—FOREIGN TRADE IN 1921—TRADE WITH ENGLAND—MONETARY REFORM.

(FROM OUR CORRESPONDENT.)

WARSAW, April 22.

TOGETHER with his budgetary estimates for 1922, analysed in my last letter (*Economist*, April 8th, p. 675), Mr Michalski presented to the Diet a very interesting Grey Book dealing with Poland's foreign trade during the last two years. The study of the figures contained in this volume reveals a marked progress, as shown below:—

(000's omitted.)		
	Imports. Tons.	Exports. Tons.
First half-year 1920	1,908.0	209.1
Second " "	1,621.8	411.2
First " 1921	2,470.2	878.3
Second " "	2,370.5	1,149.7

The increase of exports was much more rapid than that of imports. The progress of the former amounts for the last two years to 940,600 tons, as compared with 462,600 tons for the latter. The development of a more favourable balance is very conspicuous, and this tendency becomes even more marked if we compare the figures exclusive of corn and coal imports, which in 1920 and 1921 were mainly of a temporary character. After the incorporation of Upper Silesia, Poland will obtain the necessary fuel from her own mines instead of importing it from abroad. The import of corn will also cease. Poland's crops are actually sufficient for the maintenance of her own population.

Without coal and corn, Poland's imports and exports were as follows:—

(000's omitted.)		
	Imports. Tons.	Exports. Tons.
First half-year, 1920	308.5	173.6
Second " "	282.3	281.3
First " 1921	408.2	683.8
Second " "	415.5	995.8

Viewed thus, the figures for 1921 reveal a much more favourable situation. It is to be regretted that the official statistics do not show the value of imports and exports.

The principal articles of Poland's exports are timber, oil and oil products, cement, sugar, and potatoes. In all these groups, with the exception of potatoes, rapid progress took place in 1921, as is shown below:—

	Timber. Tons.	Oil and Oil Products. Tons.	Cement. Tons.	Sugar. Tons.	Pota- toes. Tons.
First half-year, 1920	19,800	26,100	13,100	250	96,000
Second " "	82,400	113,500	27,500	15,300	3,900
First " 1921	295,800	113,500	35,200	27,400	59,700
Second " "	561,000	215,500	38,800	12,000	22,300

The export of cement would have been much greater if the difficulties of obtaining coal had been less. These difficulties have now been overcome, and a very rapid increase in these exports is expected. Poland's principal markets for this product are not only the border States—such as Czechoslovakia, Austria, Roumania, and Germany—but also overseas countries, such as Brazil, Argentina, Dutch India, &c.

Among the countries of destination of Polish exports, the United Kingdom ranges third, after Germany and Austria. During the second half-year of 1921 the exports to these three countries amounted to 140,600, 300,000, and 215,000 tons respectively. The progress of exports to the United Kingdom was remarkably rapid (9,600 tons first half-year 1920, 4,400 tons second half-year 1920, 43,500 tons first half-year 1921, 140,600 tons second half-year 1921). The increase of imports from England has been much slower—37,700 tons in 1920, 52,700 tons in 1921. This is due to the slow progress of the import trade in general and to the high sterling exchange, which acted as a barrier against English products.

The Polish Minister of Finance is of the opinion that the situation is not yet ripe for a reform of the monetary system. "The principal condition of a successful reform," he said in his *exposé*, "is an equilibrium of the Budget, which would remove the necessity for printing new paper money. This equilibrium, again, is possible only there where the whole economic system is sane." The foundation of a bank of issue in the form of a joint-stock company, which would print bank notes with another inscription than the present one, cannot give, in our conditions, any satisfactory results."

The stopping of the printing press is the preliminary condition of any monetary reform. In this respect the situation is steadily improving, as may be seen from the table below:—

	Paper Marks in Circulation. Milliard Marks.	Increase in Comparison with Previous Month. Milliard Marks.
End of October, 1921	182.8	30.0
" November, "	207.0	24.2
" December, "	229.5	22.5
" January, 1922	239.6	10.1
" February, "	247.2	7.6
" March, "	250.7	3.5

While in October the circulation increased by 30 milliards, in March the quantity of new paper marks issued had been reduced to 3.5 milliards.

Letters to the Editor.

FOREIGN EXCHANGES AND DEVALUATION PROPOSALS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Exchange between this country and America is steady enough for all practical purposes, and the same applies to France, Belgium, Italy, Switzerland, Spain, Holland, the Scandinavian countries, India, and the Far East. There is no trade lost through fluctuations in these exchanges, which would be avoided by devaluation, as risk can be covered by forward transactions; and devaluation of itself will not keep the rate of exchange steady. If it were decided to devalue the unit of currency of any country and a new ratio to gold were fixed, the new ratio would still have to be maintained; and that which must be done to maintain it must also be done in any case, with or without devaluation, if the rate is not to fall. And if a new ratio were fixed with the old par of exchange set five steps, and if that rate were kept from falling, it might then tend to rise more quickly than arranged and thus hindering trade and causing loss by the movement of it had sought unsuccessfully to restrict. Countries like France, Belgium, and Italy will no more like to see their unit devalued than we do; nor is there any need for it. Let them balance their Budgets and keep their paper issues at their present level, and they may leave the rate of exchange to look after itself; and what can they do less than this if they devalue?

As for countries with greatly appreciated currencies, the same holds good, for if they entered into an international agreement to stabilise their exchanges, it would depend on the confidence which was felt in their being able to carry out the agreement, whether the object was attained or not. If they were prepared to set their house in order, and it was believed they could do so, it would be enough; their exchange rates would first improve and then steady themselves; there would be no need to devalue.

As no one can foresee how countries like Russia and Austria will recover, neither can anyone see in what manner and form their currencies will be established again. But this much is clear, that both a well-established Government and settled conditions of life must come before there can be a steady exchange. To devalue their unit of currency is useless. What they want is a new unit, but they cannot have it yet.—Yours faithfully,

H. FISHER.

14 Mincing lane, E.C. 3, May 2nd, 1922.

Books and Publications.

EUROPEAN PROBLEMS.*

THE main theme running through Mr Zimmer's book is the grandeur of the opportunity presented to Europe, especially British, statesmen in November, 1918, and the tragedy of its losing. Much space is therefore devoted to pointing out what might have been, to crying over spilt milk, and indicting Mr Lloyd George as the spiller-in-chief. We are given a picture of the Premier standing on the doorstep of 10 Downing street on the day of the Armistice bowing to the crowd—the man who won the war; we are given the outlines of the great, constructive, healing speech he might then have made, and, as a contrast, the miserable electioneering promises and appeals that followed so closely. All this is fair criticism, and few people will now champion the 1918 elections against Mr Zimmer's accusations. But to extend the indictment to British policy at the Washington Conference, as Mr Zimmer does in his preface, is surely unfair. It is a pity that this paragraph was not expunged, for it cannot but detract from the weight of a book, which, on the whole, is characterised by broad liberal thought.

The tragedy of the lost opportunity is summed up in a sentence:—"Everything went wrong, from the first call for negotiations in October until the final rejection of the Treaties by the United States Senate." The result is that Europe is now "a big unfinished design, supplemented, and in part replaced, by patchwork improvisation." Mr Zimmer sees Europe's way out "along the simple and well-tried road of the old Concert of the European Powers." "If this can be achieved," he believes, "Europe will recuperate her strength in security, and the League of Nations will find the main obstacle to its growth removed and will deepen its roots and spread its branches." A restoration of the old Concert demands Anglo-Franco-German *rapprochement*, and Mr Zimmer sees no hope of improvement in either Anglo-French or Anglo-German relations "till there is a change in the British Premiership." "To the French public Mr Lloyd George is the man who, having engaged to try the Kaiser and to exact the uttermost farthing from the Boche, has pocketed most of the German colonies and German merchant fleet for his country, and put Britain's chief opposing Navy and chief trade competitor out of the way, and has then left France, uncompensated and unsupported, with a paper Treaty as her chief asset." To the German he appears as a man who pledged himself to peace on the basis of the "fourteen points" and then went back upon them. Mr Zimmer regards it as one of the first steps out of this *impasse* that Britain should renounce all share in German reparations. By so doing, he thinks, "we should do a service both to France and to Germany, and re-equip ourselves with authority for our task of mediation and appeasement." There are, however, other aspects of this difficult question with which he does not deal. Mr Zimmer often displays shrewd judgment in his conception of the plot of Europe's post-war story, and if the part of the villain (Mr Lloyd George) is somewhat luridly painted, the book perhaps will not suffer in popularity on that account. The book contains some pertinent quotations as Appendices, but no index—an omission which always causes inconvenience and could so easily be avoided.

* "Europe in Convalescence." By A. E. Zimmer. (London) Mills and Boon. 5s net.

THE AGRICULTURAL CLUB.

THE capable and popular president of the Royal Statistical Society was elected president of the Agricultural Club at its inception during the war, and successive re-elections imposed by an unanimous wish of a body not greatly united on other matters resulted in Sir Henry Rew re-

* "The Story of the Agricultural Club." By Sir R. Henry Rew, K.C.B., President of the Club. (London) P. S. King and Son. 1922. 20s 6d.

maining at the helm until the end, when with the dissolution of the Agricultural Wages Board it was decided, perhaps a little hastily, but still decided, to wind up the club. The history of the venture was well worth telling, and its "one and only" president was obviously the man to tell it. This he has done with no common skill, marshalling the difficult features of the club's discussion in such a manner as to present a very clear and indeed striking picture of agricultural movements in Great Britain during the last two years of the war and the disquieted period of transition which followed it.

Lord Bledisloe in a preface, which is itself inspiring, elects that word as the adjective best describing the record as also the debates recorded, and those who took part in these discussions, some of them already memorable, at 80 Pall Mall, will recall the stimulus derived from what the president, quoting Cowper, calls "the clash of arguments" between internationalist and individualist, between Labour and Capital. The representatives of agricultural labour were strong, the spokesmen of the landowners were strong, and there was excellent sword-play on almost every occasion. The farmers were not so strong as the squires and labourers' representatives, but three successive presidents of the National Farmers' Union entered the arena, and the cause of tenant farming, of the farmer (firmarins) who stands firm between Capital and Labour, had keenly intellectual support from publicists like Mr A. G. L. Rogers, Sir Douglas Newton, M.P., and the Rt. Hon. Henry Hobhouse. Two experts in political and rural economics, Mr C. S. Orwin and Mr R. V. Lennard, were prominent.

Of papers read before the club, those of permanent value included the really masterly surveys of "Intensive Farming and Culture under Glass," by Mr Rowland Robbins, and of the "International Wheat Trade," by Capt. R. T. Hinckes. These, by embodying a ripened judgment fortified by well-digested statistics, constituted economic documents of real importance. Careful detail invested with analogous importance the study of Danish agriculture by Mr Nugent Harris.

The club never really debated the subject of agricultural wages, and none of its speakers seems to have faced the disconcerting fact by which economists are so constantly confronted, namely, the tendency of a minimum wage once fixed to crystallise into a maximum salary. An issue which was frequently debated but never resolved was that of getting the smaller man on to the land as tenants or freeholders. The cleavage of opinion was here very marked, for while such speakers as Lord Bledisloe, Messrs C. D. Acland, M.P., G. G. Rea, Castell Wray, and C. S. Orwin dwelt on how much of rural England was changing hands and how the occasion should be embraced for the skilful labourer to settle on a holding of his own, others, such as Mr George Edwards, M.P., Mr Lovell, Mr Denton Woodhead, Mr George Nicholls, and Mr Hewitt, were insistent on the difficulty of such labourers settling. The right of expropriation was the one demand over which the combatants least bethought themselves of gloves, or, unhappily, of evidence; but thereon one conclusion, even if but a dim one, may be said to emerge from Sir Henry Rew's volume. The Royal Statistical Society could not do the community a better service than in seeing if some real light cannot be obtained in a very dark place. The "dim conclusion" to which we have referred is that there is just one hypothesis which would admit of both sides being right. Half the rural acreage of the country may be shifting ownership, and this may produce the effects described by one school; but the shifting may be confined to this half which, as it were, keeps passing and passing before the eyes of estate agents like an army of "supers" across the stage. The other half may be possessed of an extreme immobility, and the complaints of inability to get land on which to settle may come from those whose experience is of these too stable acres.

our headquarters in Chancery lane, which marked the last chapter in the story of effort and self-sacrifice of our men in "The London and Lancashire" and its allied companies, during the war.

Whilst then our excellent result for 1921 must not be taken as a criterion, and, whilst after the turmoil of the war we are beset with new and difficult problems, we are well equipped to face them. The reduction of our premium income denotes apparent retrogression in our turnover, but that was inevitable. Really it means consolidation, and as the French adage has it, sometimes one must step back a little in order to get the spring for a fresh impetus. Financially, in the percentage of our reserves to premium income and the value of our investments, we are actually much stronger than we have been for many years past.

The prospects of 1922 are not auspicious—we have not yet touched bottom—but we shall do our best to at least maintain our position, relying on that confidence which you—our shareholders—have always afforded us in the past.

Mr John H. Clayton (deputy-chairman), in seconding, congratulated Mr Rutter on behalf of both the directors and the shareholders on his emergence from the serious operations he had undergone, as well as upon his attainment to the chairmanship of this great company. His occupancy of the position would undoubtedly be for the continued welfare of the company.

The motion was carried unanimously, and the usual formal business terminated the proceedings.

THE LONDON LIFE ASSOCIATION, LIMITED. SUCCESSFUL YEAR—INCOME EXCEEDS £1,000,000.

The ordinary general meetings of the London Life Association, Limited, and the Clergy Mutual Assurance Society, and the ordinary joint general meeting of the association and the society were held, on the 3rd inst., at 81 King William street, London, E.C.

Mr Reginald B. Jacomb (president of the association) occupied the chair.

Mr Harold M. Trouncer, M.A., F.I.A. (the actuary and manager), read the notice convening the meetings, the minutes of last year's meetings (which were confirmed), and the auditors' reports.

The President, in moving the adoption of the report and accounts, said: I shall not attempt to disguise the fact that we are very pleased with this report, and I certainly shall feel disappointed if the members of both companies do not share our view.

During the period under review the reversionary bonus system, which was started just before the outbreak of war, has proved to be a great success, and every year without exception we have been able to declare a reversionary bonus of 35 per cent. on sums assured and existing bonuses, as compared with the rate of 30 per cent. per annum which we guaranteed until 1925, and considering that this has happened during the most difficult years that possibly would be conceived, it remains as a great tribute to the acumen and skill of our actuary and manager in advising us to promote it. The sums assured under this system now amount to over £2,000,000, so that the public has not been slow in recognising its advantages.

EXPANSION IN EVERY DIRECTION.

In every direction there has been marked expansion, and our new business for the year of over £1,500,000, although not up to the record figure of 1920, is still a remarkable achievement for an office which does not pay commission and spends a very limited amount in advertisement.

On the first page of the report we give a summary of the results of the year. The most satisfactory item in the London Life accounts is, I think, the amount applied in strengthening the valuation basis; in other words, the replacement of some of the reserves drawn out to meet depreciation. This amount is £231,082 in the case of the reduction of premium and general funds. Of course, it is due to the appreciation in the values of securities in the year that we have been enabled to make so large a replacement, and in addition to the item of £140,555 shown in the revenue account on page 6, under the heading of "Profit on realisations and Revaluation Differences," there was an appreciation in value of some £170,000.

All our Stock Exchange securities stand in our books at the values on December 31st last, and I need hardly remind you there has been a very substantial increase in values since that date.

I would like to make a few remarks on the broad lines on which we think that our business should be managed. Perhaps I may summarise our aims in two words—"Economy and security."

I lay stress on economy, for there are a great many people who do not understand what an enormous effect economy in management expenses has on profits earned. Let me emphasise this point by telling you that the percentage of our expenses to premium income is just over 6 per cent., as compared with an average of about 16 per cent. for offices which pay commission. What does the difference of 10 per cent. of our premium income mean? Do

you realise that it is equivalent to an increase of £1 per cent. in the rate of interest earned on our total funds? I think this way of looking at it may bring home the point to many people.

COMPANY'S ASSETS.

This brings me back to the question of security, and you may be interested to know that our assets may be classified as follows:—

	£	Per Cent.
Well-secured mortgages on property and other high-class security and properties owned ...	2,372,475	34.6
Loans on the association's policies	838,372	12.2
British Government Securities	2,282,925	33.3
Other British Securities	382,941	5.6
Indian and Colonial Securities	474,591	7.0
Foreign Government and Municipal Securities	229,192	3.3
Foreign Railway and other Debentures and Preference Stocks	231,080	3.3
Foreign Railway and other Ordinary Stocks	48,917	.7
	6,860,423	100.0

Security may perhaps be said to be attained by the employment of the funds in high-class investments, but that is not enough, in my opinion. It is the duty of your directors to keep a careful watch, not only on the investments themselves, but on the changing financial outlook, so that, consistent with security, opportunities may be taken of realising investments at a profit or of avoiding depreciation wherever possible.

In concluding the consideration of the London Life accounts, I would like to call your attention to the fact that for the first time the London Life's income from premiums and interest exceeds £1,000,000, showing a growth during the last 10 years of no less than £400,000.

Mr G. D. Smith (vice-president) seconded the resolution, which was carried unanimously.

LONDON AND BRAZILIAN BANK, LIMITED. TRADE CONDITIONS IN BRAZIL.

The fifty-first annual meeting of the London and Brazilian Bank, Limited, was held, on the 2nd instant, at 7 Tokenhouse yard, London, Mr Wm. Douro Hoare, C.B.E., chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said it was a matter of disappointment to him that the results of the first year of his chairmanship had not been so good as they could have wished. The countries in which they did business had all suffered severely from the world-wide slump. The severe commercial and financial crisis, referred to last year, increased in intensity, in fact trade in Brazil was practically at a deadlock. Imported goods met with a very poor demand, and that almost confined to articles of prime necessity. On the other hand, their exports were difficult of sale, and at reduced prices, with the exception of coffee, which, owing to short crops, had ruled steady to firm. It would be understood how difficult the violent fall and fluctuations in exchange had made business.

As regarded Portugal, there had been many changes of Government, but the political situation appeared more stable, and economy was aimed at by the present Government. In Uruguay and the Argentine, cattle breeders were going through a very anxious period owing to the closing down of so many freezing establishments.

Their gross profits were £699,467, being £110,872 less than last year, and charges account was £26,846 less, the decrease being caused by the transfer of the currency salaries at the very low rate of exchange ruling on January 31. The net profit, including the amount brought forward, was £723,622. The dividend was 14 per cent. for the year. Having regard to the general slackness of trade, the gross trading profit had been quite good, and they were convinced that the earning power of the bank was great, although he must mention, in passing, the practical monopoly of the Banco do Brazil in exchange business, and the many expenses and restrictions imposed on other banks, always excepting the Banco do Brazil. This had not only militated against their deriving their fair share of business, but had also created an arbitrary and artificial rate of exchange, which had certainly acted as a deterrent to the free interchange of foreign currencies and commodities.

The past year had been one of great anxiety, but he confessed that on looking back he felt that things might have been worse than they had been. He wished he could see any marked signs of definite and lasting improvement. There were "glimmers" of light from time to time, but disappointment often followed, but it must be remembered that Brazil was not singular in its depression and always showed quicker recuperative powers than most other countries. He looked forward to the political future of Brazil with confidence. Signs were not wanting that they had seen the worst, and through the dark clouds there were struggling gleams of light of returning trade and prosperity, not only in South America, but all over the world.

Lieut.-Colonel C. E. Johnston, D.S.O., M.P. (deputy-chairman), seconded the resolution, and it was carried unanimously.

SCOTTISH EQUITABLE LIFE ASSURANCE SOCIETY. A SUCCESSFUL YEAR.

At the ninety-first annual general meeting held at Edinburgh, the Chairman stated that the society had had a successful year. The new business completed was £1,327,000, an increase of about 70 per cent. over the corresponding year of the previous quinquennium. The income from premiums and interest amounted to £841,000. The amount paid in claims was £511,000, which showed a favourable mortality experience.

INCREASED ASSETS.

The average rate of interest realised was £4 3s 6d per cent. after deduction of income-tax, as compared with £4 1s 9d the previous year. The assets show an increase of £198,000, and they now amount to £6,795,000.

INVESTMENTS.

Reference was made to the rise in value of the society's investments, about half of which consist of British Government securities, and to the good bonus prospects at the quinquennial investigation which takes place next year.

SCOTTISH UNION AND NATIONAL INSURANCE COMPANY. RESULTS OF YEAR'S BUSINESS.

The annual general meeting of shareholders was held in Edinburgh, on the 3rd inst., Mr T. M. Murray, W.S., presiding.

The Chairman, in moving the adoption of the report and accounts, said:—

The year 1921 was an anxious one for the directors and officials of the company, and the prevailing economic conditions have left their mark on the accounts now before you. Poor trade, reduced value of commodities, diminished stocks, and a general shortage of money—a state of affairs prevailing in all parts of the world—have resulted in our being able to secure less business practically in all departments. I trust, however, that the net results of our efforts will not be regarded by the shareholders as disappointing.

LIFE DEPARTMENT.

In the life department the net new business secured is about 30 per cent. less than in 1920, but notwithstanding this drop it is

satisfactory to know that the net business is over 25 per cent. greater than it was in the year immediately preceding the outbreak of war. The life claims are within £30 of what they were in 1920, and it is gratifying to have to report that the actuary informs us that the death claims were only 73.6 per cent. of the "expectation."

FIRE ACCOUNT.

The fire account also reflects the prevailing conditions to which I have alluded, the decrease in premiums being no less than £224,000, or 17 per cent. upon the premiums of the previous year. The bulk of this decrease is accounted for in our American returns, and by a shrinkage in the values of the Eastern exchanges, and none of it is due in any way to a loss of connections. There has been a satisfactory diminution in the amount of the claims to be met. These are down by £77,000. There has also been a proportionate reduction in the sums paid for commission, and a decrease in the expenses of management. Altogether there is an aggregate decrease of £128,000, but as to £39,000 of this I will explain hereafter. Adding £31,000 of interest on the fire fund, there is a surplus of £65,000, against £83,000 a year ago. To this surplus, however, there has to be added the sum by which the fund has been reduced, namely, £112,000, and here a word of explanation is necessary. The practice of the company is to set up 50 per cent. of the year's premiums as necessary to meet unexpired liability. Now, when the year's premiums show an increase, 50 per cent. of such increase has to be set apart before a profit is shown. It follows, therefore, that when, as in the year 1921, the premiums show a decrease, 50 per cent. of such decrease must be taken into account in arriving at the profit for the year. The net result is an underwriting profit of £146,000, and interest of £31,000, together £177,000, to be transferred to the profit and loss account. In 1920 the total was £72,000.

I will not trouble you with details of the accident, employers' liability and miscellaneous accounts. The aggregate profit in these accounts is £28,000, or £17,000 more than a year ago.

MARINE ACCOUNT.

The marine account also reflects the trade conditions of the year. Premiums show a decrease of £256,000, but part of this is due to the underwriter refusing to accept risks at what he considered the inadequate rates prevailing. A profit of £30,000 is under all the circumstances very gratifying. May I here point out to the shareholders the very strong position of the marine

ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

HEAD OFFICE:
**62, OLD BROAD STREET,
LONDON, E.C.2.**

NORTHERN DISTRICT OFFICE: 65 Market St., Bradford

Manchester Agency—
WILLIAMS DEACON'S BANK, LTD.

Foreign Exchange Shipping and Agency Branch—York Street, Mosley Street (P.O. Box 356), where our Representatives are in daily attendance for the greater convenience of Manufacturers and Shippers.

BRANCHES OF THE ANGLO-SOUTH AMERICAN BANK, LIMITED.
BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.
BRANCHES OF THE COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

fund, amounting, as it does, to more than twice the premiums for the year.

PROFIT AND LOSS ACCOUNT.

The profit and loss account speaks for itself, but there are two items to which I wish specially to refer. These are, first, the sum of £39,000 for colonial and foreign taxes. This item has hitherto been included in expenses of management, but the directors have come to the conclusion that it should be shown in this account along with imperial taxes. It is not in any sense an expense of management. The second is the item of £12,000 as a provision for possible bad debts consequent upon failure of reinsurance companies. The scandals connected with the failure of certain companies in London have been so much referred to in the public Press that they must be known to you all, and we feel that if amongst the millions of money which have been lost or misappropriated we lose only £12,000, we have reason to be relieved. We hope that our loss will be less—it cannot be more.

BALANCE-SHEET ITEMS.

And now as to the balance-sheet. The aggregate assets show a decrease of £200,000, but this is more than accounted for by a reduction of £100,000 in the fire fund, £120,000 in the marine fund, and by our having reduced our liabilities to other companies by not less than £300,000. The rise that has taken place during the past year in the class of securities which we hold has given your directors much satisfaction, and we hope and believe that the necessity for writing off depreciation has definitely passed. This should be good news also to our life policyholders, and we are hopeful of being able at the next declaration of life profits to resume payment of the liberal bonuses to which they were accustomed in pre-war years.

THE NORTHERN ASSURANCE COMPANY, LIMITED. A DIFFICULT YEAR—DIVIDEND MAINTAINED.

The annual general meeting of the Northern Assurance Company, Limited, was held, on the 3rd instant, at Aberdeen.

The Chairman, in the course of his speech, referred to the death since the last annual meeting of the Right Hon. Fredk. Huth Jackson, who was chairman also of the Indemnity Mutual Marine Assurance Company.

As had been foreseen, the difficulties of conducting insurance business which were apparent in 1920 had continued during 1921. The fire premium income of £2,575,823 was less by over a quarter of a million than in 1920, but the consequent release of reserves for unexpired risk had, notwithstanding the larger losses, enabled them to carry £48,299 as the underwriting profit from this department to profit and loss, while the accident business had proved a bright feature with a premium income of £974,755, which showed only a slight reduction and a satisfactory profit of £101,394, a fair share of which had been contributed by the motor department, which was showing distinct improvement.

The marine premiums, as anticipated, were considerably less than in 1920, amounting only to £1,986,789, and there was at the end of the year a balance of 71 per cent. to be carried forward in the account; the settlements on account of 1920 had continued to be heavy, and, having regard to the large business transacted and the generally unfavourable condition of the marine insurance market during the period, the amount of £32,176 which had been taken from profit and loss to strengthen the fund represented a comparatively small loss.

COMPANY'S INVESTMENTS.

The sums assured under new life policies were £775,677, as against £1,110,734 in 1920; the Stock Exchange securities in which a large portion of the funds were invested showed a very satisfactory appreciation in value which had taken place during 1921, and had continued since, and which augured well for the next quinquennial valuation. Of the securities comprised in the shareholders' fund, which were written down to market values as at December 31, 1920, no less than £489,000 had come back by way of appreciation to December 31, 1921, and the policy of investment which had always been to select the very best class of security was now being vindicated.

Full provision had been made in the accounts for any losses likely to be incurred in connection with the failure of certain reinsurance companies since the end of the year. The shareholders would notice that provision for income-tax and corporation profits tax amounted to no less a sum than £291,000, while it was estimated that no liability attached to the company for excess profits duty.

YEAR'S RESULTS.

As a result of the year's operations an amount of £537,852 was brought into the profit and loss account, making, with the balance forward from last year, a total of £778,117, of which debenture interest, the fixed dividend on the preference shares, the interim dividend of 8s. on the ordinary shares, and the income-tax above

referred to, with sundry other debits, absorbed £518,592, leaving the available balance of £259,525, and the directors proposed to pay a final dividend of 9s per share, less tax, on the ordinary shares, making a total of 17s for the year 1921, the same as for 1920, against 16s for 1919, 12s for 1918, and 9s for 1917. The final dividend payable on July 1st next to the 6 per cent. participating preference shareholders in respect of the year 1921 would then be 7/1.97 per share, less tax. It was also proposed to add another £10,000 to the staff pension fund and to carry forward a balance of £122,475. He looked for a gradual improvement in fire and marine business, the result of which might manifest itself more quickly in the fire accounts perhaps than the marine. As an instance of the extent to which the Government is, in effect, a preferential shareholder, he mentioned that during the past five years £1,223,000 had been paid for income-tax, as against £976,000 distributed amongst the shareholders.

RIO DE JANEIRO CITY IMPROVEMENTS COMPANY, LIMITED. INADEQUATE RETURNS FOR COMPANY'S SERVICES.

The sixtieth ordinary general meeting of the Rio de Janeiro City Improvements Company, Limited, was held, on the 3rd instant, at Winchester House, London.

The secretary (Mr Henry Haggett) having read the notice convening the meeting, and the auditors' report,

The Hon. Herbert C. Gibbs, who presided, said that last year he had to point out that the rise in the value of the milreis, in which their wages were paid, had caused a sensible diminution in the profits, but he was glad to say that during the past year the low sterling value of the milreis had materially increased their profits. This increase was greater than appeared from the accounts, for, owing to the fact that they were working last year on an obsolete schedule of prices in supplying private customers, they lost no less than £26,000 on those accounts. After nearly three years of unremitting effort, however, they had succeeded in obtaining from the Government a revised schedule of prices, and they might hope that during the current year they would have no further loss on those accounts. The total profit from the year's working was £97,000, and, in addition, they had received a final return of excess profits duty which, after deducting a provision for income-tax to which that return was liable, amounted to £61,500.

USUAL DIVIDEND AND SPECIAL DISTRIBUTION.

The board therefore felt that though, with the uncertainty as to the future value of the milreis, they would not like to increase the dividend beyond 6 per cent., they were justified in distributing the bulk of the profits which were earned in past years, and had now been returned in the form of a repayment of excess profits duty. They were therefore making a special distribution of 4 per cent., less income-tax, in addition to the 6 per cent. This would leave a carry-forward of £15,000. They had not abandoned their efforts to obtain a revision of their contracts so as to be able to obtain a proper return for the work they did in face of the greatly enhanced cost of working under post-war conditions. He visited Rio in November, and was astonished to see the large and wealthy area now drained by the company, and to reflect on the truly miserable return they obtained. He wished to emphasise the utter inadequacy of what the company received for its services. As to the current year, they were not likely to lose by their work for private customers, but, on the other hand, the cost of labour had risen owing to the large works pro-

ceeding in connection with the exhibition at Rio, so that possibly these factors might counteract one another, and it was certain that the return of excess profits duty had come to an end.

Mr Edward Green seconded the motion, and it was carried unanimously.

A vote of thanks to the chairman and directors and the staff in London and Rio was unanimously accorded, and the Chairman having made a brief acknowledgment, the proceedings terminated.

SALAR DEL CARMEN NITRATE SYNDICATE, LIMITED.

POSITION OF THE INDUSTRY—INCREASING DEMAND.

The twenty-fifth annual general meeting of the Salar del Carmen Nitrate Syndicate, Limited, was held, on the 4th instant, at Winchester House, London, Mr H. W. Sillem (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said the board had again the pleasure of submitting a satisfactory balance-sheet and profit and loss account. The gross profit was £88,830, and, after providing for income-tax, corporation tax, and usual London charges, the net profit was £55,761. After payment of a final dividend of 15 per cent., less tax, thus making 20 per cent. for the year, and making allowances for reserve and depreciation of plant, they carried forward £18,576.

Their policy during the year had been to continue production on the smallest scale compatible with economical working, thus providing themselves with cheap nitrate pending the resumption of sales, and that decision had been fully justified. After a lengthy period of stagnation the market had recently developed activity, and prospects were certainly better than they had been for a long time. There was a demand from all quarters, including Germany, for chemical fertilisers, and as there was a shortage of competing articles—sulphate of ammonia and synthetics of various descriptions—nitrate of soda was being asked for and sold in fairly large quantities.

The production of sulphate of ammonia was likely to be on quite a small scale for some time to come, and, with regard to synthetics, it was interesting to know that, far from the Germans being able to carry out their intention of exporting those products to neighbouring countries, they had not been able to produce sufficient for the requirements of their own country. Chilean nitrate had been sold to Germany for this season's delivery, and it seemed highly probable that next season's trade in that market would be considerable. In the United States demand was good and might easily become very large.

Owing to the long period of inactivity in the trade there was a disposition in some quarters to liquidate a portion of accumulated stocks at a much lower range of price than had been usual during the past few years. The total supply in sight on April 30 last was approximately 1,980,500 tons, of which 1,495,000 tons were in Chili, 393,500 tons in Europe and Egypt, and 92,000 tons in the United States and other countries. The total of 1,980,500 tons compared with 1,219,000 tons at April 30, 1914. To reach a more or less normal position existing stocks should be reduced, and the manner in which this could be brought about was now under discussion by the Nitrate Producers' Association. Once surplus stocks were disposed of prices should rise to a point where the average producer could work at a reasonable profit. Owing to the richness and extent of its grounds their company was able to face the future with equanimity, particularly in view of its strong financial position.

The Right Hon. Sir Archibald Williamson, Bart., M.P., seconded the motion, which was carried unanimously.

BRITISH ELECTRIC TRANSFORMER COMPANY, LIMITED. SPLENDID RESULTS—INCREASED PROFITS.

The nineteenth ordinary general meeting of the British Electric Transformer Company, Limited, was held, on the 2nd instant, at Winchester House, Old Broad Street, London, Mr A. F. Berry (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the gross profit on trading for the year under review was nearly £40,000 more than for the previous year, and the net profit had increased by just over £21,000. The available balance was £97,594. This was the fourth year in succession that they had been able to recommend a dividend of 10 per cent. on the ordinary shares, with a bonus of 1 per cent., and that was a fact upon which he thought the ordinary shareholders were to be congratulated. The directors proposed to distribute about two-thirds only of the total available profits, and to carry forward a balance of £12,708.

At this, the nineteenth annual general meeting, they were presenting a very good report, not one of the past 19 years having shown anything so good, and sometimes he feared that shareholders were so used to prosperity that a feeling might be engendered causing them to forget that they had been through times of adversity.

They had been, and were, going through times of such difficulty of late, that he could not help feeling that the time might come when the strong confidence of the shareholders would again be needed to help them to tide over one or more years during which it might not be possible to produce the splendid results to which they were by then accustomed, and, therefore, to some extent expected. The difficulties due to the shortage of work, magnified by strikes and lock-out troubles, could not be overlooked.

It appeared to him that active minorities, whose business, or avowed intention, was to make trouble between the different members of English industrial teams, were having far too much their own way, and industry would not prosper until the natural leaders of the men were actively encouraged to lead. The Stock Exchange, however, was indicating its belief in a return to a comparatively good time. There were signs in the heavier industries of some improvement, but he would be agreeably surprised if the return of prosperity would be sufficient to enable ordinary dividends of any appreciable value to be obtained, at any rate this year.

The year's results were the outcome of a carefully-thought-out policy, carried out loyally and efficiently by the staff.

The report and accounts were unanimously adopted and the formal business was duly transacted.

CONSOLIDATED WATER WORKS COMPANY OF ROSARIO, LIMITED.

PRICES OF MATERIALS AND FREIGHT CHARGES.

The twenty-seventh ordinary general meeting of the Consolidated Water Works Company of Rosario, Limited, was held, on the 5th instant, at 52 Moorgate, London, Mr James Anderson (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the results of last year's working were very satisfactory. The number of services at the close of the year was 1,116, or 4.2 per cent. more than in the year preceding. The gross revenue was £15,437 up, and the net revenue, taking dollars at par and eliminating exchange, was greater by £10,878. Those figures showed that the business was progressive, and one very satisfactory feature was the proportionately larger increase in the net revenue, as compared with the increase in the gross. The percentage of working expenses was 54 per cent., against 56.6 per cent. in the preceding year. Their net profits would have been very good indeed but for the heavy sum they had had to charge to net revenue account for loss on exchange.

As regarded the cost of materials required for the extension of their mains in the newer districts of the city, the chief item of cost was cast iron pipes. Prior to the war the price in England was round about £5 per ton and the freight about 30s per ton. In September last year the lowest price at which they could buy cast-iron pipes in England was £16 12s per ton, with freight at 30s per ton. In France they were able to buy at £10 18s per ton, and had secured freight at about 20s, thus showing a difference against business in England of about 60 per cent. on c.i.f. costs. Since then the prices of English manufacturers had been gradually coming down to nearly the level of their Continental competitors, but the cost of shipment from England was still higher. Freight from Antwerp was 25s per ton, whilst from England it was 57s 6d. It was difficult to understand why Dutch or Belgian ships could afford to carry goods at less than half the freight charged by British lines. It was well known that there was a shortage of outward freights from this country, yet freights were kept at figures which had the effect of driving trade out of the country at a time when unemployment was rampant. Outward freights on merchandise from this country to the Plate were fixed by a Conference representing the big shipping companies. Competition was thereby ruled out, to the serious prejudice of British trade.

With regard to the outlook for the current year, he regretted being unable to forecast much improvement in the present rather depressed state of affairs in Rosario. The building trade was dull, which was rather against them, as in past years they had derived considerable profit from the sale of water in connection with building operations and additional consumers. The outlook as regarded expansion of their business was, therefore, not particularly promising at the present moment.

The report and accounts were unanimously adopted.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 248,700,000.00
Deposits and Cheque Accounts
(81/12/21) - Fmk. 1,284,000,000.00

124 BRANCHES AT ALL IMPORTANT BUSINESS
CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

GOVERNMENT RETURNS.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £50,000,000 in three months' Treasury Bills dated from Monday to Saturday, May 8-May 13, were opened on May 5, 1922, and the total amount applied for was £80,650,000. Tenders for Monday to Friday bills at £99 9s 1d, about 93 per cent., above in full. Saturday bills at £99 9s 3d and above in full. The average rate of discount was £2 3s 0.52d.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	5 % Treasury Bonds, 1927. Average Price.
1922.				
March 31.....	(a) £60,000,000	(a) 105,535,000	2 17 11-21	99 16 7-94
April 7.....	(a) 60,000,000	(a) 118,596,800	2 13 1-68	100 15 0-44
April 13.....	(a) 65,000,000	(a) 114,371,000	2 7 6-33	101 11 0-69
April 21.....	(a) 55,000,000	(a) 73,555,000	2 9 1-90	101 17 8-58
April 28.....	50,000,000	81,875,000	2 7 5-81	..
May 5.....	50,000,000	80,650,000	2 3 0-52	..

(a) Including Treasury Bonds.

Tenders will be received on Friday, May 12, 1922, for Treasury Bills to be issued to the maximum amount of £45,000,000.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to Bankers.	Redemption Account.	Gold and Silver Coins.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
1914.									
Aug. 26.....	21,535	6,302	3,810	18,500	..	481	9,924	9,288	11,423
Dec. 30.....	38,478	169	600	28,500	..	276	54,621	20,536	..
1915.									
Dec. 29.....	103,125	729	159	249	28,500	..	190	118,102	6,868
1916.									
Dec. 27.....	150,144	2,430	64	40	28,500	..	134	186,637	5,486
1917.									
Dec. 26.....	212,782	8,554	39	675	28,500	..	89	305,133	4,566
1918.									
Dec. 31.....	323,941	15,529	..	570	28,500	..	91	337,537	2,802
1919.									
Dec. 31.....	356,152	17,182	250	245	28,500	..	11-7	331,660	305
1920.									
June 30.....	357,356	16,700	..	190	28,500	..	13-0	336,504	134
Dec. 31.....	367,526	18,962	..	..	28,500	..	13-9	311,334	141
1921.									
Mar. 30.....	343,826	15,599	..	..	28,500	..	14-8	287,750	150
June 29.....	323,894	14,965	..	..	28,500	..	15-2	278,119	143
Sept. 28.....	314,382	14,830	..	..	28,500	..	14-7	289,131	161
Dec. 28.....	325,594	14,658	..	..	28,500	..	15-9	261,479	177
1922.									
Mar. 30.....	300,351	14,255	..	..	28,500	..	15-8	264,221	150
April 27.....	303,222	14,092	..	..	28,500	..	15-9	261,627	173
May 4.....	301,328	13,428	..	..	28,500	..	..	..	..

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £330,600,000, for 1921 at £317,555,200, and for 1922 at £309,988,400.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	RECEIPTS.	Week Ended	Week Ended
	Apl. 1, 1922, to April 29, 1922.	Apl. 1, 1921, to April 30, 1921.	April 29, 1922.	April 30, 1921.
Balances in Exchequer on 1st April:—				
Bank of England.....	9,963,424	2,591,051	..	..
Bank of Ireland.....	1,210,106	483,456	..	..
REVENUE.	11,173,530	3,074,506	..	..
Customs.....	6,879,000	9,384,000	1,984,000	1,197,000
Excise.....	10,655,000	14,867,000	437,000	1,567,000
Motor Vehicle Duties ..	821,000	723,000	..	..
Stamps, &c., Duties.....	5,761,000	3,369,000	2,210,000	1,022,000
Land Tax, House Duty, & Mineral Rights Duty	280,000	1,057,000	430,000	364,000
Property & Income Tax (including Super-Tax).	32,350,000	36,932,000	1,820,000	5,119,000
Excess Profits Duties, &c.	954,000	9,205,000	650,000	3,430,000
Corporation Profits Tax	1,256,000	650,000	210,000	110,000
Post Office.....	3,500,000	3,250,000	1,800,000	1,000,000
Crown Lands.....	80,000	50,000	..	..
Interest on Sundry Loans.....	290,571	609,519	63,480	565,023
Miscellaneous.....	6,314,988	1,909,310	800,086	10,505
Special Receipts.....	4,410,672	8,406,000	1,444,272	2,768,000
Revenue.....	74,614,331	90,651,839	11,489,838	17,222,528
Total, inc. Balance ..	85,887,761	93,726,335	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—	400,000	550,000	200,000	150,000
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Act, 1920 to 1921 ..	..	..	..	..
Under the Unemployment Insurance Act, 1921 ..	..	..	..	..
(b) For other issues:—				
By Treasury Bills for Supply ..	258,183,000	467,694,000	67,180,000	78,502,000
By National Savings Certificates ..	12,680,000	3,010,000	1,300,000	550,000
By Treasury Bonds ..	..	..	..	..
5-15 year, 1922-33 ..	61,421,331	800,000	7,162,563	95,000
5%, 1927 ..	..	..	..	..

	Total Receipts into the Exchequer from	RECEIPTS.	Week Ended	Week Ended
	Apl. 1, 1922, to April 29, 1922.	Apl. 1, 1921, to April 30, 1921.	April 29, 1922.	April 30, 1921.
By Other Debt created under the War Loan Acts, 1914 to 1919 ..	..	1,147,658	..	..
(d) Ways and Means Advances ..	91,150,000	85,200,000	14,750,000	7,300,000
Repayments:—				
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921 ..	5,381	2,029	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920 ..	..	56,500	..	52,750
Interest received under Section 59 (5) of the Finance Act, 1920 ..	..	71,624	..	..
Total ..	498,537,973	652,258,146	91,962,401	101,872,278

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	ISSUES.	Week Ended	Week Ended
	Apl. 1, 1922, to April 29, 1922.	Apl. 1, 1921, to April 30, 1921.	April 29, 1922.	April 30, 1921.
EXPENDITURE.				
Permanent Charge of Debt.....	3,281,893	3,147,382	..	..
Interest, &c., on War Debt.....	33,967,336	37,243,903	2,359,521	3,594,182
Road Fund ..	89,000	122,000	..	..
Payments to Local Taxation Accounts, &c.....	..	90,000	..	..
Payments to Northern Ireland Exchequer ..	150,000	..	50,000	..
Land Settlement ..	172,580	205,471	76,018	26,831
Other Consolidated Fund Services ..	266,585	267,612	227,181	40,284
Supply Services ..	23,074,500	50,687,900	7,074,500	9,913,900
Expenditure ..	61,001,894	91,764,268	9,850,218	13,576,137
OTHER ISSUES.				
Temporary Advances:—				
Bullion ..	..	550,000	..	150,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 ..	84,909	84,909	..	..
Under the Unemployment Insurance Act, 1921 ..	1,210,000	..	200,000	..
Issues to meet Capital Expenditure:—				
Under the Telegraph (Money) Act, 1920 and 1921 ..	..	600,000	..	..
Under the Post Office (London) Railway Act, 1913 ..	13,000	25,000	..	..
Under the Housing Act, 1914 ..	..	25,000	..	..
Redemption of Unfunded Debt:—				
Treasury Bills for Supply ..	361,740,000	487,754,000	65,665,000	68,061,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917 ..	787,247	5,211,000	104,071	2,441,172
Principal of National Savings Certificates ..	..	..	..	..
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920 ..	2,600,000	1,000,000	900,000	500,000
(b) Repaid otherwise ..	..	1,350,000	..	..
Principal of Exchequer Bonds paid off ..	18,636,605	..	500,000	..
5%, 1922, £19,636,605; less: paid off by the National Debt Commissioners, £1,000,000—£18,636,605.	..	..	..	..
Other Debt under the War Loan Acts, 1914 to 1919 ..	4,751,888	6,743,480	4,751,888	2,600,901
Ways and Means Advances Repaid ..	45,600,000	49,370,000	10,350,000	13,276,000
Depreciation Fund, under the Finance Act, 1917 ..	..	2,660,022	..	1,160,022
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4) ..	..	1,355,000	..	375,000
Balances in Exchequer:—				
Bank of England.....	496,426,543	648,492,679	92,161,177	102,128,232
Bank of Ireland.....	1,977,699	1,947,218	155,822	49,738
Total ..	1,134,731	1,818,249	49,814	206,216
Total ..	3,112,436	3,765,467	198,476	266,964

	Total Receipts into the Exchequer from	RECEIPTS.	Week Ended	Week Ended
	Apl. 1, 1922, to April 29, 1922.	Apl. 1, 1921, to April 30, 1921.	April 29, 1922.	April 30, 1921.
Balances in Exchequer on 1st April:—				
Bank of England.....	9,963,424	2,591,051	..	..
Bank of Ireland.....	1,210,106	483,456	..	..
REVENUE.	11,173,530	3,074,506	..	..
Customs.....	6,879,000	9,384,000	1,984,000	1,197,000
Excise.....	10,655,000	14,867,000	437,000	1,567,000
Motor Vehicle Duties ..	821,000	723,000	..	..
Stamps, &c., Duties.....	5,761,000	3,369,000	2,210,000	1,022,000
Land Tax, House Duty, & Mineral Rights Duty	280,000	1,057,000	430,000	364,000
Property & Income Tax (including Super-Tax).	32,350,000	36,932,000	1,820,000	5,119,000
Excess Profits Duties, &c.	954,000	9,205,000	650,000	3,430,000
Corporation Profits Tax	1,256,000	650,000	210,000	110,000
Post Office.....	3,500,000	3,250,000	1,800,000	1,000,000
Crown Lands.....	80,000	50,000	..	..
Interest on Sundry Loans.....	290,571	609,519	63,480	565,023
Miscellaneous.....	6,314,988	1,909,310	800,086	10,505
Special Receipts.....	4,410,672	8,406,000	1,444,272	2,768,000
Revenue.....	74,614,331	90,651,839	11,489,838	17,222,528
Total, inc. Balance ..	85,887,761	93,726,335	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—	400,000	550,000	200,000	150,000
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Act, 1920 to 1921 ..	..	..	..	..
Under the Unemployment Insurance Act, 1921 ..	..	..	..	..
(b) For other issues:—				
By Treasury Bills for Supply ..	258,183,000	467,694,000	67,180,000	78,502,000
By National Savings Certificates ..	12,680,000	3,010,000	1,300,000	550,000
By Treasury Bonds ..	..	..	..	..
5-15 year, 1922-33 ..	61,421,331	800,000	7,162,563	95,000
5%, 1927 ..	..	..	..	..

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, May 3, 1922.

ISSUE DEPARTMENT.

Notes issued	145,502,935	Government debt	11,015,100
		Other securities	7,434,900
		Gold coin and bullion ..	127,052,935
	145,502,935		145,502,935

BANKING DEPARTMENT.

Capital	14,553,000	Government securities ..	63,542,646
Reserve	3,123,303	Other securities	74,968,814
Public deposits	14,355,679	Notes	23,411,755
Other deposits	131,693,666	Gold and silver coin ..	1,880,943
Seven-day & other bills ..	18,520		
	163,744,158		163,744,158

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Account.

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS - - - £7,472,880
CLAIMS PAID - - - £25,000,000

Accidents and illness.
Employers' Liability. Fidelity Guarantees.
Fire and Burglary. Motor Cars. Public Liability.
Insurance of Boilers, Engines, Electrical Plant and Lifts.
Executors and Trusteeships.

Head Office: 36-44 MOORGATE, LONDON, E.C.2.

DEPRECIATION IN INDUSTRIAL INVESTMENTS

can best be covered by a
Limited Payment Policy
in the

SCOTTISH PROVIDENT INSTITUTION

HEAD OFFICE:

6, St. Andrew-square, Edinburgh.

London: 3, Lombard-street, E.C.3.

West End: 17, Pall Mall, S.W.1.

ACCUMULATED FUNDS - £17,000,000

COMPARISON with PREVIOUS WEEK and a YEAR AGO.

	Amount, May 3, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
	£	£	£
Best	3,123,303	+ 49,156	— 10,516
Public deposits	14,355,679	+ 312,910	+ 1,081,894
Other deposits	131,693,666	+ 11,995,405	+ 6,323,671
Government securities ..	63,542,646	+ 16,008,500	+ 1,875,603
Other securities	74,968,814	+ 3,492,651	+ 4,589,480
Reserve	25,239,698	— 783,065	+ 7,953,263
Note circulation	122,091,180	+ 764,425	+ 7,450,055
Coin and bullion	188,878,878	+ 1,060	+ 516,244
% of reserve to liabilities	17 3/4	+ 2 3/4	+ 5 3/4

BANK OF JAPAN.

(000's omitted.)

Assets.	Mar. 25, 1922.	Mar. 18, 1922.	Mar. 11, 1922.	Mar. 4, 1922.	Mar. 26, 1922.	Position Jan. 30, 1914.
Gold and silver	1,223,293	1,223,516	1,224,127	1,224,748	1,227,167	221,320
Discounts	107,917	79,282	87,299	120,594	45,595	41,740
Advances	99,984	84,885	85,437	86,280	167,218	70,540
LIABILITIES.						
Notes	1,142,696	1,097,287	1,097,970	1,174,637	1,057,657	362,270
Govt. deposits	1,331,198	1,330,414	1,323,403	1,302,403	1,421,394	87,340
Private deposits	43,227	50,054	64,687	39,616	141,284	11,440

BANK OF ITALY.

(000's omitted.)

Assets.	Mar. 31, 1922.	Mar. 20, 1922.	Mar. 10, 1922.	Feb. 28, 1922.	Mar. 31, 1921.	Position May 31, 1914.
Total cash	1,413,339	1,412,067	1,414,768	1,461,728	1,337,702	1,221,875
Foreign bills	4,512,491	4,342,881	4,364,063	4,416,827	3,328,579	418,400
Advances to the Treasury	6,474,341	6,555,509	6,540,964	6,582,314	7,478,734	nil
Other advances	3,317,367	3,317,832	3,434,026	3,639,136	2,132,427	79,175
Securities	535,394	535,364	533,863	534,401	216,717	205,700
LIABILITIES.						
Note circulation	14,049,710	13,839,045	13,976,433	14,112,251	14,483,451	1,556,925
Deposits & drafts	1,940,075	1,866,744	1,819,123	1,855,574	1,928,687	193,975

NETHERLANDS BANK.

(000's omitted.)

Assets.	May 1, 1922.	April 24, 1922.	April 18, 1922.	April 10, 1922.	May 2, 1921.	Position May 30, 1914.
Gold	605,889	605,889	605,889	605,889	605,889	163,092
Silver	5,875	5,808	5,871	5,720	13,926	8,436
Drags & advances	482,352	426,101	408,602	407,023	544,308	153,504
LIABILITIES.						
Notes in circulation	1,069,786	987,228	1,000,580	998,899	1,118,859	316,632
Deposits	32,356	35,058	26,469	29,035	50,614	5,016

NATIONAL BANK OF ROUMANIA.

(000's omitted.)

Assets.	April 1, 1922.	Mar. 25, 1922.	Mar. 18, 1922.	Mar. 11, 1922.	April 2, 1921.	Position April 2, 1914.
Gold	4,631,591	4,661,590	4,581,590	4,581,590	3,761,722	3,761,722
Silver, &c.	12,541,163	12,552,798	12,558,429	12,558,429	9,177,275	9,177,275
Other advances	2,778,619	2,770,220	2,830,623	2,771,212	2,520,835	2,520,835
LIABILITIES.						
Notes in circulation	13,864,009	13,750,966	13,720,913	13,675,953	10,962,039	10,962,039
Deposits	6,172,005	6,331,469	6,308,057	6,291,291	5,275,635	5,275,635

NATIONAL BANK OF BELGIUM.

(000's omitted.)

Assets.	April 27, 1922.	April 20, 1922.	April 13, 1922.	April 6, 1922.	April 28, 1921.	Position May 28, 1914.
Coin (gold & silver and bullion)	327,499	327,286	326,327	326,642	333,528	322,650
Securities	463,746	446,972	447,638	446,639	694,575	697,600
LIABILITIES.						
Notes in circulation	6,302,032	6,297,288	6,320,677	6,320,968	6,105,858	934,150
Current accounts	731,472	732,176	716,192	731,296	1,135,817	112,125

SWISS NATIONAL BANK.

(000's omitted.)

Assets.	April 29, 1922.	April 22, 1922.	April 15, 1922.	April 7, 1922.	April 30, 1921.	Position May 31, 1914.
Gold	543,081	545,162	544,811	545,245	543,612	171,715
Silver	108,000	108,000	108,000	108,000	111,146	18,350
Darlehens-Kassen, Assets & Advances	18,263	17,562	17,620	17,671	8,764	8,764
LIABILITIES.						
Notes in circulation	801,516	765,176	787,569	804,296	971,466	275,925
Deposits	242,936	268,551	230,344	205,186	126,837	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Da Lehenkasse) shows that up to March 31, 1922, total issues were Fr.27,181,482, of which Fr.17,807,800 was held by the Swiss National Bank.

BANK OF SWEDEN.

(000's omitted.)

Assets.	April 29, 1922.	April 22, 1922.	April 15, 1922.	Week's Movement	Year's Movement	May 24, 1914.
Gold	274,326	274,326	291,853	1	7,527	104,918
Balance abn. and foreign bills	78,110	77,172	121,731	+ 938	+ 43,321	112,172
Swedish and for Gov. securities	72,238	72,208	12,896	—	+ 59,512	32,465
Discount and loans	492,715	496,719	503,654	—	+ 10,919	112,668
LIABILITIES.						
Notes in circulation	582,211	543,002	680,505	+ 39,209	+ 98,294	226,555
Deposits at notice	300,365	317,518	191,597	+ 16,753	+ 108,968	69,660

AUSTRIAN BANK.

(000's omitted.)

Assets.	April 25, 1922.	April 15, 1922.	April 7, 1922.	Mar. 31, 1922.
Gold coin and bullion, bills	781	781	673	673
Silver coin	5	5	5	5
Bills discounted, warrants and drafts	85,994,81	81,715,151	76,212,846	76,212,846
Loans	541,070	546,414	539,111	539,111
LIABILITIES.				
Notes in circulation	317,807,524	321,925,681	307,906,134	307,906,134
Deposits	27,485	27,839	28,647	28,647

HUNGARIAN BANK.

(000's omitted.)

Assets.	April 25, 1922.	April 15, 1922.	April 7, 1922.	Mar. 31, 1922.
Gold coin and bullion, bills	13,126	13,138	13,272	13,315
Silver coin, &c.	598	598	599	596
Bills, warrants, drafts, &c.	24,760,557	24,919,945	25,047,405	24,574,455
Loans	1,641,048	1,639,530	1,566,517	1,564,694
LIABILITIES.				
Notes in circulation	29,972,550	29,972,746	29,834,812	29,366,658
Deposits	3,066,270	2,637,142	2,405,290	2,221,853

NATIONAL BANK OF DENMARK.

(000's omitted.)

Assets.	Mar. 31, 1922.	Feb. 28, 1922.	Jan. 31, 1922.	Mar. 31, 1921.	Month's Movement	Position May 30, 1914.
Coin and bullion	228,325	228,330	228,330	227,572	5	76,644
Loans & discounts	444,618	434,127	417,255	329,303	+ 10,491	88,470
Debtors abroad	18,232	20,983	19,273	20,831	— 2,751	34,102
Securities	18,922	23,926	37,679	56,984	— 5,004	11,988
LIABILITIES.						
Circulation	446,163	440,822	450,018	517,049	+ 5,341	157,266
Deposits	132,992	121,730	127,209	61,569	+ 7,362	6,696

BANK OF NORWAY.

(000's omitted.)

Assets.	April 22, 1922.	April 15, 1922.	April 22, 1921.	Week's Movement	Position May 31, 1914.
Coin and bullion—Gold	147,252	147,292	147,292	—	44,224
Balance abroad and foreign bills	41,009	40,537	40,021	+ 472	28,533
Norwegian & Foreign Govt. securities	9,835	10,085	9,095	—	8,816
Discounts and loans	441,497	442,645	417,800	—	76,911
LIABILITIES.					
Notes in circulation	380,129	390,126	415,317	—	113,484
Deposits at notice	142,699	131,816	95,947	—	7,188

New rules for issuing bank notes have been given by Statute of November 2, 1920. We are authoritatively informed that the right of issue of the Bank of Norway is calculated at an amount of 250 million crowns above the stock of gold and at present extraordinary additional amount of 50 million crowns from July 25, 1921, until further order.

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

IMPERIAL BANK OF INDIA.

(000's omitted.)

Assets.	April 7, 1922.	Mar. 31, 1922.	Mar. 24, 1922.	Mar. 17, 1922.	Mar. 10, 1922.
Govt. securities	9,34,27	9,03,54	9,13,88	9,21,70	9,22,56
Other securities	1,28,23	1,28,23	1,28,23	1,28,17	1,28,17
Loans	16,67,69	18,11,46	15,92,66	16,72,09	15,28,86
Cash credits	28,09,55	29,13,51	28,10,60	28,03,53	27,94,53
Inland bills	5,58,77	8,98,97	8,17,96	7,99,75	7,94,70
Foreign bills	3,43	3,45	8,87	8,42	7,33
Bullion	17	17	17	17	17
Dead stock	2,43,69	2,43,51	2,43,38	2,43,07	2,41,47
Sundries	37,81	39,81	34,76	36,26	37,66
With other banks	7,42	12,00	13,72	14,48	12,21
Cash	16,76,57	20,47,60	18,97,11	17,08,05	17,21,00
LIABILITIES.					
Subscribed capital	11,24,12	11,24,12	11,24,12	11,24,12	11,24,12
Capital paid up	5,62,28	5,62,28	5,62,28	5,62,28	5,62,28
Reserve	4,01,79	4,01,79	4,01,79	4,01,79	4,01,79
Public deposits	14,13,96	20,07,79	15,66,50	13,99,59	12,66,91
Other deposits	56,24,55	57,8,44	56,11,61	56,78,27	57,26,35
Loans against securities	32,46	32,46	32,19	32,07	32,07
Loans from Govt. of India	2,00,00	2,00,00	2,00,00	2,00,00	2,00,00
Sundries	9,56	89,44	66,53	61,29	59,31

The above includes—
Deposits in London £ 63 59 62 63 61
Advances in London £ 283 279 261 261 258
Cash, &c., at other banks in London £ 45 74 85 89 76

NATIONAL BANK OF EGYPT.

(000's omitted.)

Assets.	Feb. 28, 1922.	Jan. 31, 1922.	Nov. 30, 1921.	Feb. 28, 1921.	Position May 31, 1914.
Gold	3,361	3,360	3,362	3,358	1,571
Government securities	38,928	40,032	39,934	39,593	2,084
LIABILITIES.					
Notes in circulation	32,529	33,899	34,732	34,350	2,400
Government deposits	2,881	2,220	2,520	2,655	2,315
Other deposits	12,228	12,616	12,707	16,856	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.

(000's omitted.)

Assets.	April 22, 1922.	April 15, 1922.	April 23, 1921.	Movement	Position May 30, 1914.
Gold	42,625	42,625	42,626	—	35,091
Balance abroad and foreign bills	117,056	137,451	321,256	—	80,379
Finland and Foreign Govt. securities	778,566	778,565	1,065,899	—	81,826
Discounts and loans	794,996	766,683	265,029	+ 28,333	105,151
LIABILITIES.					
Notes in circulation	1,388,977	1,423,915	1,423,605	—	133,941
Deposits at notice	119,678	71,406	88,236	+ 8,272	12,225

BANK OF PORTUGAL.

(000's omitted.)

Assets.	Mar. 22, 1922.	Mar. 15, 1922.	Mar. 8, 1922.	Mar. 1, 1922.	Mar. 22, 1921.
Coin and bullion	27,157	27,241	27,175	27,181	27,610
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	1,183	2,535	3,612	3,555	7,275
Discounts	150,120	149,576	145,982	141,201	120,907
Government loans	620,099	620,099	620,099	620,099	588,111
LIABILITIES.					
Notes in circulation	748,907	749,522	751,571	747,886	833,225
Deposits	55,779	51,917	45,435	55,729	56,553

POLISH NATIONAL BANK.

(000's omitted.)

(000's omitted.)					
	April 10, 1922.	March 31, 1922.	March 10, 1922.	Feb. 28, 1922.	March 1921.
ASSETS.	Polish Marks.	Polish Marks.	Polish Marks.	Polish Marks.	Polish Marks.
Gold.....	29,174	28,933	28,561	28,300	13,135
Silver.....	43,639	43,459	43,511	43,200	38,338
Foreign coin.....	146,744	132,124	136,301	178,200	74,329
Foreign banks.....	439,099	449,113	880,201	967,400	1,381,577
Advances to the Govt.....	227,100,000	233,100,000	236,600,000	230,600,000	93,625,000
Private loans and discounts.....	54,040,173	50,924,352	47,465,822	41,882,700	5,236,266
LIABILITIES.					
Notes in circulation.....	257,332,410	250,665,474	250,472,416	247,209,550	74,087,477

ESTHONIAN EXCHANGE RATES.

The Bank of Esthonia quote Reval exchange rates as below:—

Reval on		Mar. 4, 1922.	Mar. 30, 1922.	April 11, 1922.	April 20, 1922.	April 25, 1922.
London (cheque)	£1	Selling. 1,505	Selling. 1,504	Selling. 1,485	Selling. 1,485	Selling. 1,485
New York	\$1	338	344	335	335	338
Berlin	100 Rmk	145	112.50	120	120	148
Helsingfors	100 Fmk	695	690	625	627	655
Stockholm	100 Kr	8,975	8,975	8,775	8,730	8,800
Copenhagen	100 Kr	7,175	7,275	7,125	7,135	7,225
Amsterdam	100 Fr	3,110	3,100	3,085	3,140	3,175
Riga	100 Lrl	13,100	13,100	13,850	13,750	12,875
Prague	100 Lrl	137	135	127	133	132
		600	620	655	670	670

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

T.T.	Union of South Africa.		Union of South Africa.	
	From April 25, 1922.		From April 25, 1922.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
10 days	1 1/2 % dis.	1 1/2 % prem.	1 1/2 % dis.	1 1/2 % prem.
30 days	2 1/2 % dis.	2 1/2 % prem.	2 1/2 % dis.	2 1/2 % prem.
60 days	3 1/2 % dis.	3 1/2 % prem.	3 1/2 % dis.	3 1/2 % prem.
90 days	4 1/2 % dis.	4 1/2 % prem.	4 1/2 % dis.	4 1/2 % prem.
120 days	5 1/2 % dis.	5 1/2 % prem.	5 1/2 % dis.	5 1/2 % prem.

* Plus ad valorem stamp duty. (a) No discount allowed on sales of T.T.s. or demand drafts under £100.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

T.T.	London on Australia and New Zealand.		Australia and New Zealand on London.	
	Buying.		Buying.	
	Aus. tralia.	New Zealand.	Aus. tralia.	New Zealand.
	Buying.	Selling.	Buying.	Selling.
10 days	1 1/2 % dis.	1 1/2 % prem.	1 1/2 % dis.	1 1/2 % prem.
30 days	2 1/2 % dis.	2 1/2 % prem.	2 1/2 % dis.	2 1/2 % prem.
60 days	3 1/2 % dis.	3 1/2 % prem.	3 1/2 % dis.	3 1/2 % prem.
90 days	4 1/2 % dis.	4 1/2 % prem.	4 1/2 % dis.	4 1/2 % prem.
120 days	5 1/2 % dis.	5 1/2 % prem.	5 1/2 % dis.	5 1/2 % prem.

INDIAN TREASURY BILLS.

	March 31, 1922.	April 29, 1922.
Outstanding with public	54,01,65,000	50,88,15,000
In paper currency reserve	57,89,00,000	57,89,00,000
Total	111,90,65,000	108,77,15,000
India Office, May 4, 1922.		

BULLION.

The gold movements to or from the Bank of England are no longer announced. For the week ended May 3, 1922, the stock of coin and bullion shows an increase of £1,000, compared with the previous return.

IMPORTS AND EXPORTS OF GOLD.

Gold Imported into the United Kingdom.		Gold Exported from the United Kingdom.	
Countries from which Consigned.	Week Ended May 3, 1922.	Countries to which Exported.	Week Ended May 3, 1922.
Colombia	£2,016	British India	£450,946
British South Africa	367,000	Straits Settlements	1,102
Other Countries	145		
Total value of imports of gold	369,161	Total declared value of exports registered in the week	452,048

Messrs Samuel Montagu and Co. write on May 4th as follows:—

GOLD.

Available supplies of gold have been absorbed for India. Gold to the value of \$100,000 has arrived in New York—\$100,000 from Venezuela and \$90,000 from France. A Warsaw message, according to the *Times* of the 1st inst., states that the Polish Finance Minister foreshadows the establishment this year of a State bank, with a new currency based on a gold cover.

SILVER.

The unsettled condition of affairs in China has caused a certain amount of buying for that quarter. A few purchases also were made on account of the Indian bazaars, but none of importance. The effect upon the market from the combined demand has not been very pronounced, owing to freer supplies from the Continent and some China reselling. The United States of America has not been much of a seller. The impression obtains that some Chinese operators bought more than they really wanted during the preceding week, but, naturally, whilst Chinese war operations are in progress they are loth to cut their losses. Meanwhile, the prospects are fairly good, though the price seems rather high, looked at from the standpoint of trade. It will be observed from the details below that the stocks in Shanghai are reduced by about 8 per cent. The amount of silver bought under the provisions of the Pittman Act

must now be more than half of the total authorised to be repurchased (namely, 208,000,000 fine ounces). The Director of the United States Mint in his last annual report gave the following interesting details as to the way in which the silver is handled:—“Every effort is being made to expedite the conversion of this bullion into dollars, since, as bullion, the silver is a ‘dead asset,’ while, as coin, silver certificates may be issued against it and used to take up a corresponding amount of Pittman Act certificates, and at the same time replace the Federal reserve bank notes issued in lieu of silver certificates when the latter were retired to make the dollars available for melting. Converting this silver bullion into an active asset thus reduces the public debt to the extent of the coinage executed, and saves the payment of interest thereon. At the time of writing the accumulated stock of bullion is being rapidly turned into coin, and it is expected that this work will be current before the close of the fiscal year 1922, now in progress.”

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	April 7, 1922.	April 15, 1922.	April 22, 1922.
Notes in circulation	17,470	17,410	17,391
Silver coin and bullion in India	7,745	7,686	7,667
Silver coin and bullion out of India			
Gold coin and bullion in India	2,432	2,432	2,430
Gold coin and bullion out of India			
Securities (Indian Government)	6,508	6,508	6,509
Securities (British Government)	585	584	585
Inland commercial bills of exchange	200	200	200

No silver coinage was reported during the week ending 22nd ultimo. The stock in Shanghai on the 29th ultimo consisted of about 32,700,000 ounces in sycee, 36,000,000 dollars, and 70 silver bars, as compared with about 36,100,000 ounces in sycee, 38,000,000 dollars, and 160 silver bars on the 22nd ult. The Shanghai exchange is quoted at 3s 4½d the tael. Statistics for the month of April are appended:—

	Bar Silver.	Per Oz Standard.	Per Oz Fine.
Highest price	35 1/2	35 1/2	95 0
Lowest	33 1/2	33 1/2	93 0
Average	34 0/79	34 0/96	93 9/7

GOLD AND SILVER PRICES.

The price of gold and cash and forward prices of bar silver during this week and in previous years are as below:—

Date.	Gold.		Silver.	
	Per Ounce.	Cash Per Ounce.	Forward Per Ounce.	Silver, Per Ounce.
April 29	93 3	34 1/2	34 1/2	37
May 1	93 3	34 1/2	34 1/2	37
2	93 1	35	35	37 1/2
3	93 1	35	35	49 1/2
4	93 2	35 1/2	35 1/2	53 1/2
5	93 3	35 1/2	35 1/2	60
				34 1/2

NOTICES.

The Union Bank of Australia, Limited, notify that their valued secretary, Mr George Thomas Tobitt, is retiring after 46 years in their service, and that the directors have appointed, as his successor, Mr Frederick Herbert McIntyre, who has held various positions in the bank in Australia and London during the past 22 years.

The National Provincial and Union Bank of England, Limited, announce that a new branch of the bank is now open at Fro-mance Exchange Buildings, Victoria street, Liverpool, under the management of Mr F. A. Beaufoy, and the business hitherto conducted at Biggerstaff's branch, 41 North John street, Liverpool, will be transferred to the new branch.

Sir James Hope Simpson has retired from the board of the British Trade Corporation, as he finds that his engagements in time to the affairs of the corporation.

The London office of the Australian Bank of Commerce, Limited, has been advised that the Hon. F. Jago Smith has retired from the board, and Mr Mark Sheldon has been elected a director in his place. Mr Sheldon has returned to Australia on the expiration of the term of his office as Commissioner for Australia to the United States of America.

Barclays Bank, Limited, announce the opening of a new branch on Monday next, May 8th, at The Cross, Welshpool, under the management of Mr R. Owen Williams.

The London Joint City and Midland Bank, Limited, announce the opening of a new branch in Green Market, Penzance, Cornwall, under the management of Mr C. A. Lee. Additional offices have also been opened at Messingham (Gainsborough) and Sully (Cardiff).

The London County Westminster and Parr's Bank, Limited, announce that the business of Regent's Park branch, hitherto conducted at 1 Marylebone road, Harley place, N.W., has been transferred to new premises at 154 Harley street, W.1, under

the title of the Harley street branch. A branch has been opened at 298 Elgin avenue, Maida Vale, W. 9, under the management of Mr C. A. Muddell, with Mr L. H. Lindars as resident clerk. Hours of business: Daily, 9 to 3. Saturdays, 9 to 12.

The Banque Belge pour l'Etranger, Soc. Anonyme, which is already established in Pekin, Shanghai, and Tientsin amongst other places, announces that it is opening a branch at Hankow, China, on May 1st.

On and after Thursday, June 1st next, the clearing banks will close their offices in the City of London and the London metropolitan district at 3.30 p.m. on all weekdays except Saturdays, on which day the hour of closing will remain, as at present, 12 o'clock.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Div. or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years.	Cat's Pre-vious.
Railways.						
Canadian Pacific	2 1/2 %	June 30	Less tax			
South Indian	3 1/2 %	June 1	Less tax			
Banks.						
Anglo-Egyptian	5 p.a.*	June 1	Tax free			
Canadian of Commerce	5 %	June 1	Less tax 6 in £			
Royal Bank of Scotland	10 %	June 1	Less tax			
Western Australian	£1 p.a.	June 1	Less tax			
Insurance.						
Commercial Union	10 p.a.	May 23	Tax free		20 p.a.	20 p.a.
Irish Catholic Church Property	10 p.a.	May 23	Tax free		11 p.a.	11 p.a.
North British and Mercantile	10 p.a.	May 23	Less tax		10 p.a.	10 p.a.
South British	10 p.a.	May 23	Subject to tax		10 p.a.	10 p.a.
Standard Life	9 p.a.	July 1	Less tax		20	10
Tea and Rubber.						
Baliati Tea	15 %	May 2	Less tax		15	10
Borelli Tea	5 %	May 2	Less tax		15	10
Carolina Tea	6 %	May 2	Less tax		30	12 1/2
Ceylon Tea	20 %	May 2	Less tax		20	10
Changkat Salak, Defd.	15 %	May 2	Less tax		7 1/2	nil
Dusan Durian Rubber	15 %	May 2	Less tax		5	nil
Ederapolla Tea	10 %	May 2	Less tax		15	6
Ellawatte Tea	12 %	May 2	Less tax		15	nil
Hunagaria Tea	15 %	May 2	Less tax		6	nil
Kelani Valley Rubber, Pref.	10 %	May 18	Less tax		3	5
Kombok (F.M.S.) Rubber	10 %	May 18	Less tax		15	nil
Lunava Tea	10 %	May 18	Less tax		5	nil
Mahawale Rubber	5 %	May 10	Less tax		15	nil
Majuli Tea	5 %	May 10	Less tax		15	nil
Mayfield Tea	7 1/2 %	May 10	Less tax		12 1/2	nil
Ouvah Tea	7 1/2 %	May 10	Less tax		2 1/2	5
Rubber Estates of Johore	15 %	May 10	Less tax		5	nil
Sapumalkande	15 %	May 10	Less tax		10	nil
Scottish Ceylon Tea	2 1/2 %	May 10	Less tax		35	20
Spring Valley	15 %	May 10	Less tax		5	nil
Sungei Batu Rubber	15 %	May 10	Less tax		35	nil
Talbedde Ceylon	15 %	May 10	Less tax		10	7 1/2
Windsor (F.M.S.) Rubber	15 %	May 10	Less tax		10	7 1/2
Mining.						
Barenguela Tin	7 1/2 %	June 1	Less tax		12 1/2	12 1/2
Chinese Engineering	10 %	May 15	Less tax		7 1/2	12 1/2
A.B.C. Complex and Engineering	1 p.a.	July 14	Less tax 2 1/2 in £		27 1/2	27 1/2
Gold Coast Amalgamated	15 %	July 14	Tax free		27 1/2	27 1/2
Lonely Reef Gold	15 %	July 14	Tax free		27 1/2	27 1/2
Rhodesia Gold	7 1/2 %	June 16	Tax free		27 1/2	27 1/2
Rand Selection	7 1/2 %	June 16	Tax free		27 1/2	27 1/2
Other Companies.						
A.B.C. Complex and Engineering	6 %	May 13	Tax free		12	10
Amalgamated Trade Publications	5 %	May 13	Tax free		15	8
American Cyanamid	5 %	May 13	Tax free		15	8
Anglo-American Debenture	£1 p.a.	May 13	Tax free		11	11
Asa, Lees, and Co. (£10)	7 1/2 %	May 13	Tax free		8	8
Braslian Warant, Pref.	4 %	May 13	Tax free		8	8
Bryant and May, Ord.	4 %	May 13	Tax free		8	8
Do Partnership	3 1/2 %	May 13	Tax free		11	11
Bohemian Industrial	4 %	May 13	Tax free		15	15
Bombay Gas	6 %	May 13	Tax free		5	8
Calcutta Electric Supply	11 %	May 31	Tax free		5	10
Consolidated Trust, Def.	10 %	May 31	Tax free		8	10
English Electric	5 %	May 15	Tax free 6 in £		11	8
Extrac Wool and Merino	5 %	May 15	Tax free		11	8
From United Breweries	5 %	May 15	Tax free		5	25
Fullers	5 %	May 15	Tax free		30	56
Gateshead and District Trams	5 %	May 15	Tax free		10	10
Grand Hotel, Eastbourne	6 p.a.	May 15	Tax free		11	8
Hallford Cycle	5 %	May 15	Subject to tax		5	25
Hart Accumulator	1 p.a.	May 15	Less tax		2 1/2	56
H. J. Parker, Defd.	3 %	May 15	Less tax		5	17 1/2
Hyderabad (Deccan) Co.	3 %	May 15	Less tax		10	7 1/2
Indo-China Steam Navigation, Def.	3 %	May 15	Less tax		10	10
Ingall, Parsons, Olive, Ord. and Pref.	7 1/2 %	May 15	Tax free		10	10
J. and E. Atkinson	6 p.a.	May 15	Tax free		10	10
John Walsh	6 p.a.	May 15	Tax free		10	10
Joshua Eyles and Sons	1 1/2 p.a.	May 15	Tax free		10	10
Leicestershire Dynamo and Motors	5 %	May 15	Tax free		10	10
Liverpool Storage	5 %	May 15	Tax free		10	10
Lloyd's Packing Warehouses	4 %	May 15	Tax free		20	20
London Scottish Amer. Trust, Def.	15 %	May 15	Tax free		12	12
Lothian Coal	5 %	May 15	Tax free		24	24
Manor-Powis Coal	5 %	May 15	Tax free		12	12
Metropolitan Industrial Dwell.	5 %	May 15	Tax free		12	12
Mexborough and Sevin Tram	2 1/2 %	June 23	Subject to tax		14	14
N. of Scotland Electric Light	3 %	June 23	Tax free		14	14
N. Z. Loan and Agency, Pref.	3 %	June 23	Tax free		14	14
Pease and Partners	8 %	June 1	Less tax		15	15
Phoenix, Johnson, and Co.	8 %	June 1	Less tax		15	15
Robert Stephenson	8 %	June 1	Less tax		15	15
"Santitas" Company, Cum. Pref.	8 %	June 1	Less tax		15	15
Scottish Mortgage and Trust	5 %	June 1	Less tax		15	15
Taylor's Eagle Brewery	5 %	June 1	Less tax		15	15
Texas Land and Mortgage	5 %	June 1	Less tax		15	15
Tweedales and Smalley	20 %	June 1	Less tax		15	15
United States and S. American	24 p.a.	June 1	Less tax		15	15
Investment	24 p.a.	June 1	Less tax		15	15
William Mollroy, Limited, Pref.	24 p.a.	June 1	Less tax		15	15
Do Ord.	24 p.a.	June 1	Less tax		15	15
Wilson's and Clyde Coal	24 p.a.	June 1	Less tax		15	15
Y. P. Lowrie and Co.	24 p.a.	June 1	Less tax		15	15

(a) 11 months.

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Week Ended April 30, 1922.				Aggregate 17 Weeks 1922.			
	Passen- gers, &c.	Goods, &c.	Total for Week.		Passen- gers, &c.	Goods, &c.	Total Receipts.	
Brecon and Merthyr.....	60	1,078	5,517	4,595	15,175	62,067	77,242	
Great Central (c).....	6769	47,500	141,300	188,800	749,200	2,262,300	3,011,500	
Do Joint Lines.....	1614	11,400	158,500	170,900	34,200	1,689,700	1,723,900	
Great Eastern (c).....	1,2072	110,200	107,700	211,900	1,671,600	1,689,700	3,361,300	
Great Northern (c).....	1,3550	285,000	414,000	700,000	4,223,000	5,990,000	10,213,000	
Great Western (c).....	3,455	366,000	458,700	824,000	5,428,000	7,352,000	12,780,000	
London & N. Western (c).....	2,633	139,000	68,400	207,400	1,960,300	1,009,300	2,969,600	
Lon. & South-Western (c).....	968	88,983	29,166	118,149	1,367,219	477,727	1,844,946	
Lon. Brighton & S.C. (c).....	487	1,203	2,370	3,573	19,311	29,178	48,489	
Maryport & Carlisle (c).....	429	33,195	3,887	37,082	569,159	63,876	632,035	
Metropolitan (c).....	794	1,5894	1,547	3,000	20,481	23,155	43,636	
Midland & S.W. Jno. (c).....	62	129,100	262,100	391,200	1,914,300	3,781,600	5,695,900	
North Eastern (c).....	1,758	1,016	23,670	24,686	16,379	316,400	332,779	
Do Hull & B. Section.....	59	4,661	10,084	14,745	85,119	172,865	257,984	
North London.....	16	125,800	43,800	169,600	1,907,500	714,300	2,621,800	
South-E. & Chatham (c).....	654	1,3674	1,107	2,471	13,800	18,466	32,266	
Underground E.R. (c).....	..	..	..	..	..	..	..	
Lon. & Sub. Group (c).....	..	..	..	..	..	..	..	
Caledonian.....	1,097	73,900	102,700	176,600	1,563,000	1,683,100	3,246,100	
Glasgow & S.W. (c).....	476	34,200	38,700	72,900	439,900	629,200	1,069,100	
Gt. N. of Scotland (c).....	3362	8,130	11,390	19,520	132,180	174,400	306,580	
Highland (c).....	492 (a)	9,173	11,757	20,930	159,500	186,466	345,966	
North British (c).....	1,3674	66,300	117,100	183,400	953,600	2,079,700	3,033,300	
Belfast and County Down.....	80	4,359	1,486	5,845	75,386	25,201	98,587	
Dublin and S. East (b).....	160	4,366	3,718	8,084	84,882	62,609	147,491	
Midland Gt. West. (b).....	538	7,268	15,002	22,270	..	..	432,808	

(a) Including 10 miles temporarily closed. (b) Week ended April 28, 1922.
(c) Week ended April 29, 1922. (d) Including receipts from Amalgamated Lines

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1921-22.	+ or -	1921-22.	+ or -
INDIAN.							
Assam Bengal	52 weeks	Mar. 31	993	Rs 4,42,276	+ 3,948	Rs 96,19,484	- 18,10,520
Bazil Lk. Ry	8 days	Apr. 8	118	49,700	+ 25,300		
Bengal & N. Western	26 weeks	Mar. 31	2,067	1,22,040	+ 3,28,672	1,38,83,280	+ 6,50,453
Bengal Nagpur	8 days	Apr. 8	2,697	14,97,000	+ 64,000		
Bombay, Bar. & C.I.	3 weeks		2,871	23,98,000	+ 2,57,000	72,65,000	+ 5,34,000
Burma	52 weeks	Mar. 31	1,542	1,44,425	+ 1,93,643	3,18,90,391	+ 25,25,845
Delhi, Umballa & Kalkee ..	2 weeks	Apr. 15	253	73,000	- 55,282	1,29,000	- 1,20,518
East Indian	4 weeks		3,190	31,000	+ 62,000	1,09,16,000	- 19,23,000
Madras & S. Mahr.	52 weeks	Mar. 31	3,028	26,00,000	+ 68,383	6,58,02,914	+ 28,10,022
Bohild & Kumaon	26 weeks		329	1,03,335	+ 7,170	12,69,560	+ 56,516
Do Lucknow-Breilly	26 weeks		302	1,76,028	+ 52,245	18,08,772	+ 3,45,339
South Indian	52 weeks		1,852	1,82,317	+ 1,39,514	4,39,10,189	+ 31,82,153
Shih. Punjab (month)	3 mths	Dec. 31	717	8,95,697	+ 77,386	23,02,704	+ 2,36,564
Argentine (a).							
Argentine N.E.	43 weeks	Apr. 29	752	12,300	+ 700	458,100	- 55,900
Argentine Trans.	43 weeks		111	2,820	+ 751	97,945	- 28,070
B. A. and Pacific	43 weeks		3,428	182,000	+ 22,000	6,142,000	+ 438,000
B. A. & Gt. Southern	43 weeks		3,489	185,000	+ 4,000	7,042,000	+ 273,000
B. A. Western	43 weeks		1,882	96,000	+ 2,000	3,442,000	+ 27,000
Buenos Ayres Cent.	9 mths	Mar. 31	190	46,558	+ 6,548	411,480	+ 7,516
Central Argentine	43 weeks	Apr. 29	3,305	199,000	+ 24,000	7,807,000	+ 375,000
Corrientes Central	43 weeks		1,205	47,500	+ 17,500	2,139,300	+ 137,200
Entre Rios	43 weeks		811	16,500	+ 9,500	829,200	+ 175,800
Brazilian (b).							
Brasilia Gt. Southern	3 mths	Mar. 31	105	Ms 38,500	+ 1,500	115,250	- 25,700
Gt. West. of Brazil.	17 weeks	Apr. 29	1,005	11,700	+ 1,200	245,100	- 25,700
Leopoldina	17 weeks		1,231	26,513	+ 7,829	458,526	+ 100,212
San Paulo	17 weeks		1,231	31,889	+ 6,167	469,769	+ 47,477
State of Bahia, S.W.	1 mth	Mar. 31	22	Ms 46,000	+ 25,000		
Chile and Peru.							
Antofagasta	17 weeks	Apr. 30	838	21,295	+ 855	306,400	- 204,600
Aranco	1 mth	Mar. 30	64	12,000	+ 500		
Nitrate (2 weeks)	16 weeks	Apr. 30	366	12,393	+ 18,757		+ 139,818
Peruvian Corp.	10 mths	Mar. 31	1,059	912,050	+ 192,010	12,74,330	+ 960,990
Talca	9 mths	Mar. 31	172	(b) 10,650	+ 9,503	84,874	- 158,618
Cuban.							
Cuba Railroad	8 mths	Feb. 28	Gross	\$1102,974	- 500,572	\$7,020,807	- 3,080,221
			Net	\$474,496	+ 18,378	1,412,662	+ 1,404,339
Havana Central	43 weeks	Apr. 29	1,171	11,711	+ 7,132	477,078	- 170,737
United of Havana	43 weeks		1,210	126,795	+ 46,262	3,276,074	- 2,127,986
Uruguayan.							
Central Uruguay	43 weeks		273	26,624	+ 4,546	1,095,088	+ 33,551
O. Urug. (East Ext.)	43 weeks		311	6,317	+ 319	221,286	- 28,767
O. Urug. (North Ext.)	43 weeks		185	3,202	+ 575	118,774	- 12,533
O. Urug. (West Ext.)	43 weeks		211	2,591	+ 264	109,836	- 2,624
Midland Uruguay	10 mths	Mar. 31	319	12,979	+ 2,038	142,891	- 35,197
North-West Uruguay	8 mths	Feb. 28	113	4,680	+ 860	54,165	+ 5,761
Uruguay North	7 mths	Jan. 31	73	1,915	+ 29	14,735	- 23
Other Foreign.							
Alcoy and Gandia	17 weeks	Apr. 29	33	Ps 18,800	+ 8,800	333,300	+ 29,900
Bilbao	3 mths	Mar. 31	15	2,079	+ 311	32,419	- 2,768
Bolivar	3 mths	Mar. 31	136	12,000	+ 1,894	39,400	- 7,031
Colombian Nat. Ry.	10 mths	Oct. 31	86	17,400	+ 1,340	193,391	- 3,531
Costa Rica	8 mths	Feb. 28	180	21,164	+ 1,308	163,617	- 41,968
Dorado Extension	2 mths		28	8,500	+ 6,750	19,500	+ 11,750
Dorado Repway, Ext.	2 mths		28	4,000	+ 500	9,000	+ 2,500
Egyptian Delta	10 days	Apr. 10	5594	8,731	+ 302	8,731	+ 302
Gt. Southern. of Spain	16 weeks		104	Pe95,123	+ 46,642	1,097,049	+ 58,756
International of Central America ..	3 mths	Mar. 31	Gross	88,212	+ 5,165	235,306	+ 1,257
			Net	40,747	+ 6,090	101,520	+ 6,143
La Guaira & Caracas	4 mths	Apr. 30	232	9,590	+ 440	41,170	+ 4,170
Mexican Railway	18 weeks	Apr. 30	403	\$365,000	+ 29,500	4,921,000	+ 586,000
Do	3 mths	Mar. 31	403	\$1,225,700	+ 328,000	3,673,200	+ 358,300
			Net	\$221,590	+ 93,200	737,800	+ 15,000
Sanjo Osearhamns	1 mth	Jan. 31	193	9,495	+ 3,593		
Ottoman Railway	1 week	Apr. 22	193	2,670	+ 690		
Paraguay Central	42 weeks	Apr. 22	274	2,670	+ 690	147,780	- 40,820
Paraguay, Athens, &c.	9 mths	Feb. 28	100	\$2,311,374	+ 414,841	18,380,765	+ 5,299,680
Porto Cabello, &c.	3 mths	Mar. 31	36	5,250	+ 750	14,000	+ 750
Salvador	43 weeks	Apr. 29	100	5,304	+ 1,234	148,835	- 14,040
San Jo. Province	1 mth	Mar. 31		\$153,130	+ 21,075		
San Jo. Province, Ext.	2 mths	Apr. 30		8,910	+ 3,085	24,230	- 9,263
Santa Fe Railway	3 mths	Mar. 31	112	(a) 11,228	+ 4,009	337,575	- 9,263

10 days. (a) Converted as par. (b) Converted at the current rate of exchange.
(c) 15 days. (d) 4 weeks return.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the Commercial and Financial Chronicle of New York

Year.	Gross Earnings.			Net Earnings.		
	Year Given.	Year Preceding.	Increase or Decrease.	Year Given.	Year Preceding.	Increase or Decrease.
1922.	\$393,892,529	\$469,195,808	- 75,303,279	\$74,421,605	\$28,331,956	+ 29,089,649
1921.	\$400,430,580	\$405,203,414	- 4,772,834	\$76,706,840	\$1,824,020	+ 54,882,820

Note.—The February, 1922, returns are based on 336,625 miles of road, against 335,653 in 1921.

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.

Name.	Period.	Ending.	Receipts for Week or Month.	Inc. or Dec.	Aggregate Receipts.	Inc. or Dec.
Algonia Cent. & Hudson Bay	7 mths	Feb. 28	\$100,776	- 80,854	1,159,426	- 844,518
Canadian Ntr.	16 weeks	Apr. 21	Gross \$34,930	- 361,538	15,890,004	- 5,284,948
Canadian Ntr.*	3 mths	Mar. 31	Gross \$34,930	- 361,538	15,890,004	- 5,284,948
Canadian Pac.*	17 weeks	Apr. 30	Gross \$13,844,000	- 858,000	36,490,000	- 6,000,000
Grand Trunk.	17 weeks	Apr. 30	Net \$2,421,000	- 30,000	3,559,000	- 27,000
Isle of Man.	1 mth	Mar. 31	Gross \$44,209	- 69,670	6,109,730	+ 1,196,686

* Net earnings before deducting taxes. † Railway and Steamship receipts.

OTHER BRITISH OVERSEAS RAILWAYS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1920-21.	+ or -	1920-21.	+ or -
Beira and Mashona.....	1 mth	Feb. 28	810	76,753	- 26,160	..	..
Mid. of W. Aust.....	8 mths	Apr. 28	977	11,681	+ 436	86,535	- 1,998
New Cape Central.....	14 weeks	Apr. 28	305	2,768	- 70	40,831	+ 1,113
Rhodesia Railways.....	1 mth	Feb. 28	1,397	112,844	- 20,870	..	..

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1922.	+ or -	1922.	+ or -
Anglo-Argentine	17 weeks	Apr. 29	329	486,635	+ 5,213	1,421,179	+ 53,598
Burnley Corporation ..	1 week	Apr. 29	12	83,184	+ 1,735	..	..
Calcutta Tramways ..	17 weeks	Apr. 29	354	1,07,116	+ 20,836	..	..
Chatham & District ..	15 weeks	Apr. 13	15	1,602	111	21,683	+ 645.54
Egyptian Markets ...	17 weeks	Apr. 30	..	2,016	13	31,719	+ 2,900
Glasgow Corporation ..	17 weeks	Apr. 30	..	..	..	..	..
Tramways	48 weeks	Apr. 29	89	244,582	+ 5,412	2,140,980	+ 17,778
Isle of Thanet	30 weeks	Apr. 30	..	8214	+ 119	18,720	+ 48.88
Lancashire United ..	16 weeks	Apr. 25	39	2,015	156	50,863	+ 9,564
Liverpool Corporation ..	17 weeks	Apr. 29	124	228,958	+ 3,760	489,012	+ 13,871
L.C.C. Tramways	5 weeks	May 3	155	291,117	12,093	435,517	+ 42,884
Madras Elect. (2 wks)	16 weeks	Apr. 30	..	Re45,102	1,165	395,179	+ 151,273
Pernambuco Trams ..	17 weeks	Apr. 30	..	3,231	313	62,179	+ 14,552
Singapore Electric ..	10 weeks	Mar. 11	..	124,451	+ 177	151,293	+ 48,884

quiet, and occasionally the turn easier for imported descriptions. Native firmer, and ranges from 31s 6d to 35s 6d per 336 lbs, free on rail. Of imported, Plate F.A.Q. 27s, ditto clipped 28s 6d, No. 2 white clipped American, 38 lbs, 27s; British Columbian 34s 6d, No. 2 Canadian Western 31s to 31s 6d, and New Zealand 35s to 40s per 320 lbs, all landed. Oatmeal steady, with moderate business in force. London made, all cuts, £18 10s, whole groats £17 10s, rolled oats £19, flaked £20 10s, ordinary Scottish oatmeal £18 10s, Scotch

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.						Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward	Net Profit.	Dividend.	
					Prefce.	Ordinary.						
						Amount.	Amount					Rate.
		£	£	£	£	£	%	£	£	£	%	
Electric Light and Power.												
North of Scotland Electric	Dec. 31	634	7,777	8,411	2,500	625	1½	4,500	786	7,530	1½	
Financial, Land, &c.												
Pacific Loan and Investment	Dec. 31	19,073	11,656	30,729	..	11,812	9	..	18,917	23,577	9	
Scottish Mortgage and Trust	Mar. 31	5,493	19,999	25,492	2,272	13,386	7	3,500	6,334	18,829	7	
Texas Land and Mortgage	Mar. 31	6,201	31,559	37,760	..	24,750	15	6,500	6,510	29,877	15	
Gas.												
Bombay	Dec. 31	25,713	23,853	49,566	..	22,400	8	1,342	25,824	22,461	8	
Iron, Coal, and Steel.												
Pease and Partners	Mar. 31	145,226	(t) Dr 97,955	47,271	..	109,320	5½	Dr 180,000	117,951	505,312	14½	
Nitrate.												
Anglo-Chilian	Dec. 31	210,624	152,983	363,607	..	135,000	15½	25,000	203,607	457,152	25½	
Oil.												
Commonwealth	Sept. 30	Dr 12,040	19,575	7,535	..	..	..	..	7,535	..	..	
Rubber, &c.												
Ceylon Timber and Rubber	Dec. 31	5,955	Dr 3,717	2,238	..	..	..	1,341	897	..	..	
Changkat Salak												
Changkat Salak	Dec. 31	20,462	31,896	52,358	..	19,498	(30 Pf. Ord. 20 Df. Ord. 5)	9,000	23,860	13,541	(20 P. Ord. 10 Df. Ord. 5)	
Dusun Durian												
Dusun Durian	Dec. 31	14,568	44,749	59,317	..	18,750	7½	20,000	20,567	31,365	..	
Ederapolla	Dec. 31	540	2,777	3,317	..	1,450	7½	612	1,255	Dr 4,562	..	
Kajang	Dec. 31	5,583	1,062	6,645	..	..	..	..	6,645	4,436	..	
Kelani Valley	Dec. 31	390	868	1,258	420	..	..	..	88	750	Dr 8,401	
Kimanis	Dec. 31	2,057	10,067	12,124	..	..	..	3,000	9,124	7,207	..	
Kombok (F.M.S.)	Dec. 31	11,016	20,323	31,339	..	3,600	3	..	27,739	15,089	5	
Mahawale	Dec. 31	4,380	12,605	16,985	..	8,000	5	5,679	3,306	186	..	
Panawatte	Dec. 31	Dr 14,015	12,641	Dr 1,374	..	..	..	..	Dr 1,374	Dr 19,019	..	
Pelmadulla	Dec. 31	9,155	39,530	48,685	..	34,560	30	Dr 6,481	20,608	9,635	10½	
Rubber Estates of Bentota	Dec. 31	2,090	2,730	4,820	828	..	..	2,157	1,835	Dr 801	..	
Rubber Estates of Johore	Dec. 31	27,251	7,851	35,102	..	4,687	2½	3,000	27,415	22,107	5	
Stoughton (P. rak)	Sept. 30	592	Dr 8,030	Dr 2,438	..	..	..	..	Dr 2,438	1,895	..	
Sungei Batu (Malay)	Dec. 31	7,593	5,528	13,121	..	4,125	5	2,500	6,496	9,132	..	
Tenom (Borneo)	Dec. 31	1,098	5,936	7,034	..	..	..	4,760	2,274	13,613	..	
Windsor (F.M.S.)	Dec. 31	8,755	11,443	20,198	..	8,250	10	2,500	9,448	14,286	7	
Yam Seng	Oct. 31	9,739	3,933	13,672	4	..	..	..	13,668	9,956	5	
Tea.												
Ceylon Plantations	Dec. 31	47,676	167,345	215,021	10,578	112,800	30	31,000	60,643	100,716	12	
Lunuvu (Ceylon)	Dec. 31	506	60,032	60,538	..	30,000	15	26,624	3,914	Dr 25,512	..	
Mayfield (Dimbula)	Dec. 31	Dr 480	11,961	11,481	2,970	4,597	15	2,000	1,914	Dr 9,381	..	
Scottish Ceylon	Dec. 31	Dr 879	15,398	14,519	1,260	5,100	10	7,336	823	..	..	
Telegraph.												
Direct United States	Mar. 31	4,265	33,648	37,913	..	33,997	4	..	3,916	38,264	..	
Trust.												
Pacific Association	Dec. 31	8,509	2,912	11,421	..	4,200	6	..	7,221	8,638	..	
Other Companies.												
Bell's United Asbestos	Dec. 31	34,124	40,843	74,967	3,600	29,353	10	8,000	34,014	64,670	1	
Bryant and May	Mar. 31	12,748	208,135	220,883	67,200	112,853	11½	20,000	20,830	190,324	1	
Brazilian Warrant	Dec. 31	24,980	52,305	77,285	35,000	..	..	..	42,285	3,404	..	
D. Hill, Carter, and Co.	Feb. 18	7,191	5,118	12,309	3,000	5,000	10	..	4,309	13,843	1	
Liverpool Storage	Mar. 31	7,111	11,882	18,993	..	8,996	10½	..	9,997	13,349	1	
New Transvaal Chemical	June 30	7,874	69,937	77,811	24,000	37,500	15	10,057	6,254	77,563	1	
W. P. Lowrie and Co.	Mar. 31	93,005	108,285	201,290	18,000	50,000	25	25,000	108,290	90,949	2	

APEX (TRINIDAD) OILFIELDS, LIMITED.—The estimated gross production of crude oil for the month of April was 31,173 barrels, equal to, approximately, 4,450 tons, and the oil delivered to Trinidad Leaseholds, Limited, amounted to 6,000 tons. The output continues to be regulated by the restriction of deliveries.

LOBITOS OILFIELDS, LIMITED.—The production for April is cabled as 8,601½ tons.

ROUMANIAN CONSOLIDATED OILFIELDS, LIMITED.—Production April 1st to 15th 1,018 tons. Metres drilled 296 (971 ft.).

STEUA ROMANA.—The approximate gross production of the Steaua Romana, Bucharest, for the month of April, 1922, was 17,500 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, April 26, 1922, amounted to 1,400 tons.

THE CORN TRADE.

Mark Lane, Friday Evening

Climatic conditions in the United Kingdom continue very unsettled, with further rains and cold winds, and a spell of more genial weather would be welcome in order that spring sowings may be completed, as same are backward in some districts. Growing cereal crops appear healthy, though in need of sunshine. Quiet trading was experienced at market, and prices displayed slight irregularity both for bread and feeding stuffs. Native wheat in lighter supply, and rates generally firmer at 6s to 6s 1 for suitable milling grades per 504 lbs, free on rail. Imported descriptions quiet, and occasionally the turn easier. No. 1 Northern Manitoba quoted 6s 6d, No. 2 ditto 6s 6d, Rosafe, 6a 1bs, 5s 6d; Barussos, 6a 1bs, 5s 6d, all ex ship, to arrive, per 480 lbs; and Australian,

ex store, 62s per 496 lbs. A steady tone prevailed in the floating and forward cargo section, and with a fair inquiry on Continental account rates were maintained. Steamers of Australian, on passage, sold 57s 13d to 57s 9d, according to size and position; ditto, May, 57s 3d to 58s; Rosafe, 64½ lbs, afloat, 57s 4½d; ditto, May 15th-June, 57s 7½d to 57s 9d, per 480 lbs, c.i.f. Parcels were in fair request at generally steady rates. Crop reports from most exporting countries continue favourable. Flour was reduced by 1s decline. London standard straight run quoted 50s, town householders 48s, patents 52s to 53s, all English straight run 47s per sack, free on rail at London stations. Imported, quietly steady. Manitoba export patents 44s to 45s; top patents 47s to 49s per 280 lbs. Australian 44s 6d to 45s per 280 lbs, ex store. On c.i.f. terms, business continues on a limited scale, owing to the firmness of holders. Australian, afloat, quoted 41s to 41s 6d; Minnesota top patents, May seaboard, 48s to 49s, Kansas patents 45s, and Manitoba export patents 44s to 45s; top patents 47s to 49s per 280 lbs. Millers' offers dearer. Broad bran quoted £9, ordinary ditto £8 5s, middlings £9 per ton, ex mill. Of imported, Fancy Plate middlings quoted £8 15s, and Plate pollards £6 17s 6d per ton landed terms. Barley quiet for malting, but there is a fair inquiry for feeding sorts at fully steady prices. English malting ranges from 42s to 63s, and grinding sorts 40s to 41s, as to sample, per 448 lbs, free on rail. Of imported, Californian quoted 40s to 49s, Australian Chevalier 47s 6d to 52s landed, per 448 lbs. River Plate ship, to arrive 34s 3d; American malting 3s 1bs ditto, 34s, all include American malting, May 32s 3d; and No. 4 Canada Western, ex per 400 lbs. Forward parcels were dealt in quietly, and small sales May, 32s 6d per qr. Maize quiet, but fairly steady. Yellow round American 37s, ex quay; Plate 39s 6d, ex ship, and 41s 6d landed; less depressed, and holders required occasionally more money for new crop La Plata. Steamer of Plate, old crop, afloat, sold at about 38s 9d, and new crop early May at 38s 10d per qr. Oats

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated May 4, 1922, is as follows:—Pig-iron: The immediate outlook is not good. The engineers' lock-out has upset the inland market for pig-iron entirely, and the demand from abroad is not as good as it was. Prices are as follows:—No. 3 Cleveland G.M.B. pig-iron, 90s per ton; East Coast hematite mixed numbers, 96s per ton. Manufactured iron and steel: The market for steel is broadening, but only very slowly. Home quotations are as follows:—Steel ship plates, £10 10s; steel ship angles, £10; iron bars, £12; steel rails, £9 10s net. Iron ore: Business very quiet. If the engineering dispute were settled, it would probably mean that more furnaces might be started, and that should brighten up business in imported iron ore.

Our Glasgow correspondent (writing on Thursday) says:—It is definitely announced that a big bridge contract for the Bengal-Nagpur Railway has been placed with Sir William Arrol, Limited, Glasgow, the work including 18 bridges of 100 feet span, five of 60 feet, and two of 40 feet. Accompanying is the statement that interest in export connections, have just come actively upon the market, and may show fruition any day. Merchants report that in the last few days moderate quantities of manufactured steel have been booked for nearly every quarter of the globe, especially for the various authorities in South America, South Africa, and the Far East as a whole. At the same time, there is not sufficient work as yet available to go round, and so the Steel Company of Scotland is still idle. The "Lanarkshire," however, is fairly well off, as are Beardmore's, and in rather smaller measure Colville's.

There is no demand to speak of in evidence from shipbuilders, whose operations at the moment are mainly confined to repairs. The position in shipbuilding is clearly reflected in the figures for construction officially issued for April. Only 25 tons (a small launch) was put into the water during the month, a minimum record for the river. Despite this the prices keep firm, boiler plates bringing £14 per ton for home orders, and £13 10s for export. Ship plates stand at £10 10s for home, £9 5s export. Sections unchanged at £10 f.o.s. Glasgow. Movements in pig-iron have not been of much account, while more to the favourable side again. Germany is buying here some decent lots of Scotch, Cleveland, and East Coast (hematite), and experts look for the inquiry increasing. At the usual weekly meeting of brokers yesterday there were sellers of Middlesbro' No. 3 at 90s a ton, May delivery, and of East Coast at 97s, also May delivery. Scotch No. 3 G.M.B. were 97s 6d f.o.s. Glasgow. Makers' quotations for Scotch No. 1 and No. 3 are given as at 97s 6d, and 92s 6d per ton respectively f.o.t. works. Rather more dealing has been recorded in steel bars, the field of buying (very moderate) covering such far apart marts as Antwerp, Buenos Ayres, Durban, Delagoa Bay, Monte Video, and Yokohama. These destinations have been placing lines for tubes, pipes, and sheets. The last-named are the turn harder, owing to increased inquiry from Australia and India notably. The Eastern demand runs mainly on the lower classifications, and ¾ in. sizes are quoted £11 15s, Glasgow stations. Galvanised corrugated 24's are £16 10s, Glasgow stations.

Our Sheffield correspondent writes:—The further lock-out of engineering workers has not made very much difference to the local situation, as the majority of the men affected by it accepted the employers' invitation to continue. Some, however, were subsequently brought out by the pickets, and scarcely any of the engineers originally locked out returned. Things, therefore, are worse than before, but not so much so as had been expected. The home trade in steel and steel products has fallen off badly, although the revival in the overseas markets continues to make progress. All parties are sick of industrial troubles, hindering, as they undoubtedly are doing, a real recovery of trade. Prices of all kinds of steel materials remain very firm, as few of them are remunerative. There were no changes at the beginning of the present month. The local industries still display some very bad patches, railway steel being one of them. In this department the old trade with South America has almost disappeared. Everything relating to shipbuilding is flat, and the demand for automobile construction, while rather better, still leaves much to be desired. The American Senate is now dealing with that section of the new Tariff Bill relating to ferro-alloys, and alloy steels, and the duties submitted to the House for approval are so enormous that no business between this country and America would be possible if once they are adopted. Efforts are being made to get some of the more drastic of the proposals modified, but it is feared that the Bill will pass to the Statute Book in such a form that Sheffield's special steels will be shut out of the American market. A moderate amount of business is being done in rustless iron and new openings for its utilisation continue to be found, despite its high cost. All departments of the coal trade are quieter, and the arrival of spring has already lessened the demand for household sorts. Foreign buyers of steam coal are holding back to force easier prices. The position of slacks is better owing to reduced production at the pits. Current quotations per ton at pits are:—Best hand picked, 38s to 39s; silkstone, 33s to 34s; best household, 33s 6d to 34s 6d; best hards, 23s to 24s; steam cobbles, 22s to 23s; steam muls, 22s to 23s; best slacks, 12s to 13s; small ditto, 7s to 8s; blast furnace coke, 21s.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to April 29.....	213,913	379,580	146,827	333,707
34 weeks to April 29.....	14,172,732	10,951,922	10,375,463	11,015,658
Average price of English wheat per	s d	s d	s d	s d
quarter.....	52 4	86 8	72 8	73 2
per cwt.....	12 2½	20 2	16 11	17 0

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1918 to 1921 :—

		QUANTITIES SOLD.			AVERAGE PRICES.		
		Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1922.		qrs bsh	qrs bsh	qrs bsh	£ d	£ d	£ d
April 22		37,172 2	8,977 2	7,567 0	51 3	40 5	29 6
29		49,913 1	10,507 4	8,599 7	52 4	40 2	19 6
—							
1918		39,348	8,403 2	3,727 6	73 5	56 5	47 4
1919		64,051	13,134 1	11,197 7	73 2	62 8	48 7
1919		28,977	8,102 4	7,367 0	72 9	84 2	56 6
1920		74,044 6	15,164 7	8,661 2	86 11	47 7	37 5

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Our Cardiff correspondent writes: Coal prices have been well maintained on the basis of 28s 6d to 29s for best Admiralty large, 28s to 28s 6d for Admiralty seconds, 27s to 27s 6d for best black veins Monmouthshires, 25s 6d to 27s for Eastern Valleys, 19s to 20s for best smalls, 17s 6d to 18s 6d for second-class bunkers, and from 15s to 17s for cargo smalls. The more bituminous coals range from 24s to 25s for No. 2 Rhondda to 30s to 31s for No. 3 Rhondda, while best house coals are ruling at a fixed price of 30s at pit, and other house coals at variable prices ranging from 24s to 28s 6d. There was a heavy drop in production during the Easter holidays, but it has since recovered, and is again in the neighbourhood of one million tons per week. Wages in May are to remain at the minimum of 28 per cent. on the 1915 standard. The audit for March, on which the May wage rate is based, was disappointing. The f.o.b. proceeds of the industry in March showed an increase of over £500,000 over the export proceeds in February, but notwithstanding this improvement, which was due partly to a rise in export price and partly to an increase in the volume of trade, the proceeds were insufficient to pay the minimum wage and at the same time permit the retention by the employers of their standard profits, and of the latter £170,000, or little more than one-half, are to be remitted to the workmen in order that the latter may receive their guaranteed minimum wage. The proceeds of the industry have been insufficient to pay the minimum wage since control was discontinued, and the total amount surrendered by the employers in five months to make good the deficiency is over £1,300,000. Of the total amount distributed between capital and labour in that period, wages have absorbed 98 per cent. and profits only 2 per cent. The production of coke has been stimulated by the revival in the iron and steel industries. The price of furnace coke at ovens ranges from 22s 6d to 25s, and for export between 20s and 35s, while foundry coke is at 42s 6d to 37s 6d. Patent fuel is a slightly steadier market at from 25s 6d to 28s 6d, and pitwood a shade easier at from 29s to 30s ex ship.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Although quotations for tops were advanced last week in anticipation of an advance in wool values, it has again been found necessary to raise prices all round in sympathy with the higher level established this week in the Coleman Street Wool Exchange. It is, however, exceedingly difficult to quote what may be termed a market price for merinos to-day, every topmaker being guided by his own position in regard to commitments. Some firms are sold for four and five months ahead, and it would be difficult to place an order for a big weight for delivery this side of August-September. In the circumstances quotations show some marked discrepancies, some firms being "up in the sky," while others, with less bulky order books, are prepared to do business on what appears to be a reasonable basis when judged on the standard of current wool values. Generally speaking, about 4s 9d is wanted for a warp 64's top, while 60's ordinary are at 4s, which was the price of an average 64's at the beginning of March. Crossbreds have also been advanced anything from ½d to 2d. There has recently been a considerable amount of business in crossbred qualities, and they look like appreciating still further. Worsteds spinners are in a much better position, most firms having booked sufficient business to keep their machinery employed for at least three months. Prices for yarns show a strong upward tendency, especially in botanics, and this is making it extremely difficult for manufacturers to do business on to-day's quotations. However, the position in the piece goods trade shows improvement week by week, and even in the woollen section there is a better feeling. Taking the trade as a whole, the outlook is regarded with a good deal of confidence, though prices of merinos are rapidly approaching a dangerously high level.

(FROM A CORRESPONDENT.)

The third series of London sales commenced on Tuesday, when there was a large attendance of buyers, all sections of the trade, including the United States, being represented. The sale passed off remarkably well, and general expectations were realised. It was forecasted in this column a week ago that an all round advance of 10 per cent. would take place, and this was practically what happened. The best merinos appreciated 5 to 7½ per cent., average to good topmaking classes 10 per cent., whilst scoured merinos were sold at 15 per cent. above the close of last series. No one need be surprised at the advances in fine wools, but the most remarkable improvement was the one seen in crossbreds. Good 56-58's appreciated 7½ to 10 per cent., medium 10 to 15 per cent., and coarse crossbreds 7½ per cent. Capes appreciated 5 to 10 per cent. These are remarkable advances, and there is no doubt that merinos are now a dear commodity, though we do not think that they are on a dangerous level. At the same time, they are quite dear enough, and it would have been in the interests of the whole trade if no advance had taken place in them. However, there is general confidence felt in current values, and that the textile industry is being gradually restored to something like normal. Several American buyers are attending the current series of sales, and no doubt if the present uncertainty regarding the introduction of a permanent import duty were removed, a large quantity of wool would be taken on American account. The tone of the sale room is

decidedly encouraging, and although the prices paid are well above the limits of many Bradford topmakers, the wool is being taken freely, even Continental representatives being ready buyers. It may be reasonably expected that the values paid at the opening will continue to be paid right to the close, though there is no need for any further advances except perhaps in wools of 48's quality and below. In suggesting the desirability of an advance in these wools the possibility of expansion in Continental trade is being kept specially in mind, for it is much more desirable that values generally should be kept on a reasonably steady basis than for wool to move distinctly higher, resulting in the development of business among manufacturers being prevented. Obviously excitement in the wool market can do no permanent good unless there is a healthy state of affairs among manufacturers. Although demand is broadening, hundreds of looms are still standing, and the setting of all these in motion is desirable to impart further stability to the industry as a whole. A movement is undoubtedly taking place at the piece end of the trade, but there is ample room for further development. It is understood that manufacturers engaged on the production of ladies' fabrics are busier than those making men's wear, and Far-Eastern countries are to-day Yorkshire's best customers for light-weight fancy worsteds. Gabardines are very popular, and as big weights of merino wool are used in manufacturing these cloths, the boom which is taking place in them is no doubt contributing substantially to the strength of the merino position. Some of these gabardine cloths are being made from wool of as low as 60's quality, but they are not by any means as good as those made from merinos. The manufacturing position is certainly better, and the generally broadening inquiry for practically all qualities of wool and tops is a most encouraging feature, one which will probably become more distinctly emphasised as the weeks go by.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—April 28, 1922.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.			Same Period 1920.				
							Med	Good Med.	Fine.	Med.	Good Med.	Fine.		
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	d	d	
Florida do.....	d	d	d	d	d	d	d	d	d	d	d	d	d	
Georgia do.....	d	d	d	d	d	d	d	d	d	d	d	d	d	
American.....	Ord	G	O	L	M	Mid	G	M	F	G	O	L	M	Mid
Brazilian.....	841	891	976	1021	1066	1176	504	629	854	1033	1235	2008	2408	2808
Pernam.....	wid	m	r	r	r	r	M	F	Fr.	Gd.	Fr.	Gd.	Fr.	Gd.
Parahyba, Rio Grande, &c.	841	1041	1191	1191	1191	1191	524	774	524	774	524	774	524	774
Maoelo, &c.	841	1041	1191	1191	1191	1191	524	774	524	774	524	774	524	774
Mossoro, &c.	841	1041	1191	1191	1191	1191	524	774	524	774	524	774	524	774
Ceara.....	841	1041	1191	1191	1191	1191	524	774	524	774	524	774	524	774
Maranhao, &c.	841	1041	1191	1191	1191	1191	524	774	524	774	524	774	524	774
Laos Pau o.....	916	1016	1066	1116	1166	1216	574	774	574	774	574	774	574	774
Egyptian.....	Fr.	G	F	Fr	Gd.	Fne	Fr.	G	F	Fr	Gd.	Fne	Fr.	G
Upper.....	1225	1300	1375	1450	1550	1650	1000	1300	1000	1300	1000	1300	1000	1300
Sakellariadis.....	1450	1650	1750	2025	2240	2400	1000	1450	1000	1450	1000	1450	1000	1450
Brown.....	127	1400	1525	1625	1800	1900	1000	1450	1000	1450	1000	1450	1000	1450
Peruvian.....	MF	Fr.	J	F	Gd.	Fne	MF	Fr.	J	F	Gd.	Fne	MF	Fr.
Rough.....	1200	1275	1350	1425	1500	1575	1200	1500	1200	1500	1200	1500	1200	1500
Moderately Rough.....	1025	1175	1225	1275	1325	1375	700	1050	700	1050	700	1050	700	1050
Smooth.....	991	1166	1225	1316	1416	1516	524	774	524	774	524	774	524	774
Tangula.....	1016	1166	1291	1366	1566	1666	524	774	524	774	524	774	524	774
Mitafi.....	1100	1300	1500	1600	1800	1900	524	774	524	774	524	774	524	774
West Indian, &c.	234	260	290	300	300	300	250	3100	250	3100	250	3100	250	3100
Do Sea Island.....	675	775	950	1050	1250	1350	775	975	775	975	775	975	775	975
African, East, &c.	841	941	966	1016	1066	1116	574	774	574	774	574	774	574	774
Do West.....	841	941	966	1016	1066	1116	574	774	574	774	574	774	574	774
Machine Ginned Surtee.....	G	F	G	F	G	F	G	F	G	F	G	F	G	F
Machine Ginned Broach.....	845	885	925	965	1005	1045	665	690	740	2085	2135	2235	2335	2435
Machine Ginned Bhowungas.....	720	770	820	870	920	940	469	519	544	1744	1844	2004	2104	2204
Machine Ginned Oomra. No. 1.....	730	780	830	870	910	950	475	525	600	1750	1850	2010	2110	2210
Machine Ginned Oomra. No. 2.....	805	845	885	925	965	1005	475	525	600	1750	1850	2010	2110	2210
Machine Ginned Khandelah.....	730	780	820	860	900	940	400	450	525	1600	1700	1860	1960	2060
Machine Ginned Comptah.....	840	880	920	960	1000	1040	400	450	525	1600	1700	1860	1960	2060
Machine Ginned Bengal.....	623	660	700	740	780	820	375	425	500	1300	1375	1500	1600	1700
Machine Ginned Seinde.....	610	650	690	730	770	810	363	413	488	1282	1357	1482	1582	1682
Tinnivelly.....	975	1015	1055	1095	1135	1175	765	795	848	1282	1357	1482	1582	1682
Madras, Western.....	775	815	855	895	935	975	630	655	700	2010	2060	2160	2260	2360
Madras, Northern.....	840	880	920	960	1000	1040	630	655	700	2010	2060	2160	2260	2360
M.G. Coconada, Red.....	840	880	920	960	1000	1040	630	655	700	2010	2060	2160	2260	2360
China, Smyrna, &c.	840	880	920	960	1000	1040	630	655	700	2010	2060	2160	2260	2360

MANCHESTER, May 4.

The market this week has presented a firmer appearance, and in sympathy with the rise in raw cotton rates, there has been a hardening tendency in yarn and cloth quotations. The possi-

ALEXANDERS DISCOUNT Co., Ltd.,
24, LOMBARD STREET, E.C.3.
 Telephones: 1892 & 225 Avenue. Telegrams: "Alexanders, Thread-London."

CAPITAL SUBSCRIBED - £1,250,000 RESERVE FUND - £320,000
CAPITAL PAID UP - £800,000 RESERVE LIABILITY £500,000

Approved Mercantile Bills discounted. Money received on deposit at call and short notices at current market rates; for longer periods on specially agreed terms. The Company deals in British Treasury Bills of any maturity.

bility of higher values has stimulated demand in certain quarters for manufactured articles. A larger turnover has taken place in grey shirtings and light bleaching cloths for India, but many bids from the other side cannot be entertained. Trade for China at the moment is practically at a standstill, but merchants do not believe that the trouble in the Far-East will be of long duration. There has been an improvement in the advices from Egypt, and more business has been done. Orders for South America have also been more frequently mentioned. Progress is not rapid, but many manufacturers are gradually strengthening their position. An increased turnover has occurred in American and Egyptian yarns at hardening rates. Home counts have moved off more freely, and a fairly healthy trade has been done in bundles for India.

(I.) Comparative Statement of the Cotton Trade.

	Price May 4, 1922.	Previous Weeks in 1922.				
		Price April 27.	Price April 20.	Price April 13.	Price April 6.	Price April 30.
Raw Cotton—Fully Mid. American.....per lb	11.18	10.35	10.38	10.46	10.60	10.73
— Sakellaridis Fully Fair.....per lb	18.00	17.50	17.50	17.50	17.50	17.75
Yarns—32's twist.....per lb	18	17 1/2	17 1/2	17 1/2	17 1/2	17 1/2
— 40's twist.....per lb	17 1/2	16 1/2	17	17	17	17
— 60's twist (Egyptian).....per lb	28	27 1/2	28	28	28	28
32-in. Printers, 116 yds, 16 by 16, 32's and 60's.....	28 6	28 0	29 0	29 0	29 0	28 6
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	28 6	28 0	29 0	29 0	29 0	28 6
32-in. ditto, 38 yds, 18 by 18, 10 lbs.....	17 9	17 9	18 3	18 3	18 3	18 0
32-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	16 3	16 3	16 9	17 0	17 0	16 9

(II.) Compared with Previous Years.

	Price, May 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American.....per lb	11.18	8.17	7.59	17.56	21.88	12.66
— Sakellaridis Fully Fair.....per lb	18.00	17.00	26.50	26.59	29.66	25.75
Yarns—32's twist.....per lb	18	18	60	29 1/2	43	17 1/2
— 40's twist.....per lb	17 1/2	16 1/2	55 1/2	29	43	16 1/2
— 60's twist (Egyptian).....per lb	28	32	138	52	53	36 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 60's.....	28 6	37 6	102	0 46	6 56	3 23 9
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	28 6	35 0	95	0 45	6 54	3 23 3
32-in. ditto, 38 yds, 18 by 18, 10 lbs.....	17 9	21 0	51	6 28	31	3 13 9
32-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	16 3	18 0	45	6 24	3	27 9 12 0

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Tanners are still unable to control the price of hides in spite of their efforts, and there was again a decided firmness in the Bermondsey market on Thursday. Best ox hides sold from 6d to 8d per lb, showing advances of ½d to ¾d on last week's prices, whilst best cows at 6½d to 6¾d are also ½d to ¾d up. Calf were erratic, heavies advancing ½d, and lights declining ½d to ¾d. Wool skins sold from 3s to 8s 9d, and showed a slight advance of 2d to 3d each. The demand for foreign hides is better, and both wet and dry have been inquired for owing to the improved demand for leather. Cables from New York report the American hide market as active, with best heavy packers now selling from 14 to 14½ cents.

The trade in sole leather is improving, and merchants and tanners are hopeful the worst is over. The trade with repairers has much improved, and there seems to be a tendency to buy a better-class bend at round about 2s 3d to 2s 9d per lb, as some of the dry hide rubbish they have been using of late has turned out most unsatisfactory. Anxiety is still felt at the arrivals of American bends at a very low price, ex some Continental port. Offers have been received here also on a large scale, as American banks have grown tired of holding the leather against advances. The question of the Government's holding of East India tanned kips came up before the House of Commons this week, when the responsible Minister seemed to think the Department had done very well to dispose of so much stock without interfering with the normal trade in kips. This opinion, however, is not, I regret to say, shared by men actually engaged in it.

The trade in upper stock is chiefly confined to suede and patent, although there are signs that glace kid will come into its own again for winter wear. Prices of box and willow are steady, as bargain parcels seem to have been absorbed. The shoe section is better, and some of the firms in Leicester and Norwich have enough orders on hand to last them for two or three months.

VEGETABLE OILS AND OILSEEDS.

The feature of the markets this week has been a further advance in linseed oil. After a set-back to £42, due to realisation, and some nervousness on the part of holders, a steadier feeling manifested itself on reported buying on American account, and the comparatively small quantity of seed at hand or on passage. Spot and par positions have been firmly held, and up to £44 5s paid for near positions have been firmly held, and up to £44 5s paid for near spot and £43 15s for May, ex-Hull mill, on Thursday. Forward delivery has also claimed some interest, June-August offering 60s

below spot, and September-December 120s below, which are sufficiently indicative of the market outlook when the present shortage of available seeds has been overcome.

Cotton oils are scarce, and from 10s to 25s dearer on the week. A fair trade has been done in Egyptian crude crosscut, value of which is about £42 ex-Hull mill. Crude soya bean oil steady, and rape oil scarce for immediate delivery, ground nut and palm kernel oils more or less neglected, and nominally unchanged.

Plate linseed is firm, and on balance is 25s dearer for April-May shipment, for which £21 to £21 5s has been paid. A good business has been done in Calcutta to London and Hull to £22 7s 6d, on passage, and £22 down to £21 7s 6d for shipment; and in Bombay to Hull at £22 to £22 15s, according to position. Egyptian cottonseed closes rather easier. Manchurian soya beans have been done at £12 10s to Hull, May-June, loading.

The shipments of linseed from Argentina from January 1st to the end of April were as follows:—To the United Kingdom 74,100 tons; the Continent, 140,000 tons; and North America, 60,000 tons, together 274,100 tons, against 334,700 tons in the corresponding period of last year. The shipments from India were:—To the U.K., 58,900 tons, the Continent 32,425 tons, together 91,325 tons, against 10,980 tons last year. The quantity for the U.K. (Plate and Indian) at 133,000 tons compares with 138,975 tons a year ago, and that to the Continent 172,425 tons, against 196,675 tons, a decline for Europe of roughly 50,000 tons. There is some improvement in the quantity of linseed afloat, viz., to U.K., 28,500 tons; Continent, 74,800 tons, together 103,300 tons, against 72,500 tons a week before.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, May 5.

Business in the leading commodities was confined to a moderate limit, demand showing no material expansion, and prices in some cases moved against sellers. Jute, however, was again an exception, and rates further hardened under sustained buying on the part of spinners, coupled with marked reserve in offers from Calcutta, while crop prospects are not satisfactory owing to continued drought.

SUGAR.—A steady tone characterised this market regarding spot lots, and a moderate volume of business was effected. Messrs Tate and Lyle's cubes sold, 52s 6d to 53s 6d, as to make; crushed 50s 3d; granulated, 48s 3d to 48s 9d; caster, 50s 3d to 50s 9d; yellow crystals, 42s 9d; pieces, 35s to 43s 3d; No. 2 granulated, 47s 48s; crystallised West India, spot, 41s 6d to 43s, as to quality. American granulated, on the spot, sold, 47s 7½d to 47s 6d; ditto, May, 20s 1½d to 20s; June, 20s 1½d; July, 20s 4½d to 20s 3d, c.f. and i. terms, London. White Mauritius, spot, 43s 9d to 44s 6d, 18s 6d, c.f. and i., London. White Mauritius, spot, 43s 9d to 44s 6d, Dutch and also Czechoslovakian sugars nominal for shipment in absence of definite offers. Cuban, basis 96 per cent., May, quoted 13s 1½d; and Brazilian, basis 80 per cent., ditto, 8s 10½d, both c.f. and i. terms, U.K. Terminal market quiet. White, August, sold, 20s 6d to 20s 3d. Cuban stocks stand at 1,083,000 tons, against 1,107,000 same time last year. Liquid glucose, spot, 26s 6d. American syrup steady, quiet, and good to fine grocery sold, 26s to 28s per cwt.

COFFEE.—General steadiness prevailed for all the finer qualities, and which received fair support from the home trade. Good to fine bold Costa Rica sold, 127s to 139s; Nairobi fair bold, 115s; Uganda, 90s to 90s 6d; East India, fair to good bold, 119s to 126s. Futures quieter. May sold, 60s 6d; July, 61s 6d; December, 61s 3d.

COCOA.—At public sale, 11,185 bags were offered, of which 9,816 bags consisted of colonial descriptions. The chief feature was a good demand for Grenada and St Lucia, others ruling dull of sale at about late rates. Grenada, fair to good, sold, 57s; common, 54s; fine, up to 62s; St Lucia, fair to good, 55s to 59s 6d; fine, 62s; Dominica, ordinary to fine, 51s to 59s; St Vincent, good, 56s; Ceylon Estate, smalls, 60s 6d; ordinary to fair, 76s to 84s; good, 88s; Samoa, good fermented, 70s to 72s; Uganda, ordinary to fair, 41s to 43s. Butter quiet at 1s 7½d per lb.

TEA.—During the week 39,000 packages Indian were brought to auction, and with more active competition for the lower qualities, these realised steady to firm prices. Medium, however, while largely represented, ruled in favour of buyers. All the finer parcels commanded good support at a firm range. 23,500 packages Ceylon offered met with but moderate patronage, and prices showed a weaker tendency as the sales progressed, closing ½d to 1d per lb down.

METALS.—Tin continued an advancing market until Tuesday, when

The prices in the following list are revised with the assistance of an eminent firm in each department.

BRAKPAN MINES, LIMITED.

(INCORPORATED IN THE TRANSVAAL.)

REPORT OF THE DIRECTORS for the year ended 31st December, 1921, to be submitted at the Nineteenth Ordinary General Meeting of Shareholders, to be held in the Board Room, "The Corner House," Johannesburg, on Monday, the 29th May, 1922, at 2.30 p.m.

To the Shareholders, BRAKPAN MINES, LIMITED.

Gentlemen,—Your Directors beg to submit their Report and the audited Financial Statements for the year ended 31st December, 1921, accompanied by the Reports of the Consulting Engineer and the Mine Manager.

CAPITAL.—The Capital of your Company is unchanged at £260,000, in 850,000 shares of £1 each, fully paid and issued.

PROPERTY.—No change has taken place during the year in your Company's holdings, which remain as follows:—

Mynpacht No. 490/1919, in extent 405'754 acres, equal to	276'06 Claims.
Mynpacht No. 548/1906, in extent 888'986 acres, equal to	604'80 "
Claims on Farm Benoni No. 3, with Coal Rights on 73 326 Claims	201'59 "
Claims on Farm Weltevreden or Brakpan No. 5	68'00 "
Claims on Farm Weltevreden or Brakpan No. 5—leased from Union Government	1,811'70 "
Claims on Farm Koolbult or Schapenvrust No. 7	424'90 "
	3,387'05 Claims.

The Undermining Rights of seven Stands and four portions of Stands on Farm Benoni No. 3.

Three Stands on Farm Benoni No. 3. Twenty-one Freehold Stands in Brakpan Township, on which are erected quarters for the Company's employees.

OPERATIONS.—Technical matters are dealt with in the Reports of your Consulting Engineer and Mine Manager.

FINANCIAL.—From the Working Expenditure and Revenue Account it will be seen that the profit, based on the standard value of gold, amounted to £224,906 19s 10d; Add—Premium on Gold, £265,339 9s 10d—£490,246 9s 8d; Deduct—Donations, £ 796 0s 1d—£488,450 9s 7d; Add—Interest and Commission, Dividends on Shareholdings, Estate and Sundry Revenue, £7,095 9s 10d; leaving a Net Balance of Revenue over Expenditure for the year of £495,545 13s 8d; Add—Balance to Credit of Appropriation Account at 31st December, 1920, £24,089 1s.; Gold Reserve Account transferred, £100,619 12s 8d—£134,708 13s 8d; making a total available Credit of £390,254 7s 1d; against which the following amounts have been appropriated:—Government Taxes, £71,820 6s 8d; Participation in Profits, £29,478 14s 5d; Development Suspense Account, £49,492 13s 7d; Funds appropriated for Capital Expenditure—Leased Area, £180,000; Dividends Nos. 19 and 20, £265,000—£585,786 13s 8d, leaving a Balance unappropriated at 31st December, 1921, of £44,467 13s 8d. Capital Expenditure for the year amounting to £277,540 8s 3d, made up as follows:—Shaft Sinking and Equipment, as per Schedule attached to Balance Sheet, £272,190 0s 9d; Live Stock and Vehicles, £48 6s 6d; Shares and Interests in Other Concerns, £5,306 18s—£277,540 8s 3d.

Stores and materials on hand at the end of the year in excess of standard stock were valued at £55,188 8s 11d, of which £13,159 4s 6d represents stores and materials on hand in connection with the capital construction work on the Leased Area. The Balance of £44,024 4s 5d represents the value of current stock, and is a reduction of £27,765 13s 8d as compared with the corresponding figure at 31st December, 1920. The works of the Rand Refinery, Ltd., have now been completed, and the refining of gold on a limited scale has been commenced. It is expected that your Company's gold output will very shortly be dealt with at the Refinery.

The net premium realised on gold sales is £265,339 9s 10d, exclusive of the premium on gold in reserve.

In terms of the Mineral Lease the 5 per cent. participation in the profits of the Company according to the Union Government is estimated at £24,168 9s., whilst the percentage of profits due under the Schapenvrust Claims Purchase Agreement is estimated at £5,305 5s 5d, this amount being 15/32nds of the amount payable to the Union Government.

Expenditure on development for the year amounted to £214,442 13s 7d. Of this amount, £164,960 was provided by the fixed charge of 5s per ton milled, and was debited to Working Costs. The balance of £49,482 13s 7d was dealt with through the Appropriation Account.

In order to provide for heavy commitments on Capital Account, it was decided to credit Appropriation Account with a sum of £100,619 12s 8d, being the proceeds of 19,116 ozs. of gold placed to Reserve. The total amount appropriated for Capital Expenditure was £180,000.

Normal Income Tax payable by the gold mining companies was increased from 6 per cent. to 7½ per cent., the increase coming into operation in respect of the tax year ended 30th June, 1921.

The special war levy of 2½ per cent., imposed on the amount of dividends distributed, ceased as at 31st December, 1920. The charge for Dividend Tax for the year under review is therefore at the reduced rate of 7½ per cent.

In terms of Section 3 of Act No. 5 of 1921, Financial Relations Act (Further Extension Act), 1921, the power of Provincial Councils to levy taxation on mining or minerals was withdrawn. No further taxation will therefore be levied on the Company under the Provincial Gold Profits Tax as from 1st January, 1922.

DIVIDENDS.—Two dividends were declared during the year, viz.:—No. 19 of 15 per cent. (15s. per share), absorbing £127,500; No. 20 of 15 per cent. (15s. per share), absorbing £127,500—£255,000.

You are requested to confirm your Board's action in this matter.

DIRECTORATE.—You will be asked to confirm the appointments of Mr. P. M. Anderson in place of Mr. M. McCormack (deceased), Mr. A. F. Lyall in place of Mr. W. B. Saunders (resigned), Mr. J. L. Jourdan in place of Mr. E. J. Renaud (deceased), and Mr. W. J. O'Brien, O.B.E., M.L.A., in place of Mr. Charles Marx (deceased).

In terms of the Articles of Association, Messrs. P. M. Anderson and W. J. O'Brien retire from the Board of Directors by rotation, but are eligible and offer themselves for re-election.

AUDITORS.—You are requested to fix the remuneration for the past audit, and to appoint Auditors for the ensuing year. The Auditors, Messrs. A. E. Page and L. A. Whiteley, retire, but are eligible and offer themselves for re-election.

GENERAL.—The shares registered in the names of enemy shareholders vested in or notified to the Custodian of Enemy Property of the Union of South Africa have now been transferred into the name of that official. New certificates have been issued in respect of the shares so transferred. The relative certificates in the names of the enemy shareholders must be regarded as cancelled and valueless. Shareholders have been advised from time to time of the steps taken to recover from the Custodian of Enemy Property the amount due from the Bank für Handel und Industrie, of Berlin. Judgment was obtained against the Custodian, ordering him to pay the Company the amount claimed. The Custodian appealed against this judgment to the Transvaal Appellate Division, which confirmed the judgment. The Custodian then gave formal notice of an appeal to the Union Appellate Court at Bloemfontein, but has now decided not to seek the intervention of that Court, and the Company's claim will be met in full, with interest accrued.

F. R. LYNCH, Chairman, P. M. ANDERSON,
W. B. HUDSON, W. J. O'BRIEN,
J. L. JOURDAN, E. OPPENHEIMER,
A. F. LYALL, } Directors.

THE CONSOLIDATED MINES SELECTION COMPANY, LTD. (ENG.), Secretaries.
Johannesburg, 6th April, 1922. Per J. H. GRATTON.

BALANCE SHEET at 31st December, 1921.

Dr.—	
To Capital—850,000 Shares of £1 each fully paid and issued	£850,000 0 0
Premium on Shares—As per Balance Sheet, 31st December, 1920	913,860 10 0
Funds Appropriated for Expenditure on Equipment and Development in excess of Working Capital provided	693,118 8 10
As per Balance Sheet, 31st December, 1920	£2,456,968 18 10
As at 31st December, 1921	180,000 0 0

Unexpended Balance of Capital Fund brought down...	29,885 8 2
Reserve for Reorganisation of Plant and Equipment	11,553 5 8
As per Balance Sheet, 31st December, 1920	20,505 8 2
Less—Expended during the year	8,952 2 11

Sundry Shareholders—Unpaid and Unclaimed Dividends	142,978 11 7
Government of the Union of South Africa	97,218 9 0
Taxation under Income Tax (Consolidation) Act 1917	43,050 0 0
Participation in Profits under Mineral Lease	24,168 9 0

Provincial Council of the Transvaal—Taxation under Provincial Gold Profits Tax Ordinance, 1918...	12,147 15 5
Sundry Creditors and Credit Balances	88,969 14 2
Balance of Appropriation Account	44,467 13 5
Contingent Liabilities—Shares and Interests in Other Concerns	£12,820 16 6
Machinery Orders and Construction Contracts outstanding	59,878 5 7
	£72,697 2 1
	£2,848,589 15 10

Cr.—	
By Property	£946,416 16 8
Shaft Sinking and Equipment, at cost (as per attached Schedule)	1,818,562 12 11
Development, as per Balance Sheet, 31st December, 1920	216,296 12 2
	£2,881,206 1 4
Shares and Interests in other concerns, at cost	17,458 4 9
Office Furniture	1,009 8 0
Live Stock and Vehicles	400 1 7
Stores and Materials—Standard Stock	27,000 0 0
	45,877 9 4
Unexpended Balance of Capital Fund carried down	29,885 8 2
	£2,848,589 15 10

Stores and Materials on Hand and in Transit in excess of Standard Stock	55,188 8 11
General	44,024 4 5
Construction	12,159 4 6

Victoria Falls and Transvaal Power Company, Limited, Compressor Account	10,592 8 5
Cost of Air Compressor Plant	26,337 0 10
Less Amortised to date	15,744 12 5

Sundry Debtors and Debit Balances	45,410 7 5
Cash—Deposits with Interest	70,180 18 8
Accrued (including £7,129 11s. with Bank für Handel und Industrie)	£201,329 11 0
At Bankers	1,924 5 0
	308,258 16 0

	279,484 12 8
	£2,848,589 15 10

F. R. LYNCH, Chairman,
W. J. O'BRIEN,
E. OPPENHEIMER, } Directors.

THE CONSOLIDATED MINES SELECTION COMPANY, LTD. (ENG.), Secretaries.
Per J. H. GRATTON.

To the Shareholders, Brakpan Mines, Limited.

We report that we have examined the above Balance Sheet with the Books and Vouchers of the Company, and the audited returns from the London Office, and certify it is in accordance therewith. We have obtained all the information and drawn up so as to exhibit a true and correct view of the Company's affairs, shown by the Books of the Company.

A. E. PAGE,
L. A. WHITELEY } Auditors.
(Incorporated Accountants).

Johannesburg, 31st March, 1922.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:
A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCIV.

SATURDAY, MAY 20, 1922

No. 4,108.

Andresens og Bergens Kreditbank A/S

(Foreningsbanken)
CHRISTIANIA & BERGEN

Capital and Reserve Fund - Kr. 112,000,000.00

LONDON AGENTS:

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Esc. 27,200,000

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8 " " Brazil.
6 " " India and China.

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Paris Office—8, Rue du Helder.
London Office—27a, Throgmorton street.

TABLE OF CONTENTS.

The Money Market	939	Letters to the Editor—	
Leading Articles—		Reparations	959
Reflections on Genoa	941	Books and Publications—	
Organisation of the French		A Chapter in the History	
Capital Market	942	of the League of Nations	959
The Direction of Overseas		Control of Public Utilities	959
Trade	943	American "Business"	960
Hard Times in the Coal		A Year-Book for Indus-	
Industry	944	trialists	960
Motor Manufacturing Com-		Books Received	960
panies	945	Stock Exchange News—	
Stock Exchange and Pre-		The Stock Markets	960
War Conditions	946	New Issues	961
The Growth of Employers'		Active Securities	962
Organisations	946	Company Meetings	1071
Notes of the Week—		Government Returns—	
Teachers' Pensions	947	Treasury Bills by Public	
Three Economy Com-		Tender	1079
mittees	948	Currency Notes Account..	1079
The Position in Anatolia..	948	Public Income & Expendi-	
The Civil War in China ..	949	ture	1079
Employment in April	949	Bankers' Gazette—	
Cost of Living	949	Bank of England	1080
Bleaching Charges Reduced	949	Clearing Returns	1081
Phoenix-London Guarantee		Overseas Bank Returns ..	1081
Fusion	950	Loan and Discount Rates	1082
Royal Insurance Company	950	Overseas Bank Rates	1083
Commercial Union Assur-		Rates of Exchange	1083
ance Company	950	Indian Treasury Bills ...	1083
The Sun Insurance Office	950	Bullion	1084
Fine Cotton Spinners	950	Imports & Exports of Gold	1084
Slubbers' Profits	951	Gold and Silver Prices....	1084
Babcock and Wilcox, Lim.	951	Company News—	
Anglo-Argentine Trams ..	951	Analysis of Balance-Sheets	962
Nestle & Anglo-Swiss Con-		Dividend Announcements.	1085
densed Milk Company..	951	Transvaal Gold Output	
Eagle Oil Transport	952	Statistics	1085
Rubber Plantations In-		Railway and Tramway	
vestment Trust	952	Traffic	1086
Minerals Separation and		Mining Outputs	1087
American Copper Pro-		Reports and Notices	1087
ducers	952	Profit and Loss Accounts..	1088
Rand Mines—Consolidated		Commercial Reports—	
Mines	953	Corn Trade	1088
Transvaal Output in April	953	Iron and Coal Trade	1089
Overseas Correspondence—		Wool Trade	1090
France	953	Cotton Trade	1090
Germany	955	Vegetable Oil and Oilseeds	1091
Spain	956	Hides and Leather Trades..	1091
Canada	957	Overseas Produce Markets	1091
Japan	958	Price Current	1092
New Zealand	958		

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Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's, 37 Avenue de l'Opera. New York: Economist Office, 20 Broad street (Room 1,709).

THE MONEY MARKET.

GENERAL complaints of stagnation in business are still rife in Lombard Street, and in other respects the position has been less comfortable. Owing to the reduction shown in the securities and deposits of the Bank of England money has been less plentiful, and balances at 1 per cent. over

the night were not so easy to find. Since the clearing banks still insist on $2\frac{1}{2}$ per cent. for weekly fixtures, the bill rate is well below this figure. The discount market was distinctly sensitive to the decrease in surplus cash, and the three months' rate was very steady at $2\frac{1}{8}$ per cent., in spite of extreme scarcity of bills.

	May 19, 1922.	May 12, 1922.	May 5, 1922.	Apr. 28, 1922.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	(Apr. 13, '22)
Banks Deposit Rate	2	2	2	2	(Apr. 13, '22)
Discount (Call)	2	2	2	2	(Apr. 13, '22)
Houses (Notice)	$2\frac{1}{8}$	$2\frac{1}{8}$	$2\frac{1}{8}$	$2\frac{1}{8}$	(Apr. 13, '22)
Market rate (3 months' bills) ..	$2\frac{1}{8}$	$2\frac{1}{8}$	$2\frac{1}{8}$	$2\frac{1}{8}$	..

The Bank return showed decreases of £8,000 in the stock of gold, and £520,000 in the circulation, and a consequent increase of £512,000 in the Reserve. Government and Other securities declined by £3,425,000 and £428,000 respectively, and there was an increase of £792,000 in the Public deposits, leaving the Other deposits over 4 millions lower. There was a reduction of £2,046,400 to £298,793,400 in currency notes outstanding in the return dated May 18th, which includes £1,624,400 for notes called in but not yet cancelled. The fiduciary issue is £249,219,000, or £60,769,400 below the maximum.

THE STOCK MARKETS.

Markets have not yet derived any benefit from the imminent restoration of pre-war conditions of dealings, but have, on the contrary, been in hesitating mood. The failure of the New South Wales $4\frac{1}{2}$ per cent. loan at 95 came as a damper to the Consol market, while disappointing developments at Genoa and temporary fears of a General Election were disturbing factors. The foreign market has been more active, but prices have given way. Home Rails fell back on profit taking after early buoyancy. In the miscellaneous section, banks have been firm, and Marconi's have advanced further, but otherwise few changes have occurred. Kaffirs have improved on the settlement of the question of ex-enemy held shares, and copper shares are better.

COMMODITY MARKETS.

Again an advance in raw cotton prices is to be recorded, fully middling American moving up to 12.15d per lb. In the cotton trade there was considerable activity at the beginning of the week, but towards the end business fell away, on account of the higher quotations for piece-goods. Although the market is not quite so active in the wool trade, there is no indication of any weakening of the recently increased prices. The home trade in pig-iron is still small, although export business is fairly active. There is no change in the steel position, orders being few and works only running part of their plants. In the coal industry, production showing a tendency to get slightly ahead of export demand caused a little falling away in prices, decreases of from 3d to 6d per ton being recorded. A quiet tone pervaded wheat markets, and quotations were easier. In the vegetable oil and oilseeds market conditions have been quiet, and prices are a little lower. In the hide and leather trade, hide prices advanced, and there is a better tone noticeable in the demand for leather. Conditions in the shoe trade are improving. Further details of markets and prices will be found in later columns from our special trade correspondents.

FOREIGN EXCHANGES.

With the indefinite ending of the Genoa Conference and the absence of any new features, the foreign exchange market has remained as dull as before—indeed, if that is possible, business has dwindled still further. The only feature that can give ground for any satisfaction has been the quiet and steady appreciation of sterling in New York from 4.44½ on the 12th to 4.45 yesterday morning, the result apparently, in part, of the confidence which is being shown in America in English conditions, and in part to the continued dullness of trade, which keeps the demand for dollars low. In the meantime, the forward rate for dollars has widened during the week from $\frac{1}{8}$ to $\frac{1}{4}$ cent per month over spot. A somewhat surprising feature has been

the further depreciation in marks during the last few days after a slight recovery earlier in the week, the rate yesterday morning standing at 1,330, as compared with 1,280 a week ago. The most obvious explanation is anxiety as to what may happen at the end of May with reference to the Reparation settlement, but lately there has until now been some reason to believe that a satisfactory arrangement was more probable than was expected a few weeks ago. Forward rates remain unchanged at one mark per month below spot. The Paris rate has also been affected by this new wave of depression, rising to 49.05 from 48.80 a week ago. The Brussels rate has also moved up, but not quite so rapidly as the French. Forward rates in Paris have widened from 1 to $1\frac{1}{2}$ centimes per month over spot, while in Brussels they have narrowed from 6 to 4 centimes below spot. The Italian rate has also moved upwards more rapidly than of late, from 84.48 to 86.50. Among the neutral quotations, Amsterdam has moved 2 cents. against us, while the Spanish rate is also rather lower. Switzerland, on the other hand, has moved in our favour, from 23.06 to 23.22. In Scandinavia, the Christiania rate has risen rather rapidly, but Stockholm and Copenhagen are practically unchanged. Helsingfors, which has shown little change, tends at the moment to be slightly higher, in spite of loan negotiations. In Central Europe, Warsaw is rather better at 17,900. The renewed depreciation, however, of the Austrian krone continues, the rate yesterday being 42,000, as compared with 38,500 a week ago. That this further weakness should take place at the same time as satisfactory negotiations for a loan are said to be taking place in London shows how serious the internal situation must be, and it is not easy to foresee the effect of the latest political crisis there. Prague, after going rather higher, has recovered again on the reports of a loan in London for the municipality of Prague. Belgrade, after its recent recovery, is moving up again. Budapest, Sofia, and Bucharest are fairly steady. Athens, however, continues to depreciate, and stands now at 107½. In the East the rupee, after being firmer, was quoted yesterday again at 1s 3½d, the same as the preceding week. The yen is again slightly cheaper. The silver market has strengthened rather sharply during the week, demand first from India and then from China calling out few supplies, Hong Kong at 2s 7½d and Shanghai at 3s 7d being respectively ½d and 1d higher than a week ago. In South America Buenos Ayres, after being dearer, is about the same again as last week at 44½d; Montevideo is rather dearer at 43½d. Rio at 7½d is ½d cheaper, but Valparaiso has moved down rapidly from \$39 to \$35.90.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended May 13, 1922:—

Receipts.	Min. £	Expenditure.	Min. £
From Revenue	11,964	Supply Services	6,500
		Interest on Debt	1,010
		Sundries	594
		Added to Exchequer balances ..	421
		Reduction of Debt	3,439
	11,964		11,964

Revenue came in during the week ended May 13, 1922, on a slightly larger scale than in the corresponding period of 1921. The chief revenue producing item was Customs at £4,025,000, which compares with £1,337,000 in the at £4,025,000, which compares with £1,337,000 in the preceding week, and £1,812,000 in week ended May 14, 1921. Excise yielded £1,904,000, against £1,589,000 in same week a year ago. Property and income-tax at £2,471,000 yielded much the same as the corresponding period. The expenditure during the week amounted to £8,104,482, or about half as much as a year ago. Supply Services at £6½ millions compares with £14 millions in same week a year ago, while interest, &c., on War Debt is £864,091 as against £2,037,680 in corresponding period.

The week's operations reduced the National Debt by the sum of £3,438,962, and caused the following changes:—

	Min. £		Min. £
National Savings Certificates ..	+ 100	Bank of England Advances ..	- 700
Treasury Bills	+ 6,754	Public Departments Advances ..	- 520
Sundries	+ 948	Surrenders of Bonds, &c.	- 110
	+ 6,902		- 1,330

The receipts from National Savings Certificates at £600,000 exceeded the sums repaid under this head by £100,000. The floating debt was reduced by £3,495,000 during the week, and now stands at £950,290,500.

FINANCIAL YEAR, 1922-23 (April 1 to May 13, 1922).

Total spent	£ 84,334,795	Raised by revenue ..	£ 99,272,800
Dec. in balances	7,395,664	Net repayments	22,333,669
Total	76,939,131	Total	76,939,131

ESTIMATES for YEAR 1922-23.

Ordinary Expenditure	£ 823,846,000	Ordinary Receipts ..	£ 820,775,000
Special Expenditure	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000
		Surplus	706,000

NATIONAL DEBT.

(Million £.)

	Apr. 1, 1914.	Mar. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.	May 13, 1922.
Funded Debt	588	318	318	315	315	315	315	315	315
Term Annuities	30	22	22	20	18	17	17	17	17
4½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	14	13	13	13	13	13	13	13
4½% War Stock	2,091	1,068	1,047	1,040	1,996	1,956	1,943	1,942	1,942
National War Bonds	649	1,636	1,503	1,476	1,413	1,201	1,201	1,201	1,201
4% Funding Loan	..	..	409	409	406	406	406	406	406
4% Victory Bonds	..	..	360	367	348	346	346	346	346
5-15 year Treas. Bonds ..	..	..	..	..	..	265	265	265	265
5% Treasury Bonds	..	..	..	..	..	24	24	24	24
Do by tender	..	..	..	..	..	..	..	..	..
Treasury Bills	15	961	957	1,107	1,107	1,121	1,060	882	771
Exchequer Bonds	30	392	384	323	319	289	218	194	174
Natnl Savings Certs.	..	138	227	267	274	285	294	324	344
War Expend. Certs.	..	23	..	..	..	..	..	..	..
Other Debt	..	944	1,241	1,306	1,181	1,132	1,097	1,090	1,085
American Loan	..	51	51	51	51	51	51	51	51
Temporary Advances	1	204	455	843	825	154	200	147	179
Other Capital Liabilities ..	654	5,872	7,435	8,033	7,829	7,574	7,748	7,658	7,634
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,799	7,708	7,684

POSITION OF THE FLOATING DEBT.

	Out.	May 14, '21.	Mar. 31, '22.	May 13, '22.	May 13, '22.
Temporary Advances	..	..	..	..	..
Advances by Bank of England ..	15,750,000	..	..	9,500,000	7,000,000
Advances by Public Departments ..	167,219,000	..	147,301,500	169,741,500	3,230,000
Treasury Bills outstanding	1,127,082,000	..	882,219,000	771,069,000	6,735,000
Total Floating Debt	1,310,051,000	..	1,029,520,500	950,290,500	3,495,000

REFLECTIONS ON GENOA.

As the chequered history of the Genoa Conference is drawing to its close, we venture to think that a very general, indeed possibly the predominant, feeling in this country will be that they are blessed who expect nothing, for they shall not be disappointed. But before the page is turned there are two questions which we should ask ourselves if we are to profit by the experience and turn its lessons to account. The first is why it happens that in a world in which the need of international co-operation is universally admitted to be necessary in the interests of all classes and peoples, a meeting of the nations has proved almost entirely barren of results, except for the Russo-German Treaty, which is, if anything, a retrograde step. The second is whether the currents of European policy have been modified by these events, and have made it necessary for us to revise our conception of the issues.

On the first point it is important to realise that, except in a small circle in personal touch with Mr Lloyd George, the powerful moral and economic forces of the world which are favourable to international co-operation have never been mobilised in favour of the Genoa idea. During recent years the world has had a very varied experience of international action and discussion, including conferences of politicians, business men, and experts of all kinds. In this sphere, as in that of understandings between individuals, recognition of community of interest is the only possible foundation on which to rear the will to co-operate, while the basis on which the parties meet must be an acceptable one. We need not here repeat at length the grounds for the scepticism with which the Genoa project was regarded—the apparent ignoring of the League of Nations, the only creation of the

Peace Conference which has enhanced its prestige in the international sphere; the lack of adequate preparation or arrangement for a joint secretariat, and the failure to remove the current misunderstandings between the conveners of the Conference. All these drawbacks were greatly enhanced when on the opening of the Conference the discredited methods of the Supreme Council were revised, and the Allies in the late war convened as a separate clique in European affairs, to the disgust of the neutral countries represented. This inevitably divided the delegations into separate camps—a result for which the Prime Minister's personality and habits on the one hand and French lack of broadminded statesmanship on the other are mainly responsible.

The moral, however, is not that we need despair of a rational solution of the troubles of Europe, but that we must modify our methods, and start afresh. Genoa's failure assuredly does not mean that our policy should be to withdraw into splendid isolation and leave Europe to find her own way out of her troubles. One third of our trade before the war was with the Continent of Europe, and we cannot hope to find elsewhere any substitute for so large a market, while, on the other hand, Europe's competition in the rest of the world is such that if no financial stability is restored, then world prices and world markets will remain in a state of uncertainty and demoralisation. This leads us to our second question, the answer to which is a matter of opinion and of judgment. But on reflection we think it may be said that while some features in the situation were brought into sharper relief, the general factors are less changed than at one time seemed probable. For example, the Russo-German Treaty in its economic aspects gives expression to the certainty that in the main the penetration of Russia by Western commerce will be carried out after the war as it was before the war—by German enterprise. At the same time, this treaty has not appreciably reduced the difficulties of Germans wishing to trade with Russia. The main importance of the Treaty is its psychological effect, and it is certainly true that its conclusion has tended to restore the self-confidence of German diplomacy in having launched out, not without diffidence, on an independent line. When the German delegates, however, return home we think they will realise that there is not much more in the Treaty than this questionable enhancement of their diplomatic prestige, and they will perforce have to bring back their attention to the old hard problems of reparations and internal financial difficulties. Nor is the situation of France so much modified as might appear at first sight. There has been very free criticism both in the British and Neutral Press on the attitude of France, but we are disposed to attach considerable importance to the fact that, distrusting Genoa profoundly, the French Government has nevertheless not broken away from the European conclave, and though relations between France and Britain have been strained to a dangerous extent, it is not the French Government but facts which are mainly responsible for the practical failure of the Conference. The French delegation goes back to face a Budget which must cause very serious reflection not only in France, but elsewhere. France has for the last three years avoided inflation, and has carried out a great deal of reconstruction by borrowed money, which she quite properly expects will one day be repaid by Germany. But the Budget for 1923, which is now before the Chamber, shows a deficit of four milliard francs on the ordinary Budget, apart from "recoverable expenses." The explanation of this is that the Finance Ministry no longer dares to charge the interest on its reconstruction loans to a hypothetical German payment. In short, the Finance Minister is asking the French nation to realise that, in any case, they will, for the present at all events, have themselves to bear some of the costs of reconstruction. This awkward fact cannot but lead to the further reflection that French military operations could not possibly hope to extract from Germany even the sums she has already spent on reconstruction, and that a settlement which will have behind it the world's financial opinion must at all costs be attained. Such a settlement will become less easy with every year that passes, and we are convinced that France's financial needs, apart from any other considerations, will turn her towards the path of international co-operation.

Finally, as regards America, we are glad to observe that the somewhat theatrical excitements of Genoa have not apparently modified the attitude of the Washington administration, and that though they are not willing to attend the Hague Conference which is to discuss further the Russian situation, they are prepared to continue such limited forms of co-operation that they have hitherto embarked upon. Speaking to the United States Chamber of Commerce, Mr Hoover, though observing that further Government loans to Europe are "the most unlikely event upon the economic earth," encouraged the hope that further assistance might be forthcoming from private enterprise, provided the following five conditions are fulfilled:—

First, such political relations between the States in Europe themselves as will produce an atmosphere of peace and destroy the atmosphere of war.

Second, a reduction of armament not only to lessen Government expenditure, but to give confidence of peace.

Third, Inter-Governmental debts, including German reparations, must be fixed upon such a definite basis of payment of principal and interest as will create reasonable confidence that the payments will be met.

Fourth, the balancing of Budgets more through the reduction of expenditure than through an increase in taxation and the cessation of the consequent inflation in currency and short-time bills.

Fifth, the ultimate establishment of the gold standard with the assistance of either credits or gold loans, and, where necessary, acceptance of diminished gold content in many old units of currency.

Mr Hoover further reminded his audience that since the Armistice America had extended Government and private loans to Europe amounting to four milliard dollars, and that another milliard dollars had been expended in charity. Meanwhile, Mr Morgan is on his way to Europe to take part in the Reparation Committees' discussions on the possibility of raising a German Reparation loan. He comes to this meeting not with any cut-and-dried schemes in his pouch, but with an open mind prepared to examine the facts in the light of the Hoover propositions. The Committee's deliberations will take time, but the presence of Mr Morgan and Dr Vissering will create an atmosphere in which an accommodation may be reached. This not unfriendly attitude of America, together with the underlying facts in Russia, in Germany, and in France are the considerations which lead us to believe that the essential factors are unchanged, and that there is much greater hopes of sane co-operation in Europe to-day than there was a year ago.

ORGANISATION OF THE FRENCH CAPITAL MARKET.

THE English financial system contains no exact counterpart to the French *Banques d'Affaires*. They combine some of the functions of the company promoter, the financial or trust company, and the issue house, but have very little in common with the deposit banks, from which they must in principle be clearly distinguished. It is true that they accept money on deposit, but these deposits are usually at notice, or, at any rate, on behalf of customers whose requirements are calculable in advance. For example, they receive on deposit money paid in on account of new issues, and profits of companies in which they are interested pending distribution as dividends. But this is a subsidiary part of their business. While the deposit banks derive their profits mainly from re-lending money received on deposit, and do not in the long run require any capital except as a guarantee, the *Banques d'Affaires* trade primarily with their own capital, and only incidentally perform banking operations. As a rule they possess no branches of their own, because their work does not bring them immediately into touch with the general public, but only with big financial and industrial companies, Governments and a more or less restricted group of capitalists. Their business is to create new enterprises, to furnish capital to companies which are in process of development or momentarily in difficulties, taking an interest in such companies by being represented on the Board of Directors, and to arrange for the flotation of new issues to the public as opportunity may offer. They advance capital and recover it by degrees by issuing it to the public.

While the distinction between the *Banques d'Affaires*, with their relatively large capital, their relatively small

deposits and bill holdings, and the deposit banks is in principle clear, it is in practice not always quite so clear. The most perfect example of the type is the Banque de Paris et des Pays Bas, and this is also the largest and the oldest *Banque d'Affaires*. The Banque de l'Union Parisienne is also primarily a *Banque d'Affaires*, but it is not quite so pure in type, because it has always taken care to develop its banking activities in order to insure for itself a stable minimum return. The Crédit Mobilier was also inclined, before the war, to pay more attention to banking functions than a pure *Banque d'Affaires*, and its financing work was on a smaller scale than those of the two banks already mentioned. Other banks which are, or rather were before the war, mainly *Banques d'Affaires*, are the Banque Française, the Crédit Français, and the Société Centrale des Banques de Province.

The development of these institutions before the war, the economic function which they performed and their methods of operation, together with their activities during the war, and the effects of the war upon them are all discussed in a book on the subject which has recently appeared from the pen of M.E. Baldy.* Among the most valuable chapters are two which describe in detail the ways in which businesses and States are financed, and the arrangements made for issuing securities to the public. In these chapters we catch a glimpse of the revolving wheels of that central machinery of the capital market, which is at once so powerful in influencing economic developments and so jealously hidden from the public gaze. We see the banks founding new companies, "taking an interest in" existing companies, "participating" in finance operations initiated by other banks, and forming syndicates or consortiums to take up loans to foreign Governments.

Syndicates, we are told, became general in the case of large operations at the beginning of the twentieth century; they serve the purpose of enabling the banks to share the risk of an issue failing, as well as to increase the number of channels through which securities find their way to the public. The syndicate may be either a *syndicat de prise ferme et de placement*, each member agreeing to take up one or more parts *syndicales*, or a *syndicat de garantie et de placement*, in which case the members only guarantee subscription without taking firm or paying for the securities. Or, again, it may be a *syndicat de simple prise ferme*, the object in this case being to found another syndicate which will take over the securities or guarantee and place them. When the syndicate is *à la Parisienne* any securities which are not taken up by the public are divided among the members of the syndicate in proportion to the extent of their participation in the syndicate, without taking into account the number of securities placed by each; when it is *à la Lyonnaise* the unsold balance is divided up in proportion to the amounts which the individual participants have failed to dispose of out of the aggregate for which they are responsible.

The author also deals fully with the methods of issuing securities to the public, which may take the form either (1) of offering the securities to public subscription, (2) of introducing them on the Bourse, or (3) of placing them over the counters of the big deposit banks with their numerous branches. For the purposes of this third method of issuing securities each *Banque d'Affaires* has established relations with a deposit bank. Thus the Banque de Paris et des Pays Bas works with the Société Générale (to a considerable extent since the war with the Crédit Lyonnais), and with the Banque Privé Lyon-Marseille, and the Union Parisienne works with the Comptoir National d'Escompte.

The outbreak of war in August, 1914, naturally hit the *Banques d'Affaires* hard. Their holdings of securities fell heavily in value, especially those which related to businesses in enemy countries and in the war area, and income was in many cases reduced. Very large sums had to be written off. The Banque de Paris et des Pays Bas came through remarkably well, thanks to its large reserves, which amounted to over 131 million francs. Over 59 million francs were written off. The Union Parisienne wrote off losses of about 20 million francs in 1915, and

* "Les Banques d'Affaires en France Depuis 1900." By Edmond Baldy. (Paris) Librairie Générale de Droit et de Jurisprudence, 1922. 25 francs.

further large losses consequent upon the disruption of Russia in 1918. The bank which was most seriously affected was the Crédit Française, a new institution with comparatively small reserves. A reorganisation had to be effected in 1919.

The effect of the war seems to have been to reduce the number of important *Banques d'Affaires* to four, viz.:—Banque de Paris et des Pays Bas, Banque de l'Union Parisienne, Crédit Mobilier, and Banque Française, the last a mixed bank. Since its reorganisation in 1919 the Crédit Française has ceased to be a *Banque d'Affaires*, and has become a deposit bank by the opening of a large number of branches. The Société Centrale des Banques de Province, which was originally founded to bring issue business to the provincial banks and act for them in Paris for certain kinds of unremunerative or not very remunerative work, has ceased to be their executive agent, and become one of the most important offices of the associated banks. Lastly, the Société Générale, following a pre-war policy, has increased its banking activities relatively to its financing work, and is now primarily a deposit bank.

To meet post-war requirements the capital of the *Banques d'Affaires* has been greatly increased, the aggregate capital and reserves of the four big banks reaching 858 million francs in 1921. They are pursuing an active policy both in the restoration and equipment of French industry and in the Colonies and abroad. It is significant that the Union Parisienne has acquired important interests in Czecho-Slovak, Hungarian and Polish metallurgical industries, and in a Hungarian bank. The author gives a considerable amount of information as to the nature of the post-war activities. On the whole, they appear to be pursuing a policy of industrial solidification, which is likely to break down the individualistic feeling which existed before the war. The author notes also that the banks are now working in much closer relation with industry than was formerly the case. Whereas the banks were before the war represented on the boards of industrial concerns in which they were interested, industrialists are now in addition represented on the boards of the *Banques d'Affaires*. He considers this to be an important improvement of organisation.

We think that the author is to be congratulated on giving to the public a most lucid and informative book on a subject about which it is peculiarly difficult to obtain information, and all who are interested in the working of the machinery of the French capital market would be well advised to read it.

THE DIRECTION OF OVERSEAS TRADE.

IN the first three months of 1922 the visible excess of imports of merchandise into the United Kingdom was phenomenally small, amounting to £18½ millions, as compared with £53 millions in the corresponding period of last year, £160 millions in the first three months of 1920, and £41½ millions in the first quarter of 1914. An analysis of the figures published in the April trade returns, giving the countries of origin and destination of imports and exports and re-exports, enables us to show in which directions this improvement in the adverse trade balance has been most conspicuous. By reclassifying to some extent the official statistics, we are able to compile the following table, which indicates how the visible balance of trade has been made up in the first quarter of each of the years named:—

named.

FIRST QUARTER. (Million £'s.)									
	1914.		1920.		1921.		1922.		
	Excess of		Excess of		Excess of		Excess of		
	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	
Europe	161	..	141.3	76.0	67.2	2.8	34.3	15.2	
U.S.A.	246	..	..	..	..	..	..	..	
Other foreign countries ..	..	7.3	22.9	..	..	4.2	2.7	..	
British Dominions	0.7	..	71.1	..	..	7.2	..	3.0	
Total	416	..	159.9	..	53.0	..	18.8	..	

Re-exports are included, and it will be seen that in the first three months of this year there has been a substantial growth in our net exports to the Continent as compared

with the same period of last year. At the same time, there has been a reduction of nearly 50 per cent. in our visible adverse balance with the United States, which cannot be fully accounted for by the drop in prices. If allowance be made for the fact that present prices are some 70 per cent. above the pre-war level, our present balance of trade with the United States compares quite favourably with the 1914 figure. There is a small import surplus in trade with other foreign countries; but the Dominions are, as a whole, debtors to us on merchandise account.

Turning to the figures for individual countries, we find that the growth in the surplus of exports to the Continent results not from any increase in our exports to Europe, for British exports thither have declined by some £8 millions, while re-exports are practically unchanged. But our imports for the quarter from the Continent declined by £17½ millions. These changes are set out fully in the following table, to the export side of which we have added re-exports in calculating the figures given above:—

JANUARY to MARCH (000's omitted).

	Imports From				Exports To			
	1914.	1920.	1921.	1922.	1914.	1920.	1921.	1922.
France	14,454	20,606	14,646	12,280	8,464	43,171	16,332	14,037
Italy	2,284	5,462	2,960	2,629	3,979	10,763	7,956	6,863
Switzerland	2,849	8,313	5,595	5,728	1,063	3,287	1,696	2,292
Spain	4,099	11,126	8,338	5,927	2,431	4,467	2,449	3,785
Portugal	811	2,784	1,723	1,581	1,498	3,917	2,340	1,815
Belgium	5,947	12,148	9,948	6,025	3,415	15,231	6,470	7,262
Germany	20,054	4,801	8,024	5,475	9,323	4,920	4,130	6,410
Austria	1,902	759	101	361	1,108	724	106	316
Hungary	346	1,369	707	728	1,033	3,583	1,709	1,114
Roumania	871	77	677	453	822	1,506	2,573	265
Turkey (European) ..	358	1,025	179	225	807	4,321	1,485	785
Russia	6,748	3,197	261	543	3,371	2,756	43	714
Sweden	2,430	9,063	5,292	3,328	1,804	9,773	2,850	1,263
Norway	1,868	5,134	3,574	2,644	1,718	7,647	4,172	3,564
Netherlands	6,871	5,514	8,774	8,055	1,586	9,856	2,857	5,655
Norway	6,760	10,643	13,065	9,960	1,840	14,639	12,756	12,180
Finland	..	..	1,193	879	..	..	397	247
Total	75,818	103,621	84,357	65,882	44,261	140,561	73,879	65,871

The decline in the import figures is general, apart from Switzerland and Italy. Moreover, in many cases imports are lower than in 1914, Scandinavia and Holland being noteworthy exceptions. The decline in the total as compared with 1914 is, however, mainly due to much smaller imports from Germany and Russia. On the export side, increases are shown for Switzerland, Belgium, and Germany in comparison with last year, but for the majority of countries a decrease is shown. It is a striking fact that our exports to Germany balance our imports, and that if we include Holland and Belgium, whose figures always include much German trade, exports are nearly £25 millions, against imports of £21 millions.

Imports from, and exports to, the United States and the principal countries outside Europe are given below:—

JANUARY to MARCH (000's omitted).

	Imports From				Exports To			
	1914.	1920.	1921.	1922.	1914.	1920.	1921.	1922.
United States	43,443	188,054	84,874	53,967	10,261	21,169	11,501	13,949
Cuba	960	4,683	458	2,206	488	1,120	877	976
Mexico	438	2,971	2,830	2,300	272	681	1,753	540
Argentina	8,337	28,533	20,040	13,743	5,209	7,959	10,233	6,079
Brazil	3,016	5,849	1,847	3,291	2,164	4,488	3,748	2,226
Chile	1,095	2,735	1,280	816	1,404	1,366	2,360	1,294
Peru	676	4,126	1,825	1,609	402	603	1,117	366
Uruguay	477	1,354	1,125	839	599	1,179	1,864	704
Japan	1,062	6,725	3,430	1,294	2,650	6,259	6,054	7,984
China	957	8,052	4,302	1,581	4,944	6,659	9,654	6,908
Turkey (Asia)	1,007	2,381	83	97	1,331	4,458	66	25
Other countries	2,861	3,944	7,034	7,135	6,729	6,539	9,131	4,922
Total	64,229	267,357	129,935	90,207	36,456	62,476	56,847	44,573

There has been a further substantial reduction in imports from the United States, the past quarter's figure of less than £54 millions comparing with £43½ millions in the first quarter of 1914, an excess which is more than accounted for by higher prices. Exports to the United States have grown since last year, but the value figures are less than 30 per cent. above 1914. The figures, however, fully account for the present comparatively high level of the New York exchange. Among other foreign countries, there is a conspicuous decline in imports from Argentina, but Brazil set us twice as much in value as in the same period of 1921. On the export side, South America shows decreases, but Japan took considerably more.

The next table relates to the Overseas Dominions :—
JANUARY to MARCH (000's omitted).

	Imports From				Exports To			
	1914.	1920.	1921.	1922.	1914.	1920.	1921.	1922.
Canada	4,854	14,905	11,054	8,903	4,954	7,668	5,913	5,973
Australia	12,406	28,655	25,647	15,013	9,384	9,092	15,466	15,510
New Zealand	6,745	13,427	13,314	12,002	2,373	4,012	5,677	3,978
India and Ceylon	12,368	36,522	18,966	14,739	20,015	36,699	37,238	26,185
South Africa	4,278	7,922	3,991	5,953	5,785	9,927	9,913	6,942
Egypt	7,428	37,151	6,850	9,494	2,582	8,154	4,954	3,963
West Africa	1,708	10,221	3,329	2,773	2,078	5,066	3,144	3,070
Straits Settlements	3,986	6,308	2,079	1,963	1,343	2,561	3,022	2,043
West Indies	500	2,090	1,431	621	602	969	1,329	733
Other Possessions	2,575	12,393	6,679	5,060	3,754	8,356	10,405	7,222
Total	56,848	169,594	93,340	76,521	52,870	92,507	97,061	75,619

Imports are lower than last year in all cases, except South Africa and Egypt, and on the export side, apart from slight increases for Canada and Australia, the decline is general. Two years ago, it will be noticed, there was a very heavy import surplus, especially in the case of Australasia, Canada, and Egypt. Equilibrium has now been restored in the case of Australia, but there is now a heavy favourable balance with India and Ceylon.

The final table gives re-exports to the principal foreign countries :—

RE-EXPORTS—JANUARY to MARCH.
(000's omitted.)

To—	1914.	1916.	1917.	1918.	1919.	1920.	1921.	1922.
France	3,155	3,616	4,878	4,336	6,679	15,982	2,359	5,409
Italy	269	1,335	1,392	1,048	1,065	1,863	461	430
Belgium	2,410	20	29	2	1,285	6,611	1,773	2,931
Germany	5,669	1,444	1,090	9	399	6,450	5,747	4,708
Russia	193	1,014	151	5	73	1,489	14	123
Sweden	150	435	575	207	269	1,194	406	276
Norway	128	836	572	5	738	1,119	265	351
Denmark	1,330	2,136	1,743	237	3,118	4,097	2,057	1,959
Netherlands	8,642	9,863	10,201	1,392	2,340	24,945	6,115	6,382
United States	53	97	67	239	307	716	236	118
Japan	1,871	1,779	1,693	484	820	4,350	3,764	2,085
Other countries	26,052	22,580	22,391	7,886	17,300	69,041	23,364	24,872
Total for foreign countries	5,310	3,591	2,602	1,236	1,329	6,059	3,494	3,914
British possessions	29,362	26,171	24,993	9,122	18,629	75,100	26,848	28,786

These figures call for little comment. They show considerable fluctuation for the past three years, but appear to be returning to the normal distribution as shown by the 1914 figures.

HARD TIMES IN THE COAL INDUSTRY.

At this date last year the country was in the middle of the worst stoppage in the coal industry from which it has ever suffered. At the close, after three months of loss, an agreement between miners and mine-owners was made, which was in some respects a model. It provided for a square deal in the future with all cards face upwards on the table. The miners were guaranteed a minimum wage, a standard rate of profit was allowed to the coal-owners, and the surplus earned by the coal mines over and above these minima in wages and profits became divisible as to 83 per cent. in wages and 17 per cent. in profits. The accounts of the mine-owners were to be open to the inspection and criticism of the Miners' Federation, so that the men had the assurance that they would certainly get everything to which the agreement entitled them. This agreement, in principle so good, has in practice worked out very badly, not because of any inherent defects, but because there has been not enough money earned by the industry as a whole to pay the minimum rates of wages and to meet the standard rates of profit of the owners. The men have worked exceedingly well, the output has improved surprisingly, but in some of the most important coal areas—especially those dealing with export markets and ships' bunkers—the miners are down to the hard minimum in wages, the standard profits are not available for the owners, and the co-operative clauses of the agreement have had no opportunity of coming into operation. This is most unfortunate, seeing that three months' notice to terminate the agreement may be given at the end of September next, and the agreement itself may expire at the close of December. So far it has not had a chance of proving its merits.

There is no industry in the country concerning whose working we have more detailed figures than that of coal mining. Returns are collected from all areas by the Department of Mines, and the results classified and

analysed. From particulars concerning the first three months of the current year issued by the Department, we learn that in every district the output of coal during the first quarter of 1922 was greater than during the last quarter of 1921. In comparison with the first quarter of 1921 there has been a still larger increase, although there were then 141,000 more wage-earners on the colliery books. The men have during the first quarter of this year been turning out over 19 cwt of coal per man per seven-hour shift, a rate of production which is nearly up to that of 1913, when the daily working shift extended to eight hours. During the bad period of Government control after the war the output per man per shift fell as low as 12 or 13 cwt. There has been a steady increase in the number of days worked, chiefly due to better transport facilities and more active trade. With the higher output and less waste of time there has come a great improvement in the amount of coal exported, though the prices at which the exported coal has been sold has meant hard work and low pay for the coal miners, and hard work without profits for most of the coal-owners.

The recovery of the export markets by resolute price-cutting has been a picturesque feature of recent coal mining history. The coal shipments from our ports during the first three months of this year were equal to 80 per cent. of those during the first three months of 1913, a year of exceptional trade activity. The figures were 17.6 million tons in 1922, including bunker coal for foreign voyages, against 22 million tons in 1913. The coal exports of January-March of the present year were 2.3 million tons more than in the previous quarter, and twice as much as was exported during the first quarter of 1921. We have recovered those export coal markets which not so very long ago appeared to have been lost. The amount exported left available for home consumption in the first quarter of this year 42½ million tons, against 48½ million tons in the first quarter of 1913. This large available home supply at a time of depressed trade has caused prices to fall slowly—though by less than one might have expected—while the export prices have in the last month or so tended to harden. The analysis of the coal exports made by the Mining Department is specially interesting. Europe and the Mediterranean naturally took less from us than in the palmy days of 1913, but Asia, Africa, North and Central America took more. France, Belgium, and Italy were still our best customers, as in 1913, but South America showed a considerable falling off. The amount taken for foreign bunkers was 4.4 million tons, only half a million tons less than was taken during the active shipping year of 1913.

It is when we come to export prices and to wages that the picture of the industry reveals its ragged back. The average value of coal exported, which amounted to 24s 11d per ton, f.o.b., in December last, had fallen to 22s 2d in February. Since the end of last year the wages of all classes of workpeople have been reduced, on the average from 9d to 1s per man per shift. The reduction in wages since March of last year has been approximately 7s per man per shift—which at 5½ shifts a week means a cut of 38s 6d a week per man. In South Wales and Monmouth colliers are not now earning more than 8s 10d per shift of seven hours—say, 48s 7d per week at the outside. The average wage for the workmen, other than colliers, in South Wales is nearer 40s a week. In Derbyshire, where the coal is highly priced, the wages are nearly twice those paid in South Wales, but there are few districts now in which the minimum level under the agreement have not been reached. And the minimum is very small indeed.

Let us take, for example, the great exporting area of South Wales. There are 51,500 fewer workmen employed now than at the beginning of last year. Those who are in work remain loaded up with debts to tradesmen, and others incurred during the disastrous three months of the coal stoppage. Their wages are at the bedrock minimum, which means an average increase on the pre-war wage of 35 to 85 per cent. The men are working as hard as they did before the war, for they are turning out very nearly as much coal in seven hours as was then turned out in eight hours. And yet, though the men are working so well and being paid so badly, there is little, if any, profit for the mine-owners. Although many markets have been regained the industry is not at its full productive

capacity. Overhead charges have to be met, timber and repairs provided, and there are heavy freight rates between collieries and the sides of ships. The men are doing their best, and we do not doubt that the colliery owners are also doing their best, but there must be a considerable extension of the export markets and some advance in prices f.o.b. before the wages paid can rise above that wretched minimum. The agreement was on sound lines, and one may hope that it will remain in force to justify itself, but for the present the industry is suffering severely from financial drought—there is not enough money coming in to go round.

MOTOR MANUFACTURING COMPANIES.

THE British motor-car manufacturing industry is now, and has been for the last few years, in a somewhat anomalous position. For while it is almost universally admitted that British motor-car engineering is equal to, if not better than, that of most other countries, there appears to be something lacking in the present methods of management and control, which produces adverse financial results in a considerable number of cases.

Since the Armistice one misfortune after another has befallen the industry. The change over of factories from war-time to peace-time conditions was apparently not accomplished with the rapidity which was thought possible. Motor-car production for 1919 was negligible. Meanwhile, the flotation and failure of many undertakings, which made obviously reckless promises of early delivery and big profits, accentuated matters by creating a spirit of distrust amongst motor-car buyers. This was followed by the disastrous moulders' strike, and later a strike of coachbuilders, which retarded output during 1920, and in spite of the tariff, which was welcomed by so many in the industry, buyers turned their attention to foreign cars in a way which is strikingly revealed by the figures given below :—

IMPORTS and EXPORTS of MOTOR CARS and PARTS.

	Total Imports.	British Exports.	Total Exports.
1913.....	4,853,360	3,649,891	4,269,702
1920.....	23,447,340	8,398,126	8,757,288
1921.....	5,832,124	4,563,571	5,615,067

But these figures are the more significant when it is considered that in 1920 we imported from the United States £16½ millions of motor-cars, motor-cycles and parts out of total imports of these goods amounting to under £24 millions. And this, be it remembered, was at a time when not only had the tariff to be reckoned with, but the unfavourable rate of exchange as well taken into consideration. Makers of commercial cars were, of course, not protected by the tariff, and, in addition, were adversely affected by sales of Government motor lorries which flooded markets.

Immediately after the war various attempts were made to compete with the peculiar type of American motor-car which invaded markets both at home and abroad. Harper Bean and Austin developments were a move in this direction, but whatever may be said in favour of the models produced, the fact remains that financially the schemes were not successful. In some quarters it is contended that the industry suffers from want of outside financial assistance. This is probably true, as no doubt a perusal of some balance-sheets may have unfavourably influenced financiers and the investing public.

In the table given below we select a few companies which are bravely struggling against adverse circumstances :—

	Loans.		Creditors and Deposits.		Stocks of Cars, Parts, and Material.		Debtors.	
	1919-20.	1920-21.	1919-20.	1920-21.	1919-20.	1920-21.	1919-20.	1920-21.
Belsize	146,677	...	395,987	510,418	676,553	581,705	88,148	259,615
Crossleys	45,559	206,451	220,061	152,830	220,794	208,797	53,907	31,999
Cubitts	193,000	34,000	150,411	152,108	801,401	676,309	30,512	107,994
Napier	52,467	9,772	144,498	105,741	328,053	191,746	50,069	30,545
Swift	105,811	125,306	160,983	126,054	522,700	258,453	84,769	97,508
Vauxhall	288,806	315,735	85,770	30,912	313,448	231,656	124,511	20,222

While it is a matter for satisfaction to note reduction of loans in some of these, it must not be overlooked that

several companies have increased their borrowings. Further, though loans may have been decreased, other liabilities may have taken their place. It would, perhaps, be more informative if companies showed deposits received on new cars apart from other creditors; but it is only natural that these figures should be generally lower and reflect the passing of the boom. Decreased stocks, it is to be hoped, represent sums written off for depreciation, while the decline in debts owing to companies must be taken into consideration with other items in the table. The Belsize Company has not been able to issue its balance-sheet in time for our review, owing to unsettled claims for refund of excess profits duty and payments on account of depreciation of stock value under the Finance Act of 1921. Although the Crossleys undertaking shows no loans outstanding in its accounts, owing to the adverse year experienced, it has been placed in the above table. The Wrigley company, though only making motor-car parts, has been included in our list to illustrate the support afforded to the industry by banks. As against available assets of this company, according to its last balance-sheet, amounting to £631,057, of which but £119,999 represented freehold land and buildings, Lloyds Bank is recorded as having an amount due to it of £293,535.

In the following table a group of motor-car manufacturing companies, representative of the industry, has been selected. Profits or losses are shown and compared with the results of a year ago, and profits distributed in 1920-21 are analysed :—

Company.	Net Profits, 1919-20.	Net Profits, 1920-21.	Preference Dividend.	Ordinary Dividend.	Reserve, Depreciation, &c.	Inc. or Dec. Carried Forward.
B'ham Small Arms	£466,152	Dr 469,168	£21,834	..	..	..
Crossleys	35,643	Dr 234,965	..	..	..	..
Cubitts	23,026	Dr 63,609	..	..	..	..
Dennis Bros	121,697	79,267	..	65,107	10,818	+
Humber	118,072	(b)114,050	(b)19,890	(b)29,288	(b)80,051	—
Napier	Dr 69,641	79,099	22,500	..	..	56,599
Rolls-Royce	202,835	107,326	..	64,590	41,921	+
Rover	187,340	139,907	..	73,500	57,587	+
Swift	325,893	167,395	..	132,902	16,013	+
Vauxhall	(c)Dr78,549	Dr 37,735	..	..	14,913	..
	48,451	Dr 221,759	..	..	..	..

(a) 18 months ended January 31, 1921. (b) August 8, 1920, to August 31, 1921.
(c) 17 months ended December 31, 1920.

On account of the differences of opinion existing as to what is an adequate sum for depreciation, we have shown where possible profits before amounts for depreciation have been deducted. Birmingham Small Arms and Napier, however, do not reveal the specific sums allocated for depreciation. It is difficult to estimate what part profits from motor-car production play in the Birmingham Small Arms returns. Humber, Dennis, Rolls-Royce, and Rover, though showing declines, can usually be relied upon to show profitable results. Napier's profits are possibly in the nature of a pleasant surprise to many shareholders, although, perhaps, not altogether disconnected with the success of its new model.

The next table shows important assets, paid-up share capital, and profits compared with these items :—

ASSETS, SHARE CAPITAL and PROFITS COMPARED.

Company.	Property and Plant.	Cash and Investments.	Total Assets.	Paid-up Share Capital.	Profits.	Percentage Capital Earning Power.
	1920-21.	1920-21.	1920-21.	1920-21.	1920-21.	1920-21.
Birmingham Small Arms	£3,199,885	4,414,452	8,964,174	3,368,902	loss on yr	..
Crossleys	155,077	372,942	1,597,797	1,100,949	loss on yr	..
Cubitts	481,029	6,287	834,567	475,286	loss on yr	..
Dennis Bros	96,187	297,105	713,434	500,825	79,267	15.8
Humber	297,727	163,544	1,282,393	624,376	114,050	18.2
Napier	480,971	159,686	1,348,801	846,000	79,099	9.3
Rolls-Royce	666,751	439,191	1,582,874	1,050,000	139,907	13.3
Rover	58,650	3,950,134	4,008,784	3,223,408	167,395	5.1
S. T. D.	246,112	1,850	729,594	300,000	loss on yr	..
Swift	709,741	90,571	1,329,649	600,000	loss on yr	..
Vauxhall	..	..	..	..	..	..

Humber heads the list with 18.2 per cent. earned on its paid-up share capital, followed by Dennis Brothers, Rover, and Rolls-Royce. It is, however, somewhat difficult to give an exact comparison of earning power on share capital. It is possible that the Rover percentage should be higher, as, before showing profits recorded above, £58,324 has been deducted for "maintenance and depreciation of plant, &c." S.T.D.—a fusion of the Darracq, Talbot, and Sunbeam companies—is mainly a shareholding and financing company, and, in conse-

quence, little definite information is offered about the actual manufacturing undertakings comprised.

Our final table shows price fluctuations in shares of these companies over a period of years:—

	Year 1913.		Year 1919.		Year 1920.		Year 1921.		Price End of 1920.	Price May 10, 1922.
	H'st.	L'st.	H'st.	L'st.	H'st.	L'st.	H'st.	L'st.		
Belsize Motors, £1...	1 1/2	1 1/4	2 1/2	2 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Birm. Small Arms, £1	2 1/2	2 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Crossley, £1...	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Cubitts Cam. Prof., £1	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Dennis Brothers, £1...	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Humber, £1...	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
D. Napier, £1...	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Rolls-Royce, £1...	2 1/2	2 1/4	2 1/2	2 1/4	2 1/2	2 1/4	2 1/2	2 1/4	2 1/2	2 1/2
Rover, £1...	3 1/2	3 1/4	3 1/2	3 1/4	3 1/2	3 1/4	3 1/2	3 1/4	3 1/2	3 1/2
S. T. D. Motors, £1...	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Vauxhall Motors, £1...	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Wrigley (B. G.), £1...	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2

It is rather a dismal record, the only shares in the list standing at a premium being Dennis Brothers, Rolls-Royce, and Rovers, three undertakings with excellent records and healthy balance-sheets.

Future prospects are, however, really much better than the actual figures given in our tables would suggest. British motor-cars are in service throughout the world, and usually elicit high praise. New and successful models are being continuously produced, and on the engineering side there is little to be desired. That a big demand for these productions at reasonable prices exists is beyond a doubt. Once finances are put on a sound basis and under efficient control, there is no reason why this industry should not show substantial profits and enjoy the fullest confidence of investors.

STOCK EXCHANGE AND PRE-WAR CONDITIONS.

(BY A STOCK EXCHANGE CORRESPONDENT.)

THE Stock Exchange reverts on Monday to most of the pre-war practices in regard to hours of business, bi-monthly settlements, contangoes, Clearing-House, and the various sequelæ which arise therefrom. Business on Monday will no longer be on a cash basis except in the Consol market. Members will be dealing for the end-May account; for the settlement, that is, on Thursday, June 1st. The previous Monday will be Mining Contango Day, the General Contango Day and Ticket days following in order. Some brokers have already notified their clients that it is not their intention to undertake contango business. Others are adopting an attitude more non-committal, preferring to wait upon the course of events, while they acknowledge that in some cases it will probably be found necessary to defer to circumstances that may arise. From the point of view of the public, the reinstitution of bi-monthly settlements is to the good in making for that freedom of markets to which reference has been made many times in these columns. The Stock Exchange will no longer be tied to a nominal necessity for taking up or delivering shares within five days of the date of the bargain. Jobbers will have more scope for buying back shares which they sell, and of selling such as they buy. There is all the difference between a fortnight and five days in this connection, and most men in the House appreciate the extra flexibility which the bi-monthly settlement system gives to markets as a whole. These may be early days in which to prophesy the result of the reversion to pre-war practice, but the Stock Exchange has shown itself in the past so adaptable to all kinds of conditions that no great prescience is needed to assume that, within a very short time, markets will have settled down to the old system with as much facility as they showed when cash dealings were introduced. That a fresh element of risk is conveyed into Stock Exchange dealings by reason of the restoration of the contango system is obvious enough. The Committee frankly admit there were objections to the proposal that margin should be required from clients, and that after careful examination of all points of view they have decided to pass the new rules, and to repeal the temporary regulations, which were dealt with here early in April. All through the period during which cash dealings have been in force, markets have been handicapped by the absence of any kind of bear account. A bear position does undoubtedly constitute a buttress, which serves a useful purpose at a time when ordinary buyers

are scarce. It helps to break the force of falling markets, and it renders dealings considerably freer than is otherwise the case.

The changing-over process will be accompanied by a certain awkwardness at the start, but less than a month will see the Stock Exchange working smoothly under its new-old state. Clients will know that they are no longer required to send their cheques until a specified pay-day; they will no longer feel a natural—and too frequently justifiable—exasperation at finding themselves kept out for ten days or more of money realised by sales of stock for “cash.” An increase of speculative business appears to be an inevitable consequence. If a man, buying speculative shares, knows that he will not be called upon to put down any cash for a fortnight or so, he will be tempted to take larger risks than under the present system. This will mean bigger lines of stock being opened, and, when the settlement comes round, if that stock has not risen in price, the buyer will infallibly want to carry over part, if not all, of his commitments. Profitable employment of money cannot fail to make appeal to those who remember how, in pre-war days, they were able to add handsomely to their incomes by taking in stock. We are certainly not advocating speculation through the easy medium of contangoes; all we desire to point out is the practical certainty that Stock Exchange markets will drift almost unconsciously into the pre-war practices, however stiff may be the upper lip maintained by those who decline to engage in this branch of the business. Without the ready aid of the banks a curb will be placed upon enterprise of the contango order, and the banks' attitude is said to be somewhat passive on this point at present. Here again, however, circumstances may do much to dictate the course of events. The Stock Exchange has taken a bold step in throwing open the door to freedom of business. It is for the sound sense of members to disprove the apprehensions that are bound to present themselves as a consequence of this throw-back to pre-war conditions that will come into force on Monday.

THE GROWTH OF EMPLOYERS' ORGANISATIONS.

(FROM A CORRESPONDENT.)

MODERN industrialism, in its origins almost fiercely individualistic, has given in recent years increasing recognition to the rival principle of association. In the first place, the impulse to organisation was given by the employees' insistence on collective bargaining, for the men in combination were stronger than the employer in isolation. In time, the individualistic predilections of the manufacturers yielded to the logic of events, and a hierarchy of masters' organisations to-day confronts a similar, but better developed, hierarchy of organisation on the men's side. The pace in this direction has been made by the men, and there are still many industries in which the men are more completely organised than the masters. But although the origin of this type of employers' organisation was rooted in the desire to meet labour on equal terms, it would be an unpardonable error to regard them as merely, or even essentially, fighting bodies. Indeed, evidence is being multiplied that strong and well-established organisations of masters and of men may provide the surest basis for industrial peace. The progress of conciliation in the textile and in the iron and steel industries must be set in the balance against recent labour troubles in the mines and on the railways, in which industries there has hitherto been a much less marked disposition to conciliation, and in the engineering trades, where there is adequate machinery for conciliation, but a great deal of mutual misunderstanding to be overcome. The conditions of modern industrialism render impossible close personal touch between employer and employee; so, in the industrial, as in the political sphere, the facts of the case dictate recourse to the representative principle; and from the regular intercourse of leading industrialists with leaders of labour there is a good chance of mutual understanding, since both sides are presumably represented by able, and therefore reasonable, men. A difficulty that is frequently felt in this direction is that in the trades unions the type of mind that is successful in welding together the lodges—a task which for success requires

an “agitator”—is seldom the type of mind that is successful in sober negotiation. The ideal labour leader is at once strong and sober in negotiation, and sufficiently “advanced” in lodge meetings to keep his men together.

The second of the primary forces impelling employers to association has been State interference with industry. This interference was conducted before the war by legislation and administrative decree, and was mainly mediatory in character. During the war the State in many cases assumed direct control, and, furthermore, it became almost the sole customer for the products of many industries, either because of the necessity of converting all the engineering industries to the production of engines of destruction, or because circumstances demanded a complete national scheme of co-operation in purchase and distribution of necessities. The earlier and more normal intervention of the State in industrial questions made it necessary for employers to organise to prevent the possible infringement of their legitimate interests by well-meaning but ill-informed legislation. During the war Departments of State, such as the Ministry of Munitions, found it easier to deal with industries which were organised than with individual manufacturers. The movement towards association, which for many years had alternately flourished and languished underground, was brought to the light of day and encouraged by the Government, and in particular by Mr Lloyd George, who, when reproached on the score that he consulted labour more frequently than capital, retorted that the industrialists were not organised in any body with which he could consult. The rationing of raw materials, the pooling of knowledge, the regulation of prices and the collapse of competition—all urged manufacturers along the path of association.

The third factor in promoting trade associations was the growing realisations that certain forms of competition were not merely injurious to manufacturers themselves, but socially wasteful. Price-fixing arrangements were becoming increasingly common before the war. For the manufacturer they meant security against that type of cut-throat competition arising from sales of a product below its economic price by a firm which was financially embarrassed, or which hoped by this means to filch customers from its competitors. In some cases consumers also welcomed these arrangements for the stability of price which they ensured, and the healthy competition in quality which they engendered, a type of competition which has done more than any other to secure British manufacturing supremacy throughout the world, and which is lost to the customer when price competition is the only or predominant factor.

During the war the Government itself fixed prices, and the fact that these were maximum and not minimum prices was of little practical importance. Sections of trade, previously accustomed to a competitive price level, were introduced to one fixed by external authority; and thus the process from competition to combination was hastened in respect to prices. On the general merits of the development little can be said here, since there is no such general agreement as would justify a brief handling of the topic. It is sufficient to note that, as a matter of fact, such associations come into being usually at a time of great depression and financial embarrassment in an industry, that they flourish during periods of prosperity, but tend to disintegrate on a falling market, when the fight to live makes the “association price” an irksome bar to selling; and that when conducted with ability and moderation they may serve the interests of the consumer as well as those of the manufacturer.

These different forces have produced different types of associations. At present industrial organisation on the employers' side is strongly reminiscent of local government in the middle of last century, when the country was covered with a network of *ad hoc* authorities. Broadly speaking, the labour organisation is distinct from the commercial, and there is usually a separate body which deals with Parliamentary matters and other subjects of general interest, such as transport.

The war brought development not so much in the number of existing associations or federations as in the range of their activities. It is true that there were notable war-time creations, such as the Federation of British

Industries and the National Federation of Iron and Steel Manufacturers; but it is still more true that many an organisation which had for years been leading an unobtrusive but useful existence enlarged the scope of its activities during these years, and came more into the open—e.g., by giving evidence before Government Committees, by tendering advice to Ministers, and by acting as the focus of action against repressive Departments. Wages organisations and price associations have both been worked hard owing to the enormous fluctuations in the price levels and the often unnecessary interference by the Government in wages problems, no better example of which can be given than the famous “Churchill 12½ per cent.” The Committee on Trusts and the Anti-Profiteering Committees both investigated the existence and the nature of price associations. The organisations devoted to furthering the interests of their particular industry as a whole courted publicity on the topics which affected these industries. They are now doing a good deal of intelligence work for their members, and publicity work through the Press.

The Government based its scheme for Whitley Councils upon the existence of organisations on the side of capital as well as of labour; and when the Industrial Conference met early in 1919 it seemed that the coping-stone was to be set to the industrial organisation of the country in the shape of something resembling an industrial Parliament. Subsequent history has shown that more ground was gained during the war than could well be consolidated. Most of the large federations are now less ambitious as regards the scope of their activities than they were three years ago; some may disappear, and others sink again into obscurity. There is a certain reaction towards individualism, a tendency to grudge the time and money spent on conferences, a desire simply to *cultiver son jardin*. But the continued activity of the State in the industrial sphere, the constant grinding out of new legislative proposals, and the revolutionary changes which are taking place in railway transport make federations, so far as the great industries of the country are concerned, not a luxury but a necessity. The employers cannot risk the repetition by a Labour Government of Mr Lloyd George's taunt that they are unorganised.

Employers' organisation in this country has thus been built up somewhat haphazardly, not on any preconceived design, but to meet the actual needs of the situation. In politics a similar development has given us a constitution which other lands have sought to imitate; in the industrial sphere the result may well be the same. At present the organisation is neither founded on logic nor possessed of symmetry; but it *works*, and it is adaptable to new needs. The industrial revolution of the nineteenth century was one of production; that of the twentieth century will be one of organisation. Already we have reached a stage at which, in the words of Mr Delisle Burns, we find “the organised economic community to be neither the State alone nor the non-governmental organisation of industry, but a unique complex of these two.”

Notes of the Week.

Teachers' Pensions.—The Geddes Committee recommended economies of £18,000,000 in education expenditure. The Government adopted the suggestion so far as to secure a projected saving of £6,000,000, of which about £3,000,000 had been arranged for before the Geddes Committee's investigation. On Tuesday Mr Fisher moved the second reading of the School Teachers (Superannuation) Bill, under which savings of £2,300,000 were proposed, through making Teachers' Pension Schemes contributory instead of non-contributory as at present, but a motion for the adjournment was successfully moved, and the Government suffered a defeat by three votes under circumstances which, rightly or wrongly, would in pre-war days probably have caused the resignation of the Government of the day. For the vote was very far from being a snap division on a matter of small importance. Roughly the question at issue was this. In 1918, following the recommendations of the Burnham Committee, teachers received largely increased scales of

salary and a pensions scheme on a non-contributory basis. The salary scales were due to come up for revision in 1925. There has been, Mr Fisher stated, a rise since then of 150 per cent. in salary expenditure, while the ultimate cost of the pension scheme will be £9,500,000 per annum. The Government, realising that this bargain is under present financial conditions an onerous one for the taxpayer, proposed to recoup themselves to the extent of £2,300,000 per annum by making teachers coming under the pension scheme contribute 5 per cent. of their salaries. So far as teachers who come under the pension scheme are concerned the proposal is tantamount to a 5 per cent. reduction in salary. By defeating the Government the House of Commons in effect pronounced that to take this step before 1925 was a breach of faith with the teachers. The Government have swallowed the defeat and appointed a committee to investigate the question whether the Bill would constitute a breach of any pledge or undertaking given to the teachers. Meanwhile the Bill is suspended. The main question is, can the Government and the House of Commons properly plead a radical change in economic circumstances as justification for revising a bargain which still has three years to run? By its vote on Tuesday the House of Commons answered in the negative. Considering the form in which the question was brought before them, it is difficult to see how they could have properly answered otherwise. The whole affair is a serious blow to Government prestige. In the first place, the new salary scales should have been made subject to review at an earlier date, or else made in some measure dependent upon price movements. The only chance of straightforward escape from the effects of this blunder open to the Government was to go frankly to the teachers and claim that the complete change in financial and economic conditions made it necessary in the interests of the country that revision should take place earlier than had been arranged. Negotiations might have produced a compromise, and had they failed the Government would at least have come before the House of Commons the stronger for having tried to do the right thing. But the method of Mr Fisher's Bill is not honest or straightforward. The Minister of Education did not strengthen his position by trying to play the rôle of Mr Spenlow to the Mr Jorkins of the Local Authorities, whose direct servants the teachers are. Attempts on these lines to shuffle out of responsibility are unworthy and unconvincing, while the contention that to levy pension contributions is quite a different thing to reducing salaries—supported only by the thin plea that not all teachers will be entitled to pensions, and therefore some will not be subject to the levy—is no better than a disingenuous quibble. The whole affair provides another example of the now familiar procedure under which the Government first commits a blunder, and then, when the blunder becomes too obvious, seeks to retrace its steps by indefensible methods. The teachers' profession is of vital importance to the nation. It was most inadequately paid in past years. An increase in emolument was long overdue, and we welcome its arrival. But in these hard times the Government unfortunately cannot afford to put even the teachers in a position which contrasts too favourably with that of other public servants. That melancholy financial fact, however, in no way absolves the Government from the primary duty of frank and straightforward dealing with one of the most important sections of those who serve the community.

Three Economy Committees.—In reply to a question in the House of Commons on Monday, Mr Chamberlain announced that three Committees were being appointed to investigate the three following questions:—

- (1) The practicability of a Ministry of Defence as recommended by the Geddes Committee.
- (2) The amalgamation and co-ordination of services common to the various fighting forces.
- (3) The feasibility of introducing a system of making lump sum instead of percentage grants to local authorities.

Two days later Mr Chamberlain announced the personnel of Committee 2, which includes Sir Alfred Mond and Lord Weir. It would seem that the investiga-

tions of the first two Committees will overlap at some points. The third Committee has a very important field for investigation, for percentage grants amount to about £60 millions per annum. The Geddes Committee indicted the system in the following terms (first Report, page 105):—"The vice of the percentage system is that the local authority, which alone can really practise economy in these services, loses much of its incentive to reduce expenditure, especially when the larger proportion is paid by the taxpayer through the Exchequer. The deciding voice as to what money shall be spent is not that of the Government or the House of Commons, but that of the local authorities.....The weakness of divided responsibility is manifest throughout." The Geddes Committee considered "that the percentage grant should be abandoned in the interests of economy, and be replaced by fixed grants or by grants based on some definite unit." In their opinion the change would increase the incentive to local authorities to economise, and enable staff economies to be made at headquarters.

The Position in Anatolia.—The 15th of this month was the third anniversary of the original landing of Greek troops at Smyrna, and Mr Chamberlain chose this day to expose in the House of Commons the latest instalment of the story of murder, misery, and destruction which has since developed. No impartial observer will try to make out that Major Yowell's statements are incredible, or even unlikely, in the present condition of Anatolia, nor will he censure the Government for giving them publicity in this dramatic way, if such action could conceivably bring the atrocities to an end, or even check them. But a two-fold indictment lies against the Eastern policy of the present British Government. In the first place, they must shoulder a large share of responsibility for the present situation in Anatolia. Secondly, they have been wanting in impartiality in their attitude towards the respective misdeemeanours of the Greeks and the Turks in this war for which Western statesmanship is chiefly responsible. The first charge is the principal one. As a result of the armistice, signed by Turkey on October 30, 1918, the Allied Powers obtained fairly effective control over the northern half of the former Asiatic territories of the Ottoman Empire. Although this region did not, like the Arab provinces and the Straits, come under direct Allied military occupation, Allied control officers were in command of the situation. The railways were working under Allied military management. Even in such remote places in the interior as Konia and Erzerum, the Turkish authorities were carrying out these officers' instructions and progressively handing over war material to them, in accordance with the armistice terms. And, on the demand of a British officer, the Turkish garrison had evacuated the ex-Russian fortress of Kars, the key to Trans-Caucasia (which the Turks have since occupied again). Consequently, by May 15, 1919, the Turkish Army had successfully been reduced to a strength of 19,000 men. The decision of the "Big Three" at Paris to send Greek troops to Smyrna—taken on their own responsibility, in defiance of expert opinion and forecasts—was like a torch thrown into a powder-magazine. A new war flared up in the one extensive region in the Near and Middle East which had not been devastated by the Great War just concluded. The control of Anatolia passed out of the hands of the Allies into those of a Greek and a Turkish Army, which are at present each about 200,000 strong. Those numbers, large as they are, are not sufficient, in a country so vast and so poorly equipped with the means of communication, to obtain a military decision in favour of either belligerent. The military campaign has already resulted in stale-mate. But the war of extermination between intermingled nationalities, which this campaign has set on foot, is in full career. The Greeks are alleged to be destroying the Turkish civilian population in the territories which they occupy, and the Turks to be doing the same to the local Greek minorities in the provinces on their side of the lines. Meanwhile, the parties ultimately responsible for this trend of events are physically impotent to arrest the consequences of their original blunder. An impartial and simultaneous protest against the crimes of both parties, especially if followed up by the practical step of appointing Allied officers to

inspect and control on either side, might really have done something to mitigate the sufferings of the victims, and, in exchange for repairing some of the evil which they had caused, the British Government might have been allowed to whitewash themselves. Some belated reassurance, however, may, we hope, be deduced from Mr Chamberlain's statement in the House on Tuesday that the Government were requesting America, France, and Italy to join Great Britain in sending officers to the Smyrna district as well as to Angora, and that even if the other nations do not co-operate, an endeavour will be made to send a British mission of inquiry.

The Civil War in China.—A correspondent writes:—"The situation has been further complicated by Chang Tso-Lin's retirement to Manchuria and his declaration of its independence. He promises to observe all existing treaties and to maintain friendly relations with all the Powers, but it is probable that the strength of his forces, which a Japanese paper puts at 60,000 men, has been greatly exaggerated, as have also the numbers engaged and the severity of the fighting. He cannot safely expect much assistance from Sun Yat-Sen's projected attack on the rear of Wu Pei-Fu's army, and he has probably neither provisions for his soldiers nor money to pay them off. But his cause is receiving support in Japan both in business circles and from the Press, as well as among the Japanese in China, and he is said to be likely to obtain aid from Japanese financiers, of course in return for concessions. That he has not yet got it is shown by his demand for money from the British Postal Commissioner at Mukden, and it is believed by expert observers that he is not likely to get much, unless the lenders feel that they are backed by their Government. But Japan could not afford, even if she wished, to prolong a contest which might tend to sever her from the Western Powers, nor could the Peking Government favour an invasion of Manchuria by Wu Pei-Fu, unless its success were beyond doubt. The prolongation of civil war would imperil the unity of China, and the Powers, and consequently the Consortium, are determined that her unity shall be maintained. Probably the separatist tendencies in the various provinces are much weaker than the unifying influences of custom and history. Li Hsu-Chang, the President of the Republic, has stated that they may be overcome by local autonomy and a federal system; and the masses are passive politically, and want chiefly to be let alone. Nor are the rival armies eager for battle; the problem on both sides is how to pay them off. It is announced that the Consortium Council, having reached certain conclusions, has adjourned till October, pending the submission of them to its component financial groups. Meanwhile, the financial difficulties of the Peking Government may be somewhat mitigated by the revision now in progress of the Customs duties, which eventually are to be brought up from 5 per cent. to 7½ per cent. *ad valorem*. The outlook is extremely obscure, but there can hardly be much danger except for the unfortunate inhabitants of the districts occupied by the forces of the rival leaders. None of the foreign loans have been much affected, not even the Vickers and Marconi issues, for which no specific revenues are assigned as security. The British Foreign Office is pressing the claims of the holders, and they should eventually benefit by the pending revision of the Customs tariff. Trade is good, and, were peace assured, large sums could doubtless be raised by internal loans.

Employment in April.—In the cotton, wool, and jute textile industries, coalmining, the clothing trade, and the tinplate industry there was an improved demand for labour in April. But the improvement was counter-balanced by the effects on other industries of the engineering and shipbuilding disputes; and the May issue of the *Labour Gazette* shows that the trade union percentage of unemployed, which at the end of February and March was 16.3, went up to 17.0 at the end of April, the highest

figure since June of last year. How this percentage has moved month by month in recent years is shown below:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.									
End of—	1913.	1917.	1918.	1919.	1920.	1921.	1922.		
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8	%	
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3	%	
March	1.9	0.3	1.2	2.9	1.1	10.0	16.3	%	
April	1.7	0.3	0.9	2.8	0.9	17.6	17.0	%	
May	1.9	0.4	0.9	2.1	1.1	22.2	..	%	
June	1.9	0.4	0.7	1.7	1.2	23.1	..	%	
July	1.9	0.4	0.6	2.0	1.4	16.7	..	%	
August	2.0	0.5	0.5	2.2	1.6	16.3	..	%	
September ..	2.3	1.3	0.5	1.6	2.2	14.8	..	%	
October	2.2	1.1	0.4	2.6	5.3	15.6	..	%	
November ..	2.0	1.1	0.5	2.9	3.7	15.9	..	%	
December ..	2.6	1.4	1.2	3.2	6.0	16.5	..	%	

* Excluding coal miners. † Revised figure.

The percentage unemployed among workpeople insured under the Unemployment Insurance Act was 14.4 at April 24th, which is the same figure as that recorded a month earlier. On April 24th the Employment Exchange registers showed 1,699,000 unemployed—an increase of 9,000 on the month—and also 189,000 persons working systematic short time in such a manner as to obtain unemployment benefit. The last-mentioned figure fell by 33,000 between March 27th and April 24th. All trade disputes current in April involved about 270,000 workers, of which the engineering and shipbuilding disputes accounted for nearly a quarter of a million.

Cost of Living.—The Ministry of Labour's index number of the cost of living fell one point in April, as compared with a decline of 4 points in March. At May 1st, states the *Labour Gazette*, the average level of retail prices (including food, rent, clothing, fuel, light, and miscellaneous items) was 81 per cent. above that of July, 1914. The peak was reached in November, 1920, when the figure was 176 per cent. above the pre-war level. Monthly movements in the percentage over the past few years are traced in the following table:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.
(Food, Rent, Clothing, Fuel, and Light, &c.)

	1918.	1919.	1920.	1921.	1922.
January 1st	85.90	120	125	165	92
February "	90	120	130	151	88
March "	90	115	130	141	86
April "	90.95	110	132	133	82
May "	95.100	105	141	128	81
June "	100	105	150	119	..
July "	100.105	105-110	152	119	..
August "	110	115	155	122	..
September "	110	115	161	120	..
October "	115.120	120	164	110	..
November "	120.125	125	176	103	..
December "	120	125	169	99	..

The average retail prices of food alone are 72 per cent. above the July, 1914, mark. The most important change in April was a fall, on an average, of 1½d per quart in the price of milk. Egg prices also fell, but these movements were offset by recovery in the retail quotations of potatoes, butter, and British mutton.

Bleaching Charges Reduced.—Our Manchester correspondent writes:—"A reduction in prices has been announced this week by calico bleachers. The Trade Advisory Board has issued a circular stating that the present surcharge upon the list of prices for all classes of bleached and scoured goods (except scoured embroidery cambrics), finished prints, &c., are reduced from May 15th from 25 per cent. to 15 per cent. The surcharge of 7½ per cent. on scoured embroidery cambrics has been abolished. The concessions reported have been very favourably received in the Lancashire cotton trade, and it is hoped that before very long there will be a further reduction in the charges for calico printing and dyeing. It is held that prices for finishing processes have not come down during the past 12 months to the same extent as other costs, and that the high rates still required are checking trade developments, especially in printed and dyed goods.

The Phoenix London Guarantee Fusion.—Provisional arrangements for the purchase by the Phoenix Assurance Company of the London Guarantee and Accident Company's shares follow the lines now accepted as most convenient. Years ago the practice was to amalgamate companies entirely; now one company buys the shares of another, and both contrive to carry on business to outward appearance unchanged. The terms are given elsewhere in detail; their effect is to double the dividend on the shares of the London Guarantee and Accident Company—20s a share in place of 10s—and practically to double the capital value. It is possible for the Phoenix to make so handsome an offer because the directors of the London Guarantee have been so modest in their dividend distributions, and have added of late years so largely to the reserves. The break-up value of the shares of a strong insurance office is almost always largely in excess of the current market value. The effect will be largely to expand the operations of the Phoenix Assurance Company, and to make it a big accident company as well as a leading fire and marine office. Instead of accident and miscellaneous business being a side line, it would become a principal line. The Phoenix, originally a purely fire office—as its name indicated—went into life assurance by absorbing its stable companion, the Pelican. Then it acquired the Union Marine Insurance Company, joined up forces with the Norwich Union Fire Office, and now proposes to become proprietor of an office which is one of the three great British accident companies in this country and the United States. The London Guarantee and Accident Company itself transacts all classes of insurance, having developed them by internal expansion instead of by external purchase, but its principal revenue is derived from accident and workmen's compensation insurance. The Phoenix, together with the Norwich Union, already a first-class fire and marine office, will by the new purchase become first class all round in dimensions and standing. Just as the specialist marine companies have become absorbed by purchase, so now the specialist accident companies are following the same pleasant road—for the shareholders. The Ocean Accident Company is the property of the Commercial Union and the Railway Passengers of the North British and Mercantile. The Employers' Liability Corporation of the leading accident companies alone stands out; it is becoming a composite office on its own lines by purchase of the Merchants' Marine and the Clerical, Medical and General Life. We are nearing the end of the long road, for there is little left now for the great insurance groups to purchase, unless they follow the example of the Royal and Liverpool and London and Globe of linking up with one another.

Royal Insurance Company.—The Royal has been more fortunate than its partner, the Liverpool and London and Globe. The fire premiums for last year were £6,428,319, against £7,074,558 for 1920; the claims were 58 per cent., against 48.2 per cent.; and the expenses were 41.1 per cent., against 39 per cent. The reduction in premiums, involving a smaller reserve for unexpired risks, allowed a surplus to be shown of £303,550 (4.7 per cent.), as compared with a surplus for 1920 of £509,796 (7.2 per cent.). In the marine department the account for 1920 was closed with a loss of £91,681, but the accident department contributed £250,000 to the profits. Interest earnings were £831,641, and the dividend cost, £870,011. After providing £100,000 for taxes, less excess profits duty recovered, writing £100,000 off the cost of business acquired, and making a loss of £198,978 on realisation of investments, there was a balance at profit and loss of £667,857, including £200,000 taken from the general contingencies fund.

Commercial Union Assurance Company.—For some years past this company has rapidly expanded its fire premium income—it rose from £3,537,279 in 1914 to £6,708,182 in 1920—but last year there was a considerable shrinkage to £6,118,495. All the world-wide fire offices are pulling in their liabilities. The claims were 57.2 per cent. of the premiums against 49.9 per cent., and the expenses were 42.7 per cent. against 38.7 per cent. The smaller amount necessary to cover the liabilities for unexpired risks re-

leased a surplus of £238,168, of which £200,000 was transferred to profit and loss. In the marine department, the premiums came down from £987,850 to £270,646, and the claims paid during the year were £354,118. A transfer was made to profit and loss of £100,000, a profit apparently derived from 1919. The very large accident department yielded £6,919,109 in premiums, the claims were £3,575,410, and £450,000 was carried to profit and loss. In all the transfers were £750,000, and the available interest earnings were £700,124. Against this must be placed £615,234 provided for income-tax, excess profits duty, and corporation tax. The dividends cost £590,000, and the profit and loss balance at the end of last year was £779,443, against £706,627 brought forward.

The Sun Insurance Office.—This oldest of the British fire offices had a fairly successful experience in the unfavourable year of 1921. The fire premiums were £2,199,041 against £2,370,989 for 1920, and the claims were 52.3 per cent. against 46.3 per cent. The expenses were 44.2 per cent. as compared with 39.6 per cent., and the surplus, after providing for unexpired risks, was £143,354 (6.5 per cent.) against £290,660 (12.3 per cent.). The jump in the ratio of expenses to premiums is common just now in fire office accounts, and cuts rather severely into underwriting profits. The income from investments was £145,871, and £151,200 was paid in dividends.

Fine Cotton Spinners.—A substantial recovery is shown in the report for the year ended March 31st last of the Fine Cotton Spinners' and Doublers' Association, Limited. Two years ago the profit rose to £1,247,500, after allowing for depreciation, and this was followed by a collapse to £122,800. The accounts now before us show that, after allowing £180,000 for depreciation, as against £220,000 in the previous year, profits have risen to £613,300. The table below gives the company's financial history since 1906:—

Year Ending March 31.	Profits.	Deb. Interest.	Prof. Dividend.	Prof. Dividend.	To Reserve, &c.	Ord. Dividend.	Ord. Div. Rate.	Carry Forward.
1906.....	£402,442	£110,000	£125,000	£125,000	£80,000	£80,000	10	£15,507
1907.....	683,837	110,000	125,000	125,000	150,000	140,000	10	114,344
1908.....	800,076	110,000	125,000	125,000	200,000	240,000	12	239,489
1909.....	357,517	110,000	125,000	125,000	nil	160,000	8	201,736
1910.....	435,220	110,000	125,000	125,000	50,000	160,000	8	189,867
1911.....	501,845	110,000	125,000	125,000	100,000	180,000	8	196,408
1912.....	497,957	110,000	125,000	125,000	50,000	179,996	8	206,476
1913.....	588,802	110,000	150,000	143,705	100,000	180,000	8	256,510
1914.....	609,584	110,000	150,000	150,000	18,750	180,000	8	134,868
1915.....	391,057	110,000	150,000	150,000	100,000	180,000	8	138,228
1916.....	535,853	110,000	150,000	150,000	50,000	180,000	10	140,730
1917.....	710,077	110,000	150,000	150,000	70,000	180,000	10	153,434
1918.....	701,132	110,000	150,000	150,000	200,000	225,000	12	169,512
1919.....	893,659	110,000	150,000	150,000	22,500	237,000	10	358,512
1920.....	1,247,541	110,000	150,000	150,000	43,201	265,000	20	185,307
1921.....	1,221,816	110,000	150,000	150,000	47,000	265,000	20	185,307
1922.....	613,339	110,000	150,000	150,000	Dr 391,026	294,000	8	196,246

* Including £12,368 for expenses of new issue of shares.

A year ago reserves were heavily drawn upon, £100,000 being transferred from reserve for contingencies and £291,000 from reserve against depreciation of investments. This year no allocation is made to reserves, but the dividend is reduced from 10 to 8 per cent. and the balance forward increased by £12,300. There are no very striking changes in the balance-sheet, which is analysed in detail elsewhere. A bank loan for £385,600 has been wiped off, but creditors are £283,600 higher. Stock-in-trade is £729,400 lower, but investments have risen by £448,000. The latter include holdings in subsidiary companies and stand at the values at which they have appeared in previous balance-sheets. The auditors state that the position in regard to the company's investments in France is practically unchanged since their last report was made. This was to the effect that mills owned by French companies registered in France had received 75 per cent. of their claims in respect of war damage, but that nothing had been received in respect of mills owned by the company registered in England. The directors, however, were hopeful that no loss would be sustained in the ultimate settlement.

Slubbers' Profits.—Considering the depression in trade in general, and in the textile industry in particular, the report of the British Cotton and Wool Dyers' Association, Limited, for the year ended March 31st last makes a good showing. The net trading profit for the year, after deducting trading losses and administration expenses, providing an estimated sum for income-tax, &c., and after final adjustment of excess profits duty, amounted to £169,874, which compares with £124,232 for the previous year. As will be seen from the table below, however, gross profits, before allowing repairs and renewals, were slightly smaller than in the previous year, this item requiring only £71,450 as against £130,648 in the previous year:—

	1913-14.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
Gross profits	£110,419	£253,818	£227,978	£240,719	£295,467	£255,612	£247,237
Repairs, &c.	31,163	62,324	71,035	84,007	106,136	130,648	71,450
Expenses	13,810	17,201	19,104	21,558	3,240	1,955	1,146
Balance	65,446	174,293	137,839	135,154	186,091	123,009	174,641
Brought forward	19,488	40,382	47,116	43,813	38,160	33,753	21,599
Total available	84,934	214,675	184,955	178,967	224,251	156,762	196,240
Interest	31,156	26,865	25,333	25,000	25,000	25,000	25,000
Depreciation fund	25,000	30,984	25,000	25,000	33,644	25,000	25,000
Reserve	16,051	57,620	38,708	38,708	58,062	58,062	58,062
Ordinary dividend	(5 %)	(15 %)	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)
Carried forward	12,727	49,216	45,914	40,259	39,003	23,700	28,178

The amount available for distribution is nearly £40,000 higher, but the dividend is maintained at 10 per cent., as in the four preceding years, the surplus being added to reserve funds. A year ago £25,000 went to investment contingency fund, but this fund gets £10,000 this year, and £50,000 is allocated to reserve fund. With the report is circulated a lengthy and detailed auditors' report, in which the various items of the balance-sheet are analysed, an example which might well be followed by the directors of some of the large industrial concerns who are content to circulate a balance-sheet so compressed as to be meaningless. In this it is pointed out that the depreciation fund of £165,000 is independent of the annual expenditure incurred for maintenance, repairs, renewals, &c., which has been charged against the branch trading accounts. Goodwill, which is not shown separately in the balance-sheet, is stated to be £40,905, the same as in the previous year. Investments, which have increased by £2,000 to £92,061, consist of National War Loans, &c., £48,750, British Dyestuffs Corporation £31,311, British Alizarine Co. £8,000, and Scottish Dyes, Limited, £4,000, the last having been increased by £2,000. These investments are taken at cost, and the auditors' report makes no reference to depreciation, but the investment contingency fund now stands at £35,000. The liquid position is satisfactory, liquid assets amounting to £600,374, against which trade and loan creditors' claims existed for £218,019.

Babcock and Wilcox, Limited.—As far as trading profits are concerned the year 1921 proved a record one for Babcock and Wilcox, Limited. It would have been generally thought that the high water mark had been reached in 1920 when figures of £683,201 were recorded; the total income from all sources for 1920 amounted to £777,761 the corresponding figure for 1921 being £807,463. Net profits, however, when compared with 1920, are slightly lower. These have fallen from £497,468 to £490,181. This decrease is mainly accounted for by the amount allocated to a reserve for income-tax and corporation tax. A year ago £249,033 was set aside for these purposes, against £286,642 for the year under review. Profits and appropriation since 1907 are shown below:—

	Manufacturing Profits (Less Depreciation).	Net Profits.	To Reserve.	Pension Funds.	Divid. dends.	Ord. Rate.
1907.....	£318,261	£309,769	£125,000	£..	£172,000	20 %
1908.....	311,046	301,615	125,000	..	176,000	20
1909.....	365,733	360,004	125,000	10,000	205,000	24
1910.....	366,240	362,360	125,000	10,000	227,360	26
1911.....	387,029	379,224	130,000	10,000	239,224	28
1912.....	438,300	426,147	150,000	10,000	276,147	16
1913.....	452,000	446,073	150,000	10,000	286,073	14
1914.....	421,017	402,947	150,000	10,000	242,947	16
1915.....	434,246	396,551	150,000	10,000	263,551	15
1916.....	521,291	438,323	150,000	10,000	263,953	15
1917.....	518,664	444,513	150,000	10,000	264,513	15
1918.....	541,854	438,986	150,000	10,000	268,986	15
1919.....	570,671	465,069	150,000	10,000	265,069	15
1920.....	683,201	497,468	150,000	10,000	357,468	16
1921.....	693,514	490,181	150,000	10,000	358,765	16

Reserves again obtain £160,000. A similar sum has been placed regularly each year to reserves in the previous nine years. Dividend distributions are on the usual generous scale, ordinary shareholders receiving 16 per cent., free of tax. The balance-sheet shows the company to be in a remarkably prosperous state, the ordinary share capital of £2,148,819 having surplus assets of £4,721,003 to cover it. In the accounts, investments at £1,891,595 are taken "at cost," a method of valuation which does not convey the maximum of information. It is also a pity that the value of property and plant is shown together with patents and shares in associated companies. This item totals £1,194,044. It is, however, perhaps a matter for satisfaction to know that shares in associated undertakings are not hidden away under "investments," as is too frequently found to be the case in company accounts.

Anglo-Argentine Tramways.—The report and accounts of the Anglo-Argentine Tramways Company, Limited, always form an informative and interesting document. It is possible that results for 1921 will prove disappointing to a section of shareholders, but when the accounts are examined and the conditions under which the lines were operated are considered, the progress, on the whole, must be considered satisfactory. The increased receipts in 1920 were partly due to an upward revision of fares, which took place in April of that year. The number of passengers carried last year was 6½ millions more than in 1920, and 68½ millions higher than in 1919. Recent years' results are summarised below:—

	Gross Receipts.	Gross Receipts per Car Mile.	Expenditure.	*Net Revenue.	Interest, &c.	Balance.
1908.....	£1,264,841	13.87	£790,687	£474,154	£191,449	£282,705
1909.....	1,962,987	13.25	1,207,222	765,665	355,439	410,226
1910.....	2,422,616	13.54	1,564,093	858,522	396,378	462,144
1911.....	2,631,836	13.73	1,723,928	907,907	414,067	493,850
1912.....	2,778,302	13.96	1,824,021	954,281	442,422	511,859
1913.....	2,963,191	13.98	1,969,161	994,031	477,630	516,401
1914.....	2,860,995	13.50	1,880,996	979,999	603,888	366,111
1915.....	2,709,616	12.82	1,786,740	922,876	657,301	311,211
1916.....	2,714,225	12.65	1,956,668	757,556	664,716	132,849
1917.....	2,783,412	12.73	2,051,746	769,587	664,966	104,621
1918.....	3,012,821	13.61	2,375,564	680,278	665,225	15,053
1919.....	3,296,957	14.75	2,578,516	757,962	665,495	92,467
1920.....	4,413,165	17.28	3,198,028	1,259,650	668,776	590,874
1921.....	4,277,601	17.09	3,305,081	986,993	683,346	303,647

* Including income from interest on investments and deposits.

The reduction in net revenue is due to additional wage and maintenance charges, increase in renewal and administration costs, and higher rates and taxes in Buenos Ayres. To these additional burdens must be added fluctuation in exchange and "the absence of the benefit derived in the previous year from the adjustment of tax on payment of dividend arrears." The company's contribution in the year under review to the official pensions fund amounted to £109,302. Profits have been allocated by paying the full year's dividends on the 5½ per cent. first preference shares, thus absorbing £176,000, and in providing £137,500 for paying dividend on the second preference shares up to December 31, 1917. As £15,885 was brought into the accounts from last year, this will leave a balance of £6,032 to be carried forward. The general manager in his report considers it probable that conditions will improve during the present year "slightly, but very gradually," and concludes that "working expenses should improve" owing to "the drop in the cost of fuel, which will be very marked this year compared with 1920 and 1921." Balance-sheet changes are analysed in the usual columns of this issue.

Nestle and Anglo-Swiss Condensed Milk Company.—Figures of the heavy losses sustained by Nestlé and Anglo-Swiss Condensed Milk Company during 1921 have already been published, and therefore to some extent the fifty-fifth annual report and accounts of this company, now issued, dealing with the year 1921 have lost part of its usual interest. The total loss amounted to over 93 million Swiss francs, and that part of the report which is devoted to showing at length the causes of these heavy losses will be followed with interest not only by shareholders, but by those who are interested in the urgent necessity for stabilising conditions in Europe. In the course of the report it is observed that owing to the company's world-

wide activities, "which entails the sale of its products in almost all the known currencies," the effects of the exchanges have been mainly responsible for the deficit. Losses were made not only in collecting foreign balances, "but also by reason of the necessity of increasing the selling prices of our products to keep pace with the depreciation in the rate of exchange of importing countries." This, it is added, has resulted in practically closing certain markets. In the Near East the fall in the drachma, Turkish pound, and lei has seriously affected sales, while in other countries "the low rates of exchange have caused such an increase in import duties as to make them prohibitive." The frequent changes in the French franc and Italian lira have rendered it practically impossible to fix definitely the selling prices in France and Italy. But the most serious loss was caused by the difference of the rates of exchange at December 31, 1920, as compared with those of December 31, 1921, on account of the foreign assets taken into balance-sheets at the current exchange rate of the day. These differences in exchange rates alone were responsible for a deficit of approximately 31 million francs. It is mentioned, however, that at March 31, 1922, this loss was "already decreased in a marked degree by the upward progress of the exchanges since December 31 last." We have referred in these columns before to the question of companies' foreign assets and valuations at current exchange rates, and commented upon companies which treat a surplus from favourable exchange rates as divisible profits. This particular company appears to have taken a very courageous course. It will be interesting to see how the directors will treat the balance obtained from those exchange rates which are now in the course of reacting. Incidentally these accounts are an excellent illustration of troubles arising from the lack of some post-war parity of exchange.

Eagle Oil Transport.—A remarkable expansion in figures is shown in the accounts of the Eagle Oil Transport Company, Limited, just published, for the year ended December 31, 1921. As will be seen from our table given below, net profits amounted to £944,316, as against £473,201 for 1920. Of course, the increased capital at the company's disposal must be taken into consideration in comparing the results of the past three years, which are as follows:—

	1919.	1920.	1921.
Issued share capital.....	£ 2,240,000	£ 4,000,000	£ 5,000,000
12-year 7½ per cent. notes ..	..	..	3,000,000
Gross profits	349,523	530,844	1,066,440
Net profits	323,592	473,201	944,316
Reserve and depreciation....	153,232	250,244	536,042
Preference dividend	160,000	160,000	160,000
Ordinary dividend	19,200	51,224	172,756
Rate of ordinary dividend ..	(8 %)	(8 %)	(8 %)
Carried forward.....	8,840	11,734	75,517

During the year the paid-up ordinary capital of the company was increased to £3,000,000 by the issue of 400,000 shares of £5 each in December, 1920. The report states that "in June last a portion of the authorised issue of 7 per cent. seven-year notes was taken up by the charterers at par, and subsequently by agreement this issue was cancelled and £3,000,000 of 12-year 7 per cent. notes (part of an authorised issue of £5,000,000) were issued to them at par. These notes are repayable on June 30, 1933, at par, or, at the company's option, on June 30, 1927, at 101 per cent." Reserves appear to have been adequately dealt with. In addition to placing £435,000 to depreciation and sinking fund reserve, £75,000 was placed to repair reserve, and the expenses of the issue of 12-year notes, amounting to £36,042, were written off, altogether an excellent performance. The balance-sheet will be found analysed in another column. Out of total assets amounting to over £11½ millions, £2,069,348 is represented by cash at bankers, in hand, and "on loan against guarantee."

Rubber Plantations Investment Trust.—This company's accounts are for the first time made up to December 31 instead of March 31, and those issued this week "include income for twelve months from the properties, and for nine

months from other sources." The latest figures show improvement on the 1920-21 record, when loss on revaluation of rice stocks in Sumatra amounted to over £42,000. In the latest financial period there was a profit of £4,598, which brings the sum carried forward to the current year up to £98,919. Recent years' results are compared below:—

	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921.
Dividends, int., &c.	£ 46,550	£ 44,299	£ 29,652	£ 58,384	£ 49,532	£ 11,020
Produce account, &c.	74,526	31,820	Dr. 106,680	152,216	749	5,558
Expenses and interest	121,076	76,119	Dr. 76,968	210,600	50,381	16,578
	8,734	15,344	37,107	35,678	62,531	11,980
Brought forward.....	112,342	60,775	Dr. 114,075	174,922	Dr. 12,150	4,598
	16,592†	56,601	117,375	3,300	106,471	94,321
Dividend	128,934	117,375	3,300	178,222	94,321	98,919
Directors	63,361	..	..	62,782	..	..
Carried forward.....	8,448	nil	nil	(6 %)	..	..
	57,125	117,375	3,300	106,471	94,321	98,919

* £121,233, less £104,641 transferred to reserve. † £57,125, less £525 in donations to war charities.

A year ago the position caused shareholders some anxiety, and the return this year to a balance on the right side is welcome. This has been the result of reduction in costs and an improvement in the tea industry. The title of this concern does not convey a full impression of its scope. In the balance-sheet properties and investments stand at £2,344,372. Of this total sum no less than 54½ per cent. is employed in tea, 35 per cent. in rubber, and 10½ per cent. in other products and land. Tea crop costs were 8.25d per lb, as compared with 1s 0.55d last year, while the net sale price fell from 11.59d to 8.41d. A larger tea crop more cheaply produced is estimated for the current year. Rubber production costs last year were reduced from 1s 3.9d to 9.87d per lb, but the fall in the net sale price was much greater—namely, from 1s 6.06d to 8.82d per lb. Thus tea redeemed a loss on rubber. In the balance-sheet, which is analysed in the usual column of this issue, "shares, debentures, and options" are entered at £766,773, but the directors state that at the date of the balance-sheet these showed a depreciation of £148,670. Shareholders will probably have to exercise considerable patience before dividends are resumed, and the rubber outlook is slow to improve, but the last financial year has, at any rate, seen a change for the better in the fortunes of this concern.

Minerals Separation and American Copper Producers.

Mail advices from the United States confirm the report current recently that the litigation between various U.S. copper-producing companies and the American subsidiary of the Minerals Separation had been practically terminated. The proceedings were initiated as far back as October, 1911, and save for the compromise now fortunately arrived at would probably have gone on for many years to come. It is not yet known whether the terms of the settlement will be published, but the latter is described as satisfactory to all parties. By a coincidence the annual statements of several of the undertakings concerned have just come to hand. With the works closed down for about two-thirds of the period, the results shown are naturally bad. That very big concern, the Utah, last year produced only about 25½ million pounds of copper, as against 106½ millions in 1920, and a net loss of \$2,058,100 resulted. However, dividends to the amount of \$2.50 per share were paid out of the large balance brought forward. The net all-in cost averaged 11.57 cents. The ore reserves are placed at the enormous total of 362,910,100 tons, averaging 1.35 per cent. copper. The discovery of a large body of high-grade direct-smelting ore in one of the mines is reported. The Chino Company produced rather over nine million pounds in place of 44 millions; the net cost was 14.5 cents per lb. There being a net deficit of \$1,314,200, no distributions were made. The ore reserves are computed at 105,385,500 tons, value 1.53 per cent. With the Nevada Consolidated the production figures almost corresponded to those of the company just referred to, and a loss of \$775,800 resulted; no dividends were paid. Net costs averaged 12.34 cents. The ore reserves are 63,401,200 tons, value 1.58 per cent. All these companies resumed work on a

restricted scale in April. The cost ratios mentioned can be interestingly contrasted with the present U.S. price of electrolytic—13½ cents.

Rand Mines—Consolidated Mines.—While these two Kaffir finance undertakings, carrying on much the same class of business, have naturally been similarly affected by the conditions which have prevailed during the past few years, the last named during 1921 suffered from certain special circumstances. In 1919 the market for South African mining shares—like all other markets—developed buoyancy, and the directors of the Rand Mines very properly took advantage of the inflation to reduce their portfolio; this transaction was reflected in the balance-sheet to the extent of £183,000, "funds released from investments, being the book value on realisation of investments in excess of the book value of new investments made." The dividend rate, however, was only increased from 85 to 100 per cent., a largely enhanced balance being carried forward. During each of the two following years, under changed conditions, a contrary policy has been followed, the funds appropriated for new investments largely exceeding the book value received on realisations. With only a moderate expansion in the profits, the dividend for 1920 was substantially increased, while last year it was cut down by more than one-half, corresponding to the decline in the dividend receipts. These and other points are clearly set out in the appended analysis of the accounts for the past three years:—

	1919.	1920.	1921.
Dividends on shareholdings.....	531,792	785,548	502,837
Sundries	56,360	84,354	66,632
Investment realisation profits ..	303,925	32,333	36,919
Total income	892,077	902,235	606,388
Administration expenses.....	35,215	31,654	30,261
Taxation	3,645	..	18,878
Bad debt reserve	..	..	21,907
Prospecting.....	6,028	7,575	16,671
Net profit.....	846,568	863,006	518,671
Dividends	531,499	770,673	372,049
Rate per cent.	100	145	70
Reserve account	183,141	133,047	127,517
Brought forward.....	367,611	866,480	627,766
Carried forward.....	865,822	627,766	499,424

Shares and debentures in the last balance-sheet, taken at or below market value, stand for £2,793,400; as usual, appreciation is ignored. A hidden reserve is thus built up. On the basis of the dividends for 1921 the shares yield about 7½ per cent., a rate which allows something for possibilities. The special circumstance in connection with the Consolidated Mines Selection consists in that company's obligations in the financing of certain of its Far-Eastern Rand subsidiaries. Under an agreement entered into at the time of the acquisition of additional ground—referred to in our note of a fortnight ago—the Consolidated Mines Company has been taking up shares in the Springs Mines at £3, when the market quotation was no more than about £2; it has also been heavily hit by the drop in the value of its holding in the Daggafontein, which had to suspend operations owing to disappointing results and the exhaustion of its resources. Then the portfolio includes Brakpan shares taken up a few years ago at £5, the present quotation being £2 10s. To meet depreciation on holdings as at December 31st, 1921, £152,000 was required. This sum was obtained by the transfer of £100,000 from reserve, with the appropriation of practically the whole of the balance of £77,100 brought forward from 1920. Conditions last year were unfavourable to realisations, and the two producing subsidiaries paid reduced dividends. As a result, the profit came out at no more than £25,100. The balance-sheet discloses a cash deficiency of £161,700, the liabilities including a loan from the bankers. The company's dividend record to 1920 is a good one, the distributions totalling about a million and a-quarter, or double the present issued capital. Doubtless good times will come again.

Transvaal Output in April.—The Transvaal Chamber of Mines states that the total gold output for the month of April amounted to 511,338 ounces of fine gold, which

compares with 681,382 ounces in April, 1921. The following table shows the production for a number of years past:—

	1916.	1917.	1918.	1919.	1920.	1921.	1922.
January..	Fine Ozs. 787,467	Fine Ozs. 782,634	Fine Ozs. 724,123	Fine Ozs. 676,069	Fine Ozs. 670,503	Fine Ozs. 651,593	Fine Ozs. 639,728
February..	753,594	781,321	689,759	636,728	625,330	658,137	639,728
March	736,689	787,094	696,281	712,379	707,036	671,123	639,728
April	754,672	742,778	717,000	694,944	686,979	681,382	511,338
May	777,681	779,385	741,317	724,995	699,041	687,776	..
June	761,764	759,724	727,636	702,379	715,957	678,490	..
July	761,087	757,839	736,139	725,497	736,099	689,555	..
August	781,150	756,658	740,210	706,669	702,083	711,526	..
September..	771,587	738,231	708,406	698,558	682,173	691,026	..
October	732,339	751,230	679,764	723,722	662,472	707,235	..
November ..	783,066	722,339	658,701	677,970	633,737	704,236	..
December ..	774,462	722,419	641,245	650,191	638,215	681,247	..
Totals	9,296,618	9,018,084	8,418,292	8,330,091	8,153,625	8,114,516	1,151,067

NUMBER OF NATIVES EMPLOYED at the End of Last Eight Months by Members of the Witwatersrand Native Labour Association and Contractors.

	July, 1921.	Aug., 1921.	Sept., 1921.	Oct., 1921.	Nov., 1921.	Dec., 1921.	March, 1922.	April, 1922.
Gold mines.....	166,999	169,008	171,912	175,331	176,410	177,836	124,169	138,277
Coal mines.....	14,688	14,446	14,244	13,936	13,465	13,230	11,155	11,348
Diamond	1,246	1,207	1,219	1,223	1,217	1,224	1,204	1,334
Total	182,933	184,661	187,375	190,490	191,092	192,290	136,528	150,959

The native labour figures are improving, but have a lot of leeway to make up before they reach the level of the end of 1921.

An address will be delivered to members of the London Chamber of Commerce and others by Mr A. Uustal (Commercial Attaché to the Estonian Legation in London) on "The Possibilities of Trade With and Through Estonia" at the offices of the Chamber, on Tuesday, May 23, 1922, at 3 p.m.

At a meeting of the Royal Colonial Institute at the Edward VII. Rooms, Hotel Victoria, W.C. 2, on May 23rd, at 4 p.m., a paper on "Colonisation in British Guiana" will be read by Cecil Clementi, Esq., C.M.G., Colonial Secretary, British Guiana. Major Hon. E. F. L. Wood, M.P., Parliamentary Under-Secretary for the Colonies, will preside.

LORD ASKWITH makes an appeal for the earliest college for the Higher Education of Women, Queen's College, Harley street, London, who are endeavouring to raise £20,000 to purchase and adapt the next house. Cheques or postal orders may be sent to "The Queen's College Extension Appeal Fund," London County Westminster and Parr's Bank, Limited, Cavendish square, London.

Oversea Correspondence.

FRANCE.—BUDGET SPEECH—PROPOSED ECONOMIES—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, May 16.

THE Finance Minister, M. de Lasteyrie, has now completed the draft of his first Budget Bill—that for the financial year beginning on January 1, 1923—which has to-day been distributed to the members of the two Chambers. The Bill, with its accompanying preamble and appendices, fills some 560 pages, and forms a compendium of French national finance that conveys many striking lessons. The new Budget provides for an estimated expenditure of 23,180,000,000 and for an estimated revenue of 18,060,000,000 from present resources, plus 1,225,000,000 from "exceptional resources" (liquidation of stocks and the special tax on war profits), making a grand total of 19,285,000,000. No additional taxation is proposed, and it is foreshadowed that the deficit, amounting to 3,900,000,000, shall be met by loan. The reduction in the public expenditure

for the coming year as compared with 1922 will be seen from the following:—

	France.
1922—Estimated expenditure	24,688,000,000
Supplementary credits since voted	448,000,000
Total	25,136,000,000
1923—Estimated expenditure	23,180,000,000
Estimated total reduction	1,956,000,000

The financial burden which the war has imposed on France may be realised when it is remembered that in 1913 the total credits included in the General Budget were only 5,066,000,000, as against 25,136,000,000 for 1922.

The most striking feature of the new Budget is contained in the fact that the estimated deficit of 3,900,000,000 represents "within a few dozen millions," as the Finance Minister puts it, "interest on the sums advanced by France down to January 1, 1922, on Germany's account, for the payment of reparations. Conformably to the Treaty of Versailles, we should have been right in including this amount in the Budget of Recoverable Expenditure, and thereby balancing our General Budget, which might thus, properly speaking, be considered as the French Budget." In view of this situation it is not surprising to find the *Temps* bitterly and with justice remarking that "If Germany had kept her engagements to us as we kept ours towards her from 1870 to 1873; if even, as the invaded, ravaged, and fleeced France of 1870 did from 1871 to 1873, the Germany of 1918, with her soil still intact, had made her payments from 1919 to 1922, we should not have to-day to look for the means to meet the deficit of four milliards existing in our Budget of 1923."

The new Estimates show that great efforts have been made to reduce expenditure in every possible direction. The last Budget provided for the reduction of the civil servants and workmen in the employ of the State by 42,000, and a decree has just been published (as I stated last week) eliminating another 51,967 names from the public pay-roll, and involving an economy of 208 millions a year. "The public authorities," M. de Lasteyrie insists in his preamble, "must not depart from this road," and he adds: "To effect real and lasting economies, however, it is not sufficient to suppress officials, but services must be suppressed as well." There is no sweeping reduction (and the fact will cause no surprise, in view of the state of mind that still prevails in Germany) in the Army Estimates, which are still kept within the limits of last year's figures.

On the revenue side, the estimated receipts show a reduction of 4,095,000,000. More than half this amount (2,325 millions, to be exact) is accounted for by the anticipated falling off in the yield from the liquidation of stocks during the next twelve months (125 millions, instead of 500,000,000), and from the tax on war profits (1,100 millions, instead of 3,050 millions). Further, the estimated yield from the tax on turnover has been reduced from 3,045 millions in 1922 to 2,500 millions for 1923, and that from Customs has been taken at 1,923 millions for the coming year, against 2,707 millions for 1922. Comparing the proportion of purely military expenditure with the rest of the Budget for 1913 and 1923 respectively, the Finance Minister states that whereas it was 35 per cent. before the war, it is now only 19 per cent.

The brightest passages in the Finance Minister's observations are those in which he shows the great improvement in the collection of income-tax during recent periods. This has from time to time given rise to considerable anxiety, but apparently a steady improvement is now being experienced. Thus, while the Budget estimates in this connection in 1916 anticipated a revenue from this source of 40,000,000, the actual yield was 51,303,000. In 1921 the tax was estimated to yield 800,000,000, but actually produced 1,137,530,000. The tax on war profits has shown the same progression. In 1917, when the demand notes issued amounted to a total of 617,832,000, only 208,891,000 were recovered. On the other hand, the amount of the demand notes for 1922, down to March 31st, was 390,526,000, whereas the amount recovered was 493,912,000. The Minister is confident that the present taxes, when they have become fully acclimatised and are more closely collected, will prove sufficient, once the pre-

sent industrial crisis is attenuated, to enable the Budget to be balanced satisfactorily in the near future. He asserts that steps are being taken to improve the yield from certain taxes, and particularly the income-tax, by repressing the fraud which at present is possible through the medium of bearer bonds.

The new Budget Bill, as I have said, foreshadows no new taxation, as it is felt the limit has already been reached, and that there is no new tax available that could produce anything like the four milliards required. Any question of a tax on capital is regarded as useless, as this form of wealth is held already to be sufficiently burdened. At the same time, the Minister does not overlook the seriousness of the fact that the money annually required to meet the service of the public debt absorbs from one-half to two-thirds of the yield from taxation. The total charge for the public debt, which in 1910 was only 1,355 millions, amounted in the Budget of 1922 to 11,691,000,000, exclusive of the 1,500,000,000 required for sinking fund. Time for applying a complete debt redemption scheme, in the Finance Minister's opinion, has not yet come, and cannot come until the money required to meet the amounts now included under the head of "Recoverable expenditure" has been furnished by Germany and France relieved from the necessity of further borrowing, until the settlement of the inter-Ally debts shall have settled the exchange problem, and until the equilibrium of the ordinary Budget shall have been definitely realised.

One of the features of the new Budget is that, for the first time, a step has been taken in the direction of instituting departmental home rule in financial matters. Hitherto, no matter what sums may have been voted for a given department of the Government, the actual expenditure has more or less depended on the whims and fancies of the Treasury. Instances have frequently occurred in which money voted for specific purposes in connection with a specific department has been transferred to another department and used for quite a different purpose. The French Postal Department is alleged to have been a frequent victim of this policy in the past, which is often put forward in explanation of the seriously inefficient conditions that characterise the postal, telegraph, and telephone services in this country. Under the Budget proposals for 1923 the P.T.T., as the combined postal, telegraph, and telephone department is called, is to be given a broad measure of financial autonomy, which is expected to enable this portion of the French public service greatly to increase its efficiency. Other departments are expected to be similarly endowed in the future.

One of the other steps on which the Finance Minister is relying for the purpose of ensuring a reduction of expenditure is the proposal that the allowance of 720f per head which has for many months past been granted to Civil Servants, in consideration of the high cost of living, shall be suppressed forthwith. This proposal is meeting with a good deal of opposition, in spite of the fact that it will mean a saving of 154,000,000. Simultaneously, as a means of assisting in the adoption of the proposal, the Finance Commission of the Chamber has received from its President a formal proposal to consider whether the time has not now come when the salaries of the President of the Republic, the members of the Ministry, and of the Chamber and the Senate should be reduced to the amounts at which they stood prior to the war. It may be remembered that in March, 1920, the salary of the President of the Republic was increased from 1,200,000f per annum to 2,000,000f, those of Ministers from 60,000 to 80,000f, Under-Secretaries from 25,000 to 40,000f, and members of the Chamber and the Senate from 15,000 to 27,000f, while the higher officials received temporary extra allowances amounting to 33 per cent. of their salaries. The argument that is being used against the suppression of the extra allowance of 720f a year made to Civil Servants in general is that the fall in commodity prices is not yet sufficiently marked to justify such a step. It is suggested that if Ministers and members of Parliament set the example, the smaller salaried people would be much less inclined to object to losing their extra allowances.

Despite the unsatisfactory results of the Genoa Conference and the many alarms to which it has given rise, the Bourse has shown remarkable firmness. The failure

of the attempt to reconstruct Europe financially on a basis of co-operation with the Soviets has had the consequence of focussing attention on the financial Conference of the 23rd, of which high hopes are entertained. If an international loan should be successfully floated for Germany, the French Budget would be very greatly relieved, and business would obviously react favourably. French Rentes have been weaker, the 3 per cents. declining from 57.20 to 56, and the 5 per cents. from 90.25 to 89; the 1918 and 1917 4 per cents. have, however, been a trifle stronger, the former advancing from 62.57 to 62.90, and the latter from 62.40 to 62.50. Banks have been in demand, Banque Ottomane rising from 644 to 663, and Banque de l'Union Parisienne from 587 to 615. Banque de France, however, has fallen back. Railways are considerably stronger, Nord having gained 75 points at 1,100, Est 14 points at 685, Midi 17 points at 759, and Orléans 10 at 760. Shipping has been stagnant.

GERMANY.—FORCED LOAN—EXCHANGE AND BOURSE—INDUSTRY—LABOUR.

(FROM OUR CORRESPONDENT.)

BERLIN, May 15.

THE Government's reply of May 9th to the Reparations Commission is commented on here as exceedingly vague, and not very honest. The Reparations Commission, according to Dr Wirth, presented demands which could not possibly be met, and on the contention that no material improvement could be made in the Budget unless the main item of expenditure, reparations, was met by a foreign loan, the Cabinet and all parties were agreed. The Reparations Commission, which itself understands this very well, will not, however, allow Dr Wirth to be so categorically honest; Germany must not openly reject Ally demands, and so the new Note, while repeating that reparations must be covered by foreign loans, promises further steps with the object of "fulfilling the principle" that all expenditure, including reparations, ought to be covered out of taxation and home loans. A further detailed plan is therefore promised "pursuing the aim of recognising the above principle." These vague words mean, while professing to mean the opposite, that no plan for balancing the Budget out of revenue and internal loans will be submitted, none whatever is being considered, and nobody here expects any such plan. It is impossible to raise any further considerable sum in taxes this year, and it is impossible to float any voluntary loan of any dimensions worth considering. The only "internal loans" will be floating debt operations as heretofore.

The details of the compulsory loan of one milliard gold marks, which was sanctioned in principle by the "mantle law" of April 8th, are embodied in a Bill presented last week to the Reichstag. The loan is estimated to yield 60 milliards paper marks, which will be about 5 per cent. of all such property as is taxable under the permanent property tax. This calculation is based on the assumption that the taxable national wealth is 1,200 milliards paper, 5 per cent. of which would yield 60 milliards. Property exceeding 100,000 marks paper will be liable; at a rate of 2 per cent. on the first liable 250,000 marks, and so on progressively, the amount leviable on 500,000 marks being 15,000 marks, on 1 million marks 50,000 marks, on 5 million marks 450,000 marks, and on 20 million marks 1,950,000 marks. All persons liable for property tax, including foreigners in Germany, must contribute. The exemption limit is raised to 1 million marks for persons whose incomes come mainly from paper mark capital, if these incomes in 1921 did not exceed 50,000 marks. The assessment date is December 31st next, when the first assessment for the permanent property tax will be made, but in order to ensure speedier receipts citizens will be required to assess themselves provisionally and to pay on the provisional assessment in October this year. A punitive supplement of between 40 and 70 per cent. will be imposed if the provisional self-assessment proves to be materially below the definitive assessment. The object of the last provision is to prevent citizens escaping part of the real burden by assessing themselves too low and paying too little at first, in order to gain an advantage from a later possible currency depreciation.

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Against this provision opposition in the Reichstag is likely.

The Reichsbank's statement for May 6th is extremely bad. Usually after the invariable month-end demand for credit, and inflation, the first week of a new month shows alleviation; this time after an increase in Treasury bill discounts in the week ending April 29th of 8½ milliards the decrease was only half a milliard, and after a record increase of 8 milliards in circulation there was a further increase of over 2 milliards. Discounted Treasury bills were 155,077,106,000 marks, note circulation 142,463,621,000 marks, and Kassenschein circulation 9,145,700,000 marks. The Reichsbank's buying price for the 20 marks gold coin remains at 1,200 marks; the price for bar gold, none being offered, is no longer quoted. In the Reichstag Committee the former Colonial Secretary, Dr Dernburg, severely criticised the Bill securing autonomy for the Reichsbank, arguing that autonomy may undesirably influence the whole State financial system. Dr Dernburg pointed out truly that the inflation has nothing to do with the State's old right of "guidance" of Reichsbank affairs, but is connected with the law of August 4, 1914, which proclaimed Treasury bills and even "Kassenscheine" (these as "cash") to be full-value security for note issue. This law is still in force, aggravated by a law of last year which freed the Bank entirely from the former compulsion to secure one-third of its issues in cash, part of the "cash" being here mainly the "Kassenscheine." The Reichsbank Autonomy Bill is another instance of the dishonest relations established between Germany and the Allies. The Allies have felt bound to demonstrate in some way against the "inflation," which is advertised erroneously as a chief cause of non-payment of reparations. But as the Allied experts know very well that inflation cannot be stopped without bankruptcy, they do not think of demanding repeal of the August, 1914, law by which it could be stopped (with bankruptcy), but make the demonstrative demand for a wholly fictional Reichsbank "autonomy," which sounds drastic, but will not affect inflation by one pfennig. Germany, of course, gives way, as it costs her nothing, and the Allied public generally is deceived into the belief that grim measures have been taken against the licentious German inflationists. For competent readers this does not need to be pointed out, but it is impossible to ignore an incident which illustrates so well the results of the present system of demonstration and dictation on one side and slavish submission and enforced dishonesty on the other.

The Bourse last week had a further slight decline. It showed some firmness towards the end, and was again to-day active, and for most mining and metal stocks rising. The general selling of dividend-payers in recent weeks has had the result of sending up considerably industrial bonds, into which the realised money has gone, and foreigners also have entered this market, showing preference for pre-war bonds. These foreign purchases are, of course, exchange speculations. The rises in industrial bonds have been very considerable, Allgemeine Electricität 4½ per cent. rising from 102½ on April 30 to 140 on May 12; Gelsenkirchen 4 per cent. from 93½ to 107; Laurahütte 4½ per cent. from 83½ to 100; Hoechst Dyes 4½ per cent. from 104 to 119. The *Frankfurter Zeitung's* index for 15 dividend-payers shows 35,754 on May 12, against 36,320 on May 5, and 40,250 (high point) on November 10. Home Loans on the whole

declined a little during the week. Quotations of the 12th were: War Loan 77.50, 4 per cent. 94, 3½ per cent. 83.75; Colonial 4 per cent. 149.75; and Savings and Premium 84.25. Federal Threes, after passing 150 some weeks back, have dropped to 120. Speculation is active as to the Bourse value of the Compulsory Loan. For the first three years this loan will bear no interest; in 1925-30, the interest rate will be 2½ per cent., and thereafter 4 per cent. It is assumed that the loan will be quoted very low. The public, expecting a further depreciation in the currency, regards it as practically a non-repayable levy. The legal compulsion of the Reichsbank to lend upon it will probably favour inflation.

There are some signs of lessening industrial activity. The Solingen cutlery industry reports that orders are falling off, and that American buyers who formerly took up to 70 per cent. of the export are showing caution. Pessimistic views were expressed at the annual meeting of the Association of Machinery Manufacturers. The President, Dr von Börsig, predicted that a mark exchange improvement, or even stabilisation, would cause a collapse in export trade. At present the machinery branch is suffering from shortage of materials, in particular pig-iron. The Pig-Iron Syndicate reports that iron smelted with English coal costs 850m a ton more than that smelted with native coal, but that it is still materially cheaper than English iron. The crop reports continue bad. According to the official scale (2 being good, 3 middling, and 4 inferior) the condition of winter wheat on May 1 was 3.3, against 2.5 in May, 1921; winter rye, 3, against 2.7; winter spelt, 2.9, against 2.3; clover, 3.3, against 2.7; lucerne, 2.9, against 2.7; and natural meadows, 3.1, against 3.0. Nine per cent. of the winter wheat area has had to be ploughed up, owing to damage by frost, against 0.4 per cent. last year.

The Reichswirtschaftsrat has rejected the Domestic Servants' Bill, which established a thirteen hours' day and paid-for holidays. A Bill providing for Federal Wage Statistics has been submitted. A Bill extending working hours in coal mines is also under consideration. The Bill provides that in certain conditions the present maximum seven hours may be exceeded by half-an-hour. Another Bill revises the eight hours' system on the State railways. Hitherto the conceptions of eight hours on duty and eight hours work have been considered identical, and the fact that certain forms of railway duty do not mean continuous work was ignored. Some curious statistics—for instance, that the unlocking of a cupboard by a watchman with no other duties cost the State on an average twenty marks—have been published. The Bill introduces the idea of "Dienstbereitschaft," the time during which an official is liable for service, but is not necessarily working, and provides that such time is reckoned only as part of working hours in the sense of the eight hours' law.

SPAIN.—NATIONAL FINANCE—FOREIGN TRADE— BANKING NEWS—MADRID LOAN—MERCHANT SHIPPING.

(FROM OUR CORRESPONDENT.)

MADRID, May 1.

THE position of the Government has been consolidated somewhat by internal modifications and by the resignation of Señores Beltrán y Musitu and Silio. It is hoped that sufficient cohesion will now be maintained until the more important business has been despatched. There is a growing feeling amongst the Spanish people that the Moroccan campaign should be terminated as rapidly as possible, even at the sacrifice of national prestige. A member of Parliament stated publicly that Morocco was not worth to Spain what it was costing, which remark has found a sincere echo in nearly all circles which are not directly profiting by Spain's misfortune.

The Minister of Finance, in a recent speech, gave some interesting figures in relation to the national revenue and expenditure in the financial year which ended March 31st last. In round figures, the total revenue of the country

was 4,352 millions of pesetas, whilst disbursements amounted to 3,600 millions, leaving a cash balance of 752 millions. It must be taken into account, however, that the first-mentioned figure includes the amount of 2,026 millions produced by the issue of an internal loan, and it will then be seen that the financial year ended with a formidable deficit instead of a credit balance. As a matter of fact, the financial year 1922-23 begins with a burden of some 1,078 million pesetas, which the Government is likely to have some difficulty in coping with, even in the probable event of the new taxation scheme being approved, as the mechanism of the latter is somewhat complicated, and will require considerable time to ensure smooth working. The proposals in question are to be presented to the Houses of Parliament at once; the despatch of more urgent matters prevented their being submitted earlier.

The General Supervisor of Customs publishes the following comparison of Spain's foreign trade in the last three years:—

	1920.	To January, 1921.	1922.
Total imports	81,264,415	138,271,703	109,068,072
Total exports	62,704,399	64,714,310	56,470,700

In explanation of the large profits of the Bank of Spain, to which I referred in my last letter, it is stated that the increase is mainly due to loans against security; when the last issue of 5 per cent. Treasury bonds was made by the Government the Bank of Spain announced that it would lend on such security 95 per cent. of the nominal value at an interest charge of 4 per cent. This offer was taken advantage of by nearly all the banks, which, with a small disbursement, made a clear 1 per cent. on the amount subscribed, while the profits of the Bank of Spain under the heading of "Advances on Securities" increased correspondingly.

The Municipality of Madrid has placed on the market an issue of 30,000 6 per cent. bonds (500 pesetas nominal) in order to provide funds for sanitary works and other immediate needs. This issue is made as from January 1, 1922, and is covered by the general guarantees allotted to the consolidated municipal debt; that is to say, the general income and property of the city and its participation in State taxes.

A campaign carried on in a vague and insidious form in one of the third-rate newspapers of Madrid, directed against foreign banks operating in Spain, was responsible for some withdrawals of deposits from these banks, but the movement did not assume the proportions anticipated by the authors of the campaign, and conditions are normal again. The more serious papers are unanimous in condemning the articles in question, and recommend that the author of them should be dismissed from the staff of the newspaper which published them. The fact that not only the foreign but also the Spanish banks were affected by so transparent a "stunt" would seem to indicate that the mass of people here are not yet educated, from a banker's point of view, up to the standard of other European countries. Also the failure of the Banco de Barcelona was a hard knock to public confidence in the banks, and left people nervous, especially in respect to foreign concerns whose strength they are not in a position to appreciate.

According to official figures just published, the mercantile fleet of Spain comprises 1,201 steamers, with a total tonnage of 1,013,355, thereby placing this country eighth on the list of the world's commercial fleets. The above tonnage, which had been reduced to 783,000 by war losses, is now the highest on record. The situation of the various steamship companies continues unsatisfactory, but it is hoped that a possible reduction of port dues and other expenses abroad will enable them to release such boats as are at present locked up for want of paying freights.

The Stock Exchange continued without animation or decided tendency. The coupons of the 4 per cent. Interior Loan, 4 per cent. Cédulas Hipotecarias, and others were cut during April, but this fact made no impression on the volume of business transacted.

CANADA.—WHEAT BOARD INQUIRY—THE FREIGHT RATE PROBLEMS—BUSINESS AND CROP CONDI- TIONS—CATTLE EMBARGO—COST OF LIVING.

(FROM OUR CORRESPONDENT.)

OTTAWA, May 8.

The verdict of the Law Officers of the Crown that the Federal Parliament cannot set up a Wheat Board with compulsory powers has not deterred the agricultural committee of the House of Commons from continuing its investigation of the grain marketing problem. Mr James Stewart, of Winnipeg, the chairman of the original Wheat Board, while ill-disposed on principle to State interference with trade, has testified that under the control which would have been possible under a Board the slump in prices which afflicted the Western farmers during the autumn months of 1920 and 1921 could have been largely averted and many million dollars extra secured for the wheat crop. He also expressed the opinion that while the Board would be as dependent as before upon the machinery of the grain exchanges and elevators, its effect would be to decrease the spread between street and track prices, which has always been a serious grievance with the farmer. Another important witness was Mr Rice-Jones, the Vice-President of United Grain Growers, Limited, who submitted the following general objections to the existing marketing conditions:—(1) The Canadian wheat crop is not being marketed to the best advantage in outside markets, where certain qualities belonging to it create a special demand for it. (2) There is too much spread between what the producer receives and the consumer pays. (3) There is an unnecessary profit taken by speculators on the Grain Exchanges. (4) The total volume of grain can be marketed better by a centralised Board than by a large number of traders. Evidence was also given that centralised control could lead to a great economy in transportation arrangements.

On the other hand, the elevator companies, the representatives of the Winnipeg and other Grain Exchanges, have given abundant testimony in favour of the continuance of the present system. They assert that European buyers would prefer to deal with individual traders rather than a Government Board, and contend that speculative trading by making possible a broader market is a source of gain rather than loss to the farmers. They refute the charges that huge profits are made by speculation, and hold that the present charges for handling grain are exceedingly moderate. The millers strongly object to any control of flour prices which a Wheat Board would have to enforce. It seems improbable that the Government members who control a majority on the committee will recommend the revival of the Board, but the law officers admit that the Federal Government has authority to establish a Board with limited powers, and some sort of compromise may be offered.

Meanwhile Parliament has another thorny problem on its hands. In the later nineties the Canadian Pacific Railway, in return for a subsidy for its new Crows' Nest Pass line through the Rockies, entered into a definite contract with the Federal Government that its western rates on certain basic commodities like grain, flour, agricultural implements, &c., should never be above a certain level. The western farmer came to regard this Crows' Nest Pass agreement as his freight rate Magna Charta, and at one time the C.P.R. gave rates which were slightly below its schedules. In the early years of the war its existence proved an effective barrier to any increase in rates, which the new scale of railway costs seemed to demand, and it must be held partially responsible for the deficits of the Grand Trunk and G.T.P. Eventually the Borden Government secured its suspension for a period of years which will expire on July 6 of the current year. The moment it expires western freight rates automatically come down to the level fixed by the Crows' Nest Pass agreement. The effect would be to reduce the revenues of the C.P.R. by a sum estimated at from 12 to

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20 million dollars according to the volume of the crop, and the C.P.R. directorate contend that such reductions would leave them in a position of great difficulty. Though the State railways are not directly affected by the terms of the agreement, they would be compelled to meet the rates created by its operation, and the deficits would be enormously increased. The Government are, therefore, between the devil and the deep sea. On the one hand, they are faced with an almost unanimous demand from Western Canada that the Crows' Nest Pass agreement should have its effect restored on July 7th, and on the other the railway executives are insistent that the suspension must be continued. They profess a willingness to consent to certain reductions in freight rates, and argue that the selfishness of the west will if persisted in prevent concessions to the maritime provinces and other regions not affected by the agreement. The Government have taken the extraordinary course of referring the fate of the agreement and its implications to a special Parliamentary Committee, but only secured authority for this course by the narrow majority of 107 to 92. The special Committee has now been constituted, and the general impression is that the case of the C.P.R. will receive sympathetic hearing. The westerners will, however, put up a determined fight on the floor of the House, and some Progressives have threatened that if the C.P.R. is to obtain permission to revise its contracts, the country should begin to think about a cancellation of the very valuable tax exemption privileges which were conferred upon it in its early days.

In view of the necessity of settling these two major problems a long session of Parliament is expected, and prorogation will probably not come till the middle of July. The Budget has not yet been brought down, and no hint of its terms has been disclosed. A fortnight ago the Finance Minister placed a loan for \$100,000,000 at 5 per cent. in New York through the firm of J. P. Morgan and Co. The net price secured by the Government was 97½ per cent., and as the books were virtually closed as soon as they were opened, there are criticisms that too generous terms were given the bankers. Hints have been thrown out that the Government will attempt to secure the balance of the sum which it will require during the present fiscal year by a domestic loan.

Now that the usual seasonal impetus has subsided, business is duller, and fewer orders are coming in to manufacturers. Firms like tea merchants who do business direct with farmers find great difficulty in making their collections, and never was a bumper crop so badly needed. Everywhere farmers are on the land, and in many districts the seeding conditions are excellent. But, on the other hand, wet and showery weather has delayed operations in Saskatchewan, and will have the effect of curtailing the acreage planted. Furthermore, unprecedented floods have inundated a large portion of the fertile valley of the Assinaboine in Manitoba, and extensive tracts of land which had been satisfactorily sown have been ruined for the present year.

The controversy over the cattle embargo in Britain is still being keenly followed in Canada, and the farmers have not abated their belief that its removal would be a great benefit to them. The cabled statement that the new High Commissioner had declared its removal was an urgent necessity to check annexationist sentiment in Western Canada provoked a stormy discussion in the House of Commons. Western members unanimously protested against the reflection, and Mr Larkin has now disavowed uttering any such sentiments.

According to the *Labour Gazette* there was a further decrease of the cost of living in Canada during March. The average cost of a family budget of 29 staple foods in 60 cities was down to \$10.54 as compared with \$10.61 in February, \$13.23 for March, 1921, \$15.98 for March, 1920, and \$7.68 for March, 1914.

JAPAN.—FOREIGN TRADE—IMPORT EXCESS—GOLD RESERVE—A CHINESE LOAN.

(FROM OUR CORRESPONDENT.)

TOKYO, April 9.

JAPAN's foreign commerce for the quarter ending March 31st was marked by the same import excesses that have characterised the nation's trade for most of the past year, leaving at the end of the year an unfavourable balance of something like 360,000,000 yen, to which the adverse balance of the three months just ended, amounting to 278,273,000 yen, must be added. The whole showing is rather gloomy, though a bright spot may be detected in the fact that exports for the quarter increased 23.5 per cent. over the corresponding period of 1921. The following table shows the situation at a glance:—

	January to March, 1921. Yen.	January to March, 1922. Yen.
Exports	245,783,000	303,476,000
Imports	360,898,000	581,749,000
Total	606,681,000	885,225,000
Balance	115,115,000	278,273,000

Exports to Asiatic countries, upon which Japan depends for a very large proportion of her trade, fell off by some 14 per cent., but imports from Asia gained to the extent of 48.8 per cent., as compared with the same period of last year, when Japan's foreign trade reached the zenith of its prosperity. European trade, however, increased 194 per cent. for the quarter in exports, and 86.4 per cent. in imports. Exports to North America gained 106 per cent. and imports 73.5 per cent. With South America exports fell off to the extent of 56.7 per cent., and imports gained 417.3 per cent. Exports to Africa declined by 1.7 per cent., and imports increased by 322.5 per cent. An encouraging feature of the situation is that 28 of the nation's leading articles of export gained during the quarter, but the gain is not so significant as may appear when it is remembered that comparison is made with one of the worst periods of Japan's export trade, when exports were suffering from the crisis of 1920. The largest gain is in raw silk, but cotton yarns, waste silk and silk tissues also scored heavy gains. The rate of expansion was most marked in starch, followed in order of importance by tea, waste silk, hats and caps, raw silk and buttons. Among the 12 leading articles showing a decline are cotton cloth, copper, coal, zinc, and rice. Out of the 28 leading articles of import, 19 registered gains, and these were of an important nature, particularly raw materials, fertilisers, and food-stuffs.

As was only to be expected, the adverse situation in foreign trade is having a marked effect on Japan's finance, especially on the gold holdings, which increased so phenomenally during the war years, jumping from 353,000,000 yen in 1914 to over 2,000,000,000 yen in 1920. Now, however, the drain on specie has set in to meet the demand created by so remarkable a reversal of trade currents. This heavy efflux of gold is likely to continue for some time. During the quarter just ended the outflow amounted to some 160,000,000 yen. Of this total, 45,000,000 yen went out in March alone. Though the adverse circumstances are causing the exchange banks to draw heavily on the Government's balance abroad, the amount of reserve kept at home continues normal, standing now at 1,220,000,000 yen, with about 700,000,000 yen still overseas, chiefly in England, with a lesser portion in the United States. The change effected in the nation's gold holdings in the last three months will appear from the following table:—

	December, 1921. Yen.	March, 1922. Yen.
Total at home	1,225,000,000	1,220,000,000
Total abroad	885,000,000	700,000,000
Total	2,080,000,000	1,920,000,000

Owing to the situation in trade, and the advantages offered by temporary Government bonds and debentures, bank deposits have so fallen off that the banks have been obliged to increase the interest on fixed deposits to 6 per cent., and some banks are offering a still higher rate. It is reported that China has arranged to float a loan of 33,000,000 yen in Japan for the adjustment of previous loans, and that the terms of issue will be 8 per cent. at 84, plus a 5 per cent. commission. The persistence of high prices, much unemployment and declining wages are features of the industrial situation in Japan.

NEW ZEALAND — INTEREST RATES — PUBLIC FINANCE — RENT RESTRICTIONS RELAXED — FAVOURABLE SIGNS.

(FROM OUR CORRESPONDENT.)

AUCKLAND, N.Z., April 3.

THE rate of interest continues to advance. It is true the present rates are nominally 7 per cent. on first and 7½ per cent. on second mortgage, but it is increasingly difficult to obtain loans on these terms, and of late higher rates have been asked and paid. Large industrial and commercial firms are offering debentures at 8 to 10 per cent. The various public bodies also find it difficult to obtain money on any moderate terms. It is a little curious that, while the Australian Governments have been placing loans in the United States and London, municipal bodies in New Zealand have been raising loans in Australia. Wanganui recently raised a loan of £200,000 in the Commonwealth at 7 per cent.

There has been too much interference on the part of the Government with the right of freedom of contract, and such measures have sometimes had the very opposite effect to that which was intended. The Government has, however, learned by experience, and the tendency is now for a greater respect to be shown for freedom of contract. This is manifested, among other instances, by recent modification of the law limiting rents and imposing onerous restrictions on landlords. Thanks to the modifications of these restrictions, a great impetus has been given to building operations, an important step, since the shortage of housing accommodation tended to restrict immigration and to increase the cost of living.

At the same time, the anti-capitalist agitation which has been so prominent of late in Australia has not been noticeable to the same extent in New Zealand. The almost total absence of any industrial trouble for a considerable time is one of the most hopeful signs for New Zealand's future. Reductions of wages have been cheerfully accepted, and have not caused the strikes which similar action has produced in Australia, Great Britain, and elsewhere. Wage reduction began in the agricultural and pastoral industry, which is the mainstay of New Zealand, and has extended to both unskilled and skilled labour in general.

The prospects for the future are distinctly reassuring. The policy of ruthless retrenchment initiated by the Government has produced a good effect, and although New Zealand has been hard hit by the heavy expenditure caused by the war, there is now every reason to believe that before the close of the year public expenditure will be fully balanced by the local receipts. It is believed that the loan which it is proposed in a month or six weeks' time to raise in London will be the last one required for Budget purposes. The last New Zealand loan of £5,000,000 was issued in June last year, when 6 per cent. stocks were selling at 96. Subsequently it was stated that a supplementary issue of £386,000 had been made at 99½ to cover discount and underwriting expenses, while in November the Dominion was able to sell £500,000 of 6 per cents. at 99. Stock Exchange quotations in general have shown a slow but steady rise since the commencement of the year, and this tendency is well maintained. This is taken as a hopeful sign, and there is reason to believe that the times of storm and stress through which we have passed are now nearing an end.

Letters to the Editor.

REPARATIONS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Admittedly, authors should not attempt to review their reviewers, but there appeared in your issue of April 15th a critique of "Reparations, Trade and Foreign Exchange," which is of such interest that a reply seems essential.

Your reviewer says: "The assertion that an indemnity is a bad thing, because it causes unemployment, needs considerable qualification. It will cause a certain amount of dislocation, but to get something for nothing, even under the capitalist system, may free resources for other purposes." Yes, Sir, I agree. But this "freeing of resources for other purposes" is the danger which we must try to avoid.

In industry there are two types of "resources"—"fixed" and "unfixed." Fixed resources consist of Labour, Capital, and Land already applied to specific purposes. Unfixed resources are those which, at the moment, are ready to be applied to various purposes, but which are not yet so applied.

Unfixed resources are *ipso facto* "free," therefore it would be nonsense for your reviewer to talk of freeing unfixed resources for other purposes. Consequently he can only be referring to the freeing of "fixed" resources. This, Sir, is the danger of which I complain, i.e., the unemployment of already specialised labour, capital and land.

The freeing of fixed resources "for other purposes" implies not only the prolonged unemployment of the human beings thus freed, but also the complete waste of most of the specialised plant.

In this latter connection—namely, the freeing of fixed capital—your reviewer is probably aware of the immense practical difficulty of converting factories "for other purposes," and of training labour for a new job, especially where trade unions are concerned. Incidentally, when many fixed resources become "freed," business confidence wanes, and a few persons in control of resources, new or old, dare to devote them to other new purposes.

Later, in his criticism (apparently of pp. 258 to 261) your reviewer proceeds: "The real difficulties of the Reparations problem lie in the reduced capacity of Germany to produce goods and services without a return. No doubt Germany could export a gross total of £6,600 millions in 42 years without overmuch difficulty, assuming that prices do not change very much. But that is not the problem. The real problem is to export a surplus of this amount over imports, and to finance it out of taxation." This argument, Sir, is certainly correct; but, judging from the way your reviewer words it, he implies that I have overlooked these two points. This implication is entirely erroneous. I have made a special point of the fact that the Reparations question consists not of one, but of three different, though closely connected, problems, namely:—

1. The German nation's problem of securing a surplus of exports over imports. This is mainly a question of the exchanges in relation to internal prices.
2. The German Government's problem of financing the cash payments of the Allies which should arise out of the German nation's surplus exports. This is mainly a political question.
3. The problem of arranging a form of payment which will not harm English industry nor aggravate unemployment.

Your reviewer will find these three points set out on p. 261, and again in blazing headlines in the addendum on p. 267.

I would therefore venture to ask you to publish this letter, not so much in fairness to myself, but because of the great importance of the Reparations problem. This letter may, however, incite your reviewer to treat me somewhat severely.—I am, Sir, yours obediently,

L. L. B. ANGAS.

5 Chester place, Hyde Park square, W. 2,
May 3rd, 1922.

Books and Publications.

A CHAPTER IN THE HISTORY OF THE LEAGUE OF NATIONS.*

THE difficulties which have been encountered by the Genoa Conference make it abundantly clear that the success of international co-operation greatly depends upon atmosphere, procedure, and careful preparation. Those who realise that the world will not now rest content to slip back into a pre-war condition of unco-ordinate and independent diplomacy will find it worth while to study the League of Nations at work. The constitution and procedure of the Geneva League is still very imperfect, and even its most ardent supporters will recognise that it is only at the beginning and not at the end of its evolution. Mr. Temperley's account of the Second Assembly, written with inside knowledge by a technical adviser to the British Delegation, says little about the Technical Organisations of the League, or even of disarmament and blockade. It is rather concerned with questions such as the admission of new States, mandates and minorities, the Courts of Justice, constitution of the League, and disputes in Albania and Silesia. In Mr Temperley's opinion these are at present the problems by which the League will be judged. On the Silesian question Mr Temperley admits many objections to the solution which the League ultimately imposed, but it was a case in which any decision was better than no decision. The breach between French and British in Upper Silesia was definite and fundamental in 1921. To have refused to make an award would have been cowardly and brought the League into contempt. The League's decision "did actually decide a question whose continuance would have worked like a festering wound in the body politic of Europe." Mr Temperley further stresses the League's services in the Albanian question. A study of this episode will help English readers to understand how it is that there is slowly growing in Europe an appreciation of the potential power of the League of Nations. Mr Temperley's discussion of what the League may mean to the British Dominions and to Latin America raises the question of the next step in the development of the League's constitution. This matter is well worthy of study by all students of politics, for the League has evidently the seeds of permanence. At the Peace Conference it was often found that small States would consent to accept as the decision of the great Powers what they had previously refused to accept of their own free will. The great Powers are beginning to learn to accept a decision from the League which they would not accept from another State, or even from a Conference of Ambassadors.

* "The Second Year of the League." By Harold W. V. Temperley. Hutchinson and Co., Paternoster row, E.C.

THE CONTROL OF PUBLIC UTILITIES.*

THE issue of public ownership or control of public utilities in New York State was fought, if not to a finish, at any rate to the end of a round in what the accomplished author of this thesis for a Doctorate of the University of Pennsylvania terms, with a delightful lapse into his aboriginal *patois*, "the gubernatorial campaign" of 1906. Of the two candidates, Mr Hearst demanded the public ownership of public utilities, and Mr Hughes stood for mere control. Mr Hughes was successful, and the result was the Public Service Commissions Law of 1907, and an administrative machine which is full of interest for those who are struggling in other countries with the identical problem of reconciling with the public interest a continuance of the private ownership of public utilities. Governor Hughes created a statutory authority, with power to control the capitalisation of public utility companies in New York State. It has come inevitably into collision with the law courts, which have shown their customary jealousy of the effective regulation of the life of the community through any organ other than them-

* "Capital Control in New York." By Donald C. Baldwin. M enasha, Wis.) Collegiate Press.

selves. But the results appear in the main to have been highly satisfactory. One is gratified by the spectacle of a public authority scrutinising the security offered for proposed issues, the ratio of stock to bonds, and even the scale of promotion fees. A uniform system of accounts has even been prescribed by the Commissions for the undertakings subject to their jurisdiction, and the whole scheme is a highly suggestive experiment in the public regulation of private enterprise at the point where it impinges upon the public interest.

AMERICAN "BUSINESS."

In this massive compendium of over 900 pages, which, it seems, is merely an introductory survey of the field of business administration, it is suggested that collegiate training for business administration must be comprehensively organised. Mere training in scattered "business subjects" falls far short of the standard set up in the University of Chicago, which has in hand the publication of a whole series of volumes that are to contain "materials for the study of business." Problems of adjustment to physical environment, of technology, of finance, problems connected with the market, of risk and risk bearing, of personnel, and of adjustment to social environment, all demand attention, apparently, from the serious student who thinks of trying to find a place for himself in one of the "zones of business control" which are analysed and classified in the book under notice.

The general idea is, of course, excellent. Wide study of the many forms of economic activity is an excellent foundation for business life, though it needs to be supplemented by practical experience; but really the question forces itself on one whether the embryo "business administrator" whose development is to be assisted will not be "mazed" in trying to grapple with the vast elaboration of interlocked and partially overlapping departments presented to his gaze. Modern business is complex, but there are simple ways of approach even to complex subjects which avoid oppressing the mind of the learner with the feeling of being himself merely a cog in a vast and merciless machine. Perhaps the American student's mind is not oppressed, but the American method of presenting information, while broadly enough conceived, is somewhat staggering. As the author remarks, "one after another of the functions of the business administrator is discussed, with particular reference to the character of the problems involved and to the control policies and devices of the manager." The discussion, however, lacks co-ordination. The bulk of the book consists of a compilation of extracts from numerous other works. Glimpses are presented of a great diversity of facts, opinions, and aspects, but the effect resembles that of a cinematograph show in which the sequence of action is interrupted again and again, going on after each break with some change of scene or standpoint. Still, as a compendium of varied business information, the book will be valuable.

* "Business Administration." By Leon Carroll Marshall. (Chicago) The University of Chicago Press. 1922. \$4.

A YEAR BOOK FOR INDUSTRIALISTS.*

FINANCIERS have long made use of several indispensable works of reference covering Stock Exchange, banking, and other spheres, but so far as we are aware there has never hitherto been such a volume to meet the needs of industrialists. In attempting to fill this gap, Mr Philip Gee has undertaken a very arduous task, since in the industrial field economic phenomena are not reduced to any standard form of statistical record to the same extent as in the world of finance. This fact, though it makes the editor's task more difficult, should make the result more interesting, for it means that personal comment and judgment inevitably play a larger part. For example, questions affecting the relations of employer and employed occupy a considerable part of the volume, and it is interesting to find the view expressed in a special article devoted to this subject that employers should frankly face the necessity of adapting themselves to a new relationship. "Already organised labour is

* "The Industrial Year Book, 1922." Edited by Philip Gee.

advancing a demand in the political world that labour shall be a partner and no longer the servant in industry. To many the demand will seem visionary; to most it must appear to be previous. But none the less this is the direction in which events are taking us. The rapidity of our progress thither will be measured by the ability of the trade unions to produce men with really statesman-like ability. The maintenance of industrial peace depends mainly upon the ability of both employers and employed to understand the changed conditions, and to accept the new responsibility which the conditions place upon them."

Except that much more detailed information is given with regard to the coal-mining industry than to other trades, data about home affairs seems well balanced and fairly complete. So far as foreign information is concerned, it is not to be expected that at the first attempt the conditions of each country could be given their due weight; indeed, it is a task of the greatest difficulty to get adequate information covering industrial conditions abroad. This section will steadily develop as Mr Gee's machinery for tapping foreign sources of information expand. The editor is to be congratulated on the first number of a work which is certain to take a permanent place among books of reference.

BOOKS RECEIVED.

- Anglo-South American Handbook for 1922* (including Central America, Mexico, and Cuba). Edited by W. H. Koebel for the Federation of British Industries. (London) T. Fisher Unwin. 25s net.
- The Trade Cycle*. By F. Lavington, M.A. (London) P. S. King and Son, Limited. 3s 6d.
- The Common Hazards of Fire Insurance*. By W. G. Kubler Ridley. (London) Sir Isaac Pitman and Sons, Limited. 5s net.
- Economics for Commercial Students*. By Albert Crew. Fourth (Revised) Edition. (London) Jordan and Sons, Limited. 5s net.
- "Manchester Guardian Commercial" Reconstruction in Europe*. Section Two. (Manchester) The Manchester Guardian, Limited, 1s.
- The Re-establishment of the Gold Basis of Currency*. By H. R. Sleeman. (London) Institution of Mining and Metallurgy, Cleveland House, 225 City Road, E.C. 1.
- Le Retour à l'Or*. (Brussels) Moniteur des Intérêts Matériels.
- Le Travail Obligatoire en Bulgarie*. Par Christo Stoyanoff. (Sofia) Imprimerie de l'Etat.
- Journal of the Institute of Actuaries Students' Society*. Vol. II. No. 1. (London) Sanders, Phillips, and Co., Limited. 3s.
- Der Siegerländer Erzbergbau von Bruno Krell*. (Essen) Deutsche Bergwerks-Zeitung.
- Joint Stock Companies in British India, 1919-20*. (Calcutta) Department of Statistics.
- Reminders for Company Secretaries*. By Herbert W. Jordan. (London) Jordan and Sons, Limited. 1s net.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. May 31. ACCOUNT. June 1.

The Stock Exchange starts dealing for the end-May account on Monday, and the reversion to pre-war practices then comes into operation. What effect this is likely to have upon business is a matter for considerable speculation. Markets have derived no benefit from the previous expectation that removal of restrictions upon contangoes will lead immediately to substantial increase in the volume of buying. There is, indeed, a noticeable hesitation on the part of speculation, as well as that of investment, in most departments round the House. The result of the New South Wales 4½ per cent. issue at 95, which left underwriters with 94 per cent. of the stock, did not encourage the Consol market. Underwriters of the recent Lever 5 per cent. debenture stock got 24 per cent. of their obligations. There is talk of a new Straits Settlements 4½ per cent. loan, also at 95, and other borrowers are expected to make their appearance in the near future. Talk of an early reduction in the Bank rate to 3½ per cent. has died down.

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After dipping below 99 on the fears of an early general election, the War Loan recovered about half a point, the later assumption being that the election will be postponed. Genoa has done nothing to help matters in the Stock Exchange, and the international complications which still remain are disappointing to those who looked for settlement of many disputed points at the Conference just ending. The Consol market as a whole is inclined to be heavy, though the dullness has not invaded Home Railway prior-charge lists, nor are Colonials any worse in the majority of cases.

Paris has been taking rather more of a hand this week in the foreign market, where Peruvian Corporation stocks, Rio Tintos, Anaconda shares, and a few other inter-Bourse issues developed strength. French railways scrips remain dull. Germans eased off owing to the fall in the mark, and a number of the South American bonds have been depressed, although towards the end of the week a recovery ensued in Brazilians by reason of the improved condition of the exchange. The more recently issued scrip stocks of Brazil, Czechoslovak, Chile, &c., have barely held their ground.

The Home Railway market seethed with bullishness in the early part of the week, when the wave of speculation rushed prices up by points at a time. The chilling effect of a decline in war stock caused a check to the leaders in the Home Railway market, and this brought in a crop of profit-taking orders which lowered prices sharply from the best. It looks as though there may be a lull for a while; certainly the pace has been very fast. North Easterns, to take the most prominent example, have risen 35½ points this year, allowing for the dividend. Grand Trunks are inclined to be easier; Mexican Rails have given way, and the Argentine Railway market, after trying to go better, fell back for want of support. Debenture and preference stocks in this market are well maintained.

Rubber continues on its downward track, but prices in the share market are fairly firm, owing to some of the recent reports being better than had been anticipated. Rubber Trusts, however, gave way when the figures came out. The Oil market is taking things quietly, except for an occasional spasm in specialised shares. The Banking market is firm, and Eastern banks continue in demand, owing to the still unconfirmed rumours of certain London banks desiring to gain control over Eastern companies. The Insurance market exhibits few noticeable changes, and the shipping list, while distinctly hard, is not attracting much attention. Textiles improved, on the showing made by the Fine Spinners Co. Dunlops braced up a trifle, because of the expectation that the forthcoming report of the company may throw a favourable light on the situation, though in this direction caution is commendably noticeable. Johnson and Phillips gave way sharply, because the company is paying no dividend this time, against 12½ per cent. for the previous year. The Marconi group advanced appreciably by reason of the forthcoming extension of Radio-telephony, while cable stocks have scarcely moved. Discouraging news about the cotton crop served to render Egyptians dull and heavy, while the uncertainty regarding the engineering outlook continues to be reflected in the quietude of the market for shares immediately affected. A good many inquiries have come in for brewery stocks and trust companies' shares, to find, however, comparatively little supply available to meet demand. Imperial Tobaccos reached 60s, and British Americans hardened in sympathy. There has been a good deal doing in sound industrial preference shares.

Kaffirs improved on the news that, at last, the vexed question of enemy-held shares has been settled between the Custodian of South Africa and the various Transvaal mining groups. Relieved from this incubus, the Kaffir market put up most of its prices, without much additional business, however, being stimulated as a consequence. Copper shares of all kinds are decidedly better, on the recovery in the price of the metal. A much more modest movement in the prices of tin shares accompanied the rally in tin. Russian mining shares are heavy, Mexicans moved narrowly and irregularly, Indian shares are inclined to be better, and the Broken Hill group strengthened, but it cannot be said that activity has yet revived in any of the mining markets. There are hopes that it will be assisted

by reversion to pre-war conditions next week, though the Stock Exchange recognises that there are still many practical handicaps in the way to resumption of business on pre-war lines under present-day conditions.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:-

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—				
Amount previously recorded	404,589,037	..	..	..

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHANGE WEEK ENDED MAY 12, 1922.
April 1 to May 12, 1922, £20,330,000 100,000 .. 100,000

To the Public—				
Consent Iron Company, Limited, £1,500,000 6% First Deb. Stk. (red. by ann. dwgs. at par 1933-34), issued at 99% (May 16) ..	1,500,000	1,485,000	150,000	1,335,000
Chargeurs Réunis (French Steam Navigation Co.), £1,000,000 5½% Ster. Bonds at 92½, red. at par by 1952 (May 18) ..	1,000,000	925,000	100,000	825,000
Total offered to Public	2,500,000	2,410,000	250,000	2,160,000
To Shareholders only—				
Anglo-Portuguese (E. Africa) Concessions, 100,000 Unissued Shares, 5s, now offered at par	25,000	25,000	25,000	..
Geduld Proprietary Mines, 75,861 Shares, at £2 10s per share 1921	192,152	192,152	192,152	..
Moderfontein Deep Levels, 50,017 Shares, at £2 per share	100,034	100,034	100,034	..
Lunuvu (Ceylon) Tea and Rubber Estates, 20,000 Shares, £1, at 25s per share	20,000	25,000	25,000	..
National Bank of New Zealand, 100,000 Shares, £7 10s (£2 10s paid), offered at £4 10s per share	250,000	450,000	150,000	300,000
Total to Shareholders only	792,186	792,186	492,186	300,000
Total offered for subscription to date	£407,891,223	1921	£388,978,203	
1922	88,032,418	1920	387,548,686	
1921	183,154,762	1919	1,036,088,961	
1920	349,616,862	1918	1,393,381,441	
1919	580,605,458	1917	1,312,686,010	
1918	946,093,178	1916	685,436,850	
1917	216,332,137	1915	685,436,386	
1916	66,350,626	1914	619,522,633	

Consent Iron Company, Limited.—Authorised share capital £3,500,000, all of which has been issued and is fully paid. This is an issue at 99 per cent. of £1,500,000 6 per cent. first debenture stock, part of a total authorised issue of £2,500,000. The issue will be secured by a trust deed constituting a floating charge upon assets. The stock will be redeemed by annual drawings at par, commencing on July 1, 1933, and ending on July 1, 1962, but the company reserves the right to pay off stock at £102 per cent. at any time after July 1, 1933, subject to three months' notice. Since August, 1919, the company has embarked upon a scheme of capital expenditure, estimated at about £1,500,000, of which about £950,000 has already been expended. The balance-sheet at June 30, 1921, showed an excess of assets over liabilities of £5,248,099, excluding goodwill. The prospectus gives a record of profits for the last twenty-three years, but these are given before allowance has been made for depreciation. It is anticipated by the company that the profit and loss account for the year ending June 30, 1922, will only show a small balance of profit before making any charge for taxation. The absence of a fixed charge renders the security somewhat indefinite, but the company agrees not to create other charges ranking in priority to *pari passu* with the present authorised issue of £2½ millions, or *pari passu* with the present authorised issue of £2½ millions, except to secure bankers' advances; this the excellent past financial history of the company will no doubt be sufficient to render the stock a good marketable security.

Chargeurs Réunis Compagnie Française de Navigation à Vapeur.—Incorporated under French law. Share capital 100 million francs, in fully-paid shares of 500 francs each. This is an offer for sale of £1,000,000 6½ per cent. sterling bonds, at £92 10s per cent. These bonds will be redeemed by a cumulative sinking fund to be applied annually by drawings at par, commencing 1928, and it is calculated to redeem the whole of the bonds by 1952. The company has the right to redeem the issue at 102½ per cent. on and after May 1, 1932, subject to three months' notice. Principal and interest will be payable in London in sterling, free from French taxation. The securities are the only sterling bonds of the company, and none of the bonds issued by the company carries any preferential charge. Thus the sterling issue ranks *pari passu* with the existing bonds in francs. It is stated that the surplus of assets over all liabilities, including all outstanding debts, as well as the present issue, is 184,000,000, or (at an exchange of, say, 50f to the £), £3,680,000. Profits are given for the last six years, and on these figures there should be little difficulty in meeting the company's bonded indebtedness easily. The

vendors paid 85½ per cent. for the bonds, but they pay out in underwriting and over-riding commissions 2 per cent. A fairly good foreign industrial investment.

Trinidad Friendship Petroleum Company, Limited.—Authorised capital £750,000, divided into shares of 5s each, of which 1,566,404 have been issued and are fully paid. In addition, 100,000 shares have been issued, with 1s paid. Four estates in Trinidad have been acquired for various payments totalling £42,265 in cash, £350,000 in shares of the company. These details are taken from an advertisement in the Press, made to comply with Stock Exchange regulations, but probably we shall have some experts' progress reports before the shares are placed upon the market.

ACTIVE SECURITIES.

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.

	Price	Week	Latest	Price	Week	Latest	Rise or
	£			£			Fall.
War 4½% 1925-28	93½	94	94	94	94	94	—
War 4½% 1925-45	98½	98½	98½	98½	98½	98½	—
Loans 5½% 1926-47	99½	99½	99½	99½	99½	99½	—
Loans 4½% 1926-47	100½	100½	100½	100½	100½	100½	—
Victory Bonds 4½%	88½	88½	88½	88½	88½	88½	—
Conversion Loan 3½%	77½	77½	77½	77½	77½	77½	—
Consols 2½%	58½	58½	58½	58½	58½	58½	—
Irish Land Stock 2½%	61	61	61	61	61	61	—
Local Loans 3½%	66½	66½	66½	66½	66½	66½	—

Colonial and Foreign Railways.

Antiofagasta Cons.	59½	59	59	59	59	59	—
B. A. & Pacific	48	46½	46½	46½	46½	46½	—
B. A. Gt. Southern	74	72	72	72	72	72	—
Buenos Ayres West.	69	68	68	68	68	68	—
Canadian Pacific	157½	158	158	158	158	158	—
Central Argentine	64½	64	64	64	64	64	—
Grand Trunk Ord.	1½	1½	1½	1½	1½	1½	—

Banks.

Barclays B. (£1 f.p.d.)	2½	2½	2½	2½	2½	2½	—
Chartered Bk of India	17½	18	18	18	18	18	—
Lloyds (£5 with 1d p.d.)	2½	2½	2½	2½	2½	2½	—
London Joint City & Midland (£12 with 3d p.d.)	8½	8½	8½	8½	8½	8½	—
London County West- minster and Parr's £50 with 6d p.d.)	17½	17½	17½	17½	17½	17½	—

Foreign Government Securities.

Argentine 5% 1888-7	38	100	100	100	100	100	—
Belgian 3% 73	74	74	74	74	74	74	—
Brazil 5% Fund, 1914	70	70	70	70	70	70	—
Chilian 4½% 1895	77	77	77	77	77	77	—
Do 7½% 1902	102½	103	103	103	103	103	—
Chinese 5% 1912	74	72	72	72	72	72	—
Egyptian 4% 1914	71½	71	71	71	71	71	—
French 5% 1914	44	43	43	43	43	43	—
Do 4% 1914	34½	34½	34½	34½	34½	34½	—

Telegraphs.

Anglo-American "A" 2½%	24	24	24	24	24	24	—
Marconi Wireless	24½	24½	24½	24½	24½	24½	—

British Railways.

West Central Pref.	19	20½	20½	20½	20½	20½	—
Great Eastern	40½	39	39	39	39	39	—
Great Northern Def.	38½	40½	40½	40½	40½	40½	—
Great Western	100	100½	100½	100½	100½	100½	—
London, Brighton & South Coast	60½	61½	61½	61½	61½	61½	—
London, Chatham & Dover	11½	11½	11½	11½	11½	11½	—
L. & N. W. (New)	99	98	98	98	98	98	—
L. & S. Western, Def.	28½	28	28	28	28	28	—
Metropolitan	46	44½	44½	44½	44½	44½	—

American Railroads.

Chesapeake & Ohio	73	73	73	73	73	73	—
Erie	15	15	15	15	15	15	—
Do 4½ 1st Pref.	24	25	25	25	25	25	—

Miscellaneous.

Acorn Bread (£1)	11½	11½	11½	11½	11½	11½	—
Anglo-Persian Oil (£1)	43½	43½	43½	43½	43½	43½	—
Armstrong (Sir W. G.)	15½	15½	15½	15½	15½	15½	—
As. Portland Cement (£1)	17½	15½	15½	15½	15½	15½	—
B. & S. Portland Cement (£1)	9½	10½	10½	10½	10½	10½	—
Brazil Tobacco (£100)	49	54	54	54	54	54	—
British-American Tobacco (£1)	34½	34½	34½	34½	34½	34½	—
Brit. & Arg. Meat (£1)	14½	14½	14½	14½	14½	14½	—
Burmah Oil (£1)	54	54	54	54	54	54	—
Coats (J. and P.) (£1)	3½	3½	3½	3½	3½	3½	—
Coca-Cola (£1)	2½	2½	2½	2½	2½	2½	—
Conard (£1)	1½	1½	1½	1½	1½	1½	—
Dunlop Rubber (£1)	8½	8½	8½	8½	8½	8½	—
Fine Cotton Spinners (£1)	18½	18½	18½	18½	18½	18½	—
Forestral Land (£1)	14	14	14	14	14	14	—
Furness, Withy (£1)	14½	14½	14½	14½	14½	14½	—
Highlands and Lowlands Rubber (£1)	14½	14½	14½	14½	14½	14½	—
Hudson's Bay (£1)	6½	6½	6½	6½	6½	6½	—

Mines.

Bankpan (£1)	24	24	24	24	24	24	—
Broken Hill Prop. (S)	14½	14½	14½	14½	14½	14½	—
Chartered (£1)	14½	14½	14½	14½	14½	14½	—
Cons. Gold Fields (£1)	14½	14½	14½	14½	14½	14½	—
Crown Mines (S)	14½	14½	14½	14½	14½	14½	—
De Beers Def. (£2½)	11½	11½	11½	11½	11½	11½	—
De Beers Prop. (£1)	24½	24½	24½	24½	24½	24½	—
Gold (£1)	24½	24½	24½	24½	24½	24½	—
Gov. Gold Areas (£1)	4½	4½	4½	4½	4½	4½	—

ANALYSIS OF BALANCE-SHEETS.

RUBBER PLANTATIONS INVESTMENT TRUST, LIMITED.

December 31, 1921.		December 31, 1921.	
LIABILITIES.	Amount.	ASSETS.	Amount.
Ord. shares	1,995,497	Investments	766,773
Shareholders' loan	473	Properties	1,577,599
Reserve	500,000	Sundry debtors	30,413
Temporary loans	—	Loans & advances	118,804
Sundry creditors	64,071	Stocks of produce	114,322
Unclaimed divs.	—	Stores & materials	24,979
Outstanding intst.	1,453	Cash	26,069
Profit and loss	98,918		
Total	2,658,959	Total	2,658,959

FINE COTTON SPINNERS AND DOUBLERS' ASSOCIATION.

March 31, 1922.		March 31, 1922.	
LIABILITIES.	Amount.	ASSETS.	Amount.
Prof. shares	3,000,000	Properties, &c.	5,404,553
Prof. ord. shares	940,000	Investments	4,436,135
Ord. shares	3,675,000	Furniture, &c.	9,961
4% deb. stock	2,000,000	Stock-in-trade	3,078,867
4% ext. deb. stk.	750,000	Debtors	1,505,902
Deb. interest	38,500	Cash	32,399
Reserves	1,692,959		
Insurance	148,831		
Pension fund	101,499		
Research fund	35,000		
Superann. fund	29,027		
Loans	209,722		
Creditors	1,348,518		
Due bankers	—		
Profit and loss	498,871		
Total	14,467,857	Total	14,467,857

BABCOCK AND WILCOX.

December 31, 1921.		December 31, 1921.	
LIABILITIES.	Amount.	ASSETS.	Amount.
Sundry creditors	2,181,216	Cash	684,561
Temporary over- drafts at bank's	—	Investments	1,891,596
6% pref. shares	100,000	Bills receivable	95,658
5% pref. shares	179,056	Debtors	1,596,507
Ord. shares	2,148,819	Expenditure on orders	320,542
Premium on shrs.	545,089	Stock, &c.	1,398,367
Reserve fund	1,350,000	Land, plant	1,194,044
Dividend fund	245,000		
Profit and loss	432,114		
Total	7,181,274	Total	7,181,274

BRITISH COTTON AND WOOL DYERS' ASSOCIATION.

March 31, 1922.		March 31, 1922.	
LIABILITIES.	Amount.	ASSETS.	Amount.
Ord. shares	590,624	Land, plant, &c.	1,254,835
4% deb. stock	620,000	Stocks	159,466
Deb. int. accrued	6,200	Debtors	279,037
Reserve	125,000	Cash	69,809
Depreciation fund	165,000	Trustees for debts	24,675
Investment con- tingency fund	25,000	Investments	92,061
Creditors	211,819		
Profit and loss	146,240		
Total	1,879,883	Total	1,879,883

EAGLE OIL TRANSPORT COMPANY, LIMITED.

December 31, 1921.		December 31, 1921.	
LIABILITIES.	Amount.	ASSETS.	Amount.
6% pref. shares	2,000,000	Cost of steamers, &c.	9,129,563
Ord. shares	3,000,000	Office furniture	250
Deposit received	—	Stock of repair stores	6,862
Ord. shares	—	Debtors	366,691
12 year 7½ notes	3,000,000	Cash	2,069,348
Depreciation re- serve	1,233,454	Stamp duty on new capital	—
Repair and other reserve ac- counts	202,534	Expenses of note issue	36,041
Prof. shareh'drs for dividends	42,828		
Noteholders for interest	37,079		
Bills payable	849,358		
Sundry creditors	834,974		
Profit and loss	418,529		
Total	11,618,756	Total	11,618,756

ANGLO-ARGENTINE TRAMWAYS.

December 31, 1921.		December 31, 1921.	
LIABILITIES.	Amount.	ASSETS.	Amount.
1st pref. shares	3,200,000	Concessions, pro- perty, &c.	20,475,968
2nd pref. shares	2,500,000	Discount on debts	440,019
Ord. shares	3,550,000	Stores and furni- ture	348,305
4% deb. stock	4,031,903	Debtors	112,832
Accrued interest	80,638	Investments	230,073
4½% deb. stock	1,667,399	Deposits in B. Ayres	7,089
Accrued interest	37,516	Cash	222,838
5% deb. stock	5,912,738	Paving work	134,634
Sinking fund	24,636	Bills receivable	12,496
Reserve fund	99,502		
Renewals fund	340,400		
Creditors	598,837		
Divs. unclaimed	9,553		
Interest accrued	—		
On profits	88,000		
Balance of revenue account	143,532		
Total	21,984,254	Total	21,984,254

The Economist

BANKING NUMBER.

Vol. XCIV.]

SATURDAY, MAY 20, 1922.

[No. 4,108.]

ALLIANCE

ASSURANCE COMPANY, LIMITED.

ESTABLISHED IN 1824.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.

Assets exceed £25,000,000.

DIRECTORS:

THE HON. N. CHARLES ROTHSCHILD, *President.*CHARLES EDWARD BARNETT, Esq., *Chairman.*BRIG.-GENERAL H. W. DRUMMOND, C.M.G., *Deputy-Chairman.*

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H. MELVILL SIMONS, Esq.

HENRY ALEXANDER TROTTER, Esq.

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The following are amongst the classes of Insurance Business transacted by the Company:—

LIFE (with and without Profits). Special Estate Duties Policies.
Children's Deferred Assurances and Educational
Endowment Policies. Annuities.

SINKING FUND and CAPITAL REDEMPTION.

FIRE.

MARINE.

BURGLARY and THEFT.

ACCIDENT, including Personal Accident and Disease, Motor Car, Motor Cycle, Third Party, Drivers' Risks, Lift, Plate Glass and Workmen's Compensation, with Special Policies for Domestic Servants.

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COMPREHENSIVE POLICIES FOR HOUSEHOLDERS ARE GRANTED.

THE COMPANY IS EMPOWERED TO ACT AS EXECUTOR AND TRUSTEE.

THE STANDARD BANK

of SOUTH AFRICA, LIMITED

(with which is incorporated the AFRICAN BANKING CORPORATION, Ltd.)

BANKERS TO THE GOVERNMENT OF THE UNION OF SOUTH AFRICA IN CAPE PROVINCE; TO THE IMPERIAL GOVERNMENT IN SOUTH AFRICA; AND TO THE ADMINISTRATION OF RHODESIA.

Authorised Capital	£10,000,000
Subscribed Capital	£8,916,660
Paid-Up Capital	£2,229,165
Reserve Fund	£2,893,335
Uncalled Capital.	£6,687,495
	£11,809,995

BOARD OF DIRECTORS.

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Sub-Manager.—F. Norman.

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J. T. Pringle.

Secretary.—Herbert G. Hoey.
Assistant Secretary.—T. D. Williams.

Head Office: 10 CLEMENTS LANE, LOMBARD ST., LONDON, E.C.4

London Wall Branch—63 London Wall, E.C.2.

West End Branch: 17 Northumberland Avenue, W.C. 2
(adjoining the Royal Colonial Institute).

New York Agency: 68 Wall Street.

Rotterdam Branch: 15 Coolsingel. Amsterdam Branch: 69 Rokin.

Hamburg Agency: Bank of British West Africa, Ltd., 49-53, Schauenburgerstrasse.

Over 400 Branches, Sub-Branches, and Agencies in—

CAPE PROVINCE.
NATAL.
ORANGE FREE STATE.
TRANSVAAL.
TANGANYIKA TERRITORY.

RHODESIA.
NYASALAND.
BASUTOLAND.
KENYA COLONY.
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UGANDA.
ZANZIBAR.
PORTUGUESE EAST AFRICA.
SOUTH WEST AFRICA.
BELGIAN CONGO.

Banking Business Transacted in all parts of the World.

Executions and Trusteeships Undertaken.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application

EVERY FACILITY AFFORDED FOR THE DEVELOPMENT OF TRADE WITH
ALL PARTS OF SOUTH AND EAST AFRICA, THE UNITED STATES OF
AMERICA, AND THE CONTINENT OF EUROPE.

DOCUMENTARY CREDITS ARRANGED.

ENQUIRIES INVITED.

The Economist Banking Number

A SURVEY OF BRITISH AND FOREIGN BANKING

Vol. XCIV.]

SATURDAY, MAY 20, 1922.

[No. 4,108.

CONTENTS.

Monetary Policy.....	PAGE
The Bank Accounts of the United Kingdom.....	966
Banking Profits.....	967
Profits of Banks for Last Completed Financial Year.....	970
Bank Shares.....	971
The American Banking Position.....	972
Banking in Germany.....	973
Banking Conditions in Europe.....	975
Currency and Prices.....	976
Recent Banking Literature.....	977
Joint Stock Banks of the United Kingdom.....	978
Comparative Statements.....	980
Statement of Bank Accounts in a Summarised Form.....	981
Bank of England.....	982

JOINT-STOCK BANKS OF ENGLAND AND WALES.

Baker, Duncombe, and Co., Lim.	989	Manchester and County Bank, Limited.....	989
Bank of Liverpool and Martins, Limited.....	983	Manchester and Liverpool District Banking Company, Lim.	990
Barclays Bank, Limited.....	983	National Provincial and Union Bank of England, Limited.....	990
Baring Brothers and Co., Limited.....	984	Yorkshire Penny Bank, Limited.....	990
British Mutual Banking Company, Limited.....	984	Union Bank of Manchester, Lim.	991
Coutts and Co.....	984	Williams, Deacon's Bank, Lim.	991
The Equitable Bank, Limited.....	985		
Glyn, Mills, Currie, and Co.....	985		
Isle of Man Banking Company, Limited.....	985		
Lloyds Bank, Limited.....	985		
London County Westminster and Parr's Bank, Limited.....	987		
London Joint City and Midland Bank, Limited.....	987		
Lancashire and Yorkshire Bank, Limited.....	988		
London Merchant Bank, Limited.....	988		
London and Liverpool Bank of Commerce, Limited.....	989		

PRIVATE BANKS.

B. W. Blydenstein & Co., London	992
Child and Co.....	992
Cox and Co.....	992
Hoare (Chas.) and Co.....	992

LONDON DISCOUNT COMPANIES.

Alexanders Discount Co., Lim.	994
National Discount Company, Lim.	994
Union Discount Company of London, Limited.....	994

JOINT STOCK BANKS OF SCOTLAND.

Bank of Scotland.....	996	North of Scotland and Town and County Bank, Limited.....	998
British Linen Bank.....	996	National Bank of Scotland, Lim.	1000
Clydesdale Bank, Limited.....	996	Royal Bank of Scotland.....	1000
Commercial Bank of Scotland, L.	998	Union Bank of Scotland, Limited	1000

JOINT STOCK BANKS OF IRELAND.

Bank of Ireland.....	1002	Northern Banking Company, Lim.	1006
Belfast Banking Company, Lim.	1002	Provincial Bank of Ireland, Lim.	1006
Hibernian Bank, Limited.....	1004	Royal Bank of Ireland.....	1006
Munster and Leinster Bank, Lim.	1006	Ulster Bank, Limited.....	1006
National Bank, Limited.....	1004		

LATEST BALANCE-SHEETS OF COLONIAL AND FOREIGN BANKS HAVING LONDON OFFICES.

(1) AFRICAN BANKS.		Banco Commerciale Italiana.....	1033
Anglo-Egyptian Bank, Limited.....	1010	Banco de Bilbao.....	1033
Bank of British West Africa, L.	1010	Banco de Chile.....	1034
National Bank of Egypt.....	1010	Banco Espanol del Rio de la Plata	1034
National Bank of South Africa, L.	1010	Banco Nacional Ultramarino.....	1034
Netherlands Bank of South Africa	1012	Bank of Taiwan, Limited.....	1034
Standard Bank of South Africa, L.	1012	Bank of Roumania, Limited.....	1034
		Banque Belge pour l'Etranger.....	1034
(2) AUSTRALIAN BANKS.		Banque du Congo Belge.....	1036
Australian Bank of Commerce, L.	1012	Banque Francaise pour le Commerce et l'Industrie.....	1036
Bank of Adelaide.....	1012	British Italian Corporation, Lim.	1036
Bank of Australasia.....	1014	British Bank for Foreign Trade, L.	1036
Bank of New South Wales.....	1014	British Overseas Bank, Limited.....	1036
Bank of New Zealand.....	1014	British Trade Corporation.....	1036
Bank of Victoria, Limited.....	1016	British Bk. of South America, L.	1038
Commercial Bank of Australia, L.	1016	Commercial Bank of Spanish America, Limited.....	1038
Commercial Banking Company of Sydney, Limited.....	1016	Com. Nat. d'Escompte de Paris	1038
Commonwealth Bank of Australia	1018	Credit Foncier d'Algerie et de Tunisie.....	1038
English, Scottish, and Australian Bank, Limited.....	1016	Credito Italiano.....	1038
National Bank of Australasia, L.	1018	Credit Lyonnais.....	1040
National Bank of New Zealand, Limited.....	1018	Equitable Trust Co. of New York	1040
Queensland National Bank, Lim.	1020	Farmers' Loan and Trust Co.....	1040
Royal Bank of Australia, Lim.	1020	Guaranty Trust Co. of New York	1040
Union Bank of Australia, Lim.	1020	Hambros Bank, Limited.....	1040
(3) CANADIAN AND W.I. BANKS.		Hongkong & Shanghai Bkg. Corp.	1040
Bank of Montreal.....	1020	Imperial Bank of India.....	1044
Bank of Nova Scotia.....	1022	Imperial Bank of Persia.....	1042
Canadian Bank of Commerce.....	1022	Imperial Ottoman Bank.....	1042
Colonial Bank.....	1024	International Banking Corporation.....	1044
Dominion Bank.....	1024	Italo-Belgian Bank.....	1044
Royal Bank of Canada.....	1026	Ionian Bank, Limited.....	1044
Union Bank of Canada.....	1026	London & Brazilian Bank, Lim.	1046
(4) INDIAN BANKS.		National City Bank of New York	1046
Alliance Bank of Simla, Limited	1026	Mitsubishi Bank, Limited.....	1048
Chartered Bank of India, Australia, and China.....	1028	The P. & O. Banking Corporation, Limited.....	1048
Eastern Bank, Limited.....	1028	Société Belge de Crédit Industriel et Commercial et de Depots	1048
Mercantile Bank of India, Lim.	1030	Société Générale.....	1048
National Bank of India, Limited	1028	Société Générale de Crédit Industriel et Commercial.....	1048
Tata Industrial Bank, Limited.....	1030	Sumitomo Bank, Limited.....	1050
OTHER BANKS.		Swiss Bank Corporation.....	1050
Anglo-Baltic and Mediterranean Bank, Limited.....	1032	Yokohama Specie Bank, Limited	1050
Anglo-South American Bank, L.	1032		

Capital Subscribed - £2,012,073
Capital Paid Up - £1,012,073

Guardian Assurance Company Limited

ESTABLISHED 1821.

CENTENARY 1921

Head Office:

11, LOMBARD STREET,
LONDON, E.C.3.

Chairman:

HON. EVELYN HUBBARD.

Deputy-Chairman:

COL. LIONEL H. HANBURY, C.M.G.

Vice-Chairman

F. R. S. BALFOUR, Esq.

The Company
transacts all the principal
classes of Insurance Business

Total Income - £2,600,000
Total Funds - £9,400,000

MONETARY POLICY.

In days when the English monetary system was based on an effective gold standard, the policy of those who had to control its destinies was to a great extent mechanical. When the balance of trade, in the widest sense of the phrase, went against us, or when for other reasons there was a drain upon the Bank of England's stock of gold, it was expected, and usually happened, that measures would be taken by the Bank of England to protect this stock by raising its rate and, if necessary, making the further arrangements by which market quotations were induced to follow the movement of the official rate. This was effected, as everybody knows, either by the Bank's borrowing money in the market or by its lending Government securities on the Stock Exchange, or any other device by which it was enabled to haul in the slack of the monetary surplus, which prevented its exercising direct control. The gold movements in those days being published day by day, with the destination of the withdrawals from the Bank and the place of origin of its receipts, it was a comparatively simple matter for those who had to work by forecasting the movements of money rates to be able to make a rough guess at the influences which were likely to be exercising the mind of the Bank court in arriving at its decisions. There was always, of course, a certain margin of variation, concerning which calculation was not possible, owing to the different opinions which might sway the governor of the day, or those by whom he was chiefly influenced, with regard to the need for promptness or delay in action. But at least the City, and even the general public, in so far as it was interested in the matter, was able to tell more or less what was happening with regard to the stock of gold and the events and developments which were likely to threaten its depletion or tend to increase its amount. If depletion was threatened, a rise in Bank rate was expected; if the exchanges were in our favour and gold was tending to come in this direction, a lower Bank rate cheered the heart of the bulls of securities.

In these times, owing to the abrogation of the gold standard, by the prohibition of gold exports except under licence, the question of gold exports as affecting movements in Bank rate has ceased to count, while on the import side of the matter the enormous holding of gold by America and the fact that the price of sterling in New York is still far below a point at which gold could come here from America on exchange considerations, has also wiped out the influence of overseas gold movements in the direction of a reduction in Bank rate. The problem has thus become purely psychological. Bank rate moves, as far as outside observers can detect, purely owing to the views that may be entertained in the Bank of England parlour concerning the desirability of dear or cheap money, though this opinion is complicated in these times by a new influence which had virtually no effect before the war—namely, the opinion of the Treasury concerning the handling of the enormous amount of Treasury bills, which form by far the greatest part of the outstanding floating debt. It will be remembered that when the Bank rate was raised at the end of 1919 and the beginning of 1920 the movement was preceded by the raising of the rate at which Treasury bills were offered. It does not, of course, follow from this fact that the Treasury forced the Bank of England's hand. It is true that the price at which Treasury bills were offered was then a much more potent influence on the market rate of discount than the official rate quoted by the Bank of England. But there is no reason to suppose that the raising of the Treasury bill rate and the immediately subsequent rise in Bank rate were not measures concerted in complete harmony between the Treasury and the Bank of England. There is also no reason to suppose that this harmony has been in any way disturbed, though gossip in the City has in recent years been rather inclined to talk about the divergence of point of view between the Treasury and the Bank. It is clearly to the advantage of the Treasury that money should be as cheap as possible in order that, in the first place, Treasury bills

can be renewed as they fall due at low rates, and, in the second—which is perhaps even more important—that the conversion operations may be carried out, by which war debt raised at the high rates current during the war can be replaced by securities with a lower rate of interest. There is the further consideration that the very large amount of short-dated war debt maturing during the next few years seems to have caused what is regarded in the City as some unnecessary apprehension on the part of the Treasury. The Treasury has been especially anxious to replace early maturing debt well before its maturity by comparatively long-dated securities. This desire was justified by the fact that if the renewal of securities is left until just before their maturity they are almost certain by that time to have got largely into the hands of professional dealers in money who will not be tempted by the offer of anything but a quite short-dated security. Under this influence, the Conversion Loan of last year took everybody by surprise by being announced at the end of the Budget speech, and by being offered on terms which not only increased the nominal amount of debt, but also made a considerable addition to the interest charge—an addition which would have been much more considerable if the operation had been more favourable. Holders of 5 per cent. War Bonds were then offered an exchange into $3\frac{1}{2}$ per cent. Conversion stock on terms which gave them "for at least 40 years a return on the amount of their original investment, varying according to the maturity of the bond converted, from about £5 14s per cent. to £5 12s per cent." In view of this fact it was somewhat astonishing to find Sir Robert Horne stating in his Budget speech that the Conversion Loan did not in any way increase the real burden of the debt. Now that British credit is priced in the market, as judged by the quotations of long-dated securities, such as Conversion Loan and Local Loans stock, at about $4\frac{1}{2}$ per cent., there is at least a real possibility of conversion which will actually reduce the burden of the debt charge; and there can be no doubt that the Treasury is anxious to take advantage of this state of things, which has been brought about rather by stagnation in trade than by any very genuine improvement in the nation's financial position as expressed by the relation between its official expenditure and the revenue that can be wrung from the taxpayers. The rate at which Treasury bills are placed has now for some time been left to the market to decide, by the offer for tender of a large block of these bills each week; at the same time, the Treasury can still very directly influence the rate at which its bills are sold, and through it the market rate of commercial bills, by varying the amounts of Treasury bills that it offers. In making all these arrangements it is, no doubt, very largely influenced by the Bank of England; and Bank rate is still in the background as an influence upon the market, owing to the fact that whenever the market finds itself short of cash it has to pay a $\frac{1}{2}$ per cent. over Bank rate for short advances. The Bank of England is nowadays credited in the City with a desire to restrain the tendency, due to slackness of trade, for money rates to decline, and its policy has been subjected to considerable criticism on this score even by those who were most strongly in favour of the policy of high rates, introduced at the end of 1919 in order to check the dangerous and feverish activity which was then in full swing. It was for some time understood to be a belief of the Bank that since America is now, in its relations with us, the creditor country, the level of money rates here should not be below that current in America; and for a long time movements in Bank rate here followed those of the Federal Reserve Bank of New York, until by the reduction made last month Bank rate is now $\frac{1}{2}$ per cent. below the American level. But seeing that the rate for Treasury bills tends constantly, with occasional reactions, to be pulled down by the weight of money set free by trade slackness, there is something to be said for the argument of those who look back to the periods of reaction after crises,

and point out that we had a 2 per cent. Bank rate for a long period in 1894-5-6 and $2\frac{1}{2}$ per cent. for a time in 1908 and 1909; and argue that Bank rate might have been brought down more quickly already, and that further reductions are possible according to precedent, and, if carried out, would help the present trade depression at least to confer upon the country the benefit of drastic and genuine conversions of debt, which would lower the interest charge which is now so large and stubborn an obstacle to the reduction of taxation.

There is, however, yet another influence on monetary policy in these times, and that is the action of those who hold and deal in Treasury bills. This action is no doubt chiefly influenced by the monetary policy of the Treasury and the Bank of England; but it would be interesting to see, if the full and exact figures were available, what the clearing banks have been doing with regard to their holding of Treasury bills. Their action in this respect and in dealing with the rest of their assets has an important bearing upon the general monetary position, second only, if it is second, to the policy of the Bank of England and the Treasury. It is especially interesting in view of the curious and at first sight unaccountable phenomenon of the extraordinary clamour for investments which has shown itself during the last six months at a time when the country was continually complaining that it was being taxed to the bone. We give below a summary of the average weekly balances at certain dates, taken from the monthly statement of the London Clearing Banks, leaving out the figures of the National Bank:—

	Jan., 1921.	Oct., 1921.	April, 1922.
Capital and reserves	115.4	115.9	115.9
Acceptances	88.4	50.9	56.7
Deposits, &c.	1,810.1	1,802.5	1,737.1
	2,013.9	1,969.3	1,909.7
Coin, notes, balance at bank, cheques in course of collection, &c.	256.2	264.5	253.3
Money at call and short notice....	98.9	101.8	107.3
Investments	341.3	330.7	402.3
Discounts	361.9	409.6	319.8
Loans and advances	845.1	786.5	745.2
Cover for acceptances, premises, &c.	110.5	76.2	81.8
	2,013.9	1,969.3	1,909.7

Inferences from the above table are complicated by the fact that some of the banks include their holding of Treasury bills in their investments, while others put them under the head of discounts. Subject to this obscurity one may be permitted to guess from these figures that the banks have during the past six months to some extent counteracted the effect of the great reduction that has taken place in Treasury bills and in trade advances by the substantial increase that they show in the total of their investments. How far this has been effected by applications for the new Treasury bonds by which the Government has been able to effect a reduction in Treasury bills it is, of course, impossible to say, but at least it seems clear from the figures that the large reduction effected on both sides of the balance-sheet leaves a considerable margin available for trade revival, if and when it should make its appearance, before the demands of that revival would necessarily oblige the banks as a whole to reduce their investments.

THE BANK ACCOUNTS OF THE UNITED KINGDOM.

THE process of banking expansion, which was unhindered until the end of 1919, was checked in 1920, and was again retarded in 1921. As will be seen from figures given later on, the rate of increase in deposits dropped to 1.4 per cent. in 1921, compared with 5.7 per cent. in 1920, 18½ per cent. in 1919, and 16½ per cent. in 1918, while there was an actual decline in legal tender currency.

From the table below, which gives a comparison of the total amount of currency and credit of all kinds at the end of each of the past five years, in comparison with 1913, it will be seen that bank deposits, other than those of the Bank of England, show an increase in comparison with 1920 of only £35 millions, as against an increase of £136 millions in 1920:—

(Million £'s.)

	End of					Ino. on 1913.
	1913.	1917.	1918.	1919.	1920.	1921.
Bank of England deposits.....	71	166	172	199	189	122
Other banks' deposits.....	1,032	1,705	1,988	2,356	2,492	2,527
Bank of England circulation	30	46	70	91	133	127
Scottish note circulation	8	19	25	28	29	25
Irish note circulation	8	22	31	29	25	19
Currency note circulation.....	..	213	323	356	368	326

Apart from small amounts circulating in the Isle of Man, the English banks have no note issues outstanding. The circulations both of the Scottish and of the Irish banks fell considerably in 1921, and the latter stands nearly £12 millions below the high level recorded at the end of 1918. The circulation of the Scottish banks, however, is only £4 millions lower than at the end of 1920, which was the highest point reached. In 1921 the Bank of England circulation fell by over £6 millions, and currency notes by £42 millions, so that the total note circulation of the United Kingdom fell in the 12 months by £58 millions—namely, from £554 to £496 millions.

It is of interest to compare these figures with the movement in prices, since they represent the country's supply of legal tender and bank money. At the end of 1913 the total note circulation of the United Kingdom was £46 millions, and gold held by banks and in circulation was officially estimated at £123 millions, so that there has been an increase in the

circulating medium of roughly £327 millions. Similarly, in the eight years bank deposits have increased by 145 per cent., and at the end of 1921 were practically at their maximum. Wholesale prices, on the other hand, reached their highest two years ago, at 225 per cent. above the pre-war level, and at the end of last year were only 70 per cent. above July, 1914, and it may well be asked how this money was employed with a smaller business being done and at a lower price level. But the general price level has not fluctuated so violently as wholesale price, and, in any case, we should not expect prices to show a direct relation to the amount of money in existence until we have taken into account the rapidity of circulation. In the case of bank money, the only test of the volume of transactions carried out by means of cheques are the figures of the Bankers' Clearing House. The total clearings for 1921 were 10 per cent. lower than in 1920, and a little more than 100 per cent. above 1913. But the country clearing totals, which are a truer index of the volume of business passing in the country generally, fell by 25 per cent. in 1921, though they are still more than 100 per cent. above 1913. The town clearings are, of course, more largely affected by Stock Exchange and City business, and the figures indicate that while the volume of general business has declined in accordance with expectation, transactions in the nature of transfers of capital have been maintained by increased activity on the Stock Exchange. In other words, though the volume of potential bank money (deposits) has been maintained, its rate of turnover in general business must have declined, and a larger proportion of it have been used for capital transactions.

Since our first Banking Number was published, more than 40 years ago, a remarkable change has taken place in the banking of the United Kingdom. Twenty-one years ago the balance-sheets of some 90 English banks were analysed. In 1913 the number had dropped to 43, and it has now fallen to 20. Since 1900 the deposits of the English joint stock banks have risen from £587 millions to £1,975 millions, and of this increase nearly £1,150 millions has taken place since the outbreak of war. During the same period the paid-up capital of these banks has only increased from £61 millions to £72½ millions, while reserve funds have

risen from £35½ millions to £56½ millions. In 1900 the ratio of paid-up capital and reserves to deposit liabilities was 13.4 per cent. for the English banks, whereas for 1921 it was only 6.5 per cent. The latter figure, however, shows a welcome increase on the 1919 ratio, which was only 5.7 per cent.

During the past year capital and reserves showed little growth, as may be seen from the table below:—

CAPITAL AND RESERVES.

	1920.	1921.	Increase.
English joint-stock { Capital..	71,737,200	72,477,400	+ 740,200
Reserves.....	56,416,600	56,653,200	+ 236,600
English private (capital and reserves).....	3,123,100	3,186,700	+ 63,600
Scottish { Capital.....	10,077,000	10,077,000	—
Reserves.....	7,834,300	8,443,800	+ 609,500
Irish.. { Capital.....	7,609,200	7,609,200	—
Reserves.....	5,290,000	5,545,000	+ 255,000
	162,087,400	163,992,300	+ 1,904,900

The only capital increases of importance were additions of £500,000 by the London County Westminster and Parr's, and of £235,000 by Lloyds Bank. A year ago the paid-up capital of the English joint stock banks showed an increase of £15½ millions, largely as the result of capital rearrangements consequent on amalgamations and alliances, while the reserves went up by over £6½ millions.

As already stated, the rate of increase in deposits has declined substantially in the past two years. From the table below it will be seen that the deposits of the English banks show a comparatively very small increase:—

CURRENT AND DEPOSIT ACCOUNTS.

	1920.	% of Assets.	1921.	% of Assets.	Increase.
English joint-stock..	1,961,526,900	89.0	1,974,838,400	90.1	+ 13,311,500
Private.....	50,864,600	92.4	48,306,800	92.0	- 2,557,800
Scottish.....	276,227,300	82.1	291,080,300	84.6	+ 14,853,000
Irish.....	200,441,300	83.2	212,860,200	86.4	+ 12,418,900
	2,492,060,700	88.0	2,587,125,700	89.2	+ 95,065,000

The expansion of 6.2 per cent. in the deposits of the Irish banks follows an increase of 20½ per cent. a year ago and 26½ per cent. two years ago. Those of the Scottish banks showed an increase of 7½ per cent. at the end of 1920 and of 17 per cent. at the end of 1919.

The total of acceptances shows a very substantial decline, the amount being £79 millions, as against £109 millions at the end of 1920. This decline of £30 millions follows a drop of £49 millions in 1919. The acceptances of the English banks dropped in 1921 from £103 to £74 millions, of the Scottish from £5.6 to £3.9 millions, and of the Irish from £1,374,000 to £834,000.

Cash in hand and at the Bank of England, cheques in course of collection, balances with other banks, and money at call and short notice taken together show a decline of 3½ per cent. in 1921, this following decreases of 1.1 per cent. a year ago, and over 4 per cent. at the end of 1919:—

CASH IN HAND AND AT BANK OF ENGLAND, AND MONEY AT CALL AND SHORT NOTICE.

	1920.	% of Assets.	1921.	% of Assets.	Decrease.
English joint-stock..	449,153,400	20.4	438,519,100	20.0	- 10,634,300
Private banks.....	11,537,600	21.3	8,484,700	16.2	- 3,052,900
Scottish banks.....	72,974,400	21.5	70,232,200	21.0	- 2,742,200
Irish banks.....	49,698,100	19.4	42,886,700	17.4	- 6,811,400
	580,363,500	20.5	560,122,700	19.6	- 20,240,800

A year ago the Irish banks showed a decline in this item of over 15 per cent., but for the Scottish banks there was an increase of 1½ per cent. The ratio of cash and money at call to total liabilities has been steadily declining since the end of the war, the average for the war years being in the neighbourhood of 26 per cent. The Scottish and Irish banks include each other's notes in this item. A comparison of the ratio of cash and short money to notes and deposit liabilities shows a decline in each case in comparison with the previous year:—

(In £1,000's.)

	1920.			1921.		
	Deposits and Notes.	Cash.	%	Deposits and Notes.	Cash.	%
English.....	1,961,700	449,153	22.8	1,975,070	438,519	22.1
Scottish.....	308,591	72,974	23.6	316,248	70,232	22.2
Irish.....	225,169	46,698	20.6	231,912	42,887	18.5

Some banks still continue the practice of including money at call and short notice with their cash in hand in the balance-sheet, but in the case of the English banks those holding over 94 per cent. of the total make a distinction in the two items. From the analysis below it will be seen that last year there was practically no change in the cash in hand held by these banks, while money at call fell by nearly £15 millions:—

EXCLUDING BANK OF ENGLAND.

Year, December 31.	(1) Total Cash in Hand and Money at Call and Notice.	(2) Together.	(3) Per Cent. of (1).	(4) Cash in Hand and Money at Call and Notice.	(5) Per Cent. of (2).	(6) Per Cent. of (3).
1908.....	194,134,000	172,774,600	89.2	91,740,600	53.1	27.3
1913.....	235,957,800	212,752,100	90.5	115,489,600	54.4	23.1
1914.....	276,045,900	260,722,700	90.8	169,530,500	67.5	24.5
1915.....	268,453,200	247,313,700	92.2	178,919,500	72.4	27.0
1916.....	369,452,900	343,429,600	93.0	247,973,500	72.2	27.8
1917.....	427,855,200	404,036,700	94.1	238,500,400	59.0	26.4
1918.....	482,755,000	454,701,200	94.5	270,135,700	59.4	25.3
1919.....	452,755,000	429,569,100	94.8	320,194,400	74.7	25.3
1920.....	449,153,400	428,678,800	95.6	304,510,400	71.0	26.6
1921.....	438,519,100	413,735,100	94.1	304,341,300	73.4	26.6

Investments show an increase of 3.4 per cent., for more than half of which the Scottish banks are responsible. A year ago a decrease of 7½ per cent. was shown, those of the English banks declining by 7.5 per cent., and of the Scottish banks by 8.1 per cent., while those of the Irish banks rose by 4.8 per cent.:—

INVESTMENTS.

	1920.	% of Assets.	1921.	% of Assets.	Increase.
English joint-stock..	368,733,700	16.7	375,564,400	17.2	+ 6,830,700
Private banks.....	6,186,400	11.2	6,108,800	11.6	- 77,600
Scottish banks.....	102,968,100	30.4	114,530,800	32.2	+ 11,562,700
Irish banks.....	80,959,400	33.5	81,670,200	33.1	+ 710,800
	558,847,600	19.7	577,874,000	20.4	+ 19,026,400

Only two of the English banks fail to distinguish their holdings of British Government securities from other investments. The amount so given separately is £312 millions, or 83 per cent. of the total investments, which compares with £309½ millions, or 84 per cent., a year ago. The Scottish banks record an increase of £17 millions to £108½ millions, and the Irish banks from £68 to £75 millions.

Figures of the discounts and advances are disturbed by the inclusion with the former in the majority of cases of Treasury bills. Taking the two items together, there was an increase last year of over £25 millions, or 1½ per cent., the ratio to total assets rising from 55 to 56.2 per cent.:—

DISCOUNTS AND ADVANCES.

	1920.	% of Assets.	1921.	% of Assets.	Increase.
English joint-stock..	1,263,090,700	57.4	1,280,170,800	58.7	+ 17,080,100
Private banks.....	35,501,400	64.2	36,214,400	69.0	+ 713,000
Scottish banks.....	153,121,800	45.0	150,949,500	43.9	- 2,172,300
Irish banks.....	109,623,100	45.5	119,274,700	48.4	+ 9,651,600
	1,561,337,000	56.0	1,586,509,400	56.2	+ 25,172,400

The majority of the banks now show bills discounted and advances as separate items. Indeed, with the

exception of the British Mutual, all the English banks do so, but a year ago five banks omitted to do so. Taking the figures of the remaining 15 English banks, we get the following results:—

	1920.	1921.	Increase.
Discounts.....	328,949,900	442,070,500	+ 113,120,600
Advances.....	914,111,900	818,559,600	- 95,552,300
Combined.....	1,243,061,800	1,260,630,100	+ 17,568,300

Complete total 1,263,090,700 .. 1,280,170,800 .. + 17,080,100

Thus while discounts have risen by £113 millions, nearly the whole of this has been offset by the decline in advances. It is impossible to say how much of the expansion in bills discounted is due to heavy holdings of Treasury bills, but it seems fairly safe to assume that the volume of commercial bills held at the end of 1921 was no greater than it was at the end of 1920, and it may be deduced, therefore, that increases in Treasury bill holdings are responsible for the whole, if not more, of the expansion in discounts. The reduction of close upon £100 millions in the advances of 15 English banks bears eloquent testimony to the stagnation in trade and industry at home.

The last item in the balance-sheets—premises and sundries—calls for little comment. In the large summary table of the individual balance-sheets given on a later page, we have, as usual, included cover for acceptances with premises and sundry items for considerations of space. If cover for acceptances be deducted, premises and sundries amount to £17 millions, or 13 per cent. of capital and reserves for the English banks, to £4½ millions, or 24 per cent. for the Scottish banks, and to £2½ millions, or 17 per cent., for the Irish banks.

We conclude with a table showing the aggregate liabilities and assets of the banks of the United Kingdom, excluding the Bank of England, whose figures are summarised in the following pages. This shows that the net result of the changes in the various items is a decrease of just over £6 millions in total liabilities and assets:—

BANKING PROFITS.

With general trade and business in the trough of depression, it was only to be expected that the profits to be made on banking operations during the year 1921 would be on a smaller scale than in the previous year, when the demands for accommodation, at least in the first half of the year, were on an unprecedented scale. But apart from the decline shown in the volume of advances, which, after all, are the banker's principal source of revenue, the decline in money rates during the year has undoubtedly diminished the income derived from this source. The rates charged for advances bear a definite ratio to Bank rate, and, as will be seen from the list of average rates in the past 12 years, average Bank rate in 1921 was 12s per cent. lower than in the previous year:—

	Average Bank Rate.	Average Market Rate (3 months).	Average Short Loan Rate.	Average Deposit Rate.
1910.....	3 14 5	3 3 7	2 14 10	2 4 4
1911.....	3 9 4	2 18 5	2 6 8	1 19 4
1912.....	3 15 5	3 12 7	2 19 11	2 5 5
1913.....	4 15 5	4 7 5	3 15 10	3 5 3
1914.....	4 0 9	2 17 7	2 4 3	2 2 4
1915.....	5 0 0	3 14 1	2 18 4	2 12 0
1916.....	5 9 3	5 4 3	4 12 8	3 14 4
1917.....	5 3 0	4 16 2	4 8 3	4 0 0
1918.....	5 0 0	3 11 9	3 5 6	3 1 3
1919.....	5 3 0	3 18 10	3 9 7	3 3 10
1920.....	6 14 4	6 7 11	5 3 7	4 14 4
1921.....	6 2 4	5 4 3	4 12 8	4 2 4

LIABILITIES.—(000's omitted.)

	1913.	1920.	1921.	Increase or Decrease on 1920.
Capital and reserves.....	114,076	162,087	163,992	+ 1,905
Undivided profits.....	6,453	8,858	8,547	- 311
Deposits.....	1,032,986	2,492,061	2,527,126	+ 35,065
Acceptances.....	67,534	109,896	78,700	- 31,026
Notes, drafts, &c.....	24,984	61,985	50,251	- 11,734
	1,246,033	2,834,887	2,828,786	- 6,101

ASSETS.—(000's omitted.)

	1913.	1920.	1921.	Increase or Decrease on 1920.
Cash in hand and money at call and notice.....	293,576	580,363	560,123	- 20,240
Investments.....	191,041	558,848	577,874	+ 19,026
Discounts and advances.....	682,986	1,561,337	1,586,509	+ 25,172
Premises and cover for acceptances.....	78,450	134,339	104,280	- 30,059
	1,246,033	2,834,887	2,828,786	- 6,101

What has happened since the end of 1921 it is impossible to ascertain definitely, but the monthly figures of weekly averages published by the London clearing banks afford some guide, and may be taken as a fairly accurate indication of the trend of banking operations since the publication of the annual accounts.

In the table below we summarise the figures of the nine principal English joint stock banks:—

NINE ENGLISH JOINT STOCK BANKS.
(Million £'s.)

	Weekly Averages.				
	Dec. 1921.	Jan. 1922.	Feb. 1922.	March 1922.	April 1922.
Paid-up capital and reserves.....	115.9	115.9	115.9	115.9	115.9
Acceptances.....	65.3	63.6	62.9	57.1	56.7
Deposits (including undivided profits).....	1,818.6	1,826.0	1,824.4	1,746.9	1,737.1
Total.....	1,999.8	2,005.5	1,981.2	1,919.9	1,909.7
Coin, notes, balance at bank and cheques in course of collection.....	273.5	254.5	249.5	245.4	253.3
Money at call.....	105.7	114.1	110.9	102.5	107.3
Investments.....	343.3	357.0	385.1	392.7	402.3
Discounts.....	424.3	439.6	400.3	350.5	319.8
Loans and advances.....	762.3	752.0	747.7	746.2	745.2
Cover for acceptances, premises, &c.....	90.7	88.3	87.7	82.2	81.8
	1,999.8	2,005.5	1,981.2	1,919.9	1,909.7

There has been a substantial decline in deposits as compared with the December figures, the bulk of which took place in March. During the past four months, moreover, there has been a further decline in the currency notes circulation, which now stands at £299 millions.

Margins Between

	Bank Rate and Market Rate.	Deposit Rate and Market Rate.	Deposit Rate and Short Loan Rate.
	£ s d	£ s d	£ s d
1910.....	0 10 10	0 19 3	0 10 6
1911.....	0 10 11	0 19 1	0 7 4
1912.....	0 2 10	1 7 2	0 14 6
1913.....	0 8 0	1 2 2	0 10 7
1914.....	1 3 2	0 15 3	0 1 11
1915.....	1 5 11	1 2 1	0 6 4
1916.....	0 5 0	1 9 11	0 18 4
1917.....	0 6 8	0 16 2	0 8 3
1918.....	1 9 3	0 10 6	0 4 3
1919.....	1 4 2	0 15 0	0 5 9
1920.....	0 6 5	1 12 7	0 9 3
1921.....	0 18 1	1 1 11	0 10 4

As very few of the banks divulge their figures of gross profits, it is impossible to ascertain to what extent the

decline in net profits arises from further increases in expenses, and how much to a slackening in business. It may be assumed, however, that with the decline in prices, and reductions in war bonuses, expenses have not risen very much. The profits and appropriations for the individual English, Scottish, and Irish banks are set out below, and it will be seen that there is an almost entire absence of provision for writing down investments, which is the result of the appreciation in the value of gilt-edged stocks at the end of the year. In the past few years the heavy decline in security prices, and the necessity for writing down book values of investments, have meant a heavy drain upon profits, as may be seen from the appended tables, which give aggregate net profits and appropriations for each year since 1908 of the joint-stock banks of England, Scotland, and Ireland:—

ENGLISH.

Year.	Profits.	Per Cent. of Resources.	Dividends.	Per Cent. of Profits.	Investments Depreciation.	Reserve Funds.	Premises.	Staff.	Move-ment of Carry Forward.
£	£	£	£	£	£	£	£	£	£
1908.....	7,741,491	96.6,904,254	89	14,350	325,742	295,980	177,353	25,832	25,832
1909.....	7,463,626	91,672,156	90	92,700	162,330	235,689	162,066	76,324	76,324
1910.....	8,241,490	94,678,889	87	1,105,766	282,517	237,000	107,500	192,182	192,182
1911.....	8,214,213	93,618,162	83	842,215	116,138	240,404	91,205	106,089	106,089
1912.....	9,124,327	99,683,634	75	1,578,026	111,606	367,817	120,000	63,244	63,244
1913.....	10,377,225	113,638,720	67	2,487,535	519,325	406,811	243,000	18,166	18,166
1914.....	9,180,656	94,697,285	73	1,190,900	112,000	317,800	109,728	693,433	693,433
1915.....	9,818,731	96,628,456	64	846,697	20,100	138,500	40,687	320,611	320,611
1916.....	10,734,850	92,537,606	55	4,405,101	18,000	256,500	66,562	50,061	50,061
1917.....	11,678,477	93,915,713	46	294,000	3,564,500	417,500	284,000	1,482,744	1,482,744
1918.....	12,578,524	71,610,435	48	167,500	2,477,960	747,000	740,101	569,468	569,468
1919.....	14,639,643	69,701,423	48	3,421,500	2,103,896	742,500	867,500	489,985	489,985
1920.....	17,399,028	79,846,466	49	4,930,000	1,930,718	945,000	520,000	646,844	646,844
1921.....	13,740,616	63,842,260	63	13,153,560	1,446,000	320,000	179,796	179,796	179,796

PROFITS OF BANKS FOR LAST COMPLETED FINANCIAL YEAR.

BANK.	Year Ended.	Profits.	Dividend.	Rate.	Investments.	Reserve.	Premises.	Staff.	To Carry Forward.
£	£	%	£	£	£	£	£	£	Increase, Decrease.
ENGLISH.									
Bank of Liverpool and Martins	Dec 31	548,523	375,822	16	..	150,000	..	..	22,706
Barclays	Dec 31	2,201,651	1,432,002	10	..	600,000	100,000	100,000	30,351
British Mutual	Dec 31	8,141	6,000	10	..	2,000	..	..	141
Equitable	Dec 31	8,948	7,040	16	..	..	..	..	1,908
Lancashire and Yorkshire	Dec 31	248,327	201,312	20	..	61,560	..	..	19,545
Lloyds	Dec 31	2,539,124	1,676,845	16½	..	200,000	450,000	200,000	2,279
London and Liverpool of Commerce	Dec 31	18,894	16,800	4	..	..	..	..	2,094
London Joint City and Midland	Dec 31	2,454,084	1,869,449	18	..	750,000	800,000	..	35,635
London County Westminster & Parr's	Dec 31	2,167,846	1,189,052	20	..	500,000	450,000	..	58,794
London Merchant	Dec 31	46,195	45,000	6	..	50,000	..	..	48,805
Manchester and County	Dec 31	260,953	177,456	16½	..	100,000	..	..	16,508
Manchester and Liverpool District	Dec 31	589,275	347,600	18½	..	100,000	..	..	91,675
National Provincial and Union	Dec 31	2,064,686	1,489,607	16	..	400,000	100,000	..	65,179
Union of Manchester	Dec 31	293,788	106,000	20	..	140,000	20,000	..	8,788
William's, Deacon's	Dec 31	865,281	234,375	12½	..	100,000	25,000	..	5,856
Totals	..	13,740,616	8,642,260	12	..	3,153,560	1,446,000	320,000	179,796
SCOTTISH.									
Bank of Scotland	Feb 28	820,242	148,400	16	..	125,000	50,000	..	3,158
British Linen	Jan 15	285,646	140,000	16	..	100,000	20,000	..	25,646
Olydesdale	Dec 31	881,009	180,000	18	..	120,000	10,000	20,000	1,009
Commercial of Scotland	Nov 1	841,896	166,250	16	..	125,000	20,000	25,000	5,646
National of Scotland	Nov 1	285,458	128,200	16	..	100,000	20,000	40,000	2,268
North of Scotland, &c.	Sep 30	186,792	107,580	17	..	48,000	10,000	10,000	11,212
Royal of Scotland	Oct 8	877,501	168,000	12	..	189,501	20,000	30,000	..
Union of Scotland	Apr 1	808,480	170,000	17	..	100,000	20,000	15,000	3,480
Totals	..	2,437,024	1,203,480	..	..	877,501	170,000	140,000	46,093
IRISH.									
Bank of Ireland	Dec 31	513,166	252,000	18	..	90,000	170,000	..	1,166
Belfast Banking	Dec 31	111,102	41,798	20	..	70,000	..	..	606
Hibernian	Dec 31	90,021	45,000	9	12,500	30,000	5,000	..	2,479
Munster and Leinster	Dec 31	172,834	56,000	20	..	50,000	20,000	40,000	6,892
National	Dec 31	265,890	126,000	12	..	140,000	..	..	110
Northern	Aug 31	184,099	64,817	17½	..	20,000	9,429	..	40,353
Provincial	Dec 31	100,112	51,080	18½	..	15,000	10,000	..	24,082
Royal	Aug 31	50,165	18,900	9	..	82,299	..	..	1,084
Ulster	Nov 30	195,581	74,375	21½	..	100,000	25,000	10,000	15,784
Totals	..	1,682,968	739,880	..	102,800	627,299	69,429	50,000	54,410

SCOTTISH.

Year.	Profits.	Per Cent. of Resources.	Dividends.	Per Cent. of Profits.	Investments Depreciation.	Reserve Funds.	Premises.	Staff.	Move-ment of Carry Forward.
£	£	£	£	£	£	£	£	£	£
1908.....	1,737,373	126,139,853	80	42,000	175,750	47,500	17,500	58,770	58,770
1909.....	1,775,302	127,143,587	81	65,000	165,750	51,500	29,196	41,005	41,005
1910.....	1,738,889	129,148,690	81	192,889	105,750	54,000	31,500	31,517	31,517
1911.....	1,738,794	129,148,787	81	153,788	115,750	51,500	31,517	31,517	31,517
1912.....	1,889,585	122,146,833	78	308,084	97,500	59,000	19,000	81,882	81,882
1913.....	1,885,414	118,143,203	76	229,531	87,500	70,500	49,000	11,860	11,860
1914.....	1,907,077	113,138,075	71	269,118	20,000	46,500	30,000	189,394	189,394
1915.....	1,937,952	109,188,967	61	682,779	46,500	38,250	30,000	15,280	15,280
1916.....	2,016,154	97,138,141	55	690,132	80,000	51,500	30,000	154,561	154,561
1917.....	2,127,076	85,107,015	49	140,000	557,500	125,000	85,000	96,778	96,778
1918.....	2,250,466	82,107,488	48	40,000	785,000	100,000	100,000	71,627	71,627
1919.....	2,387,941	75,106,424	46	646,085	383,805	120,000	105,000	4,646	4,646
1920.....	2,392,975	71,136,124	47	986,491	50,000	120,000	105,000	46,093	46,093
1921.....	2,437,024	71,203,430	49	877,501	170,000	140,000	140,000	46,093	46,093

IRISH.

Year.	Profits.	Per Cent. of Resources.	Dividends.	Per Cent. of Profits.	Investments Depreciation.	Reserve Funds.	Premises.	Staff.	Move-ment of Carry Forward.
£	£	£	£	£	£	£	£	£	£
1908.....	969,050	124,846,262	87	10,000	38,000	38,953	6,289	28,576	28,576
1909.....	958,247	120,848,261	88	15,000	27,500	29,164	5,145	33,177	33,177
1910.....	989,459	120,837,911	85	35,000	91,000	14,471	12,981	1,544	1,544
1911.....	1,006,860	118,807,452	80	93,800	73,500	22,545	19,484	9,821	9,821
1912.....	1,053,684	122,781,376	72	170,000	123,500	17,757	5,280	24,169	24,169
1913.....	1,101,043	121,759,984	64	184,000	125,000	13,253	3,750	16,722	16,722
1914.....	1,104,536	103,750,033	88	180,000	165,000	22,678	10,805	6,520	6,520
1915.....	1,225,926	117,712,264	58	438,000	81,500	6,299	6,350	18,489	18,489
1916.....	1,103,499	96,639,060	58	361,000	75,000	8,230	13,100	7,169	7,169
1917.....	1,193,190	88,616,377	51	110,000	370,000	30,318	5,000	61,406	61,406
1918.....	1,401,660	79,662,432	47	15,608	370,000	12,000	64,030	110,490	110,490
1919.....	1,428,444	68,690,251	48	295,000	365,309	14,520	65,390	2,336	2,336
1920.....	1,701,534	71,699,946	41	383,000	516,005	25,781	40,000	36,804	36,804
1921.....	1,632,968	66,729,530	45	102,500	627,299	69,429	50,000	54,410	54,410

A year ago the English banks placed to investment depreciation account and reserve funds together a total of £6,860,000. For 1921 nothing is required for investment depreciation, and £3,153,000 goes to reserve fund, and this saving makes possible a maintenance of dividends at the previous year's rates. Reduction of premises funds have been credited with £500,000 more than last year. Whether this amount is necessary to

bring the book value of premises down to present-day values it is impossible to say, but it seems reasonable to suggest that in view of the large amounts written off in past years and of the great increase in property values that the banks are making further substantial additions to "hidden reserves." In the case of the English banks, the percentage of profits distributed to shareholders is much larger than in the previous five years, and is nearly up to the 1915 level, but is still much below the pre-war average, when net profits were not much less than 1 per cent. of total resources.

The profits of the Scottish banks show a further small increase, but the proportion going to shareholders is not much greater than in the previous year. Here again no provision is necessary to meet depreciation in the value of investments. Two of the Irish banks have made such provision, the Bank of Ireland setting aside £90,000. A year ago, however, this bank made no such allocation, but placed £310,000 to reserve. The net profits of the Irish banks show a small decline in the aggregate, but the total is well above that of two years ago. It may be well here to point out that too close a comparison of the profits disclosed by one bank

with those of another should not be made, especially in the case of the Scottish and Irish banks, since in some instances profits are disclosed after income-tax has been deducted, while in others the amount of tax payable is included. For many years we have urged the adoption of a uniform method of presenting banking accounts, especially in this particular respect.

From the figures given above the conclusion may be drawn that it is owing to the appreciation in security values that shareholders have received in most cases the same rates of dividend as in the previous year. It is too early yet to attempt a forecast of their prospects for the current year. While the old custom of paying 1½ per cent. below Bank rate on deposits has been abandoned, and at the present time the rate is only 2 per cent., the banks have so far this year not been able to find such remunerative channels for their funds. On the other hand, the exceptional recovery in the market value of gilt-edged securities must have already offset any diminution in business that may have occurred, and if the wheels of industry begin to accelerate in the not distant future, the banks will immediately feel the benefit.

BANK SHARES.

The key to the story of bank share movements in the past twelve months or so is to be found in the figures analysed in the preceding article. There it will be seen that 1921 was a year of falling profits for banks, owing to the trade depression, the decline in monetary rates, and the lessening of demand for financial accommodation by the manufacturing and trading community. But, thanks to the signal rise in the quotations of gilt-edged securities, lower profits were freed from the appropriation, experienced in previous years, for the purpose of writing down investment depreciation. The cessation of this drain upon resources available for distribution to shareholders enabled the joint-stock banks, as a whole, to maintain the dividend rates of the previous year. Thus holders of bank shares found in 1921 that the economic troubles of the country cut both ways, and that they regained upon the swings what they lost upon the roundabouts—and more, for they shared substantially in the capital appreciation which the cheapening of money brought to all good-class securities. This latter aspect of the banking year is clearly brought out in the following table, in which we present a calculation of the average market price as at April 30th in each of the past fourteen years of the shares of English, Scottish, and Irish banks, giving for purposes of comparison the yearly movement in the price of Consols:—

	Average Price of Bank Shares.				Price of Consols.	
	English.	Scottish.	Irish.	% of 1909.	% of 1909.	% of 1909.
1909.....	322	100	364	100	282	100
1910.....	316	98	369	101	279	99
1911.....	315	98	359	99	278	99
1912.....	299	93	354	97	248	88
1913.....	296	92	343	94	226	80
1914.....	287	89	336	92	224	79
1915.....	281	87	319	88	220	78
1916.....	279	86	235	65	190	67
1917.....	241	75	237	65	187	66
1918.....	267	79	256	70	203	72
1919.....	311	97	289	79	209	74
1920.....	282	88	269	74	161	57
1921.....	229	71	211	58	159	57
1922.....	280	87	240	66	173	61

SCOTTISH BANKS.

Banks.	Share.		End of April, 1921.				End of April, 1922.			
	Am't.	Paid Up.	Dividend.	Price.	Yield.	Dividend.	Price.	Yield.	Dividend.	Price.
Bank of Scotland ..	150	100	16	226	7 1 6	16	235	5 9 3	16	235
British Linen ..	100	100	16	226	4 18 3	16	310	5 3 3	16	310
Commercial of Scot- land ..	20	5	14	94	7 1 9	15	134	5 8 9	15	134
Do ..	1	1	10	144	6 5 6	10	14	5 6 9	10	14
National of Scot- land ..	500	100	16	292	5 8 9	16	291	5 10 0	16	291
North of Scotland and Town and County ..	20	4	16	104	6 4 3	17	124	5 4 0	17	124
Royal Bank of Scot- land ..	100	100	11	179	6 2 9	12	232	5 3 6	12	232
Union Bank of Scot- land ..	50	1 0	16	23	6 19 3	17	294	5 16 0	17	294

IRISH BANKS.

Banks.	Share.		End of April, 1921.				End of April, 1922.			
	Am't.	Paid Up.	Dividend.	Price.	Yield.	Dividend.	Price.	Yield.	Dividend.	Price.
Bank of Ireland ..	100	100	12	188	6 7 9	13	235	5 10 9	13	235
Hibernian ..	20	5	8	42	8 8 6	9	6	7 10 0	9	6
Lincoln & Leinster ..	5	2	20	5	8 0 0	20	6	6 0 0	20	6
National Bank ..	50	10	12	154	7 12 3	12	174	6 19 0	12	174
Northern Bank ..	10	2	17	54	6 9 6	17	44	7 12 0	17	44
Provincial of Ire- land ..	100	124	13	19	8 17 9	13	20	8 8 0	13	20
Royal of Ireland ..	50	10	8	84	8 19 0	8	11	7 6 9	8	11

In the preceding article it has been shown that, in contrast to English experience, the aggregate of Scottish bank profits showed a slight increase last year, and in the above list there are four increases in dividend rates. This being so, and the rise in market value having, as was shown in the first table of this article, not having been so sharp as that recorded by the English shares, the fall in yields is not, generally speaking, so pronounced. In the Scottish list the yields cover only the comparatively small range from 4 5 3s 3d per cent. to 4 5 16s per cent. The Irish list, like the English, contains two cases of increased dividend, but, except in the case of the Northern Banking Company, prices have risen sufficiently to produce a substantial drop in the yield. In our last article on this subject we took occasion to suggest that, in view of the fine security offered, the rise in gilt-edged securities, and the choice available of fully-paid shares of small denominations, the average investor might well pay more attention to the bank share market than he had been accustomed to pay in the past. During the past twelve months transactions in the bank share market have been sufficiently numerous to suggest that a welcome expansion in the *clientèle* is taking place, and those who bought shares in the leading banks at the depressed prices of a year ago have every reason for satisfaction.

THE AMERICAN BANKING POSITION.

(FROM OUR NEW YORK CORRESPONDENT.)

DURING the past six months the general banking position in the United States has shown further marked improvement, even more pronounced in some respects than that witnessed in the six months ending last October. Among the most noteworthy changes that have taken place is the increase in total gold holdings of the 12 Federal Reserve banks from \$2,732,599,000 last autumn to \$2,995,202,000 on April 26th, making the total reserves, including legal tender notes, silver, and other items, \$3,124,839,000 for the entire system, as compared with \$2,882,942,000 at the beginning of October. The amount of Federal Reserve notes in actual circulation has been reduced by \$324,745,000 to \$2,157,568,000—the smallest total since August of 1918—while there has been an enormous shrinkage in bills and acceptances on hand; that item now stands at only \$582,615,000, as against \$1,440,000,000 on October 5, 1921. The ratio of total reserves to deposit and note liabilities combined is now 78.3 per cent., practically the highest point reached this year, representing an advance of about 10 per cent. since last October, and more than 25 per cent. since April a year ago. The consolidated statement of the 12 Federal Reserve banks for the week ending April 26th compares as follows with the report of October 5, 1921:—

FEDERAL RESERVE STATEMENT.

RESOURCES.

	Oct. 5, 1921.	April 26, 1922.
Gold and gold certificates	448,472,000	326,638,000
Gold settlement fund—Federal Reserve Board	415,175,000	453,974,000
Gold with foreign agencies	..	..
Total gold held by banks	863,647,000	780,612,000
Gold with Federal Reserve agents	1,756,582,000	2,154,510,000
Gold redemption fund	112,370,000	60,000,000
Total gold reserves	2,732,599,000	2,995,202,000
Legal tender notes, silver, &c. ..	150,343,000	129,637,000
Total reserves	2,882,942,000	3,124,839,000
Bills discounted—		
Secured by U.S. Government obligations	495,866,000	178,991,000
All other	902,255,000	321,106,000
Bills bought in open market	42,070,000	82,518,000
Total bills on hand	1,440,191,000	582,615,000
U.S. bonds and notes	35,433,000	250,185,000
U.S. certificates of indebtedness—		
One-year cts. (Pittman Act) ..	167,375,000	84,500,000
All other	19,054,000	232,448,000
Municipal warrants	..	102,000
Total earning assets	1,662,053,000	1,149,850,000
Bank premises	29,501,000	39,568,000
5 per cent. redemption fund against F.R. Bank notes	8,842,000	7,601,000
Uncollected items	558,105,000	519,627,000
All other resources	15,906,000	18,587,000
Total resources	5,157,349,000	4,860,072,000
LIABILITIES.		
Capital paid in	103,046,000	104,311,000
Surplus	213,824,000	215,898,000
Reserved for Government franchise tax	51,741,000	2,308,000
Deposits—		
Government	59,004,000	45,194,000
Member banks, reserve account ..	1,613,149,000	1,748,755,000
All other	24,179,000	39,281,000
Total deposits	1,696,332,000	1,833,230,000
Federal Reserve notes in actual circulation	2,482,313,000	2,157,568,000
Federal Reserve banknotes in circulation—		
Net liabilities	99,602,000	79,497,000
Deferred availability items	488,741,000	449,347,000
All other liabilities	21,750,000	18,413,000
Total liabilities	5,157,349,000	4,860,072,000
Ratio of total reserves to deposit and F. R. note liabilities combined	69.0%	78.3%

While all of the Federal banks in the central reserve cities have greatly strengthened their position, the improvement, as shown by the increase in reserve ratios and the lowering of discount rates, has been more striking in various sections of the country, particularly in the West, North-West, and South, than in the East. It will be recalled, however, that the readjustment from war-time inflation and the liquidation of frozen credits made more rapid progress in eastern districts during the last half of 1921 than in other localities. Only within the past few months have other banks been able to report similar progress. For instance, the reserve ratio of the Federal Reserve Bank at Richmond, Virginia, has advanced to 63 per cent., as compared with 48 per cent. last October; the Dallas, Texas, institution's ratio shows an increase from around 41 per cent. to more than 62 per cent., and like gains have been recorded at all centres where the ratio percentages were abnormally low last autumn, the single exception being the Federal Reserve Bank at Kansas City, whose ratio is about 58 per cent., or much lower than that of any other central reserve institution. The New York Federal Reserve Bank has the highest ratio; on April 26th it stood at 86.5, while those of the other 11 banks, barring Kansas City, ranged from 62.4 per cent. up to 78.8 per cent. The Boston bank's ratio has remained at about 75 per cent. for some time; member banks in that district have apparently been affected, directly or indirectly, by the prolonged strike of textile workers in New England, which has paralysed the textile industry in parts of that section, with far-reaching results. The reserve ratio of the Boston Federal Reserve Bank was the highest in the entire system a

year ago; it is now lower than that of any other eastern Federal Reserve institution. As reserves of the banks increased, their discount rates were lowered gradually, notably in the case of banks in agricultural districts, which were maintaining rates last autumn much higher than those in the East. The Minneapolis bank's discount rate was 6 per cent. last October; it is now 5 per cent. The banks at St. Louis, Kansas City, and Dallas also made similar reductions to 5 per cent. All of the eight other Federal Reserve banks have lowered their discount rates to 4½ per cent. Whether or not a further reduction will be made in the near future, especially at this centre, is uncertain at the moment, although such action has been expected for some time. The decided improvement in the banking situation throughout agricultural sections in recent months has been due largely to the extensive liquidation of loans, which, in turn, was made possible by the higher prices realised by farmers for their crops. As a result of such liquidation, funds have lately been piling up so rapidly at various centres that bankers, owing to the difficulty in finding employment for all moneys thus released, are now much less insistent than they were a while ago that outstanding loans be taken up. There has been a pronounced relaxation of the credit tension in all parts of the country, and time money rates have become distinctly easier; funds are now freely offered for all periods up to six months at 4½ per cent. Demand for new accommodation, however, continues rather light. Commercial paper discounts, which not long ago ruled at about 6 per cent. for prime names, have fallen to 4½ per cent.; as trade is still slow in many lines, the volume of business paper being discounted is not large. The tendency of money rates is toward still lower levels. One of the most significant developments recently in that connection was the action of the Treasury Department in offering certificates of indebtedness bearing a new low interest rate of 3½ per cent.; that was generally construed as foreshadowing a period of easier money in the not distant future.

One unfavourable development that has attracted a good deal of interest in Federal Reserve bank circles is the rapid decrease in the volume of acceptances executed by member banks and outstanding. Among the causes of the decline are mentioned the business depression, the falling off in the dollar value of our imports and exports, cheaper money in London favouring the use of sterling bills, and the resumption of financing in the London market, which was temporarily diverted because of war conditions. Another important factor, apparently, has been the relatively rigid requirements for eligibility at Federal Reserve banks, which were established by regulations issued by the Federal Reserve Board in 1920. Those regulations served to restrict the volume of acceptances, and, as one authority points out, placed American bankers at a disadvantage, as compared with European bankers, in the granting of acceptance facilities. In order to remove such restrictions and to stimulate the acceptance business, the Federal Reserve Board recently revised its regulations governing the rediscount by Federal Reserve banks of bank acceptances. While still maintaining an effective control of the quality of American bank acceptances, the new regulations permit greater elasticity in meeting competition of foreign banks. As explained by one of the Federal Reserve banks, "the principal change effected by the new regulations is the elimination of the virtual requirement that all bills which may be accepted in import and export transactions must be documentary or secured in order to render them eligible for rediscount." In a general way, the effect of this liberalisation of the Board's regulations will be "to give the Federal Reserve banks greater discretion in determining the eligibility for rediscount or purchase of any particular bill, instead of subjecting all bills to the rigid tests prescribed by a formal regulation."

The improvement in the general banking situation has been coincident with an increase of activity in some of the basic industries throughout the United States, the increase becoming pronounced during April, particularly in the iron, steel, copper, and automobile industries. There has also been a remarkable expansion of

business in the building trades and allied industries. In the textile field, woollen goods manufacturers are well engaged; some improvement is noted in the silk goods industry; Southern cotton goods mills are running close to capacity, but textile operations in New England have been greatly curtailed by the widespread strikes in that section. Wholesale and retail trade generally, however, have not yet displayed activity comparable with that witnessed in the basic industries. Railroad traffic shows a steady increase, which is being reflected in larger earnings than have been reported in many months. Thus far the coal strike has had little unfavourable effect upon any industry. With the exception of the voluntary idleness of coalminers and cotton mill operatives in New England, there is less unemployment than for many months past.

Security markets during the past month have been unusually active and buoyant as a result of easier money conditions and the brighter situation and outlook in many directions. For 26 consecutive full-day sessions, transactions in the stock market have reached or passed the million-share mark, and prices of numerous industrial and railroad shares have repeatedly established new high records for this year. Bonds likewise have advanced sharply under a broad and rapidly increasing investment demand for old and new issues, both domestic and foreign. As a result of the speculative activity Wall Street brokers' loans, according to a reliable estimate, now approximate \$1,250,000,000 in the aggregate, or close to the December, 1919, total of about \$1,350,000,000. The present credit situation, however, is quite different from that of 1919. Member banks, one observer points out, were then indebted to the Federal Reserve system through rediscount operations to the extent of more than \$2,296,000,000, of which more than 1½ billions was secured by Government paper, the total including rediscounted paper and bills bought. The volume of rediscounts and bills bought for the entire Federal Reserve system amounted, on April 26th, to only \$582,615,000, of which \$178,991,000 was secured by Government collateral, and \$321,106,000 by commercial and other paper. Owing to the well-liquidated position of Federal Reserve banks, no concern is felt over the recent expansion in Wall Street loans; in fact, since commercial borrowing has been light, and continues so, the opportunity to employ surplus funds in liquid loans secured by standard stocks and bonds has been welcomed. When financial needs of trade and industry increase the situation will be different. Ample credit, however, will undoubtedly be available for any further business and industrial revival.

The outlook at present is more or less clouded by a number of uncertainties, including tariff and proposed soldier bonus legislation, to say nothing of possible developments in the international situation; but bankers generally look for further improvement, although for some time it is likely to be irregular and gradual.

BANKING IN GERMANY.

(FROM OUR BERLIN CORRESPONDENT.)

WITH some minor exceptions, the German banks' reports for 1921 have not yet appeared. The great banks, pleading excess of work, have not yet returned to their useful pre-war practice of publishing balance-sheets every two months. But though the last balance-sheets are for the end of 1920, banking figures have so much become functions of the currency inflation that the condition of the banks throughout 1921 can be sufficiently judged by studying the reports for 1920, together with the statistics of currency inflation of the floating debt and of Treasury bill operations in the next year. The liabilities, totalling 63,346 millions, of the four "D" banks, and the Berlin Handelsgesellschaft, Commerz, National, and Mitteldeutsch Kredit banks at the end of 1920 were, for instance, 22,032 millions more than a year earlier; the assets classified as "in first degree liquid," totalling 46,308 millions, were 15,973 millions more; and nearly all other figures showed corresponding increases. That this process, though figures are not available, continued in 1921, is inevitable from the fact that the currency in circulation

continued to increase rapidly, and that the total of discounted Treasury bills, operations in which have become an ever more important part of the banks' business, also greatly increased. The balance-sheet for the end of 1921 of the Berlin Handelsgesellschaft, which is available, balances at 5,467 millions, against 2,665 millions in 1920. The holding of bills alone rose from 1,347 to 2,619 millions. Such profit and loss accounts as have appeared also show inflation under all heads. Thus the net profits in 1921, on an unchanged capital, of the last-mentioned bank were 61.507 millions, against 36.82 millions in 1920, and against 6.382 millions in 1914.

Apart from the combination tendency, the last important case of which was the semi-fusion in November, in form of a "Gemeinschaft," of the Darmstadt and National Banks, the most noted banking features of late have been the numerous foundations of small banks, the growth of communal banking, and the invasion of foreign banks. The new small banks, of which a list of nearly 50 lately appeared in a financial journal, are mostly special institutions for financing particular industries and foreign trade, and have small capital, in one case as low as 300,000 marks. The foreign banks are mostly in occupied territory. The communal banks, or "Giro-Centrals," are mainly a product of the war, having owed their rapid development to the municipalities' need of funds for carrying on such war work as the support of soldiers' families. They are financed with the public Savings Bank deposits. These banks, organised in 12 "centrals," are now united under a single institution in Berlin; and their operations have extended to general banking and to financing of local loans. They have developed very rapidly. The transactions of the Hannover Giro-Centrale alone increased from 848 millions in 1915 to 81,479 millions last year. As undesirable competitors, the "Giro-Centrals" are being sharply attacked by the great commercial banks.

The capitalisation of the commercial banks continues to increase, but far less rapidly than the totals of their transactions. At the close of 1921 the position (in millions of marks) was:—

	Capital.	Reserves.	Capital and Reserves Combined.
Dresdner.....	550	335	885
Deutsche	400	450	850
Darmstädter	420	200	620
Disconto.....	400	250	650
Bärmer Bankverein...	400	115	515
Commerz und Privat ..	350	137	487
National.....	300	150	450

Since 1921 the Disconto Bank has increased its capital to 610 millions, and for a short time led; but the Deutsche Bank last month, in connection with its fusion with the Deutsche Petroleum Gesellschaft, decided to double its capital to 800 millions, so that the Dresdner has fallen into third place. Further increases of capital are foreshadowed in the financial Press. The movement towards increase of banking capital, as in other branches, is purely a result of the inflation, and dates back only to 1920, in which year 92 banks raised their capital by a total of 1,085,870,000 marks, while in 1919 bank capital increases were only 16, and totalled only 35,613,000 marks. In 1921 there were 162 cases of increase of banking capital to a total of 4,402,630,000 marks; and 63 banks with capital of 469,350,000 marks were founded, as against 38 new banks capitalised at 252,000,000 marks in 1920.

The liabilities of eight leading banks—the four "D" banks and the Berlin Handelsgesellschaft, Commerz Bank, National Bank, and Mitteldeutsche Credit-Bank—in the balance-sheets for December 31, 1920, are as follows:—

	(Millions of Marks.)	1920.	Increase Over 1919.
Capital and reserves	2,514	484	
Acceptances, cheques	918	113	
Deposits, creditors	62,428	21,919	
Total liabilities.....	63,346	22,032	
Per cent. of capital and reserve....	2,519%	2,277%	

Of 46,308 millions classified as assets liquid in the first degree, 37,222 millions were bills and Treasury bills, 4,296 millions cash and Reichsbank deposits, and 4,467

millions other bank credits. The percentage of assets of this class of liquidity to liabilities was 73.2, as against 69.3 per cent. in the 1919 accounts, and varied between 85.1 per cent. for the Deutsche Bank and 44.7 per cent. for the National. The banks have not followed the Reichsbank's recent example of entering commercial bills and Treasury bills separately; but it is known that Treasury bills make up the main, and an ever-increasing, part of this entry. The banks are, therefore, ever more and more tied up with the State finances; and their operations have become much simplified, as they can now place their clients' money out on an ideally liquid security, the Reichsbank being obliged by law to rediscount without limit. The resort to Treasury bill discounting is, of course, inevitable; but the practical disappearance of commercial bills is generally lamented by bankers and by business men.

The chief causes of this disappearance are that credit has practically disappeared from industry and trade. Manufacturers and dealers require payment on delivery, and often part payment in advance. This is ascribed to the general shortness of money, but its fundamental cause is the disadvantage which a creditor suffers in the present time of ever-depreciating currency. The low interest and discount rates can play no rôle in favouring credit when, in the three months' period of an ordinary commercial bill, the buying value of money at home falls to half and its exchange value to even less. The assets of the eight banks classed as liquid in the second degree totalled 3,399 millions, an increase of 542 millions over 1919, consisting mainly of advances on securities, 1,496 millions, and secured advances on wares, 1,545 millions. The total assets liquid in either degree were 49,707 millions, or 16,515 millions more than in 1919, and constituted 78.3 per cent. of liabilities, against 72.8 per cent. Liabilities not covered by liquid assets totalled 13,639 millions, or 5,516 millions more than in 1919. The great rise in banking figures is sufficiently shown by the fact that the transactions of the Deutsche, Disconto, and Dresdner Banks in 1920 exceeded 1 billion marks, and those of all the first-rank Berlin banks together exceeded 5 billions.

The profit and loss accounts show corresponding increases. Nominal profits have of late risen year by year. The main cause is the chronic "Deficit-Wirtschaft" of the State, which governs alike the banks' interest, Bourse tendencies, and new issues. The interest allowed by the State on Treasury bills provides a sufficient margin over the banks' low interest on deposits to produce a big and certain profit. The Bourse in 1920, with the exception of a reaction in the summer, was extraordinarily active, and it was still more active in 1921. The same is true of the new capital market. New capital issues in 1920 totalled 11,445 million marks; in 1921, 31,855 millions nominal (effective, 38,533 millions). Against these increases in sources of revenue the banks have to bear very heavy additions to expenditure, owing to rapidly rising salaries, costs of material, and taxes. The following (in millions of marks) is the result of operations in 1920 as compared with 1919:—

	Gross Profits.		Administration and Taxes.		Net Profits.		Dividends.	
	1919.	1920.	1919.	1920.	1919.	1920.	1919.	1920.
Disconto	128.4	397.9	75.2	244.2	53.2	153.7	10	16
Deutsche	213.5	713.0	142.5	570.5	62.5	173.7	12	18
Dresden	135.6	421.8	85.3	278.3	50.3	142.5	9	12
Darmstadt	85.1	263.0	60.8	190.2	20.3	57.9	8	10
Handels Ges.	29.5	72.7	13.2	40.9	16.3	31.8	10	12
National	29.8	110.7	14.3	64.4	15.5	45.6	7	10

The position of the mortgage banks tends to improve, owing to a certain resumption of building. A Bill lately passed allows these banks to increase by a limited amount their contracted interest rates in order to recoup them for increased administration expenditure. The mortgage market, however, is practically stagnant; and until building begins on a pre-war scale, or until the State control of rents is abolished, these banks can find no object on which to lend. Outstanding mortgages of 35 mortgage banks at close of 1921 were 12,531,220,000 marks, which is only 303 millions more than at close of 1920, and not much more than in 1914. The circulation of mortgage bonds was

12,181,100,000 marks. The four private banks of issue have entirely lost their importance as compared with the Reichsbank. Before the war, the note circulation of the Reichsbank was about 15 times as great as that of the Saxon, Bavarian, Württemberg, and Baden note banks together, whereas at end of 1921 it was 339 times as much. The gold reserves at the close of 1921 were: Saxon Bank, 17,441,000 marks; Bavarian, 29,325,000 marks; Württemberg, 7,886,000 marks; Baden, 3,033,000 marks. This gold, like the Reichsbank's reserve, is at present booked at its pre-war value, but it represents a very considerable value in paper marks. The shareholders have long desired to abandon the note-issue right, sell the gold, and pocket the proceeds; and there was a considerable boom in the shares of these banks on that basis. Last year the banks lost the right of disposition over their gold, but had their note-issuing limits increased. The Prussian State Bank (Seehandlung) has decided to increase its capital from 400 to 560 million marks.

BANKING CONDITIONS IN EUROPE.

UNDER the condition of political chaos on the Continent, it is perhaps not too much to say that European banking is at present in the melting-pot. We do not mean that existing banks will not survive the ordeal to which they have been and still are subjected, but the prevailing uncertainties continue to make for further experimenting and makeshift policies, which will probably leave a train of victims amongst the weaker institutions, and will certainly modify and alter policies, until trade comes once more into more normal channels and permits of natural banking conditions.

The chief difficulties which have confronted the bankers of Europe during the past year have been due to the problems of note circulation, the lack of confidence necessary for credit operations, and the resulting uncertainty in exchanges. The militant attitude of Governments has contributed largely to Budget deficits, which, reacting on credit, have hampered trade to the point of strangulation. The marvel is that under the circumstances experienced during the past year so few failures amongst the banks have been recorded, and that where troubles have been disclosed the effects have been so successfully localised. The few institutions which have disappeared, with one or two exceptions, have been small local concerns. The most notable bank suspension was that of the Banca Italiana di Sconto, but this was due to special circumstances which have already been fully discussed, and the position, thanks to the prompt assistance of other Italian banks, has been dealt with in such a way that, apart from the inconvenience arising from inevitable delays in repayment, apparently little direct loss will accrue to the creditors.

Sweden, Norway, Spain, and Switzerland have all come through a difficult period, though up to now nothing in the nature of real disaster has occurred. It is too soon yet to say that the dangerous times have been successfully negotiated, but it is safe to assume that the weeding out of a few of the weaker concerns, and the measures taken by the more important banks, have cleared the way for safer and healthier conditions. The neutral countries naturally have been hard hit by the collapse of the artificial prosperity they enjoyed during the war, and right up to the end of the post-war boom. Heavy stocks had been accumulated, and the liquidation of the position built up was made more difficult by depreciating exchanges.

France is still waiting for the payment she hopes to derive from Reparations, and, having budgeted accordingly, much may depend upon these windfalls materialising. It is satisfactory, however, to note that the feeling of those in control of the leading banks is not now so certain that these sums will be received in their entirety, and no doubt the policy which this attitude is likely to dictate will be one of greater self-reliance and safety.

Despite occasional rumours, with the exception of somewhat heavy exchange losses by a group of French banks, largely due to the action of certain officials

and not the result of deliberate policy, the showing of the important banks gives grounds for confidence in their ability to undergo any tests to which they may yet be subjected.

While the difficulties which have to be faced by the banking fraternity of our late Allies and the Neutrals are all traceable to the post-war financial chaos, the new Baltic States, Poland, and the Balkan countries have, in addition, each their own particular problems to solve. Newly-established States, such as Poland, have had to create a banking system, and that at a time of far-reaching political confusion and with rapidly changing conditions. What has been accomplished in the way of establishing banking facilities in certain of these countries, notably Poland and Czechoslovakia, in face of apparently impossible circumstances, is remarkable, and though possibly many of the new institutions may not weather the storms still ahead, the foundations have been laid for satisfactory development.

The fierce spirit of nationalism, resulting in the establishment of tariff walls and kindred regulations, has added to the problems of financial construction in the newly-created States. Foreign banks have been excluded, with the result that old-established branches of non-native banks have had to be closed, or taken over by the national banks. A recent interesting development has been the closing of all the Spanish branches, except that in Madrid, of the London County Westminster and Parr's Bank, Limited.

The problems to be faced by our late enemies are of a different nature. Handicapped as they are by the onerous obligation of reparation payments, with its attendant evils, little or no headway towards stable peace conditions can be made, and it is impossible to forecast the exigencies which German finance may still have to face. The constantly depreciating currency contributes enormously to the difficulties of banks and traders, while incentives to save are materially impaired. From the same cause any estimate or comparison of the banking position is one of extreme difficulty.

When once the question of Reparations has been solved, German enterprise may be relied on to extend once more her banking tentacles over the very wide field which for the moment is closed to her. Swift on the heels of the Russo-German agreement, it is already rumoured that one of the big German banks is opening in Moscow. Circumstances have placed British banking interests in an exceptionally favourable condition to meet this future competition, but the policy to be pursued by Britain is still shrouded in mystery, though evidence comes from various quarters of the eagerness of Continental banks to attract British banking capital.

It is still too soon to prophesy whether these advances will be accepted, and future British incursions in the foreign field will take the form of shareholding interests in existing foreign banks. The reorganisation of the Anglo-Austrian Bank under the auspices of a London group is hardly a case in point, as this was arranged under special circumstances, but it is quite likely that this method of extending foreign connections and improving international facilities may prove more useful and more profitable than direct representation by means of branch offices.

It has been evident for some time that complete success had not attended all the ventures of British banks into the Continental field. At best, many of these offices could not hope to continue competitors of the native banks, but must sooner or later become mere dealers in exchange. The falling off in foreign exchange business, and the almost complete lack of trading activity to replace this formerly lucrative phase of banking, must have borne heavily on these British outposts.

It is impossible to forecast the lines on which development of the European position may proceed during the coming year. Should the proposal now under discussion to establish international corporations actually materialise, another step will have been taken along the experimental path. The scheme itself, so far

as has been announced, embodies a policy which, if courageously applied, would be valuable in accelerating the recovery of international trade, but much will depend on the actual administration of the proposed central banks. Theory and practice are not always in complete agreement, and the success of any such scheme must be largely dependent on the spirit in which it is controlled. However successful such schemes may be, at best they are only palliative, and though they may give the necessary breathing space to enable Europe to take curative measures, they of themselves can effect no cure. The trouble lies deeper. Let the various Governments balance their budgets and agree their differences, so that some degree of confidence can be regained, and the banking systems of Europe can be trusted to restore financial prosperity.

CURRENCY AND PRICES.

THE statistics given in the currency pamphlet submitted to the International Financial Conference at Brussels have been supplemented by up-to-date figures prepared by the League of Nations, and published in a Memorandum on Currency, 1913-21. From the numerous tables included in this document we have compiled the appended composite table giving the percentage figures relating to currency, prices and banking deposits for those countries for which data are available.

The most complete figures are those relating to note circulation. Maximum figures were reached in most cases in 1920, apart from those countries in which there has been a clear increase throughout the past two years, and with the exception of India, where an increase in 1921 succeeded a considerable reduction in 1920, and of Finland and Australia, where the contraction of circulation began after the first quarter of 1921. In the case of the last six countries on the list the figures for the end of 1920 have been taken as 100, it having been impossible to give comparable figures over the whole period, owing to the conversion of currencies in these States. The increase shown in the note circulations of these countries in 1921 was due to some extent to the entry into circulation of notes replacing old Austrian, German, or Russian currencies. This applies especially to Roumania, owing to the late date at which the conversion of krone and rouble and

German lei-notes was effected. In contrast with the relatively slow contraction in paper currency circulation prices have undergone a radical change in the great majority of countries compiling wholesale price index numbers. The fall in prices began in the Far East and the United States early in 1920, and spread westward via the United Kingdom to Europe. During the year 1921 there was some period of falling prices in every country in the world in which index numbers are compiled, with the exception of Poland, although in Germany the fall was only temporary. Official rates of discount were, as a whole, raised during the first three-quarters of 1920, kept stationary at their maximum level during the next six or seven months, the period of the greatest price decline, and then gradually lowered during the last half of 1921.

It will be seen from the table that the fall in prices at the latest date given is greatly in excess of the reduction in note issues.

Moreover, only in the case of five countries, Egypt, U.S.A., Norway, Sweden, and the Netherlands, was the circulation at the end of 1921 less than it was at the time of the Armistice, although the increase during the last year of the war was, at any rate in the majority of European countries, greater than during any other equivalent war period. On the other hand, in the case of all countries for which the data are available, with the exception of Japan, India, Italy, New Zealand, Germany, and Poland, prices were lower, and in most cases very considerably lower, at the end of 1921 than in November, 1918.

Various explanations of these phenomena have been put forward. It may in the first place be due in part to the existence of a double drag. Retail prices have not moved so fast as wholesale, and some time must elapse before the fall even in retail prices has any serious influence on the amount of cash which individuals carry in their pockets. In view of the extent of the fall in prices and the extent of the discrepancy between that fall and the contraction in circulation, however, it would not appear that these facts can constitute more than a partial explanation. It has been suggested that the fall in wholesale prices has to some extent been fictitious, since, owing to the slump in trade, goods have become unsaleable, and compilers of index numbers have been forced to accept quotations from few, frequently more or less forced, sales.

CURRENCY AND PRICES.

(COMPILED FROM LEAGUE OF NATIONS' MEMORANDUM ON CURRENCY, 1913-21.)

	Note Circulation. (End 1919 = 100.)			Prices. (End 1919 = 100.)		Deposits. (End 1919 = 100)				Deposits. (1918 = 100.)			
	End 1920.	Highest.	End 1921.	End 1920.	End 1921.	Commercial Bnks		Savings Banks.		End 1920.		Corrected Percentage.*	
						End 1920.	End 1921.	End 1920.	End 1921.	Com- merc'l	Sav- ings.	Com.	Savgs.
United Kingdom	108.4	108.4	97.6	88.1	56.8	105.6	109.1	101.5	100.8	238.1	135.5	97.7	55.6
United States	110.1	110.1	86.8	77.8	61.3	102.4	87.7	..	..	244.3	139.6	90.8	51.9
France	101.7	105.2	97.9	102.9	77.1	..	..	..	..	292.8	141.5	67.2	32.5
Denmark	113.9	114.3	96.8	100.3	62.4	..	..	..	..	471.0	176.6	188.1	65.4
Netherlands	103.8	103.8	98.1	82.1	58.0	..	..	102.2	108.1	587.2	154.1	230.2	66.0
Switzerland	99.3	99.3	97.0	..	..	..	..	..	..	158.4	154.2	66.6	64.8
Spain	111.9	111.9	109.7	..	..	..	..	..	..	503.6	223.8	224.8	99.9
Egypt	59.4	89.0	56.2	74.8	53.4	..	..	..	..	..	..	..	..
Sweden	101.6	104.3	84.0	94.2	54.3	101.9	97.2	100.0	96.3	807.9	..	103.0	..
Canada	97.8	97.9	88.1	90.0	71.5	105.4	96.7	90.7	79.1	192.9	70.9	90.0	33.1
Norway	106.4	106.4	90.3	117.1	83.5	..	..	112.1	126.1	524.8	338.2	139.2	89.7
Australia	106.7	108.0	..	99.8	76.6	112.0	113.3	110.6	118.0	172.5	178.6	83.6	86.6
British India	88.2	97.5	94.3	82.6	82.6	..	..	..	..	269.1	98.7	149.5	56.4
New Zealand	113.7	113.7	102.7	116.8	101.2	108.6	89.7	..	..	216.7	240.4	99.4	110.3
Japan	96.4	103.8	103.8	71.3	72.6	36.7	102.6	112.2	..	..	389.2	156.3	118.9
Uruguay	87.8	100.0	..	..	..	109.3	..	..	..	389.5	250.0	..	..
South Africa	115.9	115.9	112.2	87.7	61.0	96.2	86.6	94.0	98.0	251.0	103.0	193.4	62.2
Italy	118.6	118.6	115.3	128.9	130.0	130.4	144.5	122.3	140.4	878.6	282.3	137.5	44.4
Argentina	115.8	115.8	115.8	..	..	122.1	119.1	123.8	142.9	229.7	..	..	..
Brazil	105.7	119.3	119.3	..	..	112.0	..	..	..	339.5	..	..	..
Finland	119.3	131.3	120.6	..	..	106.8	111.9	100.7	125.0	530.3	345.5	..	..
Bulgaria	117.4	126.5	126.5	..	..	..	..	..	..	440.6	..	18.4	..
Chile	120.7	131.9	..	..	..	..	..	..	..	..	..	..	..
Greece	109.1	156.4	156.4	..	..	..	..	..	..	..	..	..	..
Portugal	164.7	194.9	194.9	..	..	..	..	..	..	866.1	..	..	..
Germany	162.6	244.7	244.7	179.9	434.5	..	..	..	..	870.1	218.9	60.4	15.1
Czechoslovakia	100	107.4	107.4	..	..	150.0	237.8	104.6	131.3	..	..	..	..
Roumania	100	131.2	131.2	..	..	..	..	..	..	929.8	..	..	..
Serb.-Croat-Slovene State	100	140.2	140.2	..	..	..	..	..	..	..	..	..	..
Hungary	100	176.0	176.0	..	..	..	..	173.8	280.6	..	..	..	..
Poland	100	465.0	465.0	..	..	(100)	487.1	(100)	400.2	..	..	..	..
Austria	100	568.1	568.1	..	..	..	..	322.6	1003.2	..	720.9	..	..

* To allow for new level of purchasing power as measured by price index numbers.

Further, it has been suggested that, owing to the fact that a certain quantity of notes have been lost or destroyed, and additional quantities hoarded at home and exported and immobilised abroad, the total effective circulation is very much smaller than the total number of notes outstanding. If the material for arriving at this smaller total were available, and if it could have been used for the purpose of comparison, a greater contraction would have been shown in the volume of immediately effective circulation, because while the figures for the basic date would have been reduced by the deduction of the destroyed or immobilised notes from the total circulation at that date, the notes withdrawn have, it is presumed, been withdrawn from the immediately effective, not from the immobilised, portion of the circulation.

If this explanation be accepted, then in all cases in which the contraction of note circulation does not completely stop the hoarding or export of notes, the continual reduction in the immediately effective circulation due to these causes constitutes a similar though distinct factor working in the same direction.

The contrast between the price movements and those of deposits is even more marked than between prices and currency. In so far as deposits represent more or less permanent savings, their failure to contract or expand in the same measure as prices was, of course, to be expected, and in so far as they represent savings accumulating for future investment they are likely to move more directly with money rates than money values. Further, it is argued that the failure of deposits to reflect more closely any decrease in the volume of available credit is due to the so-called freezing of credits; that, although bankers may have become increasingly unwilling to grant further credits, they were during the slump in prices unwilling or unable to call in old credits; and that as outstanding loans found their reflection in deposits, it was to be expected that an actual diminution of the volume of banking facilities offered would not result in the immediate diminution in the figures of bank credits and bank deposits. The nature of the change in the use of deposits here referred to would be similar to changes in the rapidity of notes in circulation. Here again the figures are, however, to some extent misleading, owing to the fact that the deposits of commercial banks are composed of very dissimilar elements.

In almost every instance the increase in the deposits of the savings banks has been very much slower than in those of the commercial banks. This may be attributed partly to the existence during and since the war in a number of countries of Government savings certificates and other forms of war loans, which have absorbed the savings of the small investor. But all forms of savings and time deposits normally increase more slowly during a period of rising prices than do those with a more rapid turnover. In order to give a comparison between countries of commercial and savings deposits the latter are given in the final column as percentages of the 1913 figures. As the value of these deposits, however, must vary in sympathy with the purchasing power of money, columns are added showing the percentages obtained after dividing the absolute figures of each country by that country's wholesale price index number.

RECENT BANKING LITERATURE.

FOR bankers, as for lesser folk, it has, for the last three or four years at all events, been impossible to look at their business from an insular point of view. They have had to think in terms of world economics, to assert the financial unity of Europe even at the period when it has seemed most completely shattered, to the external eye. This fact is reflected in the banking literature of the period. There are comparatively few books dealing with the technique of banking, against a vast accumulation dealing with foreign exchange, currency inflation, international debts, Reparations, &c. And these are, indeed, the problems with which the banker is to-day called upon to cope. One might feel more hopeful were there any reasonable probability of their being left to him instead of to the complicated evolutions of the politicians.

First among recent publications dealing with what may be called the "domestic" aspect of banking may be mentioned an admirable volume in the Bankers' Library, for which Messrs Pitman are responsible—"The Bankers' Clearing House," by its former Chief Inspector, Mr P. W. Matthews, with a preface by Mr Holland-Martin. In this account is given of the slow stages through which the idea of a clearing house had to pass after the day on which it was first mooted by the energetic Charles Babbage, and of its present work and organisation. There is also an excellent account of the recent process of bank amalgamation, and some invaluable statistics. Indispensable, of course, is the Bankers' Almanac and Year-Book, published by T. Skinner (London, 42s); while the latter part of Mr E. E. Spicer's "Money Market in Relation to Trade and Commerce" (H. F. Lynch, 8s 6d) gives a good, and on the whole a reliable, account of the normal machinery of the money market, bills, and the exchanges.

But the characteristic note of the publications of the last six months or so is given by the title of Professor Cassel's masterly "The World's Monetary Problems" (Constable, 3s 6d), which comprises the substance of the view put by the great Swedish economist before the Brussels Financial Conference. To the same category belong two League of Nations Memoranda, that on "Currency, 1913-21," and that on "Public Finance, 1921," both published by Constable. These three volumes form the basis for any profitable discussion of European financial recovery; and that, at the moment, is the banking problem. A very interesting contribution to the same discussion is the collection of papers by the Right Hon. R. H. Brand, called "War and National Finance" (Arnold, 15s). These papers are distinguished by clearness of statement and a courageous frankness in criticism. An important point that he makes is that the financial danger of the Allies' position was very grave at the moment when America intervened; while his book includes a sane and searching analysis, written at a time long before such views were anything like so general as now, of the follies of the Reparation policy. In this same connection there should be read two American contributions, "International Finance and its Reorganisation," by E. M. Friedmann (Dutton; see *Economist*, March 4th, for review), and Professor E. R. A. Seligman's "Currency Inflation and Public Debts" (published by the Equitable Trust Company of New York). Bearing even more directly on the immediate point of severest strain, though not, in itself, of the same weight and substance, is "Reparation, Trade and Foreign Exchange," by L. L. B. Angas (King, 12s 6d).

When one turns from English to foreign publications, there is, of course, a vast output of literature, large part of it in the form of short books, rather more than pamphlets, but hardly amounting to volumes, in German. For instance, a heated and animated controversy rages round the so-called "State Theory of Money," originated by Professor Knapp, who declared, in a book first published in 1905, that the standard of value is a creation of Governmental ordinance, whether there is a nominal gold standard or no. It is essentially this theory, in its application to present conditions, that is discussed in such works as Bendixen's "Wesen Des Geldes," Kerschagel's "Geldproblem von Heute," and Palyi's "Der Streit um die Staatliche Theorie des Geldes," all published in Munich by Duncker and Humblot. Among French books may be recommended M. Jules Descamps' "Les Changes Etrangers" (Alcan, 22f; see review, *Economist*, April 1st), of which the second part is devoted to a discussion of French monetary conditions, though hardly with the frankness that characterises M. Lachapelle's painfully interesting "La Verité sur notre Situation Financière" (Roustan, 10f; see review, *Economist*, November 19th). There is also M. Baldy's "Les Banques d'affaires en France depuis 1900" (Librairie Générale du Droit et du Jurisprudence, 25f). A work of great general interest is the first volume of the "History of the Canadian Bank of Commerce," by Victor Ross, for which Humphrey Milford are responsible in this country (52s).

JOINT STOCK BANKS OF THE UNITED KINGDOM.

ENGLISH BANKS.

1	2	3	4		5	6	7	8	9	10
			Capital	Uncalled Capital.						
Name of Bank.	Date.	No. Branches & sub-branches.	Subscribed.	Callible. Reserved.	Capital Paid up.	Reserve Funds.	Un-divided Profits.	Notes in Circulation	Drafts, &c.	Acceptances and Endorsements.
1 Bank of Liverpool & Martins	Dec 31	320	£ 18,791,120	£ 5,167,558	£ 11,274,672	£ 2,348,890	£ 1,400,000	£ 336,447	..	£ 3,683,244
2 Barclays Bank	Dec 31	1598	A 3,430,356 B 11,760,811 C 401,205	Nil Nil Nil	15,592,372	8,250,000	..	..	..	£ 6,239,151
3 Baring Bros. and Co.	Dec 31	1	1,025,000	Nil	1,025,000	1,000,000	13,836	..	..	£ 8,101,960
4 British Mutual Banking Co.	Dec 31	None	200,000	129,397	70,603	54,000	7,639	..	..	..
5 Coutts and Co.	Dec 31	2	800,000	unlimited	800,000	800,000	..	..	..	£ 193,666
6 Equitable Bank	Dec 31	6	93,000	49,000	44,000	50,000	10,616	..	..	£ 4,280
7 Glyn, Mills, Currie, and Co.	Dec 31	None	1,000,000	Nil	1,000,000	500,000	..	..	..	..
8 Guernsey Banking Co.	Dec 31	1	250,000	75,000	125,000	50,000	22,500	49,512	..	..
9 Isle of Man Banking Co.	Dec 31	7	150,000	30,000	100,000	30,000	7,714	85,743	..	..
10 Lancashire & Yorkshire Bank	Dec 31	135	2,013,120	1,006,560	1,006,560	1,006,560	190,190	(d) 17,890	..	£ 285,084
11 Lloyds Bank	Dec 31	1,593	71,864,780	3,593,239	53,898,585	14,372,956	10,000,000	1384566	..	£ 8,174,114
12 London & Liverpool Bank of Commerce	Dec 31	None	600,000	Nil	600,000	100,000	31,240	..	..	£ 1,408,487
13 London Joint City & Midland	Dec 31	1,600	59,117,103	7,174,693	20,033,552	10,860,853	10,860,852	1461487	..	£ 19,848,322
14 Lond. County Westminster and Parr's	Dec 31	896	29,716,688	7,070,990	14,141,980	9,003,718	10,99234	(d) 18,467	..	£ 16,755,101
15 London Merchant Bank	Dec 31	None	1,500,000	750,000	750,000	350,000	45,038	..	..	£ 1,562,814
16 Manchester & County Bank	Dec 31	154	5,469,200	273,010	4,096,150	1,092,040	286,598	..	..	£ 323,119
17 Manchester and Liverpool District	Dec 31	339	9,480,000	1,264,000	6,320,000	1,896,000	1,650,000	410,206	..	£ 1,493,834
18 National Provincial & Union of England	Dec 31	648	43,447,080	5,839,811	28,298,053	9,309,416	8,878,041	889,250	..	£ 2,863,921
19 Union Bank of Manchester	Dec 31	145	1,500,000	750,000	750,000	675,000	20,683	..	..	£ 1,990,302
20 Williams, Deacon's Bank	Dec 31	162	8,125,000	1,562,500	4,687,500	1,875,000	1,100,000	149,348	..	£ 1,243,847
Totals	..	7,606	249,725,463	34,723,563	143,019,492	72,477,408	56,653,171	6366582	171,612	£ 74,165,746

(d) In Isle of Man.

SCOTTISH BANKS.

1 Bank of Scotland	Feb 28	170	1,987,500	668,500	Nil	1,325,000	675,000	147,178	3,575,429	698,000	276,426
2 British Linen Bank	Jan 15	142	1,250,000	Nil	Nil	1,250,000	1,350,000	124,103	3,099,932	870,383	298,626
3 Clydesdale Bank	Dec 31	167	5,000,000	Nil	4,000,000	1,000,000	1,200,000	227,571	3,073,430	765,317	758,625
4 Commercial Bank of Scotland	Oct 31	206	A 5,000,000 B 500,000	1,750,000 Nil	2,000,000 Nil	1,750,000	1,125,000	145,317	3,974,263	1,042,296	1,083,826
5 National Bank of Scotland	Nov 1	180	5,000,000	900,000	3,000,000	1,100,000	1,100,000	189,661	3,065,644	51,713	861,788
6 North of Scotland Town and County Bank	Sep 30	152	3,260,000	652,000	1,956,000	652,000	652,000	222,066	2,436,027	206,445	..
7 Royal Bank of Scotland	Oct 8	177	2,000,000	Nil	Nil	2,000,000	1,241,777	98,000	3,232,760	1,116,555	313,139
8 Union Bank of Scotland	Apr 1	164	5,000,000	Nil	4,000,000	1,000,000	1,100,000	236,188	2,840,934	138,018	273,423
Totals	..	1,808	28,997,500	3,964,500	14,956,000	10,077,000	8,443,777	1390084	25,188,419	4,891,717	3,870,863

IRISH BANKS.

1 Bank of Ireland (capital £3,000,000 Irish)	Dec 31	82	2,769,231	(?)	(?)	2,769,231	1,140,000	179,318	8,905,340	..	..
2 Belfast Banking Co.	Dec 31	67	625,000	125,000	375,000	500,000	550,000	73,247	1,274,655	..	..
3 Do New	Dec 31	56	1,875,000	375,000	1,125,000	500,000	210,000	40,809	..	..	..
4 Hibernian Bank	Dec 31	145	2,000,000	500,000	1,000,000	500,000	900,000	65,394	..	..	..
5 Munster and Leinster Bank	Dec 31	250	1,000,000	200,000	400,000	400,000	980,000	160,604	3,043,190	..	499,381
6 National Bank	Aug 31	84	1,750,000	350,000	1,050,000	600,000	500,000	87,457	1,794,866	..	334,436
7 Northern Banking Co., A. & B. Shares	Dec 31	131	1,250,000	250,000	750,000	600,000	465,000	74,377	1,958,622	..	..
8 Provincial Bank of Ireland	Aug 31	19	4,000,000	1,500,000	2,000,000	800,000	100,000	16,349	..	..	..
9 Do New	Nov 30	113	3,000,000	600,000	2,000,000	800,000	700,000	98,013	2,075,418	..	..
Totals	..	947	27,349,221	5,100,000	14,640,000	7,609,231	5,545,000	790,068	19,052,091	..	834,317

JOINT STOCK BANKS OF THE UNITED KINGDOM.

ENGLISH BANKS.

11	12	13	14		15	16	17	18	19
			Cash.	Investments.	Discounts and Advances.	Buildings and Sundries.			
Miscellaneous Credits, Rebate, Staff Funds, &c.	Deposit and Current Accounts.	TOTAL LIABILITIES.	In Hand, and at Bank of England.	At Call and Short Notice.	British Govt. Secs. Where Stated Separately.	Bonds, Stocks, and Other Investments.	Discounts Where Stated Separately.	Advances, Loans, &c.	TOTAL ASSETS.
£	£	£	£	£	£	£	£	£	£
..	78,645,611	86,414,192	9,509,230	10,665,851	9,037,910	6,802,622	5,307,605	40,015,644	86,414,192
..	330,942,299	361,023,822	58,283,897	20,041,300	48,124,906	15,543,704	74,839,526	133,350,925	361,023,822
..	19,624,855	29,765,651	6,572,050	..	..	984,079	12,119,467	9,963,055	29,765,651
..	535,682	667,924	91,880	..	12,299	112,624	..	447,081	667,924
..	19,233,951	21,077,617	2,436,623	3,503,025	4,081,900	499,390	2,574,272	7,448,811	21,077,617
..	1,351,858	1,460,749	430,629	..	399,666	2,700	274,687	348,717	1,460,749
152,869	25,625,342	27,377,811	5,658,310	6,258,500	7,388,512	862,372	482,561	6,262,356	27,377,811
29,124	633,396	844,962	118,999	..	40,000	363,246	76,172	243,545	844,962
8,450	2,000,344	2,192,251	326,065	..	898,772	187,517	351,281	403,616	2,192,251
..	30,396,398	32,303,682	7,335,989	..	..	7,570,749	7,090,061	10,065,799	32,303,682
..	347,507,410	381,439,046	50,296,379	15,952,836	71,769,613	9,227,223	90,619,462	130,847,180	381,439,046
..	192,955	2,327,682	55,285	441,280	218,359	41,513	47,444	1,523,745	2,327,682
..	375,117,093	418,148,606	72,791,719	11,651,497	55,865,178	4,652,296	72,118,034	176,779,261	418,148,606
496,985	317,655,898	354,023,061	44,491,298	19,814,891	51,717,518	5,213,602	101,696,841	110,423,994	354,023,061
..	1,089,679	3,824,894	106,999	150,000	..	72,568	198,171	1,734,842	3,824,894
..	26,378,177	28,929,934	6,185,707	..	5,215,348	349,264	2,069,632	14,386,963	28,929,934
..	62,116,777	67,566,817	7,912,384	3,689,490	11,725,047	437,749	12,918,984	23,889,379	67,566,817
..	272,933,344	294,873,979	45,050,674	12,294,328	38,925,850	9,183,877	55,729,176	126,936,994	294,873,979
..	23,054,517	26,490,502	4,209,575	..	2,421,910	377,792	1,262,316	15,827,607	26,490,502
..	39,917,598	44,285,788	7,222,552	4,930,831	4,609,003	1,137,795	5,749,535	18,745,747	44,285,788
704,796	1974898448	2185437763	329,125,305	109,393,329	311,941,692	63,622,688	445,526,076	834,644,711	2185437763
Totals	..	..	..	..	..	..	..	..	..

SCOTTISH BANKS.

..	28,624,814	45,321,847	5,970,554	2,650,000	16,818,317	1,242,824	7,912,993	9,849,492	877,567	45,321,847	Bk. of Scotland.
..	31,987,836	38,980,880	8,610,221	..	10,741,756	882,672	..	17,591,802	1,154,429	38,980,880	British Lin. B.
..	87,838,774	44,861,727	5,501,081	2,920,000	11,465,728	699,929	5,878,659	17,110,778	1,290,552	44,861,727	Clydesdale Bk.
..	43,711,678	52,731,870	7,023,231	5,654,770	13,372,947	599,533	9,046,971	15,347,050	1,632,368	52,731,870	Com. of Scotl.
..	38,590,983	44,959,789	4,823,594	5,754,159	12,150,495	228,416	7,273,268	13,240,265	1,489,588	44,959,789	Nat. of Scotl.
52,809	24,359,195	28,580,242	3,622,632	..	16,564,556	714,021	..	7,407,353	210,130	28,580,242	N. of Scot., &c.
..	40,740,032	48,737,268	4,885,476	5,742,195	11,296,729	883,464	11,881,393	13,203,295	844,711	48,737,268	Royal of Scotl.
..	35,211,965	40,800,538	3,297,867	4,710,250	16,175,586	698,865	7,906,565	7,204,162	812,233	40,800,538	Union of Scotl.
52,509	291,060,277	344,374,146	49,800,806	27,431,374	108,586,118	5,944,724	49,894,849	100,954,697	8,361,578	344,374,146	Totals.

IRISH BANKS.

..	40,018,828	58,012,717	6,442,853	1,992,272	22,587,417	2,663,106	5,500,000	13,301,292	525,777	58,012,717	Bank of Ire-land.
..	19,142,592	21,540,494	c 5,809,157	..	2,857,088	164,611	1,630,224	11,512,874	67,090	21,540,494	Belfast Bnkg. Do New.
37,920	16,156,095	16,944,324	1,692,769	..	7,258,748	492,602	1,500,000	5,760,849	239,356	16,944,324	Hibern. Bank.
..	29,676,438	31,041,832	1,943,140	2,408,599	7,666,916	150,746	7,814,535	10,890,398	172,998	31,041,832	Mns. and Lms. National.
..	44,645,678	50,823,353	4,814,158	7,994,903	14,765,429	616,260	8,424,308	18,154,146	a 1,060,143	50,823,353	Natn. Bkg. A Do B shrs
52,204	16,509,473	19,878,436	3,255,447	..	3,567,839	322,593	300,000	11,373,121	a 559,436	19,878,436	Prov. of Irl. Do New
..	17,890,694	20,928,593	1,988,272	1,085,000	6,386,890	364,668	3,587,496	7,344,320	171,929	20,928,593	Royal of Irl. Do New
..	4,533,060	4,949,409	299,989	..	1,408,167	166,382	108,972	2,913,193	52,706	4,949,409	Ulster Bank.
99,735	24,287,433	27,755,598	3,660,175	..	8,246,233	1,490,482	1,600,000	12,558,967	199,691	27,755,598	
189,859	212,860,190	246,880,756	29,405,960	13,480,780	74,785,727	6,931,468	25,465,585	93,809,160	3,049,126	246,880,756	Totals.

COMPARATIVE STATEMENTS.

JOINT-STOCK BANKS OF ENGLAND AND WALES (EXCLUDING BANK OF ENGLAND).

Year.	Banks.	No. of Branches.	Capital and Reserves.	% of Liabilities.	Deposits.	% of Liabilities.	Acceptances.	% of Liabilities.	Total Liabilities.	Cash in Hand and Money at Call & Notice.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
1890	104	2,208	67,826,000	14.5	368,668,000	79.4	22,698,000	4.9	464,075,000	89,955,000	18.0	82,816,000	17.8	269,507,000	58.0
1895	99	2,690	69,218,000	12.4	455,561,000	81.6	28,724,000	4.2	558,744,000	111,208,000	19.9	107,498,000	19.2	311,678,000	56.7
1900	77	8,757	78,847,000	11.3	586,726,000	84.0	21,530,000	3.0	698,762,000	144,400,000	20.7	127,766,000	18.3	395,318,000	56.6
1905	59	4,558	82,010,000	10.8	627,529,000	82.6	39,225,000	5.2	788,712,000	179,580,000	23.6	181,781,000	17.3	401,485,000	52.9
1906	55	4,723	82,186,000	11.0	647,890,000	82.6	41,715,000	5.3	782,353,000	178,710,000	22.8	180,980,000	16.8	425,559,000	54.8
1907	52	4,822	81,551,000	10.4	648,696,000	82.8	44,403,000	5.7	782,813,000	174,491,000	22.1	125,772,000	16.1	431,209,000	55.1
1908	50	4,903	82,248,000	10.2	674,660,000	83.5	42,244,000	5.2	806,727,000	194,134,000	24.1	136,765,000	17.0	427,739,000	53.0
1909	48	5,022	81,265,000	9.9	685,040,000	84.0	41,303,000	5.0	815,767,000	199,749,000	24.4	137,253,000	16.8	433,595,000	53.1
1910	45	5,202	80,946,000	9.4	720,887,000	83.6	52,263,000	6.0	862,134,000	199,724,000	23.0	137,711,000	16.0	467,880,000	54.8
1911	44	5,410	79,775,000	9.0	748,641,000	84.6	48,889,000	5.5	885,058,000	211,064,000	23.8	133,757,000	15.1	485,415,000	55.0
1912	44	5,577	81,154,000	8.8	773,974,000	83.6	61,295,000	6.6	925,927,000	216,110,000	23.4	127,645,000	13.7	515,902,000	55.7
1913	48	5,797	82,068,000	8.5	809,353,000	84.0	61,705,000	6.4	968,051,000	235,958,000	24.8	121,338,000	12.6	539,800,000	56.0
1914	38	5,869	81,904,000	7.9	895,561,000	86.6	47,302,000	4.6	1,034,486,000	276,046,000	27.6	146,493,000	14.2	553,499,000	53.5
1915	37	6,027	81,781,000	7.1	992,555,000	86.4	62,512,000	5.5	1,146,807,000	262,453,000	22.9	110,771,000	27.0	503,617,000	43.9
1916	35	5,998	81,089,000	6.2	1,154,877,000	87.9	68,726,000	5.2	1,316,220,000	369,460,000	28.0	923,002,000	24.6	542,773,000	41.4
1917	34	6,004	84,475,000	5.5	1,365,297,000	89.2	65,775,000	4.8	1,528,681,000	427,855,000	28.0	339,631,000	22.2	685,677,000	44.9
1918	26	6,285	92,902,000	5.3	1,583,412,000	90.9	58,850,000	3.4	1,742,724,000	481,220,000	27.6	347,330,000	20.0	834,668,000	47.9
1919	21	6,928	106,273,000	5.0	1,874,184,000	87.9	131,188,000	7.1	2,137,908,000	452,755,000	21.3	398,611,000	18.7	1,129,582,000	53.0
1920	20	7,257	128,154,000	5.8	1,961,527,000	89.0	102,930,000	4.7	2,200,817,000	449,153,000	20.4	365,734,000	16.7	1,263,091,000	57.4
1921	20	7,606	129,131,000	5.9	1,974,898,000	90.0	74,166,000	3.4	2,185,438,000	488,519,000	20.6	375,564,000	17.1	1,290,171,000	58.3

JOINT-STOCK BANKS OF SCOTLAND.

Year.	Banks.	No. of Branches.	Capital and Reserves.	% of Liabilities.	Deposits.	% of Liabilities.	Notes.	% of Liabilities.	Total Liabilities.	Cash in Hand and Money at Call.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
1890	10	975	14,755,000	12.6	91,610,000	77.9	6,468,000	5.5	117,874,000	21,427,000	18.2	29,949,000	24.9	60,108,000	51.4
1895	10	1,018	15,090,000	12.8	94,592,000	77.8	7,264,000	5.9	122,525,000	22,795,000	18.6	30,770,000	25.3	62,241,000	51.1
1900	10	1,075	16,217,000	11.8	107,154,000	77.9	8,056,000	5.9	137,498,000	26,438,000	19.2	33,401,000	24.3	70,395,000	51.2
1905	11	1,159	17,246,000	13.0	100,643,000	76.1	7,545,000	5.7	132,261,000	28,987,000	19.1	31,396,000	23.7	68,714,000	51.9
1906	11	1,176	17,339,000	12.6	105,232,000	76.5	7,569,000	5.5	137,556,000	26,107,000	19.0	31,195,000	22.8	71,203,000	52.0
1907	10	1,155	17,069,000	12.1	108,723,000	77.2	7,411,000	5.3	141,054,000	26,973,000	19.0	31,954,000	22.6	73,023,000	51.9
1908	10	1,178	17,280,000	12.5	105,787,000	76.5	7,162,000	5.2	137,562,000	25,695,000	18.7	33,456,000	24.2	69,478,000	50.8
1909	9	1,185	17,472,000	12.5	106,736,000	77.5	7,192,000	5.2	139,246,000	25,749,000	18.6	34,479,000	24.7	69,411,000	49.9
1910	9	1,221	17,559,000	12.7	106,652,000	77.5	7,126,000	5.2	137,850,000	25,604,000	18.6	33,322,000	24.2	70,661,000	51.5
1911	9	1,225	17,670,000	12.2	112,209,000	77.5	7,331,000	5.0	145,043,000	30,129,000	20.8	33,944,000	23.4	71,559,000	49.5
1912	9	1,235	17,350,000	11.3	113,795,000	77.6	7,651,000	5.0	153,228,000	33,882,000	22.1	36,617,000	23.9	72,437,000	47.3
1913	9	1,240	17,296,000	10.8	125,887,000	78.8	7,744,000	4.8	159,803,000	33,361,000	21.3	38,049,000	23.6	77,764,000	48.7
1914	9	1,253	16,684,000	10.0	132,504,000	79.0	9,502,000	5.7	167,841,000	34,598,000	20.6	44,815,000	26.8	78,363,700	46.7
1915	9	1,251	16,205,000	9.1	140,669,000	82.0	12,555,000	7.1	177,004,000	36,730,000	20.7	67,019,000	37.9	64,621,000	36.5
1916	8	1,243	15,631,000	7.5	166,620,000	80.2	15,461,000	7.5	207,376,000	42,026,000	20.3	69,693,000	33.5	85,136,000	41.1
1917	8	1,242	16,064,000	6.7	196,538,000	81.7	19,033,000	7.9	240,550,000	47,768,000	19.8	71,584,000	29.6	112,159,000	46.5
1918	8	1,249	16,577,000	6.6	222,055,000	81.1	25,141,000	9.2	273,658,000	57,250,000	20.9	93,889,000	34.3	113,981,000	41.6
1919	8	1,264	17,009,000	5.3	259,610,000	81.2	28,092,000	8.8	318,754,000	65,556,000	20.6	111,985,000	35.0	129,962,000	40.6
1920	8	1,288	17,911,000	5.3	279,228,000	82.1	29,368,000	8.7	339,167,000	72,974,000	21.5	102,988,000	30.4	153,132,000	45.0
1921	8	1,302	18,521,000	5.4	291,060,000	84.6	25,188,000	7.8	344,974,000	70,232,000	21.0	114,531,000	32.2	150,850,000	43.9

JOINT-STOCK BANKS OF IRELAND.

Year.	Banks.	No. of Branches.	Capital and Reserves.	% of Liabilities.	Deposits.	% of Liabilities.	Notes.	% of Liabilities.	Total Liabilities.	Cash in Hand Money at Call & Short Notice.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
1890..	9	456	10,374,000	18.5	38,521,000	68.8	6,642,000	11.8	56,132,000	9,086,000	16.1	17,144,000	32.2	28,791,000	51.0
1895..	9	496	10,200,000	16.5	44,390,000	72.0	6,143,000	9.9	61,663,000	11,263,000	18.3	17,934,000	29.1	31,192,000	50.6
1900..	9	543	10,894,000	16.0	49,443,000	72.8	6,708,000	9.9	67,988,000	11,697,000	17.2	17,719,000	26.1	37,464,000	55.0
1905..	9	627	11,320,000	15.7	53,556,000	74.4	5,966,000	8.3	71,967,000	10,396,000	14.4	18,961,000	26.8	41,568,000	57.7
1906..	9	631	11,359,000	15.4	54,697,000	74.1	6,379,000	8.7	73,707,000	11,182,000	15.2	19,262,000	26.1	42,097,000	57.1
1907..	9	639	11,301,000	14.8	57,487,000	75.0	6,583,000	8.6	76,527,000	11,528,000	15.1	19,666,000	25.6	44,226,000	57.8
1908..	9	613	11,372,000	14.6	59,253,000	76.1	6,449,000	8.2	78,040,000	12,217,000	14.4	21,008,000	27.1	43,679,000	56.0
1909..	9	655	11,422,000	14.4	60,463,000	76.1	6,628,000	8.4	79,497,000	13,094,000	16.5	23,128,000	29.2	42,160,000	53.0
1910..	9	663	11,475,000	13.9	62,508,000	76.0	7,211,000	8.8	82,150,000	13,762,000	16.7	23,215,000	28.2	44,127,000	53.7
1911..	9	679	11,443,000	13.4	65,465,000	77.0	7,058,000	8.3	85,014,000	14,516,000	17.0	24,362,000	28.5	44,991,000	52.7
1912..	9	683	11,164,000	12.9	66,901,000	77.1	7,238,000	8.4	86,363,000	14,030,000	16.3	24,026,000	27.8	47,161,000	54.7
1913..	9	710	11,095,000	12.2	70,657,000	77.9	8,074,000	8.9	90,905,000	17,139,000	19.0	23,935,000	26.3	48,600,000	53.5
1914..	9	693	11,203,000	11.5	74,501,000	76.3	10,918,000	11.2	97,809,000	22,382,000	22.9	25,970,000	26.6	48,149,000	49.9
1915..	9	708	11,013,000	10.5	77,722,000	74.0	15,000,000	14.3	104,799,000	23,313,000	22.2	35,330,000	33.6	44,706,000	42.6
1916..	9	708	10,844,000	9.4	83,746,000	72.8	19,112,000	16.6	115,205,000	32,561,000	28.3	38,148,000	33.2	42,972,000	37.2
1917..	9	778	11,262,000	9.4	99,310,000	73.8	22,336,000	16.6	134,515,000	40,088,000	29.8	42,113,000	31.4	50,632,000	37.5
1918..	9	848	11,837,000	6.7	131,610,000	74.9	30,896,000	17.6	175,739,000	56,813,000	31.8	65,807,000	37.2	51,993,000	29.6
1919..	9	869	12,832,000	6.1	166,231,000	79.2	29,054,000	13.9	209,632,000	55,090,000	26.3	77,242,000	37.0	75,303,000	36.0
1920..	9	912	12,899,000	5.4	200,441,000	83.2	34,717,000	10.3	240,391,000	46,698,000	19.4	80,959,000	33.5	109,623,000	45.5
1921..	9	947	13,154,000	5.3	212,860,000	86.1	19,052,000	7.7	246,881,000	42,887,000	17.4	81,670,000	33.0	119,275,000	44

BANK OF ENGLAND.

The Bank of England received its first charter in 1694. Its capital is now £14,553,000, in fully-paid stock, which is a "trustee" security. For each year from 1904 to 1913 the dividend was 9 per cent., paid in equal instalments, free of income-tax, in April and October. From April, 1914, the dividend has been at the rate of 10 per cent. per annum, less income-tax. The price of the stock on April 30th, 1922,

was 246½, giving a yield of £4 9s 3d per cent. The authorised note issue against securities is now £18,450,000, the Government Debt of £11,015,100 forming part of the security. All notes issued in excess of this amount must be covered by an equal amount of gold, except in so far as the Currency and Bank Notes Act, 1914, abrogates the provision of the Bank Act, 1844, in this connection.

Last Return of Year.	Number of Branches.	LIABILITIES.										ASSETS.									
		Capital.	Per Cent.	Rest.	Per Cent.	Note Circulation.	Per Cent.	Post Bills.	Per Cent.	Deposits.	Per Cent.	Total Liabilities or Assets.	Coin and Bullion.	Per Cent.	Govt. Securities.	Per Cent.	Other Securities in Banking Department.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
1890	11	14,553,000	176	3,241,083	39	25,114,170	304	178,281	02	39,814,589	479	82,901,123	23,465,834	283	26,256,433	317	33,178,856	408			
1895	11	14,553,000	131	3,111,056	28	26,468,425	238	88,775	01	66,460,839	602	110,682,095	44,960,056	405	31,736,164	287	33,985,875	308			
1900	11	14,553,000	159	3,215,471	35	29,813,280	325	153,097	02	43,797,846	479	110,682,095	44,960,056	405	31,736,164	287	33,985,875	308			
1905	11	14,553,000	146	3,198,909	32	28,204,210	284	70,180	01	53,424,743	537	110,682,095	44,960,056	405	31,736,164	287	33,985,875	308			
1910	11	14,553,000	146	3,273,248	33	29,351,060	295	99,413	01	52,038,005	525	110,682,095	44,960,056	405	31,736,164	287	33,985,875	308			
1915	11	14,553,000	149	3,242,437	34	28,795,255	298	68,544	01	50,336,717	518	110,682,095	44,960,056	405	31,736,164	287	33,985,875	308			
1920	11	14,553,000	151	3,262,361	34	29,514,250	306	81,377	01	49,131,248	508	110,682,095	44,960,056	405	31,736,164	287	33,985,875	308			
1921	11	14,553,000	151	3,262,361	34	29,514,250	306	81,377	01	49,131,248	508	110,682,095	44,960,056	405	31,736,164	287	33,985,875	308			
1922	11	14,553,000	151	3,262,361	34	29,514,250	306	81,377	01	49,131,248	508	110,682,095	44,960,056	405	31,736,164	287	33,985,875	308			

POSITION OF THE BANK OF ENGLAND FROM MAY 4, 1921, TO APRIL 26, 1922.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.	Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.
May 4, 1921	128,357,634	129,528,235	140,807,558	141,225,277	17,279,399	121	121	Nov. 2, 1921	128,418,244	125,141,350	141,902,138	137,856,328	21,726,894	152	121
11	128,363,247	128,768,640	128,421,373	128,089,388	18,044,607	14	64	9	128,420,853	124,403,190	122,905,825	137,856,328	21,726,894	152	121
18	128,360,554	128,191,750	121,813,463	120,941,358	18,615,804	153		16	128,433,196	123,587,030	122,905,825	137,856,328	21,726,894	152	121
25	128,349,547	127,807,660	127,479,700	127,246,006	18,991,887	144		23	128,438,365	123,306,915	122,905,825	137,856,328	21,726,894	152	121
June 1	128,363,399	128,095,280	149,766,080	149,815,500	17,718,109	111		30	128,442,340	125,112,960	144,160,001	140,172,520	21,779,380	154	121
8	128,363,554	128,280,135	150,945,823	150,185,788	19,333,931	123		7	128,433,576	124,961,865	154,738,656	150,700,714	21,921,711	144	121
15	128,375,196	127,491,195	147,029,914	145,488,015	19,333,931	123		14	128,437,271	124,734,450	154,727,609	150,482,425	22,152,821	144	121
22	128,357,145	127,477,995	138,928,690	137,400,455	19,389,150	123		21	128,431,141	126,671,025	138,322,943	136,024,708	20,210,119	144	121
29	128,368,727	129,006,290	147,036,431	147,030,762	17,810,437	123		28	128,434,359	126,520,245	122,589,335	120,126,896	20,364,114	168	121
July 6	128,369,083	129,108,285	148,761,611	148,900,383	17,710,798	111		Jan. 4, 1922	128,439,940	125,694,450	192,021,827	188,772,223	21,195,490	11	121
13	128,375,661	127,955,565	154,629,219	153,615,715	18,868,096	122		11	128,452,733	123,626,990	145,488,591	137,856,328	21,726,894	11	121
20	128,367,459	127,717,740	166,222,777	164,993,389	19,099,719	111		18	128,444,198	122,599,950	137,444,310	137,856,328	21,726,894	11	121
27	128,370,063	128,283,970	121,805,758	121,188,223	18,536,693	153	54	25	128,447,117	122,205,840	135,453,106	128,746,114	24,691,277	142	121
Aug. 3	128,369,461	128,699,175	125,027,712	124,879,424	18,133,886	144		8	128,458,275	123,586,655	160,396,005	154,738,656	21,921,711	144	121
10	128,380,654	127,564,470	132,455,172	131,224,462	19,266,384	144		15	128,762,519	122,666,755	169,135,206	164,993,389	24,531,605	144	121
17	128,407,120	126,235,125	139,831,940	137,265,807	20,621,995	144		22	128,761,537	121,546,689	152,373,436	144,991,491	25,460,029	168	121
24	128,402,703	126,892,611	133,892,611	131,074,018	20,888,148	158		29	128,762,306	122,093,340	137,755,462	130,184,266	26,665,842	178	121
Sept. 7	128,410,306	126,433,535	146,809,799	153,874,157	20,427,771	134		6	128,763,964	122,234,155	135,643,344	129,715,387	24,118,966	178	121
14	128,410,714	125,207,655	154,600,215	141,051,700	21,653,159	134		13	128,775,441	121,758,195	138,265,592	131,468,690	24,979,809	178	121
21	128,417,277	125,075,498	159,163,684	154,810,483	22,460,802	178		20	128,779,763	121,704,445	142,100,053	144,249,557	24,502,261	168	121
28	128,417,367	124,972,580	157,854,769	154,854,769	21,891,787	144		27	128,779,763	121,704,445	142,100,053	144,249,557	24,502,261	168	121
Oct. 5	128,413,841	124,666,690	147,038,604	143,489,546	21,197,151	144		4	128,779,763	121,704,445	142,100,053	144,249,557	24,502,261	168	121
12	128,421,587	124,613,620	149,805,296	145,222,743	22,257,937	144		11	128,779,763	121,704,445	142,100,053	144,249,557	24,502,261	168	121
19	128,417,061	123,684,130	171,602,456	166,131,591	23,182,931	134		18	128,779,763	121,704,445	142,100,053	144,249,557	24,502,261	168	121
26	128,415,547	123,915,830	175,038,529	169,779,091	22,947,697	134		25	128,772,818	121,307,055	134,366,840	125,995,611	26,015,763	194	121

BANK RATE SINCE 1846.

Year.	No. of Changes.	Highest.	Lowest.	Average.	Year.	No. of Changes.	Highest.	Lowest.	Average.	Year.	No. of Changes.	Highest.	Lowest.	Average.	Year.	No. of Changes.	Highest.	Lowest.	Average.
1846	1	1	1	1	1856	16	7	3	4	1884	7	7	5	6	1904	10	4	4	4
1847	1	1	1	1	1857	14	10	3	4	1885	7	7	5	6	1905	10	4	4	4
1848	1	1	1	1	1858	14	10	3	4	1886	7	7	5	6	1906	10	4	4	4
1849	1	1	1	1	1859	14	10	3	4	1887	7	7	5	6	1907	10	4	4	4
1850	1	1	1	1	1860	14	10	3	4	1888	7	7	5	6	1908	10	4	4	4
1851	1	1	1	1	1861	14	10	3	4	1889	7	7	5	6	1909	10	4	4	4
1852	1	1	1	1	1862	14	10	3	4	1890	11	11	5	6	1910	10	4	4	4
1853	1	1	1	1	1863	14	10	3	4	1891	12	12	5	6	1911	10	4	4	4
1854	1	1	1	1	1864	14	10	3	4	1892	12	12	5	6	1912	10	4	4	4
1855	1	1	1	1	1865	14	10	3	4	1893	12	12	5	6	1913	10	4	4	4
1856	1	1	1	1	1866	14	10	3	4	1894	12	12	5	6	1914	10	4	4	4
1857	1	1	1	1	1867	14	10	3	4	1895	12	12	5	6	1915	10	4	4	4
1858	1	1	1	1	1868	14	10	3	4	1896	12	12	5	6	1916	10	4	4	4
1859	1	1	1	1	1869	14	10	3	4	1897	12	12	5	6	1917	10	4	4	4
1860	1	1	1	1	1870	10	6	5	6	1898	12	12	5	6	1918	10	4	4	4
1861	1	1	1	1	1871	10	6	5	6	1899	12	12	5	6	1919	10	4	4	4
1862	1	1	1	1	1872	10	6	5	6	1900	12	12	5	6	1920	10	4	4	4
1863	1	1	1	1	1873	10	6	5	6	1901	12	12	5	6	1921	10	4	4	4
1864	1	1	1	1	1874	10	6	5	6	1902	12	12	5	6	1922	10	4	4	4
1865	1	1	1	1	1875	10	6	5	6										
1866	1	1	1	1	1876	10	6	5	6										
1867	1	1	1	1	1877	10	6	5	6										
1868	1	1	1	1	1878	10	6	5	6										
1869	1	1	1	1	1879	10	6	5	6										
1870	1	1	1	1	1880	10	6	5	6										
1871	1	1	1	1	1881	10	6	5	6										
1872	1	1	1	1	1882	10	6	5	6										
1873	1	1	1	1	1883	10	6	5	6										
1874	1	1	1	1															
1875	1	1	1	1															
1876	1	1	1	1															
1877	1	1	1	1															
1878	1	1	1	1															
1879	1	1	1	1															
1880	1	1	1	1															
1881	1	1	1	1															
1882	1	1	1	1															
1883	1	1	1	1															
1884	1	1	1	1															

BARING BROTHERS AND CO., LIMITED.

ESTABLISHED 1890.

Year Ended Dec. 31.	Number of Branches.	CAPITAL.										ASSETS.																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
		Subscribed.					Paid-up.					Callable.					Reserved.					Total Liabilities or Assets.					Cash in Hand, at Call and Short Notice.					Per Cent.					Investments.					Bills Receivable.					Advances & Liability of Customers on Acceptance.					Premises.					Per Cent.																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
		£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%	£	%

BRITISH MUTUAL BANKING COMPANY, LIMITED.

ESTABLISHED 1857.

Subscribed.	Paid-up.	Callable.	Reserve.	Year Ended Dec. 31.	Net Profits.	PROFITS AND DIVIDENDS.		Reserve, Investments, &c.	Carried Forward.
						Per Cent.	Dividends.		
						of Resources.	Amount.		
£	£	£	£	£	£	%	%	£	£
300,000	70,603	129,397	Nil.	1910	5,584	0.75	3,600	2,000	2,194
				1911	4,568	0.66	3,600	2,000	1,162
				1912	5,328	0.77	3,600	2,000	1,889
				1913	4,704	0.68	3,600	2,000	1,994
				1914	5,535	0.75	3,600	2,000	1,428
				1915	5,523	0.82	3,600	2,000	1,351
				1916	4,438	0.69	3,600	2,000	1,189
				1917	5,623	0.90	3,600	2,000	1,712
				1918	5,178	0.76	3,600	2,000	1,792
				1919	6,654	0.99	3,600	2,000	1,544
				1920	7,353	1.09	3,600	2,000	1,497
				1921	8,141	1.22	3,600	2,000	1,639

* Free of income-tax.

Year Ended December 31.	LIABILITIES.						ASSETS.									
	Capital and Reserves.		Un-divided Profits.		Deposit and Current Accounts.		Total Liabilities or Assets.	Cash in Hand and at Bankers.		Investments.		Loans and Advances.		Premises.		
	£	Per Cent.	£	Per Cent.	£	Per Cent.		£	Per Cent.	£	Per Cent.	£	Per Cent.	£	Per Cent.	
1890.	70,663	16.2	7,362	1.7	357,047	82.1	435,072	27,099	6.2	20,000	4.6	364,709	83.9	23,264	5.3	
1895.	70,080	12.0	9,764	1.6	533,818	86.4	617,662	78,460	12.8	23,000	3.7	502,193	81.2	14,009	2.3	
1900.	87,080	14.1	3,907	0.6	532,858	85.3	623,845	60,689	9.7	50,000	8.0	505,966	81.2	7,190	1.1	
1905.	124,137	16.2	4,860	0.6	639,560	82.2	768,557	67,580	8.8	122,040	15.8	572,497	74.6	6,640	0.8	
1910.	125,791	16.8	5,794	0.8	610,872	82.4	742,457	83,098	11.2	141,675	19.0	531,994	69.0	6,690	0.8	
1911.	117,350	16.6	4,764	0.7	575,441	82.5	697,553	59,304	8.5	123,885	17.7	508,896	73.0	5,540	0.7	
1912.	115,512	16.8	5,489	0.8	572,432	82.6	693,434	80,561	11.6	112,106	16.2	496,377	71.4	5,390	0.7	
1913.	110,543	15.7	5,594	0.8	587,743	83.5	703,880	74,954	10.6	106,106	15.0	517,580	73.7	5,240	0.7	
1914.	113,104	15.9	5,028	0.7	591,965	83.4	710,987	49,830	7.0	172,372	24.2	482,805	68.1	5,090	0.7	
1915.	115,941	16.0	4,361	0.7	513,425	82.3	631,480	56,463	8.4	158,672	23.6	453,385	67.3	4,940	0.7	
1916.	116,104	18.1	4,789	0.7	621,854	81.2	642,747	64,867	10.1	147,450	22.9	425,640	66.3	4,750	0.7	
1917.	117,603	18.8	5,312	0.9	503,490	80.3	626,405	63,597	10.2	144,566	23.1	413,502	66.0	4,640	0.7	
1918.	119,103	17.5	5,390	0.8	557,180	81.7	681,673	112,697	16.5	171,996	25.2	392,560	57.6	4,490	0.6	
1919.	120,603	17.8	6,944	1.0	546,778	81.2	674,325	67,862	10.1	184,625	27.4	371,498	61.9	4,390	0.6	
1920.	122,603	18.2	6,898	1.0	545,737	80.8	675,238	62,317	9.3	152,391	22.6	456,340	67.5	4,190	0.6	
1921.	124,603	18.6	7,639	1.1	535,682	80.3	667,924	91,880	13.8	124,923	18.6	447,081	67.0	4,040	0.6	

1918—London County and Westminster Bank, Limited, amalgamated with Parr's Bank, Limited. New title, London County Westminster and Parr's Bank, Limited.

CAPITAL.													Market Value.	PROFITS AND DIVIDENDS.												
Subscribed.		Paid-up.		Callable.		Reserved.					April 30, 1922.		Year Ended Dec. 31.		Net Profits.		Per Cent. of Resources.		Dividends of Amount.		Rate.		Reserves.		Carried Forward.	
£		£		£		£					£		Dec. 31.		£		%		%		£		£		£	
28,283,960		7,070,990		7,070,990		14,141,980					£24,748,500		1918.. 2,206,202		0.77		973,240		20		900,000		377,566			
1,932,728		1,932,728		Nil		Nil					£4,711,000		1919.. 2,455,007		0.71		1,052,630		16 1/2		1,365,721		414,226			
Per Share.		Per Share.		Per Share.		Per Share.		Per Share.			£17 1/2		1920.. 2,915,708		0.85		1,115,302		12 1/2		1,753,718		460,914			
£20		£5		£5		£10		£17 1/2					1921.. 2,167,846		0.61		1,159,052		12 1/2		950,000		519,708			
£1		£1		Nil		Nil		£2 1/2																		
													† For half-year.													

LIABILITIES.													ASSETS.																																
Year Ended Dec. 31.		Number of Branches.		Capital and Reserves.		Per Cent.		Un-divided Profits.		Per Cent.		Acceptances and Endorsements.		Per Cent.		Miscellaneous Credits, Rebates, &c.		Per Cent.		Deposit and Current Accounts.		Per Cent.		Total Liabilities or Assets.		Cash in Hand and at Bank.		Per Cent.		Cash at Call and Short Notice.		Per Cent.		Investments.		Per Cent.		Discounts and Advances.		Per Cent.		Buildings & Sundries, including cover for Acceptances.		Per Cent.	
£		£		£		£		£		£		£		£		£		£		£		£		£		£		£		£		£		£		£		£		£		£			
1918.. 694		14,261,076		5.0		855,733		0.3		9,276,488		3.2		*289,360		0.1		262,857,781		91.4		287,504,444		97.4		£7,475,804		18.5		£36,970,159		12.8		£49,384,942		17.2		£141,501,913		49.2		£12,206,826		4.3	
1919.. 779		17,253,718		5.0		971,877		0.3		23,704,366		6.8		*318,698		0.1		304,547,726		87.8		346,796,385		98.8		£58,766,910		16.9		£18,794,487		5.4		£65,058,988		18.8		£177,442,468		51.2		£26,733,532		7.7	
1920.. 873		17,507,436		5.1		1,018,566		0.3		19,034,317		5.6		*492,842		0.1		305,380,814		88.9		343,433,975		93.1		£49,124,145		14.3		£22,937,762		5.7		£57,984,694		16.8		£190,874,245		55.6		£22,513,129		6.6	
1921.. 896		18,007,436		5.1		1,099,234		0.3		16,755,101		4.7		505,452		0.1		317,655,838		89.8		354,023,061		94.4		£49,124,145		12.6		£19,814,891		5.6		£56,593,120		16.0		£212,120,835		59.9		£20,664,917		5.9	
Weekly Averages, April, 1922		18,008,000		5.4		..		..		13,692,000		4.1		16,000,000		..		301,225,000		90.5		332,941,000		93.2		£12,321,593,000		6.5		£66,817,000		10.1		£185,901,000		55.8		£17,691,000		5.3					

* Includes notes in circulation in the Isle of Man.

FORMED 1765. INCORPORATED 1865.

With Lloyds Bank have been incorporated the undermentioned companies and firms :—

1865—Lloyds and Co., Birmingham Old Bank.
1865—Moulliet and Sons, Birmingham.
1865—P. and H. Williams, Wednesbury Old Bank.
1866—Stevenson, Salt and Co., Stafford Old Bank.
1866—Warwick and Leamington Banking Company.
1868—A. Butlin and Son, Rugby Old Bank.
1872—R. and W. F. Fryer, Wolverhampton Old Bank.
1874—Shropshire Banking Company.
1879—Coventry and Warwickshire Banking Company.
1880—Beck and Co., Shrewsbury and Welshpool Old Bank.
1884—Barnetts, Hoares and Co., London.
1884—Bosanquet, Salt and Co., London.
1888—Pritchard, Gordon and Co., Broseley and Bridgnorth.
1889—Birmingham Joint Stock Bank Limited.
1889—Worcester City and County Banking Company Limited.
1890—Wilkins and Co., Old Bank, Brecon, Cardiff, &c.
1890—Beechings and Co., Tunbridge Wells, Hastings, &c.
1891—Praeds and Co., London.
1891—Cobb and Co., Margate, &c.
1891—Hart, Fellows and Co., Nottingham.
1892—R. Twining and Co., London.
1892—Bristol and West of England Bank Limited.
1893—Curtis, Pomfret and Co., Rye.
1893—Herries, Farquhar and Co., London.
1894—Bromage and Co., Old Bank, Monmouth.
1895—Paget and Co., Leicester Bank.
1897—County of Gloucester Bank Limited.
1897—Williams and Co., Chester, &c.
1898—Jenner and Co., Sandgate and Shorncliffe Bank.
1899—Burton Union Bank Limited.
1899—Stephens, Blandy and Co., Reading, &c.
1900—Vivian, Kitson and Co., Torquay Bank.
1900—Liverpool Union Bank Limited.
1900—Cunliffes, Brooks and Co., Manchester, &c.
1900—Brooks and Co., London.
1900—William Williams Brown and Co., Leeds.
1900—Brown, Janson and Co., London.
1902—Bucks and Oxon Union Bank Limited.
1902—Pomfret, Burra and Co., Ashford Bank.
1903—Hodgkin, Barnett and Co., Newcastle-upon-Tyne, &c.
1903—Grant and Maddison's Union Banking Company Limited.
1905—Hedges, Wells and Co., Wallingford Bank.
1906—Devon and Cornwall Banking Company Limited.
1908—Lambton and Co., Newcastle-upon-Tyne, &c.
1909—David Jones and Co., Llandoverly, &c.
1911—Hill and Sons, West Smithfield, E.C., &c.
1912—Peacock, Willson and Co., Sleaford, &c.
1914—Wilts and Dorset Banking Company Limited.
1918—Capital and Counties Bank, Limited.
1919—West Yorkshire Bank Limited.
1921—Fox, Fowler and Co., Wellington, (Som.), &c.

CAPITAL (December 31, 1921).				Market	Dec. 31.	Resources.	Amount.	Rate.	Dividends, &c.	Forward
Subscribed.	Paid-up.	Callable.	Reserved.	Value.				%		
£	£	£	£	£	April 28, 1922.					
71,864,780	14,372,956	3,593,239	53,898,585	£42,040,896	1910..	982,102	105	771,996	18½	270,000
					1911..	884,620	0.91	715,910	18½	167,500
					1912..	991,413	0.95	718,324	18½	275,000
					1913..	1,183,912	1.11	718,324	18½	465,000
					1914..	1,175,590	0.98	837,844	18½	310,000
					1915..	1,259,190	0.94	786,779	18½	470,000
					1916..	1,283,798	0.75	703,562	18½	580,000
					1917..	1,463,126	0.75	680,866	18½	600,000
					1918..	2,358,381	0.79	1,014,631	18½	1,160,460
									Bonus 1½	472,755
					1919..	2,876,302	0.76	1,293,637	18½	1,550,000
									Bonus 1½	505,420
					1920..	3,237,741	0.83	1,649,297	16½	1,550,000
					1921..	2,529,124	0.66	1,676,845	16½	850,000
										546,143

* After re-arrangement of the capital, this dividend is the equivalent of the previous rate.

Year Ended December 31.	Number of Offices.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.																														
		Capital and Re- serves.	Per Cent.	Un- divided Profits.	Per Cent.	Accept- ances and En- dorse- ments.	Per Cent.	Deposit and Savings Accounts.	Per Cent.	Cash in Hand and at Bank.	Per Cent.		Cash at Call and short Notice.	Per Cent.	Invest- ments.	Per Cent.	Bills of Ex- change.	Per Cent.	Ad- vances.	Per Cent.	Buildings and Furniture, including Cover for Losses.	Per Cent.	Accro- sses.																				
1895	201	\$ 2,780,000	8.7	142,894	0.4	434,161	1.4	28,786,096	89.5	32,143,151	11.2	3,602,508	11.2	2,978,076	9.3	1,533,615	22.2	3,554,558	11.1	\$ 730,911	42.7	1,123,483	3	5																			
1900	311	4,748,000	8.2	349,352	0.6	2,124,078	3.6	51,017,342	87.6	58,238,772	14.1	8,243,180	14.1	3,926,543	6.8	10,230,912	17.6	6,061,493	10.4	26,548,749	45.6	3,227,895	5	3																			
1905	496	6,151,800	9.0	421,843	0.7	3,894,901	5.7	57,609,599	84.6	68,907,943	14.7	9,960,617	14.7	4,419,852	6.5	10,657,118	15.7	7,374,926	10.8	30,194,866	44.3	5,470,564	8	1																			
1910	589	7,171,600	9.7	433,927	0.5	4,397,005	5.7	78,116,468	83.2	93,949,463	14.0	14,396,155	15.5	5,498,465	5.8	11,709,417	12.5	8,758,707	9.7	43,741,880	46.6	10,136,199	14	1																			
1913	622	7,108,672	7.3	437,293	0.7	5,395,819	6.1	84,321,328	86.1	97,707,118	14.1	14,168,339	14.5	5,498,465	5.8	11,709,417	12.5	8,758,707	9.7	43,741,880	46.6	10,136,199	14	1																			
1913	622	7,108,672	6.8	438,388	0.4	5,893,140	7.5	89,396,953	85.3	104,830,393	15.8	15,582,544	14.8	8,446,919	8.5	11,082,561	13.1	10,810,055	11.1	46,305,979	47.1	9,964,145	8	1																			
1913	679	7,208,672	6.8	438,388	0.4	5,893,140	7.5	89,396,953	85.3	104,830,393	15.8	15,582,544	14.8	8,446,919	8.5	11,082,561	13.1	10,810,055	11.1	46,305,979	47.1	9,964,145	8	1																			
1914	680	8,608,672	6.5	515,914	0.4	7,462,309	4.7	117,657,952	88.4	135,008,749	24.6	18,634,181	18.6	10,617,330	8.1	10,486,861	12.8	10,829,874	10.2	50,871,941	48.9	13,992,715	10	1																			
1915	893	8,608,672	5.8	487,120	0.3	9,497,083	6.4	130,017,379	87.5	149,516,023	30.4	21,919,416	28.4	3,964,170	2.7	12,428,625	14.2	13,492,933	12.9	59,265,447	44.7	13,992,715	10	1																			
1916	893	8,608,672	5.8	487,120	0.3	9,497,083	6.4	130,017,379	87.5	149,516,023	30.4	21,919,416	28.4	3,964,170	2.7	12,428,625	14.2	13,492,933	12.9	59,265,447	44.7	13,992,715	10	1																			
1916	893	8,608,672	4.6	629,838	0.3	10,375,536	5.3	154,068,047	89.8	174,632,497	38.1	25,549,223	28.3	6,403,339	3.7	14,882,389	24.8	15,306,653	8.7	55,856,841	32.5	14,040,716	8	1																			
1917	1887	9,008,672	6.0	1,158,300	0.4	14,764,932	9.2	266,868,139	88.7	300,685,487	48.7	36,767,106	16.2	17,919,892	3.7	37,760,074	19.4	39,901,399	20.6	61,466,709	31.8	13,077,283	8	1																			
1918	11,389	17,954,056	6.0	1,226,681	0.3	17,954,056	6.0	266,868,139	88.7	300,685,487	48.7	36,767,106	16.2	17,919,892	3.7	37,760,074	19.4	39,901,399	20.6	61,466,709	31.8	13,077,283	8	1																			
1919	14,666	19,035,649	5.1	1,226,681	0.3	17,954,056	6.0	266,868,139	88.7	300,685,487	48.7	36,767,106	16.2	17,919,892	3.7	37,760,074	19.4	39,901,399	20.6	61,466,709	31.8	13,077,283	8	1																			
1919	14,666	19,035,649	5.1	1,226,681	0.3	17,954,056	6.0	266,868,139	88.7	300,685,487	48.7	36,767,106	16.2	17,919,892	3.7	37,760,074	19.4	39,901,399	20.6	61,466,709	31.8	13,077,283	8	1																			
1921	24,376	32,956	6.1	1,384,566	0.4	17,714,114	2.1	347,507,410	91.1	381,439,046	50.6	296,370	13.3	15,952,886	4.2	80,936,736	21.2	30,619,462	23.7	130,947,130	34.3	12,726,462	3	5																			
Weekly Averages, April, 1922	24,376	32,956	6.7	..	..	7,730,242	2.1	331,388,210	91.2	363,491,407	46.262	53	12.7	15,264,827	4.2	89,594,287	24.7	75,203,444	20.7	124,688,934	34.3	12,477,402	3	5																			
																						* 35 temporarily closed.		+ 90 temporarily closed.		+ 114 temporarily closed.																	

LONDON JOINT CITY AND MIDLAND BANK LIMITED.

Member of the London Bankers' Clearing House.

ESTABLISHED 1836 as The Birmingham and Midland Bank

Amalgamations and absorptions have been as follows :—

- ‡851—Bate and Robins, Stourbridge.
- ‡862—Nicholls, Baker and Crane, Bewdley.
- ‡883—Union Bank of Birmingham, Limited.
- ‡889—Coventry Union Banking Co.
- ‡889—Leamington Priors and Warwickshire Banking Co., Limited.
- ‡890—Leeds and County Bank, Limited.
- ‡890—Derby Commercial Bank, Limited.
- ‡890—Exchange and Discount Bank, Limited, Leeds.
- ‡891—Central Bank of London, Limited. New title, The London and Midland Bank Limited.
- ‡891—Lacy, Hartland, Woodbridge and Co., West Smithfield.
- ‡892—Manchester Joint Stock Bank, Limited.
- ‡893—Rotherhithe Branch of the London Joint Stock Bank Limited.
- ‡893—Bank of Westmorland, Limited.
- ‡894—Preston Banking Co., Limited.
- ‡896—Carlisle City and District Banking Co., Limited.

1897—Channel Islands Bank, Limited.
1897—Huddersfield Banking Co., Limited.
1897—North-Western Bank, Limited.
1898—Oldham Joint Stock Bank, Limited.
1898—City Bank, Limited. New title—
The London City and Midland Bank, Limited.
1899—City of Birmingham Bank, Limited.
1900—Leicestershire Banking Co., Limited.
1901—Sheffield Union Banking Co., Limited.
1901—Yorkshire Banking Co., Limited.
1905—Nottingham Joint Stock Bank, Limited.
1908—North and South Wales Bank, Limited.
1910—Bradford Banking Co., Limited.
1913—Sheffield and Hallamshire Bank, Limited.
1913—Lincoln and Lindsey Banking Co., Limited.
1914—Metropolitan Bank (of England and Wales), Limited.
1917—Belfast Banking Co., Limited. Purchase of share capital.
1918—London Joint Stock Bank, Limited. New title—
London Joint City and Midland Bank, Limited.
1920—Clivedale Bank, Limited. Purchase of share capital.

CAPITAL (December 31, 1921)					Market	PROFITS AND DIVIDENDS.						
Subscribed.	Paid-up.	Callable.	Reserved.	Value,	Year	Net	Per Cent. of	Dividend, less tax.	Rate.	Allocations	Carried	
£	£	£	£	April 30, 1922.	Ended	Profits,†	Resources	Amount.	%	to Reserve and	Forward.	
					Dec. 31.	£	at end of Year.	£	£	other Funds.		
					1910..	801,782	0.91	718,062	18	121,158	102,301	
					1911..	788,754	0.87	718,062	18	50,000	122,993	
34,428,948	7,172,698	7,172,698	20,083,552	£23,669,900	1912..	958,053	0.98	1,182,022	18	240,000	132,993	
3,688,155	3,688,155	Nil	Nil	13,277,400	1913..	1,161,410	1.07	750,410	18	396,000	147,993	
					1914..	1,079,086	0.76	785,794	18	20,000	421,285	
					1915..	1,130,976	0.68	745,803	18	692,860	113,588	
					1916..	1,499,362	0.75	666,921	18	632,501	243,538	
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	1917..	1,663,197	0.69	672,350	18	500,000	733,786	
					1918..	2,211,198	0.61	919,886	18	1,350,000	675,098	
£12	£2 10s	£2 10s	£7	£8½	1919..	2,354,258	0.56	1,052,503	18	1,250,000	726,852	
		Nil	Nil		1920..	2,831,861	0.67	1,367,094	18	1,450,000	741,619	
£2 10s	£2 10s			£9	1921..	2,454,084	0.59	1,368,449	18	1,050,000	777,253	

* Free of income-tax. † 1914, first half, free, second half, less tax.
 † After payment of bonuses to staff, &c.

THE LONDON CITY AND MIDLAND BANK LIMITED

[illegible]

Continued on page 988.

LONDON JOINT CITY AND MIDLAND BANK LIMITED—Continued from page 987.

December 31.	Number of Offices.	LIABILITIES.							Total Liabilities or Assets.	ASSETS.												
		Capital and Reserve Fund.	Per Cent.	Un-divided Profits.	Per Cent.	Acceptances.	Per Cent.	Deposit and Current Accounts.		Per Cent.	Cash in Hand and at Bank.	Per Cent.	Money at Call and Short Notice. (a)	Per Cent.	Investments.	Per Cent.	Bills Discounted.	Per Cent.	Advances.	Per Cent.	Buildings & Land, including Cover for Acceptance's	Per Cent.
LONDON JOINT CITY AND MIDLAND BANK LIMITED.																						
1918.	1,301	£ 14,345,395	3.9	£ 1,126,977	0.3	£ 13,145,849	3.6	£ 334,898,436	92.2	£ 363,516,657	63,756,371	17.6	£ 67,810,656	18.6	£ 61,600,652	17.0	£ 39,249,296	10.8	£ 113,431,816	31.2	£ 17,667,866	4.8
1919.	1,442	£ 16,834,670	4.0	£ 1,257,145	0.3	£ 29,014,568	6.9	£ 371,742,389	88.5	£ 418,848,772	60,216,796	14.3	£ 26,489,759	6.3	£ 67,303,428	16.0	£ 52,889,521	12.6	£ 178,556,048	42.7	£ 633,393,219	8.1
1920.	1,490	£ 21,719,600	5.1	£ 1,425,786	0.3	£ 27,849,904	6.6	£ 371,841,968	88.0	£ 422,837,258	62,493,818	14.7	£ 26,194,363	6.2	£ 51,766,315	12.2	£ 57,671,879	13.6	£ 189,719,805	45.0	£ 64,991,078	8.3
1921.	1,600	£ 21,721,705	5.2	£ 1,461,487	0.3	£ 19,848,322	4.7	£ 375,117,092	89.8	£ 418,148,606	59,989,012	14.3	£ 24,454,204	5.8	£ 56,758,809	13.6	£ 72,118,034	17.2	£ 176,779,261	42.4	£ 28,049,286	6.8
Weekly Averages, April, 1922		£ 21,721,704	5.4	£ ..	..	£ 18,191,045	4.6	£ 359,829,504	90.0	£ 399,742,253	54,438,658	13.6	£ 23,290,524	5.8	£ 65,625,042	16.5	£ 51,249,426	12.8	£ 178,748,932	44.7	£ 26,389,671	6.6

(a) Including cheques in course of collection on other banks in the United Kingdom. (b) Includes £752,639 in 1917 and £759,690 in 1918 for Belfast Bank shares.
(c) Includes £3,257,415 in 1920, and £3,258,665 in 1921 and 1922 for Belfast Bank and Clydesdale Bank shares.

LANCASHIRE AND YORKSHIRE BANK, LIMITED.

ESTABLISHED 1872.

1888—Absorbed Bury Banking Co., Limited.

1894—Absorbed Preston Union Bank, Limited.

1899—Absorbed Adelphi Bank, Limited.

1902—Absorbed West Riding Union Bank, Limited.

1904—Absorbed Mercantile Bank of Lancashire, Limited.

1899—Absorbed Adelphi Bank, Limited.										PROFITS AND DIVIDENDS.										Reserve, Invest-ments, &c.		Carried Forward.	
CAPITAL					Market	Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends—Amount.		Rate.												
						1910.	149,372	1.29	133,712	15.4	25,000	10,344											
						1911.	162,728	1.32	146,652	17	15,000	11,712											
						1912.	161,944	1.26	146,652	17	15,000	11,712											
						1913.	165,268	1.22	146,652	17	15,000	11,712											
						1914.	153,059	1.09	142,339	16.4	15,000	11,712											
						1915.	153,416	1.02	138,026	16.4	5,000	21,048											
						1916.	158,256	0.88	138,026	16	25,000	25,609											
						1917.	191,032	1.06	149,528	17.3	10,000	58,173											
						1918.	203,984	0.9	155,279	18	20,000	86,878											
						1919.	216,410	0.77	191,246	19	23,175	88,867											
						1920.	231,426	0.70	191,246	19	25,000	104,046											
						1921.	243,327	0.74	201,312	20	61,560	84,501											
Subscribed.	Paid-up.	Callable.	Reserved.	Value,	April 30, 1922.																		
£	£	£	£	£																			
2,013,120	1,006,560	1,006,560	Nil.	£349,150																			
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.																			
£26	£10	£10	Nil.	£34 1/4																			

* Free of income-tax.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.												ASSETS.									
		Capital and Re- serves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes in circulation and other debt.	Per Cent.	Accept- ances and Endorse- ments.	Per Cent.	Rebate and count.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabil- ities or Assets.	Cash in Hand and at Bank and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Dis- counts and Ad- vances.	Per Cent.	Buildings & Sundries including Cover for Acceptance.	Per Cent.	
1890	34	611,270	16.9	£ 44,247	1.2	£ ..	..	105,000	3.0	£ 3,624	..	2,843,074	78.9	3,607,215	816,729	22.7	£ 128,472	3.5	2,453,114	68.0	£ 208,900	5.8	
1895	45	653,000	15.9	40,757	1.0	..	..	58,339	1.4	3,986	..	3,347,412	81.7	4,103,494	923,483	22.5	421,239	10.3	2,557,246	62.3	201,526	4.9	
1900	63	990,000	14.6	295	1.0	..	..	116,920	1.8	7,031	..	5,608,003	82.6	6,786,249	1,018,220	15.0	544,824	8.0	4,876,285	71.8	346,920	5.2	
1905	123	1,447,660	13.5	91,260	0.9	4,692	..	53,387	0.5	6,074	..	9,136,462	85.1	10,739,535	2,247,492	20.9	2,300,120	21.4	5,763,536	53.7	428,387	4.0	
1910	126	1,497,660	12.9	104,357	0.9	5,123	..	74,840	0.6	7,195	..	9,896,430	85.5	11,585,605	2,287,779	19.7	2,513,549	21.7	6,324,437	54.6	459,840	4.0	
1911	126	1,502,660	12.2	99,746	0.9	4,959	..	90,183	0.7	9,504	..	10,627,402	86.2	12,334,454	2,979,588	24.1	2,534,102	20.6	6,345,581	51.5	475,183	3.8	
1912	129	1,507,660	11.7	100,038	0.8	4,786	..	141,298	0.1	14,723	0.1	11,104,675	86.3	12,873,180	2,832,207	21.9	2,471,832	19.2	7,042,843	54.8	526,236	4.1	
1913	129	1,512,660	11.2	103,654	0.8	5,104	..	135,912	1.0	15,219	0.1	11,793,738	86.9	13,566,287	3,170,486	23.5	2,358,962	17.3	7,515,937	55.4	520,912	3.8	
1914	128	1,517,660	10.8	95,061	0.7	8,525	..	143,438	1.0	15,312	0.1	12,305,479	87.4	14,085,475	3,048,540	21.6	3,084,426	21.9	7,424,070	52.8	528,439	3.7	
1915	127	1,422,660	9.6	105,451	0.7	9,804	..	227,860	1.5	6,557	..	13,336,112	88.2	15,130,444	2,768,118	18.3	4,875,824	32.2	6,873,642	45.4	612,860	4.1	
1916	125	1,427,660	8.0	120,681	0.7	9,628	..	240,892	2.9	10,063	0.1	15,263,230	88.3	17,852,154	4,862,517	27.2	4,718,824	26.4	7,364,922	41.4	905,891	5.0	
1917	125	1,432,660	7.2	148,589	0.7	9,668	..	203,980	1.0	30,134	0.2	18,045,419	90.0	19,870,559	4,592,590	23.0	4,947,444	21.8	10,341,534	52.3	588,991	2.9	
1918	124	1,442,660	6.1	121,144	0.8	12,964	..	491,118	2.1	40,305	0.2	21,650,311	90.8	23,830,502	6,762,991	28.4	4,618,799	19.4	11,572,593	48.5	876,119	3.7	
1919	130	1,458,385	6.6	222,763	0.8	15,424	..	460,594	1.6	45,000	0.2	25,611,046	90.2	28,213,212	5,441,125	19.3	3,264,061	11.5	15,657,444	55.5	850,594	3.0	
1920	133	1,881,560	5.7	239,768	0.7	17,245	..	1,106,732	3.4	..	..	29,591,220	90.2	32,836,516	5,896,893	17.9	6,218,451	18.9	19,209,449	58.6	1,511,723	4.6	
1921	135	2,013,120	6.1	190,190	0.6	17,890	..	285,084	0.9	..	..	30,296,398	92.4	32,802,682	7,385,989	22.5	7,570,749	23.1	17,155,860	52.3	690,084	2.1	

* Includes Treasury Bills.

LONDON MERCHANT BANK, LIMITED.

LATE LONDON AND HANSEATIC BANK, LIMITED.

ESTABLISHED 1873.

The Bank has no Branches.

By a special resolution passed on February 3, 1916, the minimum number of directors was reduced from 12 to 4.

CAPITAL					Market	PROFITS AND DIVIDENDS.						
Subscribed.	Paid-up.	Callable.	Reserved.	Value,	£	Year	Net	Per Cent.	Dividends.		Reserve,	Carried
						Ended	Profits.	Resources.	Amount.	Rate.			&c.	Forward
£	£	£	£	£	£	Dec. 31.	£	£	£	£	£	£
						1910.	68,704	1.19	50,000	8	16,000	19,800
						1911.	71,499	0.99	50,000	8	21,000	20,899
						1912.	83,987	1.07	50,000	8	27,000	21,286
						1913.	87,355	1.05	50,000	8	33,000	25,361
1,500,000	750,000	750,000	Nil.	£412,500		1914.	45,051	0.83	45,000	6	27,000	25,443
						1915.	38,989	0.92	37,500	5		26,332
						1916.	39,823	0.99	37,500	5		29,255
						1917.	40,329	1.11	37,500	5		35,811
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	1918.	41,227		37,500	5		32,084
£20	£10	£10	Nil	£54		1919.	61,733	1.69	37,500	5		35,811
						1920.	60,044	1.46	45,000	6		52,544
						1921.	46,195	1.21	45,000	6	50,000	18,783

Year Ended Dec. 31.	LIABILITIES.												ASSETS.											
	Capital and Re- serves.	Per Cent.	Un- divided Profits.	Per Cent.	Accept- ances.	Per Cent.	Rebate.	Per Cent.	Deposits and Current Accounts (inc. Pension Fund).	Total Liabilities or Assets.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Dis- counts and Ad- vances.	Per Cent.	Furni- ture.	Per Cent.				
1890	\$487,000	20.1	\$25,015	1.2	\$	..	\$1,581	..	\$1,899,018	78.7	\$2,412,614	42,893	1.8	\$225,000	9.3	\$221,450	9.1	\$1,923,169	79.8	\$100	..			
1895	490,000	15.7	31,503	1.0	..	..	431	..	2,610,163	83.3	3,328,097	59,289	1.2	95,000	3.0	221,464	9.0	2,694,944	86.1	400	..			
1900	525,000	18.2	38,590	1.3	..	..	1,155	..	2,333,250	80.5	2,887,990	49,456	1.7	301,600	10.5	211,179	7.3	2,325,754	80.5	10	..			
1905	550,000	17.4	28,136	0.9	2,504,629	79.0	1,362	..	89,162	2.7	3,173,289	68,930	2.2	315,000	9.9	209,072	6.6	2,580,277	81.3	..	..			
1910	860,000	14.9	67,051	1.2	4,196,583	72.9	3,676	..	637,784	5.7	5,765,194	42,765	0.7	509,000	8.8	284,380	4.9	4,929,049	85.6	..	..			
1911	875,000	12.0	72,549	1.0	5,130,006	70.6	1,277	..	1,198,164	16.4	7,266,996	33,926	0.5	640,000	8.1	307,199	4.2	6,285,778	86.6	..	..			
1912	895,000	11.4	85,536	1.1	5,447,003	69.7	2,979	..	1,391,755	17.8	7,822,273	103,007	1.3	632,600	8.2	371,929	4.7	6,810,661	87.1	..	..			
1913	1,100,000	13.2	64,831	0.8	5,749,836	68.5	3,616	..	1,460,064	17.6	8,370,397	47,438	0.6	532,700	6.4	311,217	3.7	7,481,613	89.3	..	..			
1914	1,100,000	12.1	67,943	0.9	4,196,415	75.5	2,155	..	192,653	3.5	5,469,166	47,638	0.9	398,540	7.3	340,722	3.4	4,682,246	85.6	..	..			
1915	1,100,000	26.0	45,682	1.1	2,877,206	68.6	1,478	..	182,147	4.3	4,206,513	39,272	0.9	183,000	4.4	309,958	7.3	3,674,273	87.4	..	..			
1916	1,100,000	27.4	48,005	1.2	2,471,913	61.5	2,888	0.1	393,638	9.8	4,016,444	54,608	1.4	160,000	4.4	285,903	7.1	3,514,123	87.5	..	..			
1917	1,100,000	30.3	50,834	1.4	2,131,601	68.6	292	..	352,420	9.7	3,635,147	54,494	1.5	160,000	4.4	265,500	5.9	3,170,163	87.5	..	..			
1918	1,100,000	31.9	73,312	2.1	1,911,497	55.2	322	..	374,451	10.1	3,459,988	63,705	1.8	145,000	4.2	188,540	5.5	3,062,735	88.5	..	..			
1919	1,100,000	30.4	78,734	2.2	1,988,340	56.8	1,001	..	464,492	12.8	3,632,627	46,994	1.3	186,000	5.1	114,924	3.1	3,284,759	90.8	..	..			
1920	1,100,000	28.4	95,838	2.2	2,259,618	54.9	2,418	..	71,827	17.4	3,774,631	106,000	2.5	135,000	3.2	106,932	2.9	3,286,899	91.8	..	..			
1921	1,100,000	28.7	45,033	1.2	1,562,314	41.0	..	..	1,117,547	29.1	3,824,894	106,999	2.8	150,000	3.9	72,568	1.9	1,933,013	50.4	1,562,314	..			

MANCHESTER AND LIVERPOOL DISTRICT BANKING COMPANY, LIMITED.

ESTABLISHED 1829.

1863—Business of Lloyd, Entwisle, Bury, and Jervis, of King street, Manchester, acquired.
1891—Business of Wm. John and Thos. Brocklehurst, Macclesfield, taken over.
1907—Amalgamation with Lancaster Banking Co., Limited.
1916—Absorbed Bank of Whitehaven.

CAPITAL					Market Value, April 30, 1922.
Subscribed.	Paid-up.	Callable.	Reserved.	Per Share.	
£	£	£	£	£	£
9,480,000	1,896,000	1,264,000	6,320,000	5,885,500	
PROFITS AND DIVIDENDS.					Carried Forward.
Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends—Amount.	Rate.	
1910..	374,793	1.30	331,800	1.17	10,987
1911..	374,524	1.28	331,800	1.17	26,711
1912..	380,220	1.20	331,800	1.17	42,851
1913..	378,435	1.17	331,800	1.17	49,465
1914..	370,547	1.11	317,975	1.11	55,672
1915..	380,804	1.11	331,800	1.11	114,676
1916..	403,896	0.96	331,800	1.11	109,140
1917..	419,574	0.88	331,800	1.11	139,914
1918..	468,835	0.94	339,700	1.14	126,389
1919..	510,878	0.75	347,600	1.18	135,197
1920..	561,783	0.86	347,600	1.18	264,152
1921..	539,275	0.80	347,600	1.18	236,406

* Free of income-tax.
† Free from income-tax at June.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.								Total Liabilities or Assets.	ASSETS.											
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Accept- ances.	Per Cent.	Deposit and Current Ac- counts.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Bills of Ex- change, Less Rebate.	Per Cent.	Ad- vances.	Per Cent.	Buildings and Furniture, Less Depreciation Covering Acceptances.	Per Cent.
1890..	58	2,015,000	132	109,898	0.8	341,108	2.2	12,691,257	83.8	15,157,263	908,907	6.0	1,888,254	12.4	1,478,430	9.7	..	..	*10,581,314	69.9	300,358	2.0
1895..	78	2,060,000	116	116,892	0.7	977,808	5.5	14,599,590	82.2	17,754,290	1,843,882	10.4	1,765,262	9.9	2,052,249	11.6	..	..	*10,848,114	61.1	1,244,783	7.0
1900..	95	2,695,000	126	138,713	0.6	1,737,178	8.1	16,815,019	78.7	21,385,910	1,989,219	9.3	1,867,395	8.7	2,760,522	12.9	..	..	*11,725,745	59.5	2,043,099	9.6
1905..	106	3,325,000	158	168,697	0.8	1,679,778	8.0	15,869,253	75.4	21,047,728	1,967,263	9.4	1,813,805	8.6	3,317,974	15.7	..	..	8,656,528	41.1	1,979,778	9.4
1910..	179	5,581,000	134	217,614	0.8	1,668,486	6.2	21,443,822	79.6	26,310,922	2,509,839	9.4	1,378,220	5.1	4,546,882	16.9	3,740,486	13.9	12,567,008	46.6	2,168,487	8.1
1915..	195	5,621,000	131	224,631	0.8	1,361,281	4.9	22,321,490	81.2	27,528,402	2,448,493	8.9	1,367,945	11.5	3,332,892	14.2	2,913,190	10.7	13,009,537	47.7	1,731,683	6.1
1920..	197	5,546,000	126	177,588	0.6	2,402,332	8.4	22,522,459	78.4	28,748,079	2,718,316	9.4	1,735,117	9.5	3,826,792	13.3	3,589,255	12.5	12,975,067	45.0	2,602,034	10.3
1921..	202	5,576,000	112	210,129	0.7	2,450,356	9.3	25,070,072	78.9	31,806,557	3,114,669	9.8	3,874,068	12.2	3,727,353	12.6	3,815,631	13.0	12,877,932	42.7	2,959,551	9.1
1912..	202	3,576,000	112	210,129	0.7	2,450,356	9.3	25,070,072	78.8	31,806,557	3,114,669	9.8	3,874,068	12.2	3,727,353	12.6	3,815,631	13.0	12,877,932	42.7	2,959,551	9.1
1913..	208	3,496,000	108	215,355	0.7	2,691,116	8.3	25,916,689	80.2	32,318,170	3,480,025	10.8	3,741,597	11.6	3,530,352	10.9	4,806,295	14.9	13,571,143	41.9	3,184,757	9.9
1914..	212	3,506,000	106	219,065	0.7	2,691,116	8.3	25,916,689	80.2	32,318,170	3,480,025	10.8	3,741,597	11.6	3,530,352	10.9	4,806,295	14.9	13,571,143	41.9	3,184,757	9.9
1915..	211	3,506,000	102	281,470	0.8	2,010,542	5.8	28,656,599	82.4	34,464,711	4,100,476	11.9	2,211,109	6.4	10,839,262	31.5	1,682,944	4.9	13,118,378	38.0	2,510,542	7.3
1916..	217	3,396,000	81	268,040	0.6	2,795,564	6.7	35,346,576	84.6	41,806,570	5,325,210	12.8	4,220,929	10.1	9,900,237	23.6	6,646,967	15.9	12,417,374	29.7	3,295,963	7.9
1917..	221	3,446,000	72	305,814	0.6	3,261,935	6.4	40,592,886	85.4	47,606,635	6,185,094	13.0	5,033,461	6.4	8,942,616	18.8	11,075,009	23.3	14,608,120	30.6	3,761,335	8.4
1918..	221	3,446,000	69	300,189	0.6	1,567,079	4.4	44,530,513	89.3	49,843,781	7,192,479	14.4	5,033,461	6.4	8,942,616	18.8	11,075,009	23.3	14,608,120	30.6	3,761,335	8.4
1919..	221	3,446,000	50	308,997	0.5	1,596,659	4.4	44,530,513	89.3	49,843,781	7,192,479	14.4	5,033,461	6.4	8,942,616	18.8	11,075,009	23.3	14,608,120	30.6	3,761,335	8.4
1920..	326	3,446,000	53	437,952	0.7	1,596,659	4.4	44,530,513	89.3	49,843,781	7,192,479	14.4	5,033,461	6.4	8,942,616	18.8	11,075,009	23.3	14,608,120	30.6	3,761,335	8.4
1921..	339	3,546,000	52	410,265	0.6	1,493,834	2.6	42,116,777	92.0	57,566,817	7,912,334	11.7	3,689,490	5.5	12,162,796	18.0	12,918,534	19.1	28,895,379	42.7	1,993,834	3.0

* Includes bills of exchange.

THE NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

ESTABLISHED 1833.—(Member of London Clearing.)

1918—National Provincial Bank of England, Limited, amalgamated with Union of London and Smiths Bank, Limited.
New title—The National Provincial and Union Bank of England, Limited.
Absorbed Bradford District Bank, Limited, as from January 1, 1919. Absorbed Sheffield Banking Company, Limited, as from December 31, 1918. 1920—Messrs Coutts and Co., affiliated as from January 1st. Absorbed Northamptonshire Union Bank, Limited.

CAPITAL					Market Value.
Subscribed.	Paid-up.	Callable.	Reserved.	Per Share.	
£	£	£	£	£	£
43,447,080	9,309,416	5,839,611	28,298,053	224,143,000	
PROFITS AND DIVIDENDS.					Carried Forward.
Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends—Amount.	Rate.	
1910..	1,821,383	0.84	876,301	1.6	850,000
1911..	2,265,483	0.83	1,121,942	1.6	1,000,000
1912..	2,762,513	0.92	1,369,302	1.6	1,200,000
1913..	2,054,686	0.70	1,489,507	1.6	500,000

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.								Total Liabili- ties or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Accept- ances.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings & Furniture, including Cover for Acceptance.	Per Cent.
1918.....	492	\$ 10,326,884	4.8	487,318	0.2	3,891,343	1.8	200,864,639	93.2	\$ 215,570,184	\$ 33,576,003	15.6	\$ 13,221,591	6.1	44,925,251	20.8	117,359,508	54.4	6,487,831	3.1
1919.....	613	15,045,905	5.5	630,859	0.2	5,968,448	2.2	251,751,125	92.1	273,396,337	35,685,632	13.1	10,997,504	4.0	53,531,285	19.6	164,305,656	60.1	8,876,260	3.2
1920.....	648	18,187,457	6.0	824,070	0.3	4,404,104	1.5	278,335,366	92.2	301,759,997	41,954,105	13.9	11,850,947	3.9	56,437,173	18.7	183,439,432	60.8	8,069,340	2.7
1921.....	648	18,187,457	6.2	889,250	0.3	2,863,921	1.0	272,933,344	92.5	294,873,972	45,050,674	15.3	12,294,328	4.2	48,109,727	16.4	182,666,169	61.8	6,753,074	2.3
Weekly Averages, April, 1922....		18,187,000	6.2	..	..	4,194,172	1.4	268,887,059	92.4	291,268,689	56,749,987	12.6	17,922,352	6.2	58,372,558	20.0	169,956,411	58.4	8,267,377	2.8

YORKSHIRE PENNY BANK, LIMITED.

BALANCE-SHEET—December 31, 1921.

LIABILITIES.		ASSETS.	
Share capital—250,000 shares of £5 each, £3 paid.....	750,000	Cash in hand, at Bank of England, and at short notice	8,438,530
Reserve fund	750,000	British Government Treasury Bills	4,900,000
Amount due to depositors and other accounts	29,532,394	Securities repayable within one year	576,250
Uncalled capital, £500,000.		British Government 5½% Treasury Bonds	2,636,750
		British Government 4 per cent. War Stock	743,026
		British Government 4 per cent. National War Bonds	4,848,800
		Other securities	963,345
		Loans on security and other accounts	5,510,015
		Bank premises	475,599
			31,032,394

UNION BANK OF MANCHESTER, LIMITED.

ESTABLISHED 1836.

1888—Sewell and Nephew absorbed.
1904—E. W. Yates and Co., Liverpool, absorbed.
1906—Blackburn Bank absorbed.
1907—Downes and Co. (Nantwich) absorbed.
1917—Halifax and District Permanent Banking Company absorbed.

1918—East Morley and Bradford Deposit Bank, Limited, acquired.
1919—Affiliated with Barclays Bank.

CAPITAL					Market Value.
Subscribed.	Paid-up.	Callable.	Reserved.	Per Share.	
£	£	£	£	£	£
1,500,000	750,000	750,000	Nil.	Nil.	
PROFITS AND DIVIDENDS.					Carried Forward.
Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends—Amount.	Rate.	
1910..	83,905	1.24	62,370	1.01	24,000
1911..	86,632	1.15	61,740	1.01	19,000
1912..	95,895	1.27	64,740	1.01	19,000
1913..	108,984	1.34	64,740	1.01	48,000
1914..	100,948	1.22	63,379	1.01	35,000
1915..	120,821	1.38	59,583	1.01	25,000
1916..	152,025	1.30	68,750	1.01	50,000
1917..	178,254	1.37	75,000	1.01	35,000
1918..	197,035	1.08	97,812	1.01	18,000
1919..	277,248	1.25	105,000	1.01	240,000
1920..	341,027	1.11	105,000	1.01	180,000
1921..	293,738	1.11	105,000	1.01	20,683

* Free of income-tax.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Accept- ances, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Per Cent.	Cash in Hand, at Call, and Short Notice.		Per Cent.	Invest- ments.	Per Cent.	Bills of Ex- change.	Per Cent.	Advances.	Per Cent.	Buildings & Sundries, including Cover for Acceptances.	Per Cent.	
1890* ..	43	\$ 530,000	16.9	\$ 38,487	1.2	\$ 53,217	1.7	2,526,868	80.2	\$ 3,148,572	\$ 524,110	16.6	\$ 213,593	6.8	\$ With Advances	..	\$ 12,317,479	73.6	\$ 93,390	3.0		
1895* ..	49	610,000	16.8	39,290	1.1	82,667	2.3	2,900,376	79.8	3,632,333	486,742	13.4	42,130	1.1	Do	..	12,951,540	81.3	151,921	4.2		
1900* ..	62	925,000	16.8	48,524	0.9	320,329	5.9	4,195,229	76.4	5,489,082	582,754	10.6	172,175	3.1	Do	..	14,216,459	76.8	517,694	9.5		
1907* ..	72	874,000	15.5	34,298	0.6	417,378	7.4	4,317,193	76.5	4,642,868	848,596	15.0	620,336	11.0	738,623	13.1	2,770,960	49.1	667,353	11.6		
1906* ..	75	882,000	14.0	42,064	0.7	467,567	7.4	4,915,586	77.9	6,307,487	716,034	11.1	700,236	11.1	1,080,476	17.1	3,085,050	48.9	725,691	11.5		
1907* ..	78	920,000	13.8	40,042	0.6	479,876	7.4	5,055,101	78.2	6,446,282	771,749	11.8	692,240	10.8	1,171,749	12.0	3,099,491	48.1	755,709	11.7		
1908* ..	80	905,000	14.5	40,057	0.6	374,160	6.0	9,081,273	81.8	12,021,178	766,031	12.3	1,016,288	11.8	1,771,260	16.5	3,085,284	48.1	755,709	11.7		
1909* ..	83	915,000	14.6	37,593	0.6	340,363	5.5	4,968,076	79.3	6,231,632	1,147,071	18.4	808,699	12.9	509,403	8.1	3,167,087	50.6	629,372	10.0		
1910* ..	85	920,000	13.6	37,498	0.6	596,344	8.8	5,213,193	79.7	6,767,035	1,119,577	16.6	829,968	12.2	622,628	9.2	3,304,644	48.8	830,343	13.3		
1911* ..	85	880,000	13.0	40,390	0.6	332,663	4.9	5,500,734	81.5	7,763,785	1,395,443	20.6	713,193	10.5	577,259	8.5	3,468,003	51.1	629,887	9.3		
1912* ..	88	890,000	11.8	52,545	0.7	610,929	8.1	6,009,553	79.4	7,563,027	1,502,372	20.0	743,996	9.8	789,839	10.6	3,617,223	47.6	909,596	12.0		
1913* ..	88	900,000	11.2	44,483	0.6	674,811	8.4	6,428,858	79.8	8,047,522	1,592,393	19.8	801,779	10.0	795,345	9.9	3,884,297	48.2	973,108	12.7		
1914* ..	88	905,000	11.0	39,334	0.5	665,856	8.1	6,594,015	80.4	8,203,505	1,344,855	16.1	736,095	9.0	718,005	8.7	4,440,240	54.2	956,310	11.7		
1915* ..	88	905,000	10.5	54,005	0.6	764,545	8.7	9,053,582	80.4	9,777,836	821,664	9.3	2,165,738	24.6	520,747	5.9	4,204,285	48.1	1,064,396	12.0		
1916* ..	88	905,000	6.9	60,069	0.6	1,556,334	13.3	9,117,392	78.5	11,639,397	2,048,042	17.4	2,866,537	24.5	876,568	7.5	3,999,731	34.8	1,848,499	15.8		
1917* ..	97	905,000	6.7	60,069	0.6	901,654	6.9	11,127,088	85.6	13,011,690	1,715,031	13.1	4,026,180	30.9	955,205	7.3	5,113,620	39.5	2,101,654	9.2		
1918* ..	111	1,275,000	7.2	71,170	0.4	1,150,084	6.5	15,212,193	85.9	17,708,447	2,393,458	13.5	7,212,890	40.7	1,093,485	6.2	5,508,530	31.1	1,500,084	8.5		
1919* ..	130	1,325,000	4.3	68,418	0.2	3,896,157	12.7	25,378,022	82.6	30,667,597	3,050,848	9.9	4,417,171	14.4	1,302,541	4.2	17,600,880	57.5	4,296,157	14.0		
1920* ..	139	1,425,000	5.2	64,445	0.2	3,424,881	12.6	22,294,412	82.0	27,208,738	2,416,827	8.8	3,367,106	12.3	1,489,335	5.5	16,110,589	59.4	3,824,881	14.0		
1921* ..	145	1,425,000	5.4	73,183	0.3	1,990,302	7.5	23,002,017	86.3	26,490,502	4,209,575	16.0	2,799,702	10.6	1,263,316	4.8	15,827,607	59.6	2,390,302	9.0		

PRIVATE BANKS OF ENGLAND AND WALES.

B. W. BLYDENSTEIN AND CO., LONDON.

Year Ended Dec. 31.	LIABILITIES.						Total Liabilities or Assets.	ASSETS.							
	Partners' Capital and Reserves.	Per Cent.	Miscel- laneous.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Invest- ments.	Per Cent.	Advances, Loans, Bills, &c.	Per Cent.	Prem- ises, &c.	Per Cent.
	* £		£		£		£	£		£		£		£	
1896.	260,000	16.9	1,174,237	76.2	106,948	6.9	1,541,185	70,462	4.6	567,130	23.8	1,099,059	71.3	4,534	0.1
1900.	500,000	21.3	530,696	22.7	1,313,832	56.0	2,344,527	111,084	4.8	851,898	36.3	1,377,420	58.8	4,126	0.1
1906.	500,000	11.9	726,473	17.3	2,969,441	70.8	4,195,914	126,571	3.0	1,260,439	30.3	2,805,129	66.9	3,776	0.1
1910.	566,000	7.9	763,659	10.7	5,836,767	81.4	7,106,466	129,904	1.8	1,202,478	16.8	5,820,902	81.2	13,182	0.1
1911.	594,000	8.4	926,794	13.0	5,580,003	78.6	7,106,797	130,050	1.5	1,202,478	16.8	5,820,902	81.2	13,182	0.1
1912.	623,000	9.3	1,044,932	15.4	5,092,348	75.3	6,760,280	109,050	1.6	1,119,636	15.8	5,643,067	82.3	29,044	0.1
1913.	685,000	7.6	1,064,829	12.9	6,544,282	79.5	8,234,111	127,844	1.4	799,996	11.7	5,706,810	84.4	32,630	0.1
1914.	626,000	8.3	438,543	5.8	6,446,690	85.9	7,510,333	161,184	4.4	1,887,473	22.9	5,624,688	78.9	30,141	0.1
1915.	626,000	12.3	27,431	0.5	4,447,703	87.2	5,100,134	137,256	2.7	1,887,473	22.9	5,624,688	78.9	28,987	0.1
1916.	626,000	8.3	61,807	0.8	6,815,307	90.9	7,502,814	137,256	2.7	1,887,473	22.9	5,624,688	78.9	28,987	0.1
1917.	626,000	7.9	60,296	0.8	7,218,015	91.3	8,901,311	136,289	2.4	1,887,473	22.9	5,624,688	78.9	28,987	0.1
1918.	626,000	6.2	63,909	0.6	9,339,590	93.9	10,128,499	69,931	0.9	1,887,473	22.9	5,624,688	78.9	28,987	0.1
1919.	626,000	5.6	118,994	1.0	10,378,973	93.4	11,261,957	186,537	18.4	882,142	8.7	7,379,815	65.5	24,756	0.1
1920.	626,000	4.7	194,719	1.5	12,442,235	93.8	13,261,954	97,082	0.5	1,217,981	10.9	9,043,108	84.4	24,927	0.1
1921.	626,000	4.6	155,302	1.1	12,810,760	94.3	13,591,062	96,476	0.7	1,217,981	10.9	9,043,108	84.4	24,927	0.1
								90,461	0.7	367,598	2.7	13,114,076	96.4	23,927	0.1

* Includes Treasury Bills.

CHILD AND CO.

Year Ended July.	LIABILITIES.						Total Liabilities or Assets.	ASSETS.							
	Partners' Capital and Reserves.	Per Cent.	Accept- ances.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand, at Bank, and at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Advances, Loans, Bills, &c.	Per Cent.	Premises and Cover for Accept- ances.	Per Cent.
1895.	£ 636,239	22.9	..	..	2,131,998	77.1	2,768,237	£ 805,056	29.1	£ 1,094,544	39.6	784,437	28.3	£ 84,200	2.5
1900.	622,262	20.8	..	..	2,364,285	79.2	2,986,547	874,787	29.5	1,147,010	38.4	1,082,550	36.3	84,200	2.5
1905.	615,577	20.5	..	..	2,382,085	79.5	2,997,662	886,735	29.6	1,119,999	37.3	1,077,728	36.3	84,200	2.5
1907.	605,807	19.6	..	..	2,480,741	80.4	3,086,548	781,299	25.4	1,055,532	34.2	1,164,517	37.7	84,200	2.5
1908.	609,944	18.1	..	..	2,756,897	81.9	3,366,541	1,163,454	34.6	1,101,265	32.7	1,017,622	30.2	84,200	2.5
1910.	604,120	18.7	..	..	2,623,435	81.3	3,227,556	1,060,962	32.8	1,122,729	35.1	959,664	29.5	84,200	2.5
1911.	602,048	19.5	..	..	2,623,435	81.3	3,227,556	1,060,962	32.8	1,122,729	35.1	959,664	29.5	84,200	2.5
1912.	599,755	19.9	..	..	2,423,926	80.5	3,080,032	975,011	31.7	1,118,322	36.3	902,499	29.3	84,200	2.5
1913.	596,586	19.4	..	..	2,318,171	79.6	2,914,767	827,721	27.3	1,105,263	36.6	1,006,507	33.3	84,200	2.5
1914.	599,406	18.6	..	..	2,623,435	81.3	3,227,556	1,060,962	32.8	1,122,729	35.1	959,664	29.5	84,200	2.5
1915.	590,707	18.7	..	..	2,584,071	81.3	3,154,778	987,506	32.4	1,033,404	33.0	906,801	26.6	109,200	2.6
1916.	582,584	19.2	25,000	0.8	2,424,549	80.0	3,032,133	999,705	33.0	1,116,427	36.8	806,801	26.6	109,200	2.6
1917.	579,219	19.2	25,000	1.0	2,424,549	80.0	3,032,133	999,705	33.0	1,116,427	36.8	806,801	26.6	109,200	2.6
1918.	580,082	19.4	..	..	1,988,965	76.7	2,593,184	582,126	22.8	907,034	35.0	898,824	36.1	84,200	2.5
1919.	581,591	16.2	..	..	2,413,564	80.6	2,953,646	1,071,648	35.8	1,083,007	36.1	754,791	25.3	84,200	2.5
1920.	573,098	13.1	..	..	3,966,231	83.8	4,542,822	1,416,483	32.5	1,187,407	33.3	889,732	24.9	84,200	2.5
1921.	576,738	13.4	..	..	3,818,562	86.9	4,391,650	1,346,296	30.7	1,538,628	35.9	1,140,435	26.9	84,200	2.5
					3,713,828	86.6	4,290,666	1,077,647	25.1	1,538,628	35.9	1,140,435	26.9	84,200	2.5

COX AND COMPANY.

Incorporated as a joint-stock company 1909. Capital of £100 each, £150,000, and 5,000 ordinary shares of £100 each, £500,000. Liability unlimited.

Year Ended April.	Number of Branches.	LIABILITIES.						Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Miscel- laneous.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand, at Bank, and at Call and Short Notice.	Per Cent.	British Government Securities	Per Cent.	Other Securities and Invest- ments.	Per Cent.	Dis- counts and Advances.	Per Cent.	Prem- ises, &c.	Per Cent.
1896	..	£ 400,000	13.2	£ 1,820	0.1	£ 2,694,106	86.7	£ 3,025,926	£ 621,929	20.6	£ 665,000	22.0	£ 379,709	12.5	£ 1,267,864	41.9	£ 91,424	3.0
1901	..	400,000	8.5	1,420	0.1	4,346,541	91.4	4,747,961	1,722,344	36.5	665,000	14.0	734,075	15.5	1,486,044	31.0	140,498	3.0
1905	..	400,000	11.1	490	..	3,208,253	88.9	3,608,743	878,305	24.2	762,350	21.1	362,790	10.0	1,460,608	40.7	144,690	4.0
1911	..	400,000	9.9	9,416	0.2	3,946,297	89.9	4,055,673	917,652	22.6	698,400	17.2	291,459	7.2	1,960,503	48.4	187,659	4.6
1912	..	450,000	10.2	130,637	3.0	3,598,828	87.9	4,114,987	803,458	19.5	693,150	16.8	334,288	8.1	2,032,112	50.9	194,759	4.7
1913	..	450,000	9.8	104,827	2.3	4,036,986	87.9	4,591,813	974,130	22.1	610,550	13.8	329,897	7.4	2,186,534	49.7	309,697	7.0
1914	..	530,000	11.2	121,123	2.6	4,088,811	86.2	4,739,934	1,200,444	25.4	379,230	8.3	368,383	8.0	2,256,419	49.1	283,946	6.2
1915	..	530,000	5.8	139,202	1.5	8,471,040	92.7	9,140,242	2,361,707	25.9	566,220	5.4	481,500	10.2	2,501,945	52.9	354,323	6.9
1916	..	530,000	4.3	541,670	4.3	11,166,130	91.3	12,237,800	4,790,876	39.1	1,808,410	14.7	1,221,106	6.8	4,748,581	51.7	354,323	6.9
1917	..	530,000	3.7	219,592	1.5	13,497,832	94.8	14,247,424	5,939,538	41.6	1,593,879	11.2	613,401	5.0	4,266,908	30.6	463,674	3.2
1917 (Oct. 4)	..	530,000	3.0	256,624	1.4	16,921,409	95.6	17,708,033	7,637,385	43.1	2,963,735	16.8	792,029	5.5	5,468,304	33.4	509,965	2.9
1918 (Oct. 5)	..	1,075,000	5.2	447,641	2.2	19,265,409	92.6	20,413,475	9,948,916	48.7	3,622,300	15.0	881,149	3.6	9,647,837	40.0	556,624	4.0
1919 (Sept. 30)	..	1,075,000	4.4	543,800	2.2	22,552,363	93.4	24,317,409	10,948,916	44.8	3,622,300	15.0	881,149	3.6	9,647,837	40.0	556,624	4.0
1920 (Sept. 30)	..	1,250,000	5.1	829,937	3.1	22,547,365	91.9	24,317,409	9,948,916	41.5	3,622,300	15.0	881,149	3.6	9,647,837	40.0	556,624	4.0
1921 (Sept. 30)	..	1,250,000	6.1	815,110	4.0	18,348,365	89.9	20,413,475	6,223,928	30.6	1,094,505	5.3	640,244	3.1	11,006,679	53.9	1,448,120	7.1

HOARE (CHAS.) & CO.

Year Ended July	LIABILITIES.					Total Liabilities or Assets.	ASSETS.										
	Partners' Capital and Reserves.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Cash in Hand, at Bank, and at Call and Short Notice.		Per Cent.	British Govern- ment Se- curities.	Per Cent.	Other Se- curities and Invest- ments.	Per Cent.	Discounts and Advances	Per Cent.	Premises, &c.	Per Cent.		
1895.	£		£		£		£		£		£		£		£		
1895.	435,805	13.7	2,750,221	86.3	3,186,026	552,801	17.4	282,000	8.8	751,610	23.7	1,499,615	47.0	100,000	3.1	100,000	3.1
1900.	475,000	13.4	3,075,878	86.6	3,550,878	876,699	24.7	385,500	9.1	950,580	26.9	1,698,096	36.5	100,000	3.1	100,000	3.1
1905.	485,000	15.6	2,618,050	84.4	3,103,050	941,432	30.3	275,000	8.9	744,863	24.1	1,940,755	33.5	100,000	3.1	100,000	3.1
1906.	485,000	16.8	2,413,143	83.2	2,898,143	801,639	27.8	273,000	9.4	521,704	18.0	1,301,800	41.3	100,000	3.1	100,000	3.1
1907.	485,000	14.6	2,828,602	85.4	3,313,602	934,704	31.4	276,450	8.3	518,082	15.5	1,384,196	41.8	100,000	3.1	100,000	3.1
1908.	485,000	16.5	2,447,339	83.5	2,932,338	785,648	26.8	277,000	9.5	521,532	17.8	1,248,158	42.6	100,000	3.1	100,000	3.1
1909.	485,000	15.2	2,710,611	84.8	3,195,611	1,058,315	33.1	285,000	9.1	659,968	20.6	1,089,328	34.1	100,000	3.1	100,000	3.1
1910.	485,000	14.7	2,818,680	85.3	3,303,680	926,826	28.1	285,000	9.1	659,968	20.6	1,089,328	34.1	100,000	3.1	100,000	3.1
1911.	485,000	14.7	2,813,554	85.3	3,298,554	970,729	29.5	285,000	9.1	659,968	20.6	1,089,328	34.1	100,000	3.1	100,000	3.1
1912.	485,000	14.7	2,808,847	85.3	3,293,847	983,147	29.8	285,000	9.1	659,968	20.6	1,089,328	34.1	100,000	3.1	100,000	3.1
1913.	485,000	15.4	2,670,836	84.6	3,155,836	922,658	29.2	285,000	9.1	659,968	20.6	1,089,328	34.1	100,000	3.1	100,000	3.1
1914.	485,000	15.0	2,752,753	85.0	3,237,753	988,704	30.5	285,000	9.1	659,968	20.6	1,089,328	34.1	100,000	3.1	100,000	3.1
1915.	485,000	15.3	2,683,411	84.7	3,168,411	1,070,766	33.7	285,000	9.1	659,968	20.6	1,089,328	34.1	100,000	3.1	100,000	3.1
1916.	485,000	17.1	2,348,755	82.9	2,833,755	842,805	29.7	285,000	9.1	659,968	20.6	1,089,328	34.1	100,000	3.1	100,000	3.1
1917.	485,000	18.8	2,089,841	81.2	2,574,841	661,581	26.1	285,000	9.1	659,968	20.6	1,089,328	34.1	100,000	3.1	100,000	3.1
1918.	485,000	15.3	2,688,628	84.7	3,173,628	973,597	30.7	285,000	9.1	659,968	20.6	1,089,328	34.1	100,000	3.1	100,000	3.1
1919.	485,000	13.1	3,033,775	86.9	3,518,775	838,396	23.8	285,000	9.1	659,968	20.6	1,089,328	34.1	100,000	3.1	100,000	3.1
1920.	485,000	10.3	4,221,675	89.7	4,706,675	1,051,158	22.3	285,000	9.1	659,968	20.6	1,089,328	34.1	100,000	3.1	100,000	3.1
1921.	500,000	11.4	3,889,230	88.6	4,389,230	993,370	22.6	285,000	9.1	659,968	20.6	1,089,328	34.1	100,000	3.1	100,000	3.1

LONDON DISCOUNT COMPANIES.

ALEXANDERS DISCOUNT COMPANY, LIMITED.

(Formerly Alexanders and Company, Limited.)

ESTABLISHED 1810. REGISTERED 1891.

	CAPITAL.				Year Ended Dec. 31.	Net Profits £	Per Cent. of Resources.	PROFITS AND DIVIDENDS.		Reserves, £	Carried Forward.
	Subscribed. £	Paid-up. £	Callable. £	Reserved. £				Ordinary Dividends. Amount. £	Rate. %		
Ordinary	1,000,000	500,000	Nil.	500,000	1913..	66,925	0.54	40,000	10	20,000	12,050
Preference	100,000	100,000	Nil.	Nil.	1914..	68,580	0.68	40,000	10	20,000	15,030
					1915..	47,990	0.46	40,000	10	20,000	17,020
					1916..	67,007	0.52	40,000	10	20,000	18,027
					1917..	89,002	0.60	40,000	10	20,000	23,029
					1918..	89,992	0.54	52,000	11.3	30,000	25,021
					1919..	75,860	0.41	60,000	13	15,000	25,881
					1920..	115,941	0.56	74,250	16.5	35,000	26,571
					1921..	141,015	0.63	76,500	17	55,000	30,087

Price of Ordinary Shares, April 30, 1922, £11½; Market Value, £11,500,000.

* Bonus 2 per cent., free of tax. † Bonus 1 per cent., free of tax.

Year Ended Dec. 31.	LIABILITIES.										Total Liabili- ties or Assets.	ASSETS.							
	Capital and Reserves	Per Cent.	Un- divided Profits.	Per Cent.	Loans, De- posits, and Other Accounts	Per Cent.	Bills Re-dis- counted.	Per Cent.	Rebate, &c.	Per Cent.		Cash at Bankers.	Per Cent.	Invest- ments.	Per Cent.	Bills Dis- counted.	Per Cent.	Loans and Sundry Accounts	Per Cent.
£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
1911.....	570,000	4.9	33,793	0.3	9,311,741	80.5	1,587,997	13.7	70,307	0.6	11,573,838	277,765	2.4	1,024,777	8.8	9,878,739	85.4	392,557	3.4
1912.....	580,000	4.8	34,126	0.3	9,731,880	80.3	1,685,154	13.9	81,392	0.7	12,112,552	284,685	2.4	1,083,006	8.9	10,416,363	86.0	328,498	2.7
1913.....	600,000	4.9	35,050	0.3	10,134,947	82.0	1,497,231	12.1	86,334	0.7	12,353,562	293,726	2.4	944,221	7.7	10,798,650	87.3	316,965	2.6
1914.....	620,000	5.9	38,030	0.4	9,427,422	90.3	281,748	2.7	76,935	0.7	10,444,135	350,144	3.4	1,341,713	12.8	8,684,172	83.1	68,106	0.7
1915.....	620,000	5.9	40,021	0.4	9,439,747	90.3	272,535	2.6	86,555	0.8	10,458,858	367,437	3.5	1,141,307	10.9	8,885,693	85.0	64,421	0.6
1916.....	640,000	5.0	41,027	0.3	10,978,632	84.9	1,145,851	8.9	118,000	0.9	12,923,510	389,560	3.0	1,673,906	12.9	10,856,120	84.7	3,924	0.0
1917.....	670,000	4.5	54,029	0.4	12,668,671	85.2	1,348,701	9.0	128,270	0.9	14,869,671	409,895	2.7	1,790,859	12.0	12,616,556	84.9	52,351	0.4
1918.....	700,000	4.2	56,021	0.3	13,826,671	83.2	1,912,260	11.5	124,205	0.6	16,619,403	420,486	2.5	2,235,363	13.4	13,798,181	83.1	165,363	1.0
1919.....	715,000	3.9	56,881	0.3	15,991,169	87.8	1,327,012	7.3	130,015	0.7	18,220,077	423,057	2.3	1,347,582	7.4	16,546,470	89.7	102,968	0.6
1920.....	820,000	4.0	72,321	0.4	17,196,230	83.7	2,255,865	11.0	175,881	0.9	20,520,297	448,111	2.2	1,818,289	8.8	18,063,470	88.1	190,427	0.9
1921.....	870,000	3.9	75,837	0.3	18,931,993	83.7	2,523,491	11.2	195,176	0.9	22,596,497	477,954	2.1	2,511,776	11.1	18,955,449	83.9	651,318	2.9

NATIONAL DISCOUNT COMPANY, LIMITED.

ESTABLISHED 1856.

CAPITAL.					Market Value. £	Year Ended Dec. 31.	Net Profits. £	Per Cent. of Resources.	PROFITS AND DIVIDENDS.		Reserves, £	Carried Forward.
Subscribed. £	Paid-up. £	Callable. £	Reserved. £	Amount. £					Rate. %			
4,233,325	846,665	3,386,660	Nil.	1,778,000	1913..	104,787	0.45	84,666	10	20,000	21,685	
					1914..	86,517	0.52	82,109	10	20,000	26,093	
					1915..	80,072	0.47	73,378	10	20,000	32,787	
					1916..	66,681	0.26	65,617	10	20,000	33,852	
					1917..	81,733	0.25	69,850	11	20,000	45,735	
					1918..	120,906	0.43	69,321	11½	50,000	47,320	
					1919..	135,050	0.40	71,120	12	64,000	47,250	
					1920..	123,005	0.35	82,973	14	10,000	77,282	
					1921..	165,305	0.42	94,826	16	10,000	137,760	
Per Share. £25	Per Share. £5	Per Share. £20	Per Share. Nil.	Per Share. £10½								

* Free of tax.

Year Ended Dec. 31.	LIABILITIES.										Total Liabili- ties or Assets.	ASSETS.									
	Capital and Re- serves.	Per Cent.	Un- divided Profits.	Per Cent.	Deposits and Sundry Bal- ances.	Per Cent.	Bills Re-dis- counted.	Per Cent.	Re- bate.	Per Cent.		Cash at Bankers.	Per Cent.	Se- curities.	Per Cent.	Loans at Call, Short and Fixed Dates.	Per Cent.	Bills Dis- counted.	Per Cent.	Buildings and Sundries.	Per Cent.
	£				£			£			£			£			£			£	
1900	1,306,665	10.0	52,161	0.4	*8,757,155	67.6	2,833,197	22.0	..	..	12,949,178	1,829,994	14.1	..	..	1,725,544	13.4	9,262,729	71.5	130,910	1.0
1905	1,246,665	8.3	54,109	0.4	10,420,018	69.5	3,263,484	21.8	..	..	14,949,276	171,500	1.1	1,831,387	12.2	2,369,945	15.8	10,448,539	69.8	162,903	1.1
1910	1,296,665	6.9	62,229	0.5	14,312,200	75.9	3,051,121	16.2	123,033	0.7	18,851,248	311,670	1.6	2,631,868	14.0	1,524,683	8.1	14,718,757	75.2	204,289	1.1
1913	1,351,869	5.9	64,018	0.3	15,767,489	68.5	5,656,538	24.8	178,274	0.8	22,007,975	503,251	2.2	1,851,125	8.0	669,501	2.9	19,785,396	86.0	198,703	0.9
1914	1,351,665	8.0	64,546	0.4	13,010,539	77.0	2,285,466	13.5	186,603	1.1	16,898,819	427,865	2.5	1,851,902	11.0	761,450	4.5	13,690,459	81.1	167,143	0.9
1915	1,351,665	7.9	68,241	0.4	11,667,210	68.7	3,705,487	21.6	238,697	1.4	17,031,300	464,144	2.7	1,375,907	8.1	328,608	1.9	14,702,812	86.4	159,829	0.9
1916	1,296,665	5.0	65,602	0.3	16,794,916	64.9	7,361,649	28.6	320,906	1.2	25,829,738	690,048	1.9	1,038,146	4.0	3,960,165	7.6	22,104,645	85.6	235,737	0.9
1917	1,296,665	4.0	83,835	0.3	21,141,491	65.0	9,597,240	29.5	404,499	1.2	32,523,730	453,424	2.0	1,153,225	3.5	2,393,287	7.4	28,000,608	86.1	323,186	1.0
1918	1,296,665	4.8	82,880	0.3	17,973,136	63.9	8,388,687	29.8	323,783	1.2	28,115,151	515,646	1.8	2,368,987	8.4	1,446,295	5.2	23,491,363	83.6	292,860	1.0
1919	1,296,665	4.0	82,810	0.2	22,753,164	67.4	9,151,250	27.1	454,938	1.3	33,788,827	577,067	1.7	1,472,785	4.4	1,538,840	4.5	29,824,042	88.1	376,093	1.1
1920	1,296,665	3.8	124,696	0.4	21,251,478	67.0	12,174,743	34.4	507,146	1.4	35,884,725	614,179	1.7	575,855	1.6	1,682,161	4.8	32,406,636	91.6	105,896	0.3
1921	1,296,665	3.4	197,027	0.5	22,412,026	66.3	14,703,190	37.5	547,243	1.4	39,206,151	530,082	1.3	1,890,717	4.8	2,223,457	5.6	34,125,925	87.2	435,970	1.1

* Includes rebate.

† Includes investments.

UNION DISCOUNT COMPANY OF LONDON, LIMITED.

ESTABLISHED 1885.

CAPITAL					Market	Year	Net	PROFITS AND DIVIDENDS.			Reserve,	Carried
Authorised					Value.	Ended	Profit.	Per Cent.	Dividend	Rate.	£s.	Forward.
and	Paid-up.	Callable.	Reserved.		£	Dec. 31.	£	of	Amount.			£
Subscribed.	£	£	£	Nil	£	1913.	143,350	0.45	93,750	13	35,000	98,915
£	£	£	£		£	1914.	123,975	0.58	100,961	13		121,929
2,000,000	1,000,000	1,000,000			2,000,000	1915.	147,259	0.61	95,767	13	80,000	93,421
						1916.	118,251	0.45	94,138	14*	10,000	107,534
						1917.	125,390	0.45	91,375	14*	25,000	115,549
						1918.	116,779	0.34	87,231	14*	50,000	121,096
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	1919.	155,579	0.39	100,650	14*	50,000	126,025
						1920.	197,019	0.42	118,000	16†	50,000	155,044
£10	£5	£5	Nil	£10		1921.	245,606		135,000	18†	115,000	

* Bonus of 1 per cent., free of tax. † Bonus of 2 per cent., free of tax.
‡ Bonus of 3 per cent., free of tax.

Year Ended Dec. 31.	LIABILITIES.										Total Liabili- ties or Assets.	ASSETS.													
	Capital and Reserves.		Un- divided Profits.	Per Cent.	Loans and Deposits.		Bills Redis- counted.	Per Cent.	Rebate.	Per Cent.		Cash at Bankers.		Per Cent.	Invest- ments.	Per Cent.	Loans at Call and Short Date, and Other Accounts.		Per Cent.	Bills Dis- counted, &c.		Per Cent.	Buildings and Sundries.		Per Cent.
	\$	Per Cent.			\$	Per Cent.						\$	Per Cent.				\$	Per Cent.		\$	Per Cent.		\$	Per Cent.	
1900	1,144,600	5.7	82,446	0.4	12,605,208	62.2	6,414,149	31.7	..	..	20,246,403	417,241	2.0	2,084,728	10.3	1,941,523	9.6	15,692,206	77.5	110,705	0.6				
1905	1,211,619	5.5	105,020	0.5	14,957,518	67.9	5,865,486	26.5	..	..	22,139,643	480,289	2.2	2,796,292	12.7	2,926,802	13.2	15,826,984	71.4	107,276	0.5				
1910	1,421,928	5.7	126,617	0.5	17,165,143	68.5	6,321,697	25.3	..	..	25,033,385	829,556	3.3	3,449,238	13.8	1,782,289	7.1	18,854,427	75.	177,878	0.7				
1913	1,549,147	4.9	156,665	0.0	20,662,330	66.6	9,966,399	28.3	229,830	0.7	31,560,301	886,359	2.8	3,213,547	10.2	2,750,450	8.7	22,532,041	72.3	144,623	0.5				
1914	1,588,928	6.2	172,574	0.8	16,243,356	74.4	3,113,506	14.6	209,979	1.0	21,478,386	916,659	4.3	3,786,718	13.0	368,071	1.7	21,392,946	74.7	157,393	0.7				
1915	1,763,976	7.3	139,933	0.6	17,836,515	73.7	4,155,122	17.2	280,937	1.2	24,745,243	956,685	4.0	2,184,397	9.0	576,082	2.4	20,266,413	83.9	163,666	0.7				
1916	1,769,150	6.7	157,471	0.5	19,261,601	77.5	4,465,204	18.1	335,380	1.3	26,288,806	1,040,703	4.0	1,975,879	7.5	807,554	3.1	23,302,551	84.8	162,119	0.6				
1917	1,759,508	6.0	166,486	0.5	22,343,383	77.5	4,450,763	14.8	326,822	1.1	26,008,968	1,043,251	3.5	2,655,404	8.2	363,730	1.2	25,968,582	86.0	156,001	0.5				
1918	1,839,303	5.3	168,271	0.5	27,577,516	79.6	4,823,465	19.9	243,317	0.9	34,643,683	1,065,871	3.1	4,349,108	12.8	2,481,569	7.2	26,657,035	76.9	180,073	0.5				
1919	2,132,138	5.3	185,025	0.5	30,732,022	76.5	6,723,646	16.8	345,150	0.9	37,893,878	1,170,381	3.1	3,796,422	9.4	1,307,943	3.2	33,689,891	84.0	203,744	0.5				
1920	2,138,666	4.6	224,044	0.5	36,669,304	67.3	12,661,765	26.8	424,480	0.9	47,118,589	1,295,537	2.7	3,019,944	6.4	1,568,415	3.3	41,079,453	87.2	200,890	0.4				
1921	2,254,609	4.6	235,651	0.5	33,417,986	67.8	12,660,346	25.8	643,535	1.3	49,121,127	1,256,439	2.5	..	..	..	..	47,864,687	95.4	215,560	0.4				

JOINT STOCK BANKS OF SCOTLAND.

BANK OF SCOTLAND.

ESTABLISHED 1695.

1868—Amalgamated with Central Bank of Scotland.

1907—Absorbed Caledonian Banking Co., Limited.

CAPITAL					Market Value.
Subscribed.	Paid-up.	Callable.	Reserved.		
£	£	£	£		£
1,987,500	1,325,000	662,500	Nil.		3,882,200
Stock. £150	Stock. £100	Stock. £50	Stock. Nil.		Stock. £293
Authorised note issue, £396,852.					

LIABILITIES.														ASSETS.													
Year Ended Feb. 28.	Number of Branches.	Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Accept- ances.	Per Cent.	Miscel- laneous Credits, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Bank.	Per Cent.	Invest- ments and Money at Call.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings & Furniture, &c.	Per Cent.	Carried Forward.				
1891..	113	\$ 2,050,000	100	\$ 102,154	0.5	937,165	4.7	1,131,560	5.8	223,713	1.1	15,516,050	77.6	\$ 19,960,642	1,312,096	6.6	7,690,983	38.5	9,433,789	47.2	1,523,775	7	77				
1892..	117	2,050,000	100	108,563	0.6	1,012,494	5.2	1,147,030	6.1	186,729	1.0	14,415,554	76.6	18,920,370	1,431,051	7.6	5,784,622	30.5	9,957,622	52.7	1,747,075	8	82				
1893..	124	2,025,000	99	86,116	4	1,073,920	5.3	1,213,022	5.9	201,198	1.0	15,097,363	73.8	20,484,213	1,610,824	7.7	7,877,159	38.4	9,167,175	44.6	1,832,070	9	93				
1896..	130	2,250,000	110	106,784	0.5	1,067,088	4.8	1,509,691	7.4	423,287	2.1	17,653,896	74.3	23,422,933	1,638,566	7.0	8,124,080	35.2	9,599,374	46.9	2,128,103	10	104				
1898..	163	2,425,000	102	123,101	0.5	1,143,613	4.8	1,358,759	8.2	525,256	2.6	17,635,896	74.3	23,422,933	1,607,747	6.7	8,124,080	34.0	9,599,374	46.2	2,128,103	10	104				
1899..	164	2,475,000	106	124,887	0.5	1,118,838	4.8	1,650,738	7.0	415,641	1.8	17,635,896	74.3	23,422,933	1,607,747	6.7	8,124,080	34.0	9,599,374	46.2	2,128,103	10	104				
1910..	164	2,525,000	102	132,797	0.5	1,193,736	4.9	1,626,823	6.6	204,010	0.8	19,030,228	77.0	24,712,594	1,448,571	5.8	8,160,057	37.1	11,788,551	47.7	2,315,415	9	94				
1911..	165	2,575,000	109	132,500	0.6	1,172,060	5.0	1,676,828	7.1	314,625	1.3	17,648,326	75.0	23,519,376	1,773,740	7.5	8,096,915	34.6	11,283,951	48.0	2,364,770	10	100				
1912..	165	2,625,000	100	145,146	0.6	1,180,669	4.5	2,849,495	10.8	221,834	0.8	19,249,180	73.3	26,271,324	1,763,256	6.7	8,109,529	34.7	11,864,891	45.2	2,353,648	13	134				
1913..	165	2,675,000	98	143,704	0.8	1,130,669	4.6	2,609,030	10.8	220,989	1.6	20,172,778	73.3	27,342,554	1,876,056	6.9	8,000,440	36.0	12,243,448	44.4	2,397,304	12	122				
1914..	165	2,725,000	102	144,530	0.5	1,236,789	4.6	2,609,030	10.8	220,989	1.6	20,172,778	73.3	27,342,554	1,876,056	6.9	8,000,440	36.0	12,243,448	44.4	2,397,304	12	122				
1915..	165	2,525,000	89	106,910	0.4	1,556,937	5.5	2,529,397	8.9	566,184	2.0	21,103,759	74.3	26,777,850	1,800,776	6.8	8,643,567	36.0	12,028,303	44.9	2,327,304	12	122				
1916..	165	2,375,000	87	100,043	0.4	1,219,702	7.7	1,052,042	3.8	284,764	1.0	21,552,004	78.4	27,483,555	2,165,207	7.6	11,694,313	41.3	13,509,582	52.7	2,327,304	12	122				
1917..	165	2,075,000	63	103,794	0.3	2,492,623	7.5	1,184,736	3.6	248,407	0.7	26,912,066	81.6	33,017,194	3,217,953	11.7	12,547,245	46.5	9,981,646	36.4	1,737,271	6	61				
1918..	166	2,075,000	60	115,232	0.3	3,074,872	7.8	998,938	2.8	234,943	0.7	28,456,735	81.4	34,963,180	4,482,565	13.1	15,907,055	42.1	13,424,172	40.7	1,864,844	5	55				
1919..	166	1,875,000	46	127,812	0.3	4,028,757	10.1	676,162	1.8	224,666	0.8	27,453,869	82.6	39,270,226	5,863,226	12.0	15,450,213	44.3	13,254,548	37.9	1,666,044	3	33				
1920..	167	1,875,000	41	121,314	0.4	4,228,825	9.6	875,307	1.9	264,656	1.2	26,943,815	81.6	45,296,918	6,565,263	14.5	19,345,243	42.6	15,067,236	40.0	1,537,974	3	33				
1921..	167	1,875,000	41	150,337	0.3	4,328,775	9.8	1,751,191	1.9	415,979	0.8	26,943,815	81.6	45,296,918	6,570,003	14.5	19,345,243	42.6	15,067,236	40.0	1,537,974	3	33				
1922..	170	2,000,000	44	147,178	0.3	3,575,429	7.9	276,426	0.6	698,000	1.5	38,624,814	85.3	45,321,847	5,970,664	13.0	21,020,711	44.1	17,762,485	39.2	1,775,567	3	33				

THE BRITISH LINEN BANK.

ESTABLISHED 1746. 1919—AFFILIATED WITH BARCLAYS BANK.

CAPITAL					Market Value.
Subscribed.	Paid-up.	Callable.	Reserved.		
£	£	£	£		£
1,250,000	1,250,000	Nil.	Nil.		3,875,000
Fully-paid stock. Price £310.					
Note issue, £438,024.					

LIABILITIES.														ASSETS.													
Year Ended Jan. 15.	Number of Branches.	Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Acceptance and Pay- mentary Deposits.	Per Cent.	Miscel- laneous Credits, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand, at Bankers, and at Call or Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts & Advances (including Short Loans).	Per Cent.	Buildings & Furniture, &c.	Per Cent.	Carried Forward.				
1890*	117	1,825,000	125	89,097	06	753,274	52	86,723	06	206,666	14	14,609,223	797	14,569,983	2,345,363	161	3,464,034	238	8,331,596	571	1,428,990	7	30				
1891*	118	2,050,000	162	153,967	07	838,662	50	268,351	17	143,806	09	12,268,720	757	16,393,506	2,504,181	157	4,489,458	278	8,682,077	553	647,790	3	39				
1900*	125	2,050,000	162	142,723	07	818,670	51	598,742	31	160,566	12	13,415,885	737	18,186,586	2,809,669	161	4,037,149	247	9,238,241	552	1,594,726	6	36				
1908*	138	3,050,000	182	170,561	11	840,105	50	562,434	34	203,186	12	13,917,009	712	16,743,295	1,875,179	112	4,037,149	247	9,238,241	552	1,594,726	6	36				
1908.	141	3,000,000	170	170,544	10	805,434	45	370,029	21	257,604	11	13,107,944	739	17,711,555	1,779,006	157	4,276,073	247	9,149,519	515	1,406,958	7	37				
1909.	141	3,000,000	173	185,995	11	811,116	47	648,432	37	346,325	19	13,585,946	719	17,711,555	1,779,006	157	4,276,073	247	9,149,519	515	1,406,958	7	37				
1910.	141	3,050,000	185	163,155	10	738,763	45	394,834	33	320,097	19	13,117,342	718	17,711,555	1,779,006	157	4,276,073	247	9,149,519	515	1,406,958	7	37				
1911.	146	3,050,000	183	157,063	10	737,170	44	339,096	20	221,007	12	12,118,184	738	17,711,555	1,779,006	157	4,276,073	247	9,149,519	515	1,406,958	7	37				
1912.	147	3,050,000	175	172,507	10	810,145	47	201,007	12	124,124	08	12,776,514	748	17,711,555	1,779,006	157	4,276,073	247	9,149,519	515	1,406,958	7	37				
1913.	147	2,900,000	164	150,046	08	796,017	45	113,450	06	222,395	13	13,496,696	764	17,711,555	1,779,006	157	4,276,073	247	9,149,519	515	1,406,958	7	37				
1914.	150	2,750,000	151	141,743	08	796,017	46	193,936	11	231,214	12	12,108,626	771	17,711,555	1,779,006	157	4,276,073	247	9,149,519	515	1,406,958	7	37				
1915.	150	2,750,000	151	164,635	08	1,098,215	53	661,360	33	488,163	25	12,993,671	750	17,711,555	1,779,006	157	4,276,073	247	9,149,519	515	1,406,958	7	37				
1916.	151	2,500,000	119	113,126	05	1,441,925	69	419,191	20	535,089	21	12,257,797	773	17,711,555	1,779,006	157	4,276,073	247	9,149,519	515	1,406,958	7	37				
1917.	150	2,450,000	99	130,378	05	1,381,915	56	265,011	35	925,089	39	12,257,797	773	17,711,555	1,779,006	157	4,276,073	247	9,149,519	515	1,406,958	7	37				
1918.	146	2,500,000	86	156,612	05	2,334,137	80	545,428	18	974,708	52	12,257,797	773	17,711,555	1,779,006	157	4,276,073	247	9,149,519	515	1,406,958	7	37				
1919.	146	2,600,000	77	137,252	04	3,182,911	95	391,180	12	876,032	31	12,257,797	773	17,711,555	1,779,006	157	4,276,073	247	9,149,519	515	1,406,958	7	37				
1920.	141	2,600,000	72	118,382	03	3,362,800	94	593,283	16	673,194	19	12,257,797	773	17,711,555	1,779,006	157	4,276,073	247	9,149,519	515	1,406,958	7	37				
1921.	141	2,600,000	68	98,457	03	3,229,776	94	505,759	16	343,294	23	13,187,012	786	17,711,555	1,779,006	157	4,276,073	247	9,149,519	515	1,406,958	7	37				
1922.	142	2,600,000	67	124,103	03	3,099,932	79	298,626	10	870,383	22	13,187,012	786	17,711,555	1,779,006	157	4,276,073	247	9,149,519	515	1,406,958	7	37				

THE CLYDESDALE BANK, LIMITED—Continued from page 996.

Year Ended Jan. 15.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Accept- ances.	Per Cent.	Miscel- laneous Credits, &c.	Per Cent.		Deposits and Current Accounts.	Per Cent.	Cash in Hand and at Bank.	Per Cent.	Invest- ments and Money at Call.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings & Sundries, including Cover for Acceptances.	Per Cent.
1890..	107	\$ 1,450,000	11.8	\$ 141,146	1.2	\$ 741,960	6.5	\$ 1,088,845	8.9	\$ 140,435	1.1	\$ 8,642,684	70.5	\$ 12,205,074	1,356,175	11.0	\$ 3,633,978	29.8	\$ 5,766,427	47.2	\$ 1,468,494	9.0
1895..	112	1,430,335	11.4	140,112	1.2	817,779	6.5	1,048,448	8.9	123,811	1.0	9,311,835	74.1	12,570,926	1,456,672	11.6	3,542,796	31.4	5,988,696	47.6	1,182,762	9.0
1900..	122	1,580,000	10.3	187,210	1.2	865,219	6.4	1,048,448	8.9	123,811	1.0	12,510,511	75.9	14,424,344	1,740,977	12.1	3,532,721	41.1	6,733,723	43.7	616,923	4.3
1905..	135	1,780,000	12.7	153,559	1.1	939,427	5.9	1,048,448	8.9	167,708	1.2	17,474,774	115.4	15,668,844	1,783,731	12.7	5,222,018	37.2	6,425,291	48.9	783,446	4.3
1906..	137	1,810,000	12.0	140,945	0.9	865,005	5.7	1,048,448	8.9	153,859	1.0	11,740,556	78.8	15,511,584	1,767,517	13.9	5,187,850	34.1	7,504,263	48.9	767,655	4.8
1907..	139	1,810,000	11.4	143,112	0.9	865,863	5.4	1,048,448	8.9	191,123	1.2	12,015,996	78.1	15,298,386	1,649,385	10.9	5,222,016	34.4	7,599,492	49.6	672,295	4.4
1908..	140	1,860,000	12.2	143,822	0.9	843,212	5.5	1,048,448	8.9	121,555	1.0	14,245,684	79.4	15,558,782	1,897,740	12.2	5,443,945	35.7	7,625,998	49.0	591,199	3.8
1909..	143	1,910,000	12.3	154,942	1.0	769,484	4.9	1,048,448	8.9	187,108	1.2	12,589,533	79.6	15,820,046	1,930,974	11.6	5,897,208	37.3	7,935,657	47.4	598,207	3.7
1910..	146	2,030,000	12.6	159,351	1.0	823,965	5.2	1,048,448	8.9	196,918	1.2	12,492,327	78.6	15,896,828	1,880,629	11.8	5,531,333	34.8	7,831,952	49.3	672,914	4.1
1911..	146	2,000,000	12.6	159,351	1.0	823,965	5.2	1,048,448	8.9	196,918	1.2	12,492,327	78.6	15,896,828	1,880,629	11.8	5,531,333	34.8	7,831,952	49.3	672,914	4.1
1912..	147	2,030,000	11.1	168,867	0.9	907,875	5.0	1,048,448	8.9	235,631	1.8	14,582,212	78.8	15,251,517	1,324,192	12.7	6,630,338	36.4	8,425,764	46.1	871,223	4.8
1913..	149	2,050,000	11.1	161,379	0.9	915,847	4.9	1,048,448	8.9	241,551	1.8	14,992,012	78.7	18,567,049	1,280,687	12.1	6,854,661	37.0	8,885,572	47.7	646,129	3.5
1914..	153	2,070,000	10.4	164,258	0.8	1,165,321	5.3	1,048,448	8.9	225,631	1.8	16,028,668	80.9	19,835,884	2,443,657	12.3	8,458,950	42.4	8,312,554	42.2	620,723	3.1
1915..	155	2,000,000	9.0	156,522	0.7	1,175,414	5.4	1,048,448	8.9	231,782	1.5	18,066,557	80.9	22,322,772	2,331,757	14.1	9,223,737	50.4	9,676,311	35.1	790,967	3.5
1916..	158	2,000,000	7.2	143,242	0.6	1,416,756	7.1	1,048,448	8.9	231,782	1.5	22,685,446	81.8	28,727,348	2,884,490	15.4	10,045,965	54.5	10,440,265	47.6	970,339	3.5
1917..	160	2,000,000	6.6	148,068	0.5	2,266,315	7.2	357,436	1.1	280,032	0.9	26,426,240	82.7	31,550,091	4,932,212	15.6	10,045,965	54.5	10,440,265	47.6	970,339	3.5
1918..	158	2,170,000	5.0	172,094	0.5	3,092,333	8.6	251,110	0.7	506,429	1.4	29,747,572	82.8	35,939,538	5,561,148	15.5	16,585,495	46.1	13,117,869	36.5	6,743,763	1.9
1919..	158	2,200,000	5.2	204,587	0.5	3,534,066	8.4	720,717	1.7	717,036	1.7	31,815,809	82.5	42,210,215	7,470,286	17.7	18,406,566	43.7	15,187,784	35.9	1,145,579	2.7
1920..	161	2,200,000	4.8	226,562	0.5	3,712,881	8.1	512,308	1.0	907,830	2.0	38,341,333	83.5	45,900,914	7,357,432	16.0	19,569,341	43.7	21,623,447	47.2	960,694	2.1
1921..	167	2,200,000	4.9	227,512	0.5	3,073,430	6.9	758,635	1.7	768,317	1.7	37,833,774	84.3	48,681,727	5,501,081	12.3	15,085,657	33.6	22,824,473	51.2	1,290,552	2.9

* Includes Treasury Bills.

COMMERCIAL BANK OF SCOTLAND, LIMITED.

ESTABLISHED 1810.

CAPITAL						Market Value.	PROFITS AND DIVIDENDS.									
Subscribed	Paid-up.	Callab.	Reserved.		Year Ended Oct. 31.		Net Profits.	Per Cent. Resources.	Dividends of Amount.	Rate.	Reserves, &c.	Carried Forward.				
£		£	£			£		£	%	£	£					
A 5,000,000	1,250,000	1,750,000	2,000,000	3,453,100	1910	226,893	1.22	200,000	20	45,000	22,465					
					1911	230,456	1.23	188,333	20	40,000	24,588					
					1912	239,250	1.20	188,333	20	55,000	20,505					
B 500,000	500,000	nil	nil	937,500	1913	240,569	1.10	188,333	20	50,000	22,741					
					1914	249,536	1.10	180,000	18	75,000	30,355					
					1915	240,923	1.03	140,546	16	105,000	25,732					
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	1916	247,908	0.89	126,667	16	105,000	44,509					
A £20	£5	£7	£8	£13 11 1/2	1917	282,536	0.88	120,000	16	160,000	49,176					
					1918	312,255	0.83	122,589	17	185,000	49,433					
B £1	£1	nil	nil	£1 1/2	1919	317,456	0.70	119,000	17	195,000	52,632					
					1920	302,039	0.59	157,500	10	145,000	52,171					
					1921	341,896	0.65	166,250	10	170,000	57,817					
Note issue, £3,874,263. Authorised issue, £374,850.																

Note issue, £3,874,263. Authorised issue, £374,830.

* Free of income-tax.

NORTH OF SCOTLAND AND TOWN AND COUNTY BANK, LIMITED.

ESTABLISHED 1825.

1908—North of Scotland Bank amalgamated with Town and County Bank, Limited, and title changed to present one.												
CAPITAL					Market. Value.	PROFITS AND DIVIDENDS.						
Subscribed.	Paid-up.	Callable.	Reserved.	Year Ended Sept. 30.		Net Profits. £	Per Cent. of Resources.	Dividends (Amount.) £	Rate. %	Reserve, &c. £	Carried Forward. £	
£	£	£	£	£	£	£	£	£	£	£	£	
3,260,000	652,000	652,000	1,956,000	2,159,750	1910.	106,254	1.16	81,500	1.19	23,000	11,038	
					1911.	107,372	1.16	81,500	1.24	23,000	13,909	
					1912.	108,581	1.10	81,500	1.24	25,500	15,490	
					1913.	109,422	1.04	81,500	1.24	25,500	17,912	
					1914.	115,664	1.06	81,500	1.24	nil.	52,076	
					1915.	117,830	0.98	76,406	1.24	nil.	93,500	
					1916.	122,648	0.85	64,181	1.24	nil.	134,647	
					1917.	126,799	0.77	66,015	1.34	47,500	125,926	
					1918.	159,260	0.76	69,519	1.42	110,000	79,016	
					1919.	180,764	0.60	73,024	16	67,000	88,460	
					1920.	152,695	0.44	73,024	16	65,000	71,785	
					1921.	186,792	0.65	107,580	17	68,000	82,990	

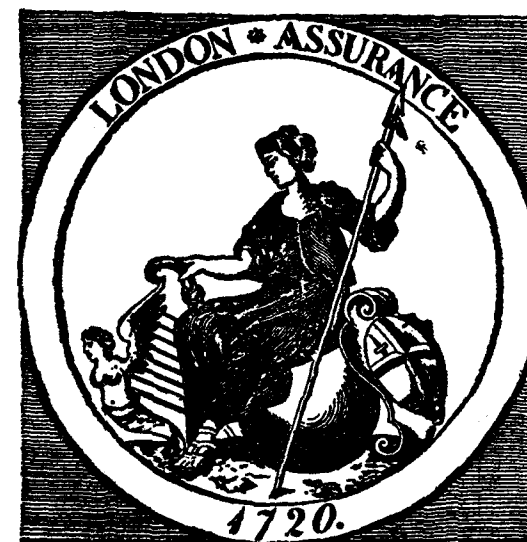
* Free of income-tax. † Second half less income-tax.

THE LONDON ASSURANCE

(INCORPORATED A.D. 1720)

1, KING WILLIAM STREET, E.C. 4.

FIRE
MARINE
BURGLARY,
WORKMEN'S
COMPENSATION,
PUBLIC
LIABILITY



LIFE
ACCIDENT
MOTOR,
PLATE GLASS,
LIVE STOCK,
FIDELITY AND
GOVERNMENT
BONDS, &c., BOILER
ENGINEERING, &c.

TOTAL ASSETS EXCEED £9,000,000.

Third Century of Active Business.

BRANCHES AND AGENCIES THROUGHOUT THE WORLD.

APPLICATIONS FOR AGENCIES INVITED.

THE STANDARD LIFE ASSURANCE COMPANY

THE NATIONAL BANK OF SCOTLAND LIMITED.

ESTABLISHED 1825.

CAPITAL					Market Value.
Subscribed.	Paid-up.	Callable.	Reserved.		
£	£	£	£	£	£
5,000,000	1,100,000	900,000	3,000,000	2,900,000	

STOCK					Per Share.
£500	£110	£90	£300	£290	

LIABILITIES.												ASSETS.												
Year Ended Nov. 1.	Number of Branches.	Capital and Reserves.	Per Cent.	Notes.	Per Cent.	Acceptances.	Per Cent.	Drafts Out- standing.	Per Cent.	Deposit and Current Ac- counts.	Per Cent.	Total Liabi- ties or Assets.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice	Per Cent.	Invest- ments.	Per Cent.	Dis- counts and Ad- vances.	Per Cent.	Buildings & Furni- ture.	Per Cent.	Land.	Per Cent.
1890	100	1,725,000	100	760,015	44	790,944	46	143,350	8	13,693,571	792	17,287,856	1,175,139	68	3,746,567	21	2,761,369	16	8,557,240	49	1,047,544	61		
1895	108	1,820,000	104	901,225	50	609,358	35	93,884	5	13,822,328	794	17,428,502	1,340,010	77	3,409,877	19	3,181,707	18	8,535,951	48	960,958	55		
1900	113	2,000,000	101	963,468	49	742,814	36	124,320	6	15,738,707	793	19,776,324	1,568,583	79	4,297,675	21	3,308,018	17	9,425,236	47	1,176,814	58		
1905	119	2,030,000	112	891,527	50	710,424	39	67,640	4	14,133,647	781	18,072,990	1,396,167	77	2,270,402	12	3,260,379	18	9,905,618	54	1,240,424	69		
1910	121	1,900,000	97	836,720	42	705,162	37	76,685	4	15,893,223	809	19,666,032	1,494,932	75	3,315,914	16	3,178,597	16	10,359,034	52	1,317,562	68		
1911	123	1,900,000	100	859,031	42	531,060	26	66,878	4	16,413,349	819	20,049,292	1,510,754	75	3,862,104	19	3,400,548	17	10,138,126	50	1,137,750	57		
1912	124	1,900,000	95	922,508	46	899,526	44	123,969	6	15,946,021	793	20,013,245	1,632,068	81	3,690,639	18	3,140,017	15	10,037,895	50	1,512,626	75		
1913	125	1,900,000	88	910,084	42	1,019,688	47	47,285	2	17,426,661	809	21,508,656	1,823,180	85	3,824,837	17	3,047,798	14	11,185,503	52	1,627,338	75		
1914	125	1,900,000	84	1,098,453	48	1,210,389	53	46,441	2	18,116,514	809	22,629,070	2,036,110	90	3,621,697	16	3,234,829	14	11,919,422	52	1,816,979	80		
1915	125	1,800,000	73	1,531,533	62	763,774	31	43,703	2	20,442,025	823	24,785,429	2,468,556	99	2,997,935	12	7,746,123	31	10,204,441	41	1,368,374	56		
1916	125	1,700,000	59	1,851,085	64	1,150,510	40	44,781	2	22,957,116	830	28,884,657	3,520,895	122	3,383,792	11	7,201,751	25	13,026,708	45	1,751,511	61		
1917	125	1,800,000	52	2,254,494	66	1,173,909	34	55,455	2	22,005,324	842	34,472,144	4,324,005	126	2,699,733	7	7,072,247	20	18,603,150	53	1,773,009	52		
1918	126	1,900,000	51	3,167,678	82	1,127,175	30	153,874	4	30,594,496	824	37,131,051	4,095,277	110	5,355,690	14	8,923,913	24	17,006,746	45	1,749,425	47		
1919	126	2,000,000	49	3,248,797	78	1,444,468	35	103,477	0	34,294,546	830	41,370,381	5,236,080	127	4,887,026	11	11,922,405	23	17,246,002	41	2,078,868	50		
1920	128	2,100,000	48	3,798,878	86	898,782	20	84,014	0	36,973,590	838	44,042,667	6,028,528	137	6,208,469	14	11,554,984	26	18,714,804	42	1,535,882	35		
1921	130	2,200,000	49	3,065,644	68	861,788	19	51,713	0	38,590,983	859	44,959,789	4,823,594	107	5,754,159	12	12,378,915	27	20,513,533	45	1,489,588	33		

ROYAL BANK OF SCOTLAND.

ESTABLISHED 1727.

CAPITAL					Market Value.
Subscribed.	Paid-up.	Callable.	Reserved.		
£	£	£	£	£	£
2,000,000	2,000,000	Nil.	Nil.	4,064,000	

Fully-paid stock. Market price on April 30, 1922, £232.

Year ended October.	Number of Branches.	LIABILITIES.										Total Liabi- lities or Assets.	ASSETS.									
		Capital Reserves.	Per Cent.	Notes.	Per Cent.	Accept- ances.	Per Cent.	Drafts Out- standing.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings & Sundries, including Cover for Accidents.	Per Cent.
		£		£		£		£		£			£		£		£		£		£	
1890	123	2,794,691	16.2	843,995	4.9	327,491	1.9	336,200	1.9	12,844,269	74.4	17,426,646	1,101,905	6.4	2,559,414	14.8	2,652,508	15.4	10,128,044	58.8	794,765	4.4
1895	127	2,757,638	15.8	910,079	5.2	295,582	1.7	344,829	2.0	13,061,342	74.9	17,449,470	1,320,303	7.5	1,904,362	11.1	3,919,168	22.5	9,504,962	54.1	800,675	4.5
1900	137	2,844,079	15.0	1,056,670	5.5	550,656	2.8	381,627	2.0	14,157,122	74.0	19,100,153	1,530,848	8.0	2,591,519	13.6	3,052,480	16.0	10,807,892	56.6	1,117,414	5.6
1905	148	2,933,440	15.8	996,431	5.3	547,313	2.9	467,097	2.5	13,606,172	73.0	18,660,453	1,390,233	7.4	2,596,935	14.1	2,823,889	15.1	10,894,368	57.1	1,165,028	5.4
1910	160	3,013,565	16.3	976,860	5.3	204,614	1.1	276,617	1.5	13,920,173	75.1	18,501,829	1,402,607	7.6	3,177,043	17.2	3,529,051	19.1	9,561,609	51.6	941,519	4.9
1911	162	3,013,565	15.5	994,036	5.1	332,966	1.7	624,572	3.2	14,455,195	74.2	19,533,334	1,518,129	7.8	3,910,071	20.0	3,586,353	18.4	9,559,492	48.9	959,259	4.7
1912	161	2,951,565	14.4	1,001,125	4.9	380,720	1.8	703,310	3.4	15,406,007	75.0	20,555,727	1,599,073	7.8	3,886,419	18.9	3,848,002	18.6	10,215,484	49.9	1,006,749	4.9
1913	164	2,960,630	13.7	1,041,019	4.6	319,454	1.5	580,532	2.7	16,654,482	77.0	21,669,177	1,609,336	7.4	3,858,101	17.8	4,013,517	18.1	11,369,588	51.7	940,773	4.6
1914	166	2,960,630	13.2	1,233,729	5.2	394,265	1.8	396,871	1.5	16,948,700	77.0	21,976,695	2,277,832	10.4	2,872,477	13.4	4,438,583	20.2	11,369,588	51.7	1,018,215	4.9
1915	167	2,800,986	11.4	1,640,239	6.6	442,193	1.8	580,573	2.3	19,144,394	77.2	24,695,787	3,119,279	12.6	3,256,317	13.2	7,959,894	32.1	11,369,588	51.7	1,065,799	4.9
1916	167	2,800,986	10.0	2,091,083	7.5	540,333	1.9	522,894	1.9	22,041,711	78.7	27,997,007	3,097,167	11.0	3,882,537	13.9	7,294,669	26.3	12,631,734	45.1	1,165,028	5.0
1917	167	2,914,968	8.9	2,590,251	7.9	336,034	1.0	771,042	2.3	26,177,865	79.8	32,864,160	3,930,482	12.0	4,184,063	12.8	7,005,120	21.4	16,738,203	50.9	946,292	4.2
1918	167	3,030,471	8.4	3,266,566	9.0	193,925	0.6	536,389	1.5	29,202,380	80.5	36,299,721	4,849,075	13.4	4,360,800	12.0	7,766,285	21.8	18,537,439	51.1	786,122	2.9
1919	172	3,166,276	7.2	3,637,299	8.2	347,589	0.8	1,367,461	3.1	35,548,823	80.5	44,067,448	5,158,547	11.7	5,783,604	13.1	12,766,093	28.8	19,438,362	44.3	920,842	2.9
1920	177	3,166,276	6.7	3,539,685	7.4	311,772	0.6	1,328,825	2.8	39,114,127	82.5	47,460,685	5,376,180	11.3	5,333,477	11.2	10,537,570	22.3	25,353,227	53.4	860,231	2.7
1921	177	3,241,777	6.7	3,222,760	6.6	318,139	0.7	1,116,553	2.3	40,740,032	83.7	48,737,263	4,885,476	10.1	5,742,195	11.8	12,180,193	24.9	25,084,688	51.5	844,711	2.6

UNION BANK OF SCOTLAND, LIMITED.

ESTABLISHED 1830.

CAPITAL					Market Value.
Subscribed.	Paid-up.	Callable.	Reserved.		
£	£	£	£	£	£
5,000,000	1,000,000	Nil.	4,000,000	2,950,000	

STOCK					Per Share.
£50	£10	Nil.	£40	£29	

Authorised note issue, £454,346.

PROFITS AND DIVIDENDS.											
Year Ended	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Rate.	Reserve, £.	Carried Forward					
April.	£		£	%	£	£					
1912	202,786	1.27	150,000	15	50,000	33,392					
1913	206,731	1.06	150,000	15	55,000	35,124					
1914	209,886	1.02	150,000	15	50,000	46,010					
1915	225,877	1.03	150,000	15	20,000	100,881					
1916	229,830	1.08	150,000	15	78,935	101,466					
1917	249,830	1.12	150,000	15	140,000	61,286					
1918	279,167	0.97	150,000	15	130,000	80,463					
1919	284,249	0.87	150,000	15	140,000	80,463					
1920	310,775	0.79	150,000	16	170,000	35,576					
1921	312,132	0.80	160,000	16	140,000	47,708					
1922	308,480	0.76	170,000	17	135,000	51,188					

UNION BANK OF SCOTLAND, LIMITED—Continued from page 1000.

Year ended April.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Notes.	Per Cent.	Accept- ances.	Per Cent.	Drafts on London.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts & Advances, including Short Loans on Stocks.	Per Cent.	Buildings & Furniture, Plant, & Equip- ment.	Per Cent.
1891...	132	£ 1,440,000	10.4	820,702	6.0	60,061	0.4	52,513	0.4	11,237,632	82.0	13,758,093	£ 1,062,583	7.7	1,827,612	13.3	4,168,376	30.4	6,274,695	46.1	424,824	3.0
1895...	134	1,515,000	10.6	949,244	6.6	74,263	0.5	94,745	0.7	11,443,482	80.5	14,235,357	1,362,186	9.6	2,464,572	17.3	3,207,583	22.5	6,770,539	47.6	430,477	3.0
1901...	144	1,664,000	10.2	1,039,266	6.4	105,571	0.6	88,469	0.5	13,253,604	82.8	16,343,669	1,426,119	8.7	3,185,485	19.5	2,950,120	18.1	8,349,995	51.1	431,950	2.6
1906...	151	1,875,000	11.7	981,811	6.2	20,463	0.1	131,324	0.8	12,740,000	79.9	15,913,988	1,632,440	10.2	3,230,609	20.3	2,933,414	18.4	7,779,322	49.0	338,203	2.1
1910...	156	2,000,000	12.4	866,795	5.2	246,364	1.5	99,945	0.6	12,833,038	79.4	16,220,364	1,633,501	10.1	2,957,173	18.2	3,396,544	21.0	7,569,668	46.6	663,468	4.1
1911...	158	2,000,000	12.6	883,747	5.6	134,587	0.9	67,616	0.4	12,586,538	79.0	15,853,094	895,589	5.6	3,164,915	20.0	3,233,142	20.4	7,980,300	50.3	579,148	3.7
1912...	161	2,000,000	11.1	912,724	5.0	320,139	1.8	71,351	0.4	14,573,356	80.2	18,070,972	1,299,978	7.2	3,748,135	20.8	3,087,256	17.0	9,193,989	50.8	761,614	4.2
1913...	162	2,000,000	10.3	931,909	4.8	729,784	3.7	240,069	1.2	15,409,195	79.0	19,496,061	1,170,489	6.0	4,817,782	24.7	3,106,351	15.3	9,216,794	47.3	1,182,725	6.6
1914...	163	2,000,000	9.7	945,432	4.8	889,972	4.3	137,020	0.7	16,458,022	79.9	20,650,456	1,231,406	6.0	4,009,781	19.5	3,017,892	17.6	10,464,922	50.4	1,336,455	6.5
1915...	160	2,000,000	8.4	1,217,971	5.6	401,845	1.9	97,893	0.5	17,751,946	82.3	21,530,539	1,570,532	7.3	4,427,429	20.6	4,948,724	22.9	9,726,851	45.2	857,003	4.0
1916...	160	2,000,000	8.5	1,584,494	7.5	691,890	3.3	176,934	0.8	16,739,330	78.7	21,264,104	1,755,536	8.2	3,780,048	17.8	7,281,138	34.2	9,299,513	34.4	1,147,889	5.4
1917...	160	2,000,000	8.1	1,895,883	8.5	955,362	4.3	219,649	1.0	17,219,195	77.2	22,311,375	2,348,179	10.5	2,317,049	10.4	6,554,556	29.3	9,688,233	43.5	1,403,358	6.3
1918...	159	2,000,000	6.6	2,535,731	8.8	373,726	1.3	124,485	0.4	23,648,883	82.1	28,803,278	3,163,006	11.0	3,272,810	11.4	6,708,027	23.3	14,813,168	51.4	846,267	2.9
1919...	160	2,000,000	6.1	2,987,221	9.9	418,547	1.3	666,717	2.0	26,265,016	80.7	32,558,302	3,362,649	10.3	3,816,321	11.7	7,875,340	24.2	16,525,790	50.8	972,202	3.0
1920...	160	2,000,000	5.1	3,480,280	8.7	907,566	2.3	410,847	1.0	32,495,518	82.2	39,495,787	4,258,644	10.8	4,338,481	11.0	9,947,705	25.3	19,508,755	49.2	1,446,202	3.7
1921...	161	2,000,000	5.1	3,366,092	8.7	397,556	1.0	209,047	0.5	32,702,256	84.1	38,892,700	3,796,640	9.8	3,693,093	9.5	9,273,312	23.8	21,193,569	54.5	936,286	2.4
1922...	164	2,100,000	5.2	2,840,934	7.0	273,423	0.7	138,018	0.3	35,211,965	86.3	40,800,528	3,297,867	8.1	4,710,250	11.6	16,869,451	41.4	15,110,772	36.9	812,233	2.0

JOINT STOCK BANKS OF IRELAND.

BANK OF IRELAND.

ESTABLISHED 1783.

CAPITAL.					Market Value.	PROFITS AND DIVIDENDS.						Reserves, &c.	Carried Forward. £
Subscribed.	Paid-up.	Callable.	Reserved.	Year Ended Dec. 31.		Net Profits.	Per Cent. of Resources.	Dividends— Amount.	Rate.				
£	£	£	£	£	£	1911.	345,214	1.57	299,884	11½	46,000	20,395	
						1912.	372,944	1.72	260,769	10	110,000	22,570	
						1913.	398,233	1.79	260,769	10	137,000	23,033	
..	2,769,231	..	..	..	6,590,700	1914.	376,784	1.49	255,577	10	120,000	24,240	
						1915.	420,830	1.55	240,000	10	180,000	26,071	
						1916.	390,863	1.35	214,615	10	175,000	26,319	
						1917.	423,429	1.26	207,692	10	200,000	42,056	
						1918.	435,984	1.01	216,693	11	220,000	41,348	
						1919.	479,802	1.05	232,615	12	250,000	38,535	
						1920.	546,540	1.07	232,616	12	310,000	42,460	
						1921.	513,166	0.97	252,000	13	260,000	43,626	

Stock is fully paid, but the liability of holders for debts of the Bank has not been decided. Price April 30, 1922, 238.

Authorised Note issue, £3,738,428.

Year Ended Dec. 31	Number of Branches.	LIABILITIES.										Total Liability- or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Balance of Profit and Loss.	Per Cent.	Notes.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Cash in Hand and at Bank.	Per Cent.		Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Dis- counts and Ad- vances.	Per Cent.	Premises.	Per Cent.		
1890...	58	£ 3,803,231	23.6	£ 164,558	1.0	£ 2,713,594	16.9	£ 9,403,640	67.5	£ 16,085,023	£ 1,179,660	7.3	£ 162,483	1.0	£ 9,208,194	57.3	£ 5,435,538	33.8	£ 99,148	0.6		
1895...	59	3,803,231	22.0	154,736	0.9	2,496,959	14.4	10,816,780	62.7	17,271,706	1,206,471	7.0	1,087,478	6.3	9,225,166	53.4	5,643,223	32.8	109,368	0.6		
1900...	73	3,803,231	20.8	180,322	1.0	2,768,068	15.2	11,498,960	63.0	18,250,581	1,145,271	6.3	439,784	2.4	8,504,009	46.6	8,058,630	44.1	102,887	0.6		
1905...	66	3,803,231	20.9	172,830	1.0	2,420,862	13.1	12,032,376	65.3	18,429,299	1,101,017	5.8	684,767	3.7	8,139,596	44.3	8,396,347	45.6	105,573	0.6		
1908*	91	3,803,231	20.3	177,977	1.0	2,578,086	13.7	12,205,209	65.0	18,764,503	1,240,369	6.6	551,625	3.0	8,096,171	43.1	8,766,101	46.7	110,237	0.6		
1907*	92	3,803,231	19.3	179,650	1.0	2,699,580	13.6	13,048,213	66.1	19,730,874	1,492,307	7.6	738,939	3.7	8,040,455	40.7	9,346,272	47.4	112,701	0.6		
1908*	92	3,803,231	18.5	179,809	0.9	2,703,209	13.2	13,826,750	67.4	20,512,999	1,625,618	8.0	902,906	4.4	8,129,489	40.0	9,643,139	47.0	118,847	0.6		
1909*	96	3,803,231	18.4	180,451	1.0	2,817,808	13.6	13,812,548	67.0	20,614,032	1,531,109	7.5	1,274,376	6.0	9,260,187	44.9	9,435,620	41.0	120,940	0.6		
1910*	99	3,789,231	18.0	177,527	0.8	3,000,308	14.2	14,096,663	67.0	21,070,730	1,668,565	7.9	1,161,531	5.5	8,953,778	42.5	9,163,948	43.5	123,608	0.6		
1911*	99	3,725,231	17.0	163,818	0.7	2,964,607	13.5	15,064,003	68.8	21,907,659	1,706,018	7.9	1,308,969	5.9	9,510,927	43.4	9,255,622	42.2	126,223	0.6		
1912*	103	3,654,231	16.9	152,965	0.7	3,046,784	15.9	14,758,329	68.5	21,812,399	1,695,736	7.8	1,303,437	6.0	9,126,843	42.2	9,348,335	43.4	138,949	0.6		
1913...	99	3,519,231	15.8	153,418	0.7	3,350,546	15.1	15,233,406	68.4	22,566,600	1,748,321	7.9	1,674,434	7.5	9,106,927	41.1	9,581,809	42.8	145,109	0.7		
1914...	69	3,579,231	14.2	149,721	0.6	5,087,564	20.2	16,360,317	65.0	28,176,832	3,781,743	15.0	1,715,026	6.8	10,488,207	41.6	9,045,595	36.0	146,862	0.5		
1915...	69	3,569,231	12.4	141,032	0.5	7,415,588	27.4	16,066,688	59.7	27,022,536	4,786,614	17.6	1,940,511	7.2	11,833,191	44.1	8,079,830	29.7	382,590	1.4		
1916...	70	3,469,231	11.3	130,165	0.5	9,693,951	33.4	15,899,049	54.8	28,992,336	7,116,765	24.5	2,633,388	9.1	11,308,468	39.0	7,543,761	26.1	380,014	1.3		
1917...	72	3,669,231	10.3	145,902	0.4	11,925,615	35.3	18,397,441	54.0	33,838,189	9,535,531	28.2	2,349,666	6.9	13,771,757	40.6	7,791,103	23.1	389,133	1.2		
1918...	74	3,689,231	8.5	157,655	0.4	16,390,339	37.5	23,399,566	53.6	43,436,780	14,069,998	32.4	1,994,800	4.6	18,945,495	43.6	8,051,640	18.5	386,847	0.9		
1919...	76	3,739,231	8.2	154,842	0.3	13,310,164	29.1	28,542,825	62.4	45,747,062	10,961,483	23.9	2,046,999	4.5	20,827,430	45.5	11,512,633	25.2	409,517	0.9		
1920...	78	3,739,231	7.3	158,767	0.3	10,926,457	21.4	36,355,866	71.0	51,180,511	8,602,265	16.8	820,740	1.6	23,476,885	45.9	17,825,806	34.8	454,516	0.9		
1921...	82	3,909,231	7.3	179,318	0.3	8,905,340	16.8	40,018,828	75.5	53,012,717	6,442,853	12.2	1,992,272	3.8	25,250,523	47.6	18,801,292	35.4	525,777	1.0		

* In these years agencies have been

BELFAST BANKING CO., LIMITED—Continued from page 1002.

Year ended July 31.	Number of Branches.	LIABILITIES.										Total Liabili- ties or Assets.	ASSETS.										Total Liabili- ties or Assets.											
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills for Collection.	Per Cent.	Staff Funds.	Per Cent.		Deposits and Current Accounts.	Per Cent.	Cash in Hand and at Bankers.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Build- ings.	Per Cent.												
1890..	37	\$	700,000	17.8	\$	65,984	1.7	\$	473,191	13.0	\$	10,025	0.2	\$	2,691,731	68.3	\$	3,940,931	55.4	\$	260,141	1.1	\$	1,117,786	28.3	\$	2,221,813	56.4	\$	77,072	1.7			
1895..	40	\$	775,000	16.5	\$	36,309	0.8	\$	511,654	10.9	\$	14,670	0.3	\$	3,541,587	71.5	\$	4,679,220	80.4	\$	478,172	1.2	\$	790,679	17.0	\$	3,011,151	64.3	\$	72,912	1.5			
1900..	43	\$	800,000	14.8	\$	52,283	1.0	\$	523,434	9.7	\$	28,011	0.5	\$	4,000,245	76.0	\$	5,403,973	73.4	\$	734,625	1.3	\$	1,157,573	21.4	\$	3,433,371	63.5	\$	78,404	1.5			
1905..	45	\$	1,000,000	17.2	\$	18,322	0.3	\$	479,492	8.2	\$	37,507	0.6	\$	37,256	0.6	\$	4,257,684	73.1	\$	5,830,271	83.2	\$	703,142	1.2	\$	1,255,466	21.5	\$	3,666,035	63.0	\$	76,067	1.3
1910..	46	\$	1,000,000	16.8	\$	27,007	0.4	\$	495,449	8.4	\$	35,672	0.6	\$	37,548	0.6	\$	4,360,242	73.2	\$	5,960,015	82.0	\$	663,135	1.3	\$	1,330,192	22.3	\$	3,853,158	64.6	\$	73,367	1.3
1915..	46	\$	950,000	14.6	\$	25,147	0.4	\$	510,586	8.0	\$	40,732	0.6	\$	38,186	0.6	\$	4,834,740	75.6	\$	6,369,434	76.2	\$	6,535,182	65.3	\$	711,135	1.5	\$	1,497,118	23.4	\$	74,680	1.3
1919..	46	\$	950,000	14.4	\$	40,430	0.6	\$	491,098	7.5	\$	33,787	0.5	\$	38,497	0.6	\$	4,981,590	75.6	\$	6,535,182	65.3	\$	711,135	1.5	\$	1,497,118	23.4	\$	74,680	1.3			
1909..	46	\$	950,000	14.3	\$	53,636	0.8	\$	495,792	7.5	\$	39,945	0.6	\$	38,670	0.6	\$	5,044,773	76.2	\$	6,622,666	77.8	\$	386,118	1.1	\$	1,529,796	23.1	\$	4,241,128	64.0	\$	73,508	1.3
1910..	46	\$	950,000	13.9	\$	42,889	0.6	\$	543,104	8.0	\$	35,921	0.5	\$	38,772	0.6	\$	5,215,246	76.4	\$	6,825,933	73.2	\$	393,107	1.0	\$	1,400,993	20.5	\$	4,680,659	67.7	\$	71,288	1.1
1911..	47	\$	950,000	12.9	\$	41,858	0.6	\$	560,166	7.7	\$	29,766	0.4	\$	48,097	0.7	\$	5,692,655	77.7	\$	7,322,542	1,328,410	18.1	\$	1,439,166	19.7	\$	4,480,243	61.2	\$	74,723	1.0		
1912..	47	\$	950,000	12.4	\$	30,411	0.4	\$	565,702	7.4	\$	38,756	0.5	\$	47,457	0.8	\$	6,046,837	78.7	\$	7,677,963	1,420,590	18.6	\$	1,469,846	19.2	\$	4,713,552	61.3	\$	73,975	1.0		
1913..	47	\$	950,000	11.6	\$	47,802	0.6	\$	533,257	7.8	\$	35,402	0.4	\$	45,892	0.8	\$	6,138,547	79.0	\$	8,135,547	1,720,494	21.1	\$	1,536,957	18.8	\$	4,811,034	59.2	\$	70,062	0.8		
1914..	49	\$	950,000	11.4	\$	46,729	0.6	\$	558,258	7.9	\$	37,503	0.3	\$	47,779	0.6	\$	6,436,032	79.2	\$	8,364,431	2,028,097	24.3	\$	1,485,606	17.8	\$	4,782,061	57.1	\$	68,667	0.8		
1915..	49	\$	950,000	10.6	\$	35,546	0.4	\$	586,368	11.0	\$	31,417	0.4	\$	47,928	0.5	\$	6,945,533	77.1	\$	10,332,829	3,199,608	28.2	\$	2,850,385	23.5	\$	5,286,979	44.0	\$	74,556	0.7		
1916..	49	\$	950,000	8.7	\$	24,827	0.3	\$	1,378,990	12.6	\$	437,331	3.9	\$	48,112	0.4	\$	8,103,492	74.2	\$	10,332,829	3,199,608	28.2	\$	2,850,385	23.5	\$	5,286,979	44.0	\$	74,556	0.7		
1917..	49	\$	950,000	7.8	\$	49,150	0.4	\$	1,664,591	13.7	\$	228,273	1.9	\$	48,276	0.4	\$	9,258,176	75.8	\$	12,196,466	2,945,529	24.1	\$	2,875,984	18.6	\$	6,259,594	40.6	\$	71,538	0.6		
1918..	50	\$	1,000,000	6.5	\$	86,255	0.6	\$	2,353,720	14.6	\$	77,617	0.5	\$	48,343	0.3	\$	11,947,054	77.5	\$	15,412,989	6,405,843	40.3	\$	2,875,984	18.6	\$	6,259,594	40.6	\$	71,538	0.6		
1920..	60	\$	1,050,000	5.2	\$	63,159	0.3	\$	2,108,389	10.4	\$	..	..	\$	..	..	\$	17,001,418	84.1	\$	20,222,966	4,054,562	20.0	\$	4,694,765	23.2	\$	11,409,619	56.5	\$	64,020	0.3		
1920*	67	\$	1,050,000	4.9	\$	73,864	0.3	\$	1,681,679	7.7	\$	..	..	\$	..	..	\$	18,742,243	87.1	\$	21,527,776	3,970,972	18.4	\$	3,038,190	14.1	\$	14,452,097	67.2	\$	66,517	0.3		
1921..	67	\$	1,050,000	4.9	\$	73,247	0.3	\$	1,274,655	5.9	\$	..	..	\$	..	..	\$	19,142,592	88.9	\$	21,540,494	5,309,157	24.6	\$	3,021,649	14.0	\$	13,142,598	61.1	\$	67,090	0.3		

† Excluding Agencies.

* December 31.

THE HIBERNIAN BANK, LIMITED.

ESTABLISHED 1825.

CAPITAL.					Market Value.	PROFITS AND DIVIDENDS.					Reserves, &c.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.	Value.		Year ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends— Amount.	Rate.		
£	£	£	£	£	£	1911..	47,870	1.03	30,000	6	18,000	3,318
£	£	£	£	£	£	1912..	48,671	1.02	30,000	6	18,500	3,490
£	£	£	£	£	£	1913..	49,182	1.03	30,000	6	20,000	2,672
£	£	£	£	£	£	1914..	48,349	0.92	30,000	6	15,000	3,021
£	£	£	£	£	£	1915..	48,333	0.92	30,000	6	17,500	3,754
£	£	£	£	£	£	1916..	50,124	0.84	30,000	6	14,500	9,379
£	£	£	£	£	£	1917..	54,208	0.61	32,500	6	21,000	10,087
£	£	£	£	£	£	1918..	62,105	0.63	35,000	7	27,500	9,692
£	£	£	£	£	£	1919..	69,604	0.56	40,000	8	20,000	17,296
£	£	£	£	£	£	1920..	82,992	0.55	40,000	8	45,000	15,288
£	£	£	£	£	£	1921..	90,021	0.53	45,000	9	47,500	12,809

* Free of income-tax.

Year ended Dec. 31	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.										Total Liabilities or Assets.
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Staff Fund.	Per Cent.	Re- bate.	Per Cent.	Deposit and Current Ac- counts, &c.	Per Cent.		Cash in Hand and at Bankers.	Per Cent.	Invest- ments.	Per Cent.	Bills Dis- counted.	Per Cent.	Loans and Ad- vances.	Per Cent.	Buildings and Sundries.	Per Cent.	
1890..	35	500,000	22.3	£ 17,983	0.8	£ 505	0.1	5,289	0.2	1,716,111	76.6	2,239,988	432,345	19.2	252,925	11.3	£ 777,351	30.2	754,423	33.6	£ 122,944	5.7	5,770,444
1895..	38	800,000	18.3	31,623	1.2	2,945	0.1	7,770	0.3	2,192,394	80.1	2,734,442	281,442	10.2	312,740	11.5	882,026	32.3	1,065,523	38.9	222,331	8.1	6,192,886
1900..	40	850,000	16.3	23,843	0.7	7,785	0.2	8,890	0.3	2,977,548	82.5	3,558,066	370,566	10.4	1,025,513	28.9	1,632,642	45.8	1,265,935	36.6	126,935	3.6	7,198,481
1905..	44	942,500	15.2	22,564	0.5	20,582	0.5	8,232	0.2	3,589,162	83.6	4,223,040	210,280	4.9	767,170	18.1	997,856	23.6	2,104,334	50.0	143,400	3.4	8,614,881
1907..	44	655,000	15.5	24,481	0.6	22,454	0.6	7,085	0.2	3,509,677	83.1	4,218,697	210,982	4.7	767,170	18.2	892,776	21.1	2,215,871	52.7	140,898	3.3	8,825,879
1908..	44	650,000	15.6	24,826	0.6	24,228	0.6	7,899	0.2	3,502,062	83.0	4,219,015	312,813	7.4	810,062	19.2	873,927	20.7	2,067,627	49.0	154,586	3.7	9,193,442
1909..	45	677,500	15.5	22,148	0.5	26,186	0.6	7,348	0.2	3,656,851	83.2	4,390,033	334,490	7.6	1,023,706	23.3	819,194	18.7	2,056,304	46.8	156,339	3.6	9,546,333
1910..	45	692,500	15.3	19,647	0.4	27,185	0.6	7,328	0.2	3,775,854	83.5	4,522,413	279,451	8.2	1,173,380	26.0	800,581	17.7	2,102,322	46.4	166,679	3.7	9,699,292
1911..	48	850,000	15.7	20,318	0.4	29,625	0.7	7,688	0.2	3,903,886	83.6	4,669,849	199,159	4.7	1,201,129	27.9	795,466	17.0	2,008,467	47.4	164,428	3.4	9,884,292
1912..	48	875,000	14.1	18,490	0.4	31,411	0.7	7,197	0.2	4,061,533	84.6	4,973,327	253,327	4.7	1,201,129	27.9	795,466	17.0	2,008,467	47.4	164,428	3.4	10,078,755
1913..	48	895,000	14.1	17,672	0.4	32,605	0.7	7,218	0.1	4,165,459	84.7	4,917,964	388,573	7.9	1,237,232	28.1	789,701	16.4	2,434,274	50.9	141,583	2.9	10,220,237
1914..	48	910,000	13.5	18,021	0.3	34,852	0.7	6,293	0.1	4,510,609	85.4	5,279,775	843,005	16.0	1,275,585	24.1	780,193	15.9	2,349,751	47.8	164,205	3.3	10,384,580
1915..	48	912,500	11.7	18,754	0.4	36,541	0.7	5,872	0.1	4,552,292	87.1	5,225,959	675,971	12.9	1,489,765	28.4	660,798	13.4	2,291,814	43.4	164,546	3.3	10,549,715
1916..	48	920,000	10.5	25,739	0.4	37,782	0.6	7,176	0.1	5,286,637	88.4	5,981,974	1,503,864	25.2	1,478,102	24.7	618,505	10.3	2,185,084	36.5	196,419	3.3	10,746,094
1917..	51	935,000	8.4	27,597	0.4	39,251	0.5	7,820	0.1	6,875,297	90.6	7,584,955	2,117,868	20.0	2,687,791	35.4	531,974	7.0	2,106,192	27.7	141,130	1.4	11,088,154
1918..	51	940,000	6.6	27,192	0.3	40,700	0.4	5,076	0.1	9,053,566	92.7	9,766,534	1,120,497	11.5	5,507,880	56.4	577,438	5.9	2,418,645	24.8	142,074	1.4	11,230,128
1919..	53	945,000	5.4	37,296	0.3	42,190	0.3	5,674	0.1	11,607,492	94.9	12,324,984	1,353,492	11.0	5,038,880	42.4	700,000	5.0	2,434,160	20.1	142,074	1.4	11,372,974
1920..	55	980,000	4.5	35,288	0.2	43,693	0.3	5,422	0.1	14,232,422	94.9	15,007,710	2,743,437	18.2	5,038,880	33.3	750,000	5.0	2,434,160	20.1	142,074	1.4	11,515,156
1921..	56	1,000,000	4.2	40,309	0.2	44,309	0.2	5,422	0.1	16,181,223	95.5	16,944,321	2,692,769	10.0	7,551,350	45.1	750,000	5.0	2,434,160	20.1	142,074	1.4	11,657,156

MUNSTER AND LEINSTER BANK, LIMITED.

1885—Assets of Munster Bank, Limited, acquired.

CAPITAL					Market Value.	PROFITS AND DIVIDENDS.										Reserves, &c.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserve Fund.			Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Rate.							
£	£	£	£	£	£	1910	49,970	0.80	28,000	14	20,000	10,845	1911	50,844	0.79	28,000	13,589
1,000,000	400,000	600,000	900,000	1,325,000	1,325,000	1912	52,503	0.78	30,133	16	20,000	16,060	1913	54,071	0.78	30,133	16,060
						1914	56,407	0.72	30,533	16	25,000	14,871	1915	63,385	0.78	27,933	15,323
						1916	60,279	0.63	24,800	16	35,000	15,802	1917	72,095	0.59	24,750	18,147
						1918	94,179	0.57	24,925	17	70,000	17,401	1919	123,834	0.56	42,000	24,235
						1920	152,328	0.55	56,000	20	90,000	30,562	1921	172,832	0.55	56,000	37,394

* Free of income-tax.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.								Total Liabi- lities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Deposit and Current Accounts, Rebates, &c.	Per Cent.	Cash in Hand and with Bankers.	Per Cent.		Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Bills Receivable.	Per Cent.	Advances.	Per Cent.	Premises.	Per Cent.
1880	48	\$49,510	15.0	\$5,422	0.6	1,971,650	84.4	2,336,582	210,677	9.0	\$36,174	6.0	\$41,443	17.1	742,401	31.8	795,887	34.8	\$5,000	2.1
1885	55	376,000	11.9	17,809	0.6	2,764,050	87.5	3,157,859	278,826	8.8	292,433	9.2	522,612	16.6	824,511	26.1	1,179,420	37.3	59,957	1.9
1890	56	407,500	9.7	22,086	0.5	3,804,510	89.8	4,234,105	414,326	9.8	675,824	15.9	738,916	17.5	823,701	19.5	1,517,679	35.8	63,659	1.5
1895	66	441,500	9.1	26,237	0.5	4,402,843	90.4	4,870,580	386,148	8.0	464,965	9.5	1,165,722	23.9	916,706	18.8	1,884,292	38.7	51,747	1.1
1900	80	520,000	8.4	34,845	0.6	5,649,525	91.0	6,204,370	475,198	7.7	1,175,144	18.9	1,470,499	23.7	887,496	14.3	2,145,402	34.6	50,631	0.8
1905	82	535,000	8.3	37,689	0.6	5,871,670	91.1	6,444,359	489,043	7.6	1,112,771	17.3	1,581,288	24.6	917,223	14.2	2,286,138	35.5	57,900	0.9
1910	84	545,000	8.1	41,126	0.6	6,119,058	91.2	6,705,184	469,799	7.0	963,836	14.4	1,622,835	24.2	965,277	14.4	2,619,197	39.4	64,240	1.0
1915	94	530,000	7.2	38,063	0.5	6,766,711	72.3	7,334,774	520,944	7.1	1,303,236	17.8	1,710,299	23.3	979,620	13.4	2,749,069	37.4	71,606	1.0
1920	97	542,500	7.0	41,904	0.5	7,208,716	92.5	7,793,120	843,165	10.8	1,329,842	17.1	1,766,968	22.7	994,766	12.8	2,780,181	35.6	78,198	1.0
1921	100	520,000	6.4	48,923	0.6	7,569,544	93.0	8,138,467	1,426,948	17.5	399,188	4.9	2,440,579	30.0	941,451	11.6	2,850,559	35.0	79,742	1.0
1922	102	500,000	5.2	27,802	0.5	7,068,512	94.5	7,596,504	1,399,504	14.6	458,788	4.8	2,387,896	24.9	2,392,842	25.0	2,863,255	29.8	84,029	0.9
1923	111	515,000	4.2	55,897	0.5	7,174,416	95.3	7,690,313	1,591,479	12.9	1,550,000	12.6	2,242,012	18.2	3,725,195	30.3	3,091,838	25.3	84,789	0.7
1924	120	600,000	3.6	30,000	0.2	15,916,897	98.2	16,546,897	2,549,073	12.9	1,000,000	6.0	6,047,732	36.6	3,380,445	20.4	3,684,775	22.3	84,872	0.5
1925	137	1,300,000	5.9	52,335	0.2	20,604,443	93.9	21,356,878	2,151,844	9.8	1,602,101	7.3	7,438,798	34.0	4,779,277	21.8	5,892,809	26.7	91,949	0.4
1926	145	1,300,000	4.7	58,562	0.2	26,351,085	95.1	27,709,647	2,648,123	9.5	2,618,599	7.1	7,356,362	26.6	4,669,537	16.9	10,305,871	37.6	111,155	0.4
1927	145	1,300,000	4.2	65,394	0.2	29,676,438	95.6	31,041,832	1,943,140	6.3	2,408,599	7.7	7,811,662	25.1	7,814,535	25.1	10,890,898	35.2	172,998	0.9

* Includes Treasury Bills.

NORTHERN BANKING COMPANY, LIMITED.

ESTABLISHED 1824.

1888—Absorbed Ball and Co., Dublin.

CAPITAL					Market Value.	PROFITS AND DIVIDENDS.										Reserves, &c.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.	Year Ended Aug. 31.		Net Profits. £	Per Cent. Resources.	Dividends		Rate.							
£	£	£	£	£	£	£	£	Amount. £	%	A.	B.	%	%	%			
3,000,000	600,000	600,000	1,800,000	982,800	1911	62,920	0.96	51,000	12	21,931	18,381	1912	65,108	0.95	51,000	15,732	
					1913	70,753	1.03	51,000	12	21,253	14,053	1914	75,388	1.00	51,000	17,763	
					1915	78,342	0.94	49,701	13	26,299	20,106	1916	75,545	0.83	44,153	20,269	
"A" Shares	£10	£2	£2	£6	4½	1917	81,420	0.81	41,435	13	36,318	23,936	1918	90,399	0.67	43,856	27,370
					1919	94,433	0.57	48,344	16	30,920	24,538	1920	146,764	0.68	61,417	27,370	
"B" Shares	£10	£2	£2	£6	2½	1921	134,099	0.67	61,317	17½	82	29,429	1922	134,099	0.67	61,317	29,429
Authorised note issue, £243,440.					* Free of income.												

* Free of income-tax.

Year Ended Aug. 31.	Number of Branches.*	LIABILITIES.												ASSETS.											
		Capital and Reserves.		Per Cent.	Un- divided Profits Carried Forward	Per Cent.	Notes.	Per Cent.	Staff Funds.	Per Cent.	Deposit and Current Accounts, &c.	Per Cent.	Total Liabili- ties or Assets.	Cash in Hand and at Bankers.		Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.		Per Cent.	Premises.		Per Cent.	
		£	%											£	%				£	%		£	%		£
1886....	51	690,000	15.2	16,726	0.3	512,387	11.3	21,960	0.5	3,898,911	72.7	4,539,984	802,853	17.7	969,931	21.3	2,652,200	58.4	125,000	2.7					
1890....	53	800,000	16.0	25,040	0.5	570,501	11.4	32,970	0.7	3,573,533	71.4	5,002,044	825,212	16.4	1,086,685	21.7	2,997,147	60.0	95,000	1.9					
1895....	55	800,000	14.7	27,000	0.5	500,178	9.2	48,631	0.9	4,069,288	74.7	5,445,037	846,784	15.6	1,296,730	23.8	3,191,523	58.6	110,000	2.0					
1900....	57	800,000	14.3	21,882	0.3	548,108	9.8	51,153	0.9	4,195,765	74.7	5,616,908	816,566	16.3	1,423,493	25.3	3,168,869	56.4	108,000	2.0					
1905....	58	800,000	13.7	15,969	0.3	572,790	9.8	53,235	0.9	4,400,253	75.3	5,842,247	751,044	12.8	1,535,973	26.3	3,444,250	58.9	111,000	2.0					
1910....	59	800,000	13.0	23,639	0.4	552,112	9.0	57,701	0.9	4,700,774	76.6	6,015,902	902,794	15.0	1,591,243	26.5	3,413,865	56.7	108,000	1.8					
1915....	59	805,000	12.7	28,392	0.4	624,994	9.9	59,575	0.9	4,834,582	76.1	6,352,463	1,021,963	16.1	1,741,312	28.4	3,417,665	55.7	104,000	1.6					
1920....	60	805,000	12.2	18,381	0.3	621,279	9.4	62,413	0.9	5,063,697	77.0	6,560,770	994,475	15.2	1,750,186	27.6	3,477,314	54.7	103,000	1.6					
1922....	62	820,000	12.0	15,732	0.2	634,501	9.3	64,295	0.9	5,320,180	77.6	6,854,708	1,061,799	15.5	2,053,972	30.0	3,629,937	52.9	109,000	1.6					
1923....	62	840,000	11.4	14,052	0.2	737,023	10.1	65,999	0.9	5,897,238	77.4	7,344,308	1,233,891	16.8	2,047,968	27.9	3,949,449	53.8	113,000	1.5					
1924....	62	860,000	11.4	17,763	0.2	828,394	10.9	70,206	0.9	5,811,803	76.6	7,588,166	1,666,413	22.0	2,036,586	26.8	3,770,167	49.7	115,000	1.5					
1925....	62	885,000	10.6	20,106	0.2	926,826	11.1	71,808	0.9	6,418,633	77.2	8,322,373	1,431,627	17.2	4,083,573	44.7	3,096,738	33.8	115,000	1.3					
1926....	62	915,000	10.1	20,268	0.2	1,258,942	13.7	73,585	0.8	6,875,169	75.2	9,142,964	1,847,653	20.2	3,421,139	41.1	3,354,607	40.3	115,000	1.4					
1927....	73	945,000	9.4	23,935	0.2	1,355,851	13.6	75,453	0.7	7,610,176	76.1	10,010,415	2,386,099	23.8	3,258,398	32.6	4,253,990	42.5	112,000	1.1					
1928....	75	985,000	7.3	27,370	0.2	2,043,604	15.1	79,470	0.6	10,361,605	76.8	13,497,049	3,039,796	22.5	6,120,493	45.4	4,216,760	31.2	120,000	0.9					
1929....	77	1,085,000	6.5	42,538	0.3	2,472,011	14.8	82,165	0.5	13,014,325	77.9	16,696,039	3,570,428	21.4	6,819,033	40.9	6,176,578	36.9	130,000	0.8					
1930....	82	1,080,000	5.0	47,104	0.2	2,572,945	12.0	88,627	0.4	17,675,181	82.4	21,463,857	3,580,083	16.7	4,915,426	22.9	11,965,582	55.7	1,002,765	4.7					
1931....	84	1,100,000	5.5	87,457	0.4	1,794,866	9.0	52,204	0.3	16,843,909	84.8	19,878,436	3,255,447	16.4	4,390,432	22.1	11,673,121	58.7	1,559,436	2.8					

* Excluding agencies. † Includes cover for acceptances.

PROVINCIAL BANK OF IRELAND, LIMITED.

ESTABLISHED 1st August, 1825. Registered under Limited Liability Acts, 10th July, 1882.

CAPITAL					Market Value.
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PROVINCIAL BANK OF IRELAND, LIMITED—Continued from page 1006.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.						Total Liabilities or Assets.	ASSETS.					
		Capital and Reserves.	Per Cent.	Un-divided Profits.	Per Cent.	Notes.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Investments.	Per Cent.
1920	57	714,000	12.5	33,154	0.6	850,406	14.8	4,138,053	72.1	5,735,613	474,367	8.3	776,109	13.5
1921	61	765,000	12.5	35,120	0.6	739,770	12.2	4,508,153	74.6	6,049,085	486,513	8.1	802,543	13.3
1922	70	848,000	13.2	45,160	0.7	775,844	12.1	4,744,902	74.0	6,415,906	472,754	7.4	915,000	14.2
1923	74	905,000	13.6	45,572	0.7	700,524	10.7	4,928,510	75.0	6,580,006	349,104	5.3	525,000	8.0
1924	84	905,000	13.4	44,748	0.7	732,840	10.9	5,066,945	75.0	6,749,533	393,949	5.8	600,000	8.9
1925	85	875,000	12.7	45,789	0.7	740,639	10.8	5,234,564	75.8	6,895,972	386,256	5.6	485,000	7.1
1926	82	885,000	12.6	45,719	0.7	720,977	10.1	5,354,180	76.6	7,005,876	390,888	5.6	670,000	9.5
1927	85	890,000	12.5	45,964	0.6	691,067	9.7	5,506,908	77.2	7,133,939	340,553	4.8	575,000	8.1
1928	84	900,000	12.3	46,423	0.6	737,528	10.1	5,608,973	77.0	7,263,094	358,470	5.0	528,000	7.2
1929	84	910,000	12.2	46,177	0.6	708,871	9.5	5,807,137	77.7	7,472,955	400,893	5.4	510,000	6.8
1930	85	915,000	11.9	45,079	0.6	718,852	9.3	6,031,978	78.2	7,710,909	447,460	5.8	245,000	3.2
1931	88	900,000	11.1	45,658	0.6	730,530	9.7	6,427,172	78.6	8,163,360	680,546	8.3	475,000	5.8
1932	90	915,000	10.3	51,629	0.6	1,151,927	13.0	6,752,422	76.1	8,870,978	1,045,881	11.8	439,900	4.9
1933	90	915,000	9.8	40,359	0.4	1,655,355	17.7	6,757,577	72.1	4,368,251	1,205,704	12.9	791,600	8.5
1934	90	870,000	8.7	40,653	0.4	1,638,755	16.4	7,467,207	74.5	10,006,615	1,365,756	13.6	833,000	8.3
1935	109	915,000	7.7	44,301	0.4	1,717,577	14.5	9,168,958	77.4	11,845,836	1,435,338	12.3	625,500	5.3
1936	114	965,000	6.7	43,943	0.3	2,264,951	15.9	11,816,693	78.4	15,079,893	1,870,813	12.0	1,024,800	4.0
1937	120	975,000	5.4	41,340	0.2	2,305,557	12.9	14,802,721	81.6	18,124,618	2,314,460	12.7	1,105,000	6.1
1938	129	990,000	4.9	50,295	0.2	2,058,690	10.2	17,110,155	84.7	20,209,140	2,122,742	10.5	1,560,000	7.7
1939	131	1,005,000	4.8	74,377	0.4	1,958,622	9.3	17,890,594	85.5	20,928,593	1,988,272	9.5	1,085,000	5.2

ROYAL BANK OF IRELAND.
ESTABLISHED 1836.

Year Ended Aug. 31.	Number of Branches.	LIABILITIES.						Total Liabilities or Assets.	ASSETS.					
		Capital and Reserves.	Per Cent.	Un-divided Profits.	Per Cent.	Notes.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Investments.	Per Cent.
1920	57	714,000	12.5	33,154	0.6	850,406	14.8	4,138,053	72.1	5,735,613	474,367	8.3	776,109	13.5
1921	61	765,000	12.5	35,120	0.6	739,770	12.2	4,508,153	74.6	6,049,085	486,513	8.1	802,543	13.3
1922	70	848,000	13.2	45,160	0.7	775,844	12.1	4,744,902	74.0	6,415,906	472,754	7.4	915,000	14.2
1923	74	905,000	13.6	45,572	0.7	700,524	10.7	4,928,510	75.0	6,580,006	349,104	5.3	525,000	8.0
1924	84	905,000	13.4	44,748	0.7	732,840	10.9	5,066,945	75.0	6,749,533	393,949	5.8	600,000	8.9
1925	85	875,000	12.7	45,789	0.7	740,639	10.8	5,234,564	75.8	6,895,972	386,256	5.6	485,000	7.1
1926	82	885,000	12.6	45,719	0.7	720,977	10.1	5,354,180	76.6	7,005,876	390,888	5.6	670,000	9.5
1927	85	890,000	12.5	45,964	0.6	691,067	9.7	5,506,908	77.2	7,133,939	340,553	4.8	575,000	8.1
1928	84	900,000	12.3	46,423	0.6	737,528	10.1	5,608,973	77.0	7,263,094	358,470	5.0	528,000	7.2
1929	84	910,000	12.2	46,177	0.6	708,871	9.5	5,807,137	77.7	7,472,955	400,893	5.4	510,000	6.8
1930	85	915,000	11.9	45,079	0.6	718,852	9.3	6,031,978	78.2	7,710,909	447,460	5.8	245,000	3.2
1931	88	900,000	11.1	45,658	0.6	730,530	9.7	6,427,172	78.6	8,163,360	680,546	8.3	475,000	5.8
1932	90	915,000	10.3	51,629	0.6	1,151,927	13.0	6,752,422	76.1	8,870,978	1,045,881	11.8	439,900	4.9
1933	90	915,000	9.8	40,359	0.4	1,655,355	17.7	6,757,577	72.1	4,368,251	1,205,704	12.9	791,600	8.5
1934	90	870,000	8.7	40,653	0.4	1,638,755	16.4	7,467,207	74.5	10,006,615	1,365,756	13.6	833,000	8.3
1935	109	915,000	7.7	44,301	0.4	1,717,577	14.5	9,168,958	77.4	11,845,836	1,435,338	12.3	625,500	5.3
1936	114	965,000	6.7	43,943	0.3	2,264,951	15.9	11,816,693	78.4	15,079,893	1,870,813	12.0	1,024,800	4.0
1937	120	975,000	5.4	41,340	0.2	2,305,557	12.9	14,802,721	81.6	18,124,618	2,314,460	12.7	1,105,000	6.1
1938	129	990,000	4.9	50,295	0.2	2,058,690	10.2	17,110,155	84.7	20,209,140	2,122,742	10.5	1,560,000	7.7
1939	131	1,005,000	4.8	74,377	0.4	1,958,622	9.3	17,890,594	85.5	20,928,593	1,988,272	9.5	1,085,000	5.2

ULSTER BANK, LIMITED.

ESTABLISHED 1836.

Affiliated with London County and Westminster Bank, Limited, in October, 1917.

Year Ended Aug. 31.	Number of Branches.	LIABILITIES.						Total Liabilities or Assets.	ASSETS.					
		Capital and Reserves.	Per Cent.	Un-divided Profits.	Per Cent.	Notes.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Investments.	Per Cent.
1920	57	714,000	12.5	33,154	0.6	850,406	14.8	4,138,053	72.1	5,735,613	474,367	8.3	776,109	13.5
1921	61	765,000	12.5	35,120	0.6	739,770	12.2	4,508,153	74.6	6,049,085	486,513	8.1	802,543	13.3
1922	70	848,000	13.2	45,160	0.7	775,844	12.1	4,744,902	74.0	6,415,906	472,754	7.4	915,000	14.2
1923	74	905,000	13.6	45,572	0.7	700,524	10.7	4,928,510	75.0	6,580,006	349,104	5.3	525,000	8.0
1924	84	905,000	13.4	44,748	0.7	732,840	10.9	5,066,945	75.0	6,749,533	393,949	5.8	600,000	8.9
1925	85	875,000	12.7	45,789	0.7	740,639	10.8	5,234,564	75.8	6,895,972	386,256	5.6	485,000	7.1
1926	82	885,000	12.6	45,719	0.7	720,977	10.1	5,354,180	76.6	7,005,876	390,888	5.6	670,000	9.5
1927	85	890,000	12.5	45,964	0.6	691,067	9.7	5,506,908	77.2	7,133,939	340,553	4.8	575,000	8.1
1928	84	900,000	12.3	46,423	0.6	737,528	10.1	5,608,973	77.0	7,263,094	358,470	5.0	528,000	7.2
1929	84	910,000	12.2	46,177	0.6	708,871	9.5	5,807,137	77.7	7,472,955	400,893	5.4	510,000	6.8
1930	85	915,000	11.9	45,079	0.6	718,852	9.3	6,031,978	78.2	7,710,909	447,460	5.8	245,000	3.2
1931	88	900,000	11.1	45,658	0.6	730,530	9.7	6,427,172	78.6	8,163,360	680,546	8.3	475,000	5.8
1932	90	915,000	10.3	51,629	0.6	1,151,927	13.0	6,752,422	76.1	8,870,978	1,045,881	11.8	439,900	4.9
1933	90	915,000	9.8	40,359	0.4	1,655,355	17.7	6,757,577	72.1	4,368,251	1,205,704	12.9	791,600	8.5
1934	90	870,000	8.7	40,653	0.4	1,638,755	16.4	7,467,207	74.5	10,006,615	1,365,756	13.6	833,000	8.3
1935	109	915,000	7.7	44,301	0.4	1,717,577	14.5	9,168,958	77.4	11,845,836	1,435,338	12.3	625,500	5.3
1936	114	965,000	6.7	43,943	0.3	2,264,951	15.9	11,816,693	78.4	15,079,893	1,870,813	12.0	1,024,800	4.0
1937	120	975,000	5.4	41,340	0.2	2,305,557	12.9	14,802,721	81.6	18,124,618	2,314,460	12.7	1,105,000	6.1
1938	129	990,000	4.9	50,295	0.2	2,058,690	10.2	17,110,155	84.7	20,209,140	2,122,742	10.5	1,560,000	7.7
1939	131	1,005,000	4.8	74,377	0.4	1,958,622	9.3	17,890,594	85.5	20,928,593	1,988,272	9.5	1,085,000	5.2

ULSTER BANK, LIMITED.

ESTABLISHED 1836.

Affiliated with London County and Westminster Bank, Limited, in October, 1917.

CAPITAL				PROFITS AND DIVIDENDS				Reserves, £.	Carried Forward £	
Subscribed, £	Paid-up, £	Callable, £	Reserved, £	Year Ended Aug. 31. 1911.	Net Profits, £	Per Cent. of Resources, £	Dividends Amount, £			Rate, %
				1911.	115,975	1.06	100,000	20	15,500	37,566
				1912.	116,641	1.10	100,000	20	33,000	21,907
				1913.	121,943	1.06	100,000	20	17,000	26,150
3,000,000	500,000	500,000	2,000,000	1914.	122,940	0.96	100,000	20	17,500	15,540
				1915.	130,484	0.95	95,589	21½	35,000	15,436
Per Share.	Per Share.	Per Share.	Per Share.	1916.	134,083	0.87	84,891	21½	41,600	23,028
				1917.	135,181	0.74	79,688	21½	34,000	36,561
				Nov. 30.						
£15	£2 10s	£2 10s	£10	1918.	206,359	0.93	96,147	21½	20,000	108,734
				1919.	174,816	0.62	74,375	21½	105,300	103,875
				1920.	210,306	0.71	74,375	21½	133,000	106,806
				1921.	195,581	0.70	74,375	21½	135,000	93,011
Authorised note issue, £311,079.										

**LATEST BALANCE-SHEETS OF COLONIAL AND FOREIGN BANKS HAVING
LONDON OFFICES.**

(1) COLONIAL BANKS.

AFRICAN BANKS.

ANGLO-EGYPTIAN BANK, LIMITED.

The report presented at the meeting held on November 29, 1921, states that the gross profits for the year ended August 31st last, including adjustment of taxation, and after making full provision for all bad and doubtful debts, are £450,617, and deducting the expenses, amounting to £331,734, there remains a balance of £118,883 net profit for the year. To this amount must be added £50,000, the balance carried forward on August 31, 1920, making £168,883, which the directors propose shall be dealt with in the following manner:—Contribution to staff provident fund, £6,880; interim dividend of 5s per share, free of income-tax, June 1st, £30,000; dividend of 10s per share, free of income-tax, to be paid on December 1st, making with interim dividend 15 per cent. for the year, and bonus of 2s 6d per share, also free of income-tax, £175,000; written off premises account, £5,000; balance carried forward, £52,303—£168,883.

BALANCE-SHEET—August 31, 1921.

LIABILITIES.	£	ASSETS.	£
Capital—120,000 shares of £15 per share, £5 per share paid up.....	600,000	Cash in London, at branches, in transit, and at call.....	1,579,455
Reserve fund.....	720,000	British War Bonds at cost or under.....	817,063
Pension reserve fund.....	111,739	Other investments at market price.....	532,040
Bills payable.....	409,077	Advances and other accounts.....	5,031,804
Acceptances for account of clients, per contra.....	273,396	Liabilities of clients for acceptances, per contra.....	273,396
Deposit, current, and other accounts, including contingency account.....	11,841,582	Bills receivable, including £4,235,000 British Treasury bills.....	5,694,309
Balance profit and loss.....	135,883	Freehold and leasehold premises.....	161,710
Liability of bills of exchange rediscounted, £16,308.			
	14,089,677		14,089,677

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend at 5s per share paid, free of income-tax, June 1, 1921	30,000	Balance brought forward from August 31, 1920	50,000
Written off premises account Balance, proposed to be dealt with as follows:—Dividend of 10s per share, free of income-tax, to be paid December 1st, making with the interim dividend 15 per cent. for the year, and bonus of 5s 6d per share also free of income tax, £75,000; staff provident fund, £6,580; balance carried forward, £52,305	5,000	Gross profits for the year ending August 31, 1921, including adjustment of taxation, and after making full provision for all bad and doubtful debts, £450,617; less expenses in London and at the branches, £331,734 ..	118,883
	133,883		
	168,883		168,883

BANK OF BRITISH WEST AFRICA, LIMITED.

The report presented to the meeting held on July 14, 1921, is as follows:—After providing for current charges (including the contribution to the staff profit-sharing fund), rebate on bills, and bad and doubtful debts, there remains a net profit of £139,803, to which must be added £30,377 brought forward from last year, making a total of £170,180. Of this sum £32,000, being 4 per cent., has already been distributed in interim dividend, and the directors now recommend the payment of a final dividend of 4 per cent., absorbing a further sum of £48,000, making the distribution for the year 8 per cent., less income-tax. £20,000 has been applied to the payment of stamp duty upon the new capital authorised, £15,000 has been applied to writing down premises and furniture account, and £5,000 has been added to the bank's insurance fund. The balance of £50,180 is carried forward.

BALANCE-SHEET—March 31, 1921.

LIABILITIES.		£	ASSETS.		£
Capital paid up		1,200,000	Cash in hand, at bankers, at branches, and at agencies ..	2,404,064	
Reserve		625,000	Cash in transit	128,112	
Current deposit and other accounts		8,018,670	Investments—		
Drafts issued		624,441	Government securities	741,374	
Bills for collection		2,214,527	Other securities	59,150	
Balance on bills		13,539	West Africa Buildings Co., L.	50,000	
Liability on acceptances for customers		681,180	(50,000 shares of £1 each, fully paid.)		
Final dividend, payable 15th July, 1921		48,000	Bills of exchange—		
Balance of profit carried forward		50,180	Treasury bills	700,000	
Liability on bills rediscounted 1921, 914, of which have run out			Other bills	2,502,317	
Outstanding forward exchange contracts for purchase and sale of foreign currencies			Loans, advances, and current accounts	3,693,686	
£2,801,246, of which £2,807,169 have run off			Bills for collection, contra	2,214,527	
			Liability of customers for acceptances	681,180	
			Premises and furniture	301,237	
		13,475,637		13,475,637	

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Stamp duty on new capital....	20,000	Balance of undivided profit, 31st March, 1920	30,377
Depreciation of premises and furniture	15,000	Net profit for the year ending 31st March, 1921	139,803
Insurance fund	5,000		
Interim dividend paid 1st De- cember, 1920, £32,000; final dividend payable 15th July, 1921, £48,000	80,000		
Balance carried forward	50,180		
	170,180		170,180

NATIONAL BANK OF EGYPT.

The report presented at the meeting held in Cairo on March 21st states that the gross profit for the year ending December 31, 1921, after providing for depreciation on the bank's buildings and furniture, for rebate of discount and for bad and doubtful debts, amounts to £991,830. After deducting from this sum for directors' fees, £11,667; for current expenses, £421,607—£433,274; there remains £558,556. In conformity with Article 49 of the bank's statutes, a dividend of 4 per cent. is payable on the share capital, £120,000; after this statutory distribution there remains £438,556; adding to this the balance brought forward from last year, £172,364, the amount available is £610,920. The directors consider it prudent to allocate to special reserve for contingencies a sum of £100,000, which leaves £510,920. From this amount the directors recommend the payment of an additional dividend of 11 per cent. on the share capital, which will absorb £330,000, and leave a balance to be carried forward of £180,920. The total dividend for the year will thus be at the rate of 15 per cent., equivalent to £1 10s per share. An interim dividend of 8s having been paid on September 5, 1921, the balance remaining to be distributed will be £1 2s per share.

BALANCE-SHEET—December 31, 1921.

LIABILITIES.	£	ASSETS.	£
Share capital—300,000 fully-paid shares of £10 each	3,000,000	Government securities and securities guaranteed by the Egyptian Government	6,351,056
Statutory reserve fund	1,500,000	Sundry securities	261,050
Special reserve	700,000	Advances on merchandise	511,926
Current, deposits, and other accounts	11,469,961	Advances on securities	2,321,047
Egyptian Government	700,771	Advances otherwise secured	402,945
Mixed tribunals	1,671,600	Sundry other advances	751,269
Bankers' accounts	605,285	Egyptian Government	467,824
Provision for payment of final dividend at the rate of 11 per cent. per annum	218,394	Sudan Government	467,824
Rebate of discount on bills not yet due	11,217	Bills discounted	1,823,055
Staff provident fund	21,630	Local bills discounted	116,569
Dividends unclaimed	14,216	Cheques receivable	875
Provision for payment of final dividend at the rate of 11 per cent. per annum	330,000	Buildings, furniture, &c.	31,464
Profit and loss account balance	18,920	Money at call and at short notice	1,530,030
		Bankers' accounts	953,623
		Bank of England	105,588
		Cash: Notes, £21,718,045; gold and silver coin, &c., £155,328,756	1,921,407
	20,423,974		20,423,974

There is a contingent liability in respect of bills rediscounted of £2,152,172. Under the heading "Bankers' accounts" is included £568,622, to credit with banks in Germany and Austria.

ISLUE DEPARTMENT.

	£s		£s
Notes issued	37,000,000	Gold	3,339,573
		British Treasury bills	15,160,427
		Securities—	
		Egyptian Government	
		securities and securities	
		guaranteed by the	
		Egyptian Government....	426,657
		British Treasury bills and	
		National War bonds	18,073,343
	37,000,000		37,000,000

NATIONAL BANK OF SOUTH AFRICA, LIMITED

The report presented to the meeting held at Pretoria on June 29, 1921, states that, after making full provision for bad and doubtful debts and applying £50,000 in reduction of bank premises account, the net profits for the year are £382,081, inclusive of the balance of £43,200 brought forward from March 31, 1920. The bank's investments stand at or under the present market prices. They recommend that the profit be apportioned as follows:—To dividend of 8 per cent. (of which the interim dividend paid for the six months ended September 30, 1920, absorbed £118,600), £237,200; to reserve fund (raising it to £1,300,000), £50,000; to pension fund, £60,000; to balance to be carried forward, £14,581—£382,081.

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To:— 2nd August, 1921.
Messrs. RATNER SAFE CO., LTD.,
61, Queen Street, Glasgow.

DEAR SIRS,

We wish to express our satisfaction with the way in which your safes withstood the fire which occurred in our premises on July 2nd, 1921. We had three of your safes—a small Book Safe containing private documents, a large Double-doored Book Safe, and a two-ton Drill-proof Cash Safe. The smallest safe was found and opened a few days after the fire, the large Book Safe was got out a fortnight afterwards, while it was three weeks before the two-ton Safe was seen 50 feet below where it had been seated. All three safes were subjected to a scorching heat. We have pleasure in informing you that the contents were found absolutely intact.

We are, Yours faithfully,
WALLACE & WEIR,
Signed) ROBERT MILL, *Secretary.*

LONDON: 29, CANNON ST., E.C.4.
ADDRESS:
Works: BROMLEY - BY - BOW, E.

BALANCE-SHEET—March 31, 1921.

LIABILITIES.	£	ASSETS.	£
Subscribed capital	2,965,000	Cash on hand and with bankers	7,407,496
296,500 shares of £10 each (fully paid)	2,965,000	Remittances in transit	2,545,432
Reserve fund	1,250,000	Native gold on hand and in transit	332,986
Notes in circulation	4,526,131	Money in London at call and short notice against securities	2,254,500
Deposits, current, and other accounts	48,046,810	British and Colonial Government and other securities (including stock lodged with the Government of the Union of South Africa), at or under market prices at March 31, 1921	3,756,769
Drafts issued on branches and agents, and acceptances outstanding at date	2,523,285	Bills of exchange purchased and current at this date	8,982,332
Rebate on bills not yet due	75,248	Bank premises and other properties in South Africa	812,888
Bills receivable on account of customers	12,241,638	Bills discounted, loans, &c.	33,332,024
Profit and loss account—balance undivided at March 31, 1920, £43,300; net profit year ended March 31, 1921, £33,881—£382,061; less interim dividend paid November 23, 1920, £116,600	263,481	Bank furniture and fittings, stationery and stamps	322,528
Contingent liability in respect of loans guaranteed and secured	86,978	Bills for collection	12,241,538
* Since increased to £1,300,000.		Loans guaranteed and secured (as per contra)	86,978
	71,975,771		71,975,771

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Rebate on bills not yet due ..	75,248	Gross profits (including balance undivided at March 31, 1920, p. £43,300), after deducting interest due on fixed deposits, income-tax, duty on note circulation, other Government taxes, appropriation to bank premises, furniture & fittings, and stationery, making provision for losses and contingencies, and depreciation in the value of investment securities	1,726,445
Expenditure, including rents, rates, salaries, remuneration to directors and auditors, and all other expenses at head office and branches ..	1,371,116		
Balance carried forward	382,061		1,726,445

It is announced that the balance at credit of profit and loss account for the financial year ended March 31, 1922, amounts to £193,000. This figure is arrived at after taking into account (a) balance of £34,000 brought forward from the last year, (b) transfer of £300,000 from reserve fund, and (c) transfer of £25,000 to bank premises. All bad and doubtful debts have been fully provided for, and the bank's investments have been taken at or below present market price. At the general meeting of shareholders to be held at Pretoria on June 30th next, the directors will recommend that the profit and loss balance of £193,000 be allocated as follows:—Interim dividend for the half-year ended September 30th last at the rate of 8 per cent. per annum, which absorbs £118,000; pension fund, £50,000; balance carried forward, £25,000.

STANDARD BANK OF SOUTH AFRICA, LIMITED.

The directors declared an interim dividend of 7s per share (being at the rate of 14 per cent. per annum) subject to income-tax, out of the profits for the half-year ended September 30, 1921.

BALANCE-SHEET—September 30, 1921.

LIABILITIES.	£	ASSETS.	£
Capital subscribed, 445,833 shares of £20 each (£8,916,660) called up £5 per share	2,229,165	Cash in hand and with bankers	9,308,277
Reserve fund	2,893,335	(Including deposit with South African Reserve Bank in terms of the Union of South Africa "Currency and Banking Act, 1920.")	
Notes in circulation	4,466,700	Cash at call, and short notice Remittances in transit	2,515,000
Deposits, current, and other accounts, including profit and loss account, and provision for contingencies ..	54,348,545	Native gold on hand	137,796
Drafts outstanding and acceptances under credits and bills of exchange re-discounted	1,146,528	* Investments—British Government securities, Colonial Government, Municipal, and other securities (including deposits of stock with the Union Government), £4,306,945; Bank of British West Africa, Ltd., £3,334, £10 shares £4 paid, £146,838; South African Reserve Bank Stock £115,000 50% paid, £57,500	5,110,181
Customers' bills for collection, per contra	8,487,608	Bills of exchange purchased and current at this date ..	5,569,823
		Bills discounted and advances to customers ..	39,188,686
		Customers' bills for collection, per contra	8,487,608
		Bank property and premises (including furniture and fittings) at cost, less amounts written off	973,232
		Stamps, stationery, and open policies	37,563
			73,595,881

These investments, including the War Loan, have been valued in the aggregate at under market prices as at September 30, 1921.

NETHERLANDS BANK OF SOUTH AFRICA.

BALANCE-SHEET—December 31, 1920.

LIABILITIES.	£	ASSETS.	£
Capital—12,500 shares at £60 each—£750,000—of which have been issued 4,000 shares fully paid	240,000	Cash in hand, with bankers	391,533
Reserve fund	41,567	Investments and securities ..	54,368
Notes in circulation	108,974	Remittances in transit	8,512
Current accounts & deposits, acceptances, and other liabilities	1,046,961	Bills discounted & purchased, loans, advances, &c.	971,176
Bills held for collection	225,602	Properties in South Africa ..	2,993
Pension fund	5,443	Bank premises	39,893
Profit and loss account, balance	30,253	Safe deposits, furniture, and stationery	3,502
	1,698,800	Bills held for collection, per contra	225,602
		Investments for pension fund ..	1,221
			1,698,800

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Expenditure, including rent, taxes, salaries, and all other expenses at head office and branches	69,750	Gross profits, after deducting interest on fixed deposits, rebate on bills not yet due, depreciation on bank premises and furniture, and providing for bad and doubtful debts	100,003
Reserve fund	5,333		
Special reserve fund	5,000		
Reserve for taxes	2,500		
Pension fund	5,000		
Dividend	15,200		
Anticipated	477		
Founders' shares	88		
Balance carried forward to next account	655		100,003

AUSTRALASIAN BANKS.

AUSTRALIAN BANK OF COMMERCE, LIMITED.

The report presented at the meeting held on July 26, 1921, states that the balance of profit and loss for the year ended June 30th, after making ample provision for all bad and doubtful debts, deducting rebate on current bills, and expenses of management, directors' and auditors' fees, interest on fixed deposits, rates, &c., amounts to £231,798; less graduated land and income taxes for the year, £37,312—£194,486; from which deduct interest paid on inscribed deposits, £54,907; profit for the year, £139,578. From this amount the following appropriations have been made: transfer to reserve fund, £50,000; transfer in reduction of bank premises account, £10,000—£60,000. Out of the taxable portion an interim half-yearly dividend at the rate of 6 per cent. per annum was paid in January last, absorbing £36,000; and a final half-yearly dividend at the rate of 7 per cent. per annum is now recommended, amounting to £42,000—£78,000—£138,000; balance, £1,578; brought forward from last year, £28,813; leaving to be carried forward, £30,391.

BALANCE-SHEET—June 30, 1921.

LIABILITIES.	£	ASSETS.	£
Capital subscribed and paid up 1,200,000	1,200,000	Coin and bullion	732,334
Reserve fund	250,000	Australian notes	883,995
Inscribed deposits	1,372,683	Cash at London bankers and at short call in London	409,013
Customers' deposits and other liabilities	8,375,574	Government and municipal securities	407,002
Government deposits	164,450	Bills receivable in London and remittances in transit ..	135,256
Bills in circulation and other amounts payable	1,262,580	Advances against War Loan and under Government guarantee	421,189
Balances due to other banks ..	95,361	Bills discounted, loans, advances, all other debts due to the bank, and other assets	8,141,832
Profit and loss account: Balance, £43,578; brought forward from June 30, 1920, £28,813	72,391	Provision in terms of clause 163 of the bank's articles of association	15,300
		Bank premises, £448,915; less appropriation from profits £10,000	478,915
			12,813,129

Contingent liability, consisting of letters of credit, &c., for which customers are responsible to the bank, £245,367.

BANK OF ADELAIDE.

BALANCE-SHEET—March 28, 1921.

LIABILITIES.	£	ASSETS.	£
Capital paid up	625,000	Specie, bullion, and cash	286,580
Reserve fund	600,000	Balances	850,230
Profit and loss	73,429	Australian notes	500,486
Notes in circulation	7,306	Government debentures	625,000
Bills in circulation	632,568	Imperial Government Treasury bills	1,425
Balances due to other banks ..	160,807	Municipal debentures	220,000
Deposits	5,984,597	Money at short call	30,356
Interest accrued on fixed deposits and rebate on bills discounted	72,681	Bank bills purchased	322,559
		Balances due from other banks	713
		Notes of other banks	486,401
		Remittances in transit	162,589
		Bank premises and furniture ..	4,093,098
		Bills receivable and all other advances	8,154,386

THE YOKOHAMA SPECIE BANK,

(REGISTERED IN JAPAN.)

LIMITED.

ESTABLISHED 1880.

Capital Subscribed & Fully Paid -
Reserve Fund - - -

Yen 100,000,000
,, 61,000,000

Head Office - - - YOKOHAMA.

BRANCHES AT

BATAVIA.
BOMBAY.
BUENOS AYRES.
CALCUTTA.
CHANGCHUN.
DAIREN (Dainy).
FENGTIEN (Mukden).
HAMBURG.
HANKOW.
HARBIN.

HONOLULU.
HONG KONG.
KAI YUAN.
KOBE.
LONDON.
LOS ANGELES.
LYONS.
MANILA.
NAGASAKI.
NAGOYA.

NEWCHANG.
NEW YORK.
OSAKA.
PEKIN.
RANGOON.
RIO DE JANEIRO.
SAIGON.
SAN FRANCISCO.
SEATTLE.

SHANGHAI.
SHIMONOSEKI.
SINGAPORE.
SOURABAYA.
SYDNEY.
TIENTSIN.
TOKYO.
TSINANFU.
TSINGTAU.
VLADIVOSTOCK.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

LONDON OFFICE :

7, BISHOPSGATE, LONDON, E.C.2.

T. OKUBO, Manager.

HAMBROS BANK LIMITED.

SUBSCRIBED CAPITAL - £4,000,000
PAID UP - £1,000,000
RESERVE - £1,050,000

Head Office :

70, OLD BROAD STREET, LONDON, E.C.2.

Registered Offices :

41-47, BISHOPSGATE, LONDON, E.C.2.

West End Office :

21-24, COCKSPUR ST., TRAFALGAR SQ., S.W.1.

General Banking Business.
Foreign Exchange.

PROFIT AND LOSS ACCOUNT.	
Dr.	Cr.
Reserve fund	30,000
Dividend in May, 1920	25,000
Dividend in November, 1920	31,250
Bank premises and furniture	5,000
Balance	73,429
	164,679

The balance of profit and loss for the year ended March 28, 1921 (including the balance brought forward from previous year, £16,571), amounts to £104,679, out of which an interim dividend at the rate of 10 per cent. per annum was paid in November last, £31,250; leaving available £73,429, from which it is proposed to pay a dividend at the rate of 10 per cent. per annum, £31,250; to transfer to reserve fund, £20,000—£51,250; leaving a balance to carry forward of £22,179.

BANK OF AUSTRALASIA.

The report for the year ended October 10th last is as follows:—After providing for rebate on bills current, for British and Australasian rates and taxes, for a bonus to the staff, and making provision for bad and doubtful debts and other contingencies, the net profit for the year amounted to £588,389. To this has to be added £145,874, brought forward from the previous year's account, making a total of £734,263. From this total the directors have appropriated £487,500, representing, for the year, a dividend at the rate of 10 per cent., and bonus of 3 per cent., both free of income-tax. Of this, £227,500, equal to £2 12s per £40 share, was paid on September 30th last, as an interim dividend, leaving £260,000, equal to 6s 6d per £5 share, for present distribution on the increased capital. £100,000 has been appropriated to the reserve fund, and £25,000 in reduction of the bank premises account. £121,763 will remain to be carried forward to the next account.

BALANCE-SHEET—October 10, 1921.

LIABILITIES.		ASSETS.	
Circulation	387,417	Specie, bullion, Government notes, and cash balances	6,969,413
Deposits	25,603,631	Loans at call and at short notice	1,718,000
Bills payable, and other liabilities, including provision for contingencies	4,116,504	British Government securities	775,261
Capital	4,000,000	Government securities of Australasia and other investments	985,308
Reserve fund	3,425,000	Bills receivable, advances on securities, and other assets	27,458,504
Dividend and bonus payable	260,000	Bank premises in Australia, New Zealand, and London	7,829
Profit and loss account	121,763		
	37,914,315		37,914,315

BANK OF NEW SOUTH WALES.

BALANCE-SHEET—September 30, 1921.

LIABILITIES.		ASSETS.	
Notes in circulation	£46,076	Coin, bullion, and cash balances	8,753,015
Deposits, accrued interest, and rebate	50,489,136	Australian Commonwealth notes	4,983,156
Bills payable and other liabilities (which include reserves held for doubtful debts, amounts at credit of investments, and amounts due to other banks)	10,025,752	Fiji Government notes	122,894
Paid-up capital bearing 6 months' div., £4,983,380; 3 months' div., £16,620	5,000,000	Notes of other banks	75,136
Reserve fund	3,425,000	Money at short call in London	1,510,000
Profit and loss, £475,507; less interim dividend to June 30, 1921, £194,585	350,923	Short-dated British Treasury bills	1,485,000
Contingent liabilities—Outstanding credits, a. per contra	1,929,465	Investments—British and Colonial Government securities	7,107,305
		Municipal and other securities	654,634
		Due by other banks	1,255,533
		Bills receivable in London and remittances in transit	4,391,395
		Advances under Government wheat scheme	1,405,536
		Advances under Government War gratuities scheme	921,700
		War Loan advances (Australia and New Zealand)	489,971
		Bills discounted, and loans and advances to customers	35,980,612
		Bank premises	800,000
		Liabilities of customers and others on letters of credit, as per contra	1,929,465
			71,865,352

PROFIT AND LOSS ACCOUNT.

Dr.	Cr.
Interim dividend for quarter ended June 30, 1921, at 10% per annum, paid in terms of Clause CV. of deed of settlement out of the half-year's profits	124,584
Balance proposed to be dealt with as follows: quarter's dividend to September 30, 1921, at the rate of 10% per cent. per annum out of the half-year's profits, £125,000; augmentation of the reserve fund, £75,000; balance carried forward, £150,923	350,923
	475,507

The report presented to the meeting held on November 29, 1921, states that the net profits for the half-year, after deducting rebate on current bills, interest on deposits, paying income, land, and other taxes, amounting to £94,488 (making in all £247,917 for the year), reducing valuation of bank premises, providing for bad and doubtful debts and fluctuations in the value of investment securities, and including recoveries from debts previously written off as bad, amount to £349,409; to which is added undivided balance from last half-year, £126,098—£475,507. An interim dividend at the rate of 10 per cent. per annum for the quarter ended June 30th last was paid on August 26th, out of the half-year's profits, in terms of Clause CV. of deed of settlement, £124,584; leaving a balance of £350,923, which the directors recommend to be dealt with as follows: to payment of a quarter's dividend to September 30, 1921, at the rate of 10 per cent. per annum out of the half-year's profits, £125,000; to augmentation of the reserve fund, £75,000; to balance carried forward, £150,923—£350,923.

BANK OF NEW ZEALAND.

The report presented at the meeting held at Wellington, on June 17, 1921, states that the profits, after providing for expenses of management, all bad and doubtful debts, and other contingencies, and after making provision for the annual donation to the provident fund, also for bonus to staff, are £848,455. From this has to be deducted interest on guaranteed stock, £21,199—£827,256. Of this sum the directors have allocated in reduction of bank premises and furniture, £50,000; leaving balance of profit for the year, £777,256; to which has to be added balance brought forward from last year, £146,520—£923,776. From which there has been paid: interim dividend on "A" and "B" preference shares, £65,625; interim dividend on ordinary shares, £131,250—£196,875; leaving available for distribution, £726,901. This the directors propose should be disposed of as follows:—Dividend on preference "A" shares, making £50,000 for the year, equal to 2s per share, £6,250; dividend on preference "B" shares, making £62,500 for the year, equal to 2s per share, £40,625; dividend on ordinary shares, making £300,000 for the year, equal to 2s 8d per share, £168,750; transfer to reserve fund, £150,000 (making reserve fund £1,525,000); leaving balance to be carried forward, £361,276—£726,901.

BALANCE-SHEET—March 31, 1921.

LIABILITIES.		ASSETS.	
Capital—Four per cent. guaranteed stock	529,988	Coin and cash balances at bankers	5,925,797
"A" preference £1 shares, fully paid, issued to the New Zealand Government	500,000	Government notes—Commonwealth, Fijian, and Samoan Administration	190,996
"B" preference £1 shares, fully paid, issued to the New Zealand Government	625,000	Notes of other banks (legal tender)	564,061
Reserve fund	2,250,000	Bullion on hand and in transit	4,890
Notes in circulation	1,375,000	Money at call and short notice, Government securities, and other securities in London	6,114,823
Deposits	4,741,493	Bills receivable in London and in transit	2,209,533
Bills payable and other liabilities (including provision for doubtful debts and for depreciation in investment securities, also contingencies)	4,116,574	Investments in the Dominion—New Zealand Government securities	3,225,987
Reserve for taxes	425,000	Municipal securities	287,115
Balance of profit and loss	726,901	Australian Government securities	399,317
		Bills discounted	2,780,754
		Other advances and securities and debts due to the bank	27,725,875
		Landed property, premises, &c.	337,469
			49,766,611

PROFIT AND LOSS ACCOUNT.

Dr.	Cr.
Twelve months' interest on guaranteed stock	21,199
Amount written off bank premises and furniture	50,000
Interim dividend paid December 11, 1920, on "A" preference shares £500,000, £43,750; on "B" preference shares £250,000, £21,875; on ordinary shares £1,500,000, £131,250	196,875
Balance being net profit for year, £777,256; amount brought forward from last year, £146,520—£923,776; less interim dividend paid, as above, £196,875	726,901
	994,975

BANCA COMMERCIALE ITALIANA.

Head Office: MILAN

Branches throughout Italy

and in

LONDON, NEW YORK, CONSTANTINOPLE.

Affiliated and Associated Institutions:

Banque Française & Italienne pour l'Amérique du Sud, Paris, Buenos Aires, Rio, San Paulo, Santos, Pernambuco, etc.
 Banco Italiano, Lima, Callao, Arequipa, Chinchá-Alta, etc.
 Banco Frances de Chile, Santiago.
 Banco Frances e Italiano de Colombia, Bogota.
 Banca Commerciale Italiana (France), Marseilles, Nice, etc.
 Banca della Svizzera Italiana, Lugano, Bellinzona, Chiasso, etc.
 Banca Commerciale Italiana & Bulgara, Sofia, Varna.
 Banca Commerciale Italiana & Romena, Bucarest, Braila, Galatz, etc.
 Società Italiana di Credito Commerciale, Trieste, Vienna.
 Banca Ungaro-Italiana, Budapest, etc., etc.

Capital	-	-	-	Lire	400,000,000
Reserve	-	-	-	"	180,000,000
Deposits	-	-	-	"	4,988,000,000

London Office: 30a, Threadneedle St., E.C.2.
 Manager: E. CONSOLO. Deputy Managers: G. COSTA & R. B. HANDLEY.

Correspondents to the Royal Italian Treasury.

IMPERIAL BANK OF INDIA

Constituted under the Imperial Bank of India Act, 1920.

For the purpose of taking over the undertakings and business of the Bank of Bengal, the Bank of Bombay, and the Bank of Madras.

BANKERS TO THE GOVERNMENT OF INDIA.

AUTHORISED CAPITAL: 225,000 shares of Rs. 500 each	Rs.	11,25,00,000
PAID-UP CAPITAL as on 27th January, 1922: 75,000 Shares of Rs. 500 each—Fully Paid	"	3,75,00,000
149,800 Shares of Rs. 500 each—Rs. 125 Paid	"	1,87,25,000
	Rs.	5,62,25,000
RESERVE FUND as on 27th January, 1922	"	4,01,79,000
RESERVE LIABILITY OF SHAREHOLDERS as on 27th January, 1922	"	5,81,75,000

Managing Governors:—Sir ROBERT AITKEN; Sir BERNARD HUNTER.

Local Head Offices: CALCUTTA, BOMBAY, MADRAS.

London Office:—5, Whitlington Avenue, E.C.3.

Sir NOROOT WARREN, K.C.I.E., Manager.

BRANCHES.

Agra	Bombay (Sandhurst Road)	Guntur	Masulipatam	Rajamundry
Ambedabad	Branch	Hubli	Meerut	Rajkot (Kathiawar)
Ambedabad City	Calcutta (Olive Street)	Hyderabad (Deccan)	Mooltan	Rangoon
Ambedabad	Calcutta (Harrison Road)	(Sub-agency: Farbhani)	Moradabad	Rawalpindi
Akola	Calcutta (Park Street)	Hyderabad (Sind)	Moulmein	Salem
Akylab	Calcutta	Indore	Muzaffarpur	Secunderabad
Allahabad	Cawnpore	Jalgaon (East Khandesh)	Nagpore	Serajgunge (Pay Station)
Alleppey	Chandpur (Pay Office)	Jalpaiguri	Narasapur (Out-sta- tion to Cocanada)	Simla
Ambala	Chittagong	Jubbulpore	Narayanganje	Sholapur
Amraoti	Cocanada (Out-station)	Karachi	Nasik	Sukkur
Amritsar	Narasapur	Kumbakonam	Negapatam	Surat
Bangalore	Cochin	Lahore	Ootacamund	Tellicherry
Barrackpore	Colombo	Larkana	Parbhani (sub to Hy- derabad Deccan)	Trichinopoly
Bellary	Cuddalore	Lucknow	Patna	Trivandrum
Benares	Cuttack	Madras (Mount Road)	Peshawar	Vizianagram
Berhampore	Dacca	Madras	Poona	Vizapatam
Bombay (Byculla)	Dahli	Mandlay	Quetta	Yellore
Bombay (Mandvi)	Rode	Mangalore		

CURRENT ACCOUNTS—Opened free of charge.

FIXED DEPOSITS—Received at Interest.

SAVINGS BANK DEPOSITS—Received and Interest allowed.

GOVERNMENT AND OTHER SECURITIES—Received for safe custody, Purchases and Sales effected, Interest and

Dividends collected and credited to account or remitted in accordance with instructions.

LOANS AND CASH CREDITS—Granted, and approved Mercantile Bills discounted.

Rates, copies of rules, Powers of Attorney, &c., may be had on application at any of the Local Head Offices or Branches of the Bank.

BANK OF VICTORIA, LIMITED.

The report submitted to the meeting held on August 2, 1921, is as follows:—Balance brought forward from June 30, 1920, £22,040; net profits for the past year, £234,826—£256,866. Interim dividend at 9 per cent. for period July to December, 1920—preference shares, £18,754; ordinary shares, £47,756—£66,510; to officers' provident fund, £3,000—£69,510; balance, £187,356. The directors recommend that the remaining profits for the year be apportioned as follows:—To dividend on preference shares, at 9 per cent. per annum, £18,754; to dividend on ordinary shares, at 9 per cent. per annum, £47,756—£66,510; to reserve fund (making it £600,000), £75,000; to reduction of bank premises account, £10,000; to balance to be carried forward, £35,846—£187,355.

BALANCE-SHEET—June 30, 1921.

(Including London Branch at May 9, 1921.)

LIABILITIES.	£	ASSETS.	£
Capital paid up, viz.: 41,676 preference shares of £10 each, fully paid up in cash, £416,760; 212,250 ordinary shares of £10 each, paid up to £5, £1,061,250	1,478,010	Coin, bullion, Australian notes, and cash at bankers	1,869,637
Reserve fund	525,000	Money at short call and Treasury bills in London	868,646
Profit and loss	187,356	Commonwealth of Australia War Loan stock and debentures, Victoria Government stock and debentures, and municipal debentures	839,366
Bills in circulation	6,580	Bills and remittances in transit and bills receivable in London	1,041,549
Government deposits	913,641	Notes and bills of other banks	301
Not bearing interest	78,638	Balances due from other banks	278,674
Bearing interest	1,365,836	War gratuity advances	269,598
Other deposits and interest accrued		Stamps	6,146
(Including rebate on bills discounted)—not bearing interest	4,067,304	War Loan advances	280,658
Including officers' guarantee and provident funds—bearing interest	4,440,838	Real estate, consisting of bank premises	367,083
Balances due to other banks	224,156	Other real estate	7,310
Contingent liabilities, as per contra	340,850	Bills discounted and other advances, exclusive of provision for bad and doubtful debts	7,458,391
		Liabilities of customers and others in respect of contingent liabilities, as per contra	340,850
			13,628,209

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Current expenses—head office and 104 branches and 9 sub-branches	178,832	Balance brought forward from June 30, 1920, £128,770; gross profits for the year ending June 30, 1921, after deducting all interest paid or due to customers, and rebating bills current, and providing for bad and doubtful debts and taxes, £413,657	542,428
Balance	187,356	Less dividend paid for half-year ending June 30, 1920, £51,730; interim dividend for period July to December, 1920, £66,511; amount transferred to officers' provident fund, £3,000; amount transferred to reserve fund, £50,000; amount transferred to bank premises, £5,000	176,240
	366,188		366,188

COMMERCIAL BANKING COMPANY OF SYDNEY, LIMITED.

BALANCE-SHEET—June 30, 1921.

(Including London branch to June 30, by cable.)

LIABILITIES.	£	ASSETS.	£
Capital paid up	2,909,025	Coin, bullion, Australian Commonwealth notes, and cash at bankers	7,535,466
Reserve fund	2,230,000	Money at short call in London	1,065,000
Notes in circulation	9,867	Short-dated British Treasury bills	1,285,000
Bills in circulation	1,600,741	British and Australian War Loan stocks and Government and other securities	5,022,338
Deposits and other liabilities	31,945,205	Bills receivable in London and remittances in transit	2,431,603
Profit and loss account	350,185	Notes and bills of other banks	130,589
		Bills discounted, and other debts due to the bank	19,605,066
		Advances to Commonwealth Government on account of war gratuities	581,000
		Bank premises, furniture, &c.	678,961
			38,335,023

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend for the half-year ended December 31, 1920, at the rate of 10 per cent. per annum, paid on January 21, 1921, out of the year's profits	125,000	Amount brought forward from last year	82,262
Balance, proposed to be dealt with as follows:		Profit for year ended June 30, 1921	392,923
Dividend for past half-year at the rate of 10 per cent. per annum out of the year's profits, £125,000; reserve fund, £160,000; balance carried forward, £85,185	350,185		475,185

The report presented to the meeting held at Sydney, on July 26, 1921, states that the balance at credit of profit and loss, after adding the amount brought forward, and deducting interim dividend at the rate of 10 per cent. per annum, paid on January 21, 1921, rebate on current bills and accrued interest on fixed deposits, reducing premises account, paying land, income, and other taxes, and providing for bad and doubtful debts, as well as granting to the officers a bonus on their salaries, and making an addition of £5,000 to the officers' provident fund, amounts to £350,185; out of which the directors recommend the following appropriations—to payment of a dividend for the past half-year at the rate of 10 per cent. per annum out of the year's profits, £125,000; to transfer to reserve fund, £140,000; to balance carried forward, £85,185—£350,185.

COMMERCIAL BANK OF AUSTRALIA, LIMITED.

The report to the meeting held on August 4, 1921, states that the net profits for the year ended June 30, 1921, amount to £237,772, to which is added amount brought forward, £16,258, making a total of £254,030. From this amount the directors have made the following appropriations, viz.:—To reinstatement of capital, £135,000; to reduction of bank premises, £10,000; to interim dividend on preference shares paid February, 1921, £42,347—£187,347; leaving a balance of £66,683, which it is proposed to apportion as follows:—To dividend on the preference shares at 4 per cent. per annum, £42,347; to dividend on the ordinary shares at 15 per cent. per annum, £11,014; to carry forward to next year, £13,322—£66,683. In addition to the above amount of £135,000 applied towards reinstatement of capital, the sum of £106,658 12s 6d, being premium received on the new issue of shares, has also been applied to that purpose, in terms of circular to shareholders dated November 1, 1920.

BALANCE-SHEET—June 30, 1921.

LIABILITIES.	£	ASSETS.	£
Capital—211,735 preference shares, paid in cash to £10, £2,117,350; 281,451 ordinary shares, paid in cash to 10s, £140,725; 155,027 ordinary shares, paid in cash to 7s 6d, £58,135; 13,103 ordinary shares paid in cash to 5s, £3,276; 1,460 ordinary shares paid in cash to 2s 6d, £365	2,319,667	Coin, bullion, Australian notes, and cash at bankers	3,608,705
Deduct estimated deficiency, in connection with the Special Assets Trust Company, Limited	201,001	Money at call and short notice in London	1,370,000
Net actual capital	2,118,666	Government, municipal, and other public stocks and funds, and other debentures	573,018
Profit and loss account	65,683	Bills receivable in London & balance of remittances and drafts in transit	622,670
Notes in circulation	65,264	Notes and bills of other banks	651,506
Bills payable and other liabilities, including reserves for contingencies	1,302,759	Balances due from other banks	38,411
Government deposits—not bearing interest, £83,992; bearing interest, £1,114,228; other deposits—not bearing interest, £8,287,467; bearing interest, £6,118,106	15,603,793	Advances under Government Wheat scheme	12,475
Balances due to other banks	33,521	Advances under Government War Gratuity scheme	328,400
Contingent liabilities, as per contra	317,179	War Loan advances	1,068,284
	19,497,871	Bills discounted, and other advances, exclusive of provision for bad or doubtful debts	10,319,178
		Real estate, consisting of bank premises	513,775
		Liabilities of customers and others in respect of contingent liabilities, as per contra	317,179

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Salaries and allowances—head office and 372 branches and receiving offices	278,830	Balance from last year	16,258
Rent and other charges	90,658	Amount of profits, after deducting interest accrued on deposits, and rebate on bills current; paying income, land, and other taxes, and providing for bad and doubtful debts, and other contingencies	607,260
Reinstatement of capital	135,000		623,518
Reduce bank premises	10,000		
Interim dividend at 4% on preference shares paid February, 1921	42,347		
Balance	66,683		

ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

The report to the meeting held on November 23, 1921, is as follows:—The profits for the year, after making provision for bad and doubtful debts and other contingencies, amount to £835,719; less expenses of management, £405,065; income and other taxes, £162,679—£567,744—£267,975. From this the following deductions have been made:—An interim dividend of 5 per cent., free of income-tax, £62,812; reserve fund, £15,000—£77,812—£190,163; and it is proposed to make further appropriations as follows:—To reserve fund, additional, making £82,837 for the year, when the fund will stand at £1,300,000, £67,837; to the E. S. and A. Bank officers' guarantee and provident fund, £5,000; to the payment of a further 5 per cent., making a dividend of 10 per cent. for the year, free of income-tax, £65,994; to the purchase and cancellation of deferred inscribed deposit stock in accordance with the articles of association, £42,936—£181,767; unappropriated from the profits of the year, £8,396; brought forward from

THE . . .

DISTRICT BANK.



The Manchester and Liverpool
District Banking Company Ltd.

ESTABLISHED 1829.

Chairman: SIR CHRISTOPHER T. NEEDHAM.

Managing Directors: ANGUS A. G. TULLOCH, Esq., D.L. W. R. EASTERBY, Esq.
(Deputy Chairman).

Paid-up Capital - £1,896,000 Reserve Fund - £1,650,000
Deposits - £62,116,777 Total Assets - £67,566,816

Head Office: SPRING GARDENS, MANCHESTER.

Foreign Department: { 13, Spring Gardens, Manchester.
3, Water Street, Liverpool.

London Office: 75, Cornhill, E.C.3. Liverpool Office: Water Street.

And 343 Branches and Sub-branches in Lancashire, Cheshire, Staffordshire, Shropshire, Yorkshire, Derbyshire, Cumberland, Westmorland, and North Wales.

Every Banking Facility Afforded and Special Attention given to Colonial and Foreign Business.

IMPERIAL OTTOMAN BANK

Founded 1863.

Capital - £10,000,000. Paid-up - £5,000,000.
Reserve - £1,250,000.

GENERAL COMMITTEE:

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THE VISCOUNT GOSCHEN, C.B.E. E. W. H. BARRY. THE EARL OF BEXBOROUGH, C.M.G. THE EARL OF CHESTER, C.B.E. SIR W. GUT GRANET. SIR JOHN P. HEWITT, C.C.S.I., K.B.E., C.I.E.	THE LORD HILLINGDON. General the HON. SIR HERBERT A. LAWRENCE, K.C. THE LORD ORANMORE & BROWNE, K.P., P.C. Lieut.-Col. SIR ALBERT STERN, K.B.E., C.M.G.
	LE BARON DE NEUFVILLE, C.V.O. JEAN BOISSONNAS. CHARLES DE CERJAT. HORACE FINALY. GEORGES HEINE.
	ARSENE HENRI, G.C.V.O. LE BARON HENRI HOTTINGUER. RAOUL MALLEY. LE COMTE FREDERIC PILLET-WILL. FELIX VERNES.

London Office: 26, THROGMORTON STREET, E.C.2.

Manager: E. W. H. Barry. Assistant Manager and Secretary: C. E. L. Corthorn.
Assistant Manager and Deputy Secretary: R. S. C. Pearce. Assistant Manager: W. P. Sheppard.

MANCHESTER 56-60, Cross Street. PARIS: 7, Rue Meyerbeer. MARSEILLES: 41-43, Rue Grignan.

CONSTANTINOPLE (Galata, Pera & Stamboul).

EGYPT.	PALESTINE.	CYPRUS.	PERSIA.	MESOPOTAMIA.
Alexandria. Cairo. Mansourah. Minieh. Port Said.	Jerusalem. Jaffa. Caifa. Ramallah.	Famagusta. Larnaca. Limassol. Nicosia. Paphos.	Hamadan. Kermanshah.	Ashar. Bagdad. Bassorah. Kirkuk. Mosoul.
SALONICA.	SMYRNA.	SYRIA.	TUNIS.	
		(Banque de Syrie—Affiliated Bank.) Aleppo. Alexandretta. Beyrout.	Damascus. Hamah. Hama.	Saida. Tripoli. Zahle.

The Bank has its own Branches or Agents in every important commercial town in the near East.
Drafts and Telegraphic Transfers issued. Letters of Credit granted.
Exchange and Merchandise operations effected.

June 30, 1920, £94,209; leaving a balance to be carried forward of £102,605.

BALANCE-SHEET—June 30, 1921.

LIABILITIES.	£	ASSETS.	£
Paid-up capital—105,591 shares (£12 10s per share) ..	1,319,887	Cash and bullion	5,092,141
Reserve fund	1,232,163	Cash at bankers and at short notice	1,115,416
Perpetual stocks—		Investments (British and Colonial Government securities) ..	878,950
Debenture stock, £983,547; preferred inscribed deposit stock, £889,419; deferred inscribed deposit stock, £887,500 ..	2,440,466	Bills receivable and remittances in transit ..	3,851,314
Deposits at interest (including Government balances) ..	11,042,810	Advances and other assets (after making provision for bad and doubtful debts and contingencies) ..	19,069,034
Current accounts ..	11,509,915	Security for note issue (Colonial Government securities) ..	5,625
Notes in circulation ..	1,340	Bank premises and furniture ..	774,818
Bills payable, rebate on bills, and other liabilities ..	2,954,345		
Profit and loss—			
Balance as per last balance-sheet, £179,162; less transferred to reserve fund, £35,000; applied to the cancellation of deferred inscribed deposit stock, £17,981; final dividend free of income-tax, £26,972; E.S. and A. Bank officers' guarantee and provident fund, £5,000—£84,953—£94,209; balance as per profit and loss account, £190,163 ..	284,372		
	30,785,298		30,785,298

COMMONWEALTH BANK OF AUSTRALIA.

BALANCE SHEET—December 31, 1921.

LIABILITIES.	£	ASSETS.	£
Deposits, accrued interest, and rebate	26,556,692	Coin, bullion & cash balances ..	4,872,995
Bills payable and other liabilities ..	2,734,942	Australian notes ..	2,684,892
Savings bank department ..	37,278,788	Money at short call in London ..	10,715,000
Capital—debentures issued ..	1,896,363	Investments—	
Reserve fund ..	1,896,363	British, Colonial and Government securities (face value £25,083,144) ..	24,894,489
Redemption fund ..	1,896,363	Commonwealth Government securities (face value, £29,912,403) ..	9,838,412
Contingent liabilities—Outstanding credits, per contra ..	259,466	Fixed deposits of other banks ..	929,000
Total General Bank and Savings Bank Department ..	55,548,371	Bills receivable in London & remittances in transit ..	1,937,197
Note issue department ..	126,170,985	Bills discounted, loans and advances to customers and other sums due to the bank ..	13,904,223
		Bank premises ..	586,940
		Liabilities of customers and others on letters of credit, per contra ..	259,466
		Total General Bank and Savings Bank Department ..	55,548,371
		Note issue department ..	126,170,985
			126,170,985

PROFIT AND LOSS,

Dr.	£	Cr.	£
Reserve fund ..	170,680	Profits for half-year ended December 31, 1921 ..	341,361
Redemption fund ..	170,681		
	341,361		341,361

NATIONAL BANK OF AUSTRALASIA, LIMITED.

The report for the year ended March 31, 1921, states that the net profit, after deduction of all expenses, &c., including £54,221 for income, land, and note taxes, amounted to £336,610; add balance brought forward from previous year, £50,015, leaving available £386,625. From this sum the following appropriations have been made:—Interim dividend of 9 per cent. per annum, paid in November last, for the six months ended September 30th, preceding, £90,000; transfer to reserve fund account (making it £1,320,000), £120,000; reduction of bank premises, £20,000—£230,000. And it is recommended that a dividend be paid on preference

and ordinary shares at the rate of 10 per cent. per annum for the half-year ended March 31, 1921, £100,000—£330,000; carry forward, £56,625—£386,625.

BALANCE-SHEET—March 31, 1921.

LIABILITIES.	£	ASSETS.	£
Capital—		Coin, bullion, Australian notes, and cash at bankers ..	4,795,584
£200,000 preference shares fully paid up ..	620,000	Government, Municipal, and other public stocks, debentures, and funds ..	3,691,952
278,000 £8 ordinary shares paid up to £5 per share ..	1,380,000	Bills and remittances in transit ..	1,803,592
Reserve fund account ..	1,320,000	Notes and bills of other banks ..	17,173
Profit and loss account ..	156,625	Balances due from other banks ..	127,731
Notes in circulation ..	49,524	Duty stamps ..	12,331
Bills in circulation ..	1,172,674	Bank furniture ..	29,341
Government deposits ..	3,219,043	Real estate, consisting of bank premises ..	567,829
Other deposits ..	20,972,488	Other real estate ..	43,824
Interest accrued and rebate on current bills ..	258,727	Bills discounted and other advances, exclusive of provision for bad and doubtful debts ..	18,352,615
Balances due to other banks ..	292,891		
	29,441,972		29,441,972

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Expenses at head office, 226 branches, and 114 agencies ..	471,270	Balance brought forward ..	50,015
Income, land, and note taxes ..	54,221	Gross profits, including re-coveries, less rebate on bills current, interest paid and accrued on deposits, repairs to premises, and rent ..	862,101
Interim dividend ..	90,000		
Transfer to reserve fund ..	120,000		
Reduction of bank premises ..	20,000		
Balance ..	156,625		
	912,116		912,116

NATIONAL BANK OF NEW ZEALAND, LIMITED.

BALANCE-SHEET—March 31, 1921.

LIABILITIES.	£	ASSETS.	£
Capital issued—400,000 shares of £7 10s each, £2 10s paid ..	1,000,000	Coin and bullion at head office and branches ..	994,433
Reserve fund ..	1,020,000	Cash at bankers, and money at call and short notice ..	310,735
Notes in circulation ..	981,782	Investments in British and New Zealand Governments ..	2,136,197
Deposits and current accounts ..	8,296,492	War Loans, Treasury bills, and Exchequer bonds ..	603,669
Bills payable and other liabilities (including provision for doubtful debts and depreciation of investments) ..	4,129,913	Bills discounted ..	853,165
Profit and loss account ..	226,394	Bills receivable in London and remittances in transit ..	10,560,232
	15,654,581	Advances on securities and current accounts ..	196,150
		Landed property, premises, and furniture ..	15,654,581

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend for the half-year ended Sept. 30, 1920, at the rate of 12 per cent. per annum ..	60,000	Balance at April 1, 1920 ..	69,573
Premises ..	35,000	Gross profits for the year ending March 31, 1921, after making provision for bad and doubtful debts, &c., less expenses of management, directors' remuneration, and charges at head office and 70 branches and agencies, £195,558; income-tax—New Zealand £72,207, British £50,810—£123,017—£318,575 ..	326,821
Reserve for depreciation of investments ..	75,000		
Proposed allocation of balance—			
Dividend for the half-year ended March 31, 1921, at the rate of 12 per cent. per annum, £60,000; bonus of 2 per cent., £20,000—£80,000; reserve fund, £20,000; pension, gratuity and guarantee funds, £10,500; to be carried forward, £115,894 ..	226,394		
	396,394		396,394

The report submitted to the meeting on July 15, 1921, states that the net profit, after paying a bonus to the staff of £23,600, providing for bad and doubtful debts, and including £69,573 brought forward from the previous year, amounts to £396,394. The interim dividend at the rate of 12 per cent. per annum, paid in January last, absorbed £60,000. The sum of £35,000 has been placed to premises account, and £75,000 to reserve for depreciation of invest-

BANK OF LIVERPOOL & MARTINS LIMITED.



Head Office: 7, WATER STREET, LIVERPOOL.
London Office: 68, LOMBARD STREET, LONDON, E.C.3.

Capital Subscribed - - - - - £18,791,120
Capital Paid Up - - - - - 2,348,890
Reserve Fund and Surplus Profits - - - - - 1,547,119
Deposits, etc., at 31st December, 1921 78,645,611

322 BRANCHES AND SUB-BRANCHES.

All descriptions of Banking, Trustee and Foreign Exchange Business Transacted.
THE BANK IS PREPARED TO ACT AS AGENTS FOR FOREIGN BANKS ON USUAL TERMS.

London County Westminster and Parr's Bank Limited.

ESTABLISHED IN 1838.

Chairman: WALTER LEAF.

Deputy-Chairmen: SIR MONTAGU TURNER. R. HUGH TENNANT.

AUTHORISED CAPITAL ...	£33,000,000
PAID-UP CAPITAL ...	9,003,718
RESERVE ...	9,003,718
(31st December, 1921.)	
Current, Deposit and other Accounts ...	£317,655,838

Head Office: 41, LOTHBURY, LONDON, E.C.2.

Chief General Manager: JOHN RAE.

Foreign Branch Office: 82, CORNHILL, LONDON, E.C.3.

Affiliated Abroad: - LONDON COUNTY WESTMINSTER & PARR'S FOREIGN BANK, LIMITED.

FRANCE.—PARIS: 22, Place Vendôme. BORDEAUX: 22 and 24, Cours de l'Intendance. LYONS: 37, Rue de la République. MARSEILLES: 29, Rue Cannebière. NANTES: 6, Rue Lafayette.	BELGIUM.—BRUSSELS: 114-120, Rue Royale. ANTWERP: 28-30, Place de Meir.
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ON

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PUBLIC Companies and Goodwill are dealt with in this new book. The subjects considered include market quotation of shares at a premium, its causes and meaning; balance-sheet values; and the issue of shares at a premium. Methods are suggested of testing the Stock Exchange values of shares, and illustrations are given of two cases: (1) a great retail business, and (2) a great insurance company. 21/- net.

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ments, leaving now available for distribution £226,394, which the directors propose to allocate as follows:—In payment of a dividend at the rate of 12 per cent. per annum for the half-year ended March 31st, £60,000; in payment of a bonus of 2 per cent., £20,000 (both free of income-tax)—£80,000; to reserve fund (which will then stand at £1,040,000), £20,000; to pension, gratuity, and guarantee funds, £10,500; balance to be carried forward, £115,894—£226,394.

QUEENSLAND NATIONAL BANK, LIMITED.

The net profit for the year ended June 30, 1920, after allowing for rebate on bills current, income-taxes, land taxes, interest accrued on deposits and interminable inscribed deposit stock, and making provision for bad and doubtful debts, and including recoveries, amounts to £104,673; to which is to be added amount brought forward from half-year ended June 30, 1919, £6,766; making a total of £111,439; out of which interim dividends at the rate of 10 per cent. per annum were paid for the quarters ended September 30, 1919, December 31, 1919, and March 31, 1920, on the following dates respectively: November 15, 1919, £18,365; February 12, 1920, £19,192; May 13, 1920, £19,801—£57,358—£54,081; and a transfer made to reserve fund of £28,000; leaving for distribution, £26,081; which it is proposed to deal with as follows: Dividend at the rate of 10 per cent. per annum for the quarter ended June 30, 1920 (making a total dividend of 10 per cent. for the year, free of Queensland income-tax), £19,916; balance to be carried forward, £6,165—£26,081.

BALANCE-SHEET—June 30, 1920.

(London Branch Accounts for 15 months from March 31, 1919, to June 30, 1920, being included.)

	£		£
Capital paid up	796,655	Coin, bullion, and cash at bankers	1,003,807
Reserve fund	300,000	Australian notes	2,393,363
Profit and loss	26,081	Commonwealth War Loan	521,900
Interminable inscribed deposit stock	3,091,669	British Treasury bills	415,000
Bills payable and other liabilities	570,076	Government stocks	118,700
Deposits—		Cash balances	318,566
Queensland Government	1,872,561	Bills remitted and in transit	1,146,467
Commonwealth of Australia	178,942	Money in London at call, and on short notice	150,000
Private	6,375,573	Advances to customers on current account, bills discounted, and other debts due to the bank	6,783,454
		Bank premises, furniture, and stationery	370,300
	13,211,557		13,211,557

National Bank of Commerce in New York

President
JAMES S. ALEXANDER

Capital Paid up \$25,000,000
Surplus and Undivided Profits
over \$30,000,000

The National Bank of Commerce in New York places complete banking services at the disposal of business throughout the world bringing it in contact with all phases of commerce and industry in the United States.

LONDON REPRESENTATIVE.
Gresham House, Old Broad Street,
London, E.C.2



ROYAL BANK OF AUSTRALIA, LIMITED.

The report presented to the meeting on October 27, 1921, states that for the half-year ending September 30, the net profits amount to £58,216, which it is proposed to deal with as follows, viz., to pay a dividend at the rate of 10 per cent. per annum, £37,500; transfer to the reserve fund (making it £455,000), £20,000; and to add to the amount carried forward from last half-year (making it £3,635), £716—£58,216.

BALANCE-SHEET—September 30, 1921.

LIABILITIES.	£	ASSETS.	£
Capital paid up—		Coin, bullion, Australian notes, and cash at bankers	1,359,283
270,000 shares paid up to £1	270,000	Notes and bills of other banks	4,147
120,000 shares paid up to £4	480,000	Balances due from other banks	19,806
Reserve fund	435,000	Bills and remittances in transit, and payable in London	81,804
Profit and loss account	89,135	Government, municipal, and other public stocks, debentures, and funds	252,631
Notes in circulation	845	Stamps	1,665
Bills in circulation	657,927	Real estate, consisting of—	
Government deposits	912,926	Bank premises	154,800
Other deposits—Rebate and interest accrued	3,681,059	Bills discounted and other advances, exclusive of provision for bad and doubtful debts	1,652,206
Contingent liabilities, as per contra	225,069	Bank furniture, fittings, stationery, &c.	750
		Liabilities and securities of customers and others in respect of contingent liabilities, as per contra	225,069
	6,751,961		6,751,961

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Salaries, rent, income and land taxes and other charges	38,880	Balance at March 31, 1921, balance carried down	30,919
Balance	89,135	Profits for the half-year, after deducting interest accrued on deposits and rebate on bills current, less reserves for bad and doubtful debts	97,095
	128,015		128,015

UNION BANK OF AUSTRALIA, LIMITED.

The report presented at the meeting held on July 25, 1921, states that there was a net profit for the year to February 28, 1921, of £598,057, inclusive of £31,716 brought forward from the previous year. The interim dividend paid in January last at the rate of 15 per cent. per annum, equal to 7s 6d per share, having absorbed £187,500, the amount now available is £410,557. From this the directors have made the following appropriations: £20,000 in reduction of the bank premises account in Australia and New Zealand; and £120,000 as an addition to the bank's reserve fund, which now stands at £2,750,000. From the balance remaining the directors have resolved upon the declaration of a final dividend at the rate of 15 per cent. per annum, equal to 7s 6d per share, making 15 per cent. for the year, free of income-tax. The final dividend will absorb £187,500, and leave £223,057 to be carried forward.

BALANCE-SHEET—February 28, 1921.

LIABILITIES.	£	ASSETS.	£
Capital paid up	2,500,000	Specie on hand and cash balances	7,008,209
Reserve fund	2,750,000	Bullion and advances on bullion	27,609
Balance of undivided profits	270,557	Money at call and short notice in London	1,055,000
Circulation	676,909	Investments—On account of reserve fund: British Government securities, £1,000,000; other investments: British Government securities, £1,016,738	2,116,738
Deposits	29,531,558	Balance of remittances and drafts in transit, and bills receivable at London office	2,142,918
Bills payable and other liabilities (including reserves held against contingencies)	4,003,968	Bills discounted, loans, and other securities at the branches and in London	26,766,010
		Bank premises in Australia and New Zealand	106,600
		London leasehold premises, £142,305; reserves against same and accrued interest, £32,407	1,109,898
	39,732,982		39,732,982

CANADIAN AND W.I. BANKS.

BANK OF MONTREAL.

Statement of the result of the business of the bank for the year ended October 31, 1921:—Balance of profit and loss account, October 30, 1920, \$1,251,850; profits for the year ended October 31, 1921, after deducting charges of management, and making full provision for all bad and doubtful debts, \$3,949,796—\$5,201,646; quarterly dividend, 3 per cent., paid March 1, 1921, \$660,000; quarterly dividend, 3 per cent., paid June 1, 1921, \$660,000; quarterly

THE BRITISH OVERSEAS BANK LIMITED.

31, LOMBARD STREET, LONDON, E.C.3.

Telegraphic Address:

Telephone Number:

(Inland) "SAESREVO, THREAD, LONDON."

CITY 7140

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ESTABLISHED 1753.

REGISTERED WITH UNLIMITED LIABILITY 1885.

67, LOMBARD STREET, LONDON, E.C.3.

CAPITAL	£1,000,000
RESERVE FUND	500,000
CURRENT AND DEPOSIT ACCOUNTS	25,625,242
CASH IN HAND AND AT BANK OF ENGLAND	4,573,262
MONEY AT CALL AND SHORT NOTICE	6,258,500
INVESTMENTS	8,245,884
ADVANCES, &c.	6,744,917
Balances with and cheques in course of collection on other Banks in the United Kingdom	1,085,049

31st December, 1921.

MANAGING PARTNERS:

The Hon. A. H. MILLS.
LORD WOLVERTON.
General The Hon. Sir H. A. LAWRENCE, K.C.B.

General Manager:

Brig.-General A. MAXWELL, C.M.G., D.S.O.

Secretary:

ERIC GORE BROWNE, D.S.O.

*Every description of British and Overseas Banking and Exchange business transacted.
The Bank undertakes the office of Executor and Trustee.*

terly dividend, 3 per cent., paid September 1, 1921, \$660,000; quarterly dividend, 3 per cent., payable December 1, 1921, \$660,000; bonus, 2 per cent., payable December 1, 1921, \$440,000; war tax on bank-note circulation to October 31, 1921, \$220,000; reservation for bank premises, \$400,000—\$3,700,000; balance of profit and loss carried forward, \$1,501,646.

BALANCE-SHEET—October 31, 1921.

LIABILITIES.	\$	ASSETS.	\$
Capital stock	22,000,000	Gold and silver coin current	25,622,287
Reserve fund	22,000,000	Domestic notes	62,627,391
Balance of profits carried forward	1,501,646	Deposit in the central gold reserves	11,200,000
Unclaimed dividends	15,601	Balances due by banks and banking correspondents elsewhere than in Canada	11,357,957
Quarterly dividend, payable December 1st, 1921	660,000	Call and short (not exceeding 30 days) loans in Canada, on bonds, debentures and stocks	1,820,951
Bonus of 2% payable December 1st, 1921	440,000	Call and short (not exceeding 30 days) loans in Great Britain and United States	96,959,414
Notes of the bank in circulation	31,624,820	Domestic and Provincial Government securities, not exceeding market value	26,584,002
Balance due to Dominion Government	22,840,543	Railway and other bonds, debentures and stocks, not exceeding market value	3,010,402
Deposits not bearing interest	88,618,101	Canadian Municipal securities, and British, foreign, and Colonial public securities other than Canadian	21,207,207
Deposits bearing interest, including interest accrued to date of statement	317,935,871	Notes of other banks	2,755,232
Deposits made by and balances due to other banks in Canada	1,511,955	Cheques on other banks	27,751,453
Balances due to banks and banking correspondents elsewhere than in Canada	2,217,754	Current loans and discounts in Canada (less rebate of interest)	184,670,289
Bills payable	2,336,828	Loans to cities, towns, municipalities, and school districts	16,754,821
Acceptances under letters of credit	2,554,905	Current loans and discounts elsewhere than in Canada (less rebate of interest)	15,129,202
Liabilities not included in the foregoing	1,145,138	Overdue debts, estimated loss provided for	758,482
		Bank premises at not more than cost (less amounts written off)	5,500,000
		Liabilities of customers under letters of credit (as per contra)	2,554,905
		Deposit with the Minister for the purposes of the Circulation Fund	1,090,000
		Other assets not included in the foregoing	226,167
	517,403,163		517,403,162

BANK OF NOVA SCOTIA.

(INCORPORATED 1832.)

Statement of the result of the business of the bank for the year ending December 31, 1921:—Profit and loss: Balance, December 31, 1920, \$982,595; net profits for year, losses by bad debts estimated and provided for, \$2,111,733—\$3,094,328. Dividend No. 205, at 16 per cent. per annum, paid April 1, 1921, \$388,000; dividend No. 206, at 16 per cent. per annum, paid July 2, 1921, \$388,000; dividend No. 207, at 16 per cent. per annum, paid October 1, 1921, \$388,000; dividend No. 208, at 16 per cent. per annum, payable January 3, 1922, \$388,000; war tax on circulation to December 31, 1921, \$97,000; contribution to

officers' pension fund, \$80,000; written off bank premises account, \$300,000; transferred to reserve fund, \$1,000,000; balance carried forward, December 31, 1921, \$65,328—\$3,094,328.

BALANCE-SHEET—December 31, 1921.

LIABILITIES.	\$	ASSETS.	\$
Capital stock paid in	9,700,000	Current coin	11,528,450
Reserve fund	19,000,000	Domestic notes	20,934,292
Balance of profits, as per profit and loss account	65,328	Notes of other banks	2,758,213
Dividends declared and unpaid	390,330	Cheques on other banks	9,089,111
Notes of the bank in circulation	15,852,568	Balances due by banks and banking correspondents in the United Kingdom	1,086,933
Deposits not bearing interest	35,297,384	Balances due by banks and banking correspondents elsewhere than in Canada and the United Kingdom	3,038,168
Deposits bearing interest, including interest accrued to date	141,242,408	Deposit in the central gold reserves	6,500,000
Balances due to other banks in Canada	716,301	Domestic and Provincial Government securities, not exceeding market value	22,914,222
Balances due to banks and banking correspondents in the United Kingdom	107,472	Canadian municipal securities and British, foreign, and Colonial public securities other than Canadian, not exceeding market value	10,676,092
Balances due to banks and banking correspondents elsewhere than in Canada and the United Kingdom	1,342,464	Railway and other bonds, debentures and stocks, not exceeding market value	4,131,566
Bills payable	1,180,799	Demand loans in Canada, secured by grain and other staple commodities	19,905,380
Acceptances under letters of credit	411,344	Call and demand loans elsewhere than in Canada	11,731,284
		Call and demand loans in Canada secured by bonds, debentures and stocks	7,502,163
		Deposit with the Minister of Finance for the purposes of the circulation fund	484,286
		Loans to Governments and municipalities	3,066,660
		Other current loans and discounts in Canada (less rebate of interest)	71,663,385
		Other current loans and discounts elsewhere than in Canada (less rebate of interest)	10,547,582
		Liabilities of customers under letters of credit, as per contra	411,344
		Overdue debts, estimated loss provided for	117,900
		Bank premises at not more than cost, less amounts written off	6,764,547
		Real estate other than bank premises	74,141
		Other assets not included in the foregoing	380,681
	225,306,399		225,306,399

CANADIAN BANK OF COMMERCE.

The report to the meeting held on January 10th states that the balance at credit of profit and loss account brought forward from last year was £366,571; the net profits for the year ending November 30, after providing for all bad and doubtful debts, were £640,302—£1,006,873. This has been appropriated as follows:—Dividends Nos. 136, 137, 138, and 139, at 12 per cent. per annum, £369,863; bonus of 1 per cent., payable December 1, £30,822; Dominion and Provincial Government taxes and tax on bank-note circulation, £66,781; written off bank

UNITED KINGDOM Temperance and General PROVIDENT INSTITUTION

ESTABLISHED 1840.

A Mutual Office in which the whole of the Profits belong to the Members.

FUNDS EXCEED - - TEN MILLIONS.

By drastically giving effect to the low values obtaining at the end of 1920, and by keeping intact the reserves required by a stringent Valuation the Institution has been placed in an exceptionally strong position.

INCREASED INTERIM BONUSES.

In view of the substantial rise in security values, and as an indication of their confidence in the future prosperity of the Institution, the Directors have substantially increased the rates of Interim Bonuses formerly announced and have decided to allot these increased bonuses on the Compound System. Interim Bonuses on policies now becoming claims accordingly range from 32s to 34s per cent. per annum, calculated on the Sum Assured and existing Bonuses.

Head Office - - 196, STRAND, LONDON, W.C.2.

THE LANCASHIRE & YORKSHIRE BANK, LIMITED.

Head Office - - - 43, Spring Gardens, Manchester.

THE BANK HAS 135 OFFICES IN THE PRINCIPAL TOWNS IN THE
DISTRICT, AND IN THE ISLE OF MAN,

INCLUDING

ACCINGTON, ASHTON-UNDER-LYNE, BACUP, BATLEY, BLACKBURN, BLACKPOOL, BOLTON, BURNLEY, BURY, DEWSBURY, HALIFAX, HARROGATE, HUDDERSFIELD, LEEDS, LIVERPOOL, OLDHAM, PRESTON, ROCHDALE, SOUTHPORT, STOCKPORT, TODMORDEN, WARRINGTON, WATERFOOT AND WIDNES, &c., &c.

Subscribed Capital	£2,013,120
Paid-up Capital	1,006,560
Reserve Fund	1,006,560

31st DECEMBER, 1921.

Cash and Money at short notice	£7,385,988
Investments	7,570,749
Bills of Exchange	7,090,060
Advances to Customers	10,065,799
Deposits	30,296,397

FOREIGN DEPARTMENT: - - 45 & 47 SPRING GARDENS, MANCHESTER.

Commonwealth Bank of Australia

HEAD OFFICE - - SYDNEY.

Guaranteed by the Australian Commonwealth
Government.

Sir DENISON MILLER, K.C.M.G.,
Governor.

JAMES KELL,
Deputy-Governor.

BRANCHES IN

The Principal Cities and Towns of Australia
and at

36-41 New Broad Street, E.C., and Australia House, Strand, W.C.,
LONDON.

Agents and Correspondents throughout the World.
BANKING AND EXCHANGE BUSINESS OF EVERY DESCRIPTION TRANSACTED.

Bankers to:

GOVERNMENT OF THE COMMONWEALTH OF AUSTRALIA.
GOVERNMENT OF THE STATE OF QUEENSLAND.
GOVERNMENT OF THE STATE OF SOUTH AUSTRALIA.
GOVERNMENT OF THE STATE OF TASMANIA.

SAVINGS BANK DEPARTMENT.

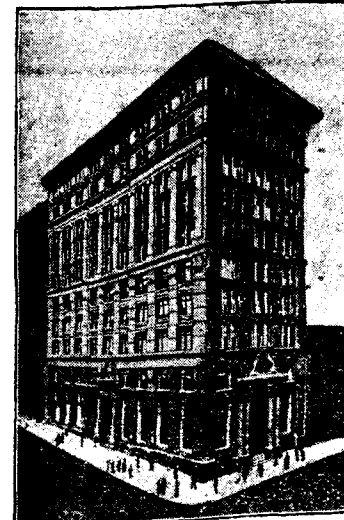
Branches in the Chief Centres and 3,123 Agencies at
Post Offices throughout Australasia.

ON 31st DECEMBER, 1921:

Savings Bank balances	£37,278,788
General Bank balances	26,556,692
Note Issue Department	55,548,371
Other Items	6,787,134
Total	£126,170,985

Head Office:
Sydney, New South Wales.

LONDON BRANCH: 36-41 NEW BROAD STREET, E.C.
C. A. B. CAMPION, London Manager.



premises, £102,739; transferred to pension fund, £36,652; balance carried forward, £400,016—£1,006,873.

BALANCE-SHEET—November 30, 1921.

(Canadian currency converted into sterling at par of exchange.)

LIABILITIES.	£	ASSETS.	£
Notes of the bank in circulation	4,824,159	Gold and silver coin current on hand	3,088,403
Deposits not bearing interest, £20,338,586; deposits bearing interest, including interest accrued to date, £52,226,551	72,566,137	Gold deposited in central gold reserves	1,130,137
Balances due to other banks in Canada	12,275	Domestic notes on hand	8,349,174
Balances due to banks and banking correspondents elsewhere than in Canada	2,331,785	Central gold reserves	821,918
Bills payable	566,738	Notes of other banks	520,372
Acceptances under letters of credit	984,260	Cheques on other banks in Canada	3,328,553
Dividends unpaid	914	Balances due by banks and banking correspondents elsewhere than in Canada	2,914,329
Dividend No. 139 and bonus, payable December 1st	123,288	Domestic and Provincial Government securities, not exceeding market value	4,815,868
Capital paid up	3,082,192	British, foreign and Colonial public securities and Canadian Municipal securities, not exceeding market value	2,227,968
Reserve account	400,016	Railway and other bonds, debentures and stocks, not exceeding market value	1,171,578
Balance of profits, as per profit and loss account	87,973,956	Call and short loans (not exceeding 30 days) in Canada on bonds, debentures, and stocks	3,392,476
		Call and short loans (not exceeding 30 days) elsewhere than in Canada	6,020,701
		Deposit with the Minister of Finance for the purposes of the Circulation Fund	164,384
		Other current loans and discounts in Canada (less rebate of interest)	42,449,656
		Other current loans and discounts elsewhere than in Canada (less rebate of interest)	4,794,756
		Liabilities of customers under letters of credit, as per contra	984,260
		Overdue debts (estimated loss provided for)	106,825
		Real estate other than bank premises	121,241
		Mortgages on real estate sold by the bank	38,400
		Bank premises at cost, less amounts written off	1,507,769
		Other assets not included in the foregoing	25,135
			87,973,956

DOMINION BANK.

Statement of the result of the business of the bank for the year ended December 31, 1921:—Balance of profit and loss account, December 31, 1920, \$669,218; profits for the year, after deducting charges of management and making full provision for bad and doubtful debts, \$1,125,181; less Dominion and Provincial Government taxation, \$108,919; making net profits of \$1,016,262—\$1,685,480; which amount has been disposed of as follows: Dividends (quarterly) at 12 per cent. per annum, \$720,000; bonus, 1 per cent., \$60,000; total distribution to shareholders of 13 per cent. for the year, \$780,000; contribution to officers' pension fund, \$40,000—\$820,000; written off bank premises, \$150,000—\$970,000; balance of profit and loss account carried forward, \$715,480—\$1,685,480.

LIABILITIES.	\$	ASSETS.	\$
Capital stock paid in	5,000,000	Gold and silver coin	2,117,000
Reserve fund	7,000,000	Dominion Government notes	15,715,808
Balance of profit and loss account carried forward	715,480	Deposits with central gold reserves	1,700,000
Dividend No. 157, payable January 3, 1922	180,000	Notes of other banks	1,100,881
Bonus 1 per cent., payable January 3, 1922	60,000	Cheques on other banks	7,389,594
Former dividends unclaimed	255	Balances due by other banks in Canada	1,000
Notes in circulation	7,326,571	Balances due by banks and banking correspondents elsewhere than in Canada	2,397,668
Due to Dominion Government	8,552,610	Dominion and Provincial Government securities, not exceeding market value	13,371,202
Deposits not bearing interest, \$18,018,016; deposits bearing interest, including interest accrued to date, \$80,786,284	98,804,301	Canadian Municipal securities and British, foreign, and Colonial public securities other than Canadian, not exceeding market value	4,168,630
Balances due to other banks in Canada	869,285	Railway and other bonds, debentures, and stocks, not exceeding market value	1,751,108
Balances due to banks and banking correspondents elsewhere than in Canada	833,679	Call and short (not exceeding 30 days) loans in Canada on bonds, debentures, and stocks	6,561,854
Bills payable	267,960	Call and short (not exceeding 30 days) loans elsewhere than in Canada	3,835,123
Acceptances under letters of credit	354,740	Other current loans and discounts in Canada (less rebate of interest)	63,710,574
Liabilities not included in the foregoing	371,061	Other current loans and discounts elsewhere than in Canada (less rebate of interest)	554,543
	131,335,942	Liabilities of customers under letters of credit, as per contra	354,740
		Real estate other than bank premises	5,430
		Overdue debts (estimated loss provided for)	144,359
		Bank premises at not more than cost, less amounts written off	5,830,229
		Deposit with the Minister of Finance for the purposes of the Circulation Fund	309,575
		Mortgages on real estate sold Other assets not included in the foregoing	17,228
			299,596
			131,335,942

COLONIAL BANK.

The report for the half-year ended December 31, 1921, presented at the meeting held April 27th is as follows:—

LIABILITIES.	£	ASSETS.	£
Capital subscribed—		Cash in hand and in transit	520,158
100,000 "A" shares of £20 each, £6 paid	600,000	Cash at bankers and at call and short notice	1,027,419
50,000 "B" ordinary shares of £20 each, £6 paid	300,000	British Government Treasury bills	300,000
Reserve fund	400,000	English and Colonial Government and other investments (including investments lodged with the Crown Agents for the Colonies as security for note issue as required by the Colonial Bank Act of 1898)	398,059
Notes in circulation	648,928	Bills receivable, &c.	2,057,207
Deposits at interest, current accounts, &c.	6,646,767	Advances to customers and other accounts	4,841,617
Bills payable	767,418	Liability of customers for acceptances, as per contra	1,308,602
Acceptances on account of customers	1,308,602	Bank premises in England and the Colonies	315,819
Profit and loss, balance per account	97,166		10,768,881
NOTE.—There were contingent liabilities at the date of the balance-sheet in respect of bills discounted and guarantees given, amounting to £237,774.			
	10,768,881		

Australian Mutual Provident Society

Estab. (A.M.P.) 1849.
THE LARGEST BRITISH MUTUAL LIFE OFFICE.

SOME FIGURES from the SEVENTY-THIRD ANNUAL REPORT as at 31st DECEMBER, 1921.

ORDINARY DEPARTMENT.

NET NEW BUSINESS.—25,568 Policies Assuring £9,831,717, with Annual Premiums of £308,118.
DEATH CLAIMS.—£1,291,558, including Bonus Additions of £409,057. This is only 52 per cent. of the "Expected."
MATURITY CLAIMS.—£941,225, including Bonus Additions of £247,839.
ACCUMULATED FUNDS (including Industrial) have increased by £2,863,227 and amount to £46,711,178.
WAR AND REPATRIATION LOAN SUBSCRIPTIONS total over £13,660,000.
THE DIVISIBLE SURPLUS (after strengthening the Reserves by the application of £253,076 is £1,502,572, which represents a return of 42.4 per cent. of the premiums received under participating policies. The corresponding Reversionary Additions amount to about £2,562,000.
THE VALUATION (on a Pure Premium Basis) has been made at 3 per cent.
THE EFFECTIVE RATE OF INTEREST (after deducting Income Tax) was £5 2s 11d per cent. There is therefore an interest margin of more than 2½ per cent.
THE EXPENSE RATE (excluding Taxes) was only 12.7 per cent. of the Premium Income. This is only about two-thirds of the provision for expenses included in the Premiums.
THE TOTAL ASSURANCES issued in 73 years amount to £216,874,999, of which £116,316,710, or 53.6 per cent., are still in force.

London Office: 73-76 KING WILLIAM STREET, E.C.4.
W. G. FISHER, Manager for the United Kingdom.

LONDON JOINT CITY AND MIDLAND BANK LIMITED

CHAIRMAN:

The Right Hon. R. McKENNA

JOINT MANAGING DIRECTORS:

FREDERICK HYDE

EDGAR W. WOOLLEY

Subscribed Capital - £38,117,103
Paid-up Capital - 10,860,852
Reserve Fund - 10,860,852
Deposits (Dec. 31st, 1921) - 375,117,092

HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C.2
OVER 1,600 OFFICES IN ENGLAND AND WALES

OVERSEAS BRANCH: 65 & 66, OLD BROAD STREET, LONDON, E.C.2

AFFILIATED BANKS:

BELFAST BANKING CO., LTD.
Over 110 Offices in Ireland

THE CLYDESDALE BANK, LTD.
Over 160 Offices in Scotland

ESTABLISHED IN 1833.

THE NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

Subscribed Capital - £43,447,080
Paid-up Capital - £9,309,416
Reserve Fund - £8,878,041

Head Office: 15 BISHOPSGATE, LONDON, E.C.2.

PRINCES STREET OFFICE (UNION) ... 2 Princes Street, E.C. 2.
LOMBARD STREET OFFICE (SMITHS) ... 1 Lombard Street, E.C. 3.
CORNHILL OFFICE (PRESCOTT'S) ... 50 Cornhill, E.C. 3.

The Bank has over ONE THOUSAND OFFICES in ENGLAND and WALES, together with Agents in all parts of the WORLD.

Every description of BRITISH, COLONIAL and FOREIGN BANKING business transacted.

TRUSTEESHIPS and EXECUTORSHIPS undertaken.

COUTTS & CO.

(Established 1892) is affiliated with this Bank.

LONDON: 440 Strand, W.C.2, 15 Lombard Street, E.C.3, 1 Park Lane, W.1.

AUXILIARY:

LLOYDS AND NATIONAL PROVINCIAL FOREIGN BANK, LIMITED.

Principal Offices:—LONDON, PARIS, BRUSSELS, COLOGNE, ZURICH.

EASTERN BANK, LIMITED.

The report presented at the meeting on March 22nd states that the net profits to December 31, 1921, after providing for contingencies and including the balance brought forward from the last account as shown by the annexed statements, amount to £175,181. An interim dividend at the rate of 4s a share was paid in October last, absorbing £40,000, and the directors now recommend a final dividend of 5s a share, less income-tax at 6s in the £, and an addition of £34,000 to the reserve fund, which will then stand at £300,000. They propose to write £20,000 off premises account, leaving a balance of £31,181 to be carried forward to the next account.

BALANCE-SHEET—December 31, 1921.

LIABILITIES.	£	ASSETS.	£
Capital called up, £5 per share, £1,000,000; less calls unpaid, £156	999,844	Cash on hand and at bankers	1,912,313
Reserve fund	266,000	Bullion on hand and in transit	600,000
Current and deposit accounts	5,884,034	*British Government, Indian Government and other securities, of which £35,000 London County Council 3½ per cent. stock has been deposited as security for Indian Government accounts	1,400,449
Bills payable	521,863	Bills receivable	1,523,852
Acceptances on account of customers	381,890	Customers' liability for drafts against shipments, per contra	381,890
Loans payable against bills and securities	1,350,000	Loans receivable and advances	3,272,360
Sundry accounts, including exchange adjustments	173,406	Due by agents and correspondents	94,292
Profit and loss account	135,181	Sundry accounts, including exchange adjustments	169,871
Bills receivable, rediscounted, £1,381,052, of which up to March 8, 1921, £981,407 had run off.		Premises and furniture	184,648
Forward contracts outstanding for the purchase and sale of sterling bills and telegraphic transfers, £6,395,066.		*Valued at, or under, prices current on December 31, 1921.	
	9,712,218		9,712,218

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend paid October 3, 1921	40,000	Balance brought forward	31,010
Balance	135,181	Net profits for the year ended December 31, 1921, after deducting expenses of management and general charges at head office and branches, and providing for bad and doubtful debts, depreciation, income-tax, and corporation tax	144,171
	175,181		175,181

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.

The report presented at the meeting on April 5th states that the accounts for the year ended December 31st last show a net profit, after providing for all bad and doubtful debts, of £997,670, inclusive of £209,601 brought forward from the previous year. The interim dividend at the rate of 14 per cent. per annum paid in September last absorbed £210,000. The amount now available is therefore £787,670, and the directors propose to pay a final dividend at the rate of 14 per cent. per annum, together with a bonus of 6s 3d per share, making 20½ per cent. per annum for the whole year, free of income-tax; to add £100,000 to the reserve fund, which will then stand at £3,700,000; to add £25,000 to the officers' superannuation fund; to write off premises account £50,000, and to carry forward the balance of £215,170.

BALANCE-SHEET—December 31, 1921.

LIABILITIES.	£	ASSETS.	£
Capital, 600,000 shares of £5 each	3,000,000	Cash in hand and at bankers	6,651,766
Reserve fund	3,600,000	Bullion on hand and in transit	486,533
Notes in circulation	1,926,923	Government and other securities	9,432,797
Current and other accounts, including provision for bad and doubtful debts and contingencies	26,301,205	Security lodged against note issue and Government deposits	1,560,000
Fixed deposits	16,648,155	Bills of exchange, including Treasury bills	16,422,954
Bills payable	3,261,319	Bills discounted and loans	22,426,852
Acceptances on account of customers	3,044,390	Liability of customers for acceptances, per contra	3,044,390
Loans payable against security, per contra	986,000	Due by agents and correspondents	119,458
Due to agents and correspondents	2,071	Sundry assets, including exchange adjustments	916,838
Sundry liabilities, including rebates	2,210,048	Bank premises and furniture at the head office and branches	706,193
Profit and loss	787,670		
	61,767,781		61,767,781

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend at June 30, 1921	210,000	Balance at December 31, 1920	209,601
Balance, proposed to be dealt with as follows:—		Gross profits for the year, after providing for bad and doubtful debts, excess profits duty, corporation profits tax and bonus to the staff, £1,613,918; less expenses of management and general charges at head office and branches, £825,849	788,069
Dividend, at the rate of 14 per cent. per annum, for the half-year to date, £210,000; bonus of 6s 3d per share, £187,500; reserve fund, £100,000; officers' superannuation fund, £25,000; bank premises, £50,000; carried forward to profit and loss new account, £215,170	787,670		
	997,670		997,670

NATIONAL BANK OF INDIA, LIMITED.

BALANCE-SHEET—December 31, 1921.

LIABILITIES.	£	ASSETS.	£
Capital—Subscribed, 160,000 shares of £25 each, £4,000,000; paid up, £12 10s per share	2,000,000	Cash on hand, at call, and at bankers	6,236,424
Reserve fund	2,500,000	Bullion on hand and in transit	122,195
Current, fixed deposits and other accounts, including provision for bad and doubtful debts and contingencies	34,295,599	Indian Government rupee securities	2,803,134
Bills payable	1,114,792	War Loan Indian Government guaranteed debentures, and other securities (of which £16,350 War Loan lodged with Bank of England as security for Government accounts)	2,272,231
Acceptances for customers	2,003,540	House property and furniture	401,829
Profit and loss account, as under	504,096	Bills of exchange, including Treasury bills	13,747,653
	42,418,027	Discounts, loans receivable, and other sums due to the bank	14,831,021
		Customers for acceptances, per contra	2,003,540
			42,418,027

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Ad interim dividend at the rate of 20 per cent. per annum for the half-year ended June 30, 1921	200,000	Balance brought forward	149,032
Expenses of management at head office and branches, and bonus to the staff	660,666	Gross profits for the year ended December 31, 1921, after providing for all bad and doubtful debts	1,215,730
Balance	504,096		
	1,364,762		1,364,762

British Trade Corporation.

(INCORPORATED BY ROYAL CHARTER.)

Telegrams—"TRABANQUE, LONDON."

Telephones—LONDON WALL 2947-2948.

13/14, AUSTIN FRIARS, LONDON, E.C.2.

CAPITAL:	AUTHORISED ..	£10,000,000.	SUBSCRIBED AND PAID UP ..	£2,000,000.
Governor ..	THE LORD FARINGTON.	Deputy Governor ..	SIR HENRY BABINGTON SMITH, G.B.E., K.C.B., C.S.I.	
London Manager: P. C. WEST.		Manager: A. G. M. DICKSON.	Secretary: G. DE B. BROUNLIE.	

The Corporation is prepared to assist in the development of the Trade of the British Empire in every part of the world, and offers exceptional financial facilities to British Manufacturers and Merchants for the increase of their export and import trade.

It has Agents and Correspondents in all parts of the world, and transacts Banking business of every description.

It invites enquiries, and will endeavour, where necessary, to put expert advice at the disposal of correspondents regarding the financing of their foreign and overseas business.

Moneys received on fixed deposit. Terms on application.

BRANCHES—

BELGRADE. DANZIG.

Affiliated Companies—THE NATIONAL BANK OF TURKEY, Constantinople and Branches.

THE TRADE INDEMNITY COMPANY, LIMITED. Established for the assistance of British Trade by the Insurance of Accounts.

CHARTERED 1822.

The Farmers' Loan and Trust Company.

Head Office: 16, 18, 20 & 22, WILLIAM STREET, NEW YORK.

Branch Office: 475, FIFTH AVENUE, NEW YORK.

Paris: 39 and 41, BOULEVARD HAUSSMANN.

LONDON: 15, COCKSPUR STREET, S.W. 1.

26, OLD BROAD STREET, E.C. 2.

Member Federal Reserve System and New York Clearing House.

Makes a speciality of the care and management of real and personal property in the United States, and will act as Agent, Custodian, Trustee or Executor

FOREIGN EXCHANGE. CABLE TRANSFERS.

LETTERS OF CREDIT PAYABLE THROUGHOUT THE WORLD.

CURRENT AND DEPOSIT ACCOUNTS.

United States Government Depository.

BARCLAYS BANK LIMITED.

Head Office - 54, Lombard Street, London, E.C. 3,

and 1,600 Branches in England and Wales, and Agents and Correspondents in all the principal towns throughout the World.

FREDERICK CRAFTURD GOODENOUGH, Chairman.
Sir HERBERT HAMBLING, Deputy-Chairman.
EDMUND HENRY PARKER, Vice-Chairman.

GENERAL MANAGERS: WILLIAM FAVILL TUKE. Sir WILLIAM CARRUTHERS. ROBERT WILLIAM STREET.
JOHN CAULCUTT.

Authorised Capital	£20,000,000
Issued and Paid-up Capital	£15,592,372
Reserve Fund	£8,250,000
Deposits (December 31st, 1921)	£330,942,300

EXECUTORSHIPS AND TRUSTEESHIPS UNDERTAKEN.

EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED.

Chief Foreign Branch - 168, Fenchurch St., London, E.C.3.
West End Foreign Branch - 1, Pall Mall East, London, S.W.1.
Liverpool Foreign Branch - 42, Castle Street, Liverpool.
Manchester Foreign Branch - Corner of York St. and Fountain St., Manchester.

Affiliated Banks:

THE BRITISH LINEN BANK: Head Office, EDINBURGH. 153 Branches in Scotland.

THE UNION BANK OF MANCHESTER LIMITED: Head Office, MANCHESTER. 145 Branches in Lancashire, Cheshire and the West Riding of Yorkshire.

THE ANGLO-EGYPTIAN BANK LIMITED: Head Office, 27, CLEMENTS LANE, LONDON, E.C.4. Branches in Egypt and Palestine. Also at Gibraltar, Malta and Khartoum.

The report for the year ended December 31 last states that the net profits, after providing for all bad and doubtful debts, amount to £555,064, and adding £149,032 brought forward, the available total is £704,096. An *ad interim* dividend at the rate of 20 per cent. per annum, free of income-tax, was paid on September 20 last, amounting to £200,000. The directors now recommend a further dividend at the same rate, and an addition of £100,000 to the reserve fund, raising it to £2,600,000. They propose to write £20,000 off house property account and to add £20,000 to the officers' pension fund, leaving a balance of £164,096 to be carried forward.

MERCANTILE BANK OF INDIA, LIMITED.

The report states that the net profits for the year ending December 31, 1921, after providing for bad and doubtful debts, and including £127,638 brought forward from last account, amount to £390,671. From this sum has to be deducted £84,000, being the *interim* dividend of 8 per cent., less income-tax, on the "A," "B," and "C" shares paid in September last. The directors have added £50,000 to the reserve fund (raising it to £1,150,000); £15,000 to the officers' pension fund, and written £20,000 off freehold banking premises. They now recommend a final dividend on the "A," "B," and "C" shares of 8 per cent., less income-tax (making 16 per cent. for the year), leaving a balance of £137,671 to be carried forward.

BALANCE-SHEET—December 31, 1921.

LIABILITIES.	£	ASSETS.	£
Capital issued—		Cash in hand, at call, and at	
30,000 "A" shares, £12 10s		bankers, £2,921,535; bullion,	
paid, £375,000; 30,000 "B"		£113,998	3,035,533
shares, £12 10s paid,		Securities and coin deposited	
£375,000; 60,000 "C" shares,		against note issue	206,081
£5 paid, £300,000	1,050,000	Government and other stocks—	
Reserve fund	1,150,000	Treasury Bonds, National	
Notes in circulation	284,888	War Bonds, Indian Govern-	
Current, fixed deposit, and		ment rupee paper, and	
other accounts, including		other securities	1,894,016
rebates and provision		Bills receivable	4,185,327
for bad and doubtful		Bills discounted	128,976
debts	12,743,991	Loans receivable and advances	5,918,540
Bills payable—		Freehold banking premises	205,088
Drafts on London bankers		Liabilities of customers for	
against cash and security,		acceptances, per contra	325,476
per contra, £46,562; drafts		Sundry accounts, including	
on head office and branches,		amounts due by agents	530,398
£573,205; drafts on Con-			
tinental bankers and other			
agents, £34,662	653,409		
Acceptances on account of			
customers, per contra	325,476		
Profit and loss account	221,671		
	16,429,435		16,429,435

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Expenses of management at		Balance from December 31,	
head office, branches, and		1920	127,638
agencies	268,835	Gross profit for the year ending	
Ad <i>interim</i> dividend of 8 per		December 31, 1921, after	
cent. on 30,000 "A" shares		providing for bad and	
and 30,000 "B" shares and		doubtful debts and bonus to	
60,000 "C" shares	84,000	the staff	531,868
Amount transferred to reserve			
fund	50,000		
Amount transferred to officers'			
pension fund	15,000		
Amount written off freehold			
banking premises	20,000		
Balance	221,671		
	659,506		659,506

THE TATA INDUSTRIAL BANK, LIMITED.

The profit earned from April 1 to September 30, 1921, after making provision for all known liabilities and writing down investments and securities to or under current quotations, amounts to Rs. 10,96,355; add balance brought forward from last year, Rs. 2,20,004—Rs. 13,16,359, which the

directors have decided to appropriate as under:—(1) In payment of a dividend of annas 10 per share, free of income-tax, as on November 15, 1921, Rs. 6,32,279; (2) transferred to reserve fund, Rs. 3,50,000; (3) provision for income-tax and super tax Rs. 1,00,000; (4) carried forward, Rs. 2,34,080—Rs. 13,16,359.

BALANCE-SHEET—September 30, 1921.

LIABILITIES.	Rs.	ASSETS.	Rs.
Paid-up capital, 10,11,647		Cash on hand	85,06,321
shares of Rs.22/8 each,		Cash with bankers	2,36,67,609
Rs.22/8 each, less calls		Investments at or under	
unpaid, Rs.142,533—Rs.		market value—	
2,26,19,529; add sums re-		Government of India	
ceived in respect of		Securities	2,58,09,495
1,355 shares forfeited,		British Government	
Rs.5,085	2,26,24,609	Securities	4,31,715
(The reserve liability of		Other securities	40,86,413
shareholders for uncalled		(Of the above, securities	
capital is Rs.5,31,11,467-		of the value of Rs.55,23,183	
8-0.)		have been lodged as col-	
Sums received in ad-		lateral as per contra. The	
vance on account of		contingent liability on	
future calls	6,265	"Other Securities" for	
Unclaimed dividends	94,916	uncalled capital amounts	
Reserve fund	18,50,000	to Rs.56,84,475.)	
Due to agents and corre-		Due by agents and corre-	
spondents (of which Rs.		spondents	1,95,397
51,74,846 is covered by		Bills receivable	73,63,164
securities as per contra)		Bills discounted, advances,	
Demand and fixed de-		and loans receivable	6,44,06,836
posits—		Particulars required by	
(a) Current accounts	4,95,15,657	Act 7 of 1913:—	
(b) Savings bank de-		(1) Debts considered good	
posits	58,06,709	and in respect of which	
(c) Fixed deposits	4,86,45,753	the bank is fully	
(d) Staff provident fund		secured, Rs.4,04,31,629	
account (securities to		(2) Debts considered good	
the value of Rs.3,48,337		secured by the personal	
have been earmarked		liability of one or more	
by the bank to cover		parties, as under:—(a)	
this account as per		bills discounted,	
contra	3,24,983	Ra.66,99,658; (b) debts	
Bills and drafts payable &		due by joint stock com-	
other sums due by the		panies and others on	
bank	18,27,948	joint and several pro-	
Bills re-discounted, accep-		notes, Ra.88,68,270; (c)	
ances and guarantees		debts due on temporary	
as per contra	1,84,98,877	overdrafts, loans, and	
Profit and loss account:—		cash credits and per-	
Balance brought for-		sonal security, Ra.	
ward, April 1, 1921, Ra.		84,07,280—Ra.2,39,75,188	
2,20,004; add profit 6		—Ra.5,44,06,837.	
months to September		(3) Debts due by directors	
30, 1921, Ra.10,96,355—		personally or any officer	
Ra.13,16,360; less pro-		of the bank, nil.	
vision for income-tax		(4) Debts due by directors	
and super tax, Ra.		of the bank jointly with	
1,00,000—Ra.12,16,360;		other persons or against	
less amount trans-		securities & considered	
ferred to reserve fund,		good, including debts	
Ra.3,50,000	8,66,360	due by joint stock com-	
		panies guaranteed by	
		their agents, a director	
		of the bank being a	
		member of the firm of	
		agents, Ra.20,52,803.	
		(5) Debts considered bad	
		or doubtful, nil.	
		Office furniture and fittings,	
		Ra.4,15,376; less amount	
		written off for deprecia-	
		tion, Ra.1,58,769	2,56,607
		Clients' liability for accep-	
		ances, guarantees, &c., as	
		per contra	1,84,98,877
		Landed property and bank	
		premises at cost	26,68,040
			15,58,92,376

PROFIT AND LOSS ACCOUNT.

Dr.	Rs.	Cr.	Rs.
Charges at head office and		Balance brought forward	2,20,004
branches, including rent,		Gross profit after making	
taxes, law charges, tele-		provision for rebates and	
grams, postages, and mis-		adjustments	22,63,449
cellaneous charges	3,42,998		
Salaries	7,31,703		
Directors' and auditors' fees,			
Bombay	15,560		
Directors' and auditors' fees,			
branches	25,870		
Stationery and printing	50,962		
Balance	13,16,360		
	24,83,453		24,83,453

International Acceptance Bank

INCORPORATED

APRIL, 1921

31 PINE STREET, NEW YORK

CAPITAL FULLY PAID - - - \$10,250,000.
SURPLUS FULLY SUBSCRIBED - - - 5,000,000.
UNDIVIDED PROFITS - - - 314,000.

PAUL M. WARBURG
(Chairman of the Board)

DANIEL G. WING
(Vice-Chairman of Board)

F. ABBOT GOODHUE
(President)

PRINCIPAL CORRESPONDENTS

BELGIUM.

Banque de Bruxelles, Brussels
Banque Centrale, Anversoise, Antwerp

FRANCE.

Banque de Paris et des Pays Bas, Paris (with Branches
also in Brussels, Geneva and Rotterdam)

NETHERLANDS.

Nederlandsche Handel-Maatschappij, Amsterdam.
Rotterdam, Hague
Hope and Company, Amsterdam

SWEDEN.

Skandinaviska Kredit Aktiebolaget, Stockholm
A. B. Svenska Handelsbanken, Stockholm

Acceptance Credits in Dollars and Foreign Currencies
International Financial Operations and Foreign Exchange

Money Transfers — Collections
Bullion Transactions

CANADA.

Bank of Montreal, Montreal

DENMARK.

R. Henriques, Jr., Copenhagen

GREAT BRITAIN.

N. M. Rothschild and Sons, London
National Provincial and Union Bank of England,
Ltd., London

NORWAY.

Den norske Creditbank, Christiania

SWITZERLAND.

Swiss Bank Corporation, Basle
Credit Suisse, Zurich

ESTABLISHED 1810

THE MECHANICS & METALS NATIONAL BANK OF THE CITY OF NEW YORK

Capital, Surplus and Profit \$27,000,000.

Through years of banking service the Foreign Department of this Bank has established intimate relations with all the principal cities of the world. A full range of foreign trade transactions is covered by a specialized service; and customers are assured of prompt attention and painstaking endeavour.

London Correspondents:

London Joint City and Midland Bank, Ltd. London County Westminster
and Parr's Bank, Ltd. Barclays Bank, Ltd.

THE ROYAL BANK OF CANADA

Incorporated 1869

PAID-UP CAPITAL & RESERVES - - - \$41,700,000
TOTAL ASSETS - - - 470,900,000

Head Office: MONTREAL.

Branches in—

LONDON, England, Princes St., E.C.2.

NEW YORK, 66, William St.

CANADA, WEST INDIES, CENTRAL & SOUTH AMERICA.

PARIS, France.

BARCELONA, Spain.

With a chain of 700 Branches and Correspondents in all parts of the world, this Bank offers special facilities for conducting your foreign banking business.

LATEST BALANCE-SHEETS OF FOREIGN BANKS HAVING LONDON OFFICES AND OF BRITISH BANKS TRADING ABROAD.

ANGLO-BALTIC AND MEDITERRANEAN BANK, LIMITED.

BALANCE-SHEET—April 30, 1921.

LIABILITIES.	£	ASSETS.	£
Capital paid-up—4,100 ordinary shares, fully paid, £20,500; 195,400 ordinary shares, £2 10s called up, £491,000—£511,500; less amounts outstanding on allotment and call, £17,512	493,988	Cash in hand and at other banks	37,445
Current deposit and other accounts	103,619	Bills receivable and collections	134,466
Acceptances and endorsements on account of customers	61,227	Loans, advances, and other accounts (including £24,000, past-due bills, the subject of litigation)	361,315
Sundry creditors and credit balances	4,120	Customers' liability for acceptances and endorsements, as per contra	61,227
Profit and loss account—Sub-ject to taxation and provision for past-due bills and preliminary expenses	24,232	Investments in other banks at cost	21,016
		Bank premises—Lease, furniture, &c., £14,090; less amount written off, £1,000	13,090
		Preliminary and organisation expenses (expenditure up to March 25, 1920, including underwriting commission and brokerage, £29,067)	58,627
	687,186		687,186

ANGLO-SOUTH AMERICAN BANK, LIMITED.

BALANCE-SHEET—June 30, 1921.

LIABILITIES.	£	ASSETS.	£
Issued capital—873,340 shares of £10 each, £8,733,400	4,366,700	Cash in hand, at bankers, and at call	25,146,774
Reserve fund	4,000,000	Bills receivable	9,472,103
Special reserve, on account of depreciation of capital in Chile	183,827	Investments—English and foreign Government, railway and other securities, £1,964,000; holdings in foreign banks and kindred companies, £1,600,059	3,564,059
Sight drafts on head office and branches	2,996,117	British Bank of South America, Limited, 99,505 shares of £20 each, £10 paid at £27 10s	2,736,388
Bills payable	7,273,933	Liability of customers for acceptances, per contra	4,323,004
Acceptances on account of customers	4,323,004	Advances, &c.	27,180,572
Current, deposit, and other accounts	49,473,164	Bank premises, office furniture, &c.	1,025,243
Bills for collection	9,598,428	Bills for collection, per contra	9,598,428
Rebate of interest on bills, &c., not due	28,511		
Profit and loss	802,887		
	83,046,571		83,046,571

NOTES.—The difference between the assets and liabilities in Chile is taken at the rate of exchange current at the date of the accounts, viz., 63d, with the exception of such portion as represents the capital employed in Chile, which is now taken at 18d.

The special reserve of £183,827 is sufficient to write this capital down to 10d per dollar.

Out of the above assets £2,077,433 have been lodged.—As guarantee to the Chilean Government for due payment of drafts issued for duties, £285,433; for other purposes (amount of lien), £1,792,000—£2,077,433.

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Charges at head office and branches	1,276,760	Balance brought forward from last account	393,116
Income-tax to June 30, 1921	120,848	Gross profits for year	2,169,294
Rebate of interest on bills, &c., not due	28,511		
Balance carried to balance-sheet	1,136,291		
	2,562,410		2,562,410

BANCA COMMERCIALE ITALIANA.

BALANCE-SHEET—December 31, 1920.

LIABILITIES.	Lira.	ASSETS.	Lira.
Capital authorised 400,000,000		Cash in hand	276,173,940
Capital subscribed and paid up	312,000,000	Bills receivable (inclusive of Treasury bills)	3,261,029,775
Reserve funds	156,000,000	Bills for collection	113,032,750
Bills payable	396,568,317	Loans and advances	684,489,212
Acceptances against credits and securities	169,586,381	Participations in other banks	81,987,120
Deposits and current accounts	5,468,723,559	Government securities, railway and other bonds and shares	188,093,794
Pension fund	33,529,177	Current accounts	1,904,034,945
Guarantees	243,962,392	Syndicates	92,736,488
Securities deposited	5,249,510,426	Bank premises	32,237,232
Other liabilities	8,389,296	Guarantees, as per contra	243,962,392
Rebate on bills	22,827,455	Securities, as per contra	5,249,510,426
Net profit (including 791,741 brought forward from December 31, 1919)	66,196,431		
	12,127,294,034		12,127,294,034

BANK OF ATHENS.

BALANCE-SHEET—June 30, 1921.

LIABILITIES.	Dra.	ASSETS.	Dra.
Capital fully paid	48,000,000	Cash in hand, at banks, and Treasury bills	213,068,816
Statutory reserve	2,400,000	Balances due from banks abroad	111,138,490
Special reserve	2,600,000	Bills receivable	24,167,073
Current, deposit, and other accounts	589,584,255	Loans, advances, bills discounted, and other ac'ts	293,165,968
Dividends unclaimed	2,445,697	Investments	1,425,685
Interim dividend	2,400,000	Premises	8,463,591
Profit and loss	9,053,048	Property	5,053,342
		Furniture	35
	656,483,000		656,483,000

BANCO DE BILBAO.

BALANCE-SHEET—September 30, 1921.

LIABILITIES.	Pesetas.	ASSETS.	Pesetas.
Capital—200,000 shares of 500 pesetas each	100,000,000	Cash in hand and at banks	21,246,447
Reserve fund	60,000,000	Bills receivable	156,007,628
Provident fund	3,000,000	Investments	173,783,280
Deposit and current accounts	128,848,791	Loans against securities	7,338,583
Profit and loss account	13,542,594	Credit accounts (covered)	55,701,128
Savings bank deposits	50,597,455	Banking correspondents (debtors)	142,944,441
Banking correspondents (creditors)	205,881,216	Sundry debtors	91,366,297
Sundry creditors	131,395,275	General expenses	3,219,958
Bills payable	5,080,102	Bank premises, &c.	4,730,096
Dividends, coupons, and drawn bonds	3,953,593	Unissued capital	40,000,000
Sundry depositors of securities, as per contra	2,217,739,845	Dividend on account of 1920	5,930,470
	2,920,008,871	Sundry deposits of securities in safe custody, &c.	2,217,739,845
			2,920,008,871

BANCO DE CHILE.

BALANCE-SHEET—December 31, 1921.

LIABILITIES.	Currency.	Gold Dollars of 18d.
Dr. Deposits	271,296,583	10,128,080
In current account and at sight (gold) of 18d.		2,200,080
In current account in London at 18d.		572,177
Bank bills at sight	3,037,419	
Deposit of bonds and documents	238,976,324	
Savings and pension fund	623,519	
Various creditors	24,426,554	11,480,932
Suspense account	1,281,279	
Paid-up capital	100,000,000	
Reserve fund	58,000,000	13,533,353
Carry forward from last account	4,219,737	
Unpaid dividends	77,518	
Profit and loss account	8,958,698	
	710,897,631	37,714,602

THE MITSUI BANK, LTD., TOKYO

(The oldest Banking Institution in Japan—Founded in 1880).

Capital Subscribed... Yen 100,000,000.00
Capital Paid up... 60,000,000.00
Reserve Fund... Yen 22,600,000.00
Special Reserve Fund... 7,900,000.00

HEAD OFFICE: No. 1, SURUGACHO, TOKYO, JAPAN.

LOCAL BRANCHES:

FUKUOKA, HIROSHIMA, KOBE, KYOTO, MOJI, NAGASAKI, NAGOYA, NIHONBASHI (Tokyo), OSAKA, OSAKA NISHI (Osaka), OTARU, SHIMONOSEKI, WAKAMATSU, YOKOHAMA.

FOREIGN BRANCHES—NEW YORK, SHANGHAI.

FOREIGN AGENTS:

PARIS—COMPTOIR NATIONAL D'ESCOMPTE DE PARIS.
BANQUE DE L'UNION PARISIENNE.
LONDON—BARCLAYS BANK, LTD.
LONDON JOINT CITY & MIDLAND BANK, LTD.
NEW YORK—THE NATIONAL CITY BANK OF NEW YORK.
BANKERS TRUST COMPANY, THE CHASE NATIONAL BANK.
BOMBAY—NATIONAL BANK OF INDIA, LTD.

BALANCE SHEET.

31st December, 1921.

Dr.	LIABILITIES.	Yen	Cr.	ASSETS.	Yen
Capital	100,000,000.00		Capital unpaid	40,000,000.00	
Reserve Fund	21,600,000.00		Cash in hand and at Bank of Japan	27,411,829.98	
Special Reserve Fund	6,400,000.00		Money at call and short notice	21,800,000.00	
Pension and Provident Funds	1,170,377.37		Japanese and Foreign Government Bonds	74,062,788.88	
Deposits (current, fixed, etc.)	413,052,780.14		Debentures and Stocks	42,845,045.00	
Foreign Bills of Exchange sold	9,723,111.95		Foreign Bills of Exchange Purchased	81,724,376.88	
Due to Foreign Correspondents (including Discount)	8,375,010.85		Customers' Liabilities under L/C per contra	8,375,010.85	
Liabilities under L/C	1,262,919.30		Due from Foreign Agents and Correspondents	321,979,779.79	
Due to local Banks	4,445.54		Loans and Discounts	923,881.07	
Dividend unpaid	4,711,728.79		Due from local Banks	728,114.14	
Interest accrued on deposits not due	2,237,275.79		Provisional Payments	3,622,881.93	
Rebates on Bills not due	1,374,283.01		Bank Premises and Real Estates		
Provisional Receipts	1,756,352.61				
Balance from last account	6,404,402.12				
Net profit for the half year	575,630,923.98				
					575,630,923.98

APPROPRIATION OF PROFIT.

Dr.	Yen	Cr.	Yen
Reserve Fund	1,000,000.00	Net profit for the half year	6,401,402.12
Special Reserves	1,500,000.00	Balance brought forward from last half year	1,756,352.61
Pension and Provident Funds	156,000.00		
Bonus	512,800.00		
Dividend to Shareholders	3,000,000.00		
Balance carried forward to next half year	1,992,484.78		
	8,160,784.78		8,160,784.78

The Bank sells Drafts and Telegraphic Transfers, buys approved inward and outward Bills, grants Commercial Credits, issues Travellers' Letters of Credit available in all important places of the World, and makes collections.

TRADE



MARK.

THE MITSUI & CO., LTD.

(MITSUI BUSSAN KAISHA, LTD.)

General Merchants and Shipowners.

CAPITAL PAID UP - Y.100,000,000
RESERVE FUND - 32,311,000

HEAD OFFICE: 1, Honcho Nichome, Tokyo.
LONDON OFFICE: 31-33, Lime Street, London, E.C.3.

Telephone: Avenue 4162.

Telegraphic Address: "MITSUI."

OTHER BRANCHES:

Paris, Hamburg, Lyons, New York, San Francisco, Seattle, Portland, Buenos Ayres, Manila, Bombay, Calcutta, Karachi, Singapore, Bangkok, Rangoon, Batavia, Sourabaya, Samarang, Sydney, Melbourne, Hongkong, Saigon, Canton, Amoy, Foochow, Swatow, Shanghai, Hankow, Newchwang, Tientsin, Peking, Tsingtau, Dairen, Antunghsien, Mukden, Tieling, Changchun, Vladivostok, Harbin, Seoul, Haiju, Chemulpo, Fusan, Yokohama, Nagoya, Osaka, Kobe, Moji, Nagasaki, Miike, Otaru, Taipeh, Keelung, Tainan, Taichu, Takow, &c.

THE BANK OF CHOSEN

Subscribed Capital Yen 80,000,000
Paid up " 50,000,000

Governor: S. MINOBE, Esq.

Deputy Governor: T. KANO, Esq.

Directors: S. OHTA, Esq.,

S. KATAYAMA, Esq.,

S. YOSHIDA, Esq.,

S. KAKEI, Esq.

Head Office - - - - - SEOUL, CHOSEN
Foreign Department - - - - - TOKYO, JAPAN.

PRINCIPAL BRANCHES:

CHOSEN—Chemulpo, Pyengyang, Wonsan, Fusan, Taiku.

MANCHURIA—Antung, Mukden, Dairen, Yinkow (Newchwang), Changchun, Harbin.

CHINA—Shanghai, Tsingtau, Tientsin, Tsinan. JAPAN—Tokyo, Osaka, Kobe, Shimonoseki. EASTERN SIBERIA—Vladivostok.

NEW YORK AGENCY—City Investing Building, 165, Broadway, New York City.

Every description of General Banking and Exchange Business Transacted.

London Bankers: London Joint City and Midland Bank, Ltd.

London Representative: MR. T. HATTORI, Palmerston House, 34 Old Broad street, London, E.C. 2.

ASSETS.		
Cr.	Currency.	Gold Dollars
Cash—		of 18d.
Fiscal and Treasury notes	54,233,782	10,639,651
Gold disposable in Chile and London	661,321	..
Silver	..	..
Cheques and balances disposable in other banks	12,925,245	1,378,391
in Chile and abroad	11,315,013	5,372,667
Bonds and letters of credit	238,976,324	..
Bonds and shares in custody and guarantee	12,316,528	..
Real estate	791,735	1,440
Furniture	719,754	..
Books and stationery	327,855,786	..
Advances and other documents	..	17,504,150
Do in gold in Chile and London at 18d.	3,599,047	..
Do (Clause 10 of Bank Act)	231,538	..
Do (Art. 14, Law 1054 of July 31, 1898)	19,000,000	..
Government Bonds, Law 3772, July 15, 1921	7,292,500	..
Bills discounted, Law 3795, Sept. 13, 1921	17,190,470	1,969,677
Agencies and branches	..	555,126
Suspense account	3,788,788	293,500
Interest, discount, &c.	710,897,631	37,714,602

BANCO ESPANOL DEL RIO DE LA PLATA.

BALANCE-SHEET—June 30, 1921.

LIABILITIES.		ASSETS.	
Capital subscribed	8,730,158	Cash—Gold dollars	13,083,332
Deposits—Current accounts	4,329,129	\$856,833.54 at \$0.14	3,727,093
and deposits at fixed term;	..	Branches (liability on	94,562
gold dollars, \$362,727.87 at	..	uncalled capital)	..
\$0.44	45,759,585	Bills discounted and ad-	36,867,776
Rebate—Corresponding to	295,609	advances in current account;	783,742
next half-year	4,329,129	gold dollars, \$13,503.13 at	1,104,051
Reserve fund	..	\$0.44	175,318
Sundries—Gold dollars,	1,894,967	Securities	1,969,329
\$537,608.80	..	Bank premises	..
Profit and loss—Less divi-	607,825	Furniture and fittings	..
dend of 4 per cent. dis-	..	Mortgages against credits	..
tributed in January last	..	Freehold properties received	..
	61,617,343	in payment of advances	2,345,906
	..	Sundries—Accounts in pro-	1,466,234
	..	cess of liquidation	..
	..		61,617,343

PROFIT AND LOSS ACCOUNT.

Dr.	Cr.
Interest, amortisation of	Balance brought forward
furniture, fittings, and	Interest and discount
premises, general charges,	Balance, less rebate, cor-
taxes, salaries, &c.	responding to next half-
842,307	year
Distributed in January last	Exchange and commission
Dividend to shareholders	1,412,126
Allocated to directors and	389,673
auditors; charities as	..
per articles of associa-	..
tion; staff pension and	..
beneficent fund; re-	..
serve fund	34,173
Balance	607,895
1,829,905	1,829,905

BANCO NACIONAL ULTRAMARINO.

For the year 1921 the net profits were Esc. 6,596,374, which includes Esc. 354,613 brought forward. It is proposed to place Esc. 700,000 to permanent reserve and Esc. 500,000 to extra reserve fund. The dividend on working shares granted to staff absorbs Esc. 77,430, and Esc. 62,417 placed to staff pension fund. A dividend of 20 per cent., free of Portuguese income-tax and transfer and stamp duties, is proposed (of which 12 per cent. has been paid), leaving a balance of Esc. 456,525 to be carried forward. In 1920 the dividend was the same.

BANK OF TAIWAN, LIMITED.

(TAIWAN GINKO.)

BALANCE-SHEET—June 30, 1921.

LIABILITIES.		ASSETS.	
Capital subscribed	60,000,000	Cash account—	10,004,544
Reserve funds	10,380,000	In hand	20,198,873
Note circulation	35,270,400	At bankers	..
Current accounts, fixed de-	191,323,086	Bills discounted, loans, ad-	584,252,169
posits, &c.	1,905,752	vances and other sums due	65,031,257
Deposits in trust	..	to the bank	18,695,540
Bills payable, acceptances,	416,541,539	Government bonds, &c.	15,000,000
and other sums due by the	..	Bullion and foreign money	..
bank	..	Capital unallotted	..
Balance brought forward	1,440,488	Bank's premises, properties,	7,814,942
from last account	..	furniture, &c.	..
Net profit for the past half-	3,136,060		720,997,325
year	..		720,997,325

BANK OF ROUMANIA, LIMITED.

BALANCE-SHEET—December 31, 1920.

LIABILITIES.		ASSETS.	
Capital	300,000	Cash in hand and at bankers—	7,968,742
Reserve account, old,	200,359	London, £93,474; Bucarest,	..
£143,752; reserve account,	..	lei 196,881,715 at 25 per £,	..
new, £56,607	140,983	nominal, £7,875,268	..
Contingency, profit and loss,	..	British Government securities	473,788
and adjustment accounts	..	and British Treasury bills	..
Current accounts, bills pay-	10,760,792	Bills receivable, loans, cur-	..
able, &c.—Sterling, £441,026;	..	rent, and other accounts—	..
lei 257,994,152 at 25 per £,	..	Sterling, £213,771; lei	2,959,604
nominal, £10,319,766	..	68,645,839 at 25 per £,	..
Note.—The accounts in lei	..	nominal, £2,745,833	..
from Bucarest are calculated	..		11,402,134
for the purpose of the balance	..		11,402,134
sheet at 25 lei per £.	11,402,134		..

APPROPRIATION ACCOUNT.

Dr.	Cr.
Dividend of 6s per share, less	Balance of profit, after
tax, paid December 1, 1920.	deducting current expenses,
Contingency account	writing down investments,
13,231	and making provision for
..	bad debts, income tax, cor-
..	poration tax, &c.
28,231	28,231

BANQUE BELGE POUR L'ETRANGER.

SOCIETE ANONYME.

(Affiliated to the Société Générale de Belgique.)

BALANCE-SHEET—June 30, 1921.

(Sterling equivalents taken at exchange of 25 frs to the £.)

LIABILITIES.		ASSETS.	
Capital	4,000,000	Shareholders' liability	999,990
Statutory reserve fund	59,089	Cash in hand and with	8,612,618
Special reserve fund	580,028	bankers	787,083
Sundry creditors	26,700,000	Loans	9,561,622
Acceptances	824,351	Sundry debtors	..
Obligations	204,000	Liability of customers on	..
Note issue in China	61,879	acceptances	824,351
Profit and loss account	395,338	Investments—Government	..
	32,824,685	and Government guaran-	..
	..	teed stocks, £480,536; Treas-	2,452,699
	..	ury bills, £971,253; sundry	86,126
	..	securities, £1,000,910	9,248,352
	..	Financial participations	..
	..	Bills receivable	251,842
	..	Bank premises, &c.	..
	32,824,685		32,824,685

PROFIT AND LOSS ACCOUNT.

Dr.	Cr.
Administration and general	Balance on July 1, 1920
expenses	Interest, commission, &c.
Staff pension fund	7,857
Net profit	955,837
963,694	963,694

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RESERVE FUND - Fcs. 200,000,000.

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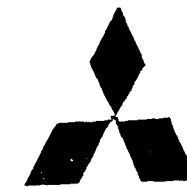
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BANQUE DU CONGO BELGE.

BALANCE-SHEET—June 30, 1921.

LIABILITIES.	Francs.	ASSETS.	Francs.
Capital	12,000,000	Land & buildings in Africa	1,063,000
Legal reserve	220,183	Furniture and fixtures	92,000
Special reserve	420,000	Uncalled capital	6,000,000
Notes in circulation	34,259,706	Cash in hand and at bank	33,240,746
Bills payable	3,661,282	Government securities	46,875
Creditors	116,403,088	Bills receivable	71,655,002
Profit and loss	2,548,948	Debtors	57,415,584
	169,513,207		169,513,207

BANQUE FRANCAISE POUR LE COMMERCE ET L'INDUSTRIE.

BALANCE-SHEET—July 31, 1921.

LIABILITIES.	Francs.	ASSETS.	Francs.
Capital	100,000,000	Cash in hand and with other banks	108,990,794
Statutory reserve	3,750,655	Government bonds	126,034,083
Supplementary reserve	13,000,000	Bills	179,065,267
Depreciation fund	600,000	Short loans	2,382,256
Unpaid dividends	218,576	Current accounts	73,026,212
Acceptances and bills payable	30,018,000	Advances	21,264,999
Exchange	38,468,500	Advances on guarantees	18,925,535
Current accounts:—		Exchange	38,468,500
At sight	386,445,097	Rentes, shares, and stock	29,831,300
At notice	27,618,414	Syndicates	10,781,407
Other accounts	23,859,577	Sundries	5,634,430
Profit and loss	484,044	Property	10,000,000
	624,462,863		624,462,863

BRITISH ITALIAN CORPORATION, LIMITED.

The report presented to the meeting held on April 25th is as follows:—The balance shown by the profit and loss account for the year 1921 amounts to £44,364; to which is to be added the balance carried forward from 1920, viz., £24,328; making in all, £68,692; which, after deduction of the directors' additional remuneration, as provided by the articles of association, viz., £968, leaves for allocation £67,724. The directors recommend the distribution of a dividend of 4 per cent., free of income-tax, absorbing £40,000, and that the balance of £27,724 be carried forward to new account.

BALANCE-SHEET—December 31, 1921.

LIABILITIES.	£	ASSETS.	£
Capital—Authorized and issued, 50,000 shares of £20 each, fully paid	1,000,000	Cash in hand	1,947
Reserve account	233,418	Cash at call and short notice	175,000
Sundry creditors, loans and contingencies	968,704	Balances with bankers in London	298,492
Acceptances, guarantees, and endorsements	901,365	Balances with Banca Italo-Britannica and other bankers abroad	284,955
Guarantees	3,431,956	Bills receivable	554,526
Endorsements	268,088	Banca Italo-Britannica—20,000 Shares of Lit. 500 each fully paid at cost	149,470
Profit and loss account—		Sundry debtors and loans	764,430
As at 31st December, 1920, £29,474; less directors' additional remuneration for the year 1920, £3,146; dividend for the year 1920, £40,000; amounts transferred to contingencies account, £25,000—£28,146—£24,328; add balance for the year 1921 as per account below, £44,364....	68,692	Liabilities of customers for acceptances, guarantees and endorsements as per contra—Italian banks	3,668,311
	6,872,223	Other customers	933,098
		Premises account	41,992
		Office furniture	1
			1
			6,872,223

BRITISH BANK FOR FOREIGN TRADE, LIMITED

BALANCE-SHEET—April 30, 1921.

LIABILITIES.	£	ASSETS.	£
Capital issued, 240,000 shares of £1 each	240,000	Cash in hand, at bankers in London and abroad, and at call	100,909
Current, deposit and other accounts	541,082	Premises account	51,180
Profit and loss account—Balance brought forward, £30,610; add profit for year, £22,241	52,851	Investments:—At market price	437,032
	833,933	Loans to customers	244,812
			833,933

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interest, &c., paid	29,690	Gross profit	72,859
Office charges, including rent, salaries, directors' fees, corporation profits tax, and other expenses	20,934	Transfer fees	6
Balance, being profit for year	22,241		
	72,855		72,855

BRITISH OVERSEAS BANK, LIMITED.

The report to the meeting, held on December 16, 1921, states that the profit, after allowing for rebate of interest and providing for all bad and doubtful debts, income-tax, and other taxation for the year ended October 31, 1921, amounts to £102,326, to which has to be added the sum of £35,200, being the balance available from last account, after payment of income and corporation profits taxes for the previous year, making a total of £137,526. Interim dividend on "A" ordinary shares at the rate of 6 per cent. per annum

for the half-year ended April 30, 1921, and income-tax thereon, £30,000; leaving a balance of £107,526, which the governing council recommends should be dealt with as follows:—In payment of a dividend on the "A" ordinary shares at the rate of 6 per cent. per annum (less income-tax) for the half-year ended October 31, 1921, which, together with income-tax thereon, amounts to £30,000; to reserve fund against shareholding interests in foreign banks, £10,000; to reduction of premises account, £10,000; leaving a net balance to be carried forward to next year of £57,526—£107,526. The governing council has now been able to conform to the usual banking practice of deducting all taxation charges before declaring the profits for the year. The balance of £57,526 is, therefore, not subject, as was the case last year, to any deductions of this character.

BALANCE-SHEET—October 31, 1921.

LIABILITIES.	£	ASSETS.	£
Capital subscribed and paid in full—		Cash in hand and at bankers	568,826
200,000 "A" ordinary shares of £5 each	1,000,000	Money at call & short notice	1,395,000
200,000 "B" ordinary shares of £5 each	1,000,000	Balances with bankers abroad	1,058,744
Current, deposit and other accounts	1,793,941	Bills discounted	59,586
Reserve against shareholding interests in foreign banks	10,000	Government securities—£100,000 Treasury bills	99,914
Acceptances and endorsements for account of customers (per contra)	449,117	Shareholding interests in foreign banks at cost	44,942
Balance of profit and loss account	107,526	Other investments	20,422
	4,360,584	Advances to customers and other accounts	385,506
		Liability of customers for acceptances and endorsements (per contra)	449,117
		Premises account	238,527
			4,360,584

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend on the "A" ordinary shares at the rate of six per cent. per annum and income tax thereon ..	30,000	Balance brought forward (subject to Income and Corporation Profits Taxes)	81,486
		Less—Income and Corporation Profits Taxes	46,286
			35,200
		Net profit after allowing rebate of interest and providing for bad and doubtful debts, income tax and other taxation for the year ended October 31, 1921	102,326
Balance carried to balance sheet	107,526		102,326
	137,526		137,526

BRITISH TRADE CORPORATION.

The report presented at the meeting on March 29, 1922, is as follows:—Reference was made at the last meeting to the investments of the corporation in subsidiary companies, and the impossibility of placing value thereon. Since that date it has been demonstrated that values should be written down, and also that provision should be made for losses in connection with the closing of the corporation's Batoum branch, and for other bad debts, and the result is that a debit balance is shown upon the profit and loss account of £193,076. The difficulties referred to last year in obtaining payment for goods shipped abroad by clients have been accentuated during the past year, and it is to be feared that some of the loans and advances made will be difficult to realise and may be subject to loss. Having regard to this fact and the statement made by the auditors in their certificate, the directors recommend that the existing capital be written down by an adequate amount, and that there be created an issue of "A" shares to take the place of the capital so displaced. The "A" shares will be preferential, and when issued will be offered to the shareholders. Resolutions to give effect to both of these operations will be submitted to the proprietors in due course. The writing down is subject to the obtaining of a supplemental charter, for which application has been made. The effect of the reduction will be to wipe off the debit balance upon the profit and loss account now shown and to reduce the figures appearing under the heading of bills discounted, loans, advances, and sundry debtors, and provide reserves against other assets.

BALANCE-SHEET—December 31, 1921.

LIABILITIES.	£	ASSETS.	£
Capital issued—200,000 shares of £10 each, fully paid	2,000,000	Cash in hand and at bankers	206,996
Current, deposit, and other accounts (including rebate of interest on bills discounted)	1,460,064	Investments (including £350,000 National War Bonds and £175,000 Exchange Bonds) at or under estimated market value	716,325
Acceptances on account of customers	855,442	Bills discounted, loans, advances, and sundry debtors, after writing off £95,000 in respect of bad debts	1,640,292
Adjustment of current accounts with branches, between Sept. 30 and Dec. 31, 1921	80,970	Liability of customers for acceptances as per contra	855,442
Note.—There is a contingent liability of £336,327 in respect of guarantees of £27,670 in respect of bills re-discounted and £72,225 in respect of uncalled capital on investments held.		Interest in subsidiary companies as per last balance-sheet, £307,380; less amount written off, £264,080	43,300
		National Bank of Turkey, 97,010 shares of £10 each, £2 10s paid at cost	243,620
		Premises	107,459
		Furniture, less depreciation	4,986
		Stamp duty on unissued capital	20,000
		Profit and loss account as per account	193,076
			4,396,476

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CREDIT LYONNAIS.

BALANCE-SHEET—December 31, 1921.

LIABILITIES.	Francs.	Assets.	Francs.
Deposits at call	1,697,325,285	Cash in hand and at banks	498,546,091
Current accounts	2,887,104,550	Bills discounted & French Treasury bills	5,790,821,544
Accounts payable after collection	90,021,682	Loans and advances	164,558,807
Exchange for forward delivery	71,161,500	Current accounts	778,811,827
Acceptances	28,340,804	Exchange for forward delivery	71,161,500
Deposits for fixed periods	49,863,225	Investments	5,969,548
Sundry liabilities	20,503,743	Sundries	4,147,729
Profit and loss	38,972,190	Premises	35,000,000
Reserve fund	200,000,000		
Capital fully paid	250,000,000		
	5,349,017,146		5,349,017,146

FARMERS' LOAN AND TRUST COMPANY.

BALANCE-SHEET—March 10, 1922.

LIABILITIES.	\$	Assets.	\$
Deposits	121,536,810	Cash on hand and in bank	23,592,650
Accrued interest, and reserved for taxes, dividend, &c.	1,995,127	U.S. Government bonds and certificates	25,949,820
Domestic and foreign acceptances	1,474,173	Bills purchased	22,452,799
Capital stock	5,000,000	Call loans—Collateral	23,380,197
Surplus and undivided profits	14,183,982	Time loans—Collateral	19,546,650
		Accrued interest	1,079,309
		Bonds and stocks	22,518,377
		Bonds and mortgages	1,046,297
		Liabilities of customers for acceptances	1,435,480
		Real estate	3,000,000
		Due from foreign branch	188,513
	144,190,092		144,190,092

GUARANTY TRUST COMPANY OF NEW YORK.

BALANCE-SHEET—March 10, 1922.

LIABILITIES.	\$	Assets.	\$
Capital	25,000,000	Cash on hand, in Federal Reserve Bank and due from banks and bankers	119,404,233
Surplus fund	15,000,000	U.S. Government bonds and certificates	39,226,007
Undivided profits	2,400,030	Public securities	33,452,693
Accrued dividend	583,000	Other securities	24,515,191
Accrued interest payable and reserves for taxes and expenses, and other liabilities	23,492,338	Loans and bills purchased	310,900,570
Accepts.—New York office	14,352,665	Real estate bonds and mortgages	2,693,317
Accepts.—Foreign offices	5,179,940	Foreign exchange	2,571,787
Outstanding Treasurer's cheques	10,357,182	Credits granted on acceptances	19,532,605
Deposits	479,148,464	Real estate	8,537,165
	755,513,679	Accrued interest and accounts receivable	14,680,111
			755,513,679

HAMBROS BANK, LIMITED.

The report to be submitted at the meeting on June 1, 1922, states that, after payment of all expenses, making provision for rebate on bills discounted, and bad and doubtful debts, the accounts show a profit of £305,626, to which falls to be added the balance brought forward from last year of £73,787, making an available total of £379,413. After setting aside the sum of £150,000 to contingency reserve account, and allowing the sum of £60,000 for the interim dividend of 6 per cent., free of income-tax, paid on November 1, 1921, the directors now recommend the payment of a further dividend of 9 per cent., making a total of 15 per cent. for the year, free of income-tax, and that the balance of £79,413 be carried forward.

BALANCE-SHEET—March 31, 1922.

LIABILITIES.	£	Assets.	£
Paid-up capital—£2 10s per share on 400,000 shares ..	1,000,000	Cash in hand, at bankers, and at call	3,075,969
Reserve	1,050,000	Bills of exchange	2,382,214
Profit and loss account ..	169,413	Investments—Valued at or below prices current at March 31, 1922—	
Current, deposit, and other accounts	15,169,333	British Government securities, £5,402,677; other investments, £454,497	5,857,174
Acceptances	4,992,234	Loans, advances, and other accounts	5,758,389
		Liabilities of customers for acceptances, as per contra Bank premises	4,992,234
			315,000
	22,380,980		22,380,980

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend of 6 per cent., free of income-tax ..	60,000	Balance brought forward from last account	73,787
Contingency reserve account ..	150,000	Net profit for the year	305,626
Balance carried to balance-sheet	169,413		
	379,413		379,413

HONGKONG AND SHANGHAI BANKING CORPORATION.

The report to the meeting held at Hongkong on February 18th states that the net profits for the year ending December 31, 1921, including \$3,291,492, balance

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(NATIONAL OVERSEAS BANK)

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8, Rue du Helder, IXe.

LONDON OFFICE:

27b THROGMORTON STREET, E.C.

Phone: L. Wall 295.

Telegrams: Ultramarine, Stock, London.

UNITED STATES:

NEW YORK AGENCY.

91/93 LIBERTY STREET.

Agents and Correspondents throughout the World.

A General International Banking Business conducted at all Branches of the Bank.

ALLIANCE BANK OF SIMLA, LTD.

Established 1874.

WITH WHICH ARE INCORPORATED

The Punjab Banking Co., Ltd., The Delhi and London Bank, Ltd., and the Bank of Rangoon, Ltd.

Authorised Capital	Rs. 3,00,00,000
Subscribed and Fully Paid-up Capital	88,81,500
Reserve Fund	42,00,000
Reserve against Depreciation of Government Paper and other Investments	13,00,000

HEAD OFFICE: SIMLA.

General Manager: L. A. DAVIS, Esq.

LONDON BRANCH: 40, Old Broad Street, E.C.2.
Director in Charge: The Right Hon. Lord Balfour of Burleigh.

BRANCHES: Calcutta, Bombay, Cawnpore, Delhi, Karachi, Lahore, Rangoon, Rawal Pindi, and at over fifty other places throughout India and Burma.

Agencies in the Principal Cities and Towns in India, Burma and Ceylon. Current Accounts are opened and transferred free of charge to any other Branch. Deposits are received for fixed periods and at short notice on favourable terms. Bills of Exchange are purchased and collected, Drafts and Telegraphic Transfers issued. Letters of Credit granted. The Bank undertakes Banking business of every description, the purchase and sale of Government Paper, Stocks and Shares, and affords all possible facilities to its Constituents. Terms of Business and any further information can be obtained on application to Head Office or any of the Branches.

BANQUE BELGE POUR L'ETRANGER

Société Anonyme.

(Filiale de la Société Générale de Belgique.)

CAPITAL (subscribed) ...	Frs. 100,000,000
(paid up) ...	Frs. 75,000,000
RESERVES ...	Frs. 19,862,294

HEAD OFFICE:

BRUSSELS, 66, RUE DES COLONIES.

BRANCHES:

PARIS (12, Place de la Bourse), NEW YORK, BUCAREST, COLOGNE, CAIRO, ALEXANDRIA, TANTAH, PEKING, SHANGHAI, TIENSIN, HANKOW.

LONDON OFFICE:

MOORGATE HALL, MOORGATE, E.C.2.

(temporarily)

MANCHESTER OFFICE:

19, SPRING GARDENS.

London Committee:

Messrs. J. S. HARRILL, A. F. BUXTON, G. GRINNELL MILNE, Sir WM. GARSTIN, G.C.M.G., EMILE FRANCOU, Chevalier De Wouters.

Affiliated Banks:

In all towns of any importance in Belgium and Luxemburg, and also Banco de Cartagena, Madrid, with branches in Spain and Morocco; Wiener Bank-Verein, Vienna, with branches in Austria, Hungary, Poland, Rumania, Italy (Tyrol), and Yugo-Slavia; Allgemeine Boemischer Bank-Verein, Prague, with branches in Czecho-Slovakia, and Kouyoumdjisky & Co., Sofia.

CORRESPONDENTS IN ALL PARTS OF THE WORLD.

Agents in the United Kingdom for the Belgian Postal Cheque Service.

Letters of Credit—Collection of Clean and Documentary Drafts.

FOREIGN EXCHANGE business a speciality. FOREIGN CURRENCIES bought and sold for immediate or forward delivery, enabling traders to secure the exchange for their contracts in the currency of the country of their customers.

All kinds of Banking business undertaken.

brought forward from last account, after paying all charges, deducting interest paid and due, and making provision for bad and doubtful accounts and contingencies, amount to \$14,112,787. The directors recommend the transfer of \$1,369,718 from the profit and loss account to credit of the silver reserve. They also recommend writing off bank premises account the sum of \$1,000,000. After making these transfers, deducting the interim dividend of £3 per share, paid on August 8th last—viz., £360,000 at 2s 7d = \$2,787,097—and remuneration to directors, there remains for appropriation \$8,905,972, out of which the directors recommend the payment of a final dividend on the old shares of £3 sterling per share, and a bonus on the old shares of £2 sterling per share; also a dividend and a bonus on the new shares at corresponding rates—viz., £2 5s and 15s, amounting in all to £720,000, which at 2s 7d, the rate of the day, will absorb \$5,574,193. The balance, \$3,331,779, to be carried to new profit and loss account.

BALANCE-SHEET—December 31, 1921.

Sterling exchange taken at 2/7.

LIABILITIES.	£	ASSETS.	£
Paid-up capital	2,583,333	Cash (including £23,150,000	
Sterling reserve fund	4,500,000	coin lodged with the Hong-	
Silver reserve fund	2,858,495	kong Government against	
Marine insurance account	32,292	authorised and/or excess	
Notes in circulation:—		note circulation)	11,626,285
(Authorised and addi-		Bullion in hand and in	
tional issue against		transit	1,738,736
securities and coin de-		British Government, Indian,	
posited with the Crown		Colonial, and other secu-	
Agents for the Colonies,		rities	12,333,566
their trustees, and the		Bills discounted, loans and	
Hongkong Government)		credits	26,101,222
Current accounts	5,687,776	Bills receivable	26,319,470
Fixed deposits	44,139,447	Liabilities of constituents	
Bills payable (including	17,973,113	for acceptances, per contra	333,230
call loans and short sight		Bank premises	1,838,095
drawings on London office			
and drafts on London			
bankers)	726,476		
Acceptances on account of			
constituents	333,229		
Profit and loss account	1,456,443		

Liability on bills of exchange
rediscounted, £2,761,122,
of which £2,302,528 have
since run off.

80,290,604

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend:—		Balance of undivided pro-	
Paid on August 8, 1921,		fit, December 31, 1920	425,151
£5 per share on 120,000		Amount of net profits	
shares = £360,000 at 2s 7d	360,000	for the year ending	
Remuneration to directors	6,458	December 31, 1921, after	
Final dividend and bonus ..	600,000	making provision for bad	
Dividend on 40,000 new		and doubtful debts and	
shares	90,000	contingencies, deducting	
Bonus on 40,000 new shares	30,000	all expenses and interest	
Transfer to silver reserve ..	176,922	paid and due	1,397,751
Transfer to bank premises			
account	129,167		
Balance forward to next			
year	430,355		
	1,822,902		1,822,902

IMPERIAL OTTOMAN BANK.

The report presented to the meeting held on November 3, 1921, states that the profit and loss account shows a profit for the year 1920 of £305,056, after providing for bad and doubtful debts, and after adding thereto the balance of £206,405, which was brought forward from the previous year, there remains a total credit balance on the account of

£511,461. In the preparation of the balance-sheet, all assets and liabilities in foreign currency have been converted into sterling at the rates ruling at December 31, 1920. Owing principally to the depreciation in sterling value of the funds employed in francs, the rate for which at December 31, 1920, was 60s to the £, against 41s to the £ at December 31, 1919, there is a large difference on conversion, the balance of which figures in the balance-sheet at £702,569. In consequence it is proposed to apply the credit balance of the profit and loss account to the difference on conversion, which will be thereby reduced to £191,108.

BALANCE-SHEET—December 31, 1920.

LIABILITIES.	£	ASSETS.	£
Capital, £10,000,000; less not		Cash in hand and at bankers	7,595,697
called up, £5,000,000	5,000,000	Money at call and notice ..	1,324,182
Bank notes in circulation ..	2,442,675	Bills receivable (including	
Bills payable	1,013,063	£3,666,288 10s 4d British	
Current accounts of sundries	16,342,684	Treasury Bills and Bonds	
Deposits for fixed terms ..	246,356	de la Défense Nationale) ..	4,968,310
Statutory reserve	1,250,000	Investments (of which	
Profit and loss account	511,461	£24,300 18s 6d is lodged	
		against deposits, Savings	
		Bank Department, &c.), in-	
		cluding £830,005 12s 5d	
		British and French Govern-	
		ment securities	2,139,535
		Current accounts of sundries	6,423,888
		Advances on securities	3,203,338
		Bank premises & real estate	443,730
		Balance of difference on con-	
		version at the rates at	
		December 31, 1920	702,569
	26,806,249		26,806,249

IMPERIAL BANK OF PERSIA.

The report states that the profits for the year ended September 20, 1921, after making provision for expenses of management and general charges in London, and at chief office, branches and agencies, income-tax, corporation tax, and bad and doubtful debts, amount to £88,196, to which has to be added £29,051 brought forward from last account, making a total of £117,247. From this sum, £5,292, the amount due to the Persian Government in terms of the Concession, has to be deducted, leaving £111,955, which the directors have dealt with in the following manner:—First interim dividend for the year, at the rate of 3s per share, paid June 15, 1921 (free of income-tax), £15,000; transfer to reserve account, £30,000; transfer to bank premises account, £10,000; second interim, being final dividend, at the rate of 5s per share, paid on December 29, 1921 (free of income-tax), £25,000; carry forward to new account, £31,955—£111,955.

BALANCE-SHEET—September 20, 1921.

LIABILITIES.	£	ASSETS.	£
Capital—99,800 ordinary		Cash in hand, at bankers, and	
shares of £5 10s; 200 found-		in transit	3,055,205
ers' shares of £5 10s	650,000	Investments in British and	
Reserve account	310,000	Colonial Government and	
Notes in circulation	733,327	other securities, taken at	
Deposits	2,805,375	or under prices ruling on	
Bills payable, endorsements,		September 20, 1921	1,499,173
and adjustments	2,616,712	Bills discounted, loans and	
Profit and loss account	56,955	advances, including adjust-	
		ments and past due bills and	
		loans	1,872,801
		Bills receivable	695,073
		Bank premises, furniture, and	
		stationery	50,117
	7,172,369		7,172,369

The Chase National Bank
of the City of New York

CAPITAL	\$20,000,000
SURPLUS AND PROFITS	21,678,000
DEPOSITS (March 10, 1922)	373,332,000

OFFICERS

Albert H. Wiggin, President

Vice-Presidents:

Samuel H. Miller
Carl J. Schmidlapp
Gerhard M. Dahl
Reeve Schley
Henry Ollesheimer
Alfred C. Andrews
Robert I. Barr
Sherrill Smith

Assistant Vice-Presidents:

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William E. Purdy
George H. Saylor
Gilbert B. Sayres
Alfred W. Hudson
George Hadden
M. Hadden Howell

Comptroller:

Thomas Ritchie

Cashier:

William P. Holly

Assistant Cashiers:

Charles C. Slade
Charles D. Smith
S. Frederick Telleen
Leon H. Johnston
Otis Everett
George E. Schoepps
Andrew G. Campbell
William H. Moorhead
Ernest T. Love
Carl P. Biggerman
Joseph C. Rovinsky

George A. Kinney, Trust Officer

Martin L. L. Henry, Auditor

Manfred Barber, Manager Foreign Department

DIRECTORS

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Albert H. Wiggin
John J. Mitchell
Guy E. Tripp
James N. Hill
Daniel C. Jackling
Charles M. Schwab
Samuel H. Miller
Edward R. Tinker
Edward T. Nichols
Newcomb Carlton
Frederick H. Ecker

Eugene V. R. Thayer

Carl J. Schmidlapp

Gerhard M. Dahl

Andrew Fletcher

Wm. B. Thompson

Reeve Schley

Kenneth F. Wood

H. Wendell Endicott

William M. Wood

Jeremiah Milbank

Henry Ollesheimer

ACCOUNTS RECEIVED FROM BANKS, Bankers, Corporations
Firms or Individuals on favourable terms.

Drafts and Letters of Credit issued, Documentary Bills negotiated
and Banking business transacted in all parts of the world.

WE INVITE CORRESPONDENCE.

THE EQUITABLE
TRUST COMPANY
OF NEW YORK.

ALVIN W. KRECH, President.

Capital, Surplus and Undivided
Profits (Mar. 10, 1922), \$27,851,303
(@ \$4.36 per £ = £6,387,913)

Current Accounts opened and Deposits received.
Dollar Bills purchased.
Drafts and Cable Transfers on every important city
issued at closest rates.
Forward Exchange bought and sold, Merchants
thereby being covered against fluctuations.
Banking and Exchange Business of every description
transacted with all parts of the world.

LONDON OFFICE:

3 KING WILLIAM STREET, E.C.4.

NEW YORK.

Head Office: 37 WALL STREET.

Branches: 222 BROADWAY, and MADISON AVENUE at
45th Street.

PARIS.

23 RUE DE LA PAIX.

Member Federal Reserve System.

Member New York Clearing House Association.

GOLDMAN, SACHS & Co.

30, Pine Street, New York.

BOSTON

LOS ANGELES

CHICAGO

PHILADELPHIA

SEATTLE

SAN FRANCISCO

ST. LOUIS

Foreign Exchange, Commercial
and Travellers' Letter of Credit
available in all Parts of the World.

COMMERCIAL PAPER.

Securities Bought and Sold on Commission.

THE NATIONAL
SHAWMUT BANK

OF BOSTON,

BOSTON, MASSACHUSETTS, U.S.A.

Chartered in 1836.

Capital : \$10,000,000
Surplus : \$10,000,000

Correspondents in all large cities in the United States of America.

Transacts a general Foreign and Domestic Banking Business.

Issues Commercial Letters of Credit and Travellers' Letters of Credit.

Buys and sells Foreign Exchange:

Discounts Acceptances.

Makes Advances against Merchandise stored at home or abroad.

Check Accounts solicited.

London Agents:

London Joint City and Midland Bank, Ltd.

Barclays Bank, Ltd.

Lloyds Bank, Ltd.

Guaranty Trust Co. of New York.

THE DOMINION BANK.

ESTABLISHED 1871.

Head Office: TORONTO

CAPITAL and RESERVES \$14,000,000

SIR EDMUND B. OSLER, President.

A. W. AUSTIN, SIR A. M. NANTON, Vice-Presidents.

CLARENCE A. BOGERT, General Manager.

BRANCHES THROUGHOUT CANADA.

Agents and Correspondents throughout the World.

The London Branch at 73, CORNHILL, E.C.3., deals in all the
Exchanges and renders a comprehensive Banking Service to customers.

S. L. JONES, Manager.

Agency in NEW YORK—THE DOMINION BANK, 51, BROADWAY.

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Amount due to Persian Government	5,292	Balance brought forward at September 20, 1920	29,051
Interim dividend at 3s per share, paid June 15, 1921 (free of income-tax)	15,000	Net profit, after deducting expenses of management and general charges in London, at chief office, branches and agencies, and after making provision for income-tax, corporation tax, and bad and doubtful debts	88,196
Transfer to reserve account	30,000		
Transfer to bank premises account	10,000		
Second and final dividend at 5s per share (free of income-tax), paid December 29, 1921, £25,000; balance to new account, £31,955	56,955		
	117,247		117,247

INTERNATIONAL BANKING CORPORATION.

BALANCE-SHEET—December 31, 1921.

(Exchange \$5 = £1.)

LIABILITIES.	£	ASSETS.	£
Capital Stock	1,000,000	Securities and investments (including bank premises and other real estate) of which securities of a value of \$476,880 were lodged as cover for loans, deposits, &c.	1,428,298
Surplus	1,000,000	Time loans and bills discounted	2,278,283
Undivided profits (dividends paid September 30, 1921, \$50,000, and December 31, 1921, \$50,000)	1,084,953	Demand loans and advances	8,588,874
Reserve for dividends	120,000	Bills, remittances, and other funds	4,701,303
Reserve for taxes	300,509	Due from banks and correspondents	462,158
Deposits, time	5,916,707	Bullion and foreign money on hand	89,967
Deposits, demand	8,050,312	Cash on hand and in local depositories	2,703,857
Bills and accounts payable	1,739,620	Customers' liability account of acceptances	2,912,171
Notes in circulation in China	765,481		
Securities borrowed	151,000		
Acceptances by this bank	2,331,903		
Acceptances by other banks for account of this bank (bills sold with our endorsement, £2,320,000)	683,426		
	23,164,911		23,164,911

ITALO-BELGIAN BANK.

BALANCE-SHEET—June 30, 1921.

LIABILITIES.	Francs.	ASSETS.	Francs.
Capital	50,000,000	Premises and fittings	6,573,036
Reserves—Legal reserve, 1,429,909; extraordinary reserve, 22,500,000	23,929,909	Furniture and with banks	177,060,750
Current and deposit accounts	504,493,293	Bills receivable	135,501,318
Bankers' and correspondents	167,647,644	Securities	2,466,981
Bills payable	15,944,129	Bankers' and correspondents	191,967,978
Interest and dividends not claimed	153,376	Clients, guaranteed and not guaranteed	255,691,404
Depositors	362,083,876	Securities deposited, 181,264,489; securities deposited as collaterals, 180,819,387	362,083,876
Re-discount on bills, 649,286; interest and dividend, 6,000,000; carried forward, 443,831	7,093,117		
	1,131,345,344		1,131,345,344

Dr.	Francs.	Cr.	Francs.
General expenses	7,021,450	Balance brought forward from the business year, 1919/1920	415,254
Distribution of profits—5% to the legal reserve, 446,042; first dividend of 5%, 2,500,000; 15% to the board of directors, 896,219; second dividend of 7%, 3,500,000; extraordinary reserve, 1,550,000; carried forward, 443,831	9,336,092	Interest, exchange, commissions, &c.	15,912,288
	16,357,542		16,357,542

IMPERIAL BANK OF INDIA.

The report for the half-year ended December 31, 1921, states that the net profits amounted to Rs. 62,27,657, which,

with Rs. 10,14,137 brought forward from the period January 27 to June 30, 1921, made a total of Rs. 72,41,794—This sum the governors of the bank disposed of as follows:—
(1) In payment of a dividend to the shareholders at the rate of 16 per cent. per annum, free of income-tax, Rs. 44,67,300; (2) transferred to reserve fund, Rs. 10,00,000; (3) transferred to pension funds, Rs. 5,00,000; (4) carried forward to profit and loss account of the current half-year, Rs. 12,74,494—Rs. 72,41,794.

BALANCE-SHEET—December 31, 1921.

LIABILITIES.	Rs.	ASSETS.	Rs.
Capital paid up	5,62,24,250	Government securities	11,17,42,849
Reserve	4,01,79,005	Other authorised securities under the Act	1,23,17,775
Public deposits	6,80,00,928	Loans	18,67,33,794
Other deposits	65,77,98,650	Cash credits	25,27,94,715
Loans against securities per contra	39,75,000	Inland bills discounted and purchased	9,93,90,480
Contingent liabilities		Foreign bills discounted and purchased	1,04,273
Sundries	21,75,240	Bullion	9,858
		Dead stock	2,35,91,544
		Liability of constituents for contingent liabilities per contra	44,02,914
		Sundries	7,42,820
		Balances with other banks	13,60,22,521
		Cash	13,60,22,521
	82,83,53,073		82,83,53,073

The above balance-sheet includes—	£
Deposits in London	35,854
Advances in London	343,089
Cash and balances at other banks in London	45,938

IONIAN BANK, LIMITED.

BALANCE-SHEET—December 31, 1921.

(Drachma taken at 25 per £ and £ at 97.50 per £100.)

LIABILITIES.	£	ASSETS.	£
Capital—97,116 shares of £5 each, paid up	485,580	Cash in hand and at bankers—London & Paris, £95,379; branches, £38,751	134,130
Reserve fund	150,000	Notes of other banks	440,029
Current accounts, including accounts without interest, £7,131,732; deposits bearing interest, £2,650,830	9,782,562	Money at call with National Bank of Greece	831,825
Other liabilities and credit accounts, including outstanding advances, exchange contracts, letters of credit, documentary credits, and other credit balances	5,173,479	Investments at market prices or under (British Imperial and Colonial Government stocks, and other securities)—London, £658,611; in Greece, £56,911	715,522
Bills payable	58,975	Bills receivable—London, Paris, Greece, & in transit	604,812
Rebate on bills not due	16,613	Bills discounted, viz.:—Commercial, £1,208,708; proprietors' and agrarian, £86,932	1,275,640
Profit and loss, balance of account as below	31,204	Advances on securities	4,562,450
Contingent liability on bills of exchange discounted, £9,738		Loans and current accounts, £765,294; other assets—including outstanding advances, exchange contracts, letters of credit, documentary credits, and other advances, £6,121,163	6,886,457
		Current accounts secured by mortgages	20,089
		Advances on mortgages	116,317
		Mortgaged property taken possession of	15,204
		Freehold bank premises at Athens, Corfu, Cephalonia, Patras, Piræus, Zante, and Alexandria, and bank furniture	95,938
	15,698,413		15,698,413

THE LONDON MERCHANT BANK, Ltd.

Subscribed Capital	£1,500,000
Paid-up Capital	750,000
Reserve Fund	350,000

F. LUBBOCK, Chairman. A. HARTE, Manager.
F. POOLE, Secretary.

OFFICE

38 Lombard Street, E.C.3.

Clearing Agents: BANK OF ENGLAND; COUTTS & Co.
Telegraphic Address: "LONDONMERCHANT, THREAD, LONDON."

THE UNION BANK OF AUSTRALIA Limited.

Established 1837. Incorporated 1880.

CAPITAL AUTHORISED AND ISSUED	£9,000,000
Capital Paid-up	£3,000,000
Reserve Fund	£3,150,000
Reserve Liability of Proprietors	£6,000,000

DIRECTORS:

HENRY P. STURGIS, Esq., Chairman.	SOMERVILLE R. LIVINGSTONE, Esq.
The Rt. Hon. LORD CARMICHAEL, G.C.S.I.	LEARMONTH, Esq.
The Rt. Hon. THE EARL OF CHESTER.	ROBERT C. NESBITT, Esq.
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HUGH D. FLOWER, Esq.	The Hon. EDMUND W. PARKER.
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	ARTHUR C. WILLIS, Esq.

HEAD OFFICE:

71 Cornhill, London, E.C.3.

Manager—W. J. ESSAME. Assistant Manager—W. A. LAING.

BRANCHES THROUGHOUT AUSTRALIA AND NEW ZEALAND, viz.:

In VICTORIA	42
" SOUTH AUSTRALIA	14
" NEW SOUTH WALES	38
" WESTERN AUSTRALIA	20
" QUEENSLAND	19
" TASMANIA	8
" NEW ZEALAND	46
	183

Drafts upon the Branches are issued by Head Office, and may also be obtained from the Bank's Agents throughout England, Scotland, and Ireland. Commercial and Circular Travelling Credits issued—available throughout the World. Telegraphic Remittances are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection. Deposits are received at Head Office at rates of interest and for periods which may be ascertained on application.

BANCO ITALIANO LIMA (Peru).

Capital: Lp. 400,000.

Reserve: Lp. 353,850.

BRANCHES AT

CALLAO, AREQUIPA,
CHINCHA-ALTA, MOLLENDÓ,
etc., etc.

London Agents:

Banca Commerciale Italiana,
30a, THREADNEEDLE STREET, E.C.2

Harrods

LONDON

LTD

Authorised Capital	£6,500,000	Issued and Fully Paid	£5,915,000
Reserve Fund	£669,097		

DIRECTORS.	CHIEF ACCOUNTANT
SIR WOODMAN BURBIDGE, BART., Chairman & Managing Director.	ALLAN HEPWORTH
F. H. HARVEY-SAMUEL	SECRETARY
EDGAR COHEN	R. H. GRIFFITH
SIR H. K. NEWTON, BART., M.P.	BANK MANAGER
FRANK CHITHAM	F. W. ATKINSON
ALLAN HEPWORTH	

BANKING DEPARTMENT

Current Accounts are opened for Shareholders and Customers or Friends introduced by them. Interest at the rate of 2½ per cent. per annum, credited annually, is allowed upon the minimum monthly balance, provided it is not under £20. No commission charged for keeping Accounts, but the opening lodgment must not be less than £10, nor the minimum balance less than £5.

Deposits are received at interest in amounts of £1 up to £500, at seven days' notice of withdrawal; sums in excess of that figure are subject to special arrangement as to notice.

Interest is allowed from date of deposit to date upon which withdrawal notice expires, and is added half-yearly, viz., June 30th and December 31st.

The Directors reserve to themselves the power to return Deposits or change the rate of Interest.

Country and Foreign Drafts, Dividends, Coupons, Annuities, Pensions, etc., received and placed to credit. Drafts, Circular Notes and Letters of Credit obtained.

American and Canadian Express cheques cashed and Foreign money exchanged.

Head Office BROMPTON ROAD LONDON SW1

THE MERCANTILE BANK OF INDIA, LTD.

HEAD OFFICE:

15, Gracechurch St., London, E.C.3.

Capital Authorised	£3,000,000
Capital Paid Up	£1,050,000
Reserve Fund and Undivided Profits	£1,287,671

Branches and Agencies in:

INDIA, CEYLON, BURMAH,
STRAITS SETTLEMENTS, CHINA,
and PORT LOUIS (MAURITIUS).

The Bank buys and sells Bills of Exchange, issues Letters of Credit, and conducts every description of Banking Business in connection with the East.

FIXED DEPOSIT RATES
will be quoted upon application.

On CURRENT ACCOUNTS interest is allowed at 2 per cent. per annum on daily balances, provided interest for the half-year amounts to £1.

PROFIT AND LOSS ACCOUNT.			
Dr.	£	Cr.	£
Charges of management for the year, including salaries, pensions, directors' fees, income-tax, and other taxes and charges ..	270,283	Gross profits, after making provision for bad and doubtful debts	709,616
Interest on deposits and current accounts	363,699		
Rebate on bills discounted not due	16,613		
Net profit carried down	59,021		
	709,616		709,616
Interim dividend for 1921, at 3s per share, free of income-tax, paid Sept. 21, 1921 ..	14,567	Net profit brought down	59,021
Reserve fund (addition to the fund)	20,000	Balance brought forward from last account	11,750
Staff pension fund (addition to the fund)	5,000		
Final dividend at 3s per share, together with a bonus of 1s per share, both free of income-tax, payable if agreed to on April 28, 1922, £19,423; balance carried forward, £11,781 ..	31,204		
	70,771		70,771

The report presented at the meeting on April 27, 1922, is as follows:—The profits for the year ended December 31, 1921 (provision having been made for expenses of management, losses, all bad and doubtful debts, bonus for staff, rates, taxes, income-tax and corporation profits tax, both in Greece and England), amount to £59,021, to which has to be added balance brought forward from last year, £11,750—£70,771; from which there has been paid interim dividend for the year 1921 at 3s per share, free of income-tax, paid September 20, 1921, £14,567, leaving available for distribution £56,204. This the directors propose should be disposed of as follows:—Final dividend for the year 1921 at 3s per share, free of income-tax, £14,567; bonus for the year 1921 at 1s per share, free of income-tax, £4,856; transfer to reserve fund, making that fund £150,000, £20,000; transfer to staff pension fund, £5,000; leaving a balance to be carried forward of £11,781—£56,204.

LONDON AND BRAZILIAN BANK, LIMITED.

BALANCE-SHEET—January 31, 1922.

LIABILITIES.		ASSETS.	
£		£	
Capital paid up, £10 per share 1,500,000		Specie and cash at head office and branches	10,360,489
Reserve fund	1,500,000	Bills receivable	2,130,272
Current accounts and deposits in currency at branches, £19,570,326; current accounts and deposits at head office, £460,451	20,030,777	Bills discounted, loans, &c. ..	15,064,020
Bills payable	2,924,932	Cash and remittances in transit, &c.	260,036
Agents and sundry accounts 1,618,750		Bills for collection, as per contra	6,950,763
Bills for collection on account of customers	6,950,763	Bank premises at head office and branches	350,159
Profit and loss, £723,622; less dividend (interim) paid to July 31, 1921, £105,000 ..	618,622	Furniture at head office and branches	28,105
Staff pension and benevolent fund trust £179,196, 5% War Loan, 1923-1947) ..	35,143,844		
	35,143,844		35,143,844
PROFIT AND LOSS ACCOUNT.			
Dr.	£	Cr.	£
Charges at head office and branches	408,919	Balance brought down	611,647
Taxes at home and abroad ..	78,573	Profit to Jan. 31, 1922, after providing for rebate of interest on bills discounted not due, and bad and doubtful debts	699,467
Dividend (interim) for the half-year ending July 31, 1921	105,000		
Balance carried down	618,622		
	1,211,114		1,211,114

The report states that the accounts show an available balance of £723,622 (including £511,647 brought forward from last year). An interim dividend of 14s per share, amounting to £105,000, was paid in October last. The directors now recommend a further payment of 14s per

share, being a dividend at the rate of 14 per cent. per annum, less income-tax, but on this occasion do not recommend the payment of a bonus. The above payments will absorb £210,000, leaving a balance of £513,622, which the directors recommend should be carried forward to the credit of profit and loss new account.

LONDON AND RIVER PLATE BANK, LIMITED.

The report states that the balance available, after making ample allowance for bad and doubtful debts, income-tax, and £106,782 rebate of interest on bills not due, amounts to £722,324, including £318,140 brought forward from last year. The directors recommend the following distribution:—To dividend, £122,400, being 6 per cent., subject to income-tax, payable December 23rd, making, with £122,400, the interim dividend paid in June last, a distribution of 12 per cent. for the year on the paid-up capital of the bank; to contingency reserve account, £160,000; to profit and loss new account, £317,524, to be carried forward.

BALANCE-SHEET—September 30, 1921.

LIABILITIES.		ASSETS.	
£		£	
Capital, 120,000 shares of £25 each, on which £17 per per share has been paid ..	2,040,000	Cash on hand, at bankers, and at branches	13,868,199
Reserve fund	2,100,000	Bills receivable, bills discounted, advances, securities, &c. (including depreciation arising on conversion of currency capital into sterling—see Directors' Report) after deducting provision for contingencies	26,182,313
Acceptances—account branches	2,870,349	Bills for collection	5,847,753
Acceptances—customers' drafts under merchandise credits, &c.	1,215,402	Bank premises, including furniture	955,734
Bills advised—drafts in transit	1,380,341		
Current accounts, &c., and deposits in currency at branches	30,001,769		
Current accounts and deposits at head office	684,329		
Monte Video branch—Local currency emission ..	7,349		
Bills for collection on account of customers, per contra	5,847,753		
Rebate of interest on bills not due	106,783		
Profit and loss account, as per statement below	599,924		
	46,853,999		46,853,999

Note—Contingent liability as endorser of foreign bills discounted, £1,170,334, of which £1,155,514 has since run off.

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Charges at head office and branches, including rent ..	677,601	Balance brought forward ..	318,140
Interest on dividends	122,400	Gross profits, after providing for bad and doubtful debts ..	1,081,785
Balance carried down	599,924		
	1,399,925		1,399,925
		Balance brought down	599,924

NATIONAL CITY BANK OF NEW YORK.

BALANCE-SHEET—March 31, 1922.

LIABILITIES.		ASSETS.	
£		£	
Capital	40,000,000	Cash in vault and in Federal Reserve Bank ..	91,038,901
Surplus and undivided profits	50,419,652	Due from banks, bankers and United States Treasurer	99,458,253
Deposits	628,384,969	Loans, discounts and acceptances of other banks	505,888,472
Acceptances of other banks and foreign bills sold with our endorsement	35,244,394	United States Government and other bonds, \$60,262,473; stock in Federal Reserve Bank, \$2,550,000; ownership of International Banking Corporation, \$8,500,000 ..	71,312,473
Acceptances outstanding as per contra, \$23,520,628; anticipated by customers, \$1,736,046 ..	31,256,674	Bank buildings	6,060,000
Circulation	1,828,195	Customers' liability account of acceptances ..	29,520,628
Bonds borrowed	1,958,000	Items in transit with branches	2,044,164
Other liabilities	2,081,670	Other assets	2,242,700
Reserves for accrued interest and unearned discount, \$2,922,816; taxes and accrued expenses, \$2,869,211; contingencies, \$10,000,000 ..	15,792,037		
	807,565,591		807,565,591

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MITSUBISHI BANK, LIMITED.
BALANCE-SHEET—December 31, 1921.

LIABILITIES.	Yen.	ASSETS.	Yen.
Capital	50,000,000	Uncalled capital	20,000,000
Reserve funds	8,550,000	Advances, Y.201,701,599—	
Deposits, Y.379,311,459—		Loans	167,271,488
Fixed deposits	166,885,886	Bills discounted	18,535,903
Current accounts	26,427,411	Call loans	11,827,437
Special current accounts	29,637,980	Overdrafts	13,066,772
Deposits at notice	55,662,535	Foreign bills bought	10,400,474
Other deposits	697,648	Interest-bearing foreign	
Bills payable	707,986	bills	5,393,885
Foreign bills sold	418,182	Due from other banks	559,468
Due to other banks	636,450	Acceptances and guaran-	
Acceptances and guarantees	6,716,225	tees, as per contra	6,716,225
Interest accrued on deposits	2,876,006	Government bonds and	
not yet due		Treasury bills	6,542,281
Rebate on bills discounted	1,878,168	Other bonds and securities	75,040,060
Expense accounts	360,342	Office premises	5,645,665
Accounts en route	470,518	Suspense accounts	89,078
Income-tax on fixed deposit	64,962	Cash on hand and in banks	15,327,034
Balance brought forward			
from last profit and loss			
account	1,054,955		
Net profit for the current	4,371,506		
half-year			
	357,415,770		357,415,770

THE P. & O. BANKING CORPORATION, LIMITED.
BALANCE-SHEET—March 31, 1921.

LIABILITIES.	£	ASSETS.	£
Capital issued, 250,000 shares	2,500,000	Cash at bankers and in hand	430,776
of £10 each, fully paid up		Money at call and short	
Current deposit, and other		notice	1,095,000
accounts, including rebate		Investments—Colonial Go-	
on bills not due, provision		vernment securities at	
for bad and doubtful debts,		market value, £5,407; Cor-	
income and corporation		poration stocks, industrial	
profits taxes, &c.	2,662,391	debentures, and other	
Loans	160,000	investments at or below	
Liabilities for acceptances,		market value, £55,634;	
endorsements, &c., as per		Allahabad Bank—23,178	
contra.	712,960	ordinary shares of Rs.100	
Liabilities to customers on		each, of which 14,455 are	
account bills receivable		fully paid and 8,723 are	
for collection, as per contra	31,197	paid up to the extent of	
Profit and loss account—Net		Rs.50 per share, at cost,	
profit for the period ended		£583,916	644,957
March 31, 1921, £99,725;		Bills discounted, including	
deduct—Balance of pre-		Treasury bills	1,575,358
liminary expenses written		Liabilities of customers for	
off, £26,430	73,294	acceptances, endorsements,	
		&c., as per contra	712,960
		Bills receivable for collec-	
		tion, as per contra	31,197
		Advances to customers on	
		current & other accounts..	740,057
		Items in transit and sundry	
		other assets, including ex-	
		change adjustment acc't.	906,976
		Furniture at head office and	
		branches	2,561
	6,139,842		6,139,842

NOTE.—There is a contingent liability in respect of bills re-discounted amounting to £5,106,106, of which £1,931,286 have run off by May 30th.

SOCIETE BELGE DE CREDIT INDUSTRIEL ET COMMERCIAL ET DE DEPOTS.

BALANCE-SHEET—December 31, 1920.

LIABILITIES.	Francs.	ASSETS.	Francs.
Subscribed capital	20,000,000	Uncalled capital	15,200,000
Statutory reserve	1,316,304	Premises	1,000,000
Special reserve	250,000	Cash	10,239,132
Deposit accounts	14,621,523	Coupons for collection	517,577
Current accounts	27,701,999	Bills receivable	19,015,018
Other liabilities	338,172	Short loans	4,985,336
Profit and loss	708,607	Advances	12,508,078
		Current accounts	1,232,011
		Other assets	124,393
	64,936,605		64,936,605

SOCIETE GENERALE.

(Pour Favoriser le Développement du Commerce et de l'Industrie en France.)

BALANCE-SHEET—December 30, 1921.

LIABILITIES.	Francs.	ASSETS.	Francs.
Capital	500,000,000	Cash in hand and at bank	368,421,822
Reserve	53,070,815	Bills receivable	3,471,170,247
Drawing accounts	1,148,279,748	Coupons for collection	59,771,313
Deposit accounts	147,179,400	Short loans	8,058,593
Bills payable	86,182,651	Loans on security	242,080,657
Current accounts	3,830,965,371	Current accounts	1,250,599,088
Interest and dividends	1,945,716	Investments	52,858,246
Profit and loss	29,525,800	Syndicates	37,727,496
		Premises, &c.	56,422,039
	5,797,149,501	Uncalled capital	250,000,000
			5,797,149,501

SOCIETE GENERALE DE CREDIT INDUSTRIEL ET COMMERCIAL.

BALANCE-SHEET—December 31, 1920.

LIABILITIES.	£	ASSETS.	£
Deposit accounts	4,205,246	Cash in hand	1,674,862
Current accounts	11,427,102	Due from other banks	293,141
Fixed deposits	1,350,511	Coupons for collection	74,997
Acceptances guaranteed	90,400	Bills receivable, "Bons de	
Acceptances covered by cash	2,813	la Défense Nationale"	13,327,266
Current accounts	2,191,753	Current accounts	1,233,336
Advances guaranteed	4,622	Advances guaranteed	1,083,165
Unclaimed interest and divi-		Acceptances guaranteed	90,400
dends		Foreign exchange business	
Transitory and sundry		guaranteed	2,191,753
accounts	475,417	Payments made on account	
Rebate	118,828	of interest and dividends	
Reserve fund	1,120,000	for 1920	46,447
Capital subscribed	4,000,000	Transitory accounts	117,209
Brought forward from 1919	31,237	Investments	992,850
Profit and loss account for		Shares of affiliated societies	1,169,539
1920	208,561	Bank premises	240,000
		Uncalled capital	2,691,526
	25,226,490		25,226,490

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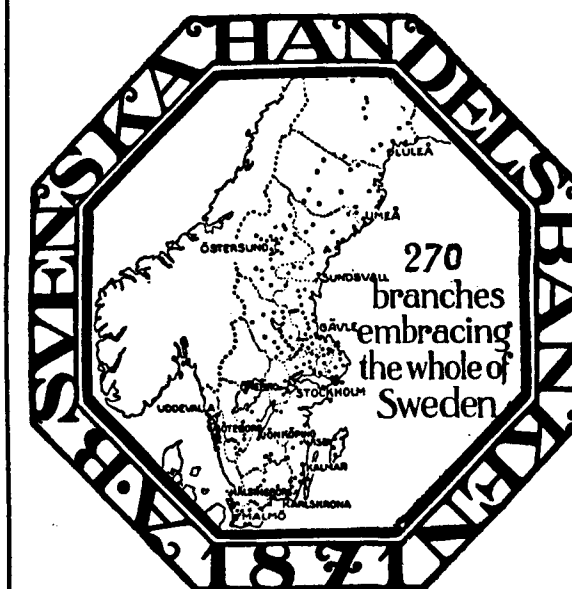
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SUMITOMO BANK, LIMITED.
BALANCE-SHEET—June 30, 1921.

LIABILITIES.	Yen.	Assets.	Yen.
Subscribed capital	70,000,000	Capital unpaid	30,000,000
Reserve fund	17,000,000	Loans, bills discounted and exchange purchased	346,589,956
Pension reserve	1,000,000	Due from other banks	3,159,068
Deposits	381,545,192	Customers' liabilities on foreign credits, acceptances and guarantees	10,624,689
Exchange sold and bills payable	4,325,471	Government bonds	76,586,319
Exchange adjustment	627,258	Municipal and other securities	14,044,788
Due to other banks	16,207,276	Bullion and foreign currencies	1,508,357
Foreign credits, acceptances and guarantees	10,624,689	Bank premises and furniture	6,228,893
Dividends not yet paid	1,278	Cash in hand	24,392,832
Rebate on bills not yet due and interest accrued on deposits	6,689,147		
Balance brought forward from last half-year	976,412		
Net profit for half-year	4,340,179		

Dr.	Yen.	Cr.	Yen.
Reserve funds	2,000,000	Balance brought forward from last half-year	976,412
Dividends	2,000,000	Net profit for the half-year	4,340,179
Pension reserve	200,000		
Bonus	70,000		
Balance carried forward to next half-year	1,046,550		
	5,316,550		5,316,550

SWISS BANK CORPORATION.
BALANCE-SHEET—December 31, 1921.
(£1 = 25 Francs.)

LIABILITIES.	£	Assets.	£
Share capital	4,800,000	Cash	4,270,180
Reserves	1,320,000	Banks and bankers	5,655,278
Fixed deposits	5,104,117	Bills receivable	12,089,149
Current accounts, &c.	29,638,548	Loans at short dates on securities	75,037
Bills payable and acceptances	1,883,942	Current accounts	18,518,665
Profit	511,484	Permanent investments	380,491
		Government, railway, and other securities	1,701,524
		Syndicates	74,011
		Bank premises and other property	553,546
	43,317,891		43,317,891

Dr.	£	Cr.	£
General expenses and taxes	985,992	Balance from 1920	49,494
Provision for bad and doubtful debts (less return of amounts previously written off), and writing down new premises, &c.	78,788	Discounts	816,724
Net profit available	511,484	Interest	199,414
	1,576,264	Commissions	375,601
		Investments and Syndicates	74,274
		Coupons and foreign moneys	60,757
			1,576,264

The report presented to the meeting held at Basle on March 24, 1922, states that, after deduction of expenses and

taxes, and making provision for bad and doubtful debts, &c., the net profit for the year ended December 31, 1921, amounts to £461,990. The board propose to allocate to pension fund £20,000, to pay a dividend of 5 per cent. on the paid-up capital (according to Article 36 of the articles of association), £240,000—£260,000, leaving a balance of £201,990; less statutory participation of directors, £20,199; the remainder, £181,791, together with the amount carried forward from last year, £49,494—£231,285, is at the disposal of the general meeting, and the board propose: To pay a further dividend of 4 per cent. (making in all 9 per cent. for the year 1921), which will absorb £192,000, and to carry forward £39,285.

YOKOHAMA SPECIE BANK, LIMITED.
(Registered in Japan.)
(YOKOHAMA SHOKIN GINKO.)

The net profit of the bank for the half-year ended December 31, 1921, after providing for all bad and doubtful debts, rebate on bills, &c., was 14,847,143 yen, inclusive of 4,754,937 yen brought forward from last account. The directors propose that 4,000,000 yen be added to the reserve fund, and recommend a dividend at the rate of 12 per cent. per annum, which will absorb 6,000,000 yen. The balance, 4,847,143 yen, will be carried forward to the credit of next account.

LIABILITIES.	Yen.	Assets.	Yen.
Capital	100,000,000	Cash in hand and at bankers	101,850,861
Reserve fund	57,000,000	Investments in public securities and debentures	159,316,038
Reserve for doubtful debts	6,153,637	Bills discounted, loans, advances, &c.	256,512,172
Notes in circulation	8,278,432	Bills receivable and other sums due to the bank	462,200,784
Deposits (current, fixed, &c.)	508,441,693	Bullion and foreign money	7,478,117
Bills payable, bills rediscounted, acceptances, and other sums due by the bank	301,424,847	Bank's premises, properties, furniture, &c.	8,812,875
Dividends unclaimed	25,095		
Balance of profit and loss brought forward from last account	4,754,936		
Net profit for the past half-year	10,092,207		

Dr.	Yen.	Cr.	Yen.
Reserve fund	4,000,000	Balance brought forward, June 30, 1921	4,754,937
Dividend—6.00 yen per share for 1,000,000 shares	6,000,000	Net profit for the half-year ending December 31, 1921	10,092,206
Balance carried forward to next account	4,847,143	(After making provision for bad and doubtful debts, rebate on bills, &c.)	
	14,847,143		14,847,143

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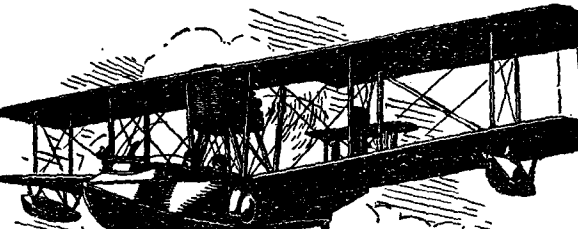
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Aircraft. Warships. Mail and Passenger Steamers. Commercial Ships. Icebreakers. Dredgers and other Special Craft. Floating Docks and Cranes. Guns and their Mountings. Armour Plates. Marine Engines of all descriptions, including Turbine and Heavy Oil Engines. Large Gas Engines. Hydro-Electric Power Installations. Vanadium High Speed and other High Grade Tool Steels. Oil Well Percussion Drilling Tools and Drilling Devices. Centrifugal Pumps for Ships. Auxiliary Machinery. Mitchell Thrust Bearings for all purposes. Concrete Brick. Tile and Slab-making Machinery. Cardbox-making Machinery. Target and Sporting Rifles. Sewing Machines. "Vickers" Duralumin. Machine Tools. Engineers' Small Tools. "Darenta" Washing Machines. Waterproof Plywood.

Head Office:
Vickers House,
Broadway,
LONDON,
E.C.1.

Cunard Line "Scythia".

Works:
BARROW-IN-FURNESS, SHEFFIELD, BIRMINGHAM, CRAYFORD, ERITH, DARTFORD, IPSWICH, WEYBRIDGE.



The complex design and the technical ingenuity of the modern Strong Room is silent testimony to the high development of those powers of violence which, through past generations, man has learned to wield in the effort to attain his end.

Planning the Strong Room

We shall be pleased to consult with Bankers and their Architects contemplating the design of Strong Rooms, Safe Deposit installations, and all classes of security work.

For almost 70 years we have confined ourselves entirely to work of quality, and as a policy have incorporated every advancement made by science in the construction, irrespective of cost, and offer our services to those who really desire the best.

Wide experience has given us useful data and memoranda which is always at the disposal of the architect, and we shall be pleased to prepare plans and specifications free of charge and without obligation of any sort.

THE CHATWOOD STRONG ROOM

A postcard brings the NEW Chatwood Safe Book—gratis

SINCE 1858.	THE CHATWOOD SAFE CO. LIMITED. Bankers' Engineers. HEAD OFFICES AND WORKS: BOLTON, ENGLAND LONDON 5 Gracechurch St., E.C. Phone: Avenue 1208 GLASGOW 12, Greenlodge Terrace, Greenhead. Phone: Bridgeton 653 MANCHESTER Royal Exchange Phone: City 3018	SINCE 1858.
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SINCE 1858 The Chatwood Safe Co., Ltd., have enjoyed the confidence of the leading Bankers and Deposit Institutions throughout the world, having designed and executed schemes for their security arrangements in:—

Gt. Britain	China
S. Africa	France
S. America	Servia
Australia	Holland
Finland	Belgium
New Zealand	Bulgaria
Turkey	Egypt
Roumania	Greece
Russia	Syria

The Chatwood Tradition

"Achievement is but another milestone on the highway of Progress. The end of the journey lies ever beyond."

HYPOTHEC BANK OF JAPAN, LTD.

(NIPPON KWANGYO GINKO.)

Head Office - - - TOKYO, JAPAN.

GOVERNOR GENTARO SHIMURA.

VICE-GOVERNOR USABURO YANAGIYA.

MANAGING DIRECTORS

{ NAONOSUKE KAWAKAMI.
KEIZABURO KATO.
TAMESHIGE YAMADA.

DIRECTORS... ..

{ TETSUTARO SHIDACHI.
SHINTARO OHASHI.
HITOSHI DOKE.
EIZABURO HITAKA.

AUDITORS

{ KWANZO MATSUO.
KAHEI OTANI.
KATSUOKI MIZUNO.

BALANCE SHEET.

December 31st, 1921. 49th REPORT.

LIABILITIES.		ASSETS.	
	Yen		Yen
Capital Subscribed	44,730,000.000	Capital Unpaid	2,025,282.500
Reserve Funds	13,135,072.000	Loans Redeemable in Annual Instalments or in one Sum	407,492,670.403
Dividends Unclaimed	14,181.270	Bills Discounted	22,222,218.000
Hypothec Debentures Outstanding	388,938,010.000	Agricultural and Industrial Bank Debentures and other Debentures	32,490,013.000
Savings Debentures Outstanding	13,914,675.000	National Loan Bonds	7,790,820.960
Deposits and Current Accounts	33,738,584.382	Foreign Loan Bonds	97,000.000
Interest and Premiums of Hypothec Debentures Unclaimed	10,004,426.530	Other Securities	788,580.000
Interest and Premiums of Savings Debentures Unclaimed	710,617.270	Deposits at the Deposit Bureau of the Treasury	12,785,910.000
Funds for the payment of Premiums of Hypothec Debentures	354,403.830	Call Loans	7,764,000.000
Funds for the payment of Premiums of Savings Debentures	283,581.360	Other Deposits	8,873,606.662
Provisional Receipts and Sundry Accounts	788,837.731	Agencies Accounts	5,204,999.428
Amount brought forward and Net Profit	3,623,094.478	Bank Fixtures and Buildings	2,004,058.730
		Immovable Properties	3,000.000
		Sundry Accounts	369,617.720
		Cash on hand	323,706.448
Total	510,235,483.851	Total	510,235,483.851

ORGANISATION.

The Hypothec Bank of Japan is a joint stock company established by Law No. 82, of 1896. The Bank has a capital of Yen 51,664,750 (\$ 25,832,375), divided into 1,033,295 shares of Yen 50 (\$25) each. This amount may be increased, however, subject to the approval of the Government, by the decision of a general meeting of shareholders. The Bank is incorporated for a period of one hundred years from the date of its establishment, 1897; but this period may be extended, subject to the approval of the Government, by the decision of a general meeting of shareholders. (Chapter I., Law of the Hypothec Bank of Japan.)

OFFICERS.

The Governor and the Vice-Governor are appointed by the Government for a term of five years from among shareholders owning at least four hundred shares. The Managing Directors and Directors are appointed by the Government for a term of five years from among shareholders owning at least two hundred shares who have been elected as candidates at a general meeting of shareholders.

BUSINESS OF THE BANK.

The business of the Bank is as follows:—

- (1) To make loans, on the security of immovable property, redeemable in annual instalments within a period of fifty years.
- (2) To make loans redeemable in one sum within a period of five years on the security of immovable property or fishery rights.
- (3) To make loans, on the security of "the mass of property" belonging to factories, light railways or tramways, redeemable in annual instalments within a period of fifty years, or redeemable in one sum within a period of five years.
- (4) To make loans redeemable in annual instalments, or in one sum without security to prefectures, counties, cities, towns, villages and other public bodies organised by law.
- (5) To make loans without security to Arable Land Readjustment Associations, Co-operative Societies, Fishery Associations, Forestry Associations, Livestock Associations, or Unions thereof.

The rate of interest on all loans is determined by the Governor within the limits approved by the Minister of Finance.

The Bank is also assigned by the Government to make special loans to the public bodies and associations mentioned above (clauses 4-5), at particularly low rates of interest, for which special funds are furnished to the Bank from the Treasury.

- (6) To make loans of every kind mentioned above through Agricultural and Industrial Banks, the Bank of Taiwan, the Colonial Bank of Hokkaido, the Industrial Bank of Chosen and the Oriental Development Company, acting as sureties.

- (7) To make loans redeemable in annual instalments, against loans made by Agricultural and Industrial Banks, on the security of mortgages created by said banks.
- (8) To take up debentures of Agricultural and Industrial Banks, the Colonial Bank of Hokkaido and the Industrial Bank of Chosen.
- (9) To receive deposits and to apply them to loans redeemable in one sum as mentioned above, and to the advancement of loans on, or the purchase of, negotiable instruments, and to the discounting of bills drawn against agricultural, industrial and aquatic products.
- (10) To act as the depositary of public bodies.
- (11) To engage in other kinds of business prescribed for this Bank by Law. (Chapter IV., Law of the Hypothec Bank of Japan.)

DEBENTURES.

In order to carry on its business, the Bank is authorised by law to issue special Debentures (Kwangyo-Saiken: Hypothec Debentures), with or without premiums, up to an amount not exceeding fifteen times its paid-up capital, provided such debentures do not exceed the combined total value of loans redeemable both by annual instalments, and in one sum and debentures of Agricultural and Industrial Banks and other debentures actually taken up by the Bank. The debentures are issued in denominations of Yen 10 (\$5) and upwards, and bear interest at the rate of from 3.6 to 7.2 per cent. per annum. They are redeemed by semi-annual drawings within a period fixed in the case of each issue, but not in any case exceeding fifty years.

Premiums are paid on 10 yen (\$5) and 20 yen (\$10) debentures, and are divided into several classes, the highest being Yen 5,000 (\$2,500), and the lowest Yen 3. (Chapter V., Law of the Hypothec Bank of Japan.)

GOVERNMENT SUPERVISION.

The Minister of Finance exercises a general control over the business operations of the Bank, and may suspend such operations as he deems contrary to Laws or Ordinances, or to the Articles of Association of the Bank, or injurious to the public interest. The Bank must obtain the sanction of the Minister of Finance in making any alteration in its Articles of Association, and in fixing the rate of dividend to be distributed among its shareholders.

The Minister of Finance appoints special Government officials to supervise the business operations of the Bank. (Chapter VII., Law of the Hypothec Bank of Japan.)

AMALGAMATION WITH AGRICULTURAL AND INDUSTRIAL BANKS.

In April, 1921, the Law authorising the Bank to amalgamate the Agricultural and Industrial Bank of each prefecture was passed. By March, 1922, thirteen such banks came under the vast organisation of the Bank, of which seven are already conducting business as branches of the Bank.

LONDON & RIVER PLATE BANK LIMITED

FOUNDED 1862.

OVERSEAS TRADE

Paid up Capital & Reserve Fund **£4,140,000.**

LONDON, Manchester and Bradford.

Branches in Argentina, Uruguay, Brazil, Chile, Paraguay, Colombia, France, Belgium and Portugal, and Agencies in the United States.

Agents throughout South America in all important centres where Branches are not established.

THE BANK IS AFFILIATED WITH
LLOYDS BANK LIMITED.

Paid up Capital & Reserve Fund over **£24,000,000.**

WITH WHICH BANK IS ALSO AFFILIATED
THE NATIONAL BANK OF SCOTLAND LIMITED.

Paid up Capital & Reserve Fund - **£2,200,000.**

The Three Banks provide over 1,750 Branches in all the principal Trade Centres in **Great Britain, South America and on the Continent.**

ALL KINDS OF BANKING BUSINESS TRANSACTED.

The Branches in South America keep the London Office well informed on all local trade matters.

Correspondence invited through
HEAD OFFICE:
7, PRINCES STREET, LONDON,
E.C. 2.

BROWN, SHIPLEY & COMPANY, LONDON.

FOUNDERS COURT,

LOTHBURY, E.C. 2.

OFFICE FOR TRAVELLERS:

123, Pall Mall, S.W.1.

ESTABLISHED 1810.

COMMERCIAL CREDITS & CONSIGNMENTS.

FOREIGN EXCHANGE.

CABLE TRANSFERS. FOREIGN COLLECTIONS.

TRAVELLING CREDITS.

INVESTMENT SECURITIES. DIVIDENDS COLLECTED.

COUPONS and DRAWN BONDS PURCHASED.

DEPOSIT and CURRENT ACCOUNTS OPENED.

AGENTS and CORRESPONDENTS ALL OVER THE WORLD.

BROWN BROTHERS & COMPANY, NEW YORK, 59, Wall Street.

PHILADELPHIA.
4th and Chestnut Streets.BOSTON.
60, State Street.BALTIMORE.
(Alexr. Brown & Sons.)

ESTABLISHED 1800.

THE BANK OF TAIWAN, Ltd.

(REGISTERED IN JAPAN, 1899.)

Head Office - - - TAIPEH, FORMOSA.

Capital Subscribed - - - Y. 60,000,000.⁰⁰Capital Paid up - - - Y. 52,500,000.⁰⁰Reserve Funds - - - Y. 11,780,000.⁰⁰

The Bank is incorporated by special charter of the Imperial Japanese Government, and is authorised to issue notes in Formosa, being under the special supervision of the Government.

The Bank transacts General Banking and Foreign Exchange Business, undertakes Trust Business, and acts as Business Agents for other Banks.

Deposits are received for fixed periods on terms which may be ascertained on application.

TOKYO OFFICE : Yeirakucho, Kohjimachi-Ku, Tokyo

LONDON OFFICE : 25, Old Broad St., London, E.C.2

Correspondents in every principal town in the World.

DEN DANSKE LANDMANDSBANK

HYPOTHEK-OG VEKSELBANK

CAPITAL, FULLY PAID:
100 MILLION KRONERRESERVES:
50 MILLION KRONER

COPENHAGEN (Denmark).

Telegraphic Address: "Landmandsbank."

62 PROVINCIAL BRANCHES.

The Bank transacts every kind of legitimate Banking business.

LONDON AGENTS & CORRESPONDENTS:

LONDON COUNTY WESTMINSTER AND PARR'S
BANK, Ltd.

LONDON JOINT CITY AND MIDLAND BANK, Ltd.

HAMBROS BANK, Ltd.

NATIONAL PROVINCIAL AND UNION BANK
OF ENGLAND, Ltd.

BARCLAYS BANK, Ltd.

LLOYDS BANK, Ltd.

NEDERLANDSCHE HANDEL-MAATSCHAPPIJ

(NETHERLANDS TRADING SOCIETY).

Established by Royal Charter A.D. 1824.

Capital Paid up	-	f. 80,000,000	Neth. Currency	(£6,666,666)
Statutory Reserve Fund	-	f. 18,979,250	" "	(£1,581,604)
Extraordinary Reserve Fund	-	f. 22,660,000	" "	(£1,888,333)

Head Office: AMSTERDAM.

Branches: ROTTERDAM, THE HAGUE.

Branches in the NETHERLANDS INDIES: BATAVIA, SOURABAYA, SAMARANG, MEDAN, and further Principal Ports.

Branches in the STRAITS SETTLEMENTS, BRITISH INDIA, CHINA and JAPAN: SINGAPORE, PENANG, RANGOON, CALCUTTA, BOMBAY, HONGKONG, SHANGHAI and KOBE.

Grant Drafts and Issue Letters of Credit on all their Branches and Correspondents in the East, on the Continent, on Great Britain, Africa, America and Australia, and transact Banking Business of every description.

LONDON CORRESPONDENTS: The National Provincial and Union Bank of England, Ltd., LONDON.

WILLIAM F. MALCOLM & CO.,

36, Leadenhall Street, LONDON, E.C. 3.

Merchant Shippers

FLAX, HEMP,
JUTE & GRAIN

WM. F. MALCOLM & CO. . . .

Dundee, Scotland.
Bologna, Italy.
Hamburg, Germany.
New York, U.S.A.
Nakuru, B.E.A.

MALCOLM & CO. . . .

Pskoff, Russia.
Reval, Esthonia.
Riga, Latvia.

Telegraphic Address: "MALCOLM."

THE COUNTY BANK.

THE MANCHESTER & COUNTY BANK LIMITED.

Directors:

Sir FRANK FORBES ADAM, Bt., C.B., C.I.E., Manchester, Chairman.
GEORGE HESKETH, Esq., Bolton, Deputy Chairman.
The Hon. MARSHALL J. BROOKS, Rawtenstall.
T. GILBERT DUGDALE, Esq., Blackburn.
ERNEST S. GLADSTONE, Esq., Liverpool.
Sir FRANK HOLLINS, Bt., Preston.
JOHN W. MAKANT, Esq., Bolton.
HENRY J. REISS, Esq., Manchester.
Joint Managers: J. W. NIGHTINGALE and R. B. MARTIN.

Head Office - - 55, KING STREET, MANCHESTER.
Foreign Department 59, KING STREET, MANCHESTER.
Liverpool Office - 53, DALE STREET, LIVERPOOL
(With Foreign Department Attached).

And 154 BRANCHES in LANCASHIRE and Adjacent Counties.

Capital Subscribed	- - - - -	£5,460,200
" Paid up	- - - - -	1,092,040
Reserve Fund	- - - - -	950,000

Current and Deposit Accounts are Opened. Interest is allowed in accordance with the current value of money.

Drafts and Letters of Credit issued, and Telegraphic Transfers of funds made, to all parts of the world.

Foreign Bills and Coupons collected or negotiated.

Purchases and Sales of Stocks and Shares effected.

The Officers of the Company are bound to secrecy in respect of the transactions of its customers.

BANCO DO BRASIL

RIO DE JANEIRO

CAPITAL -
RESERVES

100.000 : 000\$000
31.500 : 000\$000

Agencies in Brazil: Aracajú, Bagé, Bahia, Barretos, Baurú, Bello Horizonte, Cachoeira, Camocim, Campos, Carangola, Cataguazes, Corumbá, Curitiba, Cuiabá, Feira de Sta. Anna, Florianópolis, Fortaleza, Ilhéus, Ipameri, Jahu, Joinville, Juiz de Fora, Livramento, Macaé, Manaus, Maranhão, Mossoró, Natal, Pará, Parnahyba, Pelotas, Ponta Grossa, Porto Alegre, Recife, Ribeirão Preto, Rio Grande, Santos, São Felix, São Paulo, Teresina, Tres Corações, Uberaba, Uruguayana, Varginha and Victoria.

Correspondents in all the other main places of Brazil.

London Bankers: N. M. Rothschild and Sons; London County Westminster and Parr's Bank, Ltd.; and Baring Brothers and Co., Ltd.

Paris Bankers: Comptoir National d'Escompte de Paris, Hottinguer & Cie., Banque Imperiale Ottomane.

New York Bankers: The National City Bank; Guaranty Trust Company of New York, and Dillon, Read & Co.

Every description of banking business transacted. Drafts drawn and single or circular Letters of Credit issued. Purchases and sales of securities effected. Accounts current opened and money received on deposit for fixed terms. Payments made; bills, cheques and other documents collected; dividends and annuities received for customers, and net proceeds remitted by first mails under the most favourable conditions.

Correspondence conducted in Portuguese, French and English.

Telegraphic Address: "Satellite"—for all offices. Codes used: Private, ABC 5th ed., Lieber's, Peterson's, Broomhall's Bentley's, Ribeiro, etc.

WILLIAMS DEACON'S BANK LIMITED.

TOTAL ASSETS as at 31st December, 1921 - £44,285,788

London Office: 20, BIRCHIN LANE, E.C.3. | Manchester Office: MOSLEY STREET.
West End Office: 2, COCKSPUR STREET, CHARING CROSS, LONDON, S.W.1.

And 158 other Offices, principally in the manufacturing districts of Lancashire, Yorkshire, Cheshire, Derbyshire and Staffordshire.

THE BANK IS PREPARED TO ACT AS TRUSTEE UNDER WILLS, SETTLEMENTS, DEBENTURES, TRUSTS, ETC.

Trustee Departments at London and Manchester.

ACCEPTANCE CREDITS AND FORWARD CONTRACTS ARRANGED

and Every Description of Foreign Exchange Banking business transacted.

AGENTS for the BRITISH OVERSEAS BANK, LTD.

STOCKHOLMS ENSKILDA BANK.

BANK WITH UNLIMITED LIABILITY.

Established in 1856.

— STOCKHOLM. —

CAPITAL (paid up) -	- - -	Kr. 43,500,000.
RESERVE FUNDS -	- - -	Kr. 41,500,000.

Banking and Exchange Business of every description.

Bills negotiated or forwarded for Collection.

Letters of Credit and Travellers' Cheques issued available in the principal Cities of the World.

Remittances made by Telegraphic Transfer.

Deposits received for fixed periods or at notice.

LONDON AGENTS

LONDON COUNTY WESTMINSTER & PARR'S BANK, LIMITED, LOTHBURY, E.C.; HAMBRO'S BANK, LIMITED, LONDON, E.C.; FREDK. HUTH & CO.

THE ONE HUNDREDTH BANK, LTD.

ESTABLISHED 1878.

President: K. IKEDA, Esq.

Capital—Subscribed	25,000,000 Yen.
Paid-up	17,500,000 Yen.
Reserve Fund and Undivided Profits	9,168,000 Yen.

Head Office: TOKYO, JAPAN.

Branches: OSAKA, YOKOHAMA, KYOTO, TOTTORI.

London Agents: Brown, Shipley & Company. The Lloyds Bank, Ltd.
The London Joint City and Midland Bank, Ltd.

New York Agents: Brown Brothers & Company. The Equitable Trust Company of New York.

The Guaranty Trust Company of New York.

Correspondents in all important places at home and abroad.

Every description of Banking and Foreign Exchange Business transacted. Current accounts opened on the most favourable terms. Special attention is given to Collection Business. Draft and Telegraphic transfers sold on all principal parts of the world.

THE NATIONAL BANK, LIMITED.

Head Offices—13-17 OLD BROAD STREET, LONDON, E.C.2. Established 1835.
Capital Subscribed £7,500,000. Paid up, £1,500,000 Rest, £800,000.

DIRECTORS.

SIR JOHN PURCELL, K.C.B., CHAIRMAN. JAMES BLACKADER MEERS, Esq., C.B., DEPUTY-CHAIRMAN.
SIR THOMAS HENRY GRATTAN ESMONDE, BART. *R. J. KELLY, Esq., K.C. *THOMAS PATRICK MORRISSEY, Esq., J.P.
*SIR HON. SIR WM. J. GOULDING, BART., D.L. *R. HON. THE EARL OF KENMARE, C.V.O. *SIR JOHN R. O'CONNELL, LL.D., M.A.
CHARLES FREDERICK HIGGINSON, Esq. R. HON. LORD MACDONNELL OF SWINFORD, *JAMES JOHN O'CONNELL, Esq., LL.D.
G.C.S.I., K.C.V.O. PATRICK WALTER STAFFORD, Esq., LL.D.
*These Directors sit in Dublin.

Secretary—M. J. COOKE. Solicitors—W. H. DUNNE, Esq., 7 Suffolk Street, Dublin; P. C. FAWCETT, Esq., 16 Old Broad Street, E.C.2.
LONDON.—13 OLD BROAD STREET, E.C.2; F. W. CARR, STANLEY ARCHER, Joint Managers.

Baker Street.—52 Baker Street, W.1 ... F. Blackburn, Manager.
Bayswater.—68 Gloucester Gardens, Bishop's Rd., W.2 ... W. H. Bishop, "
Belgrave.—19 & 21 Grosvenor Gardens, S.W.1 ... W. De P. Kenny, "
Camden Town.—189 High Street, N.W.1 ... J. P. Gandy, "
Charing Cross.—9 & 10 Charing Cross, S.W.1 ... A. V. P. Carroll, "
Harrow Road.—2 Elgin Avenue, W.9 ... J. C. St. Lawrence, "
Holborn.—10 Southampton Row, W.C.1 ... J. M. Jennings, "
Islington.—861 & 865 Goswell Road, E.C.1 ... A. W. Davey, "
KING'S CROSS.—286 Pentonville Road, N.1 ... H. C. Rayner, Manager.
Leadenhall Street.—21 Leadenhall Street, E.C.3 ... George Costello, "
Notting Hill.—166 & 168 High Street, W.11 ... W. J. Stephens, "
Oxford Street.—274 & 276 Oxford Street, W.1 ... E. N. D. Crabb, "
Regent Street.—8 Regent Street, S.W.1 ... H. E. Webster, "
Strand.—180 Strand, W.C.2 ... A. B. Clappé, "
Willesden.—St. Mary's Road, Harlesden, N.W.10 ... H. F. Finucane, "
MANCHESTER.—10, Mosley St., F. E. King, Mgr. S. Harrison, Sub-Mgr.
NEWPORT (Mon).—32 Commercial Street, J. A. H. Lewis, Manager.
PT. TALBOT & ABERAVON.—Station Street, H. R. Reader, Manager.
ROATH.—6, Albany Road, R. R. Haines, Manager.
SALFORD.—301 & 303 Chapel St., J. J. Ryan, Manager.
SWANSEA.—304 High Street, H. A. Thomas, Manager.
SWANSEA DOCKS.—8 & 9, Wind Street

BRISTOL.—25-27, Clare Street, W. M. Sterne, Manager.
CARDIFF CITY.—8 High Street, F. J. C. Lima, Manager.
CARDIFF DOCKS.—125 Bute Street, J. E. Leopard, Manager.
LIVERPOOL.—1 Water Street, J. E. Sparkes, Manager.
BIRKENHEAD.—34 Hamilton Square, J. E. Sparkes, Manager.

IRELAND.

DUBLIN.—84 College Green ... J. J. O'Connell, General Manager for Ireland; D. W. Jackson, Manager; J. J. O'Loughlin, Sub-Manager.
And 126 Branches and 95 Sub-Offices throughout the Provinces.

THE NATIONAL BANK, LIMITED.

Current Accounts are opened and conducted in conformity with the practice of London Bankers. Current Account Customers have the usual facilities for the discounting of approved Bills, obtaining Loans upon negotiable Securities, depositing Bills, Coupons, &c., for collection, and of lodging with the Bank, Deeds and other valuable property for safe custody. Every facility is afforded for the transmission of money and for the receipt and delivery of Stocks, Shares, &c., between Great Britain and Ireland. The Bank undertakes the collection of Dividends, Coupons, Annuities, Pensions, &c., for its Customers free of charge, and transacts every description of Banking Business, including the Purchase and Sale of Stocks, Shares, Securities, &c., for its Customers free of charge. Deposits in sums of £10 and upwards are received from the public at the current rate of interest allowed on such accounts, subject to seven days' notice of withdrawal. And at all Branches deposits of 1s. upwards are received under the head of "National Thrift." Letters of Credit payable at the chief commercial cities and towns of the world are granted.

Circular Notes are issued by the Bank addressed to all and payable at any of the places on the Continent where the Bank has an Agent. Ireland.—Drafts are granted on the numerous Branches of the Bank, and Bills, &c., collected in the principal Cities and Towns in Ireland.

* Every Official signs a Declaration of Secrecy as to the Accounts of Individuals and the affairs of the Bank generally. M. J. COOKE, Secretary.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

INCORPORATED BY ROYAL CHARTER AND ACT OF PARLIAMENT.
ESTABLISHED 1825.

Capital Subscribed, £5,000,000. Paid-up, £1,100,000. Uncalled, £3,900,000.
RESERVE FUND, £1,100,000.

Head Office—EDINBURGH.

WILLIAM CARNEGIE, GENERAL MANAGER.

GEORGE A. HUNTER, SECRETARY.

London Office—37 NICHOLAS LANE, LOMBARD STREET, E.C.3.
T. C. RIDDELL, Manager. DUGALD SMITH, Assistant Manager.

Every description of banking business transacted, including the purchase and sale of Stocks, Shares, Securities, &c.; the collection of Dividends and Coupons, whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of remittances to all parts. There is a specially equipped Foreign Department at the Principal Glasgow Office.

The Agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies or elsewhere abroad domiciled in London are retised on terms which will be furnished on application.

The Officers of the Bank are bound to secrecy as regards the transactions of its customers.

ROYAL BANK OF SCOTLAND

Incorporated by Royal Charter, 1727.

PAID-UP CAPITAL	£2,000,000
REST AND UNDIVIDED PROFITS (October 1921)	1,241,777
DEPOSITS	40,740,031

Head Office - ST. ANDREW SQUARE, EDINBURGH.
General Manager—A. K. WRIGHT, D.L. Secretary—J. B. ADSHEAD.

London Office - 3 BISHOPSGATE, E.C. 2.
ALEX. DICK and WM. WHYTE, Joint Managers.

Glasgow Office - EXCHANGE SQ. and BUCHANAN ST.
Agent—THOMAS LILLIE. Sub-Agent—WILLIAM DONALD.

Foreign Exchange Departments at all these Offices.

176 BRANCHES THROUGHOUT SCOTLAND.

Banking business of every description transacted. Deposits received at interest, repayable at call or at notice. Drafts, Circular Notes, Letters of Credit, and Cable Transfers issued—available throughout the world. Accounts opened, and Agency Business undertaken for Foreign and Colonial Banks and other financial establishments.

CORRESPONDENCE INVITED.

BANK OF SCOTLAND.

CONSTITUTED BY ACT OF PARLIAMENT, 1695.

AUTHORISED CAPITAL	£4,500,000
PAID-UP CAPITAL and RESERVE FUND	£2,000,000
DEPOSITS and CREDIT BALANCES	£38,600,000

Governor: WILLIAM JOHN MURE, Esq., C.B. Deputy-Governor: The Right Hon. LORD ELPHINSTONE.

Head Office: THE MOUND, EDINBURGH.

GLASGOW, Chief Office: 2 ST. VINCENT PLACE. W. G. LEGGAT, Manager.
LONDON Office: 30 BISHOPSGATE, E.C.2. J. W. JOHNSTON, Manager.

196 Branches and Sub-Branches in Edinburgh, Glasgow, and throughout Scotland.
Every Description of British and Foreign Banking Business transacted.

GEORGE J. SCOTT, Treasurer.

THE BRITISH LINEN BANK

Incorporated by Royal Charter, 1746.

CAPITAL (PAID UP) £1,250,000 RESERVE FUNDS £1,350,000

Governor: THE RIGHT HON. THE EARL OF ROSEBURY AND MIDLOTHIAN, K.G., K.T.
Deputy-Governor: THE RIGHT HON. THE EARL OF HOME.

Head Office - EDINBURGH.

GRIFFITH THOMAS, General Manager. R. W. STEVENSON, Secretary.

Over 150 Branches throughout Scotland.

LONDON OFFICE: 38, Threadneedle Street, E.C.2.

Every description of Home and Foreign Banking Business transacted.

"BARCLAYS" GROUP OF BANKS:

Barclays Bank Limited. The British Linen Bank. The Union Bank of Manchester Limited. The Anglo-Egyptian Bank Limited.

Commercial Bank of Scotland Ltd.

ESTABLISHED 1810.

Subscribed Capital	£5,500,000
Paid up	1,750,000
Reserve Fund	1,125,000
Deposits	43,711,000

Head Office: 14 George Street, EDINBURGH.

General Manager, ALEX. ROBB.

Secretary, MAGNUS IRVINE.

London Office: 62 LOMBARD STREET,

Manager, JOHN F. SANDEMAN.

Asst. Manager, ANDREW W. RUSSELL.

The Bank has 252 Branches and Sub-Branches throughout Scotland, and Banking Correspondents in the principal Towns in the world.

Every description of British Banking, and Foreign Exchange business, transacted.

LONDON & BRAZILIAN BANK, LIMITED.

ESTABLISHED 1862.

Capital Subscribed	-	-	£3,000,000
Capital Paid up	-	-	1,500,000
Reserve Fund	-	-	1,500,000

Head Office:

7, Tokenhouse Yard, London, E.C.2.
MANCHESTER—(Agency) 36, Charlotte Street

BANKING BUSINESS OF EVERY
DESCRIPTION TRANSACTED IN

**BRAZIL, ARGENTINE,
URUGUAY, PORTUGAL.**

CONTINENTAL TRADE FACILITIES.

PARIS BRANCH—5, Rue Scribe.

AMERICAN TRADE FACILITIES.

NEW YORK—(Agency) 56, Wall Street.

The Bank issues **TRADE REPORTS** embracing business Conditions
and Opportunities for Expansion of Trade.
There are also extensive **FILES OF INFORMATION AND
STATISTICS** at the disposal of Clients.

FOREIGN EXCHANGE DEPARTMENT.

Cable Transfers and Drafts bought and sold on Brazil, River Plate,
Portugal and U.S.A.; also on all principal European Cities.
Currency Accounts and Forward Contracts
a special feature.

THE BANK OF ADELAIDE

(Established 1865).

Paid-up Capital	-	-	£625,000
Reserve Fund	-	-	850,000
	-	-	1,275,000
Reserve Liability of Proprietors	-	-	625,000
	-	-	£1,900,000

Head Office—Adelaide, South Australia.

MELBOURNE OFFICE—267 COLLINS STREET.
SYDNEY OFFICE—105 PITT STREET.
LONDON OFFICE—11 LEADENHALL ST., E.C.3.

Bills on Australasia purchased or collected.

Drafts and Letters of Credit issued and
Remittances cabled.

Deposits received for fixed periods at rates to be
ascertained on application, and every other description of
banking and exchange business transacted.

THE WESTERN AUSTRALIAN BANK.

Established 1861.

PAID-UP CAPITAL (25,000 shares of £10 each)	...	£250,000
RESERVE FUND	...	£750,000
RESERVED PROFITS	...	£15,822
RESERVE LIABILITY OF SHAREHOLDERS	...	£250,000

Head Office—Perth, Western Australia.

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits
received for fixed periods at rates to be ascertained on application, and all
Banking and Exchange Business connected with Western Australia conducted
through the

Agents:

THE BANK OF ADELAIDE, 11 Leadenhall Street, London, E.C.3

BANK OF BRITISH WEST AFRICA,

ESTABLISHED 1894.

LIMITED.

Authorised Capital	....	£4,000,000
Subscribed Capital	....	£3,000,000
Paid-up Capital	....	£1,200,000
Reserve	....	£625,000

Chairman:

The Right Hon. **THE EARL OF SELBORNE,**
K.G., G.C.M.G.

Head Office:

17-18 LEADENHALL ST., LONDON, E.C.3

General Manager:

LESLIE COUPER, C.M.G.

Liverpool Manchester Hamburg New York
West Africa Canary Islands Egypt Morocco.

PRINCIPAL SHAREHOLDERS:

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Parr's Bank Ltd.; National Provincial & Union Bank
of England, Ltd.; Standard Bank of South Africa, Ltd.

ALEXANDERS DISCOUNT CO. LIMITED,

24 Lombard Street, E.C.3.

Capital Authorised	....	£1,250,000
Subscribed	....	1,100,000
Paid up	....	600,000
Reserve Fund	....	320,000

DIRECTORS.

COLIN FREDERICK CAMPBELL, *Chairman.*

ROBERT ERNEST ALEXANDER.

GEORGE CLEVERLY ALEXANDER.

PHILIP PEMBROKE ALEXANDER.

SIR AUSTIN EDWARD HARRIS, K.B.E.

Manager—F. NEWCOMB.

Sub-Manager—E. D. SPRING RICE.

Secretary—A. K. BRUCE.

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granted on negotiable securities. Money received
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rates, as advertised from time to time in the daily
papers. For longer periods on specially agreed terms.

*The Company deals in British Treasury
Bills of any maturity.*

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of Pittsburgh, Pennsylvania, U.S.A.,

Offers its wide experience and
comprehensive services to British
banks, merchants and manufacturers
in the transaction of American bank-
ing business of every description.

Complete facilities for handling
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bills of exchange, letters of credit,
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national banking.

Direct connections with all parts
of the United States.

Your correspondence is solicited.

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CABLE ADDRESS: "MELLONSON, PITTSBURGH."

London Agents: The NATIONAL PROVINCIAL
AND UNION BANK OF ENGLAND, LTD.

FINLANDS BANK

HELSINGFORS.

The only Bank authorized to issue
Bank Notes in Finland.

ESTABLISHED 1811.

Governor: OTTO STENROTH.

Managing Directors:

K. BASILIER, ERNST GRÄSTEN,
E. v. FRENCKELL, L. af HEURLIN.

CAPITAL Fmk.150,000,000

Branches at: Björneborg, Joensuu,
Jyväskylä, Kotka, Kuopio, St. Michel,
Sordavala, Tammerfors, Tavastehus,
Uleåborg, Wasa, Wiborg, and Åbo.

UNION BANK OF SCOTLAND, Limited.

ESTABLISHED 1830.

SUBSCRIBED CAPITAL	-	-	£5,000,000
PAID-UP	-	-	£1,000,000
RESERVE FUND	-	-	£1,100,000
DEPOSITS	-	-	£35,211,985

Chairman.

HIS GRACE THE DUKE OF ATHOLL, K.T.

Deputy Chairman.

JOHN Y. BUCHANAN, F.R.S.

Ordinary Directors.

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CHARLES LYALL DALZIEL, Esq., C. A., Banker, London.
ROBERT ELMSELL FINDLAY, Esq., Merchant, Glasgow.
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WILLIAM HUTTON, Esq., Actuary, Glasgow.
ARCHIBALD E. C. PITMAN, Esq., Writer to the Signet, Edinburgh.
PETER RINTOUL, Esq., Chartered Accountant, Glasgow.
The Right Honourable J. PARKER SMITH, of Jordanhill.
NORMAN L. HIRD, Esq., General Manager, Glasgow.

Every description of HOME AND FOREIGN Banking Business
transacted.

Letters of Credit on all places abroad, and cable remittances
arranged.

Duties of Trustee and Executor undertaken.
The Bank is closely associated with, and represents at its Scottish
Branches, THE BRITISH OVERSEAS BANK, LIMITED, 81, Lombard
Street, London, E.C.3, which has been SPECIALLY
ORGANISED FOR FOREIGN BUSINESS.

At London Office, Current Accounts and other business conducted
on the usual terms of London Banks. Deposits received at interest.

NORMAN L. HIRD, General Manager.

HEAD OFFICES:

GLASGOW—Ingram Street. EDINBURGH—George Street.

LONDON OFFICE—82, Cornhill, E.C.3. John Alexander, Manager.

WITH FOREIGN EXCHANGE DEPARTMENT.

164 BRANCHES THROUGHOUT SCOTLAND.

Hongkong and Shanghai Banking Corporation

CAPITAL ALL PAID UP	...	...	\$20,000,000
SILVER RESERVE	...	...	\$23,500,000
STERLING RESERVE, held in London	...	...	£4,500,000
RESERVE LIABILITY OF PROPRIETORS	...	...	\$20,000,000

Head Office - HONGKONG.

Chief Manager - Hon. Mr. A. G. STEPHEN. &

BRANCHES AND AGENCIES:

Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo,
Colombo, Dairen (Dalny), Foochow, Haiphong, Hamburg,
Hankow, Harbin, Hongkew (Shanghai), Ipoh, Johore, Kobe
(Hiogo), Kuala Lumpur, London, Lyons, Malacca, Manila,
Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San
Francisco, Shanghai, Singapore, Sourabaya, Sungei Patani,
Tientsin, Tsingtao, Vladivostok, Yloilo, Yokohama.

COMMITTEE IN LONDON:

Sir Charles Addis, K.C.M.G., Chairman.
C. A. Campbell.
Hon. Cecil Baring.
Sir George Sutherland.
David Laidlaw.
C. F. Whigham.
A. M. Townsend.

MANAGERS IN LONDON:

SIR NEWTON J. STABB.
Sub-Manager, John MacLennan.
N. D. G. JONES.
Accountant, A. Moncur.

**9, GRACECHURCH STREET,
LONDON, E.C.3.**

BANCO DE CHILE

94 GRACECHURCH STREET, E.C.

PAID-UP CAPITAL	-	-	-	\$100,000,000	
RESERVE FUND	-	-	-	58,000,000	Chilian
RESERVE LIABILITY OF SHAREHOLDERS	-	-	-	100,000,000	Dollars
RESERVE FUND IN GOLD OF 18d	-	-	-	13,333,333	
				= \$1,000,000	

Head Offices—SANTIAGO & VALPARAISO.

BRANCHES.

Santiago (Estacion), Santiago (Matadero), Santiago (San Pablo), Santiago (Bella Vista), Valparaiso (Almendral), Ancud, Antofagasta, Arica, Chanaral, Chillan, Concepcion, Copiapó, Coquimbo, Curicó, Illapel, Iquique, La Calera, Lebu, Ligua, Los Andes, Los Angeles, Mulchen, Nueva Imperial, Osorno, Ovalle, Pisagua, Puerto Montt, Quillota, Rancagua, Rengo, San Carlos, San Fernando, San Felipe, Serena, Tacna, Talca, Talcahuano, Taltal, Temuco, Tomé, Tocopilla, Traiguén, Valdivia, Vallenar, Vicuña, Vina del Mar.

The London Agency transacts every class of Banking business with Chile. Current Accounts also opened and Deposits received.

DAVID BURNS, Manager.

**NETHERLANDS BANK
OF SOUTH AFRICA.**

AUTHORISED CAPITAL - - - £750,000
SUBSCRIBED & PAID-UP CAPITAL - - 240,000

HEAD OFFICE:
AMSTERDAM, Keizersgracht 389.

LONDON AGENCY:
2 Great Winchester-street, E.C.2.
London Manager: J. Cost-Budde.

BRANCHES IN SOUTH AFRICA:
Cape Town, Bethlehem, Bloemfontein, Breyten, Brits, Bronkhorstspuit, Dullstroom, Durban, Ermelo, Hartbeestfontein, Johannesburg, Pietersburg, Potchefstroom, Premier Mine, Pretoria, Witbank.

The Bank is prepared to grant Drafts and Letters of Credit, and to make Telegraphic Transfers upon its Branches as well as upon its Agencies in Cape Colony, Natal, Orange River Colony, and Transvaal.

Bills negotiated and collected, and every description of Banking Business transacted in connection with South Africa.

Current Accounts kept and Deposits received for fixed periods.

The Bank acts in South Africa as Agents for the

PRETORIA HYPOTHEEK MAATSCHAPPY
(Pretoria Mortgage Company).

ESTABLISHED 1889.

Money advanced on loan on the security of landed property

Telegraphic Address: "Compdebar, Amsterdam."

Handel-Maatschappij
H. Albert de Bary & Co.
AMSTERDAM

Merchant Bankers

Capital Fl.6,000,000

(FULLY PAID)

THE
**Commercial Banking
Company of Sydney,**
LIMITED.

ESTABLISHED 1834.

INCORPORATED IN NEW SOUTH WALES.

Capital Paid up £2,909,025. 0. 0

Reserve Fund £2,360,000. 0. 0

Reserve Liability of
Shareholders £3,000,000. 0. 0

Drafts payable on demand and Letters of Credit on Australasia are issued by the London Branch. Bills on Australasia negotiated or collected. Remittances cabled.

London Offices:
18 BIRCHIN LANE, LOMBARD STREET, E.C.3.

F. A. SCRIVENER, Manager.

BANCO DE VIZCAYA

Gran Via 1, BILBAO.

CAPITAL - - 40,000,000 Pesetas.
RESERVE FUND - 22,000,000 "
BALANCE - Pesetas: 1,024,311,328.94.

Banking Business transacted by the Bank:

Bills discounted and negotiated on Spanish and foreign places. Foreign money exchanged and Drafts and Letters of Credit issued on all cities and towns of some importance of the world. Current Accounts opened and Deposits received at sight, for 3 months and 1 year, or held for safe custody. Letting of safes in the strong room. Insurance of foreign exchange. Loans and Credits granted against guaranty of State Stocks and industrial shares. Purchase and Sale of all kinds of Securities and Shares in the Exchanges of Bilbao, Madrid, Barcelona, Paris, London, Bruxelles. Collection and Negotiation of amortized Coupons and Securities. Payment of passive dividends to customers. Commercial information and reports about securities, etc.

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MADRID (Nicolas Ma. Rivero 8 y 10); VALENCIA (Pascual y Genis 61); BARCELONA (Paseo de Gracia 8 y 10); SAN SEBASTIAN—Amorebieta—Baracaldo—Bermeo—Castro—Urdiales—Calahorra—Durango—Dos Caminos—Eibar—Guernica—Haro—Irun—Lekeitio—Marquina—Medina de Pomar—Miranda de Ebro—Ondarroa—Portugalete—San Julian de Musques—Santo Domingo de la Calzada—Tolosa y Valmaseda.

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Alfaro—Andosilla—Areniego—Arnedo—Belorado—Briones—Carranza—Casalarreina—Coberio—Cintruenigo—Cuzcurrita—Elanchove—Elorrio—Espana de los Monteros—Espejo—Fitero—Fuenmayor—Gordexuela—Labastida—Laguardia—Lerin—Lodosa—Llodio—Mundaca—Munguia—Munilla—Najera—Orduña—Ojacastro—Orozco—Pancorbo—Peralta—Plencia—Quinococes—Sajazarra—San Asensio—S. Vicente de la Sonsierra—Soncillo—Trucios—Trespaderne—Treviana—Treviso—Villasana de Mena—Villarcayo—Villaro y Zalla.

INTEREST ALLOWED ON CURRENT ACCOUNTS at sight: 2½%. SPECIAL CURRENT ACCOUNTS, 3%. DEPOSITS for 90 days, 3½%; for 6 months, 3¾%; for 1 year, 4½%. SAVINGS BANK, 3¾%.

**THE EASTERN BANK
LIMITED.****Head Office:**

4 CROSBY SQ., LONDON, E.C. 3.

Authorized Capital ... £2,000,000
Called-up Capital ... £1,000,000
Reserve Fund ... £300,000
Reserve Liability of Shareholders £1,000,000

Branches—
BOMBAY, CALCUTTA, MADRAS, COLOMBO,
BAGDAD, BASRA, BAHREIN, AMARA,
HILLAH, MOSUL.

BOARD OF DIRECTORS.

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J. S. HASKELE, Esq.
Deputy Chairman.
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JAMES H. BATTY, Esq. EMILE FRANCOU, Esq.
G. BROMLEY-MARTIN, Esq. MEYER SASSOON, Esq.
Sir PERCY WILSON NEWSON, Bart., M.P.

The Bank issues Drafts, Telegraphic Transfers and Letters of Credit, negotiates and collects Bills of Exchange, and transacts Banking and Agency Business in connection with the East.

Deposits are received for one year and for shorter periods at rates which can be ascertained on application. On current accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances.

F. H. SUTTON, Manager.

THE DAI-ICHI GINKO, LIMITED(FORMERLY THE FIRST NATIONAL BANK)
ESTABLISHED 1873.

SUBSCRIBED CAPITAL - Yen 50,000,000.00
PAID-UP CAPITAL - Yen 36,350,000.00
RESERVE FUND - Yen 31,500,000.00

Y. SASAKI, President.

K. ISHII, Managing Director.

Y. NOGUCHI, Managing Director.

S. SUGITA, Managing Director.

HEAD OFFICE:

No. 1, KABUTO-CHO, NIHONBASHI-KU, TOKYO.

T. AKASHI, Manager.

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Isecho, Shin-Osakacho, Fukagawa, Marunouchi.

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BRANCHES IN COREA:

Seoul, Fusan.

LONDON & NEW YORK BANKERS:

LONDON: NEW YORK:
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& Parr's Bank, Ltd. New York.
The London Joint City & The National Bank of Com-
Midland Bank, Ltd. merce in New York.
The Yokohama Specie Bank, The Yokohama Specie Bank,
Ltd. Ltd.

CORRESPONDENTS:

The Bank, in addition to its own Branches, has numerous Agencies or Correspondents in the principal Cities and Towns at Home and Abroad.

**NATIONAL BANK
OF EGYPT.**

(Established under Egyptian Law, June, 1898,
with the exclusive right to issue Notes payable at sight to Bearer.)

CAPITAL - - - £3,000,000
(In 300,000 Shares of £10 each fully paid.)
RESERVE FUNDS - - £2,200,000

Governor - B. HORNSBY, Esq., C.B.E.

Head Office: CAIRO.

London Committee:

E. W. P. FOSTER, C.M.G.
SIR CARL MEYER, Bart.
HON. ALGERNON MILLS.
THE HON. SIDNEY PEEL, D.S.O., M.P.

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6 & 7 King William St., London, E.C.4.

Manager—J. T. BEATTY-POWNALL.

Assistant Manager—A. F. GILLBEE.

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Every kind of Banking business transacted.

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Head Office: 122 LEADENHALL ST., LONDON, E.C.3.

AUTHORISED CAPITAL £5,000,000.
SUBSCRIBED CAPITAL £2,594,160.
PAID-UP CAPITAL £2,594,160.

BRANCHES:

16 Cockspur Street, London, S.W.1;
Calcutta; Bombay; Madras;
Karachi; Colombo; Shanghai.
TO BE OPENED SHORTLY: Singapore; Hongkong.

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Head Office: ALLAHABAD; with 32 Branches and Sub-Agencies in India.

AUTHORISED CAPITAL Rs. 40,00,000
SUBSCRIBED CAPITAL Rs. 40,00,000
PAID-UP CAPITAL Rs. 35,50,000
RESERVE FUND Rs. 35,50,000
CONTINGENCY FUND Rs. 6,00,000

Every description of Banking Business transacted.
Correspondents in all parts of the World.

THE CENTRAL BANK OF INDIA, LTD.

ESTABLISHED 1911.

Head Office: BOMBAY.

Branches:

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JHARIA, LYALLPUR AND KASUR.

London Agents:

THE LONDON JOINT CITY AND MIDLAND
BANK, LIMITED.

Agents in America:

THE EQUITABLE TRUST CO. OF NEW YORK.

Agents in Germany:

THE DEUTSCHE BANK, BERLIN.

Subscribed Capital - Rs. 1,00,00,000
Paid-up Capital - Rs. 49,99,000
Reserve Fund - Rs. 25,00,000

S. N. POCHKHANAWALA, Managing Director.

CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA,

38, BISHOPSGATE, LONDON, E.C.2.

Incorporated by Royal Charter.

CAPITAL - £3,000,000
RESERVE FUND - £3,700,000

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THOMAS CUTHBERTSON, Esq.
Sir ALFRED DENT, K.O.M.G.
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J. S. BRUCE, } Managers.
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AMRITSAR	HONG KONG	PUKET
BANGKOK	ILOILO	RANGOON
BATAVIA	IPOH	SAIGON
BOMBAY	KARACHI	SEREMBAN
CALCUTTA	KLANG	SHANGHAI
CANTON	KOBE	SINGAPORE
CAWNPORE	KUALA LUMPUR	SOURABAYA
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THE BANK OF ENGLAND.
THE LONDON JOINT CITY AND MIDLAND BANK, LIMITED.
THE LONDON COUNTY WESTMINSTER AND PARR'S BANK, LIMITED.
THE NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND,
LIMITED.
THE NATIONAL BANK OF SCOTLAND, LIMITED.

The Corporation buy and receive for collection Bills of Exchange, grant Drafts payable at the above Agencies and Branches, and transact general Banking business connected with the East. Deposits of Money are received for fixed periods at terms which may be ascertained on application; interest payable half-yearly, 30th June and 31st December. On Current Accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances provided they do not fall below £200.

TELEGRAMS

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DUTCH INDIES, STRAITS
SETTLEMENTS, INDIA, AFRICA,
SPAIN, PORTUGAL, THE
MEDITERRANEAN AND SOUTH
AMERICA.

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Market Buildings, 29 Mincing lane—26 Mark lane, E.C. 3.
"The Baltic" Exchange, Bury street Entrance, E.C. 3.
41 and 42 Parliament st., S.W. 1.
37 Holborn Viaduct, E.C. 1.
6 Denman street, Borough, S.E. 1.
115 Cannon street, E.C. 4.
BIRMINGHAM: 128 Colmore row.
BRADFORD: 4 Commercial street.
BRISTOL: 2 Small street.
CARDIFF: 33 Merchants' Exchange, Bute Docks.
DUNDEE: 50 Bell street.
EDINBURGH: 38 Frederick street.
GLASGOW: 5 Royal Bank place.
HULL: Exchange Buildings, Lowgate.
LEEDS: 72a Wellington street.
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DEN NORSKE CREDITBANK CHRISTIANIA, NORWAY.

Established 1857

Branch: ARENDAL.

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COMPANY MEETINGS, &c.

THE LIVERPOOL AND LONDON AND GLOBE INSURANCE COMPANY, LIMITED.

FEATURES OF A DIFFICULT YEAR. SOUND FINANCIAL POSITION.

The eighty-sixth annual general meeting of shareholders of the Liverpool and London and Globe Insurance Company, Limited, was held on Tuesday, the 16th instant, at the company's head office, Liverpool, Mr A. K. Barnes (chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said the year, though showing considerable profit in the accident department, had been disappointing in the fire and marine departments, where the usual progress was not recorded. Depression, due to economic causes beyond individual or even national control, had affected all branches of commerce—shipping, coal, engineering, cotton and manufactures generally. Insurance, after all, was only the handmaid of commerce, and was bound to reflect its varying moods. They had, therefore, to face the fact that the heavy slump in values experienced in 1921 was represented in the accounts by a sympathetic shrinkage of premium.

Unfortunately, they were not able to show commensurate relief on the other side of the account, for compensatory adjustments in the way of expenses and standing charges were only to be made gradually, and with extreme difficulty. Apart from this, they had to provide for ever-increasing and burdensome taxation, an operating cost entirely outside their control. It followed, therefore, that diminished income involved a higher expense ratio. The method and time of the ultimate reduction of these expenses was receiving the close attention of the management.

FIRE BUSINESS FLUCTUATIONS.

Dealing with the various departments, the Chairman said that in the fire department, as compared with the previous year, the actual losses were at £2,788,464, heavier by £321,288, and the premiums at £4,406,804 were down by £615,466. The position was less serious than these figures at first sight suggested, for they had to meet losses pertaining to the unexpired portion of the previous year's much larger premium income, but none the less he regretted there was a loss on the year's working of £23,295. U.S.A. business had been far from profitable, and in other areas of the general foreign field, and also at home, fire insurance conditions during the year were unsatisfactory. It was noteworthy that some insurance companies included foreign and colonial taxes in the profit and loss account instead of in the underwriting account. Had the Liverpool and London and Globe adopted this method the fire account would have shown a credit balance of £117,000.

LIFE ASSURANCE PROGRESS.

In the life department, although there was a decrease in new business in comparison with the previous year, nevertheless the sum of £1,239,549, which represented the new sums assured, retained at their own risk, was far from unsatisfactory, for only on two occasions in the history of the company had that amount of new life business been exceeded. As the result of the year's operations the life funds had increased by £264,921, and now amounted to £4,044,617. The non-bonus rates to which he referred last year met with a very favourable reception, and this class of policy would help new business figures in future years.

ACCIDENT DEPARTMENT EXPANSION.

In the accident department they had done well. It was true that, as regards employers' liability insurance, the premiums were down from £260,592 to £230,167, but this was largely due to the reduction made last year in the rates. Notwithstanding this reduction, the trading result had been satisfactory.

Motor, workmen's compensation (abroad), public liability, guarantee and burglary insurance business, included in miscellaneous accounts, all showed satisfactory increases. The net amount carried to profit and loss from the underwriting accounts of the accident department was £264,041, as compared with £29,846 last year. The total net accident premium income from all sources had increased from £2,904,965 to £3,130,245.

MARINE DEPARTMENT PROSPECTS.

To the marine department the year 1921 presented many difficulties, and closed with a loss of £36,084. The shrinkage in the value of hulls and cargoes had been phenomenal, and a further distracting feature which it was hoped would not recur was the demand for return of premium in consequence of the unemployment of vessels.

As to the prospects of the present year, they were fully equipped to participate in any improvement in trade whenever it occurred. The marine market was, however, still over-crowded, and competi-

tion drove some companies to take business at rates which must almost inevitably prove unremunerative. It was wiser to "go slow" until business was obtainable on terms likely to show a reasonable margin of profit. In this connection it would be noted that the net premium for 1921 was less than half that of the previous year, a reduction for which, under existing conditions, he need not apologise.

DIVIDEND MAINTAINED.

The transfers to the profit and loss account totalled £785,924, which included £500,000 taken from the investment fluctuation fund, to which he would refer later. Adding to these sums interest at £370,214 not otherwise dealt with, together with the balance brought forward from last year, a total was reached of £1,208,055.

Against this was required the various amounts shown in the report, including a provision of £276,768 for British Government taxes, £75,000 for doubtful marine reinsurance recoveries, £158,419 loss on realisation of securities, and the transfer of £50,000 to staff pension fund. After allowing for the payment of the dividend due, less tax, there remained a balance of £230,000 to carry forward, as compared with £51,917 brought into the account at the beginning of the year.

In November last an interim dividend of 8s 6d, less income-tax, was declared, and the directors now recommended a similar payment, making 17s per share, less tax, for the year.

The provision in the profit and loss account of the sum of £75,000 was made against possible marine reinsurance losses as the consequence of recent failures of certain companies. He was very glad to state, and they would be relieved to know, that, having secured themselves, they did not anticipate any loss under the more considerable fire reinsurance treaties with the same companies. With the provision of £75,000, they were of opinion an ample sum had been set aside, in all probability providing a margin for some recovery.

SUBSTANTIAL APPRECIATION OF INVESTMENTS.

A year ago he referred to the position of gilt-edged securities and the prospect of appreciation in values in the light of the fall in prices of wholesale commodities, holding out the expectation that notwithstanding the detrimental effect of the fall in prices upon premium income, they might reasonably look forward to some compensating advantages in the form of a rise in the value of gilt-edged securities. His anticipation had been fully justified. The sum of £500,000 had been transferred from the investment fluctuation fund, leaving this fund at £1,500,000, at which figure this reserve was more than £250,000 in excess of the difference between the book values and market values of the Stock Exchange investments as at the end of the year, since the close of which a further very considerable appreciation had taken place.

The directors had always stringently valued the company's securities, which were largely of the gilt-edged trustee class. The book value of the Stock Exchange investments amounted approximately in all to £14,000,000, of which over 90 per cent. consisted of British, American, and foreign Government, provincial, and municipal securities, and railway stocks.

Regarding their buildings, these appeared in the books at or below cost price, and their value at present was considerably in excess of this.

REINSURANCE—A MORAL.

The Chairman proceeded: A certain prominence has been given to the suggestion that the system by which companies issue cover for amounts in excess of their own retention is open to criticism. It is an interesting subject, but I do not think that anything which has occurred recently justifies any such contention. It has been for long an accepted practice both here and in all other important countries, and has proved a great convenience to the larger policyholders, and carries with it the advantage of creating a means of reciprocal exchange between companies producing a better average and making for economy and simplicity in working.

I do not propose to comment on certain recent happenings in the world of reinsurance except to say that I hope the insuring public will draw the obvious moral, which is that they should base their expectations of security on the intrinsic strength of the office to which they entrust their insurances, and not upon its chance of

securing reliable reinsurance facilities, a matter about which they can have no certain knowledge.

THE FUTURE: HOPEFUL SIGNS.

It is a matter for regret that whilst the fall in our premium income has been to some extent arrested, there has been so far no improvement in our claims experience, and under the present perplexing conditions it is most difficult, if not impossible, to forecast with any degree of certainty the probable outcome of the current year's training. The task of predicting the date of the world's return to normal conditions I will leave to others. There probably has never been a time when, owing to the war and the cross-currents of international relationships, particularly on the Continent of Europe, prophecy has presented more difficulties. Probably few, I imagine, have realised the unprecedented violence of the economic upheaval which we have experienced. There are, taking a broad view, some hopeful signs, however, at home and abroad, of a return to more stable conditions. Although recovery and reconstruction will necessarily be a slow process, the economic situation reveals powerful forces making for business expansion. Constructive agencies are more operative to-day than at any time since the declaration of Peace. Therefore, personally, I am, on the whole, disposed to regard the immediate future with, shall I say, a conservative optimism. If, as I incline to think, the United States (where a certain recovery is already unmistakable) will be one of the first countries to experience a substantial trade revival, then this company, owing to the extent of its interests there, may expect to benefit.

I fear a great part of Europe with which we formerly transacted a profitable business will continue to remain closed to us for the present. It is true approaches have been made to us from time to time, but it is difficult to see any prospect of an early resumption of business on any substantial scale. Some measure of political equilibrium in the countries to which I refer, and a return on their part to the immutable principles of sound finance, must necessarily precede any renewal of our former relationship.

TRIBUTE TO GENERAL MANAGER.

We are very much indebted to our general manager for the able manner in which he has brought the company through an extremely trying and difficult year. Regarding his visits to the United States, considerable reorganisation was found to be necessary there. This was carried out by Mr Lewis to the great satisfaction of the board, and I feel sure the result will add to our strength in that country, where we have always held such a unique position, and where the company is so highly regarded and trusted.

Mr E. S. Parker (deputy-chairman) seconded the motion, which was carried unanimously.

Sir Aubrey Brocklebank proposed the election as director of Mr J. J. Atkinson, who had joined the board since the last annual meeting, and the re-election of Messrs F. C. Bowring, A. G. Dent, W. R. Glazebrook and T. Woodsend as directors.

Mr H. M. Beausire seconded, and the motion was agreed to. Messrs Stead, Taylor and Stead, of Liverpool, were re-appointed auditors.

VOTE OF THANKS TO THE DIRECTORS.

Mr W. S. Crichton proposed a vote of thanks to the board of directors, the London board, and other boards of directors, and the local boards in the United Kingdom, the United States, and other centres of the company throughout the world. He said that when times were not so good the work devolving upon the directors was much more strenuous and their responsibilities greater, and there was all the more reason why they should be thanked upon this occasion. He congratulated the directors upon the frank and open statement they had made of the company's accounts—a course which would meet with universal appreciation.

Mr P. N. Stone seconded, and the motion was cordially adopted. The Chairman, in reply, expressed appreciation of Mr Crichton's thoughtful observations. In a bad year such as had been experienced, the work of the directors was always rendered more difficult than in a good year. The directors would take care to see that the sentiments expressed by the meeting were forwarded to their boards of directors in various parts of the world.

VOTE OF THANKS TO THE OFFICERS, STAFF, AND AGENTS.

Mr W. F. Moore proposed the following resolution:—That the best thanks of the meeting be presented to the officers and staff and agents at home and abroad for their zeal and interest in the affairs of the company.

He said: The chairman has referred in his speech to the hopeful signs at home and abroad of a return of more stable conditions. It is quite unnecessary to say that it is impossible to arrive at satisfactory results without the cordial co-operation and assistance of the whole of our staff and of the agents at home and abroad. The chairman has referred to Mr Lewis' recent journey to America.

We are accustomed to Mr Lewis' able handling and tackling of all difficult propositions, and we look to him for the guidance and the active energy which he always displays in managing the affairs of the company. I am sorry that Mr Reddrop is not here to-day, but he is away on the company's service. We must not forget him. On the other hand, we are very pleased to see Mr Macready from London, and I should also like to refer again to what the chairman mentioned about our South African manager, Mr Kirk. I think we may congratulate him on a safe journey to this country after the troubles and risks of the labour riots in South Africa. I would also like to pay a tribute of thanks—I am sure the shareholders always wish to do so at this meeting, as it is a great pleasure to them to do it—to all the other officers of the company at home and abroad, the heads of departments, and the members of the staff. We always have our agents, at home and abroad, constantly in our minds, and the excellent services which they perform in the interests of the company, and it is a great pleasure at this annual meeting to pay a special tribute of thanks, and to send a message of congratulations to them on the excellent work which they do for the company. Our thanks also are due to all the officers of the company, and the members of the staff, and I trust that this will be conveyed to them.

Mr R. Q. Wilson having seconded, the meeting approved of the motion.

THE GENERAL MANAGER'S ACKNOWLEDGMENTS.

Mr Hugh Lewis (general manager) responded, and said: Mr Chairman, whatever may be thought of any other part of our proceedings, I am certain this particular resolution will never appear a formality to those concerned, particularly so when it is submitted as to-day in such gracious and kindly terms.

Again, the vote of thanks will be all the more appreciated because of the poor profit results of the year. I am certain the staff, all of us, have never striven harder, but, none the less, human nature being what it is, we all quite realise that it cannot come easily to give praise when the return for the risk run is so inadequate.

However, instead of finding us at fault you have encouraged us to renewed efforts.

In acknowledging this resolution, I am very mindful of the fact that I am in the main the spokesman of others.

First amongst these, our able sub-manager, Mr Reddrop, who, as Mr Moore has stated, is away on the company's business, and Mr Warner and Mr Hay, our assistant secretaries, all of whom to my certain knowledge have laboured with incessant and well-directed energy in their respective positions to make the best of an exacting and disappointing year. From my own knowledge I can truly say these gentlemen have "scorned delight and lived laborious days."

I have also to acknowledge the extremely valuable services of our London manager, Mr Macready; our chief underwriter, Mr Harper; our actuary, Mr Kilpatrick; our accident manager, Mr Mackinnon; the principals of our departments, our branch managers, and our high officers caring for the company's vast interests overseas. I should just like to add that we all feel Mr Harper and his experienced coadjutors have assuredly made the best of a harassing marine year. I also take the opportunity of congratulating my friend, Mr Danvers, our able Australian manager, who serves us so staunchly, on his recovery from his serious illness. Our American executives have already been referred to by the chairman. All I think I need add is that I am satisfied that the company's interests on that Continent are in loyal and safe keeping. I speak also for the company's agents, many of whom, though not filling positions of salaried servants, hold positions of considerable responsibility, and much to our advantage.

And so, Sir, on behalf of all our officials at home and abroad, and of all our agents, I thank you.

May I, in concluding, express my own sense of your personal references to me from the chair. 1921 was my first year, and I could have wished my first accounts to be more satisfying to the shareholders.

My new duties—though I am now, I suppose, an old servant of the company—have been carried on in new surroundings, and in contact with many with whom I had not the privilege previously of acquaintanceship, and who, in spite of my shortcomings, I feel have been very indulgent to me.

I wish to thank you, Sir, for unvarying consideration and kindness altogether beyond anything I could have deserved.

On the motion of Mr T. Woodsend, a vote of thanks was accorded to the chairman for his services, and a brief acknowledgment by Mr Barnes terminated the meeting.

At a meeting held subsequently to the shareholders' meeting the directors of the Liverpool and London and Globe Insurance Company, Limited, re-elected Mr A. Kentish Barnes as chairman, and elected Mr R. Q. Wilson as deputy-chairman of the company.

EAGLE, STAR, AND BRITISH DOMINIONS INSURANCE COMPANY, LIMITED.

"ACCOUNTS IN EVERY WAY SATISFACTORY."

QUINQUENNIAL VALUATION RESULTS.

The ordinary general meeting of the above company was held, on the 18th instant, at the offices of the company, 32 Moorgate, London, Sir Edward M. Mountain, Bart., J.P. (chairman and managing director), presiding.

The secretary (Mr John Gardiner, A.C.A.) having read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said that the year had been a lean one for insurance business. The success or non-success of particular years in respect to insurance business depended entirely upon the prosperity or otherwise of industry, and 1921 was one of the worst in that respect that had been experienced for many years. It was during such periods of depression that the care and skill with which an insurance company was managed was brought to the issue. It was a recognised fact that as all trades had been and always would be subject to fat and lean years, so in the insurance business the same was the case, and he thought shareholders would agree that, considering the times through which they had passed, the accounts were in every way satisfactory.

MARINE DEPARTMENT.

Dealing with the marine department, it would be seen that they brought forward £785,644, that the net premium income amounted to £439,960, together £1,225,604, against which they had settled on the year under review and previous years a sum of £743,673. The expenses of management, including provision for income-tax and excess profits duty, amounted to £62,009; they had transferred to profit and loss account the sum of £47,908, and the marine fund at the end of the year was £394,921, being equivalent to 90 per cent. of the income, compared with 66 per cent. for 1920. The reason that the ratio of this reserve to premium income was so much higher in proportion to it than in previous years was because they had to wind up large accounts in previous years. This reserve would in due course decline to a normal figure. Last year he referred to the outlook as unfavourable, and in consequence they anticipated a further reduction in the premium income. He did not think there was any company in London which so rapidly reduced its income from this source as this company had done during the last few years. At the present moment the position in the marine insurance world was not so much money a company was likely to make, but how little it could avoid losing. In spite of the great depreciation in this market, their underwriting had been done with such extreme care that they had been able to make a small profit, and he did not anticipate, even if such times should continue, that on the very conservative lines they adopted they were likely to make any loss.

FIRE AND GENERAL INSURANCE.

The premium income from fire and general insurance, as compared with last year, showed a slight reduction of £5,462, but this was very much smaller than was disclosed by the accounts of other companies so far published. Their total premium income was £2,249,215; the claims paid and outstanding after the deduction of reinsurances, amounted to £1,273,545, a ratio of 56.62 per cent. Commission and brokerage aggregated £476,426; expenses of management, including income-tax and provision for excess of profits duty, £441,704, a combined ratio of 40.81 per cent. After carrying forward a reserve of 40 per cent. of the total premium income, they had been able to transfer to profit and loss account the sum of £95,093. The fire business showed good results generally, except in America, that country showing the worst loss ratio since the San Francisco disaster. This was undoubtedly due to trade depression. The accident department, which embraced workmen's compensation, personal accident, burglary, livestock insurance, &c., had had quite a good year. With regard to motor vehicle insurance, this had been a loss for several years, practically to all companies transacting this class of business. So far as that company was concerned, he was of opinion that it had turned the corner, and with the tendency for the cost of repairs to decrease, it looked as though there were favourable prospects of the business once more becoming a paying proposition. America had been a motor vehicle business, which up to the end of 1919 had shown a reasonable profit for some years, had, in the last two years, shown very bad results indeed. They were endeavouring to improve the condition, and he thought it only a question of time for this business to be adjusted. The engineering, indemnity and other departments continued to make good progress. It was difficult to prophesy in these days, but the year had opened quite well, and with the steadier conditions of trade which were fore-shadowed, they were hopeful of good results in 1922.

LIFE DEPARTMENT.

Reverting to life insurance, he said that a year ago he expressed the opinion that the amount of new life business was likely to be smaller than in previous years, and it would be seen from the figures in the report that, in common with nearly every other office, they showed a reduced new business for 1921. The reason for this was not far to seek. In the first place, the exceptional demand in the years immediately following the war, created by the return to civil life of a very large number of men who had been debarred during the war from effecting life policies, had been very largely met, and, secondly, the unparalleled trade depression had made it impossible for many to effect the insurances which normally they would require. There was, however, another and much brighter side to the picture of the life department which he had to put before them. A year ago the question of depreciation of their investments, more especially in the closed fund, was an important one. To-day the position was entirely changed, and the present outlook in that respect was very favourable. In the case of the life assurance and annuity fund, applicable to their current series of policies, a large proportion of their holdings in British Government securities was held against obligations to their policyholders under War Loan and War Bond policies, and consequently the question of appreciation or depreciation of those investments was not one which directly concerned the company. In that fund, however, there were other investments which at the end of the year showed a satisfactory appreciation, though none of them had been taken credit for in their accounts. This appreciation they regarded as an additional reserve against possible depreciation or other contingencies in the future, and he was sure that they would approve their decision.

QUINQUENNIAL VALUATIONS.

Perhaps the most interesting matters with regard to the life department were the valuations and distribution of profits which they had made in connection with both the closed fund of the old Eagle Company and the policies issued by the company under its current series, both of which quinquennial valuations fell due last year. In the case of the Eagle Fund, where the valuation was made as at September 30th, they had been able to declare a reversionary bonus addition to all policies entitled to participate at the satisfactory rate of £1 per cent. per annum for the quinquennium, and after doing this the fund was left in a thoroughly healthy condition. It was very gratifying to be able to show such a result on this, the first investigation, after the transfer of the Eagle business to them, and he was sure it was regarded with satisfaction by the policyholders. In the case of the current British Dominions business, the quinquennial valuation was made at December 31, 1921. It was made on a stringent basis, and the results showed that the confidence he expressed last year was justified. As the result of the valuation a gross surplus of £84,471 was disclosed, and of this they had decided to distribute £76,102, leaving £8,369 to be carried forward. This had enabled them to declare in the case of policies in the ordinary participating branch a reversionary bonus addition to the sum assured at the rate of 30s per cent. per annum, while in the case of policies in the 30s per cent. section the addition was 15s per cent. per annum, so that the profits in the abstiners' section had proved larger than in the ordinary participating branch. He was sure they would regard the results of the valuation as very satisfactory. The directors had taken particular care in the selection of risks, and were satisfied that the business on their books was good business.

RECENT FAILURES.

Referring to the failure of various companies newly formed for insurance business all the world over, he said that this was exactly what men of insurance experience in this country expected to happen. Several others were showing signs of trouble, and would fail in due course. The failure of one particular group caused some sensation, but he would point out that a failure of this kind, however lamentable to those concerned, was very beneficial in the end to the wealthy and well-established companies, and it brought home to the public that the cheapest insurance was not necessarily the best. It had instantly the effect of bringing back to the older companies a substantial proportion of business they had lost by rate-cutting during the last few years. The immediate cause of this particular failure was the extraordinary laxity in the method of making investments. With regard to the Eagle Company, there was nothing that engaged the attention of the directors more than the question of investment, in connection with which they had an investment department presided over by a very capable manager, Mr John Spencer. So far as this company was concerned, it had been their practice where they had reinsurance treaties, except in very special cases, to hold security in connection with them, and they did so in that case, and if, when the treaties finally wound up, there should be any loss over and above the securities

they held, it would not in any case be one that would materially affect them.

The report was unanimously adopted, the proposed dividends were approved, the retiring directors and auditors were re-elected, and the proceedings terminated with a vote of thanks to the chairman, directors, and staff.

THE MOTOR UNION INSURANCE COMPANY, LIMITED.

SATISFACTORY DEVELOPMENT OF MOTOR INSURANCE ACCOUNT.

The fifteenth ordinary general meeting of the Motor Union Insurance Company, Limited, was held, on the 16th instant, at the head offices of the company, 10 St James's street, London, Mr C. H. Dodd, the chairman of the company, presiding.

The general manager and secretary (Mr H. F. Baker) having read the notice convening the meeting and the report of the auditor,

The Chairman, in moving the adoption of the report and accounts, said that the fire insurance account was the first with which he would deal. The premium income on that account was slightly higher at £509,000, as against £506,000 for the previous year. Unfortunately, however, claims had risen in a much greater proportion, having cost approximately £100,000 more than they did the year before. The ratio worked out at something like 63 per cent. Commission and expenses were also somewhat higher, and the net result was that in order to maintain the reserve of 40 per cent. for unexpired risks, they had had to transfer from profit and loss account the sum of £14,824. That was not a very satisfactory result, but with the return of more normal conditions, they looked to receive considerable profits from that account. In the accident insurance account premiums were somewhat higher, and claims had also increased. Commission and expenses were likewise above those of last year's figure, but after making the usual 40 per cent. reserve for unexpired risks they were able to transfer to profit and loss the sum of £2,687. In the Employers' Liability account premiums were down, largely owing to present trade conditions, and the claims experienced had been somewhat higher at 45.9 per cent. From that account they transferred to profit and loss £8,936.

MOTOR AND GENERAL INSURANCE ACCOUNT.

The next account, the motor and general insurance account, was the most important of the whole, and the foundation of their business. It was a matter of congratulation that their company was the first, at all events in this country, to have attained a premium income of £1,000,000 from motor car insurance. The growth of that account since the end of the war had been almost phenomenal. In the previous accounts they had been able to show an increase of over 100 per cent. in premiums, and for the year under review, in spite of all adverse trade conditions, and in spite of a decrease, to a certain extent, in motoring, there had been a further growth in the premium income. After making the usual reserve, they were able this year to transfer a small profit of £4,287 to the credit of profit and loss, as against the transfer last year from profit and loss of no less than £113,875. They might safely say they had now turned the corner, and were on the way to a successful period with motor insurance. The 1921 account was running off very well, and so far their experience of 1922 showed every prospect of a very good year. It was to that account in the future that they would look for the mainstay of their business, and the board had the greatest confidence in the success of that branch of the business. As to the marine account, it was only reasonable to expect a set-back after the successful years of marine insurance during the war, but if shareholders looked at the company's figures they would agree that they had got through a trying time uncommonly well. The premium income had fallen from £713,000 to £589,000, a decrease which the board had been glad to see. Claims on the 1921 policies had amounted to £149,945, being 25.4 per cent. of the premium income, and commission and expenses worked out at only 9.9 per cent. After transferring to profit and loss the sum of £20,000, they were left with a reserve of £678,791, being 115.1 per cent. of the premium income. The life insurance account was growing slowly, in accordance with their expectation. During the year they had issued 380 new policies insuring £203,186 gross, of which £169,657 had been reinsured.

PROFIT AND LOSS ACCOUNTS.

Dealing with the profit and loss account, the Chairman said that the difference shown in the two years in the item interest, dividends, rents, &c., at £93,923, for the year under review, as compared with £123,000 odd for 1920, was largely accounted for by the fact that a considerable proportion of that sum in the previous year's accounts was set out before deduction of tax. From the profit and loss account they had a balance to deal with of £132,135. Out of that sum a half-year's dividend on the preference shares, and an interim dividend of 4s per share on the ordinary shares, had already been paid. The board proposed to

pay a final dividend of 6s per share on the ordinary shares, and the final dividend on the preference shares, and to add £15,000 to the tax reserve fund, and £2,000 to the staff pension fund, leaving £38,415 to be carried forward. After dealing with the principal variations in the balance-sheet, and explaining the policy of the board with regard to the writing down of unquoted securities, the Chairman concluded by summing up the position. Shareholders, he said, would be satisfied that the company was in a very sound and strong financial position. The fire, motor, and marine accounts, especially, were really in an excellent condition. The board were not troubled with what was merely a passing phase of the fire account, which they would see back again making profits in a very short time.

The report and accounts were unanimously adopted.

ALLIANCE ASSURANCE COMPANY, LIMITED.

RESULTS OF A DIFFICULT YEAR.

The annual general court of the Alliance Assurance Company, Limited, was held, on the 17th instant, at the head office, Bartholomew lane, London.

Mr C. E. Barnett, who presided, said that the severe depression in trade experienced in the year under review had a serious effect on the business in all departments of the Alliance, an experience which had been shared by all the offices. In the life account the net new business completed amounted to a little over £2,000,000, or some 25 per cent. less than in the previous year, a reduction not to be surprised at in the existing circumstances. The mortality experience had, on the whole, been favourable. The average rate of interest on the life funds showed an increase of about 5s per cent., but with cheaper money ruling they could hardly expect to maintain so high a rate. On the other hand, there was a substantial appreciation in the value of their Stock Exchange securities, a great relief after the large depreciation of past years. The combined life accounts showed a premium income, after deduction of reinsurance premiums, of £1,175,105, and the combined life and annuity funds amounted at the close of the year to £18,171,302. The prospects were good, and they had every reason to hope that at the next quinquennial valuation, at the end of 1923, they would be able to declare a satisfactory bonus on their participating policies. The business on the sinking fund and capital redemption account had slightly increased during the year, the fund at December 31st last being £955,362, some £15,000 more than at the end of 1920. The fire account showed some increase in premium income, which now amounted to £1,966,478, but this was due to a new arrangement of reinsurances, as they had now inaugurated a plan of what he might call domestic reinsurances between themselves and the companies associated with them. The gross income in the fire department, before deducting reinsurance premiums, really showed a small reduction as a result of diminished trade, lower values, and lower rates of exchange. Fires had been numerous and costly, both at home and abroad, the long drought having been an adverse factor. After making provision for commission and expenses and the necessary addition to reserve for unexpired risks, the sum for underwriting profit, and interest on the fire fund, carried to profit and loss account, was £191,198.

MARINE ACCOUNT.

With regard to the marine account, at first glance the amount of the claims paid—£855,452—as against the premium income in the year—£550,819—might appear startling. The amount of the claims might be analysed as follows:—In respect of 1919 and previous years, £231,296; in respect of 1920, £452,037; and in respect of 1921, £172,117. It had to be borne in mind that a marine underwriting account always took a long time to run off. They allowed three years, so that in the present accounts they were closing the underwriting account for 1919. A sum of £100,000 had been set aside to provide for any further claims that might occur in respect of that year, and £57,464 had been transferred to profit and loss account. The underwriting account for 1920 would be dealt with at the end of 1922, but in the meantime the whole of the present surplus on the 1920 and 1921 accounts remained in the marine insurance fund. The reduction in premium, compared with the previous year, appeared large, but it must be remembered that returns of premium in respect of previous years had been deducted. A great feature of 1921 had been the cancellation of hull insurances, entailing a very considerable sum in respect of such returns. The insurances to replace these cancelled policies had been for smaller amounts. The marine insurance fund stood at £1,192,110, a decrease compared with the previous year of £485,716. Like many other insurance companies, the Alliance had done a certain amount of reinsurance business with the City Equitable, but there was nothing that need cause the directors or the shareholders the slightest anxiety.

As he had already said, marine risks took some time to mature, but he made this statement without qualification, fully and frankly, after taking that fact into consideration.

ACCIDENT, BURGLARY, AND MOTOR BUSINESS.

In the accident department the total premium income showed a small increase, which must be considered satisfactory having regard to all the circumstances. There had been a good deal of unemployment, and this was reflected in the premiums they had received in connection with workmen's compensation business, and the fact that the rates of premium had been reduced was a contributory cause to the reduction shown in workmen's compensation income. There had, fortunately, been an improvement so far as burglary business was concerned, and the results in motor business showed some improvement, due principally to the fact that the upward trend in the cost of repairs seemed at last to have reached its maximum. Third party claims, however, were still numerous and costly. Business in the trustee department continued to grow quite satisfactorily. Including the transfer of £250,000 standing at investment reserve account, which was now no longer necessary, in view of the appreciation in the value of securities, the balance of profit and loss account at the end of the year was £948,875.

The report and accounts were unanimously adopted, and a dividend of 14s per share, less income-tax, was declared, an interim dividend of 6s per share having been paid in January last, and the balance of 8s per share being payable on and after July 5th next.

OLYMPIC FIRE AND GENERAL REINSURANCE COMPANY, LIMITED.

The second annual general meeting of the Olympic Fire and General Reinsurance Company, Limited, was held, on the 18th instant, at Cannon street Hotel, London, Mr S. Walter Morris, chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said: If you will carefully examine the balance-sheet I feel convinced you will agree with me that the alliance you made with the Tariff Reinsurances in 1920 was an exceedingly good move, and one which has established the Olympic Company on a sound footing. I may take this opportunity of assuring the shareholders of this company that we are not in the slightest degree interested in the company that has been so unfortunately before the public lately. We have passed through a stormy period, and we feel we have passed through it successfully, but the directors of your company and other reinsurance companies have had to watch matters with the greatest care and attention.

Last year when I had the pleasure of addressing you the premium income was £64,000; to-day it is no less than £180,000. It could have been much higher, but until your company has even bigger reserves than it has to-day we must act with prudence and caution, and afterwards we shall act with caution and prudence. We have included all claims paid and advised, and we think the result quite satisfactory for a second year's trading. In the marine department I might say we are not desirous of extending our business, except in the direction of what you may describe as very first-class insurances. On the 1920 account, after paying £32,693 in claims, we have remaining £5,279 to run off the account, and for the 1921 account our funds at the end of the year were 67.4 per cent. of the premium income. Not at all an unsatisfactory account.

You will see that on September 30th you had nearly £41,000 invested in gilt-edged securities, which is brought into the balance-sheet at cost, but on that date the market value of those securities was £42,703.

In the profit and loss account you will see that we have an item of £3,345, but we thought it desirable to transfer the whole of this sum to the fire and general fund, as we feel that at the present time it is of the utmost importance to make that fund thoroughly substantial. In taking a general survey of the balance-sheet, I think we may say that the business is sound and progressive, and we may look forward to its extension.

Mr Wilfred W. White seconded the resolution, which was unanimously adopted.

JUGRA LAND AND CAREY, LIMITED.

CHAIRMAN ON PROSPECTS OF RUBBER INDUSTRY.

The second annual general meeting of shareholders was held in the hall of the Institute of Accountants and Actuaries, 218 St Vincent street, Glasgow, on Tuesday, May 16, 1922, at 12 o'clock noon, Mr Wishart presiding.

Mr Macdonald, for the secretaries, having read the notice calling the meeting, the Chairman said:—

Gentlemen,—You have had in your possession now for more

than the statutory time the report and accounts for the year to November 30th last, and with your permission we shall hold these as read.

VISITING AGENT'S SATISFACTORY REPORT.

As the report states, the visiting agent's last report on both Carey Island and Paradise was again of a very satisfactory nature.

Planting and clearing in the new area have been somewhat kept back, owing to unfavourable weather conditions, but a considerable amount of the necessary preliminary work has now been completed, and our latest information is that over 1,800 acres have been felled, all of which, with the exception of a very small area which it has been deemed advisable to plant in rubber, will in due course be planted up in coconuts.

You will notice that there has been considerable expenditure on account of the water scheme, and I am glad to say that this work is now approaching completion, and will be of the greatest benefit to Europeans and coolies alike.

It will be noticed that our "all-in" cost for rubber at 9.04d per lb. was exactly 2d less than last year, but further economies are being effected, and the cost will show a further considerable reduction during the present year.

The price obtained for the rubber actually sold was 8.8d per lb, consequently, although the cost c.i.f. shows a small profit, this profit is converted into a loss when rubber has been debited with its proper proportion of home charges.

COCONUT CROP.

The coconut crop amounted to 5,405,806 nuts, 37,679 nuts being disposed of for cash on the estate, and the remainder manufactured into 1,411 tons of copra. This was sold at an average price of £29 7s 4d per ton, and, as the "all-in" cost amounted to £19 11s 10d per ton, a profit of nearly £10 per ton has been realised. You may remember that in the prospectus which was issued in December, 1919, a profit of £20 per ton was estimated. This seemed a conservative figure at that time, and had this profit been obtained, the revenue from coconuts would have been in excess of the prospectus estimate, as the output was higher. Even at the present price, however, a fair profit is being earned, as the expenditure has been very considerably reduced.

There is, of course, a certain liability for income-tax, but the whole amount due cannot be ascertained at the moment, the matter being the subject of negotiations with the Inland Revenue authorities, and we can only hope that these negotiations result favourably to the company.

RUBBER PROSPECTS.

As to the future of the rubber industry, there is no doubt whatever that the position is a serious one, and personally I am unable to see any likelihood of there being any appreciable increase in the price of rubber until there is a general revival of trade throughout the world.

American importers take normally about two-thirds of the world's output of rubber, but during last year they imported nearly 70,000 tons less than in the preceding year. On the other hand, owing to restriction of output and various other causes, the amount of plantation rubber produced was about 60,000 tons less than in 1920, and the world's whole production about 85,000 tons less than in that year.

There is one unsatisfactory matter in rubber statistics, and that is that while the production and port of destination of rubber can be ascertained fairly well, there is no means of ascertaining accurately the stocks in the hands of manufacturers.

One thing I think we may feel fairly confident about is that with trade deplorably bad in America, this country, and the Continent, manufacturers have not been laying in greater stocks of the raw material than they could avoid. The consequence of this should be that when any definite improvement in trade sets in, the rubber industry may expect to be a fairly early participant in such improvement.

I am inclined to think that too much stress is laid upon the accumulation of stocks in London. It seems to me to be perfectly possible that, although during the year these stocks increased by 20,000 tons, this 20,000 tons may very well be accounted for by a decrease in manufacturers' stocks.

I am glad to note that warehousemen in London have made a further reduction in their charges, and I hope that a still further reduction may be effected. This seems to me to be essential if London is to remain the rubber market of the world.

CHAIRMAN'S CONFIDENCE IN THE FUTURE.

I am sorry I have nothing more cheerful to say to-day, but I am confident it is only a question of waiting on, and you are fortunate in being shareholders in a company with ample resources, and you have therefore no financial worries to face.

I have now pleasure in moving that the report and accounts be adopted.

I shall ask Mr MacLellan to second this resolution, but before putting it to the meeting I shall be glad to answer any questions that may be asked.

Mr MacLellan seconded the adoption of the report, which was carried unanimously.

Mr W. W. Campbell was re-elected a director, and Messrs Gibson and Anderson, C.A., were re-elected auditors.

ELDER DEMPSTER AND COMPANY, LIMITED.
FREIGHT-CARRYING MERCHANTS—A WARNING.

The twelfth ordinary general meeting of Elder Dempster and Co., Limited, was held, on the 18th instant, at 23 Billiter street, London, Sir Owen Philipps, G.C.M.G., M.P., chairman, presiding. The secretary (Mr Picton H. Jones) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of his speech, said: Many years ago—shortly after I became chairman of Elder Dempster and Co.—a number of leading merchants in the West African trade specially urged us to refrain from engaging in business considered to be competitive to them as merchants and to confine ourselves as ship-owners to providing transport facilities. For many years past this has been the adopted basis on which our business has been conducted, and I believe it is a policy which in the long run should prove of greatest service to the merchant community and to the interests of the West African Colonies.

On the other hand, if any large group of merchants consider it to their advantage to do their own carrying, this naturally alters the whole position. Such action on their part may compel the steamship owners, however reluctantly, in order to secure the necessary freight, to take steps to obtain cargo for their own vessels. While I hope that it may not be necessary to do this, I cannot shut my eyes to the fact that, in the long run, it would doubtless be to the advantage of the steamship owners to adopt such a course.

I hope that any of the merchants who may not entirely realise the full facts of the situation will not render it necessary for us to depart from the broad and sound policy on which British West African business has been built up and maintained for many years past.

WEST AFRICAN TRADE.

During the period under review West African trade has continued to suffer from the general world depression, but, as men-

tioned in the report, signs of improvement have now become evident. I hope they will be well maintained and become more pronounced in the near future. In July, 1921, a considerable reduction was made in the rates of freight on the principal commodities from West Africa, and a further reduction came into force on March 1st last. The present cost of travel by sea to all parts of the world is, in my opinion, unduly high, and tends to limit passenger traffic. The expense of running high-class passenger vessels is still very high, but, in order to encourage an improvement in passenger business, it will probably be advisable again to reduce the fares in anticipation of further reductions in the cost of coal, wages, upkeep, &c.

I am glad to report that work on the construction of the first instalment of the Apapa Docks and Wharf scheme at Lagos has now been commenced by the Nigerian Government. The facilities which it is intended by this scheme to provide should serve as a great stimulus to the trade of Nigeria. There has been considerable difference of opinion with reference to the proposal to construct a harbour at Takoradi, mainly on the ground of its costliness. I personally am convinced of its ultimate great benefit in the development of the trade of the Gold Coast, provided always that its cost is kept within reasonable limits. Our new motor passenger vessel "Aba" took her place in the West African express service during the year under review, being the first motor passenger ship to be engaged in any regular passenger trade. A second motor passenger vessel—the "Ancobra"—will be launched this month, and is expected to be in commission by the autumn. Both these fine vessels should prove a great attraction to passengers. In addition, three new cargo steamers have been delivered by the builders during the past year.

NECESSITY FOR ALL TO ECONOMISE.

Taxation has just been slightly reduced, but with still nearly two million people out of work in this country it is, in my view, essential that taxation should as soon as possible be further remitted. This is not practicable unless greater economy is exercised. For many months past the Press has been full of appeals for more rigid economy on the part of the Government, which is most desirable; but what is really wanted to put this country in a better position is not only for everyone, from the highest to the lowest, to work harder than ever before, but also personally to economise wherever possible. Individuals, private firms, and public companies should all set an example to the Government by first putting their own houses in order. Until we all in our private

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 + ROSARIO
 + MONTE VIDEO
 + BUENOS AIRES
 + PERGAMINO
 + ROSARIO
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capacities and all those in control of commercial concerns and industries throughout this country put into practice similar economy to that which is demanded from the Government, it will, I fear, be hopeless to expect the Government to make the necessary economies.

Looking to the future, while we are still confronted with many difficult and complex problems, I am personally of opinion that the worst of our troubles are passing away, and that with good will, hard work, and strict economies the corner will be turned and business all round will steadily revive.

The report and accounts were unanimously adopted, and a final dividend of 5 per cent., free of income-tax, on the ordinary shares, making 8 per cent. for the year, was declared.

THE ENGLISH ELECTRIC COMPANY, LIMITED
BOARD'S CAUTIOUS POLICY.

The annual general meeting was held on the 16th instant, Sir Charles E. Ellis, G.B.E., K.C.B. (chairman of the company), presiding.

The Chairman, in moving the adoption of the report and accounts, said that the balance-sheet showed for the first time the full liability for the note issue, but there was a considerable reduction in sundry creditors and credit balances. On the assets side there was an increase of nearly £700,000 in land, buildings, plant, machinery, &c., while interest in subsidiary and other companies was reduced by £825,000. These differences indicated further progress in the absorption of the constituent firms. The company's stocks had been much reduced during the year, both in quantity and value, as they were able to foresee in 1920 that although orders continued to flow in, the market was becoming exhausted. In addition to making a reduction in quantity of stocks, they had met the heavy fall in the market value of all materials by a special writing down to a figure representing to-day's value or less. Turning to the profit and loss account, the available balance was slightly in excess of that last year. The net profits brought to credit included dividends received from subsidiary companies and amounts transferred from reserves previously set aside and no longer required. In considering what dividend should be paid they had felt bound to look ahead, and there they saw uncertainties on every hand. The state of trade was unprecedented, and the engineering industry had to face peculiar industrial difficulties. In recommending a dividend on the ordinary shares at the rate of 5 per cent. per annum, the directors considered that they had reconciled the natural expectations of the shareholders with the needs of a difficult and obscure period to come. He was strongly of opinion that the way out of most of the present difficulties would be through the efforts of private enterprise. So strongly did they hold this view that they had recently, with five powerful associates of world-wide reputation, formed the Power and Traction Finance Company, Limited, with the object of dealing with comprehensive engineering contracts on a large scale. The electrical industry had been less seriously affected than many others, and during the past year they had secured many important contracts, including the complete central station for the City of Leicester, important railway electrification contracts in Spain and Japan, and others. There were signs that public works too long delayed must shortly be put in hand, and competition by Germany and other countries with depreciated currencies was not so serious as the abnormal rates of exchange would appear to imply.

ANGLO-AMERICAN DEBENTURE CORPORATION, LIMITED.
SPECIAL RESERVE TO BE CAPITALISED.

The thirty-second ordinary general meeting of the Anglo-American Debenture Corporation, Limited, was held, on the 18th instant, at the Cannon street Hotel, London.

Sir Vesey Holt, K.B.E., presided, and in the course of his speech said: We have had a valuation made of the investments on exactly the same basis as in past years, and this shows that the general reserve account of £200,000 is more than sufficient to look after any depreciation that exists. We had to report to you last year a depreciation of 2½ per cent. upon the book cost of the investments, after taking into account the general reserve account and also the special reserve account. The directors, therefore, are extremely pleased to be able to meet you to-day and to inform you not only that they have no necessity to take into calculation the amount of the special reserve, but also that the depreciation is less than the general reserve account. In view of the fact that the earning capacity of the company shows a substantial margin over and above the regular 8 per cent. dividend upon the ordinary stock, and that the valuation shows that the capital is intact, they have decided that the present time is opportune to distribute the special reserve account. The form that this distribution will

take is the same as on the two previous occasions—namely, by the allotment of four and a-quarter per cent. preference stock to the holders of ordinary stock. When this distribution has been made the stockholders will have received the whole of the £1 which was written off their shares in 1894. We have since 1911 capitalised a sum of £175,000, and only reduced our reserves by £10,000, and in addition during that time have paid dividends of 7 per cent. up to the outbreak of war, 6 per cent. for four years of the war period, reverting in 1919 to 7 per cent., and then increased it in the following year to the present rate of 8 per cent. With the exception of an issue of about £64,000 in 4 per cent. debenture stock, no capital has been issued for cash during this time, but the figure of the investments has increased from £1,470,000 to £1,740,000, and the interest and dividends from £76,300 to £92,795.

The future, with such a large part of the world still in a state of turmoil, must necessarily be obscure, but the foundations of this company are now in such a condition that I feel I can look forward to the future with confidence.

In conclusion, the Chairman referred to the working arrangement which had been entered into with two other long-established trust companies—the Railway Debenture and General Trust Company, Limited, and the Railway Share Trust and Agency Company, Limited. By this working arrangement they would be able to effect considerable economy, and the directors felt sure that the arrangement would considerably increase the power of each company and be of material advantage to the stockholders.

The report and accounts were unanimously adopted.

TANGANYIKA CONCESSIONS, LIMITED.
INCREASE OF CAPITAL AGREED TO.

The adjourned ordinary general meeting of Tanganyika Concessions, Limited, was held, on the 19th instant, at River Plate House, London, Mr Tyndale White, chairman of the company, presiding.

Mr L. Scotland, the secretary, having read the notice convening the meeting and the report of the auditors, business

The Chairman said the year had been, in the copper business, as in every other industry, a period of unexampled depression, but they hoped they were on the eve of better times. He formally adopted the adoption of the report and accounts.

Mr C. F. Rowse seconded the resolution.

Mr Robert Williams then dealt exhaustively with the report and accounts. He said that the year had been one of great stringency, but owing to the soundness of the undertakings in which they were interested they had been able to survive the crisis. The operations of the Union Minière du Haut Katanga had, under the circumstances, been satisfactory; in fact, the record output of 30,464 tons of copper had been reached. The present rate was over 3,000 tons per month. There had been no dividend, but he was pleased to say they had turned the corner. Since the last meeting of the Union Minière Mineral Concessions had been extended up to 1990, and a scheme of finance for installing the necessary plant to treat the ores on a large scale had been arranged. The estimated reserves of ore in the mines now under development amounted to well over 70,000,000 tons, containing over 4½ million tons of copper. After careful investigation it had been decided that the treatment of these ores could best be dealt with by the Union Minière itself, and not by subsidiary companies as formerly proposed. Accordingly, arrangements had been made for the raising of 300,000,000 francs for the installation of plant to increase the production of copper in progressive stages to over 100,000 tons per annum by the issue of "obligations," which, in addition to interest at 6 per cent., would receive 25 per cent. of the profits from the year 1928. This would be a great advantage to the old shareholders, because in 1928 the shareholders would receive 75 per cent. of the profits from this greatly increased output. The ore would be treated by the leaching process.

AN IMPORTANT DEVELOPMENT.

In the meantime, an important development had taken place which would have a great bearing on the question of the plant to be installed immediately, namely, the Sankishia coal deposits, which were to be worked, and which it was hoped would reach a production of 300 tons per day during the present year, a figure which would be gradually increased. The coal would be very suitable for reverberatory smelting works, and the cost of copper production by this means would be considerably less than by blast furnaces. In about three years they expected to reach an output of from 70,000 to 80,000 tons of copper, which would largely increase profits several years before the leaching plant was in operation. During 1921 the smelters treated 222,056 tons of ore, and concentrates averaging 18 per cent. copper, and produced 30,185 metric tons of ingots, and 279 tons of matte.

FUTURE OF THE BENGUELLA RAILWAY.

There was a great future for the Benguela Railway, and he was confident that this railway would, in a few years, be in a position to give rates to Katanga for the economic development of its low grade ores such as no competing line could afford to give. The comprehensive scheme for the completion of the railway included a proposed issue of some 1,250,000 new shares of the Tanganyika Concessions for the general purposes of the company, and in particular to enable them to take up their proportion of the new Union Minière shares. It was now proposed to create 1,300,000 new shares of £1, and to offer 750,000 to the shareholders as 10 per cent. cumulative preference shares, convertible into ordinary shares for a period of five years at 22s each. He asked the shareholders to ratify the arrangements for underwriting.

The company had a 40 per cent. interest in the Nile Congo Divide Syndicate, the operations of which were most promising. Gold had been found, and panning up to £2 value per cubic yard had been found. He looked upon the discovery of gold over so great an area in the rivers and the finding of gold and malachite in combination over 40 miles of a belt, together with big old workings, as an altogether brilliant prospect.

The Rhodesia-Katanga Railway, in which they held a 70 per cent. interest, showed a surplus of receipts over expenditure of £93,000 in 1921, as against £50,384 in 1920. As the debenture interest only required £44,000, the results were very satisfactory. It had not been possible to do any further work on the Kansanshi Mine and Luano Coalfield, which belonged to the Rhodesia-Katanga Company, but work would be resumed as soon as conditions permitted. In conclusion, he repeated that he believed they had turned the corner after very trying times, and he hoped to be able to announce soon that the original railway programme for the development of Katanga was to be carried out. Had his advice been acted upon, and the railway completed through to the mines, they would to-day have been in the position of making a large profit in the present adverse conditions, and the output would have been much greater. He had been called an optimist, but the progress of development of ore reserves in Katanga was justifying all his estimates. He questioned if any other mine could show such reserves, including, as they did, copper alone of a value of 270 millions sterling.

The report was adopted, and at a subsequent extraordinary general meeting the increase of capital mentioned by Mr Williams was unanimously agreed to, the capital being increased to £3,500,000 by the creation of 1,300,000 shares of £1 each at such price and such date as the directors thought fit.

ZAMBESIA EXPLORING COMPANY, LIMITED.

ARRANGEMENT WITH BOVRIL COMPANY EXPLAINED.

The adjourned ordinary general meeting of the Zambia Exploring Company, Limited, was held, on the 19th instant, at River Plate House, London, Mr Tyndale White presiding.

The secretary (Mr L. Scotland) having read the notice calling the meeting and the auditors' report,

The Chairman, in moving the adoption of the report and accounts, said that the copper business had been passing through a period of unexampled depression and general industrial upheaval, but they believed they had now turned the corner.

Mr C. F. Rowsell seconded the resolution.

Mr Robert Williams, in a lengthy speech, spoke of the prospects of the Union Minière du Haut Katanga, and the arrangements made for increasing the output of copper, giving the same facts as at the meeting of the Tanganyika Concessions. He also gave particulars of the increase in the capital of the last-mentioned company.

Dealing with Angola, he said that was proving a very wealthy country, and as the result of the favourable reports by the Bovril company's expert on the cattle-raising capacity of the country, they were able to carry out an important deal whereby the Bovril group shared with this company in a big land and cattle raising scheme. He did not believe there was another country in the world offering such opportunities for British trade as Angola.

Giving details of the arrangements with Bovril, Limited, he said that a company called "The Angola Estates, Limited," had been formed with a nominal capital of 100,000 shares of £1 each, in which this company received fully paid shares to an amount not exceeding £31,500, the other parties providing £22,000 cash, which it was estimated would be sufficient for a three years' programme. The new company would develop the Quito Block as a cattle-raising, mixed farming, and dairy proposition, and it was estimated that in three years this block would be able to pay all outgoings and 10 per cent. on the capital invested in it. In addition the programme provided for demarcating and securing the title to three other 50,000 hectare blocks, and of 5 other similar

blocks if the company could obtain an additional concession, which appeared likely. At the end of the three years they would be in a position to develop the other block in accordance with the experience obtained from the Quito Block, the arrangement being that the unissued capital in Angola Estates might be taken by Zambia Exploring Company and the Bovril group in half shares. The Zambia Exploring Company still retained the right to one block of 125,000 acres, which it was proposed to select and obtain title to shortly, as development in Angola appeared likely to go ahead rapidly.

The company held 214,804 Tanganyika Concessions shares, 16,235 Union Minière shares, £973,480 Benguela Railway 5 per cent. debentures, 10,000 shares in Nile-Congo Divide Syndicate, and 31,500 shares in Angola Estates, Limited, besides land and stands in Southern Rhodesia and Angola, and shares and debentures in other companies. The position of the company was very sound.

The report and accounts were adopted, and the usual formal business transacted.

FANTI CONSOLIDATED MINES, LIMITED.

VALUE OF COMPANY'S MANGANESE PROPERTIES.

The ordinary general meeting of the Fanti Consolidated Mines, Limited, was held, on the 16th instant, at the Cannon street Hotel, London.

The Chairman (Mr Edmund Davies) said that the directors recommend the payment of a dividend of 9d per share, leaving a balance of £17,379 to be carried forward, subject to the directors' percentage of profits and corporation profits tax. Shares and interests in other companies amounted to £335,162. Those holdings were taken either at cost or at market prices, or valuation where there was no quotation, but in no case over prices fixed at December 31, 1917, for the reduction of capital, but if the market price at December 31st last was below the cost of those shares acquired since, the difference had been written off. The figure, comparing with the value of the shares held on December 31, 1920, showed an increase of £132,684. Taking the investments at the market prices on the 15th inst., and where there were no quotations at the directors' valuation which was not above cost, they represented £483,236, and the amount at which they stood in the company's books was £444,670, showing an appreciation of £38,566. No valuation had been placed on a large number of shares which had a market quotation in view of their speculative nature.

At the last ordinary general meeting the directors dealt at some length with the company's manganese proposition, and in particular referred to a contract entered into for the sale of 500,000 tons of ore, deliverable at the rate of 100,000 tons per annum with a guaranteed minimum profit of 7s 6d per ton. Differences of opinion arose over the interpretation which might be put on various clauses of the contract, and in particular those relating to chargeable items to working costs prior to arriving at the guaranteed profit. The board were advised that costly litigation would have occurred, which in course of time might have resulted in reduction of the 7s 6d per ton referred to, and they therefore considered it advisable to cancel the contract. They had since been fully occupied with the opening up and equipment of the property, desiring to be in a position to produce at an early date and at the lowest possible cost from 70,000 to 100,000 tons of ore per annum. The production of manganese on a large scale would be of enormous benefit to the colony, to trade in general, and to those who shared in the fortunes of the company. The directors'

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 246,700,000.00

Deposits and Cheque Accounts
(31/12/21) - Fmk. 1,234,000,000.00

124 BRANCHES AT ALL IMPORTANT BUSINESS
CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

most sanguine expectations had been confirmed as to the quantity and quality of the ore, and personally he was satisfied that their manganese properties alone were worth far more than the issued capital of the company.

The report was unanimously adopted.

ROLLS ROYCE, LIMITED.

The annual general meeting of Rolls Royce, Limited, was held, on the 19th instant, at Derby, the Right Hon. Sir Edward Goulding, Bart, M.P., presiding.

The Chairman, in the course of his speech, paid a warm tribute to the memory of the late Mr Ernest Claremont, who had been chairman of the company from its formation, and whose guidance and wisdom, he said, largely contributed to the success of the business. His brother, Mr Albert Claremont, who had been solicitor to the company for a great number of years, had accepted the vacant seat on the board. At the last annual meeting, the Chairman proceeded, they congratulated themselves on a record profit shown in the accounts. Like all other trading concerns, the company had suffered in the year now under review, not only from heavy taxation, but also from political unrest, prolonged labour trouble, and the terrible amount of unemployment. They had hoped those were the dominating features of that year only, and he regretted they were still with them, arising in even more serious form in the engineers' dispute and present lock-out. He hoped, however, that if they could be free from industrial trouble, and the engineers' dispute were settled, there would come a healthy and continued revival of trade.

BALANCE-SHEET ITEMS.

In reviewing the balance-sheet and accounts, they would note the capital was practically the same, with an addition in workers' shares, which was to the good. Stock in trade and work in progress showed a reduction of £785,000, which would be deemed satisfactory. Sundry creditors amounted to £891,000, which was a reduction of £707,000. The bank overdraft had been paid off, and there was a substantial amount of cash in bank, and in hand. Since the accounts were closed a considerable further amount of liabilities had been paid, and investments had been made in Government stocks. The amount for sundry creditors was still large, but a considerable portion of it was provision for excess profits duty, income-tax, and Corporation profits tax. The reserve fund and several contingencies fund had been consolidated into one account, which amounted to £241,000. This was a very substantial sum, but in his opinion not too large in these bad times. The company had enjoyed a volume of trade which they hardly ventured to anticipate, having regard to the cost of the article they sold. Owing to the conservative policy observed by the board in the past, the provision made to meet certain probable liabilities, which had not actually realised, formed a portion of the profits for the year. On the assets side of the balance-sheet, the property of the company showed a net increase of £86,000, but as this expenditure was necessary at the time when the slump in trade arose, they were unable to cancel this, and they felt that the future would justify their action. The amount for depreciation was less than in previous years, but the directors had always been very liberal in depreciating buildings and machinery, especially during recent years, when prices were abnormal. The accounts were made up and stock taken usually on October 31 each year. The directors did not wish to change the date of the financial year, or to furnish shareholders with ten months' accounts for 1921. Therefore, in order to save expense and disturbance of work in the factory, stock was taken in August, and balance of incomings and outgoings of stock for September and October was estimated on a careful finding by the managing director and necessary officials. Debtors had decreased by £174,000. Figures in respect of debtors included amounts owing by subsidiary companies for goods supplied and money lent for purposes of the business. The cash in hand and in bank was an increase of £133,000. As a large portion of the stock had been realised, the item concerning all shareholders most was profit, which for the year was £107,000, as against £202,000 for the previous year.

ALLOCATIONS.

The total amount for disposal was £116,000, which the directors recommended should be appropriated as follows:—For dividend of 8 per cent., £65,000; income-tax, £12,000; contingent liability account, £10,000; reserve fund, £15,000; welfare fund, £5,000; and carry forward, £9,000. He thought the shareholders would agree the results of the year's working reflected great credit upon the management, and especially upon Mr Claude Johnson, the managing director. The works were producing what was recognised in all countries as the best car in the world. Since the Armistice Mr Royce had unstintingly sacrificed himself in providing designs which could at short notice be materialised should world

financial conditions demand departure from the one-chassis programme followed by the company since 1907. In this work he had received the loyal and hearty co-operation of the very able staff of designers and engineers which he had built up round him and trained in his methods. The aero engines made by the factory were renowned for reliability and endurance under most severe tests. Mr Royce and his chief aero assistant, Mr Rowledge, were fully abreast of aero engine design, and gave great thought to the matter so as to facilitate production of new designs as required.

The chairman's motion for the adoption of the report and accounts was seconded by Mr Claude Johnson and carried.

GOVERNMENT RETURNS.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £45,000,000 in three months' Treasury Bills dated from Monday to Saturday, May 22-May 27, were opened on May 19, 1922, and the total amount applied for was £88,445,000. Tenders for Monday to Friday bills at £99 7s 11d, about 9 per cent., above in full. Saturday bills at £99 8s 1d and above in full. The average rate of discount was £2 7s 2.4rd.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	5 % Treasury Bonds, 1927. Average Price.
1922.				
April 13.....	(a) 65,000,000	(a) 114,371,000	£ s d 2 7 6.33	101 11 0.69
April 21.....	(a) 65,000,000	(a) 73,555,000	2 7 1.90	101 17 8.54
April 28.....	50,000,000	81,875,000	2 7 5.81	..
May 5.....	50,000,000	80,650,000	2 3 0.52	..
May 12.....	45,000,000	87,140,000	2 6 8.63	..
May 19.....	45,000,000	88,445,000	2 7 2.41	..

(a) Including Treasury Bonds.

Tenders will be received on Friday, May 26, 1922, for Treasury Bills to be issued to the maximum amount of £50,000,000.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Outstandings.	Investments Reserve Account.	Advances to		Redemption Account.					
			Bankers.	Savings Banks.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Unredeemed.	Balance of Redemption.
1914.										
Aug. 26.....	21,535	..	6,302	3,810	..	..	48.1	9,924	11,423	9,286
Dec. 30.....	38,478	..	169	600	18,500	..	27.6	54,621	20,536	6,868
1915.										
Dec. 29.....	103,125	729	159	249	28,500	..	19.0	118,102	6,868	5,466
1916.										
Dec. 29.....	150,144	2,430	64	40	28,500	..	13.4	186,637	4,566	2,802
1917.										
Dec. 26.....	212,782	8,554	39	675	28,500	..	9.1	305,133	4,566	2,802
1918.										
Dec. 31.....	323,241	15,529	..	570	28,500	..	8.9	337,537	2,802	134
1919.										
Dec. 31.....	356,152	17,182	250	245	28,500	4,000	9.1	336,504	134	141
1920.										
June 30.....	357,356	16,700	..	190	28,500	13,400	11.7	331,660	305	150
Dec. 29.....	367,626	16,962	..	..	28,500	19,450	13.0	336,504	150	143
1921.										
Mar. 30.....	343,826	15,599	..	..	28,500	19,450	14.8	287,750	150	143
June 29.....	323,884	14,965	..	..	28,500	19,450	15.2	278,119	143	161
Sept. 28.....	314,322	14,830	..	..	28,500	19,450	14.7	289,131	161	177
Dec. 28.....	325,584	14,658	..	..	28,500	19,450	15.9	261,479	177	152
1922.										
Mar. 30.....	300,351	14,255	..	5,000	28,500	19,450	15.9	261,131	152	178
May 11.....	300,840	13,393	..	5,000	28,500	19,450	16.0	258,693	178	..
May 18.....	298,793	13,228	..	5,000	28,500	19,450	16.0	258,693	..	..

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £330,600,000, for 1921 at £317,555,200, and for 1922 at £309,988,400.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from		RECEIPTS.	
	Apr. 1, 1922, to May 13, 1922.	Apr. 1, 1921, to May 14, 1921.	Week Ended May 13, 1922.	Week Ended May 14, 1921.
Balances in Exchequer on 1st April:—				
Bank of England....	9,963,424	2,591,051	..	..
Bank of Ireland....	1,210,106	483,455	..	..
	11,173,530	3,074,506	..	..
REVENUE.				
Customs.....	12,241,000	13,156,000	4,025,000	1,812,000
Excise.....	15,135,000	17,870,000	1,904,300	1,589,000
Motor Vehicle Duties..	1,354,000	994,000	120,000	..
Stamps, &c., Duties.....	7,801,000	4,685,000	780,000	555,000
Land Tax, House Duty, & Mineral Rights Duty	1,332,000	1,241,000	250,000	176,000
Property & Income Tax (including Super-Tax)..	..	360,000	320,000	20,000
Excess Profits Duties, &c.	39,471,000	45,686,000	2,471,000	2,717,000
Corporation Profits Tax	954,000	12,450,000	..	1,530,000
Post Office.....	2,057,000	880,000	401,000	110,000
Crown Lands.....	5,500,000	5,250,000	1,000,000	1,000,000
Interest on Sundry Loans.....	80,000	50,000	..	..
Miscellaneous—	..	343,524	609,519	..
Ordinary Receipts..	7,087,933	2,394,189	392,945	410,158
Special Receipts....	5,565,343	9,406,696	600,000	640,000
Revenue.....	99,272,800	115,002,404	11,963,945	10,559,158
Total, Inc. Balance ..	110,446,330	118,076,910	..	..

	Total Receipts into the Exchequer from		Receipts	
	Apr. 1, 1922, to May 13, 1922.	Apr. 1, 1921, to May 14, 1921.	Week Ended May 13, 1922.	Week Ended May 14, 1921.
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion	550,000	850,000	150,000	150,000
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Acts, 1920 and 1921	..	..	..	..
Under the Unemployment Insurance Acts, 1921	1,210,000	..	..	..
(b) For other issues:—				
By Treasury Bills for Supply	366,310,000	645,830,000	64,281,000	92,593,000
By National Savings Certificates	2,730,000	4,410,000	600,000	700,000
By Treasury Bonds	..	..	..	..
5-15 year, 1925-35	61,421,831	958,935	..	8,000
5% 1927	..	..	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919	..	2,290,392	..	1,123,068
(c) Ways and Means Advances	117,900,000	122,250,000	12,350,000	9,400,000
Repayments—				
In respect of issues under Land Settlement (Facilities) Acts, 1919 and 1921	7,901	3,773	..	..
Do issues under Section 59 (4) of the Finance Act, 1920	265,460	56,500	265,460	..
Interest received under Section 59 (5) of the Finance Act, 1920	87,358	71,624	87,358	..
Total	681,928,860	894,794,154	89,700,763	114,535,226

	Total issues out of the Exchequer to meet payments from		Issues	
	Apr. 1, 1922, to May 13, 1922.	Apr. 1, 1921, to May 14, 1921.	Week Ended May 13, 1922.	Week Ended May 14, 1921.
EXPENDITURE.				
Permanent Charge of Debt	3,428,284	3,293,773	146,391	..
Interest, &c., on War Debt	43,840,580	49,389,601	864,091	2,037,680
Road Fund	633,000	393,000	544,000	271,000
Payments to Local Taxation Accounts, &c.	50,000	300,380	50,000	200,000
Payments to Northern Ireland Exchequer	160,000	..	..	..
Land Settlement	172,580	311,401	..	105,930
Other Consolidated Fund Services	275,851	267,612	6,500,000	14,135,000
Supply Services	35,774,500	78,612,900	..	..
Expenditure	84,534,795	132,577,667	8,104,482	16,749,610

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	Apr. 1, 1922, to May 13, 1922.	Apr. 1, 1921, to May 14, 1921.	Week Ended May 13, 1922.	Week Ended May 14, 1921.
OTHER ISSUES.				
Temporary Advances—				
Bullion	..	850,000	..	150,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	84,909	84,909	..	..
Under the Unemployment Insurance Act, 1921	1,210,000	..	..	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Acts, 1920 and 1921	..	1,300,000	..	..
Under the Post Office (London) Railway Act, 1913	..	25,000	..	..
Under the Housing Act, 1914	13,000	25,000	..	..
Redemption of Unfunded Debt—				
Treasury Bills for Supply	477,305,000	638,509,000	57,530,000	69,675,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917	979,540	7,184,254	110,503	736,017
Principal of National Savings Certificates	..	..	..	..
(a) Repaid by issues under Section 59 (6) of the Finance Act, 1920	3,400,000	1,500,000	500,000	500,000
(b) Repaid otherwise	..	1,900,000	..	..
Principal of Exchequer Bonds paid off	19,136,605	..	..	..

	Total issues out of the Exchequer to meet payments from		Issues	
	Apr. 1, 1922, to May 13, 1922.	Apr. 1, 1921, to May 14, 1921.	Week Ended May 13, 1922.	Week Ended May 14, 1921.
5% 1922, £20,136,605. Issued by the National Debt Commissioners, £1,000,000—£19,136,605.				
Other Debt under the War Loan Acts, 1914 to 1919	5,251,938	8,423,345	100	1,603,307
Ways and Means Advances Repaid	85,980,000	93,770,000	22,530,000	23,850,000
Depreciation Fund, under the Finance Act, 1917	399,521	3,650,022	399,521	1,000,000
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	..	1,805,000	..	450,000
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	..	..	..	..

	Total issues out of the Exchequer to meet payments from		Issues	
	Apr. 1, 1922, to May 13, 1922.	Apr. 1, 1921, to May 14, 1921.	Week Ended May 13, 1922.	Week Ended May 14, 1921.
Balances in Exchequer—				
Bank of England	2,153,357	2,068,364	90,501	270,791
Bank of Ireland	1,627,509	1,115,073	330,000	457,999
Total	3,777,866	3,183,437	420,501	728,790
Treasury, May 15, 1922.	55,656	500	55,656	500

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DEPRECIATION IN INDUSTRIAL INVESTMENTS

can best be covered by a Limited Payment Policy in the

SCOTTISH PROVIDENT INSTITUTION

HEAD OFFICE:

6, St. Andrew-square, Edinburgh.
London: 3, Lombard-street, E.C.3.
West End: 17, Pall Mall, S.W.1.

ACCUMULATED FUNDS - £17,000,000

BANKING DEPARTMENT.

	£		£
Capital	14,553,000	Government securities	55,447,646
Rest	3,174,552	Other securities	75,101,949
Public deposits*	12,970,528	Notes	24,437,040
Other deposits	126,091,310	Gold and silver coin..	1,821,432
Seven-day & other bills	18,677		

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Account.

COMPARISON with PREVIOUS WEEK and a YEAR AGO.

	Amount, May 17, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	£ 3,174,552	+ £ 34,982	- £ 5,136
Public deposits	12,970,528	+ 791,397	+ 3,546,517
Other deposits	126,091,310	+ 4,167,746	+ 20,794,892
Other securities	55,447,646	- 3,425,000	+ 15,516,524
Notes	75,101,949	+ 427,622	+ 5,908,287
Reserve	26,258,472	+ 512,218	+ 7,642,668
Note circulation	121,070,755	+ 520,930	+ 7,123,995
Coin and bullion	128,879,227	+ 8,712	+ 518,673
% of reserve to liabilities	18½	+ ½	+ 3½

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.
Feb. 22, 1922.	£ 128,761,537	£ 121,545,695	£ 137,755,462	£ 130,184,266	£ 25,665,842	18½	18½
Mar. 1, 1922.	128,762,306	123,033,340	135,643,344	129,715,387	24,118,968	17½	18
8, 1922.	128,763,964	122,234,155	138,265,592	131,468,690	24,979,809	18	18
15, 1922.	128,775,441	121,758,195	134,549,144	127,267,680	25,467,240	18½	18½
22, 1922.	128,779,763	121,704,445	142,190,053	134,362,288	25,525,318	18	18
29, 1922.	128,771,201	122,718,940	150,541,882	144,219,557	24,502,261	16½	16½
April 5, 1922.	128,879,159	122,896,990	146,528,233	139,777,688	24,432,169	16½	16½
12, 1922.	128,863,165	122,439,348	143,022,996	132,812,916	24,873,820	17½	17½
19, 1922.	128,876,773	121,638,295	134,595,738	126,555,897	25,688,528	19½	19½
26, 1922.	128,872,818	121,307,055	134,366,840	125,995,611	26,015,763	19½	19½
May 3, 1922.	128,873,878	122,091,180	146,049,335	138,511,460	25,232,698	17½	17½
10, 1922.	128,887,339	121,591,685	142,438,187	134,402,217	25,746,254	18½	18½
17, 1922.	128,879,227	121,070,755	139,061,838	130,549,595	26,258,472	18½	18½

TEN YEARS' RECORD.

At corresponding date with the present week.	May 15, 1912.	May 27, 1914.	May 19, 1920.	May 18, 1921.	May 17, 1922.
Circulation (excluding Bank post bills)	£ 28,782,985	£ 28,933,380	£ 110,891,420	£ 128,194,750	£ 121,070,755
Public deposits	16,770,403	19,014,809	20,680,664	16,517,045	12,970,528
Other deposits	33,589,123	41,248,364	101,383,389	105,236,418	126,091,310
Government securities	14,155,013	11,046,570	56,515,283	39,331,122	55,447,646
Other securities	30,530,822	41,461,280	82,632,179	81,010,236	75,101,949
Reserve of notes and coin	29,495,353	25,463,380	20,041,042	18,615,814	26,258,472
Coin and bullion	39,832,336	35,947,360	12,472,462	128,360,554	128,879,227
Proportion of reserve to liabilities	52½	42½	16½	15½	18½
Bank rate of discount	3½	3½	7½	6½	4½
Market rate, 3 months' bills	2½	2½	4½	5½	2½
Price of Consols	77½	74½	81½	84½	84½
Average price of wheat	37s 11d	33s 0d	72s 10d	86s 5d	55s 5d
Exchanges on Paris	25-21½-23½	25-17½-20	49-50-52-60	46-47-51	48-70-90
New York	84-84½	84-79	83-81-82	84-00-4-00	84-44-45
Amsterdam	12-11½	12-05-10	10-45-50	11-11-16	11-44-48
Berlin	20-46	20-49	175-180	229-234	1280-1295
Clearing house return	334,095,000	199,313,500	748,772,000	625,251,000	742,212,000

BANKERS' CLEARING RETURNS.

Week Ending—	Town Clearing.	Country Clearing.	Total.
1922.	£	£	£
January 1—May 10	13,402,847,000	1,633,398,000	14,436,245,000
May 17	683,734,000	58,473,000	742,212,000
Total to date 1922.	14,086,581,000	1,691,876,000	15,178,457,000
Do 1921	12,310,576,000	1,272,497,000	13,513,073,000
Increase or decrease in 1922.	+ 1,846,005,000	+ 419,379,000	+ 1,665,384,000
	15.0%	32.9%	12.3%
Total for 1921.	31,928,350,000	3,002,179,000	34,930,529,000
Do 1920	34,946,683,000	4,072,220,000	39,018,903,000
Increase or decrease in 1921.	- 3,018,303,000	- 1,070,041,000	- 4,088,344,000
	8.6%	26.2%	10.4%

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Inc. or Dec.
Aggregate Totals to May 13.	£	£	£
BIRMINGHAM	55,164,200	42,085,600	- 13,078,600
BRISTOL	29,052,300	30,445,000	+ 1,392,700
DUBLIN	140,534,000	126,687,600	- 13,846,400
HULL	21,164,800	21,295,100	+ 130,300
LEEDS	15,571,200	15,429,500	- 141,700
LEICESTER	187,383,100	164,086,800	- 23,296,300
LIVERPOOL	300,176,600	282,888,400	- 17,288,200
MANCHESTER	42,501,400	36,032,000	- 6,469,400
NEWCASTLE-ON-TYNE	14,774,000	13,009,300	- 1,764,700
NOTTINGHAM	26,518,200	18,179,300	- 8,347,900
SHEFFIELD	..	..	..

OVER

AUSTRIAN BANK.

(000's omitted.)

	May 7, 1922.	April 30, 1922.	April 23, 1922.	April 15, 1922.
Assets.				
Gold coin and bullion, bills	1,114	1,459	781	761
Silver coin	20	20	5	5
Bills discounted, warrants and drafts	104,095,307	94,926,300	85,994,081	81,715,151
Loans	570,739	592,306	541,070	546,414
LIABILITIES.				
Notes in circulation	344,870,422	346,697,776	317,807,524	321,925,681
Deposits	7,672	26,163	27,485	27,639

NATIONAL BANK OF DENMARK.

(000's omitted.)

	April 29, 1922.	Mar. 31, 1922.	Feb. 28, 1922.	Jan. 31, 1922.	April 30, 1921.	Position May 31, 1914.
Assets.						
Coin and bullion	228,325	228,325	228,330	228,330	227,571	76,644
Loans and discounts	461,386	444,618	434,127	417,255	344,743	88,470
Debtors abroad	14,832	18,232	20,983	19,273	8,159	94,102
Securities	15,843	18,922	23,926	37,679	50,873	11,988
LIABILITIES.						
Notes in circulation	451,790	446,183	440,822	450,018	532,108	187,266
Deposits	128,857	132,092	124,730	127,209	58,680	6,698

BANK OF NORWAY.

(000's omitted.)

	May 8, 1922.	April 29, 1922.	April 23, 1922.	May 7, 1921.	Position May 31, 1914.
Assets.					
Coin and bullion	147,859	147,859	147,859	147,291	44,224
Balance abroad and foreign bills	42,247	41,304	41,009	37,956	28,533
Norwegian and Foreign Government securities	9,835	9,835	9,835	9,095	8,816
Discounts and loans	442,181	447,207	441,497	425,501	78,911
LIABILITIES.					
Notes in circulation	376,175	385,520	380,729	419,592	113,484
Deposits at notice	148,407	143,431	148,699	95,643	7,188

New rules for issuing bank notes have been given by Statute of November 2, 1920. We are authoritatively informed that the right of issue of the Bank of Norway is calculated at an amount of 250 million crowns above the stock of gold and at present extraordinary additional amount of 50 million crowns from July 25, 1921, until further order.

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

IMPERIAL BANK OF INDIA.

(000's omitted.)

	April 21, 1922.	April 14, 1922.	April 7, 1922.	Mar. 31, 1922.	Mar. 24, 1922.
Assets.					
Govt. securities	5,543,34	8,792,25	8,837,27	9,035,54	9,138,88
Other securities	1,28,233	1,28,233	1,28,233	1,28,233	1,28,233
Loans	16,45,932	16,45,932	16,45,932	16,45,932	16,45,932
Cash credits	28,36,35	28,36,35	28,36,35	28,36,35	28,36,35
Inland bills	7,96,61	8,20,16	8,58,77	8,98,97	8,97,97
Foreign bills	2,48	2,61	3,43	3,45	3,45
Bullion	2,44,62	2,44,35	2,43,69	2,43,51	2,43,38
Dead stock	38,61	38,00	37,81	38,81	34,76
Sundries	11,90	7,44	7,42	12,00	13,72
With other banks	17,20,43	14,09,58	16,76,57	20,47,60	18,97,11
LIABILITIES.					
Subscribed capital	11,24,08	11,24,12	11,24,12	11,24,12	11,24,12
Capital paid up	5,62,27	5,62,28	5,62,28	5,62,28	5,62,28
Reserve	4,01,80	4,01,79	4,01,79	4,01,79	4,01,79
Public deposits	13,46,78	13,09,57	14,13,96	20,07,79	15,86,30
Other deposits	56,33,14	54,45,25	56,24,55	57,08,44	56,11,61
Loans against securities	32,60	32,60	32,46	32,46	32,46
Loans from Govt. of India	2,00,00	2,00,00	2,00,00	2,00,00	2,00,00
Sundries	1,02,30	94,23	91,56	89,44	66,53
The above include:					
Deposits in London	70	70	63	59	63
Advances in London	286	285	285	279	261
Cash, &c., at other banks in London	70	43	45	74	85

NATIONAL BANK OF EGYPT.

(000's omitted.)

	Mar. 31, 1922.	Feb. 28, 1922.	Jan. 31, 1922.	Mar. 31, 1921.	Position May 31, 1914.
Assets.					
Gold	3,357	3,361	3,360	3,361	1,571
Government securities	39,434	38,928	40,032	39,291	2,084
LIABILITIES.					
Notes in circulation	31,112	33,529	33,899	34,186	2,400
Government deposits	3,598	2,881	2,520	2,656	2,315
Other deposits	11,431	12,238	12,616	13,832	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.

(000's omitted.)

	May 8, 1922.	April 29, 1922.	April 23, 1922.	May 7, 1921.	Position May 31, 1914.
Assets.					
Balance abroad and foreign bills	217,057	208,088	117,056	334,830	90,379
Finnish and Foreign Government securities	768,542	768,554	778,566	1,078,590	81,828
Discounts and loans	747,883	716,831	794,996	250,559	106,151
LIABILITIES.					
Notes in circulation	1,405,572	1,415,447	1,388,977	1,440,727	123,941
Deposits at notice	144,828	102,213	119,678	86,078	21,226

BANK OF PORTUGAL.

(000's omitted.)

	Mar. 22, 1922.	Mar. 15, 1922.	Mar. 8, 1922.	Mar. 1, 1922.	Mar. 22, 1921.
Assets.					
Coin and bullion	27,157	27,241	27,175	27,181	27,610
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	1,788	2,535	3,612	7,275	2,775
Loans	150,120	149,576	145,982	141,200	120,907
Government deposits	620,099	620,099	620,099	620,099	588,111
LIABILITIES.					
Notes in circulation	748,907	749,522	751,571	747,886	633,225
Deposits	65,779	51,917	45,435	55,729	56,553

NATIONAL BANK OF BULGARIA.

(000's omitted.)

	Dec. 30, 1921.	Dec. 22, 1921.	Nov. 14, 1921.
Assets.			
Coin	61,307	62,715	63,239
Balance at foreign banks	986,725	989,123	1,051,118
LIABILITIES.			
Notes in circulation	3,615,439	3,570,374	3,592,379
State advances	3,667,507	3,691,997	3,578,312

POLISH NATIONAL BANK.

(000's omitted.)

	April 30, 1922.	April 20, 1922.	April 10, 1922.	March 31, 1922.	April 30, 1921.
Assets.					
Gold	23,496	23,263	23,194	23,450	13,400
Silver	43,675	43,680	43,639	43,450	39,500
Foreign coin	146,085	155,954	146,747	132,124	53,300
Foreign bills	662,006	489,984	439,019	449,213	1,243,800
Advances to the Govt.	220,000,000	222,000,000	227,100,000	232,100,000	106,625,000
Private loans and discounts	54,734,501	53,235,491	52,040,173	50,924,352	5,921,400
LIABILITIES.					
Notes in circulation	260,553,764	255,543,087	257,332,410	250,665,464	86,755,309
Deposits	55,201,567	57,365,461	59,378,222	66,999,184	25,724,346

THE STATE SAVINGS AND CREDIT BANK OF LATVIA.

	March 31, 1922.	February 28, 1922.	January 31, 1922.	December 31, 1921.
Assets.				
Total cash	103,071,127	78,431,115	93,893,005	113,677,630
Foreign bank	189,191,494	214,765,509	290,561,915	328,184,287
Discounts and loans	404,266,363	385,359,428	225,721,257	108,268,974
Other assets	62,275,536	44,125,698	46,829,823	213,786,954
LIABILITIES.				
Capital	304,929,087	300,000,000	300,000,000	300,000,000
Deposits	397,582,249	355,455,466	212,602,160	233,317,483
Other liabilities	56,293,584	65,226,284		210,600,462

BANK OF ESTHONIA.

(000's omitted.)

	March 31, 1922.	Feb. 28, 1922.	Dec. 31, 1921.
Assets.			
Gold and foreign coin	234,418	182,569	81,944
Total cash	286,518	243,391	158,666
Foreign banks	576,025	467,426	307,654
Discounts and loans	3,070,598	1,930,907	1,399,774
LIABILITIES.			
Capital paid up	250,000	250,000	250,000
Reserve	10,674	10,674	10,674
Notes in circulation	700,000	700,000	560,000
Deposits	2,053,963	1,747,660	1,103,823

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

	April 30, 1922.	April 23, 1922.	April 15, 1922.	April 7, 1922.	April 30, 1921.
Assets.					
*Liabilities of the Austro-Hungarian Bank to the Banking Office	10,096,701	10,096,701	10,096,701	10,096,701	9,528,023
Discounts and advances	2,537,996	2,742,553	2,763,975	2,860,187	3,308,867
Gold, silver, foreign bills and balance abroad	1,072,421	935,874	942,829	863,545	1,694,093
Other assets	682,355	562,122	601,730	595,696	
LIABILITIES.					
State notes in circulation	10,075,757	9,704,161	9,797,213	10,124,602	10,928,560
Deposits	1,875,117	2,197,985	2,185,555	1,917,795	1,777,643
Other liabilities	2,438,598	2,435,204	2,442,467	2,373,732	2,224,780

* Resulting from bank notes, current accounts, Exchequer bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENES.

(000's omitted.)

	April 30, 1922.	April 22, 1922.	April 15, 1922.	April 8, 1922.	April 30, 1921.
Assets.					
Gold	70,381	70,381	70,381	70,381	64,386
Other coin and notes	17,189	17,189	17,189	17,189	21,261
Foreign credits	313,489	309,544	307,700	307,385	355,233
Bills	886,364	887,780	897,704	901,194	189,979
Govt. advances	4,418,523	4,418,523	4,418,523	4,418,523	3,713,981
LIABILITIES.					
Notes in circulation	4,815,489	4,819,208	4,863,800	4,870,764	3,722,483
State credits	334,282	334,282	334,281	334,281	374,909
Deposits	367,331	577,807	534,573	527,470	275,276

LONDON RATES.

	May 12, 1922.	May 13, 1922.	May 15, 1922.	May 16, 1922.	May 17, 1922.	May 18, 1922.	May 19, 1922.
Bank rate (reduced from 4½% Apr. 13, 1922)	4%	4%	4%	4%	4%	4%	4%
Market rates of discount:							
60 days' bankers' drafts	2½	2½	2½	2½	2½	2½	2½
3 months' do.	2½	2½	2½	2½	2½	2½	2½
4 months' do.	2½	2½	2½	2½	2½	2½	2½
6 months' do.	2½	2½	2½	2½	2½	2½	2½
Discount (Treasury Bills):—							
3 months'	2½	2½	2½	2½	2½	2½	2½
Loans—Day to day	2½	2½	2½	2½	2½	2½	2½
Short	2½	2½	2½	2½	2½	2½	2½
Deposit allowances: Banks.	2½	2½	2½	2½	2½	2½	2½
Discount houses at call	2½	2½	2½	2½	2½	2½	2½
At notice	2½	2½	2½	2½	2½	2½	2½

† Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

		Bank Bills.				Trade Bills.							
		3 Months.		4 Months.		6 Months.		3 Months.		4 Months.		6 Months.	
1922.		%	%	%	%	%	%	%	%	%	%	%	%
Mar.	3.....	3	3	3	3	3	3	4	4	4	4	4	5
	10.....	3	3	3	3	3	3	4	4	4	4	4	5
	17.....	3	3	3	3	3	3	4	4	4	4	4	5
	24.....	3	3	3	3	3	3	4	4	4	4	4	5
	31.....	3	3	3	3	3	3	4	4	4	4	4	5
April	7.....	2	2	2	2	2	2	4	4	4	4	4	6
	12.....	2	2	2	2	2	2	4	4	4	4	4	6
	21.....	2	2	2	2	2	2	4	4	4	4	4	6
	28.....	2	2	2	2	2	2	4	4	4	4	4	6
May	12.....	2	2	2	2	2	2	4	4	4	4	4	6
	19.....	2	2	2	2	2	2	4	4	4	4	4	6

BULLION.

The gold movements to or from the Bank of England are no longer announced. For the week ended May 17, 1922, the stock of coin and bullion shows a decrease of £8,712 compared with the previous return.

IMPORTS AND EXPORTS OF GOLD.

Gold Imported into the United Kingdom.		Gold Exported from the United Kingdom.	
Countries from which Consigned.	Week Ended May 17, 1922.	Countries to which Exported.	Week Ended May 17, 1922.
British South Africa.....	790,202	British India	373,264
British West Africa	32,909	Netherlands	16,800
		Belgium	13,600
		Other Countries	40
Total value of imports of gold	833,111	Total declared value of exports registered in the week	403,704

Messrs Samuel Montagu and Co. write as follows on May 18th:—

GOLD.

A fair amount of gold was on offer, and was all taken on account of India. No gold is reported as having arrived in New York. The following were the United Kingdom imports and exports of gold during the month of April, 1922:—Imports, £1,278,246; exports, £1,338,093. We are informed that the following gold movements took place in Switzerland during the year 1921 (value in francs):—Imports—Coin: 398,000,000 from Sweden; 35,000,000 from Germany—433,000,000. Bullion: 42,000,000, mainly from Holland and Sweden—475,000,000 (this compares with 39,500,000 in 1920). Exports—Bullion: 376,000,000, mainly to the United States of America. From the above it will be observed that Switzerland acted chiefly as a clearing-house, having retained only 99,000,000 francs of the imports.

SILVER.

The market has kept on the upward trend, as it has done since the beginning of the month. During the week, advances have been rather acute, probably because the Indian bazaars had previously refrained from sending buying orders in the hope that rates would become more favourable. As, however, the date drew near for the departure of this week's steamer (due to meet the June settlement), they delayed no longer than Saturday, and since then sharp upward movements have been recorded. The quotations to-day for cash and forward delivery are the highest since December 3rd last. The good tendency was assisted by purchases made for China here and in the United States of America. The bulk of supplies was derived from the Continent, which was more disposed to realise holdings at the substantial improvement in prices that has taken place.

PRODUCTION IN AUSTRALIA.

Year.	Zinc. (In Tons.)	Lead. (In Tons.)	Silver. (Fine Ozs.)
1910.....	210,580	219,246	13,881,815
1911.....	241,109	235,505	15,200,086
1912.....	230,275	241,692	15,966,143
1913.....	216,215	250,788	15,091,402
1914.....	166,298	199,903	12,427,277
1915.....	131,497	170,533	11,030,313
1916.....	118,684	156,187	10,175,174
1917.....	157,582	170,586	12,293,280
1918.....	181,745	206,172	14,941,394
1919.....	65,057	70,401	5,854,479
1920.....	10,076	14,360	1,195,891
1921.....	139,460	83,878	8,326,006

The above figures show how intimately the extraction of silver is bound up with the treatment of base metals. The larger the production of the latter, as a consequence of active demand or favourable mining conditions, the greater also the production of silver.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)	April 22, 1922.	April 30, 1922.	May 7, 1922.
Notes in circulation	17,391	17,176	17,139
Silver coin and bullion in India ..	7,667	7,651	7,614
Silver coin and bullion out of India ..			
Gold coin and bullion in India	2,430	2,432	2,432
Gold coin and bullion out of India ..			
Securities (Indian Government) ..	6,509	6,509	6,509
Securities (British Government) ..	585	584	584
Inland commercial bills of exchange	200		

No silver coinage is reported during the week ending 7th inst. The stock in Shanghai on the 13th inst. consisted of about 28,900,000 ounces in sycee, 37,500,000 dollars, and 800 silver bars, as compared with about 31,600,000 ounces in sycee, and 38,000,000 dollars on the 6th inst.

GOLD AND SILVER PRICES.

The price of gold and cash and forward prices of bar silver during this week and in previous years are as below:—

1922.	Gold.		Silver.		Date.	Silver.	
	Per Ounce.	Cash Per Ounce.	Forward Per Ounce.	Per Ounce.		Cash Per Ounce.	Per Ounce.
May 13 ..	s d	d	d		May 26, 1916	d	
15 ..	93 7	35½	35½		25, 1917	34½	
16 ..	93 3	36½	36½		24, 1918	48½	
17 ..	93 2	36½	36½		23, 1919	51½	
18 ..	93 2	37	37		21, 1920	58½	
19 ..	92 11	36	36		20, 1921	32½	

NOTICES.

We are informed that Barclays Bank (Overseas), Limited, has been registered with a capital of £1,350,000. This is the outcome of the purchase by Barclays Bank, Limited, of Messrs Cox and Co.'s interest in Cox and Co. (France), Limited, which was completed recently. The chief shareholder of the new concern will be Barclays Bank, Limited, and the business now conducted in France and elsewhere by Messrs Cox and Co. (France), Limited, will be carried on as from July 1st by the new institution.

At the annual general meeting of the Institute of Bankers, held in the River Plate Hall on the evening of May 17th, Sir Charles Addis, K.C.M.G., was re-elected president of the institute for the coming year, and Mr R. Holland-Martin, C.B., was re-elected treasurer.

The National Provincial and Union Bank of England, Limited, announce that a branch of the bank is now open at 195 High street, Lewes, under the management of Mr F. H. Giles.

Barclays Bank, Limited, announce that on and after Monday next, May 22nd, their office at Hinckley will be removed to new premises at the Old Town Hall, Market place; manager, Mr Henry A. Hall.

The London County Westminster and Parr's Bank announce the opening of a branch at 2 Mile End road, E., under the management of Mr R. J. Evans, with Mr J. R. Taylor as clerk in charge.

THE STANDARD BANK OF SOUTH AFRICA, LIMITED.

(with which is incorporated the AFRICAN BANKING CORPORATION, LTD.)

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa; and to the Administration of Rhodesia.

AUTHORISED CAPITAL	£10,000,000
SUBSCRIBED CAPITAL	£8,916,660
PAID-UP CAPITAL	£2,229,165
RESERVE FUND	£2,893,335
UNCALLED CAPITAL	£6,687,495
	£11,809,995

Board of Directors.
 William Reiferson Arbuthnot, Esq. Solomon E. Joel, Esq.
 Sir David M. Barbour, K.C.S.I., K.C.M.G. Horace Peel, Esq.
 Edward Clifton Brown, Esq. Rt. Hon. the Earl of Selborne, K.G.
 Stanley Christopherson, Esq. William Smart, Esq.
 Robert E. Dickinson, Esq. Rt. Hon. Lord Sydenham, G.C.S.I.
 James Fairbairn Finlay, Esq., C.S.I. G.O.M.G., G.C.I.E., G.B.E.

Senior General Manager in South Africa—J. P. Gibson.
 Joint General Managers in South Africa—James S. Shiel.
 Asst. Gen. Managers in South Africa—G. F. Le Sueur, W. K. Robertson.
 London Manager—Francis Shipton. Secretary—Herbert G. Hoey.

Head Office: 10, CLEMENTS LANE, LOMBARD ST., LONDON, E.C.4

London Wall Branch: 63, London Wall, E.C.2.

West End Branch: 17, Northumberland Avenue, W.C.2.

New York Agency: 68 WALL STREET.

ROTTERDAM BRANCH: 15 COOLINGSTRAAT.

AMSTERDAM BRANCH: 89 ROKIN.

HAMBURG AGENCY: Bank of British West Africa, Ltd., 49-53 SCHAUENBURGER-STRASSE.

Over 400 Branches, Sub-Branches and Agencies in CAPE PROVINCE, NATAL, ORANGE FREE STATE, TRANSVAAL, RHODESIA, NYASALAND, BASUTOLAND, KENYA COLONY, KENYA PROTECTORATE, UGANDA, ZANZIBAR, PORTUGUESE EAST AFRICA, SOUTH WEST AFRICA, TANGANYIKA TERRITORY, BELGIAN CONGO.

BANKING BUSINESS OF EVERY DESCRIPTION transacted at all Branches and Agencies.

CURRENT ACCOUNTS opened on the usual terms, and DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

SAVINGS BANK ACCOUNTS opened on terms, particulars of which may be obtained at Branches.

BILLS NEGOTIATED and COLLECTED.

DRAFTS issued, MAIL and TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT and COMMERCIAL CREDITS established.

TRAVELLER'S LETTERS OF CREDIT issued available in all parts of the world.

PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, ETC., received and COUPONS COLLECTED.

STRONGROOMS provided for the safe custody of Securities and Valuables of Customers.

ASSAY DEPARTMENT—Gold, etc., and all Mineral Ores assayed and EXECUTOR and TRUSTEE business undertaken.

The Officers of the Bank are bound not to disclose the transactions of its customers.

Robert Young Eaton, president of the T. Eaton Company, Limited, of Toronto, Canada, has been elected a director of the Dominion Bank, to succeed the late Sir John C. Eaton.

The London Joint City and Midland Bank, Limited, announce the opening of a new branch at 94 and 96 Commercial street, Whitechapel, E., under the management of Mr W. B. Sturges.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.	Lat'st Pre-Year.	Pre-vious.
Railways.					
Alabama Great Southern	3½%	June 29	Less tax	6	6
Bombay, Baroda, and C.I.	3½%	July	Less tax	6	6
Illinois Central	1½%	June 1	Less tax	15	15
Norfolk and Western	1½%	June 19	Less tax	15	15
Banks.					
Agricultural of Egypt, Defd.	4½%	...	...	7½	7½
Ballarat Banking Co.	8	...	...	10	10
Bank of Taiwan	15	...	...	15	15
Commercial of Scotland, "A" ..	10	...	...	15	15
Do "B"	9½	...	...	15	15
Hambros	6½	June 16	Less tax	12½	12½
London and River Plate	6½	June 16	Less tax	12½	12½
Insurance.					
Economic	...	...	Tax free	10	10
General Life	...	...	...	10	10
Guardian	3/p.s.	June 30	Subject to tax	8/p.s.	6/p.s.
Do Special Bonus	2/p.s.	June 30	Subject to tax	22/p.s.	22/p.s.
Royal	11/p.s.	May 30	Less tax	22/p.s.	22/p.s.
Mining.					
Anglo-Continental	...	...	...	11	11
Mashonaland Agency	...	...	...	11	11
Rhodesia Gold	...	June 16	Tax free	7½	7½
Tea and Rubber.					
Amalgamated Tea	...	...	...	5	5
Anglo-American Direct Tea, Pfd.	9%	(balance for 1920 & div. for 1921).	Less tax 5/9 in £	10	10
Consolidated Tea and Lands ..	...	...	...	7	7
Kanan Devan Hills Produce	5½%	June 2	Less tax 5/9 in £	10	10
Lanka Plantations	4½	...	...	11	11
Moabund Tea	4½	...	...	11	11
St George Rubber	...	...	...	11	11
Other Companies.					
Aberdeen, Newcastle, and Hull ..	5½%	...	Tax free	5	5
Alexander Thom and Co.	...	...	...	9	10
Baltic Mercantile, & Co., Exchange Bankers' Investment Trust, Ltd.	9½	May 27	...	64	60
Barranchoa Nitrate	...	...	...	35	50
Birmingham and Midland Motor Omnibus	...	...	...	15	15
Byala Shipbuilding	6 p.s.	...	Less tax	...	...
Brickwood and Co.	12½	May 16	Less tax	10	10
Bristol College Green Hotel ..	6½	...	Tax free	10	10
British American Tobacco	4½	June 30	Tax free	10	10
British Automatic Co.	1/p.s.	May 31	Less tax	6	6
British Industrial Corp.	1/p.s.	May 19	Less tax	15	15
Callender's Cable	2/p.s.	...	Less tax	7	6
Cape Town and District Gas ..	8	May 24	Subject to tax	...	...
Cassner-Kellner Alkali	13 p.s.	...	...	...	...
Cheetham's Spinning and Mfg.	10½	...	Less tax	20	20
Chester's Brewery	5%	...	Tax free	7½	7½
Do Bonus	...	...	...	10	10
City and West End Properties ..	...	...	Tax free	10	10
City of London Real Property ..	6	July 1	Tax free	10	10
Coventry Chain	...	...	...	10	10
D. Hill, Carter, and Co.	2½%	May 16	Less tax	5	5
Dreyfus and Co.	5½ p.s.	...	Tax free	10	10
European Gas	13 p.s.	...	...	8	10
Fern Spinning	15½	...	...	15	15
Fine Cotton Spinners	5½	...	Less tax	7½	7½
Gartside (Brookside Brewery) ..	5½	...	...	10	10
Glenfield and Kennedy	2½ p.s.	...	...	14	4½
Gresham Spinning	5	...	...	10	10
House Property and Investment ..	12½	...	Less tax	15	14
Indian and General Invest. Def. ..	16½	...	Less tax	12	14
Industrial and General Trust ..	9½	...	Less tax	10	10
Investment Trust Corp., Defd.	15½	...	Tax free	10	12½
John Rowell and Sons	10½	(& bonus 2/p.s.)	Less tax	15	15
Johnson and Phillips	10½	...	Tax free	7½	7½
Kapp and Petersen	10½	...	Less tax	6	6
Kellner-Parrington Paper Pulp ..	...	...	...	...	...
Lance and Lance	...	...	...	...	...
Land Mortgage of Egypt	2½%	...	Less tax	...	...
Lancashire Monotype	...	...	...	...	...
Liebig's Extract of Meat, Old ..	9/p.s.	June 15	Tax free	...	...
Shares	3½-26 p.s.	June 15	Tax free	35	(b) 20
Do New Shares	25½	June 13	Tax free	11½	11
Lincoln Brick	15½	May 31	Less tax	10	10
Lobitos Oilfields	5½%	May 18	Less tax	10	10
London General Investm., Defd.	1 p.s.	...	Less tax	10	10
Manbre Sugar and Malt	1 p.s.	...	Less tax	10	10
Maple Spinning	1 p.s.	...	Less tax	10	10
Melbourne City Properties	1 p.s.	...	Less tax	10	10
Monte Video Gas and Dry Dock ..	2½	...	Tax free	4	6
New Paocha and Jaspampa	...	...	...	6	8
Nitrate	...	...	...	15	10
New Transvaal Chemical	7½	...	...	10	10
Northern General Transport	1 p.s.	...	...	10	10
Palm Spinning	3/p.s. (& bonus 3/p.s.)	...	Less tax	10	10
Park and Sandy Lane Spinning ..	...	...	Less tax	10	10
Peoples Hotel Hydro	...	...	Less tax	5	12½
Peterborough Electric Traction ..	...	...	Less tax	4	5
Porter and Spencer	...	...	...	4	4
Pottier Electric Traction	2/p.s.	...	...	10	10
Rhonda Tramways, Pref.	5½%	...	...	20	20
Rosch Spinning	5½%	...	...	10	15
Samuel Barlow and Co.	8½	...	Subject to tax	10	15
S. Blankensee and Son	6½	...	Subject to tax	10	15
Shanghai Electric Construction ..	6½	...	Subject to tax	10	15
Sir Elkanah Armitage	13 p.s.	June 1	Tax free	15	15
Standard Spinning	10	June 1	Tax free	15	15
Starkey, Knight, and Ford	7½	May 15	Tax free	15	15
Strand Hotel, Pte. Fred. Ord.	10½	May 15	Tax free	15	15
Texas Land and Mortgage	10½	May 15	Tax free	15	15
Transvaal Estates, &c.	2½	June 1	Tax free	12½	10
Triumph Cycle	4½	June 1	Less tax	12½	10
Trustees Corporation, Pref.	4½	June 1	Less tax	12½	10
Vera Cruz Electric	4½	June 1	Tax free	10	3
Waldorf Hotel	5½	June 1	Tax free	10	10
Wales	5½	June 1	Tax free	10	10
Wenlock Brewery	3/p.s.	...	...	10	10
Werneth Spinning	3/p.s.	...	...	10	10
Wye Ring Spinning	3/p.s.	...	...	10	10

MINING OUTPUT STATISTICS FOR APRIL, 1922.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

Year.	Gross Earnings.			Net Earnings.		
	Year Given.	Year Preceding.	Increase or Decrease.	Year Given.	Year Preceding.	Increase or Decrease.
1922.	\$	\$	\$	\$	\$	\$
Jan.	393,886,529	469,106,803	- 75,303,279	57,421,605	28,331,956	+ 29,089,649
Feb.	400,430,580	405,203,414	- 4,772,834	76,708,894	21,824,020	+ 54,884,873

NOTE.—The February, 1922, returns are based on 326,625 miles of road, against 235,663 in 1921.

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.

Name.	Period.	Ending.	Receipts for Week or Month.	Ino. or Decr.	Aggregate Receipts.	Ino. or Decr.
Algoma Cent. & Hudson Bay	9 mths	Mar. 31	Gross \$113,845	- 41,499	1,299,269	- 88,875
Canadian Nat.*	19weeks	Mar. 31	Gross \$1,156,900	+ 130,468	19,067,199	- 5,577,810
Canadian Pac.*	3 mths	Mar. 31	Gross \$5,045,500	- 18,000	4,374,134	- 3,474,134
Canadian Pac.*	19weeks	May 14	Gross \$2,936,000	- 18,000	54,238,000	- 5,450,000
Canadian Pac.*	3 mths	Mar. 31	Gross \$1,394,000	- 858,000	36,490,000	- 5,450,000
Grand Trunk Tremisouco	19weeks	May 14	Net \$2,421,000	- 3,000	3,559,000	347,000
	1 mth	Mar. 31	Net \$53,892	+ 87,732	6,804,046	+ 1,358,085

* Net earnings before deducting taxes. † Railway and Steamship receipts.

OTHER BRITISH OVERSEAS RAILWAYS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1920-21.	+ or -	1920-21.	+ or -
Beira and Mashonaland	1 mth	Feb. 28	810	£ 76,753	- 26, 160	£	
Mid. of W. Aust.	9 mths	Mar. 31	777	13,199	527	99,735	2,526
New Cape Central ..	16 weeks	Apr. 28	205	2,386	915	45,697	337
Rhodesia Railways ..	1 mth	Feb. 28	1,397	112,824	20,870		

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1922.	+ or -	1922.	+ or -
Anglo-Argentine	19 weeks	May 13	393	£86,875	+ 5,395	1,595,620	+ 65,833
Burnley Corporation	1 week	13	12	£3,307	+ 1,862	..	..
Calcutta Tramways	19 weeks	13	354	Rs109,339	+ 24,425	..	+ 689,907
Chatham & District	18 weeks	13	15	£1,597	- 83	26,705	- 2,722
Egyptian Markets	19 weeks	13	..	£1,757	+ 226	35,217	+ 8,173
Glasgow Corporation	50 weeks	13	99	\$45,512	+ 4,038	2,321,089	+ 27,422
Iale of Thanet	32 weeks	10	..	£825	+ 100	20,312	+ 1,058
Lancashire United	18 weeks	9	39	\$3,184	+ 262	57,125	+ 9,511
Liverpool Corporation	19 weeks	13	124	£29,371	+ 5,372	548,190	+ 23,078
L.C.C. Tramways	7 weeks	17	160	\$95,740	+ 12,911	623,219	+ 59,787
Madras Elect. (2 wks)	18 weeks	15	..	Rs48,653	+ 2,409	444,842	+ 148,639
Pernambuco Trams	19 weeks	14	..	3,263	+ 171	68,802	+ 14,965
Singapore Electric	13 weeks	Apr. 1	..	£13,300	+ 32	192,337	+ 36,008

TRAMWAY & OTHER MONTHLY GROSS & NET RECEIPTS.

Name.	Period.	Ending.	Present Mileage	Receipts for Month.		Total Receipts.		
				1920-21. |	12-01-	1920-21. |	or -	
Barcelona Trac- ropts. in petas.	3 mths.	Mar. 31	(Gross	3,937,152	+1,045,409	11,499,309	+2,029,192	
Brazilian Trac- ropts. in mil.	3 mths.	31	(Net	2,499,055	+ 636,147	7,362,906	+569,028	
Brisbane Electric	4 mths.	Apr. 30	(Gross	152,318,000	+2,136,000	44,743,000	+6,881,000	
Electric, do.	9 mths.	Mar. 31	(Net	9,237,000	+2,775,000	46,533,000	+8,035,000	
Buenos Ayres La Croze Trams ..	10 mths.	30	51½	£57,619	-	2,619	579,438	+ 8,480
Burmah Electric Trwys. & Light.	8 mths.	31	(Gross	R60,296	+ 9,365	..	+ 55,300	
Cape Elec. Trams	1 mth.	Apr. 30	(Net	435,549	..	..	..	
Canadian -Wetm. Natural Gas ..	6 mths.	Mar. 31	(Gross	£10,688	..	..	..	
Orthogena and Herreries Trms.	1 mth.	Mar. 31	(Gross	£109,480	+ 21,732	615,346	+ 79,570	
Catalinas Wareh.	4 mths.	Apr. 30	12	2,991	+ 662	10,984	- 210	
Cities Service Co.	1 mth.	Mar. 31	(Gross	£12,630	+ 12,017	..	..	
Cordoba Light & Elec. Sup. of Vict.	12 mths.	Feb. 28	(Net	£1,313,679	- 137,071	12,736,275	+107,116	
Havana Elec. Rl. Light. & Power	12 mths.	Feb. 28	(Net	\$1,276,744	- 122,704	12,274,078	+100,933	
International Light & Power	48 weeks.	Feb. 28	22	\$25,384	+ 3,665	277,368	+ 59,290	
Kalgoolie Elec. Tramways ..	3 mths.	Mar. 31	(Gross	\$1,799,739	+ 96	55,454	+ 11,820	
	3 mths.	Mar. 31	(Net	£1,079,219	+ 24,219	3,297,194	+ 388,550	
	9 mths.	31	(Gross	\$552,201	+ 102,783	1,749,656	+ 388,550	
	9 mths.	31	(Net	\$25,384	+ 3,665	193,315	+ 5,710	
	2 mths.	Feb. 28	20½	\$2,031	..	87,741	+ 6,710	
			(Net	£508	..	4,911	..	
Keystone Tele. ..	3 mths.	Mar. 31	(Gross	£139,473	+ 5,535	415,810	+ 16,710	
La Guaira Harb. La Plata Electric	3 mths.	Apr. 30	(Net	\$51,840	+ 11,250	164,906	+ 10,710	
Lima Light, Pwr and Tramwys.	4 mths.	30	..	£6,858	- 718	..	..	
Mantla Electric Railroad, do.	1 mth.	Jan. 31	(Gross	\$26,870	+ 779	86,779	+ 10,210	
			(Net	\$70,089	+ 6,392	..	..	
	3 mths.	Mar. 31	(Gross	\$284,576	- 13,741	903,829	+ 22,210	
	3 mths.	Mar. 31	(Net	£120,962	+ 1,680	390,037	+ 37,510	
Para Electric	5 mths.	Apr. 30	(Gross	\$23,061	+ 772	112,307	+ 2,710	
			(Net	\$9,420	+ 2,583	43,035	+ 7,210	
Rangoon Electric	2 mths.	Feb. 28	(Gross	R2,878,800	+ 20,150	600,660	+ 97,410	
Shanghai Electric	4 mths.	Apr. 30	(Net	\$139,528	+ 24,997	512,375	+ 97,410	
United Electric T. of Montevideo ..	4 mths.	Apr. 30	Mex.	£184,500	+ 37,000	700,217	+ 97,410	
Vera Cruz ..	6 mths.	30	(Gross	\$47,960	+ 1,771	279,419	+ 25,410	
Victoria Falls & Transvaal Pwr.)	2 mths.	Feb. 28	(Net	£148,374	+ 3,000	102,300	+ 7,210	
	Quarterm.	Dec. 31	(Gross	£205,682	..	..	..	
Winnipeg Electric	3 mths.	Mar. 31	(Gross	\$464,900	- 30,308	1,436,334	+ 25,410	
			(Net	£148,374	+ 14,568	469,339	+ 40,410	

Converted at the current rate of exchange.

† 4 weeks return.

‡ Approximate receipts.

MINING OUTPUT STATISTICS FOR APRIL, 1922.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Tons.	Oss.	Oss.	Oss.	£	£
Abbotiakoon	8,000	..	146	(p)	54	(a) 15,097	..
British Platinum and Gold	..	..	..	..	516	(gold)	688
Jumbo (Tip Top)	1,550	..	..	..	..	£184,530	\$62,600
Mexico of El Oro	13,070	..	..	..	110,830	..	..
Mining Corp'n. of Canada	..	..	..	..	278	(a) 1,096	..
Obitassi	378	..	..	..	..	£91,303	..
Oriental Cons. (Sfar)	17,450	..	..	..	..	(a) 7,794	..
Oroya Links	1,430	..	..	..	2,095	(a) 8,893	..
Planet Arcturus	5,600	..	..	..	..	9,835	..
Plymouth Cons.	9,000	..	..	..	..	..	..
Rhodesia G. M. and I—	..	..	..	..	251	(b) 1,162	..
Huntsman	276	..	..	..	..	£20,180	..
Santa Gertrudis	11,389	..	..	..	..	..	..
Do El Bordo	21,680	..	..	..	..	..	..
Shamva	50,550	..	..	..	..	(b) 38,077	12,686
Quarter ended March 31st—	..	..	..	..	..	..	..
Robinson Deep	..	..	..	..	..	..	+48,096
Simmer and Jack	..	..	..	..	..	..	+42,212
..	..	..	..	..	..	..	+5,245

* Loss. (a) Premium not included. (b) 92s 6d per fine oz.

	Output.	Other Notes in Return.
Copper.	Tons.	
Falcon	298½	Blister copper, containing 3,243 ozs gold and 6,417 ozs silver.
Poderosa	706	Metric tons, assaying 27 per cent. copper est. profit, £1,400.
Tanganyika	3,290	..
Tin.		
Kaduna	15½	..
Kaduna Pros.	9½	..
Leenwoort	71	Quarter ended March 31st.
Mongu	33½	..
Renong	85½	..
South Bukuru.	20	Shipped 20 tons.
Coal.		
Chinese Engineering	54,966	Week ended May 6th.
Chislet	4,101	Week ended May 13th.
East Kent	5,494	Week ended May 13th.
South African	106,428	Est. profits, £3,070 (quarter ended Mar. 31st)
Miscellaneous.		
West End Diamonds	..	1,015 carats, valued at £3,000.

BURMA CORPORATION.—April: 15,842 tons of ore milled in treatment plant producing 9,695 tons of lead concentrates; 10,420 tons of lead bearing material smelted in the blast furnaces, producing 3,361 tons hard lead for treatment in refinery. Refinery products were 3,029 tons refined lead and 320,767 ozs refined silver.

Reports and Notices.

Chubb and Son's Lock and Safe Company, Limited, have opened a branch office at 70 Cornhill, E.C., for the purpose of dealing with enquiries for high-class security work. We are informed that Messrs Chubb have formed a subsidiary company, called Chubb-France, with headquarters in Paris; and they are entering into an agreement with Messrs Bauche and Triaud, the well-known French safemakers, to build for them safes and bankers' security work for which they receive orders in specified European countries. Messrs Bauche's works at Rheims were utterly destroyed by the Germans in 1915, but new works on a much larger scale, and equipped with up-to-date electrical machinery, have just been completed.

Branches of the Meadow Dairy Company, Limited, have been opened at 106 High street, Tunstall, and 224 Chillingham road, Heston, Newcastle-on-Tyne.

Sir Richard Gregory, F.R.A.S., F.Inst.P., has accepted the position of president of the Decimal Association, in succession to the late Lord Belhaven and Stenton.

BANKS.

BANCO COLONIAL PORTUGUEZ.—Balance-sheet, December 31, 1921:—

LIABILITIES.		ASSETS.	
	Eso.		Eso.
Capital paid up	10,000,000\$00	Cash in hand and with other banks	5,038,365\$25
Reserve	1,265,920\$52	Bills in course of collection	2,442,593\$50
Deposits	15,876,335\$52	Loans secured by collateral	1,364,777\$89
Drafts outstanding	1,421,000\$83	Discounts, transfers and bills purchased	2,695,264\$68
Branches, agents, and correspondents	2,282,405\$91	Securities held	6,168,520\$61
Sundry creditors	32,244,488\$67	Branches, agents, and correspondents	18,167,377\$95
Directors' qualification	30,000\$00	Sundry debtors	28,566,657\$02
Dividends outstanding	13,923\$00	Directors' qualification	30,000\$00
Creditors for securities deposited	9,999,517\$25	Fremises, fixtures, and furniture (head office and branches)	534,800\$61
Profit and loss account	2,318,591\$22	Securities deposited	9,999,517\$25
	74,850,240\$94		74,850,240\$94

NATIONAL BANK OF SOUTH AFRICA.—It is announced that the balance at credit of profit and loss account for year ended March 31, 1922, amounts to £193,000. This figure is arrived at after taking into account, (a) balance of £34,000 brought forward from the last year, (b) transfer of £300,000 from reserve fund, and (c) transfer of £25,000 to bank premises. All bad and doubtful debts have been fully provided for, and the bank's investments have been taken at or below present market price. At the general meeting of shareholders, to be held at Pretoria on June 30th next, the directors will recommend that the profit and loss balance of £193,000 be allocated as follows:—Interim dividend for half-year ended September 30th last at the rate of 8 per cent. per annum, which absorbs £118,000; pension fund, £50,000; balance carried forward, £25,000. The

bank has not escaped effect of grave disturbances that have characterised the financial world for a considerable time past, and in the result some specific losses of substantial amount have been sustained, notably in New York. It should be explained that certain of these losses have come to light since the declaration of the interim dividend at September 30th last. The directors have considered it prudent, and in the best interests of the bank, that in the accounts for the year ended March 31st last fullest provision should be made, not alone for the specific losses referred to, and for all accounts of a doubtful character, but also for any unforeseen items that may come to light. After withdrawing from reserve fund for this purpose the sum of £300,000 already mentioned, there still remains intact in reserve the substantial amount of £1,000,000, but the directors being desirous of maintaining the bank in a position of undoubted strength and ability to meet all the requirements of its clients, think it desirable to withhold any recommendation as to payment of dividend for the half-year ended March 31st last. The circumstances under which the bank's losses were possible have formed the subject of close investigation by the directors, who are satisfied that the dispositions which they have made in this regard will avoid risk of recurrence of such losses, and will preserve unimpaired for the future the very valuable business which the bank possesses.

ASSURANCE.

INSURANCE FUSION.—The general manager of the London Guarantee and Accident Company, Limited, has sent a letter to the shareholders stating that his board has entered into an agreement with the board of the Phoenix Assurance Company, Limited, under which the latter company is prepared to offer shares and debenture stock of the Phoenix for ordinary and preference shares in the London Guarantee, as follows:—1. One Phoenix (Pelican) share of £1, fully paid, and £8 of 5 per cent registered Phoenix debenture stock (1922), fully paid, for each ordinary share of £1, fully paid, in the London Guarantee. 2. £5 of 5 per cent registered Phoenix debenture stock (1922), fully paid, for each preference share of £5, fully paid, in the London Guarantee. 3. £1 of 5 per cent registered Phoenix debenture stock (1922), fully paid, for each preference share of £1, fully paid, in the London Guarantee. The Phoenix (Pelican) shares to be created in respect of the agreement will rank *pari passu* in all respects with the existing Phoenix (Pelican) and Phoenix (Norwich Union Fire) shares. The Phoenix debenture stock will be secured by trust deed, and will be redeemable at par on January 1, 1972, or at any time earlier in the event of the Phoenix going into voluntary liquidation, or in whole or in part at 105 per cent. on six months' notice at any time after January 1, 1932, at the option of the Phoenix. Interest will be payable half-yearly on November 1st and May 1st. The holders of the new issue of Phoenix (Pelican) shares whose names are on the register on October 31, 1922, will receive on November 1st a sum of 6s per share, less income-tax, equivalent to the half-year's dividend payable on that date by the Phoenix, and holders of the Phoenix debenture stock, whose names are entered on the register on October 31, 1922, will receive on November 1st a half-year's interest, less income-tax. In addition, in respect of debenture stock issued in exchange for preference shares, a sum equivalent to three months' interest, less income-tax, will be payable on allotment. The effect of this is that holders of London Guarantee ordinary shares who accept the offer of the Phoenix, instead of receiving on September 30, 1922, an interim dividend of 4s per share (on the assumption that the rate will be the same as in 1921), will receive on November 1st 4s in respect of each £8 of Phoenix debenture stock and 6s in respect of each Phoenix (Pelican) share, or 10s in all, equal to the dividend on the London Guarantee ordinary shares for the whole year 1921. After 1922, at the present rate of dividend on the Phoenix (Pelican) shares, London Guarantee ordinary shareholders who assent to the proposal will receive in interest on debenture stock and dividend on Phoenix (Pelican) shares the equivalent of 20s per London Guarantee ordinary share as against 10s in respect of last year. London Guarantee preference shareholders who accept the offer of the Phoenix will receive the same amount of interest as the dividend on the preference shares, payable, however, on November 1st and May 1st instead of on September 30th and (in 1922) April 12th, and, in addition, on allotment, three months' interest as stated above, and will hold Phoenix debenture stock redeemable at the latest in 1972, instead of preference shares where the capital is repayable only on the winding-up of the company. All dividends on the Phoenix (Pelican) shares and the interest on the Phoenix debenture stock will be paid, less income-tax, in the same way as the dividends on the London Guarantee ordinary and preference shares. The agreement is conditional on its being confirmed by resolutions of a general meeting of the Phoenix and on the acquisition by the Phoenix of at least 80 per cent. of the paid-up capital of the London Guarantee, represented by the ordinary and £5 preference shares, or of such less proportion as may be subsequently approved by the Phoenix. The business of the London Guarantee will be continued under its present name, and under its present board of directors, with the addition of Sir Gerald H. Ryan, Bart., chairman of the board of the Phoenix, who will become chairman of the board of the London Guarantee. Mr A. W. Tait, C.B.E., at present chairman, will become vice-chairman of the London Guarantee, and will also be appointed a director of the Phoenix.

TRADERS AND GENERAL.—The directors announce that it is proposed to go into voluntary liquidation. An arrangement has been made with the British General Insurance Company, Limited, under which policyholders will be protected against loss in respect of the unexpired period of their policies. Under this agreement the British General is prepared to take over existing policies, and to continue them for 12 months from May 13th, upon payment of an annual premium, less a proportionate allowance in respect of the period unexpired under "Traders and General" policies. This offer extends to all direct policies covering risks in the United Kingdom in respect of fire, employers' liability, motor, plate-glass, sickness and accident, burglary, third party, and general accident insurances.

Reports and Notices.

Baring Bros. and Co., Limited, notify that the transfer books of the Commercial Cable Company sterling 4 per cent. 500-year debenture stock will be closed from the 20th to the 30th instant, both days inclusive, for the preparation of the warrants for the interest due July 1, 1922.

The Agent-General for Ontario informs us that there have arrived in London samples of gold and silver ore from Canada. These include four samples of gold ore from the Dome Mine, value £100; one sample of gold ore from the Crossus Mine, value £500; one sample of silver ore from the Trethewey Mine, value £200; and one sample of silver ore from Cobalt, value £200. These samples are on view at the office of the Agent-General for Ontario, 163 Strand, London, W.C. 2.

Sir William Noble, who has just retired from the position of Engineer-in-Chief to the Post Office, has accepted a seat on the board of the General Electric Company, Limited. We understand that Sir William Noble proposes to devote his attention mainly to the development of the telephone and wireless sections of this important manufacturing concern.

The Imperial Ottoman Government notifies all Ottoman subjects in Great Britain who are holders of pre-war Austrian and/or Hungarian bonds that the listing and stamping of such bonds, in accordance with the regulations of the Reparation Commission, must be completed by June 30th. Any such holders should immediately communicate with the Imperial Ottoman Bank, London, 26 Throgmorton street; Manchester, 56-60 Cross street.

It is announced that Mr Duncan Paterson (Director of the Bank of Adelaide) and Mr John Falconer (Chairman Messrs Poulton and Noel, Limited) have been appointed Directors of the Southern Union General Insurance Company of Australasia, Limited.

We are informed by the Ontario Government that, owing to hydro-electric power being available, the cost of power for use at the gold mines of Northern Ontario ranges from 35 to 50 cents per ton of ore treated. The general value of the ore now being treated is over \$10 per ton, and the average cost of producing bullion is between \$5 and \$6 per ton.

Mr A. A. Campbell Swinton, F.R.S., M.Inst.C.E., M.I.E.E., has joined the Board of W. T. Henley's Telegraph Works Company, Limited.

At the annual general meeting of the Insurance Officials' Society, held on May 30, 1922, Mr E. Roger Owen, the deputy chairman of the Commercial Union Assurance Company, Limited, was re-elected president.

In consequence of the necessary building operations for the enlargement of their premises in Threadneedle street, the Bank of Australasia are to-day removing to temporary offices at 13 Leadenhall street, E.C. 3.

GOVERNMENT STOCKS, &c.

CHINESE GOVERNMENT 8 PER CENT. STERLING TREASURY NOTES, 1925-1929.—We are informed that the Chinese Government, as a result of negotiations which have been taking place, have requested Vickers, Limited, to pay the coupon due on April 1st last out of certain funds in the hands of Vickers, Limited, belonging to the Chinese Government. The payment of this coupon exhausts the funds so held. Noteholders should present their coupons to Lloyds Bank, Limited, in London in due course upon official publication of the advertisement to this effect. In view of the difficulties which have been experienced in the payment of coupons in the past negotiations are proceeding to obtain specific security on the increased maritime customs revenue if and when such increase takes place, instead of on the special security granted by the Chinese Government on the surplus salt revenue, which, for reasons already explained, never came into active effect.

BANKS.

BANK OF NEW SOUTH WALES.—Advice has been received by cablegram that at the half-yearly general meeting of proprietors held on May 30th at Sydney, a dividend on the capital stock of the bank was declared at the rate of 10 per cent. per annum for the quarter ended March 31st last, payable June 23rd. The sum of £100,000 has been added to the reserve fund, making it £3,600,000, and a credit balance of £160,132 18s 10d has been carried forward to next account.

THE SUMITOMO BANK, LIMITED.—Balance-sheet, December 31, 1921:—

LIABILITIES.	Yen.	ASSETS.	Yen.
Subscribed capital	70,000,000	Capital unpaid	20,000,000
Reserve funds	19,000,000	Loans, bills discounted, and exchange purchased	356,450,987
Reserve reserve	1,200,000	Due from other banks	8,166,997
Deposits	369,776,325	Customers' liabilities on foreign credits, acceptances, and guarantees	18,955,805
Exchange sold and bills payable	4,913,061	Government Bonds	62,210,618
Exchange adjustments	643,121	Municipal, and other securities	13,483,344
Due to other banks	22,632,189	Buildings and foreign currencies	11,558
Foreign credits, acceptances, and guarantees	18,955,805	Bank premises and furniture	6,854,635
Dividends not yet paid	910	Cash in hand	34,465,572
Rebate on bills not yet due, and interest accrued on deposits	7,782,644		
Balance brought forward from last half-year	1,046,530		
Net profit for the half-year	4,648,871		
Total	520,599,516	Total	520,599,516

THE STANDARD BANK OF SOUTH AFRICA, LIMITED.—The directors of the Standard Bank of South Africa, Limited, have resolved, subject to audit, to recommend to the shareholders at the general meeting to be held on July 26th next, a dividend for the half-year ended March 31st last, at the rate of 14 per cent. per annum, together with a bonus of 2s 6d per share, both subject to income-tax, making a total distribution of 16½ per cent. for the year ended March 31, 1922, to appropriate £50,000 to the writing down of bank premises, and

£100,000 to the officers' pension fund, carrying forward a balance of about £191,000. All other usual and necessary provisions have been made. It may be mentioned that these figures are the result of one year's trading, whereas at the corresponding period last year the results covered 15 months' trading.

MISCELLANEOUS.

FORESTAL LAND, TIMBER, AND RAILWAYS COMPANY, LIMITED.—The directors announce that, after writing off £220,643 on stocks of stores, &c., bringing in £170,000 previously over-provided for taxation, and transferring £500,000 from reserve account, the accounts for the year ending December 31, 1921, show a net balance of £126,313, making, with the amount carried forward from 1920, a total of £239,617 available. The dividend paid on the 6 per cent. cumulative preference shares absorbed £111,951, leaving £127,666 to be carried forward to new account. The board have decided not to recommend the payment of a dividend on the ordinary shares. The profit on sale of estates, viz., £986,057, has been transferred to the reserve account, which will then stand at £2,322,859. The depreciation account remains unchanged at £1,047,604.

NOBEL INDUSTRIES, LIMITED.—The directors have now received sufficient particulars of the results of the constituent and associated companies for the year 1921 to enable them to declare a dividend on the ordinary shares (payable on July 1, 1922) on account of that year, of 5 per cent., less income-tax at 6s in the £. After this distribution (which they propose in due course to recommend as final for 1921), the estimates show that there will be a balance on profit and loss account for the year to add to the amount carried forward (£757,498) as at December 31, 1920. The recommendations to be made to the shareholders for the appropriation of this carry forward will include the allocation of a substantial proportion thereof to a special investment reserve account. The final completion of the constituent companies' accounts, with their outstanding taxation settlements, will make it necessary to defer the annual general meeting until early September.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

The continued spell of warmth and sunshine has greatly improved agricultural prospects and stimulated growth, so that the appearance of cereal crops leaves little to be desired. Spring oats, however, require additional moisture, as fields in some districts are rather patchy. Generally quiet conditions prevailed at market during the week, and prices in many cases ruled easier, though towards the close a steadier tone was apparent. Native wheat in small supply, but sells slowly, and rates easy at 57s to 58s for suitable milling samples, with inferior sorts quoted 55s per 504 lbs free on rail. Imported descriptions, after being slow and easier, improved on higher c.i.f. offers. No. 1 Northern Manitoba 63s. No. 3 ditto 58s, Australian 60s, all landed per 496 lbs, and Rosafé 64 lbs ex ship to arrive 58s per 480 lbs. The wheat cargo displayed weakness until the close of the week, when a good demand prevailed, both on Continental account and from home millers. Cargoes of Australian alfalfa sold 55s 3d to 55s 6d, Rosafé 64lbs afloat, also 63½ lbs loading, at 54s 6d to U.K., several steamers of ditto afloat to Portugal at 55s to 55s 3d, and ditto 63½ lbs May-June to France at 54s per 480 lbs. Parcels also followed the upward tendency, after a sharp decline, with business chiefly in North American and Argentine grades. Flour quiet, and prices further gave way both for home milled and imported. London standard straight run quoted 47s 6d, town households 45s 6d, patents 49s 6d to 50s 6d, all English straight run 44s 6d per sack, delivered in London area. All English country straights 42s to 43s per sack, free on rail at London stations. Of imported, Manitoba export patents quoted 47s, straights 43s, Pacific 46s, and Australian 42s 6d to 43s per 280 lbs. Business on c.i.f. terms remains dull. Canadian patents June seaboard quoted 44s, straights 40s, Kansas patents 45s, and Australian 40s per 280 lbs. Millers' offers dull, and tendency easier. Broad bran quoted

BARCLAYS BANK LIMITED.

HEAD OFFICE: 54, LOMBARD STREET, LONDON, E.C.3.

And 1,600 Branches in England and Wales.

CHIEF FOREIGN BRANCH:
168, Fenchurch Street, London, E.C.3.

The Bank issues Drafts and Letters of Credit on all the principal towns of the World; makes Mail and Telegraphic Transfers; effects Foreign Collections; establishes Documentary Credits, and generally undertakes EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS.

Agents and Correspondents in all the principal towns throughout the World.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward	Net Profit.	Divi- dend.
					Prefce.	Ordinary.					
						Amount.	Amount.					Rate.
		£	£	£	£	£	%	£	£	%	
Banks.											
Royal of Australia	Mar. 31*	31,636	58,721	90,357	..	37,500	10	20,000	32,857	59,193	10
Nitrate											
Lagunas	Dec. 31	37,655	21,133	58,788	..	18,000	2½	..	40,788	47,178	4½
Rubber, &c.											
Cluny	Dec. 31	12,702 <i>Dr</i>	1,930	10,772	..	..	..	..	10,772	5,083	..
Kapowas	Dec. 31	1,897 <i>Dr</i>	10,451 <i>Dr</i>	8,554	..	..	..	13,000	5,624	22,601	25
Kuala Selangor	Dec. 31	10,121	8,503	18,624	..	..	..	2,500	33,881	401	..
Lanadron	Dec. 31	49,850 <i>Dr</i>	18,469	36,381	..	..	..	..	20,161	9,032	..
Ledbury	Dec. 31	26,552 <i>Dr</i>	6,391	20,161	..	..	..	..	53	4,663	..
Pernambang	Dec. 31	4,663 <i>Dr</i>	4,610	53	..	..	..	6,000	11,161	12,471	..
Sapong	Dec. 31	13,738	3,423	17,161	..	..	..	1,000	4,273	11,312	..
Strathmore	Dec. 31	9,215 <i>Dr</i>	3,942	5,273	..	..	..	..	..	..	..
Shipping.											
India General Navigation	Dec. 31	26,139	19,446	45,585	12,202	19,667	4½	3,500	10,216	55,748	6½
Shops and Stores.											
Lipton	Mar. 31	27,779	255,711	283,490	89,907	156,250	12½	..	37,333	162,155	12½
Tea.											
Chubwa	May 31	33,829	16,943	50,772	3,710	7,950	15	29,500	9,612	5,438	5
Jetinga Valley	Dec. 31	<i>Dr</i> 76	4,966	4,890	4,602	..	..	..	288	<i>Dr</i> 18,853	..
Textiles.											
Bleachers' Association	Mar. 31	337,891	848,888	1,186,779	135,987	296,386	12½	395,000	359,406	709,535	10
Tramways.											
Pernambuco Tramways and Power	Dec. 31	19,599 <i>Dr</i>	6,761	12,838	..	..	..	11,730	1,108	12,339	..
Worcestershire Electric Traction	Dec. 31	307	3,078	3,385	..	1,908	2	308	1,169	2,776	2
Trust.											
Egyptian and Foreign	Dec. 31	33,535 <i>Dr</i>	60,527 <i>Dr</i>	26,992	..	..	10	..	<i>Dr</i> 26,992	15,930	10
Indian and General	April 30	1,580	14,834	16,414	5,496	7,028	10	2,290	1,600	..	..
Other Companies.											
Anderson Foundry	Mar. 31	27,300	14,895	42,195	..	18,900	18/p.s.	10,000	13,295	35,540	15
Brunner, Mond, and Co.	Mar. 31	138,308	1,022,000	1,160,308	245,313	770,906	8	50,797	93,292	938,517	8
Chatham Empire Theatre	Mar. 31	24,984 <i>Dr</i>	1,748	23,236	..	2,210	7½	..	21,026	3,363	10
Cope Brothers and Co.	Mar. 31	14,687	70,555	85,242	..	26,250	10	25,000	33,992	30,810	10
Electric Construction	Mar. 31	23,498	82,685	106,183	4,395	30,000	10	49,715	22,073	83,110	10
Henry Gardner and Co.	Mar. 31	<i>Dr</i> 9,038	50,508	41,470	..	30,000	6	..	11,470	..	..
J. Stone and Co.	Dec. 31	52,633	176,152	228,785	15,000	60,030	7½	25,000	128,755	101,890	7½
Liebig's Extract of Meat	Mar. 31	255,814	176,694	432,508	50,000	124,470	15½	..	258,038	267,164	25½
London Shoe Co.	Mar. 31	714	4,033	4,747	3,900	..	..	..	847	5,133	100½
Metropolitan Association, &c.	Mar. 31	457	6,909	7,366	..	6,727	5	..	639	7,100	5
Odhams' Press	Dec. 31	24,819	96,263	121,082	41,723	28,241	8	30,000	21,118	97,680	8
Thomas Brown and Sons	Jan. 31	..	29,125	29,125	7,425	6,750	5	14,950	..	16,766	5
Thomas Owen	Mar. 31	21,106	3,063	24,169	12,000	7,500	5	..	4,669	25,113	12½

* Half-year.

† Free of tax.

£7 15s 6d to £8, ordinary ditto £6 10s to £7, middlings £9 to £9 10s, per ton ex mill, bags included. Fancy Plate middlings £9 10s, and Plate pollards £7 15s ton landed. English barley largely nominal, as trade is practically finished for the season, but a fair demand is experienced for feeding sorts, and good lots rule from 44s to 48s per 44½ lbs, free on rail. Of imported, Californian quoted 40s to 48s, Australian Chevalier 49s to 52s, Chilean ditto 51s to 56s, per 44½ lbs ex store. American malting 48 lbs 32s 6d, No. 4 Canada Western 32s 6d, both ex ship to arrive, and Tunisian 37s ex store, all per 400 lbs. Maize continued dull and easier, though closed steady at the decline, in view of forward firmness. Plate ex ship 37s 9d, ditto landed 38s, yellow African 35s 6d ex quay, and No. 2 American mixed 34s landed per 48½ lbs. White African maize meal quoted £7 15s ton ex store. Cargoes were in slow request, but holders were not pressing, and rates were fairly steady. Parcels very irregular, though closing firm, with business in La Plata May-June up to 34s 1½d per qr 280 lbs. Oats quiet, but fairly steady. English whites quoted 36s 6d to 38s, black winters 34s 6d to 36s, grey winters 35s to 36s per 33½ lbs free on rail. Of imported, Plate f.a.q. 27s, ditto clipped 29s, No. 2 Canada Western 32s, No. 2 Canadian feed 29s, No. 2 white clipped American, 38 lbs, 27s 3d, British Columbian 37s 9d, and New Zealand 35s to 40s, all landed per 320 lbs. Oatmeal quiet, but prices fully steady, owing to scanty offerings of suitable milling qualities. London-made, coarse pinhead quoted £19, other cuts £18 10s, whole groats £18, rolled oats £19, flaked oats £21, ordinary Scottish oatmeal £19 10s to £20 10s, and American, all cuts, £18 to £18 10s per ton. English beans remain quiet. Choice winters sell at 53s 6d to 54s 6d, ordinary 51s to 52s, while springs range from 57s 6d to 68s per 504 lbs free on rail. Chinese horse beans quoted £10 15s to £11 15s ton. Rangoon hand-picked spot 7s to 7s 3d, Madagascar haricots old crop 10s to 12s, ditto new 18s to 19s cwt. English peas are in good request, and offerings are now becoming very light. Maples are firmly held, and range from 85s to 95s, and duns 85s to 66s per 504 lbs free on rail. Of imported, Dutch hand-picked quoted 29s to 29s 6d, ditto screened 25s to 26s, Japanese 51s to 52s, Tasmanian "A" grade 23s to 24s, New Zealand blue 22s to 25s per cwt. English rye quoted 40s to 45s per 504 lbs free on rail. Lentils steady. No. 1 split 29s to 30s, No. 2 ditto 22s to 24s, and Egyptian 22s 6d to 24s per 100 lbs ex store. Homeward grain chartering was on a moderate scale, and mostly to Continental and Mediterranean ports. The River Plate section ruled easier, but the inquiry shows slight improvement, and now extends to July. Handy-size steamers to U.K./Continent June loading done down to 27s 6d loading at upper ports, with 25s, no reduction paid from Buenos Ayres/La Plata. Numerous charters were effected from Montreal on the basis of 20½ cents one, 21½ cents two ports Mediterranean, not east of West Coast Italy, and 20 cents to Marseilles. To Continent 15 cents is quoted, while American

GOLD and SILVER in ONTARIO

Gold mining is developing rapidly in the Province of Ontario, Canada. In 1921 the gold output was \$14,702,268. In 1922 it will probably be 18 or 20 million dollars.

The two chief camps are Porcupine and Kirkland Lake. Hollinger Consolidated, at Porcupine, is one of the great gold mines of the world; at present its production is about \$1,000,000 per month. Among other mines of this group are McIntyre and Dome, each with an output of more than 2 millions yearly.

At Kirkland Lake, the Lake Shore, Wright-Hargreaves, Teck-Hughes, and Kirkland Lake mines are the present producers.

Matatchewan, Larder Lake, West Shining Tree, Goudreau, Schreiber are other localities where gold has been discovered, and mines are being developed.

The silver mines of the Cobalt area are world-famous. Discovered in 1903 their yield up to the end of 1920 was 323 million ounces. Nipissing mine in 1921 yielded 3,012,614 ounces, O'Brien 1,408,890 ounces, Coniagas 1,301,860 ounces.

The pre-Cambrian rocks, in which the gold and silver and other minerals are found, extend over most of Northern Ontario, comprising many thousands of square miles. The greater part of this territory is unprospected.

The climate is invigorating, there is plenty of wood, water and labour. There are no mountains, and the prospector can go almost anywhere in his canoe. The mining laws are liberal. Ontario mining taxes are on net profits only, the rate being three per cent.

Magnificent specimens of gold and silver ores are now on view at the office of Mr. Wm. C. Noxon, Agent-General for Ontario, 163, Strand, London, W.C.2, where descriptive booklets, maps, and other information may be had.

THE HON. H. MILLS,
Minister of Mines,
Toronto, Ontario, Canada.

THOS. W. GIBSON,
Deputy Minister of Mines.

been not even a ripple of excitement on the surface of market business, but steamers are so full and tonnage arrivals so regular and plentiful that collieries are insisting on their own loading hours. Yet the production has shown a tendency to run slightly ahead of the export demand, and this has been responsible for a little easiness in the spot prices of some of the best steam large and small coals. The change has not amounted to more than 3d to 6d per ton, but it has been sufficient, however, to induce the colliery owners to bring pressure on their salesmen to act together on conference lines with a view to the avoidance of unnecessary price cutting. During the depression in February there were proposals for the centralised regulation of prices, but while this proposal was discredited by the experience of Government control, steps were taken towards the organisation of the collieries into distinct groups for coal-selling purposes, and the representatives of these collieries on the market were advised to confer at least once a week. Four such groups were constituted, the first embracing the Cardiff steam coal collieries, the second the dry coal collieries, the third the bituminous coal collieries, and the fourth the Monmouthshire semi-bituminous and locomotive coal collieries. It is complained that the meetings of these group committees have recently been only sparsely attended, and as it is believed that the previous meetings had a very good effect in stabilising prices, an appeal has been issued to the salesmen to meet regularly with a view to the adoption, as far as possible, of a uniform policy aiming at the maintenance at least of present prices. Quotations for best Admiralty at 28s 3d-28s 6d; seconds, 27s to 28s 6d; best Eastern Valleys, 26s 6d-27s; and the best small steams, 19s to 19s 6d. All other quotations are unchanged, including all anthracite qualities. Coke prices have hardened for export to 34s to 35s, f.o.b., and for blast furnace, inland, at from 23s 6d to 25s at ovens. Pitwood is steady at 31s to 31s 6d, ex ship. The proceeds of the coal export trade in April are £400,000 less than the proceeds in March, owing to the Easter holidays and the effects of the snowstorm early in the month. This fact makes it certain that there will be no improvement in wages in May, and that the owners will again have to surrender their standard profits in order that the minimum wage rate be maintained.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Although the market is not quite so active, there is no indication of any loss of strength; in fact, prices are well maintained all round, and in some cases show a distinct hardening tendency. The strong close in London and the optimistic news from the producing countries give an appearance of great stability to present values, high as they are in the case of merinos, and traders express full confidence in the immediate future. It is recognised that merinos are now on a level which necessitates cautious buying, but there does not seem any prospect of cheaper wool, and as topmakers are sold ahead for three and more months, the general impression is that prices can be left to look after themselves. It is impossible to buy a really good 64's top under 4s 8d, and some firms are asking from 1d to 2d more. There are even some optimists who talk about the price rising to 5s, but the majority will view any further advance with a good deal of anxiety. The improvement in the demand for crossbreds is a gratifying feature of the market, and medium and low qualities are selling much better at distinctly firmer prices than those current a week ago. It is in this section of the trade that there is room for most improvement, and it is hoped that the recovery in raw material will soon extend to the piece goods trade, which is barely in need of a fillip. Spinners are well employed, and most firms are wanting more money for fine crossbreds and merinos. The higher quotations, however, undoubtedly tend to check business, most manufacturers being unable to do much with cloth on to-day's basis for yarns. Home-grown wools are moving fairly freely, especially the finest classes, but while there is more call for lustre hogs, wethers continue to hang fire. The mohair trade shows increasing activity.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The Colonial wool sales came to a finish in an excellent way, and to the very last the opening advance was still in evidence. The series throughout has been characterised with excellent competition, and every day's sale has passed off uncommonly well. The inquiry for the raw material could not have been better, and buyers left for home in the best of spirits, and general confidence is expressed in the future of the raw material. The recovery in crossbreds is one of the most satisfactory features of the series, and the all-round 10 to 15 per cent. advance is a welcome move towards bringing this class of raw material on to a paying basis when viewed from the grower's standpoint. At the same time values have a long way to go before growers can say that they are getting economic prices for quantities up to 50's, and we calculate to-day that a grower wants 12d per lb for grease 40's before he is getting a price commensurate with the cost of wool growing in New Zealand and Australia. Then the British Government paid in New Zealand 14d-14½d per grease lb for all the B.A.W.R.A. wool catalogued of 40's quality, higher counts being appreciably more. B.A.W.R.A. is doing the right thing in letting her stocks go, notwithstanding that big losses are having to be faced. All the same, the sensibly increased inquiry and the wonderful change which has come over the situation is a very welcome feature, and we think the worst is un-

doubtedly passed in regard to all descriptions of crossbreds. We certainly think that prices will be sensibly higher for both coarse and medium qualities twelve months hence, and a settlement of Continental political and economic subjects cannot but lead to an augmented call for crossbreds on the part of Germany, all with a view to distributing the finished article throughout Eastern Europe. There is nothing wrong whatever with 56's and up-wards, these wools to-day selling on a paying basis, but there is still ample room for 50's and below to move upwards.

The course of the sales is certainly indicative of a widening demand for the raw material, coupled with an expanding consumption. We have had occasion this last week to look critically at the state of manufacturing conditions, and are pleased with results of both personal inquiry and visits to Yorkshire mills. The improvement is everywhere in evidence, and the only regrettable feature is the standing looms among woollen manufacturers and the stupid indifference on the part of wool-combing operatives to the needs of the world. It is very regrettable that there are in England to-day able-bodied men and women unwilling to rise to the occasion and contribute their quota to the world's pressing needs, and it is a thousand pities that some mechanical process cannot be invented to augment the output of the combs. The law of cause and effect is undoubtedly operating, more tops are being sent from the Continent into England, the Continent is also doing a big export trade to what were Bradford's pre-war customers, while there are sensible increases in the imports of woollen and worsted yarns, all of which is displacing the home-spun article. And yet combing operatives turn a deaf ear deliberately to the claims of a poverty-stricken world, largely on account of the inability of a few officials of the Union to appreciate the present position. However, the textile industry as a whole is fast approaching normal conditions, with the exception of the piece end of the trade, and there is continual disapproval expressed at the rapid advance in wool values, particularly in merinos. The question uppermost is whether it is safe to buy for the delivery of piece goods six months hence, and when firms are now being asked to pay up to 1s 6d to 2s per yard more than prices at which they have been buying pieces during the past 18 months, it is something to which woollen merchants and export houses seem quite unable to make up their minds.

THE COTTON TRADE.

MANGRESTA, May 18.

We have experienced a stronger and dearer market this week. At the beginning there was considerable activity, and a large business was done. During the last day or two, however, the turnover has been rather smaller, partly owing to the higher rates required, and partly as a result of producers wanting extended time for deliveries. Free operations have occurred in piece goods for the several outlets of India, and the buying has covered a wide range of cloths. Numerous manufacturers are busier on contracts for Calcutta than for a long time back. A few more orders have been put through for China without there being any general buying. An encouraging off-take has occurred for Egypt, Mesopotamia, the Straits Settlements, and Central and South America, but home trade conditions are not favourable. It is estimated that more machinery is running in Lancashire than for over 18 months back. A substantial trade has been done in American yarns at hardening rates. More orders have been reported in Egyptian spinnings. There has not been very much activity in export yarns.

(1.) Comparative Statement of the Cotton Trade.

	Price, May 18, 1922.	Previous Weeks in 1922.				
		Price, May 11.	Price, May 4.	Price, April 27.	Price, April 20.	Price, April 11.
Raw Cotton—Fully Mid. American .. per lb	12-15	11-66	11-18	10-35	10-38	10-48
— Sakellaridis Fully Good Fair						
— Egyptian .. per lb	18-75	18-00	18-00	17-50	17-50	17-50
Yarns—32's twist .. per lb	19	18½	18	17½	17½	17½
— 40's twist .. per lb	18½	17½	17½	16½	17	17
— 60's twist (Egyptian) .. per lb	29	28½	28	27½	28	28
32-in. Printers, 118 yds, 16 by 16, 32's and 50's	30 6 29 6	29 6 28 6	28 6 28 6	29 6 29 6	29 6 29 6	29 6
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	29 6 29 6	28 6 28 6	28 6 28 6	29 6 29 6	29 6 29 6	29 6
32-in. ditto, 36 yds, 16 by 16, 10 lbs	18 3 18 3	17 9 17 9	17 9 18 3	18 3 18 3	18 3 18 3	18 3
32-in. ditto, 37½ yds, 16 by 15, 8½ lbs	17 0 16 9	16 3 16 3	16 3 16 9	17 0 17 0	17 0 17 0	17 0

ALEXANDERS DISCOUNT Co., Ltd.,

24, LOMBARD STREET, E.C.3.

Telephones: 1222 & 225 Avenue. Telegrams: "Alexanders, Thread-London."

CAPITAL SUBSCRIBED - £1,250,000. RESERVE FUND - £320,000
CAPITAL PAID UP - £800,000. RESERVE LIABILITY £500,000

Approved Mercantile Bills discounted. Money received on deposit at call and short notices at current market rates; for longer periods on specially agreed terms. The Company deals in British Treasury Bills of any maturity.

(II.) Compared with Previous Years.

	Price, May 18, 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American .. per lb	12-15	8-12	27-52	19-15	21-4	13-79
— Sakellaridis Fully Good Fair						
— Egyptian .. per lb	18-75	16-00	76-50	26-59	29-14	26-00
Yarns—32's twist .. per lb	19	18	59	32½	44½	17½
— 40's twist .. per lb	18½	16½	54½	32	44½	17½
— 60's twist (Egyptian) .. per lb	29	32	127	53	55	36½
32-in. Printers, 118 yds, 16 by 16, 32's and 50's	30 6 29 6	36 6	100 6 49 0	57 3	24 4½	24 4½
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	29 6 29 6	34 0	94 6 48 6	55 9	24 0	24 0
32-in. ditto, 36 yds, 16 by 16, 10 lbs	18 3 18 3	20 6	50 6 27 9	31 9	14 1½	14 1½
32-in. ditto, 37½ yds, 16 by 15, 8½ lbs	17 0 17 0	17 6	44 0 25 6	28 3	12 4½	12 4½

LIVERPOOL OFFICIAL QUOTATIONS—May 12, 1922.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.			Same Period 1920.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island ..	d	d	d	d	d	d	d	d	d	d	d	d
Florida do ..	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml
Georgia do ..	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml
American ..	Ord	G O L M	Mid	G O L M	Mid	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M
Brazilian ..	Mid	M F	Fr.	G	W	Gd.	Fr.	Gd.	M F	Fr.	Gd.	M F
Pernam ..	9-43	1168	1318	..	..	..	5-37	787	..	2365	3165	..
Parahyba, Rio Grande, &c.	9-43	1168	1318	..	..	..	5-37	787	..	2365	3165	..
Maceio, &c.	9-43	1168	1318	..	..	..	5-37	787	..	2365	3165	..
Mossoro, &c.	9-43	1168	1318	..	..	..	5-37	787	..	2365	3165	..
Ceara ..	9-43	1168	1318	..	..	..	5-37	787	..	2365	3165	..
Maranhão, &c.	9-43	1168	1318	..	..	..	5-37	787	..	2365	3165	..
São Paulo ..	10-43	1143	1293	..	..	..	..	..	..	..	..	..
Egyptian ..	Fr.	G. F.	Fr.	Gd.	Fr.	Gd.	Fr.	Gd.	Fr.	Gd.	Fr.	Gd.
Upper ..	1275	1350	1425	1500	1600	..	8-75	1175	..	nml	6900	..
Sakellaridis ..	1500	1700	1800	2025	2400	..	..	..	..	..	..	..
Brown ..	1325	1450	1575	1675	1850	..	8-50	1300	..	nml	7700	..
Peruvian ..	M F	Fr.	G. F.	Gd.	Fr.	Gd.	Fr.	Gd.	M F	Fr.	Gd.	M F
Rough ..	..	..	1225	1300	1450	..	..	1200	..	..	5000	..
Moderately Rough ..	..	..	1050	1200	1250	..	..	6-50	1030	..	3750	4500
Smooth ..	1118	1293	1393	1443	1543	5-87	8-87	1012	3415	3715	4265	..
Tanganyika ..	1143	1293	1418	1493	1693	..	..	..	..	..	..	..
Mitafi ..	..	1150	1350	1500	1600	..	..	..	..	..	..	..
West Indian, &c.	..	..	1050	1150	1250	..	..	..	..	..	..	..
Do ..	2300	2630	2830	3000	3000	..	2500	3100	..	3000	100	..
African, East, &c.	8-25	9-25	1100	1200	1300	5-75	7-75	9-75	3450	3850	5150	..
Do ..	..	..	1018	1068	1093	nml	..	..	..	..	..	..
Machine Ginned Surtee ..	..	..	1065	1105	1145	..	..	8-05	..	2310	..	..
Machine Ginned Broach ..	9-35	9-75	1015	1055	1095	6-80	7-05	7-55	2080	2110	2210	..
Machine Ginned Bhownagar ..	7-85	8-35	8-85	9-25	9-65	4-84	5-34	5-84	1694	1794	1954	..
Machine Ginned Oomra No. 1 ..	7-95	8-45	8-95	9-35	9-75	4-90	5-40	5-90	1700	1800	1960	..
Machine Ginned Oomra No. 2 ..	..	..	8-70	9-10	9-50	4-90	..	..	..	..	..	..
Machine Ginned Khandesh ..	9-35	9-85	10-35	10-85	11-35	4-15	4-65	5-15	1525	1625	1785	..
Machine Ginned Comptah ..	9-35	9-85	10-35	10-85	11-35	4-15	4-65	5-15	1525	1625	1785	..
Machine Ginned Bengal ..	8-85	9-35	9-85	10-35	10-85	3-30	3-80	4-30	1150	1250	1350	..
Machine Ginned Soinde ..	6-75	7-15	7-55	7-95	8-35	3-78	4-28	4-78	1130	1230	1330	..
Tinnivelly ..	1065	1105	1145	..	..	7-80	8-05	..	2260	2310	..	..
Madras, Western ..	8-40	8-80	9-20	9-70	..	6-45	6-80	..	1985	2035	..	..
Madras, Northern ..	..	..	9-45	..	..	..	..	..	..	..	..	..
M. G. Coconada, Red ..	Fr.	9-05	..	..	..	6-46	..	..	1810	..	..	..
China, Smyrna, &c.	..	..	..	..	..	..	..	..	..	..	..	..

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide market continues to gather strength in spite of tanners' efforts to get prices lower. Heavy ox made this week in Bermondsey from 8½d to 8½d, showing an advance of ½d per lb on last week's prices. Light at 6½d to 8½d were also ½d to ½d up. Cows were a shade weaker, as first class dropped to 6½d-6½d. Calf showed no change, and wool skins made from 3s to 8s 10d each, with lambs at 2s to 4s 2d each. The demand for overseas hides is better owing to stronger prices at port of origin. Bovril ox are reported sold at 8½s, c.i.f., and Liebig Colons at 9½d, c.i.f., and shipping weights. Dry hides are also in better request, and are firming up in sympathy with other sorts. The American position is cabled as firmer, with May best packer hides now offering at 14½ cents.

There is a decidedly better tone to the leather market; consumers, in view of the firm hide position, seem convinced there is no cheaper leather in sight, and are filling up requirements. Tanners have in some instances already advanced price lists, a policy which is open to question at a time when consumers seem to have recovered confidence. Manufacturers are buying bends at from 15d to 22d per lb., and repairers seem able to order fair at quantities of 10-14 lbs. Rough leather is rather slow of sale, as tanners have asked advances on split and dressing hides. Rough splits are wanted, and a fair trade is again springing up in belly grains.

Upper leathers are improving, and black and coloured chrome is now being inquired for. Suèdes and patent still command the chief attention for ladies' shoes.

The shoe trade is decidedly better, and the export returns for April show that 465,434 pairs were exported, as against 336,504 for January last. The strike at Chesham is settled, but we are in another at Leicester, where the women operatives to the number of 2,000 are out against a reduction of 2s per week, although this was agreed upon by the National Union and the Manufacturers' Federation some months ago. Already the trade has re-

ceived a severe check, as male operatives are unable to work in some cases owing to the shortage of closed uppers.

VEGETABLE OILS AND OILSEEDS.

Market conditions have been quiet, and in many directions an easier tendency has to be noted. In view of the small offerings, raw linseed oil on spot and in near positions continues steady, but very little actual business has been done and prices are somewhat lower at £43 10s spot and £43 for May delivery ex Hull mill. Forward positions have attracted some interest, and quotations are round £40 June-August and £37 10s September-December. A fair demand has been experienced for crude cotton oil at £42 ex Hull mill, and some trade has been done in common edible refined up to £48 10s. Soapmakers' grade of refined is rather firmer, and inclined dearer. Palm kernel oil in fair demand, but ground nut oil neglected. Crude soya bean oil 10s dearer for spot. Rape oil again firm, and quotations maintained for prompt delivery.

In the oilseed section there has been only a limited inquiry for Plate linseed, and although shippers, as a rule, have been firm in their attitude, values have a downward tendency. For shipment to Hull £20 10s has been paid. A fair trade has been done in Calcutta to London at £21 10s to £22, according to date of shipment, April, May, and May-June. Egyptian cottonseed is dull, recent sales of Sakellaridis being done at £12. For Brazilian white cottonseed for shipment to Liverpool £8 15s has been paid. Soya beans quiet, and shippers disinclined to meet buyers here.

The imports of oilseeds, nuts, and kernels in April, at 124,714 tons, were above the average, and compared with only 85,822 tons in April last year. For the four months, January-April, the imports aggregated 469,405 tons, against 397,019 tons in the corresponding period of last year, an increase of 91,630 tons. The larger total has been contributed to by greater arrivals of linseed (129,188 tons against 114,020 tons), and cottonseed (170,320 tons against 110,619 tons). Rape, castor, and soya are also above last year's figures, but nuts and kernels, at 120,512 tons, were nearly 20,000 tons behind a year ago, mainly under the heads of ground nuts and palm kernels. Exports of linseed oil in April were 7,610 tons, bringing this year's figure up to 25,295 tons, against 11,531 tons, between 80 and 90 per cent. being shipped on American account. The total of unrefined vegetable oils exported in the four months was 35,209 tons, against 20,242 tons, and of refined oil, principally cotton oil, 5,779 tons, against 7,978 tons.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, May 19.

With one or two exceptions the markets continued in a quiet state, as consumers show no disposition to depart from the hand-to-mouth policy followed for some considerable time past.

SUGAR.—Actual transactions were confined to a moderate limit, and prices are slightly easier on the week. Messrs Tate and Lyle's cubes sold, 52s 3d to 53s 3d; crushed, 50s; granulated, 48s to 48s 6d; caster, 50s to 50s 3d; pieces, 34s 6d to 36s 6d; fine white, 43s 3d; yellow crystals, 42s 6d; granulated, July-August and also September delivery, sold, 48s. Crystallised West India ruled quiet at 47s to 43s, according to sample. American granulated, spot, sold, 47s 3d to 47s; ditto May, steamer, 19s 10½d to 19s 9d; June, 20s 1½d to 20s; July, 20s 3d to 20s 1½d, c.f. and i. terms, London. White Brazilian, May-June, 18s 3d, c.f. and i. White Mauritius, spot, sold, 44s to 45s. Dutch and Czechoslovakian sugars remain quiet nominal. Belgian granulated, October-December, 18s 4½d, f.o.b., Antwerp. Cuban, basis 96 per cent., May, sold, 13s 3d; Brazilian, basis 80 per cent., ditto, 8s 6d, sellers, c.f. and i. terms U.K. Terminal market quiet. Small transactions in white include August at 20s 3d to 20s 1½d; and December, 19s 3d to 19s 4½d. Cuban stocks stand at 1,107,000 tons, against 1,249,200 tons same time last year. Liquid glucose, spot, sold, 26s. American syrup quiet, but steadily held. Good to fine grocery, 26s 6d to 28s per cwt.

COFFEE.—A quiet tone governed this market, but prices on balance show no material alteration. Bold sizes of East India sold, 116s 6d to 124s; Costa Rica, 120s to 128s. Future delivery market remains slow. December delivery changed hands at 60s 9d to 60s 4½d.

COCOA.—Market without new feature, general course of trade ruling quiet, with but little or no change in values. Butter quiet, at 1s 7½d per lb.

TEA.—About 37,000 packages Indian were submitted to auction this week, and prices in most cases ruled easier, but buyers showed more disposition to operate thereat, particularly with regard to the lower qualities. 24,800 packages Ceylon offered passed with a quiet tone, and buyers were favoured respecting any change in prices. Good qualities 1d to 1d per lb down, though a few fine sold at tolerably steady quotations. Java easier.

RICE.—Market steady, but general trade quiet. Rangoon two stars, old crop, on spot, now scarce and quoted, 14s 3d; new, 14s 9d; ditto, afloat, 14s 4d; May-June, 14s 6d. No. 3 cleaned Rangoon, May-June, to the Levant, quoted 15s 3d, c. and f., double bags. No. 1 garden Siam, June-July, 16s 9d; No. 1 Saigon ditto, 15s 9d, c. and f. terms, United Kingdom or Continent. Siam C.1, broken, May-June, 11s 6d; and C.3, ditto, 10s 9d. Rangoon bran quiet, and May-June quoted, 6s 7s 6d, ex ship terms. Beans steady quiet. Rangoon hand-picked, spot, 7s. Madagascar butter beans, spot, new crop, 18s 6d. Japanese peas, spot, 5s to 5s 2s; Dutch hand-picked, spot, 30s; screened, 25s.

SPICE.—Pepper market remains quiet, both with regard to spot and forward positions. Fair black Singapore, spot, sold, 34d; May-July, 34d. Aleppy, spot, quoted, 44d; Tellicherry, 44d; white Singapore, 7d; Muntok, spot, 74d; ditto, May-July, sold, 74d, and June-August, 78d. Zanzibar cloves, spot, 1s 3d; May-July, 1s 2d, and July-September, 1s. Pimento, spot, 24d. Flake tapioca, spot, sold, 2d to 24d per lb. Fair Penang seed pearl, spot, 19s 9d; small sago, spot, 24s to 25s; sago flour, April, sold, 16s 3d; May, 15s 12d to 14s 9d; May-July, 14s 9d to 14s 6d. Desiccated coconut: Spot parcels, sold, 42s 6d; afloat, 40s 6d; May-June, 40s, and June-July, 39s 6d. Ginger quiet, unaltered.

FRUIT.—A moderate demand continued for currants, and steadiness prevailed. Pyrgos, quoted 57s; Amalia, 60s to 61s; Patras, 61s to 63s, and Vostizza, 64s to 75s. Valencia raisins steady, quiet. Halves quoted 50s to 60s; quarters, 60s to 75s. Sultanias sold quietly on about former terms. Dates steady. Siar quoted 27s 6d.

JUTE.—This market hardened under reserved offers and fair buying orders. First grade, spot, Antwerp, sold, 30s to 32s; ditto April-May, Continent, 30s to 31s and 31s; May-June, 30s 15s to 31s 10s; June-July, 31s 15s to 32s 5s. Lightning grade, spot, Hamburg, 28s; ditto April-May, 27s 15s to 28s 5s; May-June, 28s 10s to 29s 5s; and June-July, 29s to 29s 15s. 10 oz Hessians B group, spot, London, sold, 33s to 34s; ordinary, 32s 6d to 33s 6d; May, 33s to 33s 6d; July-September, 34s to 36s 9d. 8 oz, spot, sold, 25s 3d; May-June, 25s 9d per 100 yards. A twills, spot, sold, 75s to 75s 6d; May-June, 76s 6d; B spot, sold, 68s; May-June, 67s; salts, spot, quoted 54s; sugars, afloat, sold, 81s 6d, and flours, on spot, 80s 6d. Hessians bags, 56 by 28, spot, sold, 53s per 100 bags.

HEMP.—Manila more reservedly offered this week, and tone steadier for the undergrades, and which continue to absorb all attention. Finer qualities are really nominal. G grade, May-July, sold, 32s 10s

to 34s 10s, and streaky threes, 32s 15s to 34s 10s. New Zealand dull. H.P.F., spot, quoted 30s, and fair, 29s. African Sisal, No. 1, G.E.A., May-July, 34s, and No. 1, B.E.A., ditto, 33s 15s. Indian towns about 2 per ton higher, with a fair trade doing.

SHELLAC market quiet, and easier. T.N., spot, 355s; May, 355s; and August sold, 345s to 340s and 342s 6d.

COPRA.—Market continued very quiet and generally featureless. F.M.S. Straits, March-May, Rotterdam, sold, 25s 5s to 25s; July-September, at 25s 2s 6d to 24s 17s 6d; F.M. ditto, May-July, March-May, 24s 2s 6d; Ceylon, ditto, to near Continent, at 26s 5s to 26s 2s 6d; Malabar ditto, quoted, 26s 12s 6d; Cebu ditto, 24s 10s; South Sea Islands, 24s 5s; ditto, to London, 23s 12s 6d; Java, 25s 2s 6d.

PALM KERNELS.—May-July, Liverpool, sold, 18s to 17s 10s. **MENTHOL.**—Spot, 23s; forward, 21s; Japanese peppermint oil, spot, 5s; forward, sold, 4s 7d; aniseed, spot, 2s 12d; forward, quoted, 2s 12d; slab camphor, spot, 3s 6d; ditto, forward, 3s 3d; crude, spot, 3s 1d; forward, 2s 11d lb. Japanese wax, spot, 9s 7d; forward, 7s 5s per cwt.

RUBBER.—Eased during the week on selling pressure, but closed steadily. Standard plantation crepe and sheet, spot and May delivery, sold, down to 74d, and later 74d; June, 74d to 74d; July-September, 8d to 84d; October-December, 84d to 84d. Fine hard Para, spot, 104d; soft fine, rod, and Caucho ball, 8d. To New York, standard sheet, European estate, June-July, sold, 8d; July-August, 84d, c.f. and i. terms.

OILS.—Linseed market irregular and easier, with less inquiry on American account. Spot, net, naked, 45s 6d; May, 44s; June-August, 41s; September-December, 38s. Rape firm. Crude, spot, 45s; refined, 48s. Cotton firm. Crude Egyptian, 43s; Bombay nominal; common edible, 49s. Chinawood, Hankow, spot (barrels), 68s 6d; and May-June, 64s. Coconut quiet. Ceylon, spot, 42s 6d; May-June, 39s; Ceylon, ditto, 42s. Soya steady. Oriental, barrels, ditto, 41s. Japan fish steady. May-June, cases, 22s. Cod steady. English, spot, 30s. Ground nuts steady. English crushed,

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Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.		INDIA RUBBER.—lb		PROVISIONS.—		SPICES.—Pepper, per lb	
COCA—Duty, British grown	50s	Aloes, fine E.I., p. cwt	150 8	Butter—per cwt.	nom	Singapore, fair White	0 7 8
50s—Foreign 42s. cwt. s. d.	50 8	Cape, good to fine, 20	27 6	Irish creamery, f.o.r.	nom	Black Singapore	0 3 8
Trinidad, per cwt.	52 8	Balsam Peru, per lb	8 3	Do factory, del.	nom	White Siam	0 8 7 8
Granada	52 8	Cayenne	1 6 0	Australian	150 166 0	Pimento	0 2 8
Ceylon, plantation	52 8	Camphor	1 6 0	Argentine	155 162 0	Cinnamon—1st sort.	1 1 0
Guayaquil	58 8	Japan, refined	3 6 4	New Zealand	160 176 0	Do 2nd	1 0 0
Bahia, finest	58 8	Cardamom, Ceylon	1 6 4	Dutch	155 162 0	Do 3rd	1 0 0
	60 8	Cardamom, China, per lb	1 6 4	Danish	155 162 0	Do 4th	1 0 0
COFFEE.—British grown		Castor-oil	85 0 95 8	Bacon, smd.—Irish	155 162 0	Chips	0 34 0
50s—Foreign 42s. cwt.	50 8	Gum Bala, smd. cwt	5 0 10 0	Canadian	155 162 0	Cassia lignea	0 34 0
Do to 1st fine	125 8	Oilbanna, drops	80 0 110 0	American	109 0 108 8	Cloves—Zanzibar	1 24 0
Do 2nd fine	115 8	Do to good	80 0 110 0	Hams—Irish	nom	Peanut	7 3 8
Do 3rd fine	105 8	Ipecacuanha	6 0 6 3	Canadian	140 0 146 0	Ginger—per cwt.	108 8 120 8
Do 4th fine	95 8	Jalap	30 0 100 0	Lard—Irish blades	72 0 81 0	Cochin, cut	108 8 120 8
Do 5th fine	85 8	Musk pod, China	30 0 100 0	American boxes, 56lb	68 6 69 6	Do small rough	57 6 0
Do 6th fine	75 8	Oil, Cassia	20 0 100 0	Pork—per 8 lb	9 0 9 4	Do washed	60 0 0
Do 7th fine	65 8	Aniseed	20 0 100 0	Beef—Frozen, per 8 lb	1 10 4	Japan	45 0 0
Do 8th fine	55 8	Peppermint, H.G.H.	45 0 0	Scotch	6 10 0	Jamaica, small	170 0 230 0
Do 9th fine	45 8	Do to 1st fine	45 0 0	Cheese—Cwt—Canadian	74 0 94 0	Mace	1 6 1 6
Do 10th fine	35 8	Do to 2nd fine	35 0 0	New Zealand	72 0 94 0	Nutmeg, good to fine	1 1 1 6
Do 11th fine	25 8	Do to 3rd fine	25 0 0	Eng, Cheddar	nom	Small to medium	0 8 0 8
Do 12th fine	15 8	Do to 4th fine	15 0 0	Dutch	45 0 33 0	Chillies—per cwt	165 0 0
Do 13th fine	5 8	Do to 5th fine	5 0 0	Eggs, pr 12—English	13 0 14 0	TALLOW—per cwt.	43 0 0
Do 14th fine	0 8	Do to 6th fine	0 0 0	Irish	12 0 13 0	Good mutton	38 0 0
Do 15th fine	0 8	Do to 7th fine	0 0 0	FLLOUR—per lb	0 0 0	Beef	38 0 0
Do 16th fine	0 8	Do to 8th fine	0 0 0	Eng, straight cut mill	49 0 0	TAPOCA—per lb	24 0 0
Do 17th fine	0 8	Do to 9th fine	0 0 0	RIOR—per cwt. c.f.	0 0 0	E. I. Flake, fair spot	24 0 0
Do 18th fine	0 8	Do to 10th fine	0 0 0	Rangoon No. 2	14 6 0 0	Pearl	19 0 27 0
Do 19th fine	0 8	Do to 11th fine	0 0 0	Broken la	12 0 0	TEA—duty 10d, British,	0 0 0
Do 20th fine	0 8	Do to 12th fine	0 0 0	ROBIN—per ton	20 13 0	foreign la per lb	0 0 0
Do 21st fine	0 8	Do to 13th fine	0 0 0	American	13 15 0 20 13 0	Indian and Ceylon	0 0 0
Do 22nd fine	0 8	Do to 14th fine	0 0 0	French	13 15 0 17 18 0	Pekoe	0 11 4
Do 23rd fine	0 8	Do to 15th fine	0 0 0	SAGO—Pearl, per cwt	25 0 30 0	Orange Pekoe	0 11 4
Do 24th fine	0 8	Do to 16th fine	0 0 0	SHELLAC—per cwt	23 0 0	Broken Orange	1 0 1 8
Do 25th fine	0 8	Do to 17th fine	0 0 0	Orange, first marks	420 0 460 0	Pekoe Bouchong	0 11 4
Do 26th fine	0 8	Do to 18th fine	0 0 0	Second, fair to fine	400 0 460 0	TIMBER—Timber & Haws	0 0 0
Do 27th fine	0 8	Do to 19th fine	0 0 0	TN Orange	357 6 362 6	E. I. Teak (load)	15 0 0
Do 28th fine	0 8	Do to 20th fine	0 0 0	Garret, Lac, AG	323 0 0	Kauri Pine cubic ft.	15 0 0
Do 29th fine	0 8	Do to 21st fine	0 0 0	Blocky	none available	Batinwood super	1 5 0 0
Do 30th fine	0 8	Do to 22nd fine	0 0 0	Button—Pine	none available	Oedar cubic	0 6 0 0
Do 31st fine	0 8	Do to 23rd fine	0 0 0	Blocky (TN)	none available	Japanese Oak sup.	0 6 0 0
Do 32nd fine	0 8	Do to 24th fine	0 0 0	SILK—per lb	0 0 0	American Ash	0 6 0 0
Do 33rd fine	0 8	Do to 25th fine	0 0 0	China—Blue Elephant	25 0 0	TOBACCO—	0 0 0
Do 34th fine	0 8	Do to 26th fine	0 0 0	Best, pale	35 0 0	Duty 8/2—104d per lb	0 0 0
Do 35th fine	0 8	Do to 27th fine	0 0 0	Seed, Indian	34 0 0	Virginia leaf	1 4 0 0
Do 36th fine	0 8	Do to 28th fine	0 0 0	Re-seed	0 0 0	Common to fine	1 4 0 0
Do 37th fine	0 8	Do to 29th fine	0 0 0	Japan	32 0 34 0	Strips	1 4 0 0
Do 38th fine	0 8	Do to 30th fine	0 0 0	Yell—Raw, Milan	38 0 0	Kentucky leaf	1 4 0 0
Do 39th fine	0 8	Do to 31st fine	0 0 0	SHRILS—M.-F. per cwt	15 0 0	Common to fine	1 4 0 0
Do 40th fine	0 8	Do to 32nd fine	0 0 0	Macassar	15 0 0 0 0 0	Strips	1 4 0 0
Do 41st fine	0 8	Do to 33rd fine	0 0 0	Sydney	9 10 0 12 10 0	China	1 4 0 0
Do 42nd fine	0 8	Do to 34th fine	0 0 0	W. Australian	9 10 0 14 0 0	Borneo	1 4 0 0
Do 43rd fine	0 8	Do to 35th fine	0 0 0	Bombay	5 10 0 6 10 0	Seedling	1 4 0 0
Do 44th fine	0 8	Do to 36th fine	0 0 0	SUGAR—per cwt	25 0 0	Havanna	1 4 0 0
Do 45th fine	0 8	Do to 37th fine	0 0 0	per cent. polarisation	32 6 36 6	Cigars, duty 15/7 per lb	0 0 0
Do 46th fine	0 8	Do to 38th fine	0 0 0	B.W. L., muscovado	32 6 36 6	TURPENTINE, p. cwt	76 0 0
Do 47th fine	0 8	Do to 39th fine	0 0 0	Crystallised	41 0 43 0	WOOL—per lb.	0 0 0
Do 48th fine	0 8	Do to 40th fine	0 0 0	Java, spot	nom	English, 100% clean, wadd.	24 0 0
Do 49th fine	0 8	Do to 41st fine	0 0 0	Refined—London	nom	Crushed, Lincoln hog	24 0 0
Do 50th fine	0 8	Do to 42nd fine	0 0 0	Yellow Crystals	42 6 0 0	Quarreland, red sup. comb.	24 0 0
Do 51st fine	0 8	Do to 43rd fine	0 0 0	Orange	42 6 0 0	N. S. W. greasy, super	24 0 0
Do 52nd fine	0 8	Do to 44th fine	0 0 0	Crushed	48 0 48 6	N. Z., grey, hilt-brd 50/4	24 0 0
Do 53rd fine	0 8	Do to 45th fine	0 0 0	Grassland	48 0 48 6	crushed	40 4 4
Do 54th fine	0 8	Do to 46th fine	0 0 0	Crystals, No. 3	48 0 0 0		
Do 55th fine	0 8	Do to 47th fine	0 0 0	Crystals, No. 4	48 0 0 0		
Do 56th fine	0 8	Do to 48th fine	0 0 0	Crystals, No. 5	48 0 0 0		
Do 57th fine	0 8	Do to 49th fine	0 0 0	Crystals, No. 6	48 0 0 0		
Do 58th fine	0 8	Do to 50th fine	0 0 0	Crystals, No. 7	48 0 0 0		
Do 59th fine	0 8	Do to 51st fine	0 0 0	Crystals, No. 8	48 0 0 0		
Do 60th fine	0 8	Do to 52nd fine	0 0 0	Crystals, No. 9	48 0 0 0		
Do 61st fine	0 8	Do to 53rd fine	0 0 0	Crystals, No. 10	48 0 0 0		
Do 62nd fine	0 8	Do to 54th fine	0 0 0	Crystals, No. 11	48 0 0 0		
Do 63rd fine	0 8	Do to 55th fine	0 0 0	Crystals, No. 12	48 0 0 0		
Do 64th fine	0 8	Do to 56th fine	0 0 0	Crystals, No. 13	48 0 0 0		
Do 65th fine	0 8	Do to 57th fine	0 0 0	Crystals, No. 14	48 0 0 0		
Do 66th fine	0 8	Do to 58th fine	0 0 0	Crystals, No. 15	48 0 0 0		
Do 67th fine	0 8	Do to 59th fine	0 0 0	Crystals, No. 16	48 0 0 0		
Do 68th fine	0 8	Do to 60th fine	0 0 0	Crystals, No. 17	48 0 0 0		
Do 69th fine	0 8	Do to 61st fine	0 0 0	Crystals, No. 18	48 0 0 0		
Do 70th fine	0 8	Do to 62nd fine	0 0 0	Crystals, No. 19	48 0 0 0		
Do 71st fine	0 8	Do to 63rd fine	0 0 0	Crystals, No. 20	48 0 0 0		
Do 72nd fine	0 8	Do to 64th fine	0 0 0	Crystals, No. 21	48 0 0 0		
Do 73rd fine	0 8	Do to 65th fine	0 0 0	Crystals, No. 22	48 0 0 0		
Do 74th fine	0 8	Do to 66th fine	0 0 0	Crystals, No. 23	48 0 0 0		
Do 75th fine	0 8	Do to 67th fine	0 0 0	Crystals, No. 24	48 0 0 0		
Do 76th fine	0 8	Do to 68th fine	0 0 0	Crystals, No. 25	48 0 0 0		
Do 77th fine	0 8	Do to 69th fine	0 0 0	Crystals, No. 26	48 0 0 0		
Do 78th fine	0 8	Do to 70th fine	0 0 0	Crystals, No. 27	48 0 0 0		
Do 79th fine	0 8	Do to 71st fine	0 0 0	Crystals, No. 28	48 0 0 0		
Do 80th fine	0 8	Do to 72nd fine	0 0 0	Crystals, No. 29	48 0 0 0		
Do 81st fine	0 8	Do to 73rd fine	0 0 0	Crystals, No. 30	48 0 0 0		
Do 82nd fine	0 8	Do to 74th fine	0 0 0	Crystals, No. 31	48 0 0 0		
Do 83rd fine	0 8	Do to 75th fine	0 0 0	Crystals, No. 32	48 0 0 0		
Do 84th fine	0 8	Do to 76th fine	0 0 0	Crystals, No. 33	48 0 0 0		
Do 85th fine	0 8	Do to 77th fine	0 0 0	Crystals, No. 34	48 0 0 0		
Do 86th fine	0 8	Do to 78th fine	0 0 0	Crystals, No. 35	48 0 0 0		
Do 87th fine	0 8	Do to 79th fine	0 0 0	Crystals, No. 36	48 0 0 0		
Do 88th fine	0 8	Do to 80th fine	0 0 0	Crystals, No. 37	48 0 0 0		
Do 89th fine	0 8	Do to 81st fine	0 0 0	Crystals, No. 38	48 0 0 0		
Do 90th fine	0 8	Do to 82nd fine	0 0 0	Crystals, No. 39	48 0 0 0		
Do 91st fine	0 8	Do to 83rd fine	0 0 0	Crystals, No. 40	48 0 0 0		
Do 92nd fine	0 8	Do to 84th fine	0 0 0	Crystals, No. 41	48 0 0 0		
Do 93rd fine	0 8	Do to 85th fine	0 0 0	Crystals, No. 42	48 0 0 0		
Do 94th fine	0 8	Do to 86th fine	0 0 0	Crystals, No. 43	48 0 0 0		
Do 95th fine	0 8	Do to 87th fine	0 0 0	Crystals, No. 44	48 0 0 0		
Do 96th fine	0 8	Do to 88th fine	0 0 0	Crystals, No. 45	48 0 0 0		
Do 97th fine	0 8	Do to 89th fine	0 0 0	Crystals, No. 46	48 0 0 0		
Do 98th fine	0 8	Do to 90th fine	0 0 0	Crystals, No. 47	48 0 0 0		
Do 99th fine	0 8	Do to 91st fine	0 0 0	Crystals, No. 48	48 0 0 0		
Do 100th fine	0 8	Do to 92nd fine	0 0 0	Crystals, No. 49	48 0 0 0		
Do 101st fine	0 8	Do to 93rd fine	0 0 0	Crystals, No. 50	48 0 0 0		
Do 102nd fine	0 8	Do to 94th fine	0 0 0	Crystals, No. 51	48 0 0 0		
Do 103rd fine	0 8	Do to 95th fine	0 0 0	Crystals, No. 52	48 0 0 0		
Do 104th fine	0 8	Do to 96th fine	0 0 0	Crystals, No. 53	48 0 0 0		
Do 105th fine	0 8	Do to 97th fine	0 0 0	Crystals, No. 54	48 0 0 0		
Do 106th fine	0 8	Do to 98th fine	0 0 0	Crystals, No. 55	48 0 0 0		
Do 107th fine	0 8	Do to 99th fine	0 0 0	Crystals, No. 56	48 0 0 0		
Do 108th fine	0 8	Do to 100th fine	0 0 0	Crystals, No. 57	48 0 0 0		
Do 109th fine	0 8	Do to 101st fine	0 0 0	Crystals, No. 58	48 0 0 0		
Do 110th fine	0 8	Do to 102nd fine	0 0 0	Crystals, No. 59	48 0 0 0		
Do 111th fine	0 8	Do to 103rd fine	0 0 0	Crystals, No. 60	48 0 0 0		
Do 112th fine	0 8	Do to 104th fine	0 0 0	Crystals, No. 61	48 0 0 0		
Do 113th fine	0 8	Do to 105th fine	0 0 0	Crystals, No. 62	48 0 0 0		
Do 114th fine	0 8	Do to 106th fine	0 0 0	Crystals, No. 63	48 0 0 0		
Do 115th fine	0 8	Do to 107th fine	0 0 0	Crystals, No. 64	48 0 0 0		
Do 116th fine	0 8	Do to 108th fine	0 0 0	Crystals, No. 65	48 0 0 0		
Do 117th fine	0 8	Do to 109th fine	0 0 0	Crystals, No. 66	48 0 0 0		
Do 118th fine	0 8	Do to 110th fine	0 0 0	Crystals, No. 67	48 0 0 0		
Do 119th fine	0 8	Do to 111th fine	0 0 0	Crystals, No. 68	48 0 0 0		
Do 120th fine	0 8	Do to 112th fine	0 0 0	Crystals, No. 69	48 0 0 0		
Do 121st fine	0 8	Do to 113th fine	0 0 0	Crystals, No. 70	48 0 0 0		
Do 122nd fine	0 8	Do to 114th fine	0 0 0	Crystals, No. 71	48 0 0 0		
Do 123rd fine	0 8	Do to 115th fine	0 0 0	Crystals, No. 72	48 0 0 0		
Do 124th fine	0 8	Do to 116th fine	0 0 0	Crystals, No. 73	48 0 0 0		
Do 125th fine	0 8	Do to 117th fine	0 0 0	Crystals, No. 74	48 0 0 0		
Do 126th fine	0 8	Do to 118th fine	0 0 0	Crystals, No. 75	48 0 0 0		
Do 127th fine	0 8	Do to 119th fine	0 0 0	Crystals, No. 76	48 0 0 0		
Do 128th fine	0 8	Do to 120th fine	0 0 0	Crystals, No. 77	48 0 0 0		
Do 129th fine	0 8	Do to 121st fine	0 0 0	Crystals, No. 78	48 0 0 0		
Do 130th fine	0 8	Do to 122nd fine	0 0 0	Crystals, No. 79	48 0 0 0		
Do 131st fine	0 8	Do to 123rd fine	0 0 0	Crystals, No. 80	48 0 0 0		
Do 132nd fine	0 8	Do to 124th fine	0 0 0	Crystals, No. 81	48 0 0 0		
Do 133rd fine	0 8	Do to 125th fine	0 0 0	Crystals, No. 82	48 0 0 0		
Do 134th fine	0 8	Do to 126th fine	0 0 0	Crystals, No. 83	48 0 0 0		
Do 135th fine	0 8	Do to 127th fine	0 0 0	Crystals, No. 84	48 0 0 0		
Do 136th fine	0 8	Do to 128th fine	0 0 0	Crystals, No. 85	48 0 0 0		
Do 137th fine	0 8	Do to 129th fine	0 0 0	Crystals, No. 86	48 0 0 0		
Do 138th fine	0 8	Do to 130th fine	0 0 0	Crystals, No. 87	48 0 0 0		
Do 139th fine	0 8	Do to 131st fine	0 0				

Banks, &c.

THE ROYAL BANK OF CANADA

Established 1869.
Paid-up Capital and Reserve ... \$46,500,000
Total Resources ... \$471,000,000

Head Office: MONTREAL.
SIR HERBERT S. HOLT, President.
M. L. PEARSE, Vice-President & Managing Director.
O. E. NEILL, General Manager.

LONDON OFFICE:

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T. L. WHITLEY, Manager. J. MACKIE, Joint Manager.
300 Branches in Canada and Newfoundland; Cuba, Porto Rico, Dominican Republic, Haiti, Costa Rica, Venezuela and Colombia; British West Indies, French West Indies; British Honduras, British Guiana, Buenos Aires, Argentina; Montevideo, Uruguay; Rio de Janeiro, Santos and Sao Paulo, Brazil, Spain, Barcelona, New York Agency, 68, William Street.

FRENCH AUXILIARY:
THE ROYAL BANK OF CANADA (FRANCE),
PARIS, 28 Rue du Quatre-Septembre.

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(Guaranteed by the Australian Government.)

Sir DENISON MILLER, K.C.M.G., Governor.
JAMES KELL, Deputy-Governor.

Branches and Agencies throughout Australasia.

Banking and Exchange Business of every description transacted. Bankers to the Government of the Commonwealth of Australia, the Government of the State of Queensland, the Government of the State of South Australia, the Government of the State of Tasmania.

1,120 Savings Bank Branches and Agencies at Post Offices in Australia. At 31st December, 1921:
Savings Bank Balances ... \$37,278,788
General Bank Balances ... 26,558,622
Note Issue Department ... 55,848,374
Other Items ... 8,787,134
Total ... \$128,472,918

London Office: 36-41 NEW BROAD ST., E.C.4.
G. A. B. CAMPION, London Manager.
Also at Australia House, Strand, W.C.

HONG KONG AND SHANGHAI BANKING CORPORATION.

CAPITAL ALL PAID UP ... \$20,000,000
RESERVE FUND ... \$20,000,000
RESERVE RESERVE held in London ... \$4,500,000
RESERVE LIABILITY OF PROPRIETORS \$20,000,000

Head Office: HONG KONG.
Chief Manager—Hon. Mr. A. G. STEPHEN.

BRANCHES AND AGENCIES:
Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo, Colombo, Dairen (Dai), Foochow, Haiphong, Hankow, Harbin, Hongkong (Shanghai), Ipoh, Johore, Kobe (Hiogo), Kuala Lumpur, London, Lyons, Malacca, Manila, Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San Francisco, Shanghai, Singapore, Sourabaya, Sumatra, Tientsin, Tientsin, Vladivostok, Yokohama.

COMMITTEE IN LONDON:
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Hon. Cecil Baring, C. A. Campbell.
David Landale, Sir George Sutherland.
A. M. Townsend, C. F. Whigham.

MANAGERS IN LONDON: H. D. C. JONES.
Sub-Manager, John MacLennan.
Accountant, A. Moncur.
GRACECHURCH STREET, LONDON, E.C.3.

THE YOKOHAMA SPECIE BANK, LTD.

(Registered in Japan.)
Established 1880.
Capital Subscribed & Fully Paid ... Yen 100,000,000
Reserve Fund ... 61,000,000
Head Office: YOKOHAMA.

Branches at—
Batavia, Bombay, Buenos Ayres, Calcutta, Chang-ohun, Dairen (Dai), Fenchow (Mukden), Hankow, Harbin, Hongkong, Kobe, Kailash, Kobe, London, Los Angeles, Lyons, Manila, Nagasaki, Nagoya, Newchwang, New York, Osaka, Peking, Rangoon, Rio de Janeiro, Saigon, San Francisco, Seattle, Shanghai, Shinonaka, Singapore, Sourabaya, Sydney, Tientsin, Tokyo, Tientsin, Tientsin, Vladivostok.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.
Deposits received for fixed periods at rates to be obtained on application.

London Office: 7 Bishopsgate, E.C.2.
T. OKUBO, Manager.

BANCO DE CHILE.

London Agency—
24 GRACECHURCH STREET, E.C.4.
Chilean Dollars.
Paid-up Capital ... \$10,000,000
Reserve Fund ... 10,000,000
Reserve Liability of Shareholders ... 10,000,000
Reserve Fund in Gold of 100—\$1,000,000 13,333,333

Head Office: Santiago and Valparaiso.
Branches in all parts of Chile.
The London Agency transacts every class of Banking business with Chile. Current accounts also opened and deposits received.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

Incorporated by Royal Charter and Act of Parliament.

ESTABLISHED 1825.

Capital Subscribed, \$5,000,000. Paid-up, \$1,100,000. Uncalled, \$3,900,000.

RESERVE FUND ... \$1,100,000.

HEAD OFFICE—EDINBURGH.

WILLIAM CARNEGIE, General Manager. GEORGE A. HUNTER, Secretary.

LONDON OFFICE—27 Nicholas Lane, Lombard Street, E.C.4.

T. C. RIDDELL, Manager. DUGALD SMITH, Assistant Manager.

Every description of Banking Business transacted.

There is a specially equipped Foreign Department at the principal Glasgow Office.

THE ANGLO-EGYPTIAN BANK LTD.

SUBSCRIBED CAPITAL, \$1,500,000

PAID-UP ... \$600,000 (RESERVE FUND \$750,000)

BRANCHES—EGYPT: Alexandria, Cairo, Port Said, Suez, Tantah, Zagazig, Mansourah, Assiut, Beni-Suef. SUDAN: Omdurman, Khartoum, Port Sudan. PALESTINE: Haifa, Jaffa, Jerusalem, Ramallah, Nazareth. MEDITERRANEAN: Malta, Gibraltar.

The Bank transacts every description of Banking business in Egypt, grants Letters of Credit, and affords facilities to travellers proceeding to Egypt and elsewhere.

Deposits received for fixed periods at rates to be obtained on application. Interest payable February 28th and August 1st.

On current accounts interest at the rate of 3 per cent. per annum allowed on minimum monthly balances, provided they do not fall below the sum of \$200.

No. 37 Clement's Lane, Lombard Street, E.C.4.

BANQUE FRANÇAISE POUR LE COMMERCE ET L'INDUSTRIE, 17, rue Scribe, PARIS.

Established 1861.

Capital ... Fr. 100,000,000 fully paid
Reserve Funds ... Fr. 12,350,000
Deposits (31st July, 1921) Fr. 414,000,000

Transacts General Banking Business.

Correspondents in England:
LONDON JOINT CITY & MIDLAND BANK, LTD.
Head Office and Branches.

For Conditions and Particulars application can be made to the London Representative, 7, Lothbury, E.C.2.

BANK OF NEW SOUTH WALES

Established 1817.

LONDON OFFICE—29 Threadneedle Street, E.C.3.
Paid-up Capital ... \$5,000,000
Reserve Fund ... 8,500,000
Reserve Liability of Proprietors ... 5,000,000

Aggregate Assets, 30th Sept. 1921 ... \$71,665,852 0 5
The London Office issues drafts on demand on its Head Office (Sydney, N.S.W.) and Branches in all the Australian States, New Zealand, Fiji, and Papua. Makes Mail and Cable Transfers, Negotiates and Collects Bills of Exchange, Arranges Wool and other Produce Credits. Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australasian Banking Business.

H. MELDRUM, Acting Manager.

Ernesto TORNIQUIST & Co.

Limited, BUENOS AIRES.

Established 1890.

Oldest Business Establishments in the River Plate.
Fully Paid Up Capital, Reserves and Surplus \$15,701,258.16 Gold equal to \$3,115,329 Sterling.

GENERAL FINANCIAL, BANKING AND COMMERCIAL BUSINESS.
ADMINISTRATION OF REAL AND PERSONAL PROPERTY.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)
Authorized Capital ... \$2,000,000
Subscribed Capital ... 625,000

Paid-up Capital ... \$625,000
Reserve Fund ... 650,000

Reserve Liability of Shareholders ... \$1,275,000
Total ... \$1,900,000

Head Office: ADELAIDE, SOUTH AUSTRALIA.

Sydney Office: 105, PITT STREET.
Melbourne Office: 267, COLLINS STREET.

Bills on Australasia purchased or collected.
Drafts issued and Remittances cable.
Deposits received for fixed periods at rates to be ascertained on application.

LONDON OFFICE—11 LEADENHALL ST., E.C.3.
PERCY ARNOLD, O.B.E., Manager.

CRÉDIT SUISSE

Established 1856.

Capital and Reserves ... France 130,000,000

Head Office: ZURICH, SWITZERLAND.

Branches: Bern, Fribourg, Geneva, Lausanne, Neuchâtel, St. Gall.
General Banking Business.

THE TATA INDUSTRIAL BANK, LTD.

Incorporated in British India.

Subscribed Capital ... Rs. 7,55,72,525
Paid-up Capital & Reserves ... Rs. 2,44,74,608
Reserve Liability of Shareholders ... Rs. 3,31,11,487

HEAD OFFICE: BOMBAY.

BRANCHES: Calcutta, Cawnpore, Delhi, Hyderabad (Deccan), Lucknow, Madras, Rangoon, etc.

Every facility offered for GENERAL, INDUSTRIAL, and EXCHANGE BANKING WITH INDIA.

Bills on India Negotiated. Deposits Received.

For Terms, apply:—

LONDON OFFICE: 9 Bishopsgate, E.C.2.

NETHERLANDS TRADING SOCIETY.

(Nederlandsche Handel-Maatschappij).

Established by Royal Charter A.D. 1824.

CAPITAL PAID UP ... F. 80,000,000—

(£8,666,666)

STATUTORY RESERVE ... F. 18,979,250—

(£1,881,609)

EXTRAORDINARY RESERVE ... F. 22,680,000—

(£1,888,383)

Head Office: AMSTERDAM.

Branches: ROTTERDAM, THE HAGUE.

Branches in SINGAPORE, PENANG, RANGOON, CALCUTTA, BOMBAY, HONGKONG, SHANGHAI, KOBE, and all principal ports in the NETHERLANDS INDIES.

LONDON CORRESPONDENTS: The National Provincial and Union Bank of England, Ltd.

SPECIAL FACILITIES FOR FINANCING SHIPMENTS TO THE FAR EAST.

BRITISH BANK FOR FOREIGN TRADE, Ltd.

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AGENCIES in all Parts of the World.

COUPONS AND DRAWN BONDS COLLECTED.

DEPOSITS RECEIVED.

GENERAL BANKING BUSINESS TRANSACTIONS.

All Communications to be addressed to "THE MANAGER."

UNION BANK OF CANADA.

Incorporated 1865. Head Office: WINNIPEG.

Paid-Up Capital (30th Nov., 1921) ... \$5,000,000

Rest and Undivided Profits (ditto) ... 90,794,900

TOTAL ASSETS (ditto) ... \$1,185,695,350

The Bank has over 200 Branches in America, and Agents in the Principal Cities in America.

DEPOSITS RECEIVED at favourable rates, which may be ascertained on application to London Offices: 6 PRINCES STREET, E.C.3.

25 HAYMARKET, S.W.1.

New York Agency: 40 WALL STREET

The Economist, WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCIV

SATURDAY, MAY 27, 1922

No. 4,109.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2

ASSETS EXCEED £25,000,000.

The Hon. N. CHARLES ROTHSCHILD, President

The operations of the Company embrace all branches of Insurance

Full information respecting

ESTATE DUTY

and

CHILDREN'S EDUCATIONAL

POLICIES

issued by the Company may

be obtained on application to

the Head Office as above or to

any of the Offices or Agencies

of the Company.

O. MORGAN OWEN, General Manager.

Centralbanken for Norge

Christiania, Norway,

transacts all kinds of banking business.

and all Norwegian places of any importance.

CAPITAL AND SURPLUS

1 Jan., 1920... Kr. 69,000,000

CREDITO ITALIANO.

Capital Fully Paid ... Lire 500,000,000

Reserve ... Lire 90,000,000

Deposits and Current Accounts at 31st Dec-
ember, 1921 ... Lire 4,419,768,340

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES THROUGHOUT ITALY.

London Branch: 22 ABCHURCH LANE, E.C.4.

Managers: D. A. HORNER.

F. N. SCHILLER.

Transacts a general Foreign Banking Business, having

correspondents in all Countries, and is specially pre-

pared to grant facilities for the development of trade

between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.

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TABLE OF CONTENTS.

The Money Market	1095	Letters to the Editor—	
Leading Articles—		Chinese Tariffs and British	
After Genoa	1097	Trade	1113
Central Banks	1098	Stock Exchange News—	
American Shipping Policy	1099	The Stock Markets	1116
The Demand for Lower		New Issues	1116
Railway Rates	1100	Active Securities	1118
The Timber Trade	1102	Company Meetings	1119
The Budgets of Europe ..	1103	Government Returns—	
The Royal Mail	1104	Currency Notes Account ..	1124
Notes of the Week—		Treasury Bills by Public	
Public Trustee's Report ..	1105	Tender	1124
The Carry-Over	1105	Public Income & Expendi-	
Service Personnel and		ture	1124
Government Staffs	1105	Bankers' Gazette—	
Poland's Textile Industry		Bank of England	1125
Coal in South Africa	1106	Clearing Returns	1125
Value of English Corn		Overseas Bank Returns ..	1127
Crops	1106	Loan and Discount Rates ..	1127
New Workmen's Compensa-		Rates of Exchange	1127
tion Proposals	1106	Overseas Bank Rates	1128
Salvador External Debt ..	1106	Indian Treasury Bills	1128
Guardian Assurance Co. ...	1107	Bullion	1128
British Oil and Cake Mills		Imports & Exports of Gold	
Two Rhodesian Reports ..	1107	Gold and Silver Prices ...	1129
Tanganyika Concessions		Company News—	
and Zambesi Exploring		Dividend Announcements ..	1118
Cotton Mill Shares	1107	Railway and Tramway	
Japanese Trade & Finance		Traffic	1130
Overseas Correspondence—		Analysis of Balance-Sheets	
United States	1109	Mining Outputs	1131
France	1110	Reports and Notices	1131
Germany	1111	Profit and Loss Accounts ..	1132
Holland	1112	Commercial Reports—	
Czechoslovakia	1112	Corn Trade	1132
Poland	1113	Iron and Coal Trade	1133
Books and Publications—		Vegetable Oil and Oilseeds	
The Food Campaign of		Cotton Trade	1134
1916-1918	1114	Wool Trade	1135
Openings for British Trade		Hide and Leather Trades ..	1135
For the Unemployed	1115	Overseas Produce Markets	
Art in Economics	1115	Price Current	1136
Books Received	1115		

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Loaf court, Leadenhall street; Pottle and Son, 15 Cullum street;

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street (Room 1,709).

THE MONEY MARKET.

A DISTINCT decrease in the supply of money in the early part of the week was explained when the official accounts were published, showing that owing to heavy sales of Treasury bills and excess of revenue over expenditure, the Treasury had been able to repay all the Ways and Means advances from the Bank of England. On Thursday morning money was decidedly scarce, and the rate for day-to-day advances ranged up to 2½ per cent., but the supply soon became more plentiful, owing either to disbursements

by the Government, or to arrangements made with a view to easing the market and stimulating its appetite for Treasury bills. The three months' rate for commercial bills was quoted in some quarters at $2\frac{1}{8}$ per cent., but $2\frac{3}{8}$ per cent. was a practicable rate, especially after the announcement yesterday of the Treasury Bill allotments.

	May 26, 1922.	May 19, 1922.	May 12, 1922.	May 5, 1922.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	$4\frac{1}{4}$ (Apr. 13, '22)
Banks Deposit Rate	2	2	2	2	$2\frac{1}{4}$ (Apr. 13, '22)
Discount & Call	2	2	2	2	$2\frac{1}{4}$ (Apr. 13, '22)
Houses & Notices	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$ (Apr. 13, '22)
Market rate (3 mths' bills) ..	$2\frac{3}{8}$	$2\frac{3}{8}$	$2\frac{3}{8}$	$2\frac{3}{8}$	$2\frac{3}{8}$

The Bank return showed a decrease of £181,000 in the note circulation, and an increase in the Reserve of £182,000, there being also a minute addition to the stock of gold. Government securities had declined by $6\frac{1}{2}$ millions, and the Public deposits had risen by $5\frac{1}{2}$ millions. Other deposits thus being 12 millions lower. There was a further reduction of £1,873,400 to £296,920,000 in currency notes outstanding in the return dated May 25th, which includes £1,621,000 for notes called in but not yet cancelled. The fiduciary issue is £247,349,000, or £62,639,400 below the maximum.

THE STOCK MARKETS.

No considerable increase in business has so far resulted from the reversion in most markets to the pre-war system of dealing, and the lengthening of the daily session. War Loan and Conversion Loan have improved. While French Government and Railway stocks remain weak, Germans have improved. The Home Railway market has again been the strongest section of the House, North-Easterns, North-Westerns, and Midlands scoring conspicuous advances. The continuance of the engineering dispute kept iron, steel, and engineering shares inert; but a fair number of rises were recorded in the brewery market, while among textiles, Courtauld's enjoyed a further spurt. Rubber shares remain heavy on the weakness of the raw material, while sporadic activity in the oil market did not spread to affect leading shares. Kafirs are a little better, now that the ex-enemy blocks of shares have been finally disposed of by the Custodian.

COMMODITY MARKETS.

Fully middling American raw cotton is a trifle easier this week at 12.04d per lb, and there has been rather less activity in the market. In the cloth section, however, there has been an increased demand for China, and a fairly good trade has been done with India. At the Liverpool wool sale prices were well maintained. Business in Bradford is good, some firms being so fully booked up that they are declining new orders. In the pig-iron market conditions are dull, few transactions being done; no change is to be recorded in the demand for manufactured iron and steel. Conditions are rather easier in the coal market, best Admiralty being quoted at 28s to 28s 3d per ton. Wheat quotations show a decline of from 6d to 9d per quarter on account of American market weakness. Values in vegetable oils and oilseeds show a downward trend. The hide market is steady, the demand for sole leather having improved, and a better tone is recorded amongst merchants and tanners. Reports from boot manufacturing centres are optimistic. Further details of markets and prices will be found on later pages from our special correspondents.

FOREIGN EXCHANGES.

Business on the foreign exchange market has remained restricted, with a little more activity towards the end, interrupted, however, by holidays on the Continent. The main feature has been the sharp movement of the mark and franc, which, after depreciating rapidly to 1.402 and 49.51 respectively on Monday, recovered during the following days to 1.267 $\frac{1}{2}$ and 48.67 $\frac{1}{2}$ on Thursday, to react again yesterday to 1.285 and 48.85. As far as can be ascertained, the movement has been indicative more of market nervousness than of anything else. The chief rise in quotation occurred on reports that Germany had made unacceptable proposals to the Reparation Commission, and the

chief recovery on the insistent rumour that a satisfactory settlement had been reached. The truth, of course, is that no formal proposal has yet been submitted by Germany, but there is a general feeling that this week's informal discussions are likely to lead to satisfactory results. An additional ground for optimism is the belief that the French Government will be more inclined to accept a reasonable settlement, as without this basis the work of the international bankers' conference now sitting in Paris will certainly prove fruitless. Forward rates in Paris at 1 to 2 centimes per month over spot are much the same as last week, as also are forward marks at $\frac{1}{2}$ to $1\frac{1}{2}$ marks per month under spot. The New York rate has been very steady all the week, with slight movements round 4.45, the forward rates being a little wider at $\frac{1}{2}$ to $\frac{1}{4}$ cent per month over spot. Although this steadiness is satisfactory, the position is not a very certain one, as any covering of autumn demands may start a downward movement, which in turn might easily be accentuated through profit-taking on the part of the many recent American investors in British securities, with the object of getting the benefit of the recent rise in exchange before it is again wiped out. Among other Continental exchanges, Italy shows an improvement on the week from 86.75 to about 85.15, after being rather better. Madrid, however, after a recovery, is rather worse at 28.25. Amsterdam has moved slightly against us, but Switzerland has risen further to 23.35. Among the Northern exchanges, Copenhagen, at 20.37 $\frac{1}{2}$, shows a distinct appreciation. Stockholm has fallen slightly, but Christiania, at 24.15, is rather worse than last week, and Helsingfors, at 214, has also reacted slightly. In Central Europe, Vienna, after reaching 44,000 or over on the resignation of the Cabinet, is slightly better at 43,000 on the report that the possibility of a loan is being seriously studied by the American group. Warsaw, on the other hand, has depreciated a little to 18,500. Prague and Belgrade have remained practically steady, but both Budapest and Bucharest have moved up again to 3,700 and 650 respectively, while Athens is again rather worse at 108. In the East the rupee, on continued reports of improving trade, is rather dearer at 15 3 $\frac{1}{4}$ d, while the yen shows little change at 2s 1 $\frac{1}{4}$ d. Silver has moved down rather sharply on the absence of Chinese buying, and a marked reluctance in India, and both Shanghai and Hong Kong are cheaper again. In South America, Rio is a little cheaper at 7 17-32d, while Buenos Ayres has also moved down from 44 $\frac{1}{2}$ d to 44 $\frac{1}{8}$ d. Montevideo is slightly depreciated at 43 $\frac{1}{4}$ d, and Valparaiso at \$37.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended May 20, 1922:—

REVENUE.	Min. £	EXPENDITURE.	Min. £
From Revenue	18,108	Supply Services	8,900
		Interest on Debt	3,148
		Sundries	474
		Added to Exchequer balances ..	309
		Reduction of Debt	6,683
	18,108		18,108

The return of national income and expenditure makes a satisfactory showing during the week ended May 20, 1922, as revenue amounted to £18,108,946, against an expenditure of £11,216,227. The revenue in the corresponding week of last year was £17,466,500, and the expenditure £11,794,510. Some interesting changes in revenue are revealed in comparison with the corresponding week a year ago. The most striking change is £2,876,000 from special receipts, against nothing in the same week last year, and £543,946 from ordinary receipts compares with £9,500. Customs at £3,015,000 compares with £1,254,000. Excise at £7,025,000 with £9,860,000. Estate, &c., duties at £1,160,000 with £1,114,000. Property and Income-tax at £2,068,000 is about £800,000 lower.

The week's operations reduced the National Debt by the sum of £6,683,079, and caused the following changes:—

	Min. £		Min. £
5% Treasury Bonds	+ 122	National Savings Certificates ..	— 500
Treasury Bills	+ 10,771	Bank of England Advances ..	— 9,500
Sundries	+ 243	Public Departments Advances ..	— 8,120
		Surrenders of Bonds, &c.	— 408
		Exchequer Bonds repaid	— 200
	+ 11,136		— 17,919

The floating debt was reduced by £6,850,000 to £943,440,500 during the week. The whole of the temporary advances made by the Bank of England have been repaid.

FINANCIAL YEAR, 1922-23 (April 1 to May 20, 1922).

Total spent	£ 95,551,022	Raised by revenue ..	£ 117,381,746
Dec. in balances	7,186,024	Net repayments	29,016,748
Total	88,364,998	Total	88,364,998

ESTIMATES for YEAR 1922-23.

Ordinary Expenditure ..	£ 823,846,000	Ordinary Receipts ..	£ 820,775,000
Special Expenditure ..	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000

Surplus

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1916.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.	May 20, 1922.
Funded Debt	588	318	318	315	315	315	315	315	315
Term Annuities	30	22	22	20	19	18	17	17	17
4% War Stock	63	63	63	63	63	63	63	63	63
4% & 5% War Stock ..	16	14	13	13	13	13	13	13	13
National War Bonds ..	2,091	2,068	2,047	2,040	1,995	1,956	1,943	1,942	1,942
4% Funding Loan	649	1,636	1,509	1,476	1,413	1,201	1,201	1,201	1,201
4% Victory Bonds	..	..	..	405	405	405	405	405	405
4% Conversion Loan ..	..	..	..	360	357	346	346	346	346
5-10 year Treas. Bonds	..	..	..	..	..	23	24	24	24
5% Treasury Bonds ..	..	..	..	..	..	273	380	380	380
5% Treasury Bonds ..	..	..	..	..	..	..	..	..	..
Do by tender	15	961	957	1,107	1,107	1,121	1,060	882	872
Treasury Bills	80	332	334	323	319	289	218	194	174
Exchequer Bonds	..	138	297	267	274	285	294	324	344
Nat'l Savings Certs.	..	43	..	..	..	..	..	..	..
War Expend. Certs.	..	944	1,241	1,306	1,181	1,139	1,097	1,050	1,085
Other Debt	..	51	51	51	51	..	..	..	..
American Loan	..	204	455	243	205	154	200	147	162
Temporary Advances ..	1	..	..	..	..	..	..	..	..
Other Capital Liabilities	654	57	5,872	7,435	8,033	7,574	7,748	7,658	7,628
Total Liabilities	711	5,321	7,481	8,079	7,876	7,623	7,799	7,708	7,678

POSITION OF THE FLOATING DEBT.

Temporary Advances Out- standing—	May 21, '21.	Mar. 31, '22.	May 20, '22.	Week ended May 20, '22.
Advances by Bank of England	1,250,000..	..	..	9,500,000
Advances by Public Deptts	164,619,000..	147,301,500..	161,601,500..	8,120,000
Treasury Bills outstanding	1,132,997,000..	882,219,000..	781,839,000..	10,770,000
Total Floating Debt	1,308,866,000..	1,029,520,500..	943,440,500..	6,850,000

AFTER GENOA.

We do not propose to follow the thread of the rather unexpectedly restrained *apologia* for the Genoa Conference which Mr Lloyd George delivered to the House of Commons on Thursday. Nor would it appear to serve any good purpose to reiterate our views upon the birth, life, and death of the Conference, nor to speculate upon the doubtful promise of its resurrection at The Hague. In our view, the Genoa idea was conceived in haste and without due preparation and prevision; it was brought to birth in an atmosphere of mistaken psychology, and reared on a diet so necessarily restricted that no hope of waxing strength and prosperity ever really existed. That it did, perhaps, some good and did not make incurable mischief is due mainly to the persistent and untiring work of the Prime Minister, whose efforts at conciliation have been prodigious, and have succeeded in keeping alive a little spark to be fanned, if possible, into flame next month at the Hague. But while Mr Lloyd George has been playing his lone hand, other international developments have been steadily proceeding. Observers of City movements will have taken note that in the foreign exchange market all the principal Continental currencies depreciated during the progress of the Conference. That they have in the past few days shown signs of recovery is partly due to hopes based on the deliberations of the Subcommittee of the Reparations Commission, which began in Paris on Monday to investigate the possibility of raising an external loan for Germany for the purpose of Reparation payments.

In certain quarters it has been suggested that this Committee, which will treat the proposition put before it as though it were an international issuing house, may be expected to last ten days; but the idea that its difficult conundrum can be resolved in anything like so short a

space of time appears to us highly improbable. Even though the Committee takes the strictest business view of its task, it is bound to take into consideration many political aspects of the problem, for even if there is a cut-and-dried scheme to lay before them involving the pledging, say, of Customs duties payable in gold, any issuing house that contemplated raising money on such security would, in the present state of Germany's finances, have to consider how such duties would be affected by further exchange depreciation, how far such taxes would be a tolerable burden to the German taxpayer, and what would be the attitude of the German Government, who, in the long run, cannot possibly be effectively replaced as the tax-gatherer. Moreover, the Committee must consider Germany's capacity to pay reparation, for if this question is not satisfactorily answered and the total Reparation bill settled in accordance with it, there is no way of safeguarding any international loan that might be floated now against the political reactions that might ensue from subsequent attempts to collect impractically large amounts of Reparation. For these reasons, and as it is of the utmost importance that this hopeful experiment should prove a success, we would appeal to our French neighbours to restrain their natural impatience and not be disappointed if the Committee finds that it needs ten weeks rather than ten days. In the meantime, it may possibly be able, as our Paris correspondent suggests, to produce an outline statement of principles which may help to tide over the threatened crisis on May 31st.

Granted that these major questions are satisfactorily answered, and that the Committee reports that the project of a loan is a practicable one, there remain certain important questions as to how the loan is to be raised. In this connection it has sometimes been assumed that the loan will be mainly placed in London and New York. But there are many reasons, some of which are discussed by Sir Henry Strakosch in a letter to *The Times*, why this is not likely to be the case. The project would, of course, be of very little use if any attempt were made to use the proceeds to pay off any part of the debt due by France and Belgium to America or Great Britain. On the contrary, its essential object is to enable these countries to meet the heavy obligations which they are continually incurring for reconstruction purposes, and so to save them from the necessity of constantly raising fresh loans from their nationals on their own credit. Far the greater part of expenditure for reconstruction in France and Belgium is incurred at home either in payment of direct wages, or in the purchase of materials, plant, &c., from French or Belgian sources. Sir Henry Strakosch brings forward statistics of our trade balance to show that there is only a small surplus of sterling available for conversion into francs, after allowing for other essential foreign investments. But this way of stating the case does not seem to us beyond criticism, for there is to-day a large margin of productive capacity unemployed in Great Britain which could make goods for export; and if France cared to spend a large proportion of a sterling Reparations loan in England on machinery, hardware, roofing, and other commodities required for reconstruction, these orders would very soon be reflected in a larger export surplus, and the operation would not affect the exchange or necessarily prejudice other foreign invest-

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ment. We, however, entirely agree with the main proposition that any international loan of this kind should be raised in France, Belgium, New York, or London, as nearly as possible in proportion to the amounts which are to be spent in the various countries. Unless this is done the new loan, as Sir Henry Strakosch points out, will introduce a new element of disturbance into the exchanges, and is not likely to be welcomed by British or American bankers. This does not mean that there would be a series of loans secured against different assets, or that it would be possible for Germany to discriminate against, say, the portion of the loan raised in France. If the loan is to be really an international one—and one of its chief recommendations is that the main financial centres of the world will become interested in the carrying out of a reasonable Reparations scheme—the pledged securities of Germany must be pooled in the hands of trustees for the various branches of the loan whether raised in France, Belgium, Holland, or America. It is not improbable that as much as, say, 70 per cent. of any new loan may have to be raised in French or Belgian francs.

In Geneva also matters have not been at a standstill, for the Council met while Genoa was actually in session. Two matters were there dealt with which are of great importance. The chief item on the agenda was to approve of the British mandate for Palestine. On a former occasion the signification of this approval was obstructed by the opposition of the United States. In the interval diplomatic discussion and explanations have removed this opposition; but when everything seemed clear for a settlement at Geneva last week objections were forthcoming from France and Italy sufficient in strength to cause the consideration of the mandate to be postponed to a special session to be held in July, a decision resulting from the unsatisfactory relations of the Powers in the Near East, strengthened by religious influences, said to have originated at the Vatican. It may be that by that time the Treaty of Sévres will have been ratified, in which case the mandate comes automatically into force; the function of the League Council being merely to approve the terms as being in accordance with the Treaty of Peace. If ratification does not precede the adjourned Council meeting, a recurrence of last week's objections is, unfortunately, not unlikely, and the continued delay will enhance the already difficult problem of administration with which the British Government is faced in the Holy Land. The affair is a reminder of the inexhaustible supply of patience and persistence which the successful pursuit of international co-operation requires, and, we may add, receives from Earl Balfour in his conduct of the British case at Geneva.

The other most interesting item on the League Council's agenda was a strong plea by Dr Nansen, on behalf of Norway, that the Council should "nominate a Commission of Inquiry, which, on behalf of the civilised nations of the world.....should conduct an inquiry into the facts of the famine that is going on in Russia; into the meaning of that famine, into the economic results which it will produce on the rest of Europe and the world; and into the measures and the extent of material help which would be essential for the famine to be stopped." As suitable members of such a Commission, Dr Nansen suggested Sir Eric Geddes, M. Marcus Wallenberg, M. Venezelos, M. Tureti, and M. Jouhaux. The proposal is eminently practical and desirable. Such a Commission would give to the world the truth about the Russian economic position, upon which future discussions may be based, and upon which immediate remedial action might be taken. This is surely the proper avenue of approach towards dealing with Russian problems, and it is also likely to have the double advantage that the United States would welcome it, and that the Soviet authorities, with their eyes on Western assistance, could scarcely refuse it. This proposal, pending Genoa and Hague decisions, was, like the Palestine mandate question, held over until July.

Thus, in spite of the failure of Genoa, persistent efforts are being made to solve the problems which arise at the various points where national interests meet. The illusory hope that the Temple of Peace could be conjured into existence in a night by a wave of the wizard's wand has been dispelled. It behoves us to get to work once more upon the foundations.

CENTRAL BANKS.

It has now for some time been recognised that a central bank is an essential part of the monetary system of a well-regulated country. Although it is now agreed that such an institution is essential, conviction on this point has by no means always been general. One or two passages in Walter Bagehot's "Lombard Street" indicated that he, as might have been expected from his strong and wholesome individualism, had hankerings after a system under which our banking might have been conducted by a set of more or less equal competitors without any control by a central institution. And as everyone knows, there was long a very bitter prejudice in America, largely owing to political reasons, against the institution of a central bank. It is perhaps possible that the present unanimity in favour of central banks may wane as banking development proceeds; for the present, however, it is so deeply rooted that even in America the public has reconciled itself to the establishment of a central bank by the simple inducement of hearing the bank described as a "system."

In normal times the chief business of the central bank consisted in giving assistance to the Government of the country at times when expenditure was temporarily exceeding revenue, and also in countries where this process was practically chronic, in carrying out the funding operations by which floating debt was made permanent when this could be done out of the resources of the home market. It also provided industry and trade with the means for carrying on their operations in so far as the ordinary banks of the country were unable to do so, and by means of this power and privilege of providing the sinews of business for industry it was able by the rates that it charged for so doing to exercise some control over the extent to which enterprise forged ahead or took in sail. This highly important control it exercised chiefly with a view to the maintenance and protection of the stock of gold, or of securities representing gold, on which the monetary systems of the chief civilised countries of the world were more or less based. Thus the central banks acted as bankers to the Government of the country that they served, and also the country's industry, serving the latter as a general rule through the medium of the other banks, whom it supplied with extra credit in times of need, either directly through the process of rediscount, or as in the case of London, by making advances to customers of the other banks, which placed them to their credit in the books of the latter. Thus, in a crisis the London clearing banks, instead of taking bills to the Bank of England for rediscount, called in money from the bill brokers, and so forced them to obtain fresh credits from the Bank of England, which increased the balances in its books of the clearing banks. There was a time when the money market was chronically in a state of dependence on the Bank of England, because there was never enough money in Lombard Street to suffice for Lombard Street's needs. But for many years before the war, owing to the much more rapid growth of the other banks as compared with that of the Bank of England, this was no longer so, and there were long periods during which the Bank of England lost all control of the money market, and could only resume it when it thought necessary to do so by making money artificially scarce by the process of borrowing some of the surplus funds of the market. Since the war the old state of affairs seems to have returned, and it is now noticed by observers of conditions of the money market that there is seldom quite enough money to go round unless either the market or the Treasury is borrowing from the Bank. Whether this state of affairs will continue after our monetary system has been restored more nearly to pre-war conditions by the reinstatement of something like the pre-war gold standard is a speculation which may interest those ingenious minds which love to discuss possibilities and probabilities long before there is any chance of their occurring. Such spirits might also amuse themselves by wondering whether the future growth of the "Big Five" and their possible agglomeration into the "Big Three" or the "Big One," may alter the relation of the London money market to its cen-

tral bank much more radically than seems likely at present. For the moment, however, a tired world full of reactionary indolence and disillusionment only desires to get back to the conditions under which, according to its hazy and perhaps slightly deceptive recollections, it lived so comfortably before 1914. This mood will not last always, but for the present it seems to be a sound instinct to try to restore the benefits of a system which worked well in place of existing chaos before attempting to evolve out of abstract principles a system which might, on paper, be a great improvement on the old one, but might, owing to some quite unforeseen flaw in its arrangements, fail to work.

Out of the Arcadian simplicity, as it now seems when we look back upon it, of these pre-war functions the central banks were rudely shaken when war brought with it the necessity for financing on a scale which had never before been dreamt of, and the Finance Ministers of the world found themselves possessed of an extremely efficient machinery designed for the creation of emergency credit, and ready to be used for the provision of the sinews of war without the unpopularity associated with taxation, or the expense and trouble involved by the issue of loans to real investors. It need hardly be said that by making use of this machinery the Finance Ministers of the world did not really lighten the financial burden of the countries for whose finances they were responsible. All that they succeeded in doing was, with the help of the central banks, and some assistance from the other banks, to delude a credulous public with the belief that the burden was not as great as it looked, and even sometimes to think that it was growing richer as it watched the swelling totals of bank deposits which were involved by this system of war finance. In the meantime the currencies of the world were being debased, and a chain of financial evils was forged, of which the end is not yet in sight. The League of Nations has lately published a memorandum on central banks showing their position, and analysing their balance-sheets as far as it was possible to do so at the end of the last year before the war, the last year of the war, and each of the subsequent years. The figures so set out are a melancholy, almost an appalling, study, especially in the clear evidence that they give of the extent to which evil financial practices which were perhaps excusable during war have been continued and extended since the Armistice. In only seven of the countries dealt with is the note circulation of 1921 lower than that of 1918, these countries being Sweden, Egypt, Canada, the United States (Federal Reserve Notes), Holland, Norway, and Japan. In the case of the Bank of England the note circulation of 1918 was shown as 237 per cent. of the 1913 figure, while that of 1921 was 170 per cent. of the 1918 figure. Seeing that in the case of this country the chief expansion in printed money was done by the Treasury through its currency notes rather than by the Bank of England, these figures are by no means pleasant to contemplate. It should be observed, however, that they do to a substantial extent overstate the case owing to one of those little vagaries which sometimes defeat the veracity of the most carefully collected statistics, because something has happened which has altered the significance of their movements in a manner which the most expert inquirer could not be expected to detect. In this case the calculations of the League of Nations memorandum are doubtless quite correct, but the increase shown in the Bank of England's note circulation since the Armistice is likely to create a misleading impression. Since no allowance appears to have been made by those who compiled the figures for the fact that over 40 millions in gold are known to have been handed over by the Joint Stock banks of the United Kingdom since the war, and thus part of the expansion of the Bank of England's note circulation merely represents a change in the form in which the other banks hold their cash reserves.

One of the suggestions lately made at Genoa from which some practical result may perhaps be hoped for, was for a conference of representatives of central banks with a view to promoting their closer co-operation in future, especially in the solution of the problem of European currencies, and the rescue of the market in exchange from its condition of chaotic demoralisation. It is difficult to see how such a conference can do any harm (though it is

not safe to be too certain in view of the hysterical state of national susceptibilities even in matters of finance), and there is good reason to hope that it may do a great deal of good. Like everything else that is semi-officially arranged, this conference has taken much longer than was expected, or necessary, in beginning to be organised, and the fact that it will certainly not be able to take place as soon as was originally planned was probably the cause of a quite incorrect statement that it was not to be held at all. It is not yet certain whether it will be held before or after the summer holidays, and in some respects a date next autumn may be the more desirable. In any case, co-operation between central banks is already a very real fact, the active development of which has been one of the many services quietly rendered to the financial world by the present Governor of the Bank of England. But it will be something gained to have this co-operation recognised and confirmed by such a conference.

AMERICAN SHIPPING POLICY.

THAT Americans can excel as seafarers no one who has read, for instance, Professor Morison's recently published "Maritime History of Massachusetts—1783-1860" can question, but that the American Government is immune from error in its shipping policy, no one who has studied the events of the last few years can suppose. The energy, skill, and enterprise of American shipowners and shipmasters made their merchant flag known on every sea, and kept it flying till, in the time of the Civil War, it suffered eclipse. Just at that period sail was giving place to steam, and wood to iron and steel, so that when the United States was ready to resume sea trade her ships were obsolete, and for over half a century the country which became the greatest exporter in the world possessed practically no foreign sea-going tonnage. Throughout the 25 years preceding the late war various attempts were made to rehabilitate the American merchant marine. Every legislative move in this direction was, as Mr Hurley has pointed out in the book on "The New Merchant Marine," coupled with some form of Government subsidy, and failed.

During the war (when, we may note in passing, it was found advisable temporarily to relax the prohibition against foreign ships in the American coastwise trade which had been in force for nearly a century) the United States entered on a great programme of providing itself with a merchant marine. Though construction was undertaken primarily for war transport, the programme—which had by no means been carried into full effect when hostilities ceased—was not then cancelled, but was modified with the object of "rounding out a well-balanced merchant marine," as the annual report of the United States Shipping Board to June, 1921, phrased it.

The policy of the last few years has been deliberate. The preamble to the "Jones Act" of 1920 laid down that it was necessary, both for defence and for the proper growth of commerce, that the United States should have "a merchant marine of the best equipped and most suitable types of vessels, sufficient to carry the greater portion of its commerce and serve as a naval or military auxiliary," and it was declared to be "the policy of the United States to do whatever may be necessary to develop and encourage the maintenance of such a merchant marine." The great fleet of Government-built ships was, under the policy of the "Jones Act," ultimately to be owned and operated privately by the citizens of the United States, though circumstances have been such that the transfer to private ownership has been for the most part deferred, and the majority of the ships are idle for lack of business. The means, under the same measure, to be employed for encouraging American shipping included preferential railway rates for goods carried in American ships, the extension of the coastwise restrictions to the Philippines and other island possessions, relief of shipping profits from taxation, and, if need be, the termination of treaties which restrict the right of the United States to discriminate between foreign and national ships both as to Customs duties on imports and as to tonnage dues on the ships themselves.

President Wilson, it will be recalled, declined to enforce these discriminatory provisions, and also refused to yield to the party which pressed for another move that, equally with the carrying into effect of the full policy of the "Jones Act," would have led to international complications.

This other matter was the question of the Panama Canal tolls. Trade between the east and west coasts of the United States is classed as coastwise, whether via Cape Horn or the Canal, and, despite treaty provisions that there should be no discrimination against any nation in charges on canal traffic, the idea of some American shipping men was that legislation should be passed to give at least to American coastwise trade the benefit of a free canal, while tolls continued to be charged against the ships of other nations.

The protectionism of American shipping policy until now has thus not been pressed to extremes involving international difficulties, but a new phase is developing. Pending disposal of the State merchant ships to private owners the Government has operated them. By methods involving enormous losses the American flag has been restored on many routes, though not to the extent anticipated. "It was our hope," wrote Mr Hurley, formerly chairman of the Shipping Board, in his book, already quoted from, "that American citizens buying materials abroad, and American citizens selling their products abroad, would co-operate with us to the extent of insisting that their agents send their purchases and sales overseas in American ships whenever possible. If they had done so, even to half the extent we hoped, I feel sure we would have had several American steamship companies in operation to-day for every one we actually have. But they have not done so." Moreover, as pointed out by Mr Lasker, the present chairman of the Shipping Board, in a recent statement, the scheme of building up trade routes so that ships might be sold with established goodwill has defeated its own purpose. The Government, in operating ships, has driven its potential customers largely off the seas.

President Harding, equally with his predecessor, has shrunk from the risk of international trouble which might arise if the policy of the "Jones Act" were fully carried out; but a ship subsidy programme containing features which threaten trouble is again being pressed. Protectionist policy seems to be now strongly in the ascendant. A Bill before Congress proposes the enactment of discriminatory provisions similar to the sections of the "Jones Act" which have remained inoperative. Apparently it is hoped to end the great loss through Government operation of ships, and perhaps ultimately to relieve the taxpayers of the heavy burden of taxation they are carrying, by encouraging American shipowning through the medium of a subsidy calculated to burden foreign ships. According to Mr Harmsworth's reply to a question in the House on the 22nd inst., the aid, direct and indirect, which the United States shipowner would receive under the subsidy proposals, would amount annually to 12½ per cent. of the capital value of the vessel.

Whether it is possible for Americans to "make the foreigner pay" for the subsidy by penalising foreign ships is at least open to question, and meanwhile their policy of flag discrimination is arousing strong adverse comment on this side of the Atlantic. Deprecatory reference to legislative proposals was made in the presidential address of Sir William Noble at the annual meeting last week of the Baltic and White Sea Conference at Brussels. This gathering, representative of 13 European nations, adopted a resolution expressing its regret at the extension of the policy of flag discrimination in America, and its conviction that, in the ultimate interests of all concerned, the principle of the freedom of the seas should govern the maritime policy of all nations in times of peace.

Notable speeches favouring equality for all flags were made by Sir Ernest Glover, who represented the Chamber of Shipping of the United Kingdom, and by His Excellency Louis Franck, of Belgium. The former described the taxation of foreign ships as folly. "If," he remarked, "any country is anxious to ship its goods abroad to find a market, or is anxious to buy goods abroad for importation, surely it should welcome the ship of any nation that will do its work for it on terms that suit, and not impose

a tax on the ship doing the work. It simply means that unless this is stopped every country will tax foreign ships coming to its ports."

This point, it may be recalled, was taken up by Sir Frederick Lewis at the annual meeting of the Chamber of Shipping in February. Discriminating conditions in favour of its own shipping in every country would, as he remarked, be an absurdity. Each country would be sending its own ships to bring its own imports, and so each vessel would make its outward voyage in ballast—a most uneconomical procedure.

Sir Norman Hill has more recently discussed the present American proposal. "No heavier blow," he declared, "can be struck against the re-establishment of international commerce than the denial of equality of opportunity to all ships, under all flags, in all ports of the world." International commerce is not, as, indeed, Sir Norman has pointed out, the exclusive concern of any individual nation. The object of commerce is to benefit both parties, and if that object be ignored, the business vanishes. The penalising of foreign ships in the ports of any country is one degree worse than the granting of a subsidy to national ships. If the subsidy is derived from internal sources, other nations cannot formally complain, although the step is likely to lead to an international competition in subsidising, as in the case of sugar. A subsidy for national ships, derived from foreign ships, is in a different category. Such a policy, if successful, in driving foreign ships out of the home freight market, and giving a monopoly to national ships, provokes retaliation, strikes at international trade, and eventually makes it impossible.

Although those who have criticised the American shipping policy are mostly shipowners, their arguments show that the danger is not to ships alone, but to the interests of all concerned with cargoes; in short, to international trade as a whole. American shipping policy is menacing international trade recovery from which America, equally with other countries, would benefit, and the measures proposed, if proceeded with, may injure not only commerce, but the growth of goodwill among nations.

THE DEMAND FOR LOWER RAILWAY RATES.

TRADING organisations have now had an opportunity of examining the effect of the reduction in rates which the railway companies brought into effect at the beginning of this week, and their scrutiny has led them to the conclusion that while it may be thought to be ungracious to look a gift horse in the mouth, the reductions can only be considered as a very modest contribution to the urgent needs of industry.

The concessions are confined to coal, Class A and Class B traffic, together with iron and steel goods in Class C and tinplates in Class 1 of the General Classification. The small trader is only affected by reduction of the charge for collection and delivery. It will be remembered that 18 months ago freight rates reached their maximum at 100 per cent. above pre-war level, together with an additional flat rate of a varying number of pence per ton according to the class of goods, the scheme being limited, however, by the imposition of certain maximum increases in the case of heavy traffics. In a number of special cases, mainly affecting coal, iron and steel, and chemicals, the 100 per cent. advance was reduced to 75 per cent., and some small modifications in the flat rates were made during last winter. The present changes make this 75 per cent. general in the case of coal and Class A and Class B traffic, except in the case of ore and blast furnace material in Class A and manure in Class B, which are now reduced to 50 per cent. above pre-war, while the 75 per cent. figure is extended to the items in Class C, and in Class 1 of the General Classification mentioned above. As regards coal, long-distance traffic will benefit by a reduction of the maximum increase to 3s 6d per ton against the previous 4s, while the short-distance traffic benefits by a further reduction of 1d per ton in the flat rate addition, which fell some months ago from 6d to 4d. Obviously a reduction of 6d per ton in coal hauled to London is not a revolutionary change that will set the Thames on fire, while 1d per ton off the export rates of Northumberland or South Wales, even though the equivalent of 5 paper marks, or 10,000 roubles, will scarcely affect the

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competitive strength of British industry. Even in the case of the iron and steel trade, the reductions, which will, of course, vary according to locality and the amount of transport incurred by the various works, represent less than 2s a ton in the price of pig-iron and 3s or 5s in the price at which finished steel can be marketed. In the case of some iron and steel districts these small savings will help trade, since there is quite definite evidence that increasing costs in Germany and the maintenance of relatively high costs in France and Belgium are enabling British manufacturers to enter into competition for the trade of Europe. But in the Midlands transport is a far more important item of cost than in the more favourably situated coastal centres of production, and the railways will have to concede much more before these internal areas can expect to share in the trade revival.

For the remaining industries of the country, which are mainly interested in the seven numbered classes of the General Classification, the decision is profoundly disappointing, and we understand that the Federation of British Industries will now proceed to carry to the Rates Tribunal its demand that rates should be reduced all round to 50 per cent. over pre-war. In this the Federation will not have an easy task. By the Railways Act of 1921 the Tribunal has been given a perfectly free hand in regard to rates during the transitional period, since Parliament deliberately refused to apply the doctrine of "Standard revenue" until the overhauling of the rate system is complete. But the Tribunal is likely to attach importance to the arguments of the railway companies that their preference stocks must be maintained as trustee securities, which means that the dividends on the ordinary stocks must be maintained, not necessarily at their current rate, but certainly at a substantial figure. We have previously expressed the view that the very large fund which the railway companies have in hand for the maintenance of dividends is sufficient to enable them to safeguard their shareholders, and at the same time to make very big cuts in rates for the purpose of stimulating trade revival, but our argument was based upon estimates and not upon official published data. Indeed, the main difficulty with which the traders will be faced is an almost complete lack of information as to the present financial standing of the railway companies. In the ordinary way we should have to wait until next February before this matter could be cleared up, but this is not a time for such a dilatory proceeding, and some means must be found of obtaining interim statements of railway operating results. We see no reason why British railways should find it more difficult to give information as to their operating expenses every month than railways in America and other parts of the world.

The public will also regret the piecemeal method which the companies have adopted in making their modifications. If a general all-round reduction could have been discussed, the issue would be a fairly clear cut one, which could be intelligibly presented, but with three vary-

ing factors already introduced, namely, the percentage increase, the flat rate addition, and a maximum increase, the problem is rapidly becoming one only intelligible to rating experts. The railway rating system, if it is to respond to the needs of a vital and constantly changing industrial community, will never be a simple thing reproducible on a sheet of notepaper. But the companies have been either fortunate or far-sighted in starting their piecemeal bargaining from the point where post-war rates show their greatest all-round increase.

American shippers have been more fortunate in their demand that rail rates in general should respond to the level of prices, for on Wednesday the Inter-State Commerce Commission made an all-round reduction of 10 per cent. in the freight rates fixed in July, 1920. This change is significant not merely because it will encourage the trade situation in America, but also because the judgment of the Commission will certainly provide food for thought both to British railway companies and to our Rates Tribunal. "Transportation charges," says the Commission, "have mounted to a point where they are impeding the free flow of commerce, tending to defeat the purpose for which they were established—that of producing revenue which would enable the carriers to provide the people of the United States with adequate transportation." But, in considering the question of the railway companies' revenue, the American Legislature has been wiser than our own Parliament. The doctrine of "standard revenue" incorporated in the Railway Act of last year would, if carried into effect, produce the absurd result that in depression when traffic is reduced, freights would have to be raised, while in times of good trade, when traffic is abundant, freights would have to be reduced by the Tribunal. The American law, on the other hand, leaves a margin which, though inadequate, gives certain discretion to the Commission in deciding what is a "fair return," which is defined as between 5½ per cent. to 6 per cent. on the property valuation of the companies' railroads. A year ago the Commission adopted the 6 per cent. figure as the basis of its charges. They have now decided that 5½ per cent. is reasonable. In commenting upon the reduction, the New York correspondent of the *Times* presumes "that in making to-day's decision, the Commerce Commission is counting upon a greatly increased volume of business from the lower rates, which in the absence of heavy wage reductions would alone make it possible for the carriers to operate at a profit." This is precisely the problem with which our own Tribunal will be faced. In both countries the adaptation of wages to the current low level of prices must be steadily pursued, but it is equally true that in both countries there is substantial ground for taking some risks on the assumption of an expansion of trade. In view of the urgent needs of industry, and taking account of the very substantial nest egg which the companies have received from the Treasury, and of the fact that there is in many cases a substantial margin between present railway dividends and the figure which would imperil trustee securities, we think that the Rates

Tribunal should forget all about "standard revenue" for the next few years, as they are entitled to do under the Act, and make a bold bid for prosperity by an all-round cut, which the companies, largely, no doubt, because of internal differences, seem incapable of making on their own account.

THE TIMBER TRADE.

THE building industry, though tending at times to follow a course somewhat independent of the general industrial movements of boom and depression, is bound up most intimately with the problem of employment in every town and hamlet of the country. Its problem at the moment is largely one of wages, but its triple dependence on raw material—bricks, cement, and timber—is also of vital importance. Not the least interesting is the last of these three, especially as Russia and the Black Sea play so prominent a part in the timber market.

It may not be generally known that before the war Russia (including Finland) supplied half of the timber requirements of the British Isles for building construction work. In 1913, the last complete pre-war year, of the record import of 6,636,137 loads of sawn and planed wood imported into this country, Russia sent us no less than 3,362,340 loads. Her annual shipments from Riga were the largest from any port in the world, and her exports from Petrograd and the White Sea district had the very highest influence on the British market, both as regards quality and cheapness of production. It is not surprising, therefore, that the British consumer of foreign timber had to pay heavily, up to some 18 months ago, for the elimination of Russia from our markets, though the young republic of Finland has risen nobly to the occasion, shipping to this country last year more sawn timber than Sweden, although in sawn and planed together the last-mentioned country is the largest on our list of exporters for 1921.

During the fall of Russia Sweden had almost supreme control over our requirements of timber for building construction work. In the Swedish market everything went well until the spring of 1921; up to then Swedish wood manufacturers had done most remunerative business with this country, and seemingly they were in high hopes of entering upon another season's trade with the British Isles at peak prices as a fair return for the high wages, logs, and on-costs so prevalent in that country at that time. They had got such a firm hold of the British timber market, and the Continental markets to a lesser extent, that they thought that prices could be maintained at high levels, particularly in anticipation of the rebuilding of Continental war-damaged areas, and the new and repair work so necessary in this country.

The slump in British trade, however, was weeks old at the end of 1920; prices for timber on the spot had dropped heavily in the autumn, freights had fallen about £5 a standard of 165 cubic feet; at the end of the year there was a preponderance of stock, docks were congested, and, to add to the discomfiture of importers and merchants on the spot market, icebreakers kept the ports open as long as possible to get wood over on consignment on the freights then ruling.

It was at such an inauspicious time that the Swedish shippers demanded a basis rate of £42 f.o.b. a standard for their 3 x 9 unsorted red deals—about double that during the U-boat menace—to which the British market turned a deaf ear, fortunately for importers and the whole timber industry of this country. The enormous stocks here were confronted with a poor demand, and though "feelers" were put out by the foreign shippers from time to time, nothing transpired, for the spot market, instead of rising to the basis, was getting weaker. In the spring of 1921 Swedish unsorted red deals made only £30 10s. and lower, at public auctions, whilst by July

European building timbers had reached almost pre-war prices.

It was not until the summer that the Swedish shippers (who had an understanding with their Finnish competitors—the latter have accomplished wonders in their wood export trade since their separation from Russia) began to realise the full force of the situation and the hopelessness of standing out any longer. The heavy losses suffered by the British importers and merchants were to be repeated, but this time at the shippers' expense, for the £40 to £42 f.o.b. basis dropped in almost frantic haste to £18, with Finnish at about £2 to £4 less. These prices brought considerable business, and a consequent stiffening of the market later, and the f.o.b. business again quietened down.

It will thus be realised that for nearly two years consumers have been getting comparatively cheap timber at the expense, in the first instance, of the importers and merchants in this country, and later of the foreign shippers, principally Swedish, who, as will be observed by those who have followed the balance-sheets of the companies concerned last year, made enormous losses, probably more than they made during the war. It is certain, however, that trade cannot be conducted for long on these lines, and it is satisfactory to see that the Swedish mill owners are taking the necessary steps to bring costs down to the lowest possible limit, so as to make her timber products once more the cheapest of converted wood, quality and cut considered.

As was the case at this time last year, there is again a deadlock between the Swedish wood exporters and our importers on prices for the coming season's productions, but this time the basis figure is £26 for 3 x 9 unsorted quality, middle-Gulf stock. Though much smaller than last year's quotations, importers consider that in view of the bad state of trade, and the necessity for cheaper wood to encourage building work, prices are too high, and are hesitating to pay them, but the conditions are much more in favour of the exporters this year than last.

In the first place, in the spring and summer of 1921 the stocks in this country were particularly heavy; to-day they are moderate to light in consequence of the greatly decreased import last season. Last year trade here was bad, with few prospects of betterment, whereas to-day the horizon is comparatively clearer. Then, again, the spot market during the past four or five weeks has been slowly firming up, and though perhaps Swedish shippers may not admit the fact, although the £26 basis has been kept for 3 x 9 unsorted, there has been an inclination on the part of the exporters to meet the market on the poorer qualities. In brief, the difference between the shippers' ideas, and the firmer spot prices ruling amount to some 30s to £2 a standard only. But what importers and consumers have to consider is that the free-on-board price of timber at the Swedish prices will be some £8 a standard over the fall in prices at about September, 1921, at the present low level of demand for consumption. But, on the other hand, the Swedish shippers, it is estimated, including unsold purchases "overwintering" from last year, have a cut of nearly a million standards, of which only a third has been sold. If the importers here and on the Continent refrain from heavy buying, it is questionable whether the Swedish shippers, with the assistance of their bankers, can hold, and there might be a break—it could not be nearly so heavy a one as last year—in prices within the next few months.

It will be observed from the table below that there is not much hope of making good our supplies of building construction woods from any of the extra European countries at lower levels of cost, the heavier transport charges being one of the factors against the large and cheap imports which are needed to create competition, and thus to bring f.o.b. and spot prices nearly back to those ruling before the war. This is almost too much to expect, for though we cannot hope to see wages back at pre-war level, owing to the high costs of living and to the fact that European lumber men were not too well paid before the war, we believe that relief will come by the use of still more scientifically equipped machinery than is in use to-day, by better and cheaper methods of warehousing and transport, and by the assistance of other European timber-producing

countries who could do with our assistance in exchange for their timber:—

QUANTITIES OF SAWN AND PLANED WOOD IMPORTED INTO THE UNITED KINGDOM.

	1913.	1920.	1921.
Sawn and Planed.	Loads.	Loads.	Loads.
Russia	3,362,344	1,137,109	114,815
Finland	..	..	727,030
Sweden	1,370,998	1,739,357	786,629
Norway	294,617	282,996	140,600
United States	510,593	249,411	85,165
Canada	961,539	813,928	190,793
Other countries	135,046	89,091	248,402
	6,636,137	4,311,892	2,294,134
Value	£ 21,034,562	£ 51,395,838	£ 15,620,685

* Included under Russia 1913 and 1920.

One clear way to secure cheaper timber is by the restoration of the Russian trade. From the port of Petrograd alone in 1913 we imported over 150,000 standards of deals, battens and boards, besides large quantities of telegraph poles, oak staves, pitwood, &c., &c., and over 170,000 standards of building woods reached us from the White Sea ports. Latvia, too, has great possibilities before it with Riga as its chief port. Poland has an inexhaustible wealth of forests, and there are also big expectations of a much greater trade with Czecho-Slovakia. Much might be done to secure further supplies of wood by coming to the assistance of these and the other new European States with whom we desire to exchange agricultural and other machinery and commodities for timber.

We repeat that for some time the consumer in this country has been obtaining his material at the expense of the traders in timber. Such business stops production. We have tried to show where the solution lies, and by means of economy in all departments—from the cutting of the trees to their utilisation by the builder or joiner—we may be able, if not this season, at least a year or two hence—to get that cheap timber material now so necessary in constructional work.

THE BUDGETS OF EUROPE.

SINCE the days of Huskisson, Peel, and Gladstone, a sound financial policy has been recognised in this country to be, perhaps, the most essential condition of healthy economic development and of social reform. To-day the matter is of wider significance, for lack of balance in the Budgets of Europe lies at the root of the chaos which prevails in international economic affairs. In this, as in every other economic question, the first step is a knowledge of the facts. On the instructions of the Brussels Financial Conference the League of Nations secretariat has continued to collect information, under the direction of the Finance Committee of the League, which is designed to show the comparative financial position of the countries of the world. The figures compiled for the Brussels Conference, though serving the purpose for which they were collected, were complicated by the fact that so soon after the end of the war they included much that was really war finance. Moreover, there was not time to persuade the Treasuries of Europe, every one of which quite naturally regards its own particular methods as above criticism, to conform to anything like a uniform standard of Budget statistics. Both these difficulties still exist, and in the second volume of Public Finance Statistics, which has just been issued by the League, it is still found necessary to cover the tables with explanatory notes. Indeed, a glance at the figures shows how difficult it is to make any comparison between countries whose Budget problems and methods vary so greatly; where the actual functions of the central Government range from those of a highly centralised bureaucracy to those of a loose Federation concerned only with tariffs and defence, and where some countries make a practice of meeting their Budget troubles half-way by presenting estimates at the beginning of the financial year which they expect to be superseded within a few months. These considerations make it necessary to read the League's report with the greatest care, but it still remains the only authentic source of comparative information on this vital question.

The first table will serve to illustrate, on the one hand, the great difficulty of making this kind of comparison, and at the same time the illuminating results which emerge from it. From it we have extracted the latest available figures of net revenue and expenditure, and placed the countries in order according to the ratio which income bears to outgoings. In order, however, to give a uniform character to the figures we have first made the assumption that nothing will be paid by Germany or received by any of the Allies for reparation. Actually, Italy and Belgium have included in their official revenue figures 3 milliard francs and 1 milliard lire respectively to be received as reparation, while France has included 22½ milliards of francs as expenditure recoverable from Germany. Germany also includes in her figures 187½ milliard marks as the total payment due to be made under the Peace Treaty. If these various figures in fact matured the Budgets of these countries would take the very different appearance shown in the second half of the table. France takes her place among the solvent States, while Belgium and Italy rise to a position appreciably better than that of the European neutrals:—

(In Millions.)

Country.	Year.	Currency.	Net Revenue.	Net Expenditure.	Percentage of Revenue to Expenditure.	Corresponding Pro'n'tage in Pre-war Budget.
Denmark	1921-2	Assuming no Reparation	353.3	354.4	133	95
United Kingdom	1921-2	£ sterling	1,156.7	1,062.6	109	122
United States	1922-3	Dollar	3,330.8	3,129.1	106	110
Jugo-Slavia	1922	Dinar	4,778.5	4,569.6	105	77
Germany	1922-3	Mark	105,158	100,892	104	..
Norway	1921-2	Krone	457.6	505.9	91	88
Estonia	1922	£ Marks	3.87	4.32	90	56
Latvia	1921-2	L. Rouble	5.461	6.077.5	90	56
Finland	1921	Markka	1,615.4	2,018.8	80	90
Hungary	1921-2	Korona	20,296.2	26,759.1	76	..
Lithuania	1921	L. Marks	672.6	902.2	75	..
Czecho-Slovakia	1922	Koruna	11,726.1	15,918.3	74	75
Italy	1922-3	Lira	13,323.5	18,142.2	73	58
Netherlands	1922	Guilder	606.6	836	73	68
South Africa	1921-2	£ sterling	211.3	311.2	68	56
Switzerland	1922	Franc	682.7	1,038.2	66	98
Bulgaria	1921-2	Lev	2,590.6	4,178.3	62	..
Austria	1922	Krone	209,763	347,533.4	61	..
France	1922	Franc	22,887.6	44,582	51	80
Poland	1921	P. Mark	65,496.5	144,919.3	45	..
Luxemburg	1922	Franc	35.1	77.1	45	54
Belgium	1922	Franc	1,765	5,954.2	30	..
Greece	1920-1	Drachma	530.6	2,255	23	48
France	1922	Franc	22,887.6	22,500	101	..
Belgium	1922	Franc	4,812.1	5,954.2	81	..
Italy	1922-3	Lira	14,323.5	18,142.2	79	..
Germany	1922-3	Mark	105,158	285,424	36	30

It will, of course, be familiar to the readers of the *Economist* that the United Kingdom completed accounts for 1921-2 did not, in fact, show as large a surplus as is included in the estimates supplied to the League of Nations, but even if the Budget for 1922-3 were substituted Great Britain would still appear among the countries above the 100 per cent. line. Our own experience in showing a surplus by means of the sale of capital assets such as war stores or by reducing sinking funds warns us, however, against taking the figures at their face value. In passing, it may be observed that the League has endeavoured to standardise the return by excluding provision for amortisation of debt, and, in the case of the accounts of public undertakings, by taking in only the balance of profit or loss which is included on the revenue or expenditure side, according to circumstances. There is, however, no way by which the League could have discounted the optimism of States such as Estonia and Latvia, or adjusted the figures for Denmark, whose statistics are really those of a preliminary Budget, in regard to which supplementary estimates, increasing the expenditure and diminishing the surplus, have since been submitted. Subsequent information shows that the closed accounts of Norway and Sweden will be much more favourable than the figures in the above table, while Hungary has a much larger deficit than her first balance-sheet disclosed. Switzerland also has a large deficit, but her Budget, unlike that of some larger countries, at least has the merit of drawing a real distinction between capital and revenue account.

A second figure of considerable interest can be extracted from the statistics of comparative revenue and expenditure. Taking the States in the order in which they have reduced their expenditure as compared with the previous

Budget, we find that the essential items of debt charge, other expenditure, and revenue show the following changes:—

Country.	Increase or Decrease in Interest Charges Compared with Previous Year.	Increase or Decrease in Other Net Expenditure Compared with Previous Year.	Increase or Decrease in Net Revenue Compared with Previous Year.
United States	no change	— 17	— 15
Luxemburg	no change	— 17	— 29
Norway	+ 29	— 15	— 10
Netherlands	+ 28	— 15	+ 10
Italy	+ 15	— 13	— 2
South Africa	+ 6	— 9	no change
United Kingdom ..	— 2	— 7	— 16
France	+ 13	— 6	+ 1
Switzerland	+ 6	+ 3	+ 26
Germany	+ 70	+ 14	+ 45
Sweden	+ 23	+ 14	— 23
Jugo-Slavia	+ 86	+ 21	+ 68
Bulgaria	+ 104	+ 31	+ 29
Czecho-Slovakia ..	+ 91	+ 36	+ 40
Hungary	+ 91	+ 62	+ 138
Greece	+ 131	+ 72	— 1
Latvia	+ 1,343	+ 140	+ 294
Denmark	+ 1.14	..	— 4

In considering these figures, judgment must not be hastily passed without considering that in the countries of Central Europe depreciation of the currency has been accompanied by rising prices, and therefore increased expenditure. Where this has been occurring the important test is whether revenue has expanded faster than expenditure, for this would mean that there is some hope of beginning to overhaul the increasing debt charge which must arise where Budgets are not balanced. In Great Britain, where the revenue even in the present Budget is still keeping its nose just in front of expenditure, the percentages for 1922-3 would be approximately equal in the last two columns of the table. The Greek Budget, of course, shows no sign of being able to cope with the war expenditure in Asia Minor; for 1921-2 the estimated deficit has risen from 203 to 1,678 million drachmae; but in most other cases, except Sweden, revenue is expanding faster, or at all events is not falling so rapidly as expenditure, and this points to a gradual improvement in the situation.

The report enables similar comparative tables to be compiled of public debt, and the editors have also given figures of taxation and expenditure per head. But beyond this all questions must be answered by reference to the individual Budgets which are fairly fully reproduced in the body of the report.

THE ROYAL MAIL.

THE past eight years have been a difficult period for the shipping industry, and the experience of the Royal Mail Steam Packet Company, which controls, directly or indirectly, a tonnage equivalent to one-ninth of the entire British Mercantile Marine, has not been different from that of other large shipping concerns. The company was originally formed 82 years ago as the Royal West India Mail Steam Packet Company, to carry on a mail service with the British West Indies, but its sphere of activities has gradually widened, and its services embrace South America, the United States, and Canada. Thus the service to the West Indies is now by no means the company's first string. Indeed, Sir Owen Philipps told the shareholders at the last general meeting that for 20 years the company had carried on a modern mail service with the West Indies at an annual loss to the company of about £50,000, and had been obliged to discontinue it, substituting in its place a line of smaller boats. The company holds a controlling interest in the Pacific Steam Navigation Company, Limited, the Nelson Steam Navigation Company, Limited, R.M.S.P. Meat Transports, Limited, and MacAndrews and Co., Limited, and in conjunction with Elder Dempster and Co., Limited, it holds practically all the ordinary stock in the Union-Castle Mail Steamship Company. The report claims that the whole group comprise 2,145,000 tons of shipping, though only 347,000 tons are directly owned.

A shipping company is liable to ups and downs to greater extent than the average joint-stock undertaking, and in 1914 the Royal Mail had an exceptionally lean year

for which the war, although it covered five months of the year, was by no means entirely responsible. The report for 1914 described business as having suffered not only from the effects of the war, but during the whole of the year from most acute trade depression on the South American route. In the succeeding years the company, in common with other shipping concerns, made very large profits, a considerable portion of the fleet being chartered by the Admiralty during the war for war service, while the remainder came under the control of the Ministry of Shipping. Early in 1919 the Liner Requisition scheme was terminated, and profits reached their highest point. The year 1920 saw a falling off in profits, owing to the slump in freights and world-wide depression in trade, which was unaccompanied by any appreciable fall in working expenses. Last year a further sharp decline in profits was recorded. In explanation of this the directors state that passenger traffic to and from South America is still seriously affected by adverse exchange, and by the competition of foreign lines, which in some cases receive substantial aid from their Governments, while reductions in freight rates and passenger fares have not yet alleviated the situation by stimulating a corresponding increase in traffic. Moreover, immigration restrictions imposed by the United States Government have affected traffic on the New York route.

A table of the company's profits and their appropriations since 1905 is set out below:—

	Profit.	Deb. Int. &c.	To Insee. Fund.	To Reserve Fund, &c.	Prof. Div.	Ord. Div.	Rate.	Carried Forward.
1905.....	£ 57,558	£ 13,750	£ 35,000	..	£ 9,000	nil	%	£ 8,076
1906.....	96,845	17,566	47,000	..	23,815	nil	..	16,540
1907.....	138,146	33,588	52,000	..	36,000	22,500	2 1/2	16,388
1908.....	136,306	43,982	33,500	20,000	30,000	27,000	3	2,979
1909.....	180,369	45,133	41,792	30,000	30,000	36,000	4	3,968
1910.....	176,623	65,983	..	30,000	30,000	36,000	4	4,039
1911.....	221,211	107,500	40,000	40,000	32,259	45,000	5	8,840
1912.....	481,540	155,388	47,073	130,000	45,000	97,343	6	7,570
1913.....	436,470	187,011	37,113	45,000	151,299	6	..	23,800
1914.....	98,232	249,265	8,945	45,000	nil	nil	..	18,521
1915.....	808,731	312,932	..	225,000	45,000	138,000	6	46,719
1916.....	791,697	242,037	..	225,000	45,000	273,556	7	52,502
1917.....	764,448	218,000	..	225,000	45,000	287,000	7	62,068
1918.....	706,472	218,000	..	160,000	45,000	287,000	7	48,541
1919.....	953,600	218,000	..	350,000	45,000	328,000	8	51,141
1920.....	922,224	218,000	..	270,000	62,162	312,375	7	110,828
1921.....	710,335	314,336	..	..	103,500	300,000	6	103,927

The drop in profits, it will be seen, amounts to over £211,000, but, as in the case of most shipping companies, it is impossible to tell what deductions have been made before profits are struck. In this instance the accounts show the profit for the year, including dividends from allied companies, "less depreciation of fleet, &c." Now, the balance-sheet shows that an addition of £172,636 has been made to the insurance account, whereas a year ago this fund showed an increase of £217,786, but in neither case is any mention of this made in the profit or loss account. The amounts required for fleet depreciation have probably been on a larger scale than the amounts transferred to the insurance account, but speculation in this direction would be idle. All that can be said is that for many years it has been not less than 5 per cent. on the first cost of the steamers, and that additional special depreciation has been written off steamers built or acquired during or since the war, the same practice being adopted by associated companies. But whether depreciation requirements were larger or smaller in 1921 than in 1920 it is impossible to say. It is to be regretted that the accounts are obscure on this point; but we may hope to be enlightened by the chairman at the annual meeting. Debenture interest again required £218,000, but interest and discount, which was a credit item of £44,158 a year ago, has now become a debit item of £9,336. Nothing is credited to general reserve, which received £260,000 a year ago, when £10,000 was also transferred to superannuation fund. During 1920 the capital was increased by £1,800,000, by the addition of £900,000 to the ordinary stock, and the issue of £900,000 6½ per cent. cumulative preference stock. These were issued for cash. Indeed, the undertaking is remarkably free from watered capital, it having never made a bonus issue. The recently issued additional capital now ranks for full dividend, and the increase in preference dividend is thus accounted for. The ordinary dividend is reduced from 7 to 6 per cent., and the carry forward is

nearly £7,000 lower at £103,927. On the basis of the 6 per cent. dividend, the ordinary shares yield £6 7s per cent. at the present price of 94½. Last year the shares went as low as 78, and the rise in quotation that has since taken place is an expression of confidence in the strength of this great shipping group.

Notes of the Week.

Public Trustee's Report.—In the fourteenth general report of the Public Trustee*, a loss on the year's working of the office is again recorded. Fees and credits totalled £289,451, as against an expenditure of £329,669, leaving a deficit of £40,218 to be found by the State. Thus for six consecutive years a deficit has resulted. The total number of new cases accepted during the year ended March 31, 1922, was 1,136, having an aggregate value of £19,964,382. At the end of the year the number of trusts under administration was 15,335, with a total "nominal value" of approximately £161 millions. The published accounts are certainly informative, and with the exception of liabilities under Schedule A of the Income-tax the office appears to have budgeted for all possible outgoings. Of the deficit, apart from a loss of £4,773 by burglary, £35,200 was incurred during the first six months, when the salary and wage bonus was at the highest point it has reached; for the last six months of the year the falling bonus reduced the deficit to £245. It is hoped that next year will show that the office can be run on a self-supporting basis. The Public Trustee maintains that there is no question of competing with banks or insurance companies. He cannot refuse any trust on account of its smallness or troublesome conditions. In short, business cannot be selected. The deficit was incurred entirely in respect of the London office, the Manchester branch having paid its way for the year. But it is interesting to observe that the Public Trustee states, "I am satisfied, however, that this difference in result cannot be taken as an indication that further decentralisation in other parts of the country is the obvious solution of any future difficulties."

The Carry-Over.—Most of the markets in the Stock Exchange have failed to derive any benefit in the way of new business from the public now that the latter are allowed once more to carry over stock as they did before the outbreak of war. In every market, writes a Stock Exchange correspondent, the same story is told by brokers who admit, without demur, that they find it impossible to identify many orders this week as likely to have come from clients who may be expected to send instructions to carry over the stocks and shares on Monday and Tuesday next. Nor have there been any price movements in the markets to suggest that the permission to open accounts once more has fired the willingness of the public to take advantage of the concession, and to buy or sell stock in advance of the pay day. The South African market found that some of the buying which occurred in the early part of the week was on behalf of people who said they would desire to carry-over shares, should the prices not have risen before the contango day came round. Little objection has been raised in the markets to the affording of contango facilities to bulls and bears alike. People who have sold Home Railway stocks, and who hold these in their name, may quite possibly be glad to accept a reasonable rate of interest, and retain the stocks rather than deliver them, and find themselves left with the money for employment in other directions. It may be assumed that banks, insurance companies, and other large holders of stock will certainly not be averse from accepting reasonable contango rates on stocks which they have sold. It may even prove to be the case that there will be more takers-in, i.e., sellers, than givers, the buyers, because a good deal of the buying this week was for account of the genuine investor; it was not of the speculative character, which would infer a desire to contango the stocks next Tuesday. The oil market will probably be ready enough to provide facilities in a good many cases.

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So far as the continuation rates are concerned, the 4 per cent. Bank Rate makes, of course, a kind of rough standard. On Home Railway stocks, the charges should range somewhere between 5 to 7 per cent.; on mining shares it may be 1 per cent. more, and in the oil market probably 6 to 7 per cent. will cover the majority of contangoes. The first fortnightly account after the war must have been in any case in the nature of a trial, and the Stock Exchange does not expect that there will be any real manifestation on the part of the public to take advantage of carry-over facilities until business revives more actively, especially in those markets where speculation rather than investment occupies the predominant position.

Service Personnel and Government Staffs.—A White Paper issued this week (Cmd. 1665, price 3d) contains figures of National expenditure under numerous heads for each year since 1913-14. As regards the comparison between present and pre-war expenditure, the document adds little information that we have not already given to our readers in the comparative survey published in our issue of April 29th. But it contains also a table showing the comparative numerical strength of the fighting services, and of the staffs of Government Departments. A comparison of the present position with the figures for the Armistice date and 1914 reads as follows:—

	Pre-War, 1914.	Nov. 11th, 1918.	April 1st, 1922.
Army.....	174,500	3,996,000	196,000
Navy.....	145,600	267,000	121,400
Air Force	..	293,000	27,300
Total for Fighting Services ..	320,100	4,556,000	344,700

Staffs of Government Dep'tmts. 277,900 .. 418,025 .. 317,721

It is a sharp commentary upon the pacific efforts of world statesmen that nearly 3½ years after the great war our fighting forces should be 7.8 per cent. larger in personnel than they were immediately before the war. In the list of departmental staffs the 14 per cent. increase on the pre-war figure is largely due to services that are legacies of the war and post-war conditions. But a notable figure is a decrease of 23,714 in Post Office employees, which is suggestive of improved organisation. On the other hand, it is difficult to understand why the Admiralty and War Office should both require staffs more than twice the pre-war size. The former now employs 9,109, as compared with 4,400 before the war, and the latter 5,760, against 2,800. The Ministry of Labour, whose functions before the war, under the ægis of the Board of Trade, were carried out by approximately 4,400 persons, now requires 20,579 to supervise its expanded activities, while the Inland Revenue departments employ 20,645, against 15,800 in 1914. Here, too, of course, the volume of work has increased. But the list as a whole hardly suggests that the opportunities for pruning in departmental staffs have been by any means exhausted.

Poland's Textile Industry.—It comes as a surprise writes a correspondent recently returned from Poland, to come suddenly on a large industry in a place where there seems little or no reason for it to be. Such an industry is that of Lodz, where a thriving wool and cotton textile industry is again getting on its feet, and is beginning to compete in markets hitherto exclusively Austrian or German. Situated as

It is some 200 miles from the nearest seaport, and without even direct rail communication with it, Lodz is badly placed from the point of view of receiving from overseas its supplies of raw material and machinery. This disadvantage, however, is to some extent made up for by a position which commands the avenues of approach to Central and South-Eastern Europe—Poland's natural markets. Before the war the industry of Lodz was a large one. In 1914 there were 1,380,000 spindles and 35,000 machine looms; the numbers employed were 75,000 men and women; the annual production of cloth was 70,000 tons; and the annual consumption of raw cotton, 25,000 tons. The end of the war found the industry practically ruined, factory chimneys razed, buildings and machinery gutted by fire and by removal of working parts (bronze bushes, copper bearings, &c.). This was partly the result of deliberate policy on the part of the Germans, who applied the same methods as they employed in France and Belgium; with even greater thoroughness, and, for the rest, it was the result of Russian precautions designed to prevent valuable machinery falling into enemy hands. Some machines were removed to Russia, and there lost in the general chaos. The total damage is estimated at £30,000,000, which is probably irrecoverable. After the war the millowners set to work, in the face of the greatest difficulties, to reconstitute their industry, and overcame one obstacle after another by determination and energy. After reconstituting machinery, by reassembling and repairing damaged machines, they found it was almost impossible to get raw material. It could not be got through Germany or through Russia, which were hostile, and finally it had to be brought by roundabout routes, chiefly through Italy and Austria. Adverse exchange made prices of machinery and of raw material alike almost prohibitive, but credits were arranged; British firms in some instances took an interest in local concerns, and one way and another the difficulties were got over. As a result the industry is now in a fair way to being restored to a pre-war level. Full time is being worked; production is at 60 per cent. of pre-war capacity in cotton, and 48 per cent. in wool. The total numbers employed are now over 60,000, as against 30,000 in 1920, and the production of cloth at the end of 1921 had reached 61,000 tons. Every branch of the textile industry appears to be covered, as far as the inexperienced eye can tell, and even excellent tweeds, indistinguishable from English and Scottish, are produced. Exportation is in full swing to Russia, Austria, the Ukraine, Lithuania, Hungary, Rumania, and even to Belgium, Czecho-Slovakia, and India. For this the low rate of the Polish mark is, of course, partly responsible, but there is no doubt of Poland's ability to become a serious competitor in the textile markets of the world. In the markets of Russia and the Ukraine her geographical position and other advantages will probably render her supreme when these fields are open, and this consideration alone makes the industry of Lodz worthy of serious consideration. The millowners are one and all anxious to extend their factories, and are by no means content with their present development. For this expansion credit and machinery are required. It should be possible for both to be found in the United Kingdom.

Coal in South Africa.—In a paper recently published in the Transactions of the Geological Society of South Africa, Dr E. T. Mellor describes the chief coal resources of South Africa. The Witbank or Middleburg coalfield is the most important, its capacity being estimated at a thousand million tons, and owing to its proximity to the main line of the Transvaal—Delagoa Bay Railway—it has been more extensively prospected and worked than any of the others. It is comparatively free from disturbances, and the continuity of the seams has been fairly well proved for about 45 miles. There are six seams, the two most important being No. 2, averaging 16 to 20 feet in thickness, and No. 4, averaging 24 feet. The coal is somewhat variable in character, and while much of it is of low ash content, an appreciable proportion in some parts of the field has a high ash percentage. In one block

of 7,000 acres a tonnage of 214 million tons has been proved, with an evaporative power of 12.5 or more. The Komatipoort field is disappointing, and its prospects doubtful. In Swaziland recent boring has indicated the existence of several seams, mostly thin, of high quality coal, although the total tonnage may not be considerable. In the Waterberg district several seams of good coal have been discovered, but they lack railway facilities at present. The Natal coalfields are inferior to the Witbank in having thinner seams, more broken up, and lying deeper, and they are, therefore, more gassy and difficult to work. It is estimated that the best Natal coal will be exhausted in 40 to 50 years, but the Witbank field appears to justify the development of a considerable export trade in coal.

Value of English Corn Crops.—A very interesting calculation is made in Part II. of the Agricultural Statistics for 1921, which has just been published, regarding the gross value at ordinary market prices of all the corn produced in England and Wales last year. The gross value of wheat, barley, and oats harvested was £48,700,000, as against £79,530,000 in the previous year. But a sum of £14,000,000 was paid by the Government under the Agricultural Act (Repeal), and this brings the value up to £62,700,000, or £17,530,000 less than that of 1920. The years 1918 and 1919 stand out prominently as record seasons, for in the previous year the value amounted to, roughly, £93,000,000, and in the following year to only slightly less. Before the war the gross value of the three crops was on an average only about £30,000,000. In making the above calculations, the figures do not represent the actual cash received, because the total quantity grown was not, of course, sold, a large proportion of it being retained for use upon the farm. The total quantity of wheat, barley and oats grown last year was 24,000,000 quarters, compared with 22,000,000 quarters in 1913.

New Workmen's Compensation Proposals.—It is understood that negotiations are taking place between representatives of the chief employers' organisations throughout the country, and the trade unions with regard to the terms of a new Workmen's Compensation Bill. The Government has promised to introduce a Bill if an agreement on the leading points can be arranged. The Home Office has recently drafted provisional proposals, and it is suggested that the maximum weekly compensation should be increased from 20s to 40s. Of course, it must be remembered that the War Addition Acts provided for the maximum to be increased to 35s. Another proposed change is that, instead of the weekly compensation being payable from the date of the accident if the injured person is away from work more than two weeks, compensation should not be payable when the injury does not disable the workman for more than three days, or in respect of the first three days on which he is so disabled. With regard to fatal cases, the present Act provides for a maximum of £300, but it is now proposed that additional payments should be made for children under 15 years of age, but the total amount of compensation must not exceed £500.

The Salvador External Debt.—Interesting news has come from Salvador this week. In 1915, it will be remembered, the Government of the Republic was compelled by the loss of foreign trade and Customs revenue occasioned by the war in Europe to compound with the holders of the loan issued here in 1908 by paying their interest in bonds of a 7 per cent. Funding Loan. In February of last year both these loans went into default, and in December the trustees for them announced that a settlement had been arranged involving the issue of a loan in the United States in three series of bonds. Series "A," amounting to \$5,000,000, would be placed in the United States; series "B" would be exchanged for the existing External Bonds; series "C" would be used to meet other obligations of the Republic, including the arrears of subsidy due to the Salvador Railway Company and various internal loans. All three series would be secured on the Customs, and would rank successively for

interest. The provisions for the control and supervision of the Customs administration by the American lenders appear to have been stringent, and in Salvador the influence of American financiers has hitherto been less, and the dislike of its extension stronger, than in any other Central American Republic. Indeed, the abortive Federal Constitution of 1921, which was probably drafted mainly by Salvadorean jurists, forbade the States of the projected Union to make contracts compromising their sovereignty or independence. There have been rumours that the negotiations were not proceeding smoothly, but they seem to have continued until last week. Last Saturday, however, the trustees of the two External Loans announced that the Salvador Government had notified the American Minister that the negotiations had been definitely abandoned, and that they themselves had formally demanded the renewal of the service of the British loans; meantime the British Foreign Office had requested H.B.M. Minister in Salvador to report on possible further measures to protect British interests. On Monday, however, they issued a second notice to the effect that the President of Salvador had appealed to the American Minister to conclude the negotiations, and that the power of attorney held by Mr Keilhauer, the agent of the American financiers concerned, had been renewed. What brought about this sudden change can only be conjectured; the success of the negotiations is of such importance, both to the Salvador Government and to the American capitalists concerned in the country, chiefly through the lines in it owned by the International Railways of Central America, that a movement for resumption might very well have been initiated by either side. The American loan will bring in new purchasing power, and stimulate the foreign trade of the Republic, and therefore promote the traffic both of these lines, and, still more, that of the Salvador Railway, which this year has been recovering from its misfortunes, and has resumed cash payment of the interest on its 5 per cent. mortgage debentures, as well as their redemption. Probably the negotiators, as is the way of Americans doing business in these small republics, have paid too little heed to the extreme sensitiveness of their patriots. Means will have to be found of avoiding offence to national sentiment, while making adequate provision for the service of the loan. The British bondholders have not taken alarm.

Guardian Assurance Company.—By modern standards the Guardian is a small office, but it is none the worse for that. In fact, in respect of 1921, which was its centenary year, the company shows a comfortable surplus in all departments, which is much more than many of its big rivals have succeeded in doing. In the fire department the premiums were £125,380 smaller at £1,013,734, and the release of reserves for unexpired risks permitted a trading profit to be shown of £113,403. The marine account of 1920 was closed with a profit of £34,982 (to which interest contributed £19,536), and the accident and miscellaneous branches, with premiums of £519,565, yielded £74,010 from underwriting. An analysis shows that interest receipts yielded £117,739, and that the transfers to profit and loss from the fire, marine, and accident surpluses were no more than £65,464, the remainder of the earnings being added to the reserve funds. Taxes on profits cost £88,290. The dividends paid on proprietors and staff shares absorbed £114,529 in 1921, and a special bonus of 2s a share, less tax, on each ordinary and staff share is now recommended to celebrate the year of centenary.

British Oil and Cake Mills.—The accounts of the British Oil and Cake Mills for 1921 again record a decrease in profits. Trading profits are down from £425,267 to £349,495, while net profits fell from £446,994 to £351,083. The return from investments, totalling £60,874, shows a small decrease when compared with the figures of £86,282 given a year ago. Results for a number of past years are summarised as follows:—

	1913.	1916.	1917.	1918.	1919.	1920.	1921.
Trading profit	£189,860	£263,250	£303,016	£333,552	£605,064	£425,267	£349,495
Net profit	£139,041	£241,812	£329,591	£322,008	£604,733	£446,994	£351,083
Depreciation res., &c.	£72,500	£72,500	£140,000	£104,441	£246,922	£32,530	£57,500
Preference dividend	£34,650	£37,348	£40,871	£40,871	£40,871	£40,751	£40,870
Ordinary dividend	£30,950	£30,483	£149,232	£174,756	£312,501	£372,938	£250,000
Carried forward	£941	£1,481	£57	£1,937	£444	£686	£272

Ordinary shareholders receive a distribution of 10 per cent.; this will absorb £250,000. Reserves secure £57,500, as compared with £32,530 for 1920, and as the main reserve account now stands at £950,000, the year's allocations in this direction appear to be satisfactory, especially as "sundry creditors" at £638,312 includes reserve for income-tax and contingencies. In connection with this latter item the report states that "progress has recently been made in determining the company's position in regard to liability for Excess Profits Duty, income-tax, and corporation profits tax," but no definite figure has yet been arrived at. "Meantime," the report proceeds, "ample reserves are provided in the accounts, and upon a final settlement it is anticipated that these will prove more than sufficient." The balance-sheet showing the various changes as the result of the year's operation will be found fully analysed in another column.

Two Rhodesian Reports.—The results for 1921 of both the Lonely Reef and the Rezende were to some extent affected by the labour trouble of the early part of the year, but in other respects there is little resemblance. The first-named undertaking, although still milling ore above the grade of the reserves, secured an average of 19.2 dwts, as against 21.72 dwts in 1920. Part of the difference was compensated for by reduction in costs; nevertheless, the profit came out £45,100 lower at £133,700. The dividends being cut down from 50 to 30 per cent., an enhanced balance of £72,500 remains to be carried forward, despite the allocation of a substantially increased amount for depreciation. Towards the end of the year the new gas-power plant came into operation, and effected a saving equivalent to no less than 10s per ton of ore milled. It is noteworthy that the April profit amounted to £12,840, as against £13,400 in the corresponding month of last year, while the cost ratio worked out at 37s 4d, in place of 49s 2d. The full and informative table of development results indicates that while values on the 23rd level displayed a further decline, those at the 24th—the lowest level—scored a striking recovery, the average of 31½ dwts being the best so far recorded below the 20th level. At 204,250 tons the ore reserves somewhat exceed those at the end of 1920, but the value of 18.1 dwts is nearly 2½ dwts down. On the basis of last year's dividends the yield on the shares is about 12½ per cent., but not much more than one-third of the present market price is "in sight" as profit in the ore reserves. As regards the Rezende, a cursory glance at the directors' summary of the accounts might easily lead to erroneous conclusions, the sum of £30,000 being drawn from reserve for the purpose of providing the 20 per cent. scrip bonus announced in November, 1921. Actually the working results correspond very closely to those of 1920, when, however, the gold reserve established in 1918 was drawn upon to the tune of £13,000. The dividends paid in respect of each of the past two years—8s per share—have exceeded the actual earnings, and altogether the position has been somewhat abnormal. At 140,500 tons the ore reserves are virtually unchanged in point of quantity, but the value of 9½ dwts is ½ dwt lower. The tonnage represents only two years' supply for the mill, and very little information is given in regard to the underground position. Hence a purchaser of the shares at 50s would be paying pretty heavily for possibilities.

Tanganyika Concessions and Zambesi Exploring.—Our mining correspondent writes:—Now that the overdue reports have been issued, and the annual meetings held of these undertakings, their affairs can be reviewed in the light of the full and up-to-date information available. The delay in issuing the accounts is due to the arrangements

for a new issue on the part of the Tanganyika. The position is a little complex. For some time past the Zambesia company has practically confined its energies to assisting the Tanganyika, in which it has a considerable interest. The Tanganyika holds shares in the Union Minière du Haut Katanga—an ambitious enterprise located in Brussels; also in various other allied concerns, the number as set out in the balance-sheet being 2,700,000 Benguela Railway £1 shares, 58,800 Union Minière 400f "capital" and 58,800 "dividend" shares, 494,800 ordinary, and 62,450 "B" Rhodesia-Katanga Railway shares; 1,600 Katanga Railway 250f shares, and 10,000 Nile-Congo Divide shares, 17s 6d paid. The Union Minière interest above mentioned cost £500,000; according to the auditors, it had on June 30th last value of £2,500,000. Further shares in that company are being acquired out of the proceeds of the issue shortly to be made of 750,000 convertible 10 per cent. preference £1 shares. This transaction completed, and the 10 per cent. underwriting commission paid, a balance of £285,000 will be left in the hands of the company, or more than sufficient to cover the loan from the bankers. At the date of the balance-sheet the cash assets exceeded the liabilities by somewhat over £4,000,000, the great bulk, of course, comprising the investments above catalogued. On December 31, 1920, the Union Minière Company had in issue 150,000 capital shares of 100f each, and a like number of "dividend" shares—the latter possess no nominal value, but rank for dividend equally with the others; they are in the nature of vendor. A further 110,000 shares of both classes have recently been created in connection with the extension of the company's concessions to their final date—March, 1990—the "capital" shares being issued at 400f each. For the purpose of providing for the treatment of its lower-grade ores the company is raising further capital in two different forms—150,000,000 in debentures, and a like amount in "privileged" shares, the issue being made piecemeal as funds are required. The activities and interests of the Union Minière certainly make a very impressive showing. Copper production from the rich ores has steadily expanded from 10,700 tons in 1914 to 30,470 tons last year, and is now at the rate of over 36,000 tons per annum. The ore reserves in the Eastern group of mines at the end of last year were computed as 49,006,000 tons, carrying 2,830,000 tons copper. Active drilling is in progress on the Western group. The output of tin ore is expected shortly to be at the rate of 80 tons per month. Gold, cobalt, and uranium have been found, and are under investigation. An extensive coal deposit is being opened up, and production should commence this year. The completion of the Benguela Railway is an essential part of the extension programme. At the meeting of the Tanganyika Company the unexpected announcement was made that the Trade Facilities Act Advisory Committee had been giving earnest consideration to a proposal that it should recommend a guarantee of some £3,000,000 by the British Government for the above purpose—as it would provide considerable employment in this country, but that opposition had been encountered on the part of the Union Government, which is at present negotiating with the Chartered Company for the acquisition of its controlling interest in the Rhodesian Railway system. It is to be hoped that wiser counsels will prevail; the case is one in which the "long view" requires to be taken. Altogether the possibilities are undeniably great, and afford ample scope for the exercise of the imagination. But the crucial points for holders of ordinary shares in the Tanganyika Concessions are—first, what will be the price of copper when the Union Minière is turning out the projected 140,000 tons per annum; second, what profit will be left after the Union Minière has met the service on its heavy prior charges, and Tanganyika has paid the interest on its preference issue. The Zambesi Exploring Company's interests, apart from land, are of practically the same nature as those of the Tanganyika Company—in which some 214,800 shares are held. Last year's operations again showed a small profit, increasing the surplus to £432,700; of this £400,000 is to be appropriated for depreciation on investments.

Cotton Mill Shares.—Owing to the improved reports from trade centres in the Lancashire cotton industry, writes our Manchester correspondent, there has recently been a steady rise in prices for mill shares in the Oldham district. On the whole, the lowest point for share quotations was about the middle of February, and since then the shares for most companies have hardened in price. The following table gives a representative list of companies. In each case the shares are of the value of £1, with 10s paid up:—

Spinning Company.	Town.	Paid-up Ordinary Share Capital.	Quotations.				Ag. vance.	Latest Dividend p.a.
			Feb. 15, 1922.	May 24, 1922.	Feb. 15, 1922.	May 24, 1922.		
Arkwright	Roohdale	180,000	8 0	8 6	2 6	0	5	nil
Athens	Oldham	120,000	4 0	6 0	2 0	0	5	5
Briar	Oldham	100,000	12 0	14 3	2 3	0	5	5
Cairo	Oldham	175,000	5 9	8 0	2 3	0	5	5
Coral	Roohdale	75,000	15 3	16 9	1 6	0	13	13
Dawn	Oldham	100,000	12 0	14 6	2 6	0	10	10
Duchess	Oldham	60,000	9 3	10 6	1 3	0	nil	nil
Fern	Oldham	125,000	11 9	12 0	0 3	0	5	5
Gladwick	Oldham	100,000	8 8	9 6	0 9	0	nil	nil
Hope	Pailsworth	70,000	14 0	15 0	1 0	0	10	10
Melbourne	Oldham	85,000	8 7½	9 6	0 10	0	5	5
Mersey	Pailsworth	130,000	8 9	9 0	0 3	0	5	5
Monarch	Oldham	125,000	10 0	13 9	3 9	0	5	5
New York	Heywood	75,000	5 9	6 6	0 9	0	nil	nil
Oldham Twist	Oldham	175,000	10 9	13 6	2 9	0	10	10
Parkside	Oldham	150,000	11 6	13 9	2 3	0	5	5
Ryecliffe	Ashton-u-Lyne	50,000	8 0	10 6	2 6	0	5	5
Stalybridge	Stalybridge	110,000	4 3	5 6	1 3	0	nil	nil
Star	Oldham	125,000	7 6	9 3	1 6	0	5	5
Stockport	Stockport	750,000	7 6	8 9	1 3	0	5	5
United	Oldham	100,000	9 6	10 9	1 3	0	5	5
Wye	Oldham	100,000	15 6	21 3	5 9	0	10	10

At the end of the first quarter of this year 77 companies took stock either for three months or six months. The directors of 41 mills were not able to recommend any dividend, but with regard to the remaining 36 concerns, payments were made varying from 5 to 24 per cent. per annum. Fifty-nine companies took stock for the quarter, and 31 were forced to pass the dividend. The average dividend per company worked out at 5.10 per cent. per annum, against 5.78 for the December quarter, 6.21 in dividend per company worked out at 5.10 per cent. per annum a year previously. Eighteen companies took stock at the same time for the half-year, and the directors of 10 concerns were not able to recommend any dividend. The average dividend per company was 5.25 per cent. per annum, against 6.36 per cent. for the previous six months, and 7.72 per cent. per annum a year previously. During the last few weeks there has been healthy buying of mill shares in expectation of capital appreciation, and the possibility of higher dividends in the future. Many concerns, however, have to work off adverse balances which have accumulated during the depression, and it is probable it will be some time before numerous mills can recover themselves. The trade outlook, however, is distinctly better, and there are no indications at the moment of any slackening of demand for shares, especially for the companies that are known to be well financed and in a sound position.

Japanese Trade and Finance.—According to cabled advices from Tokyo, the general economic outlook in Japan continues to be dull, but activity has developed in the raw silk market owing to increased demand from both America and Europe, and seasonal scarcity of stock, and the firm tone was not upset by the announcement of the Imperial Silk Company that it has arranged to sell its holdings of silk, amounting to 2,000,000 kin, in equal instalments over ten months. Owing to the activity of the raw material, a better tone developed in silk goods export trade, where unprofitable conditions have recently hampered production. In the money market short loan conditions have been eased by the repayment of 53,000,000 yen of Treasury bills, mainly to the banks, and by a relaxation of the recent cautious attitude of the banks. Subscriptions to the 5 per cent. four-year Exchequer bonds, of which 52,000,000 yen were offered at 93 per cent., reached a total of 61,000,000 yen. On May 15th the note issue of the Bank of Japan was 1,055 million yen, or 8 million yen more than a year ago, while discounts and advances at 128 million yen are 55 millions higher than at May 14, 1921. Japanese imports in April were 185 million yen, and exports 129 million yen, the former being 46 millions

higher and the latter 14 millions higher than in the corresponding month of last year. The Bank of Japan's index number of wholesale prices in April was 261.25, as compared with 251.14 a year ago.

Oversea Correspondence.

UNITED STATES.—AMERICA AND EUROPE: BANKERS' VIEWS—A STEEL MERGER—COMMODITIES PRICES—BOND MARKET EASIER.
(FROM OUR CORRESPONDENT.)

NEW YORK, May 15.

At a recent dinner of the American Acceptance Council, Governor W. P. G. Harding, of the Federal Reserve Board, and Paul M. Warburg, president of the council, discussed the part that should be taken by American money in refinancing Europe and the world. "The main burden," said Mr Warburg, "will rest on England and the United States. It will not be a question of crowding one another out—the burden will be so heavy that both countries will be grateful for having a partner shouldering a substantial share of the load." He spoke of the council's work, and said that "the stronger the world's will to return to the gold basis, the more inevitable will be America's duty to co-operate in devising plans that would bring her unduly vast accumulation of gold into a position of wider service. At present," he added, "a lack of bills in the open market has driven the Federal Reserve banks into heavy investments in Government certificates and short-term Government obligations. It would be much healthier if they could show a larger volume of bills purchased." Governor Harding remarked, in substance, that this country should do all in its power to stabilise conditions in other countries without unsettling this country. There is no disposition on the part of the Federal Reserve Board, he said, to monopolise the acceptance business for the United States, and there is "no thought that it could do so"; but there is a field for both dollar and sterling exchange, he added, and the two great English-speaking nations can render better service to the world's commerce by participation on the part of both than would be the case if either were excluded.

For some time past negotiations have been under way to merge seven of the leading independent steel companies of this country into an organisation which, in size, would rank second only to the United States Steel Corporation. It was generally supposed that the Lackawanna Steel Company would be included in the proposed combination. Last week's announcement that the Bethlehem Steel Corporation will acquire by purchase the properties of the Lackawanna Steel Company therefore came as a great surprise to the financial district and to the steel trade, although there had been some talk of such a development in the event of the seven-company merger not materialising. It is understood that the Bethlehem deal will not interfere with plans to unite the other six companies. While all matters relating to the Bethlehem-Lackawanna consolidation are said to have been agreed upon, directors of both companies are to meet this week to take formal action thereon. The terms have not yet been announced, but it is officially stated that the transaction will involve the use of Bethlehem 7 per cent. preferred and Class B common stocks in payment for the Lackawanna properties. The purchase will unite under a single management two of the foremost independent producers of iron and steel in the United States. The Lackawanna acquisition will give the Bethlehem a gateway to the markets in New England and the Eastern States, and, according to President Grace, "fits in nicely with the plans that Bethlehem has for the future." The Bethlehem will now be able to extend its field of operations, since the Lackawanna will supply the New England and Lake States with steel rails, in which it specialises, while the Bethlehem will continue to supply Southern markets; the latter corporation as a result of the purchase will secure a market for structural plates in territory which heretofore it had not reached. The combined companies will have an ingot capacity of approximately 5,000,000 tons annually, of

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which 1,800,000 is credited to the Lackawanna and 3,200,000 to the Bethlehem Corporation. That compares with the United States Steel Corporation's ingot capacity of about 22,000,000 tons, and with some 8,200,000 tons of the proposed seven-company merger. On the Stock Exchange the announcement of the merger was followed by excited trading and sensational advances in the shares of both companies, particularly Lackawanna, which rose more than 12 points in one session. Other independent steel shares have also been very active and strong.

The increase in the United States Steel Corporation's unfilled tonnage last month proved to be well above conservative estimates. The total of unfinished business on the corporation's books, as of April 30th, amounted to 5,096,917 tons, the largest since June 30th last, and representing an increase of 602,769 as compared with the end of March. Apparently the corporation operated at about 73 per cent. of capacity on the average last month, and shipments are estimated to have been approximately 1,000,000 tons. The gain in unfilled orders, together with the heavy shipments, indicates that new business received in April was close to 1,600,000 tons.

Prices of commodities again advanced on the average during April, for the ninth time in the eleven months since June, 1921. *Bradstreet's* index number as at May 1st was \$11.7044, representing a gain of 1.4 per cent. over April 1st, of 2.8 per cent. over January 1st, and of 10.2 per cent. over the low point of June 1, 1921, but a decrease of 43.9 per cent. from the peak of February 1, 1920, and of 38.4 per cent. from December 1, 1918, just following the Armistice. As compared with August 1, 1914, the present index number shows a rise of 34.3 per cent.; it is 8 per cent. higher than that of May 1 a year ago. A noteworthy feature of the April price movement is the fact that all but two of the thirteen groups of commodities used in the compilation advanced during the month, the exceptions being fruits and hides and leather, both of which remained unchanged. The greatest rise, 6 per cent., was in metals.

Notwithstanding an unusually heavy loss in winter wheat acreage, due to winter-killing, the Government's crop report as at May 1st was distinctly favourable. On that date the area of winter wheat to be harvested was 38,131,000 acres, according to the Department of Agriculture, or 6,446,000 acres less than the acreage planted last autumn, and 4,571,000 acres less than the acreage harvested last summer. The average condition of winter wheat on May 1st was 83.5 per cent. of normal, indicating a possible yield of about 15.3 bushels per acre, which, on the estimated area to be harvested, would produce 584,793,000 bushels, or only 2,239,000 bushels less than in 1921, and some 8,000,000 more than the April 1st report indicated.

The bond market seems to have lost some of its vitality. Although money rates continued easy, prices of nearly all classes of outstanding bonds declined last week, and some issues suffered rather severe losses. The reaction was due largely to profit taking sales, especially in speculative issues, which had scored substantial advances in recent weeks. The largest single flotation last week consisted of \$75,000,000 farm loan bonds offered by the 12 Federal Land Banks through bond distributing houses in all sections of the country. The bonds are dated May 1, 1942, due May 1, 1942, callable after 10 years, bear a coupon rate of 4½ per cent., and were sold at par and accrued interest.

FRANCE.—REPARATION NEGOTIATIONS—GERMAN LOAN COMMITTEE—FRENCH TRADE—THE BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, May 23.

THE one outstanding question that is occupying French attention at the present moment is whether, as the result of common action between the Allies on May 31st, Germany will be compelled to meet her engagements during the coming 12 months, or whether France, through the failure of her Allies to support her claims under the Versailles Treaty, will be obliged to resort to a further issue of Rentes, to the amount of at least 3,900,000,000f, for the purpose of balancing her 1923 Budget, and will be called on to continue to act as Germany's banker for an indefinite period. So far the French taxpayer has had to find, for the restoration of the devastated regions, over 80,000 million francs, because Germany has failed to pay her.

The object of the negotiations that have been going on between the Reparations Commission and the Berlin Government for some weeks past is to ascertain what course Germany intends to take. The Reparations Commission, as already stated, some weeks ago called on Germany to impose before May 31st 60 billions of new taxation, for the purpose of balancing her Budget, to state what guarantees she proposes to give to back her intentions to pay her Reparations debt in the future, and to set forth the extent to which she is prepared to place herself under Allied financial control, so that they may be assured she will meet her future engagements. To these demands the Berlin Government replied with a flat *non possumus* so far as the imposition of new taxation was concerned, and advanced the cool argument that her dignity as a sovereign State will not permit her to consent to any kind of control over her finances by the Allies. Dr Hermes, the German Finance Minister, who brought this reply to Paris, was told by the Reparations Commission, as might have been expected, that Germany must put forward a much more satisfactory reply, and he was further given to understand that unless she did so she will have only herself to blame for any consequences that may follow on May 31st.

The Paris newspapers began once more to talk seriously as to what effect an Allied, or even merely French, occupation of the Ruhr area would have on German industry, and M. Poincaré, in a letter replying to M. Klotz, repeated his opinion that this country, under Article 18 of the Versailles Treaty, will be perfectly justified, if the Allies decline to take common coercive action against Germany on May 31st, in exercising her right to act independently. The effect of these and other evidences of French intentions to bring the Reparations question to a definite issue by the end of the present month, coming on top of Mr Lloyd George's serious loss of prestige owing to the failure of the Genoa Conference, has shown itself in a notable modification of the German attitude in the negotiations that have been in progress between the Berlin Government and the Reparations Committee.

Dr Hermes, it is now understood, has within the last day or two given the Reparations Commission to understand that the Berlin Government is prepared to accept most, if not all, of the demands that have been made upon it, both in regard to the reform of the German national finances and as to the extent of the control which it is proposed the Allies shall exercise over those of the German revenues on which the payment of Reparations will be secured. There is now a strong probability that, if the formal proposals that are to be put forward by the German Government before May 31st are found to be in general correspondence with the formulæ agreed to in principle by Dr Hermes, a solution of the problem favourable to all parties will be reached. Should this result be realised, the next question to be settled will be as to the means by which Germany is to find the money necessary to meet the Allied claims. The method most favoured here takes the form of the great international loan, of which so much has been said. The special committee of banking experts appointed by the Reparations Commission to consider in what conditions an international loan might be issued on behalf of Germany, for the purpose of mobilising a part of the debt due to the Allies, will begin its sittings here

to-morrow, under the presidency of M. Delacroix, the Belgian ex-Premier. The other members are Sir Robert Kindersley (Great Britain), M. Sergent (France), Signor d'Ameglio (Italy), Mr Pierpont Morgan (United States), M. Sekiba (Japan), M. Vissering (a Dutch expert, representing the neutral countries), and Herr Bergmann, for Germany. There are reports that the work of this committee will occupy from 10 days to a fortnight, but that strong attempts will be made to arrive at some kind of programme that will be available by May 31st, the date when the period given to the Germans to put their national finances in order will have expired, but by which it is hoped they will have put forward their new proposals.

It is generally recognised here that the key to the success of any international loan proposal on behalf of Germany is held by the United States. Hence the presence on the committee of Mr Pierpont Morgan is regarded as of the utmost significance. Those in the confidence of the American financier, and who are believed to be able to reflect his views, state that negotiations for the issue of an international loan on behalf of Germany are much more difficult now than they would have been six weeks ago, owing to the unfortunate failure of the Genoa conference, which is held to have complicated the international situation, instead of clearing it up. The opinion of the American people, who would necessarily be the principal subscribers to such a loan, is believed to have been unfavourably influenced by the happenings at Genoa. The difficulty to be faced by Mr Pierpont Morgan is that he has not only to satisfy himself as to the solvency of the future debtor, but also as to the extent of the goodwill of the potential subscriber.

The proposal to suppress the supplementary allowance of 720f a year, in respect of the high cost of living, that has for the past two or three years been made to all the lower grades of French public employees is meeting with such strong opposition that it will very probably be dropped. The advocates of economy in the Chamber and the Press insist that commodity prices are now sufficiently near the normal as to render these allowances unnecessary. The facts, however, do not appear to support this argument. The official statistics show that, taking 100 as the index figure for the cost of living in July, 1914, it had risen to 238 in 1919, when these allowances were first given, and to 295 in December, 1921, the date of the latest complete figures published. In view of the fact that the saving from the suppression of these allowances would amount to only 200,000,000f on a total deficit of some 3,900 millions, formal proposals have been laid before the Chamber to continue them for a further period.

Official figures have been issued showing the returns for exports and imports for the first four months of 1922, 1921, and 1913. They are as follows:—

Character of Goods.	First Four Months of the Years					
	1913.		1921.		1922.	
	Value.	Weight.	Value.	Weight.	Value.	Weight.
IMPORTS.						
Foodstuffs	1,000 fr.	Met. tons	1,000 fr.	Met. tons	1,000 fr.	Met. tons
Raw materials necessary for industry	512,674	1,572,183	1,614,765	1,065,976	1,636,030	1,417,128
Manufactured articles	1,766,771	12,020,169	3,960,406	11,146,676	4,013,833	13,732,155
Totals	2,825,039	14,198,237	7,627,243	12,775,531	7,010,283	15,741,934
EXPORTS.						
Foodstuffs	263,865	401,080	736,465	479,583	542,369	271,399
Raw materials necessary for industry	611,742	5,567,237	1,846,671	4,018,217	1,828,104	5,477,663
Manufactured articles	1,190,926	721,206	4,547,430	734,232	4,522,317	681,826
Postal packets	195,034	12,224	416,896	6,537	441,928	8,816
Totals	2,261,567	6,701,747	7,547,462	5,240,369	7,331,718	6,439,504

As compared with 1913 exports show an increase of 5,070,151 thousand francs in value, but are 262,243 tons less in weight.

The tendency of the Bourse towards firmness that was a marked feature of last week's session has been well maintained and even accentuated, the principal factor in it being the end of the Genoa Conference. Up till the last moment there was a fear that the Conference would result in serious Franco-British disagreement, but now that the Conference has been terminated and that public attention is focussed on more realistic questions such as that of Reparations, and as there is a reason to hope for effective co-operation with the United States, the feeling of optimism has become more pronounced. If the hopes

raised are realised, and France can feel secure as to Reparations, a still greater improvement can be expected. French Rentes have shown little change except for the Five per Cents. that have improved from 89 to 89.92. Banks generally have improved, and railways have been in demand.

GERMANY.—LOAN PROSPECTS—STATE MEASURES—EXCHANGE AND BOURSE—SHIPPING.

(FROM OUR CORRESPONDENT.)

BERLIN, May 22.

THE somewhat improved prospect that a loan for Germany may result from this week's meeting in Paris has had no visible effect upon business. The trend of the mark exchange has, on the whole, been downward, though slowly. A large loan is not considered possible, except in connection with either a general revision of Reparations or a general revision of international war debts. Neither is expected in connection with the Paris discussions, the chance of success in which is considered to depend on adhesion to a narrow immediate programme. What security Germany can give for a loan, if security is demanded, is not very clear. The banker, Herr Max Warburg, at the Congress of the Federation of Industries, now proceeding in Hamburg, declares that as security for the loan the Allies should relinquish to the lender their first mortgage upon German State resources; but these resources are not a realisable security for a private lender any more than they are for the Allies. The allotment of any particular German State resource for interest on and amortisation of a loan would produce only paper marks, which would have to be thrown on the exchange bourses. Business circles show nervousness, believing that the conclusion of even a small loan may violently reverse the mark exchange movement, and cause industrial stagnation. The Minister for Labour, Dr Brauns, last week told the Reichstag that the boom is at an end, the cause being the great price rise which threatens to kill the margin between German and foreign prices; and the president of the Mechanical Industries Association, Dr Börsig, says that even stabilisation of the mark exchange, not to mention improvement, would produce an industrial collapse. The Minister for Industry, Herr Schmidt, has also referred to the heavy losses which will be suffered if the mark exchange is sent up.

The Government has submitted a Bill giving it authority to increase Customs duties and to impose duties on goods now duty free without getting special legislative sanction. The aim is to adapt duties immediately to changes in the exchange, and in other conditions. Sugar, of which, despite abundant production, there is extreme scarcity, has been removed from the import prohibition list, and may now be imported without licence. The iron and steel producers have petitioned for a removal of the export duties on their wares, on the ground that German prices are now near or over foreign. Postal rates are again to be raised. The Independent Socialists have submitted to the Reichstag a proposal for further reduction of income-tax rates. The last reduction was on November 10th. The proposal is that the present 10 per cent. rate should be imposed on incomes up to 80,000 marks, instead of as now up to only 50,000 marks. The foundation for the proposal is the further currency depreciation.

A considerable agitation is proceeding against the supposed "buying up of Germany" by foreigners. There is a growing tendency to charge foreigners in Germany higher prices than natives, and various plans for special taxes on foreigners are unofficially proposed. The Peace Treaty makes such taxes impossible. The agitation has no real foundation. Already export goods are charged for at the highest prices compatible with successful competition. In the whole exchange account with foreign countries since the Armistice Germany has certainly gained more than she lost. Against a certain loss on goods sold at below world-market prices is the fact that vast sums have been invested, or speculated, by foreigners in German currency, bonds, stocks and real property, and in nearly all cases the foreigners have lost much of their

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capital and draw no interest worth mentioning. For the good foreign money received, Germans have got full value in necessary imports; but the foreigner, unless he bought in Germany and exported immediately, has lost. Enormous sums have been put by foreigners into German city house property, but the houses have been expropriated and transferred to the tenants, and under the new law a person who has invested £20,000 in a house will not be allowed to draw more than about £20 a year therefrom, and is highly unlikely to draw even that. In the last year alone, foreign bondholders have lost four-fifths of their money, and the small increases in dividend rates in no way compensate foreign shareholders for the loss on exchange. In fact, the falling mark exchange has been a lever for expropriating foreign property, and giving no return.

The Reichsbank announces that it is about to issue 10,000-mark notes. The highest note at present is 1,000 mark. A Bill under preparation forbids the further issue of emergency token money by local public bodies. Existing emergency issues are to be exchanged against a new metal coinage. The floating debt of discounted Treasury bills, on May 10th, was 282,590,215,000 marks, having increased by 10,655,050,000 marks since the beginning of the financial year, April 1st. The Reichsbank statement for May 15th again shows a heavy demand for credit, discounted Treasury bills having increased by 9,127,602,000 marks to 164,204,708,000 marks, and private bills by 30,799,000 marks to 2,614,563,000 marks. Note circulation increased by 439,972,000 marks to 142,903,593,000 marks; State deposits by 7,457,509,000 marks to 13,026,474,000 marks, and private deposits by 1,706,954,000 marks to 24,517,537,000 marks. An Export Bourse, to which foreigners, when accompanied by native members, will be admitted, is to be opened at Berlin. The Securities Bourse last week continued dull and undecided, averages of dividend-payers rising slightly, while home loan averages declined, and foreign loans rose considerably. The considerable activity in Russian rentes and railway bonds, which has prevailed since early in the Genoa Conference, continued, being helped by reports from the recently restored Moscow Bourse showing a great rise in quotations there. For Hungarian and Turkish Rentes there was also a great demand. Metal and mining stocks were active at intervals, on basis of rumours of a new important combination around the Phoenix Company. Industrial bonds mostly stand very much higher than at the beginning of the month. Instances of rises between April 30th and to-day are:—General Electricity 4½ per Cent., 102.50 to 136.50; do. 4 per Cent., 94 to 106; Badische Aniline 4½ per Cent., 112 to 140; Gelsenkirchen 4 per Cent., 93.50 to 110.

The price rise has put newspapers into a difficult position. More than a hundred daily, and many periodical, journals have ceased publication, many have reduced their size, and all have difficulties in making ends meet. Whereas subscription and sale prices have as a rule risen about 15-fold, the prices of materials have mostly risen 50, and some even 100-fold. Paper has risen from 20½ pfennigs per kilo in 1914 to 1590½ pfennigs on March 1st. The newspapers demand aid from the Government, and

desire that export of wood paper shall be more severely restricted. The remedy adopted by other industries of still further raising prices to the public, is not practicable, as experience has shown that circulation falls, and thereby production cost per copy is again increased. The newspapers complain of the high prices charged for wood by the States from whose forests most paper-wood comes. Ruhr coal production in April was, in 23 working days, 7,512,646 tons, and shows a considerable decline in daily output. A Bill before the Reichstag provides for increase under certain conditions of the present seven-hours day (in coal mines only) to 7½ hours.

The three foreign telegraph companies, the Deutsch-Atlantische, Deutsch Sudamerikanische and Osteuropäische, have amalgamated. A cable is to be laid from Emden to the Azores, to be connected with an American cable laid by the Commercial Cable Company of New York. The companies are negotiating with the Government for compensation for their war losses. The shipping companies report that, owing to the fall, since the spring of 1921, in the value of money, the compensation then granted by the State will finance only a small part of the construction programme. The Compensation agreement assumed that one-third of the old fleet could be restored with the sum granted; the present estimate is that only one-twelfth can be restored. Hamburg's shipping in the first four months of 1922 was:—Arrivals, 3,072 vessels of 3,672,169 net tons, against 2,217 vessels of 2,621,699 tons in the same months of 1921; departures, 3,426 vessels of 3,713,658 tons, against 2,489 of 2,610,321 tons. Shipping is now not far short of pre-war level, arrivals in the first four months of 1913 being 4,518,548 tons, and departures 4,595,020 tons.

HOLLAND. — BANKING CONDITION — GENERAL SITUATION—NEW ISSUES.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, May 15.

IN a recent letter I wrote that it might be possible that some of the smaller banks should be taken over by larger institutions, but that generally the position of the banks was good. Since that time a small private bank, an important joint-stock bank, and a large stock brokers' firm dealing also as bankers, have stopped payment. Marx and Co.'s Bank, with 12,000,000 fl capital, and 4,000,000 fl reserves, is being wound up (creditors being guaranteed by Messrs R. Mees and Zoonen and the Rotterdamsche Bankvereeniging) and the Bank Associatie (which was a fusion of the old bankers firm of Messrs Wertheim and ompertz and the Credietvereeniging) has been held up by a syndicate in which the Amsterdamsche Bank and the Rotterdamsche Bankvereeniging participated. In pre-war times these occurrences would have sufficed to cause a sort of panic, but nowadays things are taken very phlegmatically, and undoubtedly the prompt action of the other banks, instigated by the Netherlands Bank, contributed in no slight degree to maintain confidence. Rumours about some other banks continued some time with persistency, but happily no foundation for them appeared.

Business is very slack in Holland. Many industrial companies are passing their ordinary dividends, same have trouble to pay the preferred dividends, and others are being liquidated or reorganised. The spirit of enterprise is altogether lacking. The money lying idle finds employment in investment funds, issues of which are usually a fair success. An interesting issue was that of the City of Amsterdam, of which Messrs. Pierson and Co. took over 10,000,000 fl 6 per cent. bonds, which they offered to the public at the rather stiff price of 99½ per cent., while simultaneously subscriptions were invited in Switzerland. After the issues of the Netherlands and the Netherlands Indian Government and the Holland-America Line, which were offered in Holland and America at the same time, this was the first loan in which Switzerland took an interest.

CZECHO-SLOVAKIA.—EXCHANGE AND TRADE CONDITIONS—BANKING DEVELOPMENT—GENERAL OUTLOOK.

(FROM OUR CORRESPONDENT.)

PRAGUE, May 20.

FOR some months Czecho-Slovakia has been going through a period of commercial stagnation, comparable to that which was oppressing England more than a year ago. The trouble also is due to much the same causes. After the war the demand for manufactures went up rapidly by leaps and bounds, with the consequence that all factories in the country were working at full pressure, while many new ones came into being at great expense. Meanwhile, the value of the crown continued to fall until in October, 1921, it reached the unprecedentedly low figure of over 400 to the pound sterling. Czecho-Slovakia, being an exporting country, did not suffer from her low currency so much as might appear probable; her wood, her coal, her sugar, and hops found ready purchasers, while on her part she could still purchase raw material from adjoining countries whose currency was lower than her own. The crown began to rise at the latter part of 1921, and in January last the rise was phenomenal, both in the amount and the quickness of the movement. This month it has risen to 230 to the British pound, and though still 100 above the figure in 1919, the effect on the export trade of the country is deplorable. Certain raw materials can still be purchased in Germany and Austria; but Germany, on the other hand, who took most of this country's surplus coal, is now finding it too dear, and the lignite or brown coal trade is suffering with the wood and the iron.

The high cost of coal, owing to the heavy excise, as well as the high cost of production, reacts upon the cost of manufactured articles, especially machinery and iron and steel products. The Government reaps a large revenue from the coal tax, and is unwilling to make concessions, while the cost of living not having gone down to any appreciable extent, it is difficult to reduce wages. The cost of living has in some instances actually increased; meat, of which there is an almost unduly large consumption, has risen some 30 per cent. in recent months. An attempt was made to import animals from Rumania, but the rich agrarian party managed to have this stopped, with the result that frozen meat of a not very high quality, mostly from Argentina, is now being tried. But for this the cold storage arrangements are not sufficient, the meat is not readily bought, and the price of native meat is not affected. Add to this that the people are very heavily taxed (a business man is said to be taxed up to 70 per cent. of his income), that protective tariffs are well-nigh prohibitive, and the causes of the present stagnation of trade are not far to seek. To add to the difficulties, the metal workers are on strike against the proposed reductions of 15 per cent. in their wages, and in support of this a one-day general strike took place on Friday, the 19th. The general strike was ordered not only to aid the metal workers, but as a protest against the high cost of living, and it is possible that, as a consequence, the crisis may be reached sooner, after which matters should improve.

Of course, there is another side of the picture. A ready market is still found for sugar, hops and malt. Trade to some considerable extent has been carried on with Russia through the Commercial Delegation at Prague, and here there seems to be a prospect of considerable increase. A deal in paper for cash to the extent of nine million crowns took place recently, and other deals have been since announced. The commercial contract entered into at Genoa by Dr Benes will give a further impetus to this trade. The trade with the British Empire in the year 1921 did not amount to more than roughly 2,000,000 crowns for imports and about 1,000,000 crowns for exports. It is suggested that the trade might be considerably developed by means of more commercial travellers with samples, or by means of showrooms at Prague, and, *mutatis mutandis*, in London and other large English towns. It is possible that something might be done in this way. The trade returns for the year of 1921 give a good idea of the general possibilities of the country. The excess of exports over im-

ports was 56,840,503 quintals, or about five million tons. The exports amounted to 96,457,688 quintals, and of these more than 75 per cent. are accounted for by coal, wood, and turf. Minerals represent 6 per cent., sugar about 5 per cent., iron and iron goods, including machines and instruments, 2½ per cent. One-third of the whole country is said to be forest land, and of the production of timber one-third can be exported. If conditions were favourable, there is no reason why much of this should not find its way to Great Britain. The price of the crown being, however, what it is, and considering the length of transport by water, British wants can at present be supplied more economically by the Scandinavian countries as well as Russia from Archangel. A certain amount of trade, I have reason to believe, is done even at the present time, but the circumstances are and must continue to be exceptional. British timber merchants have been known to come to Prague with the wish and intention to purchase, but have been forced to go back empty handed. In such things as pottery, musical instruments, toys, pencils and other small commodities there would seem to be a wider scope. It would seem possible that paper—an industry which is represented by 200 mills—spirits and liqueurs and chemicals might find a market in England if the supplies were increased. At present, the output of chemicals is not sufficient to supply the home demand. Statistics show that, while France and Great Britain are the principal foreign customers for Czecho-Slovak sugar, this commodity finds its way as far west as Argentina, as far east as the East Indies, as far north as Sweden, and as far south as Smyrna.

Since the establishment of the Republic, banking in Czecho-Slovakia has made great strides. There are at the present time, including the new Anglo-Czech Bank, nearly 40 banks in the country, of which the aggregate capital amounts to 1,500 million crowns. Banking in Czecho-Slovakia is not confined to bank business. Banks supply capital for the industries of the country, both directly and indirectly. Frequently, by holding large numbers of shares, they can control industries by the appointment of their own directors. So it is that when home industries spread and flourish, the banks must keep pace. There has been the same tendency for banks to amalgamate as in England, and one amalgamation has brought about the establishment of an institution, having a capital of over 200 million crowns. The Anglo-Czech Bank has a capital solely British of 150 million crowns, to be increased shortly to 180 millions, the additional 30 million crowns subscribed by Czecho-Slovakia. All these banks have been doing extremely well, pay high dividends, and when the present crisis is successfully surmounted, their prospects should continue to be bright.

The opinion, formed in English financial circles, as to the roseate prospects of this country, is doubtless well founded, once the obstacles immediately impeding its path to prosperity are removed.

POLAND.—INDUSTRIAL PRODUCTION—THE PAPER INDUSTRY—THE RUSSIAN PROBLEM—RAILWAY IMPROVEMENT.

(FROM OUR CORRESPONDENT.)

WARSAW, May 19.

THE statistical data which are now available reveal a marked progress in almost all branches of industry. The percentage of workmen employed in various industries compares with the pre-war record as follows:—

	1913.	1919.	1920.	1921.
Textile industry	100	15	26	62
Mineral industry	100	18	30	73
Food industry	100	41	48	72
Paper industry	100	38	47	50
Chemical industry	100	36	37	77
Cement industry	100	49	62	67

The coal production is rapidly approaching the pre-war level, as shown by the figures below:—

	Tons.	%
1913	8,900,000	100
1919	6,000,000	67
1920	6,400,000	72
1921	7,500,000	84
1922 (January and February)	1,420,000	91

The production of iron ores has reached 72 per cent. of the pre-war level, and the quantity of extracted salt is 53 per cent. higher than in 1913. The iron industry is very slowly recovering from the depression into which it was thrown by the war. In 1921 the Polish blast furnaces produced only 14 per cent. of their 1913 output. The steel industry, with a production equal to 18 per cent. of the pre-war level, is not in a much better position. Poland's paper production is quite insufficient for the country's needs. It is estimated that the normal consumption of Poland amounts to 113.4 million kilograms of paper, while in 1921 only 36.0 millions were produced at home. Nearly an equal quantity was imported. This is unsatisfactory, because the country having a sufficient quantity of the necessary timber at home could make herself easily independent of foreign supplies. The existing paper mills are working to a great extent with antiquated machines, so that new undertakings would be in a good position to meet their competition. The average breadth of the Polish paper machines amounts to 1.8 metres, while in Germany machines with a breadth of 3 metres, and in the United States, with a breadth of 5 metres, have been introduced.

The Polish Government has presented to the League of Nations a memorandum in which the reasons why Poland is taking an active interest in the reconstruction of Russia are explained. The memorandum lays emphasis on the following points:—(1) Poland possesses a common frontier with Russia extending over 1,200 kilometres. The importance as a territory of transit is increased by the existence of direct lines of communication with the principal Russian centres. (2) The geographical position of Poland and the common political life with Russia for 150 years have enabled Poles to acquire a special knowledge of the character, culture, and interests of the Russian people. Actually more than one million Poles are living in different Russian districts. (3) Poland possesses a great number of engineers, who have taken a prominent part in Russia's economic life, and of merchants who have a knowledge of Russian markets. (4) Different branches of Polish industry are specially adapted to the needs of Russian markets. It may be added that the Polish railway system will in the future play a very important rôle as a link between the West and the East. In this respect the Polish railways are becoming month by month more efficient for this task. The traveller who visited Poland a year ago, when timetables had only a purely theoretical value, cannot fail to be impressed to-day by the regular working of the railways. This impression is confirmed by statistical data reproduced below:—

	1919.	1920.	1921.
Mileage operated (kilometers)	7,500	13,000	15,500
Average number of engines	2,000	2,700	4,000
" " passenger cars ..	4,200	7,300	9,000
" " wagons	39,800	68,000	86,000

This improvement is due in the first instance to political reasons, to the cession of new territories, and to the execution of the Treaties of Versailles and of Riga. This year the incorporation of Upper Silesia will contribute a further increase of the rolling stock to the extent of 430 locomotives, 650 passenger cars, and 20,000 wagons. Railway traffic increased last year by nearly 100 per cent. for passengers, and by nearly 80 per cent. for merchandise.

	1919.	1920.	1921.
Passengers	61,450,000	66,700,000	117,600,000
Merchandise (tons)	11,500,000	16,900,000	28,000,000

In 1919 the average daily load of a wagon amounted to 2,700 kilograms; in 1920 to 4,200; and in 1921 to 6,000.

Letters to the Editor.

CHINESE TARIFFS AND BRITISH TRADE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I have read with interest the article on the new Chinese tariff in your last issue, and I think that business men, both on this side and in China, attribute an undue importance to the new tariff rates. Whether the Chinese duties are a little higher or a little lower does not matter very much as long as all nations are treated alike. The

matter would be very different if in some way or another English trade with China was discriminated against to the advantage of some other nation or nations competing with us. I am afraid that English business men who are disappointed with their trade with China blame the tariff for their non-success instead of blaming themselves. England is by far the largest exporter of cotton piece-goods in the world. Not so long ago Lancashire absolutely monopolised the China trade, but recently a large portion of that trade has been acquired by the Japanese and Americans. According to the latest figures supplied by the Maritime Customs, the imports of cotton piece-goods into China in the pre-war year and in 1919 and 1920 were as follows:—

	1913. Pieces.	1919. Pieces.	1920. Pieces.
British	11,705,426 ..	4,592,283 ..	5,784,026
Japanese	5,716,594 ..	8,898,827 ..	7,035,458
American	2,281,123 ..	622,406 ..	563,583
Others	91,714 ..	..	54,567
Total	19,794,857 ..	14,113,516 ..	13,437,634

Not so very long ago nearly 100 per cent. of the Chinese piece-good imports came from England. In 1913 less than 60 per cent. came from this country, and Japan sent to China half as many pieces as England. In 1919 Japan sent to China twice as many pieces as this country, but in 1920 Japan's superiority had declined to about 25 per cent. Lancashire has been getting back some of the trade which it has lost during and immediately after the war. However, the figures show that Japan and America have succeeded in obtaining a powerful hold upon the Chinese market, which we have monopolised so long. Cotton manufacturers and exporters and the producers and sellers of other goods suitable for the Chinese market will do well if they blame for their non-success not the tariff, but themselves, their workers, and their methods of doing business. The Chinese, like other nations, buy those goods which they like best, provided that they are approached in the right way. In many cases Japanese and American goods have been more suitable than English because of quality, price, make-up, packing, &c. In other cases Chinese merchants have preferred dealing with Japanese and Americans because of the methods of business used by the latter. Japanese and American firms very frequently treat the Chinese as equals, enter upon partnerships with Chinese business men, and deal directly with the men in the interior, while English firms only too frequently keep aloof from the Chinese and deal with them through the importing houses. Chinese buyers, like buyers everywhere, like to get into direct contact with foreign sellers. With this object in view they have created the Sino-British Trade Association, of which I have the honour to be the secretary. If English business men wish to increase their sales in China, let them not blame the tariff, but let them learn from the methods which are increasingly used, not only by Japanese and American business men, but by Germans, Belgians, Frenchmen, and others.

In my opinion, the Chinese market is by far the most promising market in the world. China has 100,000,000 more inhabitants than India, and has vastly larger resources. Consequently China can produce and export far more than India, and can pay with these exports for vastly greater imports than India can absorb. Give China 10 years of peace and of reasonably good government, and the foreign trade of the country will be two or three times as great as that of India.

Order, a few railways, and roads will create a miracle in China, the wealth and potentialities of which can scarcely be overstated. If Englishmen are willing to work hand in hand with the Chinese, they will find the Chinese market infinitely more valuable than that of all the other Asiatic countries combined.—I am, Sir, yours truly,
London, S.W. 1, May 17th, 1922. L. E. HAYNES.

Books and Publications.

THE FOOD CAMPAIGN OF 1916-1918.*

EXCEPT for the facts that an account of the campaign for increased food production from 1916 to 1918 ought by rights to contain a warm appreciation of Lord Ernle's own work, and that he is the last man to allow his personal achievements to appear prominent, there is no one better fitted than the late President of the Board of Agriculture to tell the story of that important phase of English war policy. Lord Ernle was at the head of the Board from the end of 1916 until after the conclusion of hostilities, and his article in the *Journal of the Royal Agricultural Society* is not only written with all the experience which that position gave, but is marked by the width of knowledge and the balanced judgment which readers of his other writings have learnt to associate with their author. The difficulties of the situation at the beginning of 1917 are admirably set forth—difficulties among which the shortage of men, machines, and fertilisers, and the hindrances caused by adverse weather, deserve special mention, along with the psychological effects of the regulation of prices, which, "necessary though it undoubtedly was, and of incalculable benefit to the community, proved the great hindrance to increased production." We are told, too, of the organisation of the campaign, and of the various measures which were taken to make it successful. This part of the article is crammed with interesting information. For example, those who contended that the abolition of guaranteed prices last year ought not to have carried with it the abolition of the agricultural minimum wage, will be glad to see that Lord Ernle, in speaking of the Corn Production Act of 1917, says definitely that "there was no link between the Wage Board and guaranteed prices, except that both ceased to operate at the same date," that "the Act did not connect the two, or make the one dependent on the other," and that "it struck no bargain with the farmers." Equally interesting from other points of view is the careful description of the results attained in the harvests of 1917 and 1918. That the policy of the plough was justified by its results is by no means taken for granted, but after gains and losses have been balanced, the conclusion is reached that, in addition to the augmented produce of allotments, and to the feeding value of 809,000 tons of oat straw, the output of 1918 showed a net gain of no less than 3,294,000 tons of human food, as compared with the output of 1916. The article concludes with an account of the reasons which, in July, 1918, led to the abandonment of the tillage programme which had been drawn up for the following season.

One fault may perhaps be found with Lord Ernle's history of the period. He is too courteous to everybody concerned. In particular his sympathy with the difficulties of the farmers makes the story a little one-sided. But it ought not to be forgotten that the shortage of agricultural labour at the end of 1916 was intensified by the reluctance of farmers to raise wages, and so diminish the attraction of work on munitions and aerodromes. Again, while it is important to point out that under the system of maximum prices "the price paid for wheat to home-producers was sometimes less by two-fifths than that paid for foreign breadstuffs," and that "the burden of the taxpayer was relieved, at the expense of the British farmer, by a sum which in the years 1917-1920 exceeded £30,000,000," it would have corrected the balance of the picture if the exemption of farmers from Excess Profits Duty had been noted. One would like to know, too, whether in reaching the figure of £30,000,000, Lord Ernle has only considered cereals, or whether he has allowed for cases in which the fixed prices operated to the advantage of the farmer. Sir William Beveridge told the Royal Commission in 1919 that for potatoes the farmer, at least in 1917, "got money from the State which unquestionably he would not have got in the open market." It should also be remembered that when the price of linseed rose at the end of the war, the controlled price

* The Food Campaign of 1916-1918. An article in the *Journal of the Royal Agricultural Society of England*. Vol. lxxxii. (London) John Murray. 15s.

for linseed cake was not raised in proportion, most of the increase being put upon linseed oil, so that Sir William Beveridge (then Secretary of the Ministry of Food) was able to say that "the paint and linoleum trades are thus subsidising the farmer by paying a high price for the oil."

In reviewing the situation at the beginning of the food production campaign, Lord Ernle makes a rather sweeping statement. He says: "In 1870 the land fed 26 million people. In 1914 it fed 16 millions. The reason for the decline was the restricted area under the plough." Has Lord Ernle allowed enough for the fact that of the diminished arable area an increased amount was at the later date under crops with a high food yield per acre—e.g., potatoes? Has he allowed for changes in the yield of crops and in the quality of stock? In the April number of the *Quarterly Review*, Sir Henry Rew sounds a somewhat different note, hinting that it is not beyond the bounds of possibility that "the 14½ million acres now are producing as large a quantity of food as the 18 million acres were producing 40 or 50 years ago." Sir Henry adds that "there are no statistics adequate to measure the change."

OPENINGS FOR BRITISH TRADE.*

THIS admirable work includes not only all the South American countries, with even such comparatively unregarded items as French Guiana and the Falkland Islands, but Central America, Mexico, and Cuba. It contains a vast amount of accurate and strictly practical information, well arranged and skilfully packed and indexed, of the first importance to all persons engaged in trade with any of these regions or contemplating travel in them. The geography and topography of each country are adequately but concisely set forth, its products and chief imports are stated, and its external and internal communications; and valuable information is given respecting commercial and company law, tariffs, stamp duties, business customs, banking facilities, the regulations and licence fees imposed on foreign commercial travellers, and even the hotel accommodation and cab fares in the chief cities. Openings for British trade are indicated, probably in accordance with Consular reports, and there is a preliminary account of the Federation of British Industries, which has inspired the book. Particulars are also given of the chief members of the South American Legations in London. The Government loans are not dealt with, the information being fully accessible elsewhere, and the history is confined to lists of important events which are so rigorously non-political as to exclude all mention of the murders of the last two Mexican Presidents, and of one President of Ecuador. There is, however, an excellent bibliography, and the latest President of Guatemala finds a place in the book. It is indispensable to all those concerned in extending British trade and traffic in the countries of the Caribbean and the South Atlantic.

* "The Anglo-South American Handbook for 1922." Edited by W. H. Koebel for the Federation of British Industries. London: T. Fisher Unwin. 25s net.

FOR THE UNEMPLOYED.*

THIS book, by a business man who has lately travelled much in Central Europe, propounds remedies for unemployment in Great Britain and distress abroad. Unemployment, he says, exists among us because British export prices are too high, and Germany is ousting us from foreign markets by "giving away" her goods. Soon we shall be unable to buy our food from America, even if America has it to sell. But Poland and Russia would resume production if they had the machinery and the means of transport. Let Great Britain, therefore, grant export credits to Poland, and so employ the British unemployed. Let her also lend Poland the money which would have been spent on battleships, and the superfluous machinery put up at home after the war. Let Germany be excused part of her reparations debt to us, on condition that we control her finances, modify her hostile tariff, and stop the depreciation of the mark through gambling, and that she diverts the rest of this debt into

* "World Trade and World Recovery." By "Mercator." (London) Eveleigh Nash and Grayson, Limited. 1922. 4s 6d net.

the provision of machinery and transport for Russia. Let us cancel the Allies' war debts to us, especially that of France. And let every English worker produce with all his might, so as to bring down export prices, and let him leave the problem of the fair distribution of wealth alone meanwhile. In spite of these fantasies there are some good things in the book, but the course of elementary (and inexact) economics in which they mostly occur is not helpful, nor is the vigour and redundancy of the exposition, which is that of a lecturer talking down to an entirely illiterate audience. The spirit of the book is admirable, but most of the proposals need no criticism.

ART IN ECONOMICS.*

THE past quarter of a century stands out in the history of Italy, first through the unprecedented exploitation of her great resources in agriculture, mining, water power, and man power, and through her financial recovery from the policy which ended at Adowa; and next through the cataclysm of the war and the beginnings of her emergence. It also covers the life of the great banking institution, with 100 branches, whose deposit and current accounts have multiplied more than a hundred-fold, and which issues these handsome volumes to celebrate its silver jubilee. The text sketches broadly the resources of the kingdom and their development, together with its existing social legislation and the salient features in its financial history. A much-needed and very favourable account is given of the colonies, especially Somaliland, and of Italian hopes in Asia Minor. But the main charm of the book is the variety and ingenuity of the illustrations. Statistical "graphs" are superseded by artistic designs; regional resources and industries are ingeniously symbolised; old engravings of towns are followed by excellent photographs of mines, power stations, some of the less familiar tourist resorts, and their hotels. The *Credito Italiano* may be congratulated on setting an example which might well be followed by other great financial establishments elsewhere.

BOOKS RECEIVED.

The Round Table. A Quarterly Review of the Politics of the British Commonwealth. June, 1922. (London) Macmillan and Co., Limited. 5s.

The National Resources of South Africa. By R. A. Lehfeldt. With a preface by the Rt. Hon. J. C. Smuts. (Johannesburg) University of the Witwatersrand Press.

Obtainable in London from Messrs Longmans, Green, and Co. *Chronological Note of the Dispute on the Transvaal Gold and Coal Mines, with Copies of Correspondence*. (Cape Town) Cape Times, Limited, Government Printers.

Obtainable from Transvaal Chamber of Mines, Salisbury House, London, E.C. 2.

Anuario Estadístico de España Año VII. 1920. (Madrid) Instituto Geográfico y Estadístico.

The Chase Economic Bulletin. Germany and Russia. A Chapter of Uncertainties. By Benjamin M. Anderson. (New York) Chase National Bank.

1921-1922 Guide. Edmonton to Peace River. (Edmonton, Canada) Hamer Jackson Publishing Company.

* "The Economic Resources of Italy: Their Development During the last Twenty-five Years and their Present Condition." 2 vols. 4to. (Milan) Credito Italiano. 1920.

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STOCK EXCHANGE NEWS.

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May 31.

ACCOUNT.
June 1.

The first regular fortnightly settlement which the Stock Exchange has undertaken since that of July 31, 1914, begins on Monday, and considerable curiosity is manifested as to how the details will go through. Making-up prices, contangoes, clearing-sheets, and all the paraphernalia incidental to these accounts will come into force again. From the point of view of business, it cannot be said that the markets have benefited to any great extent from the freeing of the Stock Exchange from the temporary regulations of the Treasury. The House is inclined to attribute the general lassitude in most of its markets to the heat-wave. Added to this, there is mild disappointment at the result of the Genoa Conference proving so apparently negative, while, looking round for other reasons to explain the leanness of business, some men claim that the approach of the Whitsun and summer holidays is already making its influence felt.

The War Loan has once more reached 100, and is one of the firmest stocks in the gilt-edged market. Conversion 3½ per cents. have also been advancing, on purchases which are said to be partly due to the Public Trustee. A few of the National War Bonds have eased off, apparently on continued sales by holders who prefer the longer-dated securities. New South Wales 4½ per cent. scrip, offered at 95, fell to 3 discount before it recovered about a point, while other Colonials are steady. Amongst Home Railway prior-charge stocks, the recent persistent demand has taken prices to levels which are evidently attracting a few sales, though the supply of stock available is still limited.

French Government and French Railway bonds continue heavy. In regard to the latter, it is manifest that stale stags are not yet entirely eliminated from the position. Germans have been advancing, in consequence of the improvement in the mark. Siamese scrip came into favour, but Czechoslovak Eights, Brazilian scrip, and several other of the more recent issues, are inclined to droop. Argentine, Chilean, and Brazilian bonds move somewhat aimlessly, Brazilians being swayed by the daily movements in exchange. The quick jump in China Eights (Vickers) brought in a little selling, which reduced the price from the top, other Chinese bonds showing a steady front now that the apprehensions roused by the reported revolution are partially laid.

North-Easterns have been bounding ahead in the list of Home Railway stocks. It is worth noticing that the present quotation is fully 50 per cent. higher than that which ruled at the beginning of the year. North-Westerns and Midlands have moved in the same upward direction, and rises of 2 to 5 points are common amongst the stocks which optimism expects will be exchanged for others in the bigger lines that stand at the head of the various groups. Substantial business in the Home Railway market went on every day, the public evidently taking a free hand. Next week's settlement will show to what extent the activity has been speculative. Undergrounds are somewhat neglected, but the Scottish stocks are all higher, the preferred issues, in particular, being eagerly bought.

Grand Trunks and Mexicans have scarcely moved, and the Argentine Railway market, after a fitful attempt to improve, fell back towards the end of the week. Antofagasta and Western of Havana stocks are better.

Rubber shares remain heavy, owing to a fresh low record having been reached for the price of the produce. Numbers of falls mark the result of the week's work. Oil shares have been active in places, Anglo-Ecuadorians and the recently introduced Agwi shares being prominently good, while the heavier brigade is quiet. The new Mexican Eagle 7 per cent. preferences have come on offer at a small discount, though Shell Sevens retain most of their substantial premium. The bank shares, insurance shares, and shipping stocks are receiving the usual amount of investment attention, though not sufficient to cause any outstanding changes in prices. Cour-

taulds spurred briskly as soon as the selling limits at 50s had been cleared. Other textile shares are holding their ground. A number of trust companies' stocks are again better. The brewery market shows a fair number of rises. Continuance of the engineering lock-out renders the iron, steel, and armament list inert. The Brunner Mond dividend, making 8 per cent. for the year, created a good impression. Half-a-dozen of the London electric shares are better, Gas stocks being inclined to move in the other direction. Premiums of 3½ and 1½ have been established on the scrip stocks of the Calcutta Electric Tramways and the Indian Electric Supply respectively; dealings in both started this week.

Professional efforts to put a better face upon the Kaffir Circus, now that the ex-enemy blocks of shares are finally disposed of by the Custodian, resulted in a good many small rises being established, though business on behalf of the public continues meagre. The Rhodesian market is equally quiet. Mexican mining shares show a fairly general fall, small in extent. The movements in tin, the metal, have been insufficient to cause any particular fluctuations in Malayan, Cornish, or West African mining shares. Russians are stagnant, while in the copper group a sharp rise in Mount Elliotts stands out as one of the features, the shares coming into demand from Paris. Introduction of the Rule for closing the House at four instead of three o'clock has been met every day by volleys of groans, weather conditions having been unfavourable for bringing such a change into effect.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—				
Amount previously recorded	407,891,223	..	..	..

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED MAY 19, 1922.

April 1 to May 19, 1922, £20,280,000 .. Dr 50,000 .. Dr 50,000

To the Public—				
Straits Settlements Government, £4,200,000 4½% Inscribed Stock, 1935-45 (red. at par), issued at 95% (May 22) ..	4,200,000	3,990,000	210,000	3,780,000
Welwyn Garden City, Limited, £100,000 5% Deb. (rep. at par June 30, 1921), issued at par ..	100,000	102,050	10,205	91,845
New Cross Kinema, 50,000 Preferred Ord., £1 at par ..	50,000	50,000	6,250	43,750
United States and General Trust Corporation, £50,000, 4½% Deb. Stock (red. at par, Jan. 1, 1922), issued at 85% ..	50,000	42,500	5,000	37,500
Total offered to the Public	4,800,000	4,184,550	231,455	3,953,095
Total offered for subscription to date ..	£412,025,773	1921 ..	£388,978,203	
1922 ..	68,887,918	1920 ..	367,645,666	
1921 ..	184,975,026	1919 ..	1,036,059,881	
1919 ..	350,488,085	1918 ..	1,393,381,441	
1918 ..	593,494,420	1917 ..	1,318,596,010	
1917 ..	985,016,678	1916 ..	585,436,850	
1916 ..	223,304,137	1915 ..	685,436,336	
1915 ..	66,851,376	1914 ..	512,522,633	
1914 ..	131,861,350			

Straits Settlements Government 4½ per cent. Inscribed Stock, 1935-1945.—Issue of £4,200,000 at 95 per cent. The loan is the second instalment of an issue to produce a total of £10,000,000. It is raised for the purpose of re-loan to the Federated Malay States Government, partly to enable that Government to repay debt due to the Government of the Straits Settlements, but chiefly to pay for large railway, harbour, and other public works now in course of construction and about to be constructed during the next two years. The loan is secured on the general revenues and assets of the Government of the Straits Settlements, but an Act has been passed in the Federated Malay States pledging the repayment of the loan and the loan charges from the revenues of the latter Government, and there is thus a double security behind the loan. The principal of the loan will be payable at par on June 15, 1945, by a sinking fund of not less than £1 per cent. per annum, commencing December 1, 1924, to be formed in this country under the management of the Crown Agents, who are appointed trustees, but the Government of the Straits Settlements will have the option of redemption at par on or after June 15, 1935, on giving six months' notice. Principal and interest will be payable in London at the office of the Crown Agents for the Colonies. The revenues of Straits Settlements and Federated Malay States alone are liable in respect of this stock, and the Consolidated Fund of the United Kingdom and the Commissioners of his Majesty's Treasury are not directly or indirectly liable or responsible. A trustee investment, and an attractive issue as regards security of capital and interest payments, but regard must be paid to the slightly higher yields obtainable from existing Colonial trustee stocks.

Borough of Wanganui (New Zealand) 5½ per Cent. Loan.—Issue of £122,500 in debentures to bearer. Under authorisation of the borough of Wanganui, the Bank of New Zealand is negotiating the sale of the above debentures, at the price of £98 per debenture of £100. This loan is issued to provide funds towards the discharge of the council's floating liabilities, at present amounting to £140,000. Subject to existing loans, this issue is a direct obligation of the borough, and is also secured by a special rate of 10d. in the £ on the annual rateable value of all rateable property within the borough area. This loan is free from all New Zealand taxes, unless held by persons domiciled in the Dominion of New Zealand. A sinking fund of 1½ per cent. per annum will be provided. The principal will be repayable at par on June 1, 1932, at the office of the Bank of New Zealand, London, where also the interest will be payable. The borough has a population of about 16,000, a capital value of £5,503,000, and a rateable value of £236,500. The annual revenue of the borough is £208,000. The present indebtedness of the borough amount to £792,902, which is covered by an annual charge for interest, £33,396, and for sinking fund, £11,589. Against this indebtedness, of which £88,590 is represented by gas works and £246,980 by tramways and lighting plant, there is an accumulated sinking fund of £66,840. In addition to its revenues above mentioned, the city has assets consisting of lands, gas works, electrical undertakings, tramways, and other property valued at £564,000. This information is extracted from a public announcement made to comply with the London Stock Exchange regulations. It is a well-secured debenture in its class.

Compagnie Generale Transatlantique.—Incorporated under French law. Authorised share capital 200,000,000, of which 81 millions have been issued. This is an issue of £1,500,000 6½ per cent. sterling registered obligations at 92½ per cent., principal and interest being payable in London free of all French taxes. The prospectus states: "These obligations are the only sterling obligations of the company, and none of the other obligations issued by the company.....carries any hypothecation or preferential charge." They will run for 35 years, and will be redeemed at par by a sinking fund to be applied annually, final redemption taking place in 1957. The company, however, reserves the right to purchase "obligations" in the open market or "by tender." The undertaking, it is stated, is the largest French shipping concern, and taking francs at 50 to the £, surplus assets available for cover of this issue amount to £4,653,760, without including the proceeds of this issue, which is mainly intended to provide for payment of new vessels and for coal. Interest charges on all the company's obligations, including the present issue, amount to about £430,000, and as average profits for the last seven years are given as £969,441, interest payments also appear to be reasonably well covered. All these "obligations" rank *pari passu*, and the company undertakes "not to issue further obligations without obtaining subscriptions at the same time to a reasonable amount of new share capital." We presume it must be fully-paid share capital, but even then it would be better to lay down a definite ratio of borrowing. It may be that the company cannot charge its assets to its bankers, but the facts are not stated in the prospectus. Allowing for our criticisms, the issue is a fairly reasonable proposition in the foreign industrial class.

Elder Dempster and Co., Limited.—Authorised share capital £15,435,000, of which £6,735,000 has been issued and is fully paid. This includes a recent issue of 2,000,000 6½ per cent. cumulative preference shares, and the following information in regard to them has been taken from a Press announcement made to comply with the London Stock Exchange regulations. The above cumulative preference shares have been privately subscribed for cash at par and are fully paid. No commission was paid. The issue of the 2,000,000 "A" cumulative preference shares was made, and the interest fixed at 6½ per cent. by resolutions of the directors. The 6½ per cent. "A" preference shares have (1) the right to receive a cumulative preferential dividend of 6½ per cent. ranking next after the payment of the dividend on the 5½ per cent. and the 6 per cent. cumulative preference shares of the company. (2) The right in a winding-up to receive payment and any arrears of preferential dividend after the payment of the capital (and dividend arrears if any) on the 5½ per cent. and the 6 per cent. preference shares of the company. The latest results of this company were discussed in our issue of May 13, 1922; see page 900.

Magasins du Louvre (Paris and London), Limited.—Authorised and issued capital 400,000 shares of £1 each, 2s 6d paid per share, and £350,000 6 per cent. 30-year first mortgage guaranteed debenture stock. The following particulars are taken from an advertisement made to comply with London Stock Exchange regulations, and it is stated that the debenture stock was sold to Helbert Wagg and Co., Limited, at 81½ per cent., who, in turn, have resold at 85½ per cent. The company has been formed to carry on in England the business of drapers, furnishes, and general store keepers in close association with the "Société du Louvre" of Paris, who

guarantee unconditionally the payment of principal and interest on the above debenture stock. The stock is secured by a trust deed, which, *inter alia*, consists (a) of an undertaking to give a first specific mortgage on an underlease, with approximately 74½ years unexpired, of Crown lands, being Nos. 236 and 238 Oxford street, and 255, 257, 259, 261 and part of 263 Regent street, upon which a building has just been completed at a cost of approximately £200,000. (b) Of an undertaking to give a first specific mortgage on a further underlease of an adjacent site. (c) Of a first floating charge on the remainder of the company's assets (including uncalled capital), present and future. This debenture stock, which is limited to £350,000, will be repaid on or before May 1, 1952, by an annual cumulative sinking fund commencing in 1925, and being sufficient to redeem the whole by 1952. The fund will be applied in purchases in the market below par, plus accrued interest, or by annual drawings at par; power being reserved to the company to pay off the whole (but not a part) at 103 per cent. on any interest payment date on or after May 1, 1933, on six months' notice. If and when the debentures are placed upon the market, investors will naturally require further particulars as to the value of assets before acquiring a holding.

Provincial Insurance Company, Limited.—Authorised share capital £250,000, of which £140,000 has been issued. This is a statement made to comply with London Stock Exchange regulations, and a quotation for the 50,000 8 per cent. cumulative preference shares of £1 each and the ordinary shares is being applied for. The company was incorporated in 1903 to carry on a fire, accident, marine, and general insurance business, but there is nothing in the advertised statement from which an opinion could be formed as to the merits of any of its shares.

Southend Waterworks Company.—Incorporated by special Act of Parliament in 1879. The "nominal amount of capital issued" consists of debenture stocks £243,090, preference stocks £204,391, and ordinary stocks £584,447. This is an offer for sale by tender of £100,000 5 per cent. irredeemable preference stock, the minimum price of issue being £84 per cent. Net income for 1921, after payment of loans and debenture capital, amounted to £27,487. As the various preference issues (including the present offer) will amount to £18,710, and having regard to the increased revenue from the revised statutory charges for water, the issue is reasonably well covered for dividend purposes, and attractive, if obtainable near the minimum.

The Grays and Tilbury Gas Company.—Established 1866, and incorporated by special Act of Parliament, 1907. Authorised share capital £270,000, of which £162,576 has been issued, inclusive of premiums amounting to £3,596. The authorised loan capital is £135,000, of which £41,690 has been issued. This is an offer for sale by tender of £39,590 6 per cent. redeemable debenture stock, the minimum price of issue being par. Net revenue for the year ended December 31, 1921, was £13,151, and as the total interest on outstanding loan capital, including that now being offered, will need only £3,931 per annum, the debenture stock may be considered well secured for interest payments. It is estimated by the company that profits would have exceeded £17,000 had it not been for the miners' dispute, which involved the company in an additional expenditure of £4,000. Sales of gas were approximately 199½ million cubic feet last year, as compared with 100 millions for 1913. It is intended to apply for a Stock Exchange quotation. The stock, if obtainable at round about par, is a good investment, but regard should be paid to the narrow market for small issues.

Haywards Heath District Gas Company.—Established in 1865, and incorporated by special Act of Parliament in 1895. Authorised capital £86,856, of which £46,036 ordinary stock has been issued, including premiums. The authorised loan capital is £43,428, of which £6,000 has already been issued. This is a sale by tender of £20,000 6½ per cent. "redeemable" preference stock. The minimum price of issue is at par, and the stock is "to be redeemed" at par on July 1, 1932. The net revenue of the company for the year ended December 31st last was £2,605, after deducting interest on loan capital. As the dividend on preference stock will require but £1,300, there is sufficient margin for cover. It is stated that if it had not been for the coal stoppage the net revenue for the year would have been £600 higher. Application is to be made for a Stock Exchange quotation, and though the issue is quite good, regard should be paid to the narrow market for such a small amount.

New Cross Kinema, Limited.—Authorised capital £100,000 divided into 99,800 preferred ordinary shares of £1 each and 4,000 deferred shares of 1s each. The issued capital consists of 46,000 preferred ordinary and 4,000 deferred shares issued for cash at par. This is an offer of 50,000 preferred ordinary shares at par. These shares are entitled to a non-cumulative preferential dividend of 8 per cent. per annum and to two-thirds of remaining "divisible profits." They are also preferential as to capital. It is proposed to run two cinematograph theatres. The prospectus devotes much space to the

under consideration whereby the banks would be invited to join in the formation of a company to undertake the insurance of export credits. If this plan matures and the banks hold a substantial amount of the capital, and capable management is assured, the "Commercial Union" would, doubtless, be prepared to participate to a moderate extent, having always in mind that its first duty is towards those who have placed the ordinary risks of insurance with us.

The report and accounts were unanimously adopted, and the formal business was duly transacted.

BUCHANAN-DEWAR, LIMITED.
EMINENTLY SATISFACTORY RESULTS OF THE YEAR.
WORLD-WIDE REPUTATION OF THE COMPANIES' BRANDS.
25 PER CENT. DIVIDEND MAINTAINED.

The annual general meeting of the shareholders of Buchanan-Dewar, Limited, was held, on the 24th instant, at 3, Frederick's place, London, E.C.

Lord Woolavington presided.

The secretary (Mr W. G. Martin), having read the notice convening the meeting and the report of the auditors,

The Chairman said: My Lords and gentlemen, I take it that you will wish to take the report and accounts as read. I propose to deal briefly with the accounts, though, as you will see, these are very similar to those of the preceding year. The issued capital remains the same as last year, viz., £6,649,580. The reserve fund has been increased to £300,000 by the appropriation out of last year's profits, and it is proposed to allocate, as last year, a further £150,000 out of the profits for the year just ended. This fund will now amount to £450,000.

The investments in the constituent companies remain as before.

An increase in the item of sundry debtors reflects the larger dividends receivable this year from the constituent companies, whose profits have been sufficient not only to pay these increased dividends, but also to permit of large sums being placed to reserve—the total reserves in all the companies now amounting to nearly £3,000,000.

INCREASED PROFITS.

The profits this year amount to £887,220, an increase of over £40,000 compared with the profits of the previous year.

As will be seen from the directors' report it has been decided to pay the same dividend on the ordinary shares, viz., 25 per cent. for the year, free of tax. This, together with the dividends on the two lots of preference shares, absorbs the sum of £697,100.

A sum of £150,000 is allocated to reserve, and the balance carried forward to next year amounts to £95,253, which is some £40,000 more than the figure of last year.

I think you will agree that these results are eminently satisfactory, and the directors see no reason why the excellent progress of the past should not be maintained in the future.

WORLD-WIDE REPUTATION.

The world-wide reputation enjoyed by the brands of the associated companies of Buchanan-Dewar, Limited, has been acquired by the consistent maintenance of a very high standard of quality, whisky of great age only being used in these brands, and the recognition of which is materially evidenced by the continually increased demand, both in the home and export markets.

The essential factor to ensure the maintenance of a consistent quality of superior excellence is the holding of adequate stocks, to which the directors have always given their most serious consideration.

For two years distillation was stopped by the Government for the purpose of producing munition requirements, the result being that no potable spirit was made during that time. This rendered it impossible to fill the usual quantities of whisky that are annually put into stock for the purpose of maturing, and this naturally created a serious situation, not only for us, but for the whisky trade in general.

DIRECTORS' POLICY JUSTIFIED.

This situation was specially and exhaustively considered by the board in order that a policy should meanwhile be adopted which would protect and secure the future quality of our respective brands, and although at that time we held, as we still hold, the largest stock of Scotch whisky in Scotland, the board decided to limit the sales. Subsequent events have abundantly justified this course, and although, no doubt, it was the cause of a good deal of disappointment, the result is that to-day we are able to assure the public that the highest standard of quality of our brands has been and will, in the future, be maintained.

Our distilleries have been working at full pressure since distillation has been resumed. Altogether the company, directly and through their subsidiaries, own, or are interested in, 11 distilleries in Scotland, all producing malt whisky.

HEAD OFFICE:

1 Dale Street,
LIVERPOOL.



LONDON:

Chief Office,
1 Cornhill, E.C.3.

TOTAL ASSETS exceed - - £20,000,000
TOTAL CLAIMS PAID over - £102,000,000

FIRE. LIFE. ACCIDENT. ANNUITIES.

Marine, Leasehold Redemption, Burglary, Fidelity
 Guarantee, Motor Car, Plate Glass, Personal Accident,
 Workmen's Compensation, Sickness, Live Stock, Loss of
 Profits, &c.

OFFICES IN ALL THE CHIEF COMMERCIAL CENTRES

EXCEPTIONALLY STRONG POSITION.

At the end of our financial year the combined firms had in stock over 23,000,000 gallons of Scotch whisky. The shareholders will appreciate from these figures the exceptionally strong position held by the company. The company has the advantage of having its own co-operation and its own case works, also its own bottle works. These respective works enjoy a good demand for their productions, in addition to our own requirements.

The Chairman concluded by moving the adoption of the report and accounts.

STRENGTHENING THE RESERVES.

Lord Forteviot, in seconding, said it might be well to point out that the company were now a holding company, and that they were dealing with the profits of three associated companies. Those profits had been very satisfactory, and the companies could have contributed, if necessary, much larger dividends. It was thought advisable, however, in view of prevailing conditions, to strengthen their reserves and to have a large carry forward.

The motion was unanimously adopted.

The Chairman then proposed the payment of a final dividend of 15 per cent., free of tax, making, with the interim dividend already paid, 25 per cent., free of tax, for the year.

Lord Dewar seconded the resolution, which was unanimously approved.

On the motion of Mr William Harrison, seconded by Mr A. Winter, the retiring directors, Lord Woolavington and Lord Forteviot, were re-elected.

The auditors (Messrs Price, Waterhouse, and Co.) having been reappointed,

VOTE OF THANKS.

Lord Dewar moved a cordial vote of thanks to the chairman for presiding, and to the heads of departments, officials, and staff of the company. It was an axiom, he said, that the fewer shareholders who attended the meetings of a company the more prosperous that company was, and the directors were proud to think that in that small room they could accommodate all the shareholders who wished to attend the meeting and to hear the results of the year's working. It was some cause of satisfaction to the shareholders that the company, in such strenuous times, had been able to pay such a good dividend, and, in addition, to allocate so much to reserve. He thought they would all agree that the prospects before them were certainly very bright. They were delighted to have with them Lord Woolavington to preside over the meeting. They hoped that for many years he would attend and guide the deliberations at their annual meetings, and in saying that he was sure he voiced the feelings not only of the shareholders present, but also of those who were absent.

Mr E. A. Lundy seconded the motion, which was unanimously approved.

TRIBUTE TO THE STAFF.

The Chairman, in reply, said he very much appreciated the very kind and gracious words which had fallen from his old friend and colleague, Lord Dewar. It had been a great pleasure for him (the speaker) to attend on that occasion and to take part in the business of the meeting. It was scarcely necessary for him to say how delighted he was that such satisfactory results had been obtained. When he looked back on the many years he had been associated with his own business, and in recent years with those of his esteemed friend, Lord Dewar, the report read almost like a fairy tale.

The two companies worked very admirably together, and those

who were at the head of the different departments were so much in earnest and were such a band of brothers that the responsibility of the administration of the combined businesses was very much lessened to those who were the principals. He would like to take that opportunity of expressing his very sincere and grateful thanks to the heads of the different departments for their assiduous attention to their duties. He could assure the meeting that the members of the staff, with the board, were all very proud of the excellent results of their efforts in connection with the business. The proceedings then terminated.

BALAGHAT GOLD MINES, LIMITED.

The annual general meeting of the Balaghat Gold Mines, Limited, was held on the 19th instant, at 6 Queen Street place, London, Lieut.-Colonel Sir Donald Robertson, K.C.S.I., presiding.

The Chairman, in moving the adoption of the report and accounts, said: During the year 38,750 tons of quartz were crushed, yielding 23,102 ozs of gold, while 5,740 ozs were recovered from 62,250 tons of sand and slime, making a total of 28,842 ozs of fine gold, valued at £151,812. The average price obtained by sales of gold during the year was £5 5s 3d per fine oz, as compared with £5 0s 10½d for the period ended on December 31, 1920, but there had recently been a considerable drop, and the present price was £4 13s 2d per oz. Allowing for royalty, the receipts were £144,752 and the payments were £108,226, leaving a profit of £36,526, which was satisfactory, comparing, as it did, with £33,296 for the 14 months to December 31, 1920. The balance brought forward from 1920 was £9,899, and £316 was received for dividends from the North Anantapur Gold Mines and the Kolar Mines Power Station, making, with the profit of the year, a total credit of £46,741, and dividends had been paid amounting to 2s 3d per share on the preference shares and 1s 3d per share on the ordinary shares, £4,824 being carried forward. At the end of the year the liquid assets amounted to £63,935 and the liabilities to £22,368, leaving a balance of £41,567, in addition to materials and stores at the mine valued at £25,220 and the goods in transit worth £2,186. The total expenditure on capital account in the year was £21,735, of which £10,000 was charged to profit and loss account, the remainder being added to buildings, plant, machinery, &c., in the balance-sheet.

The report and accounts were unanimously adopted.

THE RUBBER PLANTATIONS INVESTMENT TRUST, LIMITED.

COMPANY'S IMPROVED FINANCIAL POSITION.

POSITION OF THE RUBBER AND TEA INDUSTRIES.

The annual meeting of the shareholders of the Rubber Plantations Investment Trust, Limited, was held, on the 22nd instant, at Cannon Street Hotel, London, Mr. H. J. Welch (the chairman) presiding.

Mr R. T. Bartley (representing Messrs Harrisons and Crosfields, Limited, the secretaries) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, referring to the balance-sheet, said that the reserve account remained at £500,000. Loans and advances were reduced by £40,000. Stocks of produce amounted to £114,322, and the cash at bankers, &c., showed an increase of £6,000.

As a sign of the improved financial position of the company, attention was drawn to the absence of any loans from bankers for the first time since 1913, and it was stated the company now had not any such loans.

After adding the small net profit for the year to the amount brought in from the last account, there was a total to credit of profit and loss account of £98,918 (subject to Netherlands Indies Taxation), and the directors recommended that that balance should be carried forward.

WAR PROFITS TAX.

With regard to the contingent liability for Netherlands Indies taxation, the Dutch Colonial authorities had assessed the company to pay £32,000 for what was called a war profits tax. It was quite clear that that company made no profits, and the assessment was only possible, if correct legally, owing to a technical flaw in the Act. The assessment was particularly hard in the case of the Trust, which had done itself, and helped other British companies to do, very valuable pioneer work in Sumatra in tea and rubber to the great benefit of that colony. The board had made, and were making, energetic efforts to obtain justice in this matter, and it was hoped these efforts would prove successful.

THE PROPERTIES.

The estimates of costs of production for this year, both of tea and rubber, from all the Trusts' South Indian and Sumatra estates were reduced, and, so far, higher prices had been realised for tea

than in 1921. The moderately finer plucking of tea upon the Sumatra properties was being continued. Labour forces had been much reduced, and many economies effected.

The estimated crop for 1922 was just under 7,000,000 lbs, and would be produced at a lower cost than last year. One-half of the Sumatra tea crop had been sold forward at a price which showed a moderate profit over estimated cost.

SUMATRA RUBBER ESTATES.

Upon the Sumatra rubber estates, notwithstanding that a much restricted crop was produced, the f.o.b. cost was 6d per lb less than in 1920, principally due to the heavy loss on rice that year. The net profit realised was nearly 9d per lb less than in 1920. A further considerable reduction in the cost per lb was expected this year.

According to the latest reports of the visiting agents, all the estates, buildings, and machinery had been maintained in satisfactory condition.

TEA INDUSTRY.

He proposed to submit a few general remarks about the tea and rubber industries following the precedent set at previous meetings of the company. The improvement in the tea position, to which he had referred in October last, had continued. That result was mainly due to the restriction of output caused by economic and climatic conditions. The 1921 production was approximately 510,000,000 lbs, showing a reduction of 133,000,000 lbs, against 1920, and 177,000,000 lbs against 1919.

The consumption in the United Kingdom continued to show a satisfactory increase, the figure for 1921 being 411,000,000 lbs, in comparison with 393,000,000 lbs in 1920, and 306,000,000 lbs in 1919, the last complete pre-war year. Exports from the United Kingdom had been of very moderate dimensions, largely owing to the economic disturbances prevalent throughout the greater part of Europe. A slight improvement was now noticeable. Stocks in Holland, which a year ago were excessive, had been depleted, whilst an even more important fact was that the accumulation in Northern India had been entirely cleared. At the close of March only 1,000,000 lbs of tea had remained in Northern India for disposal on producer's account, against about 65,000,000 lbs last year.

At present the United Kingdom was carrying the reserve stock of the world. The stock in bond here at the end of April amounted to 215,000,000 lbs, in comparison with 233,000,000 lbs at the corresponding date in 1921, and 207,000,000 lbs in 1920.

It was believed that outside the United Kingdom stocks were smaller than usual, and in the United Kingdom it was certain that invisible stocks were distinctly smaller than for some time past. During the next few months a rapid decline must therefore take place in the bonded stocks here.

COARSE PLUCKING A MENACE.

Although it was likely that during 1922 production throughout the middle-East, even with a continuance of moderately fine plucking, would show a material increase over 1921, it was possible that such increase would be absorbed without serious dislocation of the world's markets, in view of the disappearance of the large accumulations in the Eastern and other markets which had existed early in 1921.

Exports of common and low medium China tea during the last year or two had, however, been almost negligible, and it appeared certain that ample tea could be produced for the world's requirements at least until Russia was again re-established as a buyer of magnitude. For the present, therefore, coarse plucking (which was probably undesirable at any time) would be a most serious menace to the prosperity of the whole industry and harmful to producer and distributor alike.

DIFFERENTIAL DUTY ON TEAS.

A reduction of 33½ in the tea duty had recently been made, i.e., the duty on foreign-grown tea was reduced from 1s to 8d per lb, and on British-grown tea from 10d to 6½d per lb. The preference in favour of British-grown tea was therefore maintained at the same ratio of ⅔ of the duty. In his opinion, the differentiation was indefensible and did not benefit the producers of British-grown tea, many of whom did not desire its continuance. It tended to raise the price to consumers in this country; it penalised British capital invested in foreign tea plantations, and it invited retaliation against the trade by foreign countries. It had already diverted foreign-grown teas from this to other markets, such as Australia, United States of America, &c., replacing there British teas. To illustrate that he might mention that in 1921 Australia took 16,000,000 lbs less of Ceylon tea than she did in 1918, and imported 10,000,000 lbs more of Java tea.

As a revenue producer to this country, the differential duty was negligible and probably diminishing. It was estimated that the present yield would amount to little more than £200,000.

The foreign trade, which was so vital a thing for this country, required everywhere the open door and the most-favoured-nation

treatment. They did not want the disturbing influence of retaliation fights. In the long run Empire-grown teas, in which he personally was equally interested with foreign-grown, would not, in his opinion, be benefited, but injured, by the duty, and he hoped that at an early date the Government would return to the previous method of levying duty on all teas at a flat rate.

RUBBER INDUSTRY.

The rubber situation had shown little change since the last meeting, nor did there seem much prospect of an early substantial improvement. The total production during 1921 was estimated at 280,000 tons, of which 260,000 tons were plantation and 20,000 tons were wild rubber. During the same period the total absorption of crude rubber by manufacturers appeared to have been about 265,000 tons, of which 175,000 tons were absorbed in the United States and about 90,000 tons in other countries.

It was, perhaps, satisfactory to note that, notwithstanding the depression, the absorption by the other countries showed little decrease from 1920, which was the boom year. Assuming the manufacturers' stocks of crude rubber were not reduced, the increase in the world stocks of crude rubber during the year amounted to about 15,000 tons, or about 5 per cent. of the existing stocks. The stock in London and Liverpool was 56,000 tons at the beginning of 1921 and 80,000 tons at its close. It now amounts to 77,000 tons, and during the first three months of this year the stocks in Malaya were apparently reduced by 5,000 tons.

While as compared with pre-war years, 1911-1913, the Continent of Europe had increased her absorption by only 30 per cent., the rest of the world had increased its absorption by 350 per cent. If the existing visible surplus was to be continuously diminished, the rate of absorption must either increase, or the plantation output for the present year should be significantly less than 280,000 tons.

In view of this he again urged the necessity of drastic restriction as a temporary remedy.

After referring to the non-effectiveness of voluntary restriction, he said: He was prepared to support an approved scheme for compulsory restriction of production to be enforced by the Governments concerned, provided that its avowed object were simply to raise the price to, and maintain it at, a figure sufficient to cover the present average "all-in" cost of production of European companies.

The greatest hopes of a return to prosperity, however, must be based upon a general revival of world trade and the development of existing and new uses of rubber. When trade was again normal and the surplus stocks of rubber had been absorbed, there was reasonable ground for confidence that all the Plantation rubber which could be produced from the present planted areas would be required, and once more would command remunerative prices.

Mr E. L. Hamilton seconded the motion, and it was carried unanimously.

INDIAN ELECTRIC SUPPLY AND TRACTION COMPANY, LIMITED.

DIVIDEND MAINTAINED—INCREASED OUTPUT.

The annual general meeting of the Indian Electric Supply and Traction Company, Limited, was held on the 22nd instant, at Winchester House, London, Mr John G. B. Stone presiding.

The Chairman said that the company's earnings in Cawnpore showed steady expansion, but in remitting to this country the directors had had to contend with the fall in the exchange value of the rupee from 1s 11½d to 1s 4d. Owing, however, to their conservative policy in the distribution of profits in the past the directors were still in a position to recommend the same dividend as last year—namely, 10 per cent.—and to add a reasonable figure

to the reserves. In the past year the output had been increased from 4,334,724 units in 1920 to 5,204,324 in 1921. The earnings of the company in India were £26,416, as compared with £35,189 in 1920. The fall in exchange accounted for nearly £10,000, as it affected not only the sterling value of the rupee profits, but also the cost of stores and repair parts purchased in this country. They had erected a new alternating current high tension power station on the banks of the Ganges, which was at present equipped with 6,000 kilowatts of plant. Unfortunately, owing to unforeseen delays in delivery and erection of plant, the company had not yet had the benefit of its output, but the station was expected to be in working in August this year, if not earlier.

As soon as the new station was open they would secure a large addition to their earnings, and so rapidly had the demand, actual and prospective, increased that in order to meet it they had found it essential to make arrangements for a further large extension to the new power station, for which purpose debentures had been issued to the extent of some £250,000, including the conversion and repayment of the existing outstanding £49,600 debentures. In order to get a closer and more accurate view of the company's business in Cawnpore, he went there in the early part of this year, and was much impressed with its potentialities, the great activity of the city, and its geographical position. It was a very active centre of trade, and in order to provide for the growth of its industries, &c., it had been found necessary to lay out a large new area as an extension to the city. The work was being actively pressed forward, and he did not think it would be more than a year or two before there would be an active demand from this new area.

The report and accounts were unanimously adopted.

EAGLE OIL TRANSPORT COMPANY, LIMITED.

"GRATIFYING RESULTS"—TRADING PROFITS DOUBLED.

The eleventh ordinary general meeting of the Eagle Oil Transport Company, Limited, was held on the 22nd instant at Winchester House, Old Broad Street, London, the Hon. Clive Pearson (chairman of the company) presiding.

The secretary (Mr C. H. M. C. Wilson) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: The trading profits at £1,064,686 are rather more than double those of 1920. This good result is due to a considerably greater tonnage having been in commission—some 30 per cent.; to a moderate but definite all-round decrease in operating costs; and to the fleet having run with a minimum of interruption; as a fact, taking into consideration the increased tonnage in commission, the time spent in carrying out repairs and surveys has only slightly exceeded that of our first two years' running. These factors, combined, have resulted in our year having been an exceptionally fortunate one, and the profits consequently, per vessel in commission, have been appreciably in excess of our estimates.

There has been transferred to depreciation and sinking fund reserve £425,000, which is at a distinctly higher rate than in previous years. Your vessels, it is true, are chartered for long periods upon fixed terms, and the basis of depreciation applied in other years would enable them to be written down to a very low figure within the period of their charters; yet your directors felt that advantage could this year be taken of the large available profits to hasten the process of writing down the book value of your assets.

As compared with the experience of recent years the cost of repairs is lower, although still exorbitant, and not showing the same relative fall as other costs. The repair reserve account, which is available for surveys and other extraordinary repairs, can be

considered in a satisfactory condition. Nevertheless, your directors have thought it prudent again to transfer to the account the sum of £75,000, the same as a year ago.

There has already been paid the fixed dividend of 6 per cent. on the preference shares, and you will be asked later to approve a further 2 per cent., making 8 per cent., and also the payment of a dividend of 8 per cent. on the ordinary shares. It is proposed to write off the expenses of the issue of the twelve-year notes. This will leave £94,730, subject to corporation tax, to be carried forward, and I am sure you will agree that these results of our year's trading are eminently gratifying.

BALANCE-SHEET ITEMS.

Turning to the balance-sheet, the whole of the authorised share capital is now paid up in full. In addition, our charterers have taken up at par £3,000,000 of twelve-year 7 per cent. notes, part of an authorised issue of £5,000,000. The notes now outstanding, as explained in the directors' report, are in the form of twelve-year 7 per cent. notes, but redeemable at the company's option at 101 per cent. at the end of six years. Our original intention, as referred to at our last general meeting, was to issue 7 per cent. seven-year notes, but in negotiation with the charterers the issue took its present form, which is one equally satisfactory to this company. The repayment of these notes will be made out of the amounts received and credited each year to the depreciation and sinking fund reserve.

The repair and other reserve accounts, which appeared in last year's balance-sheet as replacement insurance and other reserve accounts, show a very material reduction. This is mainly accounted for by the transfer therefrom of the difference between book values and amounts actually recovered under insurances on vessels lost during the war in reduction of the book value of our more expensive vessels built to replace them. The balance of £202,533 consists almost entirely of the repair reserve, and will be further increased by the transfer of £75,000 to which I have already referred.

The cost of steamers at £9,139,563 shows the growth of your fleet. Cash at £2,069,347 has increased by some £1,700,000, and is, of course, derived from our new capital issues. Expenditure is still being incurred upon vessels building, and there are bills payable, but the company is amply in funds to meet such liabilities, and we are fortunate in having been able to arrange for the good employment of these funds meantime.

COMPANY'S FLEET.

Your fleet has been well maintained during the year, and the fact that less time than usual has been occupied in executing repairs is an indication of the efficient running of the vessels. Our turbine vessels are giving satisfactory service; and three more vessels of this type have been delivered since our last meeting.

As will be seen by the list of vessels printed on the back of the report, your fleet consists of modern vessels with the large total tonnage of 368,698 tons. It will, perhaps, convey a better idea of the size of your fleet when I tell you that during the year 1921 some 2,000,000 tons of oil were carried by your vessels. Considerably more than half that quantity consisted of refined products, such as motor spirit, lubricating oils, Diesel and fuel oil from the refineries of our charterers, the Mexican Eagle Oil Company, and for the most part was shipped to South America and Europe. We have reason to feel well pleased that our fleet shows satisfactory earnings, and so satisfactorily fulfils its useful purpose.

Mr Clive Bowring seconded the motion, which was carried, and the usual formal business having been transacted, a vote of thanks to the chairman and directors concluded the proceedings.

CALLENDER'S CABLE AND CONSTRUCTION COMPANY, LIMITED.

INCREASED PROFITS DESPITE TRADE DEPRESSION.

The 26th ordinary general meeting of Callender's Cable and Construction Company, Limited, was held, on the 25th instant, at the Institute of Journalists, 2 and 4 Tudor Street, London, Sir J. Fortescue Flannery, Bart., M.P., M.Inst.C.E. (the chairman), presiding.

The secretary (Mr Howard Foulds, F.C.I.S., Assoc.I.E.E.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that throughout the whole period covered by the accounts the trade of the country had been declining; it was, therefore, remarkable evidence of the wisdom and foresight of the management that the company's business had been of such a character as not only to escape the decline in profits, but actually to improve upon the results of the previous year. There had also been other and equally serious hindrances to profitable manufacturing; they had been compelled to close their works for more than

two months owing to the stoppage in the coal trade. Advantage had, however, been taken of the interruption to institute reforms in their organisation which should lead to permanent and substantial economies both in administration and manufacturing.

The net result of the trading, namely, £217,012, was approximately £35,000 more than at the end of 1920. They were proposing to pay a dividend of 15 per cent. for the year, and to carry forward £150,112.

Their business in India, in spite of grave unrest there, had been carried out successfully. Business from Australia and South Africa had at times been much restricted, but in South America they had been more advanced. In their Continental business their most serious diminution of trade had occurred. One of the great difficulties there was the depreciated exchange. The far more important disadvantage which this country had felt the effect of during the last two or three years was the unwillingness of the worker, which had yet to be overcome. He sincerely hoped that those unhappy disputes would soon be ended, and that masters and men would once again pull together for the common good.

The profitable results obtained had been helped by contracts for work and materials entered into before the year began. The business they were carrying through at the present time was substantial, but was by no means so substantial as it was this time last year. The current year showed a reasonable prospect of a successful result, but that must largely depend upon developments during the next few months. The company must depend for its success not only upon a substantial home trade but upon large orders coming from abroad. The sooner, therefore, that an effective international agreement was reached and industrial peace in this country was secured, the sooner the company and others like it would be able to get to work without let or hindrance.

Sir T. O. Callender, J.P. (managing director), in seconding the motion, said it had been an exceedingly difficult year for the management, but to a certain extent the stoppage of the coal trade had tended to their advantage. They had taken the opportunity thoroughly to reorganise their factories and administration. The reorganisation would have far-reaching results, and would enable them to meet all fair competition with success. His view was that the outlook for their trade had never been better than it was at present.

The motion was carried unanimously.

POTTERIES ELECTRIC TRACTION COMPANY, LIMITED.

COMPETITION FROM CHARABANGS AND MOTOR OMNIBUSES.

The 24th ordinary general meeting of the Potteries Electric Traction Company, Limited, was held, on the 26th instant, at Electrical Federation offices, Kingsway, London, Mr R. J. Howley, C.B.E., M.Inst.C.E., presiding.

The Chairman, in moving the adoption of the report and accounts, said the result of the year's working had been disappointing, due to the long-drawn-out coal miners' strike, the general depression in trade, and competition with the company's tramway and omnibus services by motor coaches, charabangs, and hackney carriages, which came on the streets at times when traffic was busy. The total traffic receipts were £282,367, an increase of £2,377 over the previous year, and were the highest recorded by the company. Power and running expenses showed an increase of £3,689, due to the increased mileage. A dividend of 4 per cent. was recommended, leaving £6,872 to be carried forward. Since the summer of last year working expenses had steadily decreased, but wages were still very high. Out of every 100 pennies taken 52.8 were paid out in wages, 6.2 went in rates and taxes, 7.8 were paid to the shareholders, and 5.3 were set aside for renewals and reserves. The balance, 28.7 pennies, was spent on materials, coal, debenture interest, interest on loans, &c.

Keen competition was being experienced from charabangs, motor-omnibus, and vehicles with the tramway and omnibus services. Little or no difficulty was experienced by any owner of a vehicle in obtaining the necessary licence from the Corporation to ply for hire in competition with the tramways. This form of competition without restriction was unfair and unjust. The company, in addition to paying large sums by way of rates, paid rent to the Corporation, while the Corporation freely, and he thought he could say in the case of individual councillors, willingly, advocated the licensing of competing vehicles. In December last the company owned 27 large motor vehicles, and the number was being rapidly added to. This increased fleet would, at an early date, necessitate a larger and better equipped garage, and steps were being taken to obtain a suitable site. The directors were keeping constantly before them the question of the tenure of the tramways. The carrying on of so large a public transport business, burdened with an option to the Corporation to purchase the tramways at recurring intervals of seven years, did not justify the expenditure of additional capital in further development of that side of the business. In July the Corporation was asked to support an application to Parliament for statutory confirmation of the proposed agreement by which the

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

62, OLD BROAD STREET, LONDON, E.C.2.

AFFILIATIONS:

THE BRITISH BANK OF SOUTH AMERICA, LTD., and THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

Corporation would defer their right to purchase until 1952, but the decision of the Council was that the request of the tramway be not entertained, which was not an encouraging reply to a reasonable request.

The report was adopted.

CONSOLIDATED MINES SELECTION COMPANY, LIMITED. THE REVOLUTIONARY DISTURBANCES IN SOUTH AFRICA.

The twenty-sixth ordinary general meeting of the Consolidated Mines Selection Company, Limited, was held, on the 23rd instant, at Winchester House, Old Broad Street, London, Mr Walter McDermott (the chairman) presiding.

The Chairman moved the adoption of the report and accounts. He said that the outstanding facts for shareholders in the accounts were that the profit carried to balance-sheet was about £100,000 less than the corresponding figure a year ago; and that they had drawn on the reserve account to the extent of £100,000 in order to keep the valuation of their various assets on the usual safe basis for the future. The year's net operating profit was £23,685. Unfortunately, however, the market prices of some of the assets showed a heavy depreciation on December 31st, and it was necessary for safety to write off an amount of £151,995. To meet this depreciation in part they had to draw on the reserve account to the extent of £100,000; and this, with the operating profit and the credit balance of last year's profit, enabled them to carry forward in the current year a profit of £25,117.

After dealing in detail with the company's most important holdings, he referred to the revolutionary disturbances in South Africa, and said: For some months there had been a succession of negotiations between the Chamber of Mines in Johannesburg and the officials of various trade unions. The failure to agree on terms with the employers led to the strike at the beginning of this year. That there was more behind the strike than the mere wages dispute was very clearly demonstrated by the immediate appearance of revolutionary elements, occupied with quite other aims than the mere improvement of the working conditions of labour. Commandos of strikers and of others were formed to enforce their will on the country; and the Ministry were requested to resign the control of Government. Foreign agitators and political agents had been at work (as far away as Cape Town) in the stirring up of strife and the advocacy of violence; and large scale insurgent military operations were put in movement, which showed there had been well-planned organisation before the outbreak. The directors will send out with the report of this meeting an extremely interesting account of the revolutionary attack and capture of the Brakpan mine. The material loss of property for our group of mines has been very small, but the mines have all suffered heavy losses in expenses while the production of gold was interfered with.

Mr R. J. Frecheville seconded the resolution, which was carried unanimously.

Orders for the publication in these columns of the reports at Company Meetings should be addressed to the Reporting Manager of the ECONOMIST, 3 Arundel Street, Strand, London, W.C. 2.

GOVERNMENT RETURNS.

CURRENCY NOTES ACCOUNT. (000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to		Redemption Account.				
			Bankers.	Savings Banks.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Govern- ment Secur- ities.	Balance at Bank of England.
1914.									
Aug. 26.....	21,535		6,302	3,810	18,500	..	481	9,994	11,423
Dec. 30.....	38,478		169	600	..	..	..	..	9,286
1915.									
Dec. 29.....	103,125	729	159	249	28,500	..	276	54,621	20,536
1916.									
Dec. 27.....	150,144	2,430	64	40	28,500	..	190	118,102	6,868
1917.									
Dec. 26.....	212,782	8,584	39	675	28,500	..	134	186,637	5,486
1918.									
Dec. 31.....	323,241	15,528	..	570	28,500	..	89	305,133	4,566
1919.									
Dec. 31.....	356,152	17,182	250	245	28,500	4,000	91	337,537	2,802
1920.									
June 30.....	357,356	16,700	..	180	28,500	13,400	117	331,660	305
Dec. 29.....	367,626	16,932	..	..	28,500	19,450	130	336,504	134
1921.									
Mar. 30.....	343,226	15,599	Silver Coin.	..	28,500	19,450	139	311,334	141
June 29.....	323,844	14,965	..	..	28,500	19,450	142	287,760	150
Sep. 28.....	314,382	14,830	..	..	28,500	19,450	142	278,119	143
Dec. 28.....	326,594	14,658	..	..	28,500	19,450	147	289,131	161
1922.									
Mar. 30.....	300,351	14,255	..	..	28,500	19,450	149	261,479	177
May 18.....	298,793	13,228	..	..	28,500	19,450	160	264,833	178
May 26.....	298,920	13,091	..	..	28,500	19,450	161	256,900	161

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,000,000, for 1921 at £317,555,000, and for 1922 at £309,968,400.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £50,000,000 in three months' Treasury Bills dated from Monday to Saturday, May 29-June 3, were opened on May 26, 1922, and the total amount applied for was £79,255,400. Tenders for Monday to Friday bills at £99 8s 6d, about 31 per cent., above in full. Saturday bills at £99 8s 8d and above in full. The average rate of discount for Treasury bills was £2 5s 2.06d. The amounts allotted were as follows:—In bonds, £2,300,000; in bills at 3 months, £47,700,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills, Average Rate.	4½% Treasury Bonds, 1922, Average Price.
April 28.....	50,000,000	81,875,000	2 7 5.81	..
May 5.....	50,000,000	80,650,000	2 3 0.52	..
May 12.....	45,000,000	87,140,000	2 6 8.63	..
May 19.....	45,000,000	88,445,000	2 7 2.41	..
May 26.....	(a) 50,000,000	(a) 79,255,400	2 5 2.06	98 13 7.82

(a) Including Treasury Bonds.

Tenders will be received on Friday, June 2, 1922, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £50,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	£	Total Receipts into the Exchequer from		Receipts.	
		Apr. 1, 1922, to May 20, 1922.	Apr. 1, 1921, to May 21, 1921.	Week Ended May 20, 1922.	Week Ended May 21, 1921.
Balances in Exchequer on 1st April.....	..	9,963,424	2,591,051	..	..
Bank of England.....	..	1,210,106	483,455	..	..
Bank of Ireland.....	..	11,173,530	3,074,506	..	..
REVENUE.	..	15,256,000	14,410,000	3,015,000	1,254,000
Customs.....	..	22,160,000	27,730,000	7,025,000	9,860,000
Excise.....	..	1,354,000	994,000	..	..
Motor Vehicle Duties.....	..	8,961,000	5,799,000	1,160,000	1,114,000
Stamps, &c., Duties.....	..	1,372,000	1,334,000	40,000	93,000
Land Tax, House Duty, & Mineral Rights Duty.....	..	390,000	330,000	30,000	10,000
Property & Income Tax (including Super-Tax).....	..	41,538,000	48,542,000	2,068,000	2,856,000
Excess Profits Duties, &c.....	..	954,000	13,620,000	..	1,160,000
Corporation Profits Tax.....	..	2,408,000	990,000	351,000	310,000
Post Office.....	..	6,500,000	6,250,000	1,000,000	1,000,000
Crown Lands.....	..	80,000	50,000	..	..
Interest on Sundry Loans.....	..	343,524	609,519	..	..
Miscellaneous.....	..	7,631,879	2,403,689	543,946	9,500
Ordinary Receipts.....	..	8,432,343	9,406,696	2,876,000	..
Special Receipts.....	..	117,381,746	132,468,904	18,108,946	17,466,500
Revenue.....	..	128,555,276	135,543,410	..	..
OTHER RECEIPTS.	..	..	..	..	..
Temporary Advances Repaid:—	..	550,000	1,000,000	..	150,000
Bullion.....	..	..	..	..	..
Money Raised by Creation of Debt:—	..	..	..	..	..
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1920 and 1921.....	..	..	..	..	..
(b) Under the Unemployment Insurance Acts, 1921.....	..	1,210,000	..	..	..
(c) For other Issues: By Treasury Bills for Supply ..	..	421,631,000	715,564,000	55,331,000	69,734,000
By National Savings Certificates ..	..	24,280,000	4,780,000	550,000	370,000
By Treasury Bonds—	..	..	997,335	..	39,000
5-15 year, 1925-35.....	..	121,708	..	121,708	..
5% 1927.....	..	61,421,831	..	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919.....	..	..	2,290,392	..	..
(d) Ways and Means Advances.....	..	120,170,000	129,800,000	2,270,000	7,550,000
Anglo-Perian Oil Company—	..	243,012	..	243,012	..
Dividends on Shares acquired	..	..	..	..	..
Repayments:—	..	..	..	..	..
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	..	7,901	..	3,773	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	265,460	..	56,500	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	87,358	71,624	..	..
Total.....	..	758,543,546	990,107,634	76,614,666	95,309,500

EXPENDITURE AND OTHER ISSUES.

	£	Total Issues out of the Exchequer to meet Payments from		Issues.	
		Apr. 1, 1922, to May 20, 1922.	Apr. 1, 1921, to May 21, 1921.	Week Ended May 20, 1922.	Week Ended May 21, 1921.
EXPENDITURE.	..	..	..	..	..
Permanent Charge of Debt.....	..	3,434,767	3,308,212	6,473	14,439
Interest, &c., on War Debt.....	..	46,978,064	52,288,512	3,135,484	2,866,711
Road Fund.....	..	633,000	393,000	..	..
Payments to Local Taxation Accounts, &c.....	..	50,000	300,380	..	..
Payments to Northern Ireland Exchequer.....	..	160,000	341,761	74,809	..
Land Settlement.....	..	246,782	..	..	..
Other Consolidated Fund Services.....	..	275,919	267,612	68	..
Supply Services.....	..	43,774,600	87,479,900	8,000,000	8,000,000
Expenditure.....	..	95,651,022	144,374,177	11,216,221	11,794,510

	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1922, to May 20, 1922.	Apr. 1, 1921, to May 21, 1921.	Week Ended May 20, 1922.	Week Ended May 21, 1921.
OTHER ISSUES.	..	..	..	..
Temporary Advances:—	..	..	..	..
Bullion.....	..	1,000,000	..	150,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	84,909	84,909	..	..
Under the Unemployment Insurance Acts, 1921.....	1,210,000	..	..	..
Issues to meet Capital Expenditure: Under the Telegraph (Money) Acts, 1920 and 1921.....	..	1,300,000	..	..
Under the Post Office (London) Railway Act, 1913.....	..	25,000	..	..
Under the Housing Act, 1914 ..	13,000	25,000	..	..
Redemption of Unfunded Debt—	..	..	..	..
Treasury Bills for Supply.....	521,855,000	702,089,000	44,550,000	63,580,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917.....	1,028,339	819,431	48,799	1,006,177
Principal of National Savings Certificates.....	..	..	..	..
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920.....	4,000,000	2,000,000	600,000	500,000
(b) Repaid otherwise.....	..	1,900,000	..	..
Principal of Exchequer Bonds paid off.....	19,236,605	..	100,000	..
5% 1922, £20,236,605; Less: paid off by the National Debt Commissioners, £1,000,000—£19,236,605.....	..	..	..	..
Other Debt under the War Loan Acts, 1914 to 1919.....	5,251,988	10,423,345	..	2,000,000
Ways and Means Advances Repaid.....	105,870,000	108,420,000	19,890,000	14,650,000
Depreciation Fund, under the Finance Act, 1917.....	399,521	4,160,022	..	500,000
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	..	2,305,000	..	500,000
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	55,656	500	..	..
Balances in Exchequer—	..	..	..	..
Bank of England.....	754,556,040	986,295,384	76,405,026	94,680,687
Bank of Ireland.....	..	..	..	..
Total.....	3,587,506	3,812,250	209,640	628,813
Treasury, May 22, 1922.	..	..	..	..

Clerical, Medical & General LIFE ASSURANCE SOCIETY.

Persons who effect Profit Policies before
THE 30th OF JUNE
will be entitled at the next Division to
A FULL FIVE YEARS' BONUS
The Society has never passed a Bonus.

Chief Office: 15, St. James's Square, London, S.W.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.
ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, May 24, 1922.

ISSUE DEPARTMENT.		£
Notes issued.....	145,508,005	11,015,100
Government debt.....	..	7,434,900
Other securities.....	..	127,058,005
Gold coin and bullion.....	..	..
Total.....	145,508,005	145,508,005
BANKING DEPARTMENT.		£
Capital.....	14,553,000	49,187,646
Reserve.....	3,214,471	74,593,141
Public deposits.....	18,562,305	24,618,030
Other deposits.....	113,873,788	1,822,837
Seven-day & other bills.....	18,090	..
Total.....	150,221,654	150,221,654

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Account.

COMPARISON with PREVIOUS WEEK and a YEAR AGO.

	Amount, May 24, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Reserve.....	£ 3,214,471	+ 5,891,777	+ 2,142,988
Public deposits.....	18,562,305	+ 1,813,585	+ 1,813,585
Other deposits.....	113,873,788	+ 6,250,000	+ 11,081,694
Government securities.....	49,187,646	+ 508,808	+ 14,546,743
Other securities.....	74,593,141	+ 182,395	+ 7,448,980
Reserve.....	120,889,975	+ 180,780	+ 6,917,686
Note circulation.....	128,880,842	+ 1,615	+ 531,285
Gold and bullion.....	..	+ 14%	+ 54%
% of reserve to liabilities.....	20%	..	..

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.
1922.	£	£	£	£	£	%
Mar. 1.....	128,762,306	123,093,340	135,643,344	129,715,387	24,118,968	20
8.....	128,763,984	122,234,155	138,265,899	131,468,690	25,879,808	21
15.....	128,775,441	121,768,199	134,649,144	127,268,440	25,487,640	18
22.....	128,779,723	121,704,445	148,193,655	138,822,288	25,525,318	18
29.....	128,771,261	121,704,445	150,541,822	144,249,557	24,502,361	16
April 5.....	128,875,159	122,596,990	146,528,233	139,777,088	24,432,169	16
12.....	128,861,156	122,439,345	142,002,996	132,812,916	24,873,890	17
19.....	128,876,773	121,638,245	134,935,798	126,655,897	25,888,598	17
26.....	128,872,818	121,307,055	134,366,840	125,995,611	26,015,766	18
May 3.....	128,873,878	122,091,180	146,049,335	135,822,288	26,331,699	17
10.....	128,887,933	121,591,685	148,138,187	130,021,217	25,746,254	18
17.....	128,879,527	121,670,795	130,061,838	130,549,596	26,258,472	18
24.....	128,880,821	122,693,975	132,456,933	125,780,787	26,440,867	20

STATEMENT OF CANADIAN BANKS.

	Mar. 31, 1922.	Feb. 28, 1922.	Jan. 31, 1922.	Mar. 31, 1921.
ASSETS.				
Cash and bank balances	447,024,423	461,375,760	463,609,126	526,573,128
Bank balances abroad	61,314,091	68,442,216	61,286,489	98,846,776
Call and short loans	267,418,237	272,410,237	260,543,689	282,418,354
Securities	553,663,167	552,376,752	560,864,552	555,347,006
Loans in Canada	1,239,496,136	1,232,974,475	1,222,587,871	1,374,661,688
Loans abroad	151,969,504	155,706,861	148,733,717	164,093,930
Other assets	98,870,347	101,327,520	108,484,499	107,331,490
LIABILITIES.				
Note circulation	162,651,367	164,490,301	162,645,115	206,094,668
Deposits—				
Government	124,699,206	131,715,607	130,617,161	133,704,471
Public in Canada	1,714,861,914	1,719,428,675	1,720,361,570	1,880,079,859
Foreign	265,747,914	267,435,578	254,777,696	300,181,609
Bank balances—				
Canadian	8,828,369	10,545,429	11,362,901	13,073,490
Foreign	45,774,760	44,283,147	38,271,376	43,049,427
Bills payable, &c.	23,560,772	29,125,034	31,440,615	43,381,320
Other liabilities	2,546,216	3,519,053	2,118,167	2,985,695
Capital and rest	254,242,399	255,742,286	255,742,086	262,343,370

BANK OF FRANCE.

(000's omitted.)

	May 18, 1922.	May 11, 1922.	May 4, 1922.	May 19, 1921.	Position May 28, 1914.
ASSETS.					
Gold coin and bullion	5,527,477	5,527,263	5,527,103	5,518,281	3,730,625
Of which held abroad	1,948,367	1,948,367	1,948,367	1,948,367	
Silver coin and bullion	283,390	282,983	282,872	271,844	632,650
Discount and advances	4,612,574	4,607,752	4,599,226	4,493,771	2,387,775
LIABILITIES.					
Notes in circulation	35,847,275	36,122,745	36,178,276	38,454,998	5,811,875
Government deposits	14,292	15,263	15,940	46,588	183,700
Private deposits	2,430,333	2,380,156	2,433,952	2,910,889	845,950

BANK OF SPAIN.

(000's omitted.)

	May 20, 1922.	May 13, 1922.	May 6, 1922.	April 29, 1922.	Position May 30, 1914.
ASSETS.					
Gold	2,522,341	2,522,279	2,522,258	2,522,152	2,484,743
Silver	638,952	635,526	634,666	639,247	609,655
Loans and discounts	2,318,803	2,360,096	2,290,430	2,377,622	1,829,738
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000
LIABILITIES.					
Circulation	4,184,786	4,208,991	4,221,000	4,179,062	4,266,923
Deposits	1,156,643	1,131,019	1,092,873	1,114,169	1,222,978

NATIONAL BANK OF GREECE.

	Mar. 28, 1922.	Mar. 13, 1922.	Mar. 28, 1921.	Previous Return.	Last Year.
ASSETS.					
Gold and balances abroad	1,368,187,302	1,361,045,315	1,447,877,007	—12,858,013	—79,489,706
Government loans and securities	2,559,710,943	2,561,408,649	1,296,429,232	—1,697,706	—126,321,711
Discounts and loans	782,257,370	751,618,810	787,970,934	+30,638,660	+24,886,436
LIABILITIES.					
Notes in circulation	2,255,180,060	2,217,579,786	1,579,508,668	+37,600,275	+675,671,393
Government deposits	121,513,787	153,338,162	107,809,611	—31,824,375	+13,704,176
Private night deposits	1,013,475,798	1,037,150,263	823,799,680	—23,674,465	+189,676,118
Private deposits at fixed date	990,718,543	981,340,414	747,124,552	+9,378,129	+243,593,991

BANK OF JAPAN.

(000's omitted.)

	April 22, 1922.	April 15, 1922.	April 8, 1922.	April 1, 1922.	April 23, 1921.	Position June 30, 1914.
ASSETS.						
Cash and bullion	1,274,656	1,271,742	1,264,558	1,264,837	1,279,273	221,320
Discounts	161,610	154,406	142,817	222,466	43,044	41,740
Advances	122,372	123,969	132,648	144,207	102,534	70,540
LIABILITIES.						
Notes in circulation	1,116,664	1,114,664	1,124,346	1,254,680	1,032,119	362,270
Govt deposits	83,913	89,630	768,584	722,452	1,376,594	87,340
Other deposits	48,236	38,391	40,416	44,355	145,476	11,440

IMPERIAL BANK OF GERMANY.

(000's omitted.)

	May 15, 1922.	May 6, 1922.	April 29, 1922.	May 14, 1921.	Position May 30, 1914.
ASSETS.					
Gold	1,002,365	1,001,665	1,000,867	1,091,578	1,313,240
Of which deposited in Bank of England	50,032	50,032	47,207	—	221,920
Silver	18,880	18,466	19,969	2,434	321,920
Treasury notes	3,530,513	3,588,479	3,898,700	20,525,076	943,460
Bills discounted	166,819,271	157,660,870	158,020,568	58,753,329	60,780
LIABILITIES.					
Notes in circulation	142,903,593	142,463,621	140,420,057	70,834,179	2,013,860
Advances to	37,544,011	28,379,548	31,616,168	15,068,650	842,340

BANK OF ITALY.

(000's omitted.)

	April 30, 1922.	April 20, 1922.	April 10, 1922.	Mar. 31, 1922.	April 30, 1921.	Position May 31, 1914.
ASSETS.						
Total cash	1,464,574	1,439,190	1,394,460	1,413,139	1,395,036	1,221,875
Inland bills	4,569,803	4,453,627	4,483,664	4,512,491	3,984,857	418,400
Foreign bills	8,658	10,184	9,670	9,715	28,509	61,300
Treasury	6,349,966	6,421,373	6,468,778	6,474,341	7,126,117	91,175
Other advances	3,540,044	3,437,730	3,479,289	3,317,307	2,136,940	79,175
Securities	535,471	533,982	534,593	535,394	217,617	205,700
LIABILITIES.						
Note circulation	13,608,391	13,592,777	13,597,743	14,049,710	14,026,845	1,556,925
Deposits & drafts	1,739,532	2,001,638	1,818,542	1,940,075	1,724,613	193,975

NETHERLANDS BANK.

(000's omitted.)

	May 26, 1922.	May 15, 1922.	May 6, 1922.	May 1, 1922.	May 23, 1921.	Position May 30, 1914.
ASSETS.						
Gold	605,889	605,889	605,889	605,889	605,889	163,098
Silver	6,349	6,349	6,349	6,349	6,349	6,349
Discounts	369,596	427,381	464,975	462,362	481,334	183,504
LIABILITIES.						
Note circulation	1,024,564	1,024,564	1,024,564	1,024,564	1,024,564	1,024,564
Deposits	48,005	43,718	31,540	32,336	84,383	6,616

NATIONAL BANK OF ROUMANIA.

(000's omitted.)

	April 29, 1922.	April 22, 1922.	April 15, 1922.	April 8, 1922.	April 30, 1921.
ASSETS.					
Gold	4,661,591	4,661,591	4,661,591	4,631,591	3,861,732
Silver, &c.	453	457	437	367	308
Government loan	12,524,337	12,529,429	12,531,970	12,537,816	9,653,960
Other advances	2,825,470	2,787,857	2,789,570	2,855,641	3,270,331
LIABILITIES.					
Notes in circulation	13,980,718	13,922,640	13,968,388	13,878,054	11,274,765
Deposits	6,101,282	6,109,020	6,068,898	6,190,889	5,551,980

SWISS NATIONAL BANK.

(000's omitted.)

	May 13, 1922.	May 6, 1922.	April 29, 1922.	April 22, 1922.	May 14, 1921.	Position May 31, 1914.
ASSETS.						
Gold	541,831	545,827	543,081	545,162	543,672	171,176
Silver	107,580	107,580	108,000	108,000	111,107	18,360
Darlehens-Kassen.	14,491	17,821	18,263	17,562	9,243	
Assets & advances	319,129	324,293	329,269	326,591	353,675	103,000
LIABILITIES.						
Notes in circulation	757,796	783,717	801,516	765,176	921,538	815,925
Deposits	267,257	253,193	242,936	268,551	116,960	33,760

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to April 29, 1922, total issues were Fr. 27,350,117, of which Fr. 18,263,100 was held by the Swiss National Bank.

BANK OF SWEDEN.

(000's omitted.)

	May 20, 1922.	May 13, 1922.	May 6, 1922.	April 29, 1922.	May 21, 1921.	May 24, 1921.
ASSETS.						
Gold	274,157	274,290	274,307	274,326	281,684	104,908
Balance abt. and foreign bills	78,356	77,514	78,160	78,110	125,436	113,179
Swedish and for Gov. securities	72,196	72,194	72,208	72,208	14,257	28,465
Discount and loans	461,927	466,256	493,698	492,715	453,815	113,688
LIABILITIES.						
Notes in circulation	532,526	547,677	567,847	582,211	614,908	226,555
Deposits at notice	297,744	294,820	294,747	300,565	199,114	65,660

NATIONAL BANK OF BELGIUM.

(000's omitted.)

	May 18, 1922.	May 11, 1922.	May 4, 1922.	April 27, 1922.	May 19, 1921.	Position May 28, 1914.
ASSETS.						
Coin (gold & silver and bullion)	327,572	327,028	327,358	327,499	334,926	322,850
Securities	444,388	460,669	447,002	463,746	682,222	697,600
LIABILITIES.						
Notes in circulation	6,168,556	6,303,569	6,319,846	6,302,032	6,155,755	934,150
Current accounts	864,574	719,005	701,794	751,472	1,083,119	113,125

HUNGARIAN BANK.

(000's omitted.)

	May 15, 1922.	May 7, 1922.	April 30, 1922.	April 23, 1922.
ASSETS.				
Gold coin and bullion, bills	13,189	13,184	13,105	13,126
Silver coin, &c.	599	599	599	598
Bills, warrants, drafts, &c.	24,731,239	24,936,178	25,119,673	24,760,557
Loans	1,561,609	1,565,362	1,565,427	1,641,048
LIABILITIES.				
Notes in circulation	30,704,776	30,717,163	30,580,323	29,872,550
Deposits	3,385,541	3,037,172	2,901,162	3,086,210

AUSTRIAN BANK.

(000's omitted.)

	May 15, 1922.	May 7, 1922.	April 30, 1922.	April 23, 1922.
ASSETS.				
Gold coin and bullion, bills	1,288	1,114	1,459	781
Silver coin	20	20	20	5
Bills discounted, warrants and drafts	108,633,956	104,095,307	94,926,300	85,994,081
Loans	1,187,972	570,739	592,306	441,070
LIABILITIES.				
Notes in circulation	351,460,802	344,870,422	346,697,776	317,807,534
Deposits	7,515	7,672	26,163	27,485

NATIONAL BANK OF DENMARK.

(000's omitted.)

	April 29, 1922.	Mar. 31, 1922.	Feb. 28, 1922.	Jan. 31, 1922.	April 30, 1921.	Position May 30, 1914.
ASSETS.						
Coin and bullion ..	228,325	228,325	228,330	228,330	227,871	28,644
Loans & discounts ..	461,386	444,616	434,127	417,255	344,743	88,470
Debtors abroad	14,830	18,232	20,983	19,273	8,153	22,400
Other assets	15,943	18,922	23,936	37,679	50,973	11,968
LIABILITIES.						
Circulation	461,790	446,163	440,823	450,018	532,108	167,298

IRISH BANKS' RATE.

Present Rate.	Date	Previous Rate.	Date
Discount	5 .. Apr. 13, 1922	5 1/2 .. Feb. 16, 1922	
Deposit	2 .. Feb. 16, 1922	2 1/2 .. Nov. 4, 1921	

OVERSEAS BANK RATES.

Bank Rate	Bank Rate	Bank Rate	Bank Rate
Changed.	Changed.	Changed.	Changed.
Amsterdam	July 1, 1915 .. 4 1/2	Madrid	Nov. 4, 1920 .. 5 1/2
Athens	May 15, 1920 .. 5 1/2	Paris	Mar. 11, 1922 .. 5 1/2
Berlin	Dec. 23, 1914 .. 5 1/2	Prague	Apr. 27, 1922 .. 5 1/2
Brussels	May 19, 1921 .. 5 1/2	Rome	May 11, 1920 .. 5 1/2
Bucharest	Sept. 4, 1920 .. 5 1/2	Sofia	June 14, 1921 .. 5 1/2
Calcutta	Apr. 27, 1922 .. 5 1/2	Stockholm	Mar. 10, 1922 .. 5 1/2
Christiansia	May 15, 1922 .. 5 1/2	Swiss Bank	Mar. 2, 1922 .. 3 1/2
Copenhagen	Apr. 25, 1922 .. 5 1/2	Tokyo	Nov. 18, 1919 .. 7
Helsingfors	Nov. 8, 1920 .. 9	Vienna	Nov. 29, 1921 .. 7
Lisbon	Sept. 5, 1920 .. 7	Warsaw	Sep. 1, 1921 .. 7
New York Federal Reserve ..	Nov. 2, 1921 .. 4 1/2		

CURRENT RATES IN NEW YORK.

The Irving National Bank of New York cable the following money and exchange rates in New York:—

	May 26, 1921.	Apr. 27, 1922.	May 4, 1922.	May 11, 1922.	May 18, 1922.	May 25, 1922.
Call money	7 1/2	3 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Time money (90 days' mixed coll) ..	6 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Bank acceptance ..	6 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Members—eligible, 90 days ..	6 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Non-mem.—eligible, 90 days ..	6 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Ineligible, 90 days ..	6 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Commercial accept., 90 days ..	7 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

RATES OF EXCHANGE.

New York on—	Par Level.	May 26, 1921.	May 11, 1922.	May 18, 1922.	May 25, 1922.
London—					
30 days		4.8666	4.42	4.4312	4.427
Cable		3.92	4.44	4.45	4.45
Cheques		3.9125	4.44	4.462	4.4418
Paris		19.30	8.40	9.14	9.0825
Brussels		19.30	8.39	8.34	8.225
Switzerland ..		19.30	17.80	19.29	19.16
Italy		19.30	5.32	5.3050	5.13
Berlin		23.83	1.62	0.5475	0.5387
Vienna		20.26	0.25	0.0120	0.0103
Madrid		19.30	13.25	15.55	15.76
Amsterdam ..		40.195	34.90	38.55	38.75
Copenhagen ..			17.98	21.31	21.78
Christiansia ..		26.80	15.45	18.63	18.35
Stockholm ..			23.21	25.63	25.65
Athens		19.30	5.50	4.28	4.20
Montreal		100	89.50	98.75	99.12
Yokohama		49.85	48.05	47.35	47.50
Hong Kong			49.50	57.25	59.45
Shanghai			64.70	78.50	80.75
Calcutta			26.875	38.90	39.05
Buenos Aires ..		103.65	132.00	121.70	121.00
Rio de Janeiro ..		32.42		13.85	13.85
Valparaiso		20.60	12.70	11.375	12.125

RATES OF EXCHANGE ON GERMANY.

	Par Level.	May 26, 1921.	May 11, 1922.	May 18, 1922.	May 25, 1922.
Amsterdam		59.26	4.624	0.911	0.86
Switzerland ..		123.45	9.17	1.82	1.77
Copenhagen ..			9.12	1.645	1.592
Stockholm		88.88	7.05	1.37	1.345
Christiansia ..			10.60	1.870	1.840

CENTRAL AMERICAN EXCHANGE RATES.

The Commercial Bank of Spanish America, Limited, quotes the following rates of exchange:—

Country.	Par Value.	Usance.	Year, 1922.	Rate.
Honduras	1000	Sight London	May 20	17.00
Venezuela	25.25	"	May 24	24.30
Colombia (Bogota) ..	100	"	May 23	98.50
Nicaragua	4.8666	"	May 4	4.60
San Salvador	9.73	"	May 24	9.15
Guatemala	90.23	"	May 20	250.30
Costa Rica	10.46	"	April 29	19.05
Bolivia	19.20	"	Mar. 18	134

ESTHONIAN EXCHANGE RATES.

The Bank of Esthonia quote Reval exchange rates as below:—

Reval on	Mar. 30, 1922.	April 11, 1922.	April 20, 1922.	April 25, 1922.	April 29, 1922.
London (cheque) ..	£1	1.504	1.480	1.485	1.490
New York	£1	344	336	338	338
Berlin	100 Rmk	112.50	120	120	121
Helsingfors	100 Fmk	690	625	627	625
Stockholm	100 Kr	8.775	8.775	8.730	8.800
Copenhagen	100 Kr	7.275	7.125	7.135	7.225
Paris	100 Fr	3.100	3.085	3.140	3.100
Amsterdam	100 Gld	13.100	13.950	13.750	12.975
Riga	100 Lrb	135	127	133	131
Prague	100 Kmk	620	655	670	660

LATVIAN EXCHANGE RATES.

Riga on—	Latvian Roubles for	Mar. 1, 1922.	Mar. 15, 1922.	April 1, 1922.
London	£1	1.128	1.146	1.107
New York	£1	253.4	259.1	258
Paris	100 frs.	2.336	2.375	2.235
Brussels	100 frs.	2.900	2.350	2.100
Stockholm	100 kr.	8.775	8.875	8.625
Copenhagen	100 kr.	8.550	8.450	8.425
Christiansia	100 kr.	4.350	4.450	4.475
Prague	100 Kmk	640	655	650
Amsterdam	100 Gld	9.775	9.925	9.500
Berlin	100 Rmk	109	114	94
Helsingfors	100 Fmk	594	534	515
Royal	100 emk.	68	73	70
Warsaw	100 pmk.	..	7	7

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From April 25, 1922.	From May 8, 1922.
	London on South Africa.	South Africa on London.
	Buying.	Selling.
T.T.	1 1/2 prem.	1 1/2 dis.
Demand	1 1/2 prem.	1 1/2 dis.
30 days	1 1/2 prem.	1 1/2 dis.
60 days	1 1/2 prem.	1 1/2 dis.
90 days	1 1/2 prem.	1 1/2 dis.
120 days	1 1/2 prem.	1 1/2 dis.

* Plus ad valorem stamp duty. (a) No discount allowed on sales of T.T.s. or demand drafts under £100

OVERSEAS DOMINIONS RATES.

	Commonwealth of Australia and Dominion of New Zealand.	Australia and New Zealand on London.
	London on Australia and New Zealand.	Australia and New Zealand on London.
	Buying.	Selling.
	Aus. Zeal'nd.	Aus. Zeal'nd.
T.T.	100	100
Sight	100	100
Cable	100	100
On demand	97 1/2	97 1/2
30 days	97 1/2	97 1/2
60 days	96 1/2	96 1/2
90 days	96 1/2	96 1/2
120 days	96 1/2	96 1/2

INDIAN TREASURY BILLS.

	March 31, 1922.	May 20, 1922.
Outstanding with public	54,01,65,000	51,40,40,000
In paper currency reserve	57,89,00,000	57,89,00,000
Total	111,90,65,000	109,29,40,000
India Office, May 25, 1922.		

BULLION.

The gold movements to or from the Bank of England are no longer announced. For the week ended May 24, 1922, the stock of coin and bullion shows an increase of £1,615 compared with the previous return.

IMPORTS AND EXPORTS OF GOLD.

Gold Imported into the United Kingdom.		Gold Exported from the United Kingdom.	
Countries from which Consigned.	Week Ended May 24, 1922.	Countries to which Exported.	Week Ended May 24, 1922.
	£		£
Netherlands	55,000	British India	1,084,482
United States	240,203	Victoria	295
Egypt	53		
British South Africa	460,824		
Other Countries	1,000		
Total value of imports of gold	757,080	Total declared value of exports registered in the week	1,084,777

Messrs Samuel Montagu and Co. write as follows on May 25th:—

GOLD.

The wreck of the s.s. "Egypt" contains £839,379 in gold, and the moderate offerings this week were therefore in keen demand. The total value of the bullion on board this ship—namely, £1,054,379—was one-third more than that on the s.s. "Oceana" (which sunk in the Channel in 1912) and was subsequently recovered, with the exception of two silver bars, from a depth of 12 fathoms. Unfortunately the "Egypt" is believed to be lying about 65 fathoms below the surface. New York reports the arrival of gold valued at \$472,000 from Sweden. The Indian authorities report the following movements of trade, which appear to be very favourable to India:—

(In Lacs of Rupees.)

	Imports.	Exports (including Re-exports).
April, 1922	17.84	23.85
" 1921	25.86	18.04
Of the exports, Rs. 84 lacs were re-exports in April, 1922, against Rs. 1,10 1/2 lacs in April, 1921. As compared with March, 1922, both imports and exports have fallen in the same proportion; the March figures were Rs. 21.48 lacs of imports and Rs. 27.62 lacs of exports, including re-exports.		

The net balance of trade (including bullion and rupee paper movements) for April, 1922, shows a great improvement over that for the preceding month. Both these months showed a favourable balance, but the April balance was Rs. 4.17 lacs, whereas the March balance was Rs. 1.42 lacs. In April, 1921, it was in favour of India by Rs. 13.87 lacs.

SILVER.

Persistent purchases on China account carried the price on Monday to 37 3/4d for both deliveries, the highest price fixed since December 2nd last for cash and December 1st for two months' delivery. The silver cargo, worth £215,000, lost with the "Egypt" on the 20th inst., is probably irrecoverable by such methods as up to now have been employed. Nevertheless, no orders came to London for its replacement. The owners would appear to have been rather relieved than otherwise to be minus the silver. On Tuesday and succeeding days, falling any special support and assisted by Indian selling, quotations sagged away with some rapidity. Movements of the price lately have shown the unwisdom of dogmatism, and have reassured the wayward disposition of the metal. Continental offerings have been slight; the chief feature has been the eagerness of the United States to sell upon each decline. According to *Financial America*, reports dated May 5th last stated that the production of silver from the Gowganda silver area has reached the substantial total of approximately 6,250,000 ounces. The French Chamber of Commerce bronze-aluminium tokens for 2, 1, and 1/2 francs seem to have had a very warm welcome in lieu of the small paper notes current since the war. The authorities are said to have ordered from Birmingham 14 new machines capable of turning out daily 600,000 pieces of the attractive models already in circulation. It is anticipated that these machines will be delivered in Paris at the end of the month. This does not suggest that a return to subsidiary silver coin is likely—at any rate, for a prolonged period to come.

INDIAN CURRENCY RETURNS.

	April 30, 1922.	May 7, 1922.	May 15, 1922.
Notes in circulation	17,176	17,139	17,106
Silver coin and bullion in India ..	7,651	7,614	7,580
Silver coin and bullion out of India ..	..	..	..
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India ..	..	..	..
Securities (Indian Government) ..	6,509	6,509	6,509
Securities (British Government) ..	584	584	585

The silver coinage during the week ending 15th inst. amounted to 3 lacs of rupees. The stock in Shanghai on the 20th inst. consisted of about 27,800,000 ounces in sycee, 35,500,000 dollars, and 500 silver bars, as compared with about 28,900,000 ounces in sycee, 37,500,000 dollars, and 800 silver bars on the 13th inst. The Shanghai exchange is quoted at 3s 6 1/4d the tael.

GOLD AND SILVER PRICES.

The price of gold and cash and forward prices of bar silver during this week and in previous years are as below:—

1922.		Gold.	Silver.		Date.	Silver.
		Per Ounce.	Cash Per Ounce.	Forward, Per Ounce.		Cash, Per Ounce.
May	20 ..	92 11	37 1/2	37	June 2, 1916	34
	22 ..	92 11	37 1/2	37 1/2	2, 1917	38
	23 ..	93 2	36 1/2	36 1/2	May 31, 1918	48 1/2
	24 ..	93 4	36 1/2	36 1/2	30, 1919	52 1/2
	25 ..	93 5	36 1/2	36 1/2	28, 1920	57 1/2
	26 ..	93 5	36 1/2	36 1/2	27, 1921	33 1/2

NOTICES.

A new branch of Barclays Bank, Limited, has been opened at 32 Prospect hill, Douglas, Isle of Man. On Thursday next, June 1st, a sub-branch will be opened at Bridge road, Welwyn Garden City, Mr W. H. Washington, clerk in charge; also a new branch at Queen's square, Bowness-on-Windermere, under the management of Mr. L. A. Fogg.

Lloyds Bank, Limited, announce that a new branch of the bank is now open at 118 High street, Peckham, under the management of Mr B. W. Haws.

The National Bank of Australasia, Limited, have received cable advice from their Melbourne office that the bank will open a branch at Hobart, Tasmania, on the 26th prox.

The London Joint City and Midland Bank announce the opening of new offices at 1 Victoria road, Surbiton, in Station road, Kibworth, in Todd's Mart Office, Northallerton, and at 118 London road, Derby, under the management of Mr Samuel Attwood, and the transfer of the business of the Stepney branch to new premises at 595 Commercial road East, London, E. 1.



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will sell you a banknote which you may accept at its face value without risk. There are not many other things you can safely judge in the same way, but the Chatwood Safe is accepted by the Banker with contented confidence.

Of the many things in this world which ought to be selected by reason of their established reputation are a Doctor, a Lawyer, and a Safe, for in each case their value lies in the degree of service rendered in time of need.

No prudent man would accept the services of a surgeon or a lawyer without establishing to his own satisfaction that their previous training or ability merited his confidence; likewise the wise man takes no chances when installing a safe, because he realises that should it fail under a real test, by fire, fall, or burglary, the loss may be irreplaceable.

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BANKERS' ENGINEERS

Head Offices and Works: BOLTON.

Branches: MANCHESTER, GLASGOW, LONDON, 56, Gracechurch Street, E.C.

Branches: ROYAL EXCHANGE, 15, Greenlodge Terrace, Greenhead.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.						Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.	
					Prefce.	Ordinary.						
					Amount.	Amount.	Rate.					
Banks.		£	£	£	£	£	%	£	£	£	£	%
Land Mortgage Bank of Texas ..	Mar. 31	31,852	30,552	62,404	2,313	23,450	15	..	36,641	43,879	17½	
Breweries.												
Chester's	Mar. 31	47,807	101,219	149,026	7,670	48,515	20½	33,005	59,836	..	..	
Marston, Thompson, and Evershed ..	Mar. 31	28,510	68,352	96,862	14,290	45,069	15½	6,000	31,503	72,213	15½	
Iron, Coal, and Steel.												
Mirrlees, Bickerton, and Day	Mar. 31	14,369	Dr 10,552	3,817	2,734	8,750	5	Dr 10,525	2,858	10,218	..	
Motor and Cycle.												
Leyland Motors	Aug. 31	58,245	Dr 789,873	Dr 731,628	23,888	..	..	..	Dr 755,516	75,614	..	
Nitrate.												
Alanza Co.	Dec. 31	691,402	2,929	694,331	..	200,000	40	..	494,331	779,665	75	
Tarapaca and Tocopilla	Dec. 31	62,309	38,464	100,773	..	14,000	10	..	86,773	69,235	10	
Oil.												
United Oil and Refinery	Dec. 31	Dr 5,322	Dr 7,589	Dr 12,911	..	..	..	..	Dr 12,911	..	..	
Rubber, &c.												
London Asiatic	Dec. 31	92,553	5,761	98,314	..	..	..	9,000	89,314	35,612	..	
Lubok	Dec. 31	3,836	Dr 8,656	180	..	..	..	..	180	10,657	10	
Malacca Plantations	Dec. 31	26,716	Dr 41,937	Dr 15,221	..	..	..	..	Dr 15,221	Dr 3,741	..	
Nordana (Johore)	Dec. 31	16,626	5,890	22,516	..	..	..	5,000	17,516	12,163	..	
Sungei Salak	Dec. 31	10,179	7,367	17,546	..	7,000	10	2,000	8,546	6,642	10	
United Sui Betong	Dec. 31	36,567	39,549	76,116	..	24,725	15	10,000	41,391	18,048	12½	
Shipping.												
Nitrate Producers'	April 30	..	102,859	102,859	..	23,445	15½	50,000	29,414	251,271	15½	
Royal Mail Steam Packet	Dec. 31	110,828	396,599	507,427	103,500	300,000	6	..	103,927	704,223	7	
Shops and Stores.												
Arding and Hobbs	Feb. 19	5,436	Dr 2,243	3,193	8,331	..	..	Dr 4,148	10	..	..	
Tea.												
Amalgamated	Nov. 30	24,156	55,954	80,110	21,000	23,917	5	12,820	22,873	Dr 61,631	..	
Anglo-American Direct.	Nov. 30	Dr 31,898	60,218	28,320	24,814	..	..	..	3,506	Dr 65,967	..	
Consolidated Tea and Lands	Nov. 30	149,797	148,036	297,833	78,000	60,000	10	20,369	139,464	Dr 25,108	..	
Darjeeling Co.	Dec. 31	1,000	9,646	10,646	..	6,771	5	2,000	1,875	..	..	
East Indian Tea and Produce	Dec. 31	Dr 84,118	4,679	Dr 79,439	..	..	..	..	Dr 79,439	Dr 79,706	..	
Jaipur	Dec. 31	5,976	10,562	16,538	..	7,200	12	5,000	4,338	Dr 5,816	..	
Kanan Devan Hills	Nov. 30	66,555	88,095	154,650	33,000	52,500	7	12,000	57,150	Dr 24,702	..	
Lebong	Dec. 31	4,746	14,206	18,952	..	9,878	15	2,000	7,104	Dr 6,778	10	
Telegraphs and Telephones.												
Oriental Telephone	Dec. 31	10,492	49,228	59,720	3,000	34,728	12½	12,000	9,952	49,207	12½	
Textiles.												
Sir Elkannah Armitage and Sons ..	April 1	4,142	Dr 5,411	18,731	..	25,000	10	Dr 20,406	14,137	46,471	15	
Trusts.												
Investment Trust	May 1	82,282	159,257	241,539	48,000	84,500	15	..	109,039	135,450	14	
Other Companies.												
British Oil and Cake Mills	Dec. 31	22,706	328,582	351,288	40,870	250,000	10	35,000	25,418	419,494	15	
British Thomson-Houston	Dec. 31	225,892	389,812	615,704	105,000	120,000	6½	160,000	230,704	290,480	..	
Craig and Rose	Mar. 31	5,335	15,880	21,215	5,000	7,000	7½	2,000	7,215	17,046	8½	
English Crown Spelter	Dec. 31	26,382	Dr 39,611	Dr 13,229	..	..	..	..	..	..	..	
Havana Cigar and Tobacco	Dec. 31	41,757	17,347	59,104	18,900	..	..	..	Dr 13,229	..	..	
Hazell, Watson, and Viney	Mar. 31	17,761	29,789	47,550	4,200	20,970	7½	..	40,204	112,243	40½	
Henry Clay and Bock and Co.	Dec. 31	82,977	Dr 22,409	60,568	20,340	..	..	..	22,380	40,208	10½	
R. and J. Hill	Mar. 31	3,988	12,190	16,178	4,750	6,548	5	..	..	57,086	50	
Shanghai Electric Construction ..	Dec. 31	9,416	112,945	122,361	..	80,000	20	36,100	4,880	12,234	5	
Siemens Brothers and Co.	Dec. 31	437,218	71,894	509,112	15,000	150,000	10½	10,000	6,261	174,637	20	
Niddrie and Benhar Coal	Mar. 31	2,875	Dr 1,944	931	..	..	..	..	334,112	..	..	
Venesta	June 30	232,857	Dr 589,862	Dr 357,005	17,433	..	..	Dr 419,167	931	8,921	5	
									44,729	104,121	5	

† Free of tax. ‡ 5% of this dividend paid free of income-tax.

vious year, and that a net profit of Rs. 16,36,729 was secured, making Rs. 18,56,733 available, which is dealt with in the following manner:—In payment of an interim dividend of 10 annas per share, free of income-tax, as on November 15, 1921, Rs. 6,32,279; provision for adjusting securities to or under market value, Rs. 1,70,019; transferred to reserve fund, Rs. 3,50,000; provision for income-tax and super tax, Rs. 1,38,206; final dividend of 6 annas per share, making Rs. 1 for year, free of income-tax, as on June 1, 1922, Rs. 3,75,092; and to carry forward Rs. 1,91,136.

ASSURANCE.

WESTERN ALLIANCE REINSURANCE.—The fire and general account for last year shows that the premiums were £331,582, the claims £271,257, and the expenses £123,313. After a transfer from profit and loss of £20,000, the funds were £115,994, as compared with £158,982 brought forward. In the marine account the premiums were £260,541, the claims £108,469, and the expenses £37,787; the marine fund was £210,093 at the end of the year, as against £95,808 twelve months earlier. Interest yielded £30,178, and the 5 per cent. dividend, less tax, cost £10,500. The paid-up capital is £300,000, and the total funds £644,196. The auditors state that they have personally inspected the investments of the company, other than those which have been deposited at home or abroad as security for reinsurance effected (for which certificates have been exhibited). In their belief the assets are in the aggregate fully of the value stated in the balance-sheet.

YORKSHIRE INSURANCE COMPANY.—We have received from the secretary of the Yorkshire Insurance Company an emphatic denial to the rumours recently in circulation in provincial newspapers to the effect that an amalgamation with another company is in contemplation. It is pointed out that such rumours are frequently circulated by interested parties, and shareholders are advised to make careful inquiries before dealing in the shares on any sudden fluctuation in the price. These rumours, however, were not mentioned in the *Economist*.

OIL OUTPUTS.

ROMANIAN CONSOLIDATED OILFIELDS, LIMITED.—Production (April 16th to 20th), 1,030 tons. Metres drilled, 202 (662 feet).
UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, May 17, 1922, amounted to 814 tons.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

A spell of hot weather experienced during the week has greatly benefited cereal crops, and agricultural prospects generally leave little to be desired. Quiet conditions prevailed at market, and rates in most instances were maintained with difficulty, especially with regard to breadstuffs. English wheat continues to be sparingly offered both here and at provincial markets, but with millers showing only limited interest prices, if anything, were on the easy side. Best milling grades sold from 58s to 60s, and inferior 56s, free on rail per 504 lbs. Imported descriptions dull of sale, and occasionally 1s 6d per qr lower. No. 1 Northern Manitoba 64s 6d, No. 3 ditto 58s 6d, Australian 61s 6d, all ex-quay per 406 lbs, and Rosafe, 64 lbs ex ship to arrive, 59s per 480 lbs. Cargo market ruled dull, and prices occasionally the turn easier in sympathy with lower American and Argentine cable advices. Steamers of Rosafe, 64 lbs. May 3rd bill of lading, sold at 55s 6d, and white Pacific, June shipment, at 56s per 480 lbs. Parcels

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated May 25th, is as follows:—Pig-iron: The market is dull with very small demands. A little hematite has been sold for shipment abroad. Two hematite furnaces have been damped down, leaving only 13 now blowing. No. 3 Cleveland and G.M.B. pig-iron, 90s per ton; East Coast mixed numbers hematite, 95s. per ton. Manufactured iron and steel: No signs of a change. Much depends upon the settlement of the engineering dispute. Steel ship plates, home, £10 10s; steel ship angles, home, £10; iron bars, home, £12; steel rails, home, £9 10s net. Iron ore: A very small business for prompt delivery only. No consumers will contract ahead with the uncertain outlook. Best rubio is nominally 27s per ton sellers.

Our Glasgow correspondent, writing on Thursday, says:—Business in iron and steel productions—raw and manufactured—this week has been light, yet probably not lighter than has been the experience for, say, a month back. The following figures apply to home dealing; export terms are, probably without exception, the turn lower:—Boiler plates (delivered Glasgow), £14; ship, bridge and tank plates, £10 10s; angles, £10; joists, £10 10s; billets (soft), £7 10s; medium £8 5s; hard, £8 15s; and sections, £10. Bridge plates are in particular request, on export order. Steel rails are finding a better outlet in the Scotch railway market, and the demand, it is conceived, is more likely to expand than otherwise. The position in the sheet trade is somewhat mixed, one or two of the larger works being pretty well provided for, while others are distinctly short of orders. For black sheets values are easing a bit, ½-inch, being £10 12s 6d, and 28-gauge £14 7s 6d per ton, f.o.b. Glasgow. Scrap steel is in strong demand all round, Germany proving an eager purchaser. Several good sales have this week been effected up to 57s 6d a ton. Rolled steel bars are bringing £9 10s (home and export), but the tendency for new contracts is given as easier. According to reports, it appears that a number of lines have been placed since Monday for common bars, joists, and other building sections. There has been little done over the week in Scotch pig-iron, and yet prices have remained steady to firm—at £4 17s 6d for No. 1 foundry, and £4 12s 6d for No. 3. Scotch hematite stagnant at £5 ss. At the usual meeting yesterday of the pig-iron "ring," sellers of Scotch warrants No. 3 stood out for 97s, f.o.b. Glasgow; sellers of Middlesbro' hematite mixed numbers, at 95s 6d, f.o.b. Middlesbro'; and sellers of Middlesbro' No. 3 warrants, at 93s, f.o.b. Middlesbro'. Tube makers are better employed again (on shipment orders). There is a revival to-day of favourable rumours

GOLD and SILVER in ONTARIO

Gold mining is developing rapidly in the Province of Ontario, Canada. In 1921 the gold output was \$14,702,268. In 1922 it will probably be 18 or 20 million dollars.

The two chief camps are Porcupine and Kirkland Lake. Hollinger Consolidated, at Porcupine, is one of the great gold mines of the world; at present its production is about \$1,000,000 per month. Among other mines of this group are McIntyre and Dome, each with an output of more than 2 millions yearly.

At Kirkland Lake, the Lake Shore, Wright-Hargreaves, Teck-Hughes, and Kirkland Lake mines are the present producers.

Matatchewan, Larder Lake, West Shining Tree, Goudreau, Schreiber are other localities where gold has been discovered, and mines are being developed.

The silver mines of the Cobalt area are world-famous. Discovered in 1903 their yield up to the end of 1920 was 323 million ounces. Nipissing mine in 1921 yielded 3,012,614 ounces, O'Brien 1,408,890 ounces, Coniagas 1,301,860 ounces.

The pre-Cambrian rocks, in which the gold and silver and other minerals are found, extend over most of Northern Ontario, comprising many thousands of square miles. The greater part of this territory is unprospected.

The climate is invigorating, there is plenty of wood, water and labour. There are no mountains, and the prospector can go almost anywhere in his canoe. The mining laws are liberal. Ontario mining taxes are on net profits only, the rate being three per cent.

Magnificent specimens of gold and silver ores are now on view at the office of Mr. Wm. C. Noxon, Agent-General for Ontario, 163, Strand, London, W.C.2, where descriptive booklets, maps, and other information may be had.

THE HON. H. MILLS,
Minister of Mines,
Toronto, Ontario, Canada.

THOS. W. GIBSON,
Deputy Minister of Mines.

were only moderately dealt in at irregular but generally easier prices. United States visible stocks show a moderate decrease, while Argentine stocks have further declined, though some improvement was noticeable with regard to floating supplies. Imports into this country were about on a par with estimated requirements. Favourable crop news are received from the principal exporting countries, though the expected large increase of acreage in Canada has not been fulfilled. Flour ruled quiet, and prices reduced by 1s 6d per sack for home milled descriptions. London standard straight run quoted 48s 6d, town households 46s 6d, patents 50s 6d to 51s 6d. All English straight run 45s 6d per sack, delivered London area. Imported slow and values weak. Manitoba export patents 47s 6d, straights 44s, Pacific 47s, and Australian 43s to 43s 6d per 280 lbs, ex store. On c.i.f. terms, Canadian patents, May seaboard, quoted at 46s, straights 43s, and Australian, June, 42s 6d per 280 lbs. Millers' offers quieter and occasionally rather easier. Broad bran quoted £8 10s, ordinary ditto £7 10s, middlings £9 10s to £9 15s per ton, ex mill, bags included. Of imported, Fancy Place middlings quoted £9 10s, and Plate pollards £7 15s, both landed, per ton. Barley quiet and the turn easier for imported descriptions. Native malting largely nominal at 46s to 60s, but feeding sorts steadily held for 45s to 50s per 448 lbs, free on rail. Of imported, Californian quoted 41s to 49s, Australian Chevalier 50s to 52s, both landed, per 448 lbs. No. 4 Canada Western 33s 3d, American malting (48 lbs) 33s 3d, both ex ship to arrive, and Tunisian, landed, 37s, all per 400 lbs. Business on c.i.f. terms almost at a standstill, and prices nominally unaltered. Maize quiet, and tendency of prices weak. Yellow La Plata quoted 40s, yellow round African 37s 6d, and American mixed 34s, all landed, per 480 lbs. Cargoes continue dull of sale and rates easier, especially for near positions. Parcels met a moderate demand at irregular and easy prices. Oats moved off quietly, but prices were fairly steady, as supplies of both native and foreign are in short compass. English whites firmer at 35s to 37s 6d, grey winters 34s to 36s 6d, and black winters 34s 6d to 36s 6d per 504 lbs, free on rail. Of imported, Plate f.a.q. quoted 27s 3d, ditto clipped 29s 3d, No. 2 white clipped American (38 lbs) 27s 6d, No. 2 Canada Western 32s 3d, No. 2 Canada feed 29s, British Columbian 37s 6d, and New Zealand 35s to 40s, all landed, per 320 lbs. Oatmeal quiet at late rates. London made, coarse pinhead £19, other cuts £18 10s, whole groats £18, rolled oats £19, flaked £21, ordinary Scottish oatmeal £19 10s to £20 10s, and American ditto, all cuts, £18 to £18 10s per ton. English beans in fair demand, and choice winters sold 53s to 54s, good 51s to 52s, fine quality springs 66s to 68s, ordinary 57s 6d to 58s 6d per 532 lbs, free on rail. Of imported, Chinese horse beans £10 15s to £11 15s ton. Rangoon hand picked, spot, 7s to 7s 6d, Madagascari haricots, old crop, 10s to 13s, ditto, new, 18s to 19s per cwt. English peas steady and in good demand. Choice maples scarce and command 92s to 94s, ordinary to good 85s to 88s, and common 80s-81s, Duns in quiet request at 60s to 65s, as to quality, per 504 lbs, free on rail. Of imported, Dutch hand picked quoted 29s, and screened 25s, Japanese 51s to 52s, Tasmanian "A" grade 24s to 25s, New Zealand blue 22s to 25s per cwt. English rye 40s to 45s per 504 lbs, free on rail. Lentils quiet. No. 1 split 29s to 30s, No. 2 ditto 22s to 24s, and Egyptian 23s to 24s per 100 lbs. Homeward grain chartering was on a moderate scale, and late rates were barely maintained. From the River Plate interest has almost subsided, and rates largely nominal at 28s 9d to 30s for handy sizes, upper ports to U.K./Continent, June loading, while beyond that date there is practically no inquiry. North America fairly steady, with a moderate business passing to Continental and Mediterranean ports. Montreal to Mediterranean not east of West Coast Italy, June, paid 4s 6d per qr, and Continent quoted 16 cents per 100 lbs, ditto to Black Sea 28 cents. American Northern Range to Continent rules at 15 cents, ditto Denmark 22½ cents, Mediterranean paid 20½ cents per 100 lbs. Heavy grain from North Pacific, June, done at 37s 6d, with 40s quoted for new crop, August-September, to U.K./Continent. India dull and rates weaker, 17s 6d paid Bombay on dead weight to U.K./Continent, Australia presents more inquiry, and fixtures were recorded on the basis of 41s 3d for large steamers, June loading, with 45s for handy sizes, spot loading. South African maize, new crop, August-September, quotes 25s to U.K./Continent. Danube grain quiet, and business still mainly confined to liner parcels at low rates.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919.
Estimated sales of home-grown wheat—				
1 week to May 20	Cwts. 225,834	Cwts. 216,673	Cwts. 62,724	Cwts. 276,861
37 weeks to May 20	14,950,771	11,457,807	10,520,948	11,605,059
Average price of English wheat per				
quarter	55 11	87 6	72 10	73 2
= per cwt	15 0	20 5	16 11	17 0

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1918 to 1921:—

		QUANTITIES SOLD.			AVERAGE PRICES.		
		Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1922.		qrs bsh	qrs bsh	qrs bsh	s d	s d	s d
May 13	63,832 7	8,817 3	15,777 1	55 5	40 11	31 8	
20	52,927 7	7,612 0	15,071 6	55 11	41 5	32 5	
1918	15,523 3	3,711 5	1,725 7	73 3	55 6	47 8	
1919	64,603 0	8,523 3	8,061 4	73 2	56 6	47 11	
1920	16,835 5	4,117 3	4,491 6	72 10	86 1	60 3	
1921	50,557 0	8,021 0	7,679 4	87 6	44 3	38 3	

as to prospects of business in Scotch pig-iron for Pacific ports, but it is not thought that much will come out of the reputed inquiry. Conditions in the coal trade are more cheering. Shipments to the Continent are on the increase. Big quantities of smalls are being regularly dispatched to Scandinavia, Germany, Italy and France.

Our Sheffield correspondent writes:—Hopes of a settlement of the engineering dispute have suffered another disappointment and the trade position in Sheffield is worse than ever, nine-tenths of the steel and tool plant being idle, while the financial position of firms has become more critical. The renewal of operations on any considerable scale is now deferred until after the Whitsun holidays should the parties to the dispute agree in the meantime. A few steel furnaces and most of the mills are at work. There is a good inquiry for bright steel strip, but that is almost the only active department of trade. The revival of buying from the motor industry has been checked by the dispute. Apart from the latter trouble the general outlook appears to be improving, as large and important inquiries for steel from abroad continue to be received, and a fair number of orders are being booked. Practically nothing is doing in acid steel, but there is an increasing demand for basic quality and also basic pig-iron. The trade in hematite pig has dropped off after a brisk run of business. Several large furnaces and one or two mills in North Lincolnshire have been started, and others will be put into operation when the labour world is more settled. Agricultural engineers are experiencing the worst season in their recollection, as none of the export markets have bought anything worth speaking of and the British farmers cannot afford new implements. Prices of building materials of every kind continue to drop. The present season in the building trade, however, will be a poor one. There is no new construction on hand for industrial building, as a large proportion of the new shops erected during the war are surplus and likely to continue to be in excess of requirements. In the coal trade best South Yorkshire hards are quoted at from 21s to 23s at pits.

Our Cardiff correspondent writes:—Reports of American inquiries have been numerous and persistent this week, but, paradoxically, they have left the market rather easier than stronger. None of the inquiries have materialised, and their withdrawal or postponement have hardened "bear" tendencies. There has been little or no variation in quotations. Nominally prices have remained unchanged, but with outputs again exceeding one million tons per week the undertone of the market is a shade easier. It transpires that one-third of the £3 millions credit granted by the Board of Trade under the export credit scheme to the Portuguese Government may be utilised for the financing of coal exports from the United Kingdom to Portugal, but inquiries at Cardiff show that no use has yet been made of this credit for the shipment of South Wales coals. Exporters, in fact, are hostile to these expedients, for they complain that these credits divert business out of the ordinary channels and tend to react unfavourably on f.o.b. prices. The local dock authorities have revised their charges as from June 1st next. Tonnage dues are reduced from about 12s per cent. to 10s per cent. above pre-war rates, and tipping and weighing charges from 11d per ton to 10d per ton, the latter charge representing an increase of no less than 34d per cent. above the rate of 2½d per ton which was in force under the competitive conditions of pre-war days. In making these concessions the railway authorities state that they are not justified by the financial results on the working of the docks, but that they are made with a view to stimulating trade. They are regarded, however, as too slight to have any appreciable effect in the direction intended, and colliery owners, coal exporters, and shipowners are incredulous concerning the statement of the railway companies on the financial results of the working of the docks, in view of the fact that in the March quarter the total quantity of coal shipped from the South Wales ports was only 13 per cent. below the average shipments in the March quarters for the five years ending 1914, whereas in the quarter ending March last the principal charges ranged from 120 per cent. to nearly 400 per cent. above those in force in 1914.

The latest market quotations for large coals are:—Best Admirals, 28s to 28s 3d; seconds, 27s 3d to 29s; best dries, 27s to 28s; black veins, 27s 6d to 28s; Western Valleys, 27s to 27s 6d; Eastern Valleys, 26s 6d to 27s; while best steam smalls are ruling at 18s 6d to 19s 6d, and ordinary cargo smalls 17s to 18s 6d. Coke prices are at 23s 6d to 25s at ovens for inland blast furnace consumption, patent fuel 25s 6d to 28s 6d, f.o.b., and pitwood 30s 6d to 31s 3d ex-ship.

CUMBERLAND IRON.

(BY OUR WORKINGTON CORRESPONDENT.)

The iron and steel and allied industries are now feeling pretty acutely the pinch caused by the long-drawn-out engineering dispute. Home demand for hematite pig-iron is of a very small extent, and were it not for the growing needs of the Continent—Germany, as well as Italy and France, is in the market for metal—production would have to be curtailed considerably. Scotland is taking very little iron, and high-class steel manufacturers in the Midlands are content to satisfy their requirements almost from day to day. And the steel works at Workington have closed down their steel rail mill for an indefinite period, certainly for as long as the engineers remain out on strike. With this very substantial outlet for iron gone smelters are compelled at last to begin stocking iron or to damp down their furnaces. The former alternative may be chosen in the hope that employers and workmen in the engineering industry may soon come to terms. But if a settlement does not take place quickly it is obvious that iron production must be diminished. The Continental trade is not sufficient to compensate entirely for the falling off in home demand. The number of furnaces in full blast in West Cumberland is seven, and in the

Furness district five, and three of these may be damped down next week. Bessemer mixed numbers are quoted at £4 18s 6d per ton at works, but this figure is shaded for Continental sales. Ferro-manganese commands a goodly American business at £14 10s per ton. There is not a great deal doing in the native hematite iron ore industry, and the position is darkened by the possibility of furnaces going out of blast. Superior sorts of ore are wanted on the East Coast at 30s 6d per ton, and small parcels occasionally are going to the Continent. The coal trade is in a poor way. The desperate situation in Ireland has depressed the export trade, and cross-Channel shipments from Cumberland ports are lower than has been the case for several months past. Irish merchants, fearing confiscation of cargoes, are chary of placing business. Round coal for shipment to Ireland is quoted at 28s per ton, f.o.b. Local industrial and land sale wants are small, and but for a strike at one of the largest collieries the output would be greater than needs. But if there is any marked decline in ordinary iron production in West Cumberland it will be impossible to dispose of the make of local coke, and the collieries then would have to go on short time again. At the moment the whole of the production is being absorbed at the ironworks here. By-products, like benzol and sulphate of ammonia, are not in keen request. Tar, however, is not moving away quickly, and the chemical works have few products for which there is anything more than a weak demand.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—May 19, 1922.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.		Same Period 1920.	
							Med.	Good Med.	Med.	Good Med.
Sea Island.....	d	nml	d	d	d	d	nml	d	d	d
Florida do.....	d	nml	nml	nml	nml	nml	nml	nml	nml	nml
Georgia do.....	d	nml	nml	nml	nml	nml	nml	nml	nml	nml
American.....	Ord	G O L M	Mid	G M F	G O L M	G O L M	GM	GM	G O L M	GM
Brazilian.....	Mid	M F	G F	Gd.	Fne.	M F	Fr.	Gd.	M F	Fr.
Pernam.....	9-58	1183	1333	.....	.....	5-37	787	.....	2258	3058
Parahyba, Rio Grande, &c.	9-58	1183	1333	.....	.....	5-37	787	.....	2258	3058
Maceio, &c.	9-58	1183	1333	.....	.....	5-37	787	.....	2258	3058
Mossoro, &c.	9-58	1183	1333	.....	.....	5-37	787	.....	2258	3058
Ceara.....	9-58	1183	1333	.....	.....	5-37	787	.....	2258	3058
Maranhão, &c.	9-58	1183	1333	.....	.....	5-37	787	.....	2258	3058
São Paulo.....	10-58	1158	1208	.....	.....	.....	.....	.....	.....	.....
Egyptian.....	Fr.	G F	Per	Gd.	Fne.	.....	.....	.....	.....	.....
Upper.....	13-50	1428	1500	1550	1650	.....	8-75	1175	.....	nml
Sakellariadis.....	12-75	1775	1875	2075	2450	.....	8-50	1300	.....	6000
Brown.....	14-00	1525	1650	1725	1900	.....	.....	.....	.....	.....
Peruvian.....	M F	Fr.	G F	Gd.	Fne.	.....	.....	.....	.....	.....
Rough.....	.....	.....	1250	1300	1450	.....	.....	1200	.....	5000
Moderately Rough.....	.....	.....	1150	1225	1275	.....	.....	6-50	1000	3750
Smooth.....	11-58	1333	1433	1483	1583	.....	5-87	887	1012	3308
Tanganyika.....	11-63	1333	1458	1533	1733	.....	.....	.....	.....	4158
Mitafi.....	.....	.....	1050	1150	1250	.....	.....	.....	.....	.....
West Indian, &c.	.....	.....	1150	1350	1500	.....	.....	.....	.....	.....
Do.....	.....	.....	2300	2600	2900	.....	.....	2500	3100	9000
African, East, &c.	8-50	9-50	1125	1225	1325	1425	5-75	7-75	9-75	3325
Do.....	.....	.....	1058	1108	1133	nml	.....	.....	.....	.....
Machine Ginned Sertes.....	G F	Per	Gd.	F G	Fne.	Fr.	.....	.....	.....	.....
Machine Ginned Broach.....	.....	.....	1115	1155	1195	.....	.....	8-05	.....	2235
Machine Ginned Bhowmugher.....	8-25	8-75	1025	1065	1105	1145	6-80	7-05	7-55	1985
Machine Ginned Oomra No. 1.....	8-35	8-85	9-35	9-85	10-35	10-85	4-84	5-34	6-09	1619
Machine Ginned Oomra No. 2.....	.....	.....	9-10	9-50	9-90	10-30	4-96	5-40	6-15	1625
Machine Ginned Khandelah.....	8-35	8-85	9-25	9-65	10-05	10-45	4-15	4-65	5-40	1450
Machine Ginned Comptah.....	9-55	.....	9-95	.....	.....	.....	.....	6-45	.....	1885
Machine Ginned Bengal.....	7-25	7-65	8-05	8-45	8-85	9-25	3-90	4-40	5-15	1075
Machine Ginned Seinde.....	7-15	7-55	7-95	8-35	8-75	9-15	3-78	4-28	5-03	1057
Manivelly.....	11-15	1155	1195	.....	.....	.....	7-80	8-05	.....	2185
Madras, Western.....	8-90	9-30	9-70	10-20	.....	.....	6-45	6-70	.....	1910
Madras, Northern.....	.....	.....	9-95	.....	.....	.....	.....	.....	.....	1960
M. G. Coconada, Red.....	Fr.	9-55	.....	.....	.....	.....	.....	.....	.....	1660
China, Smyrna, &c.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

MANCHESTER, May 25.

There has been rather less activity in the market this week than last. Some of the falling off in the turnover has been due to the stiffer prices held for by sellers, and the extended delivery terms required by producers. The undercurrent of inquiry, however, remains healthy, and the general outlook continues brighter. In the cloth section there has been an increased demand for China, and rather more contracts have been arranged with the promise of a larger turnover in the near future. A very fair miscellaneous trade has been done for India, but most of the buying has been in small lots. Finishing and printing cloths have been in encouraging request for South America and European countries, and in a variety of goods some moderate lots have been sold for the Near East. Home trade reports are improving. A steady feeling has prevailed in American and Egyptian yarns, but buying has been on a rather smaller scale. Bids in export numbers for Eastern markets have been disappointing, but business continues to be done for the Continent.

HEAD OFFICES: LIVERPOOL AND LONDON
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 ALL CLASSES OF INSURANCE EFFECTED

(I.) Comparative Statement of the Cotton Trade.

	Price, May 25, 1922.	Previous Weeks in 1922.				
		Price, May 18.	Price, May 11.	Price, May 4.	Price, April 27.	Price, April 20.
Raw Cotton—Fully Mid. American.....	d 12-04	d 12-15	d 11-56	d 11-18	d 10-35	d 10-38
— Sakellariadis Fully Good Fair.....	18-75	18-75	18-00	18-00	17-50	17-50
Yarns—32's twist.....	19	19	18 1/2	18	17 1/2	17 1/2
— 40's twist.....	18 1/2	18 1/2	17 1/2	17 1/2	16 1/2	17
— 60's twist (Egyptian).....	29	29	28 1/2	28	27 1/2	28
33-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	31 0	30 6	29 6	28 6	28 0	29 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	29 6	29 6	29 6	28 6	28 0	29 0
36-in. ditto, 38 yds, 18 by 18, 10 lbs.....	18 3	18 3	18 3	17 9	17 9	18 3
39-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs.....	17 0	17 0	16 9	16 3	16 3	16 9

(II.) Compared with Previous Years.

	Price, May 25, 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American.....	d 12-04	d 8-18	d 26-83	d 21-04	d 21-85	d 14-25
— Sakellariadis Fully Good Fair.....	18-75	16-00	75-50	26-59	29-14	26-00
Yarns—32's twist.....	19	18	58 1/2	35	46	18 1/2
— 40's twist.....	18 1/2	16 1/2	54	34 1/2	45 1/2	17 1/2
— 60's twist (Egyptian).....	29	32	126	53	56	36 1/2
33-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	31 0	35 6	100	65 6	58 6	24 9
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	29 6	33 0	94	65 0	56 6	24 4
36-in. ditto, 38 yds, 18 by 18, 10 lbs.....	18 3	19 6	50	62 8	52 3	14 4
39-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs.....	17 0	17 0	44	62 8	52 0	12 7 1/2

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—In view of the really excellent show of wool put up for sale in Liverpool to-day members of the trade here expected that prices would be well maintained, and in this they were not disappointed. There was strong home competition, and with German, French, and Swiss buyers active operators the offerings were cleared at prices fully up to those ruling at the close of the London auctions last week. There is obviously a great demand for raw material, and so long as this continues there is no prospect of cheaper wool. The demand, moreover, is apparently based on actual increased machinery consumption, and this is a most healthy and encouraging sign. Bradford topmakers are very firm, but there is little real change in quotations on the week. Some firms are so fully booked up that they are declining new business, but where commitments are less heavy orders can be placed for delivery in September and later months at about 4s 9d for warp 64's tops and 4s 4d for super 60's. It is reported that 2s has been made for a really good warp 64's for spot delivery. To-day's prices are considered high, and most members of the trade will be sorry to see any further advance; what is wanted is a steady basis, and there is every indication that this will be found at about the current level. There is an increasing consumption of crossbreds, and this is a most encouraging feature. Medium and low sorts are improving, and while there is still plenty of room for appreciation, there is a feeling of confidence that was entirely lacking a few weeks ago. Spinners are well placed as regards work, and they are beginning to make prices more in harmony with the cost of tops. Most qualities and counts are moving, and manufacturers are gradually following the upward movement in values. There is steady progress in the piece goods trade, and it is significant that the woollen branch is beginning to show signs of revival.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The sale of colonial wool at Liverpool on Thursday was characterised by values which were about equal to those current in London a week ago. The trade has a wonderful capacity for absorbing the raw material. Out of the last London sales Great Britain purchased 102,000 bales, France 18,000, Germany 15,000, Belgium 7,000, Switzerland 5,000, Italy 5,000, and the United States between 3,000 and 4,000 bales. These figures show what good clearances were made of the wools available, and a good number of Continental and United States buyers went from London to Liverpool. The fact that America is showing more interest in colonial wools is all in the favour of this class of raw material. Sheep men across the Atlantic can only put upon the market about half the quantity of wool needed by mills in their own country, and yet their representatives in the American Senate are sufficiently powerful to dictate the terms of a new tariff. It may be expected that when their own domestic clip is marketed Schedule K will become the law of the land. An extraordinary lack of sound business acumen is shown in deciding that imported wool should bear a duty of 33 cents per lb clean content. The writer has always taken up the attitude that if import duties on raw material were wanted in the United States by all means let them be imposed, but when this policy takes such an extreme form as is now being revealed, the only result can be to produce injurious effects upon those whom the duties are intended to benefit. The United States public have a claim upon their Senators to see that no law is passed which is likely to result in the cost of an everyday commodity being increased, but the proposed duties on wool textiles imported into the country will compel even the middle-class to purchase the cheapest cloth, and this will be made more or less out

of substitutes. American growers have made a great ado about pure wool clothing, apparently believing that the use of substitutes is prejudicial to the interests of their own industry; yet by their own actions they encourage the use of manufacturing commodities other than wool. Prohibitive duties must lead to the consumption of big weights of shoddy, mungo, and cotton.

Australian, New Zealand, and South African wools are all superior to the raw material grown in the United States. Not many years ago the American Woollen Company opened a London office, through which to sell their piece goods, and the writer was requested to give his opinion on two cloths, one made from imported Australian merinos and the other from American merinos. In point of handle, a characteristic which is of supreme importance to wholesale buyers of cloth in this country, the cloth made out of Australian fine wool beat the other hollow. It would pay American pastoralists to import Australian stud merinos. South African merino wool has improved since the Boer War, due to farmers there having imported rams from Australia, and if United States wool growers are not satisfied with the market for their wool, they cannot do better than try to bring it up to the standard and quality of usefulness required for manufacturing purposes. The introduction of suitable blood would do far more for American wools than all the tariffs in the world.

HIDE, LEATHER, AND ALLIED TRADES.

BY OUR OWN CORRESPONDENT.

Market hides remained steady at the Bermondsey auctions on Thursday, and all best ox sold at about last prices, the general tone being firm. Calf were rather dearer in some classes, as supplies are none too plentiful. Tanners are not big buyers of imported salted hides, as prices are too high at source of origin in the River Plate. Still, sales are reported, one Northern firm having sold about 50,000 S.A. hides just a fortnight ago. Dry hides are still wanted by tanners who are making a low grade of sole and dressed leather, and I know a sale of dry Madagascars has been made at about 4d to 5d from a large parcel which were originally bought at 10d per lb, after being in store something like two years.

The demand for sole leather has much improved, and a better tone is apparent amongst merchants and tanners. The latter, in view of the firm hide prices, are standing out for quotations, a few stating they have already made advances on some classes of bends which are none too plentiful. American sole is still coming in in fair quantities, and it is the fear of competition in this direction which is giving some amount of stability to the market. Rough leather is still a slow seller, although curriers are rather better off for orders from the motor trade for upholstery hides. The advance in the price of the rough split hide has, however, checked the demand. Upper stock is selling rather better; suedes and patents still hold the field, but, as makers of men's boots are busier, there has of late been a better demand for box and willow calf and sides.

Reports from the boot centres are much more optimistic. All makers of women's shoes are very busy, and now that the silly strike of women operatives in Leicester is settled, makers of ladies' shoes find they are behindhand with their orders. Sports shoes are wanted in great quantities, whilst the trade in children's shoes is also very brisk.

VEGETABLE OILS AND OILSEEDS.

Quieter conditions have ruled in the markets throughout the week, and values in most directions have shown a definite downward trend. Partly in sympathy with seed, and partly owing to lack of demand, raw linseed oil declined sharply in all positions. Spot oil, which fell to £41 ex-Hull, since has rallied somewhat, and yesterday closed steady at £42. Forward positions also have recovered from the lowest, and close 10s to 15s below a week ago. With the new American tariff to come into operation shortly, a curtailment of demand from that quarter is expected, and there does not appear as yet to be any sign of a sufficient demand from other directions to compensate for it. The home demand has been fair, but not up to normal. A fair trade has been done in crude

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cotton oil, and values are about unchanged on the week. Ground nut oil has been in better request, and is somewhat firmer and dearer. Rape oil continues scarce and firm, and castor oil quotations are unchanged. Palm kernel oil is easier.

In the oilseed section Plate linseed has eased off substantially, and April-May shipment to Hull has been done at £19 12s 6d. Indian linseed is also lower, current value being sound, £20 15s. May-June shipment to London. Egyptian cotton-seed is inclined easier, but the business passing is only of a limited character. Shippers' idea of soya bean values are still above the market, and nothing has been done, although Hamburg is reported a buyer.

Oil-cakes are in fair request, but the trade as a whole is disappointing. Stocks, however, are not heavy, and recent prices are, as a rule, sustained.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, May 26.

There was a fair trade doing in some directions, but speaking generally demand is quiet, with buyers not disposed to exceed pressing requirements.

SUGAR.—The market for all spot parcels ruled very steady, and a moderate amount of business was concluded, chiefly British makes, as foreign are comparatively scarce. Messrs Ta'e and Lyle's cubes sold, 52s 6d to 53s 6d; crushed, 50s 9d; nibs, 51s 6d; granulated, 48s 3d to 48s 9d; castor, 50s 3d to 51s 3d; yellow crystals, 42s 9d; pieces, 34s 6d to 36s 6d; fine white, 43s 6d; granulated, July-August, 45s 3d; and September, 48s. Crystallised West India, spot, 41s 6d to 43s, as to sample. Glebe K quality granulated, spot, London, 48s. American granulated, spot, sold, 47s to 47s 6d; May, 19s 9d to 20s 4d; June, 19s 10d to 20s 6d; July, 20s 6d; with affloat parcels, 19s 6d to 20s 6d, all c.f. and i. terms, London. White Mauritius, spot, 44s 6d to 45s 6d, as to quality. White Brazilian, May-June, 18s 9d, 19s, c.f. and i. U.K. Dutch and Czechoslovakian sugars quite nominal for shipment. Cuban basis 96 per cent. June, quoted 13s 10d, and Brazilian basis 80 per cent. June-July, 9s, c.f. and i. U.K. Terminal market steadier. White, August, sold, 20s 3d to 20s 10d; September, 20s 6d; and December, 19s 7d to 20s. Cuban stocks stand at 1,114,850 tons, as compared with 1,312,243 at same time last year. Liquid glucose, spot, 26s. American syrup steady at recent level of prices.

COFFEE with a quiet demand both on home and export account, actual business during the week was confined to a moderate limit, but rates manifested no material alteration. Fair to good bold East India sold, 120s to 125s 6d.; Costa Rica, 115s to 119s 6d. Future delivery market quiet, December, sold, 59s 9d, 60s.

COCOA.—With no recovery in demand, trade proved of retail proportion on about former terms. Butter quiet, at 1s 7d per lb.

TEA.—The supply of Indian submitted to auction this week

embraced some 42,500 packages. Buyers again operated with some reserve, and in order to facilitate business sellers had to accept a decline of 4d to 1d per lb, while, owing to larger supplies of fannings and dust, these receded 1 1/2d per lb. 22,780 packages Ceylon also experienced slow support, and rates for most qualities suffered a drop of 4d to 1d per lb.

RICE.—Market steady, but there was not much interest shown on the part of buyers. Two Stars, Rangoon, new crop, spot, 14s 9d; affloat, 14s 4 1/2d; May-June, 14s 6d; No. 1 garden, Siam, June-July, 16s 6d, and No. 1 Saigon, ditto, 15s 0d, c.f. and i. terms. Bran steady, quiet. Rangoon beans, spot, 7s 6d; Japanese peas, spot, 5s to 5 1/2s; Dutch peas, hand-picked, spot, 2s 9d; screened, 2s 5d per cwt.

SPICE.—Pepper market quiet and featureless. Fair black Singapore, spot, 3 1/2d; ditto, June-August, 3 1/2d; Aleppy, spot, 4 1/2d; Tellicherry, 4 1/2d; white Singapore, spot, 7d; Muntok, ditto, 7 1/2d; June-August, 7 1/2d. Zanzibar cloves, spot, 1s 2 1/2d; July-September, steamer, 1s; pimento, spot, 2 1/2d. Tapioca strong, with sustained inquiries. Fair flake, spot, sold, 2 1/2d to 2 3/4d per lb; ditto, June-July, steamer, London, 23s 3d; ditto to Havre, sold 23s 9d; fair Penang seed pearl, spot, sold, 22s; and June-July, London, 21s. Small sagu, spot, 25s to 26s; sagu flour, May-July, sold, 14s 9d; and June-August, 14s 6d. Desiccated coconut, spot parcels, sold, 42s 6d; May-June, 40s; and June-July, 39s 6d. Ginger quietly steady.

FRUIT.—Currants in fair request, and market steady. Pyrgos quoted 57s; Amalia, 60s to 61s; Vostizza, 63s to 75s. Sultanias steady. Smyrna, medium to good, 120s to 125s; choice, up to 140s. Valencia raisins steady. Halves, 50s to 60s; quarters, 60s to 75s. Dates quiet. Siar, spot, 27s 6d; Khedrowie, 36s 6d.

JUTE.—Market steadily hardened under stiff cables received from Calcutta, and local mills have been operating with freedom, baled jute being secured owing to failing supplies of loose. Crop prospects are mostly unfavourable, and the carry-over of old promises to be the smallest on record. Good, steady buying ensued with regard to manufactures. First grade, April-May, Continent, sold, £31 5s to £32, £33 5s; May-June, £32 to £33 15s; June-July, £33 15s, £34 17s 6d. Lightning grade, April-May, sold, £29 to £30; May-June, £29 10s to £31; June-July, £30 5s to £31 15s. Tata lightning, June-July, done £34 5s. Hessians, 10-oz, spot, sold, 38s 6d; July-September, 39s 6d; 8-oz, spot, 27s; June, 27s 6d. A twills, spot, 77s; B, 70s. Hessian bags, 56 x 28, spot, sold, 54s.

HEMP.—Manila qualities ruled quietly steady. C grade, May-July, quoted £47; D, £42; E, £40; F, £37 10s; G, £33 10s; H, £33 10s; streaky threes, £34. New Zealand idles, and quotations quite nominal. H.P.F., spot, £30; and fair, £29. Italian, P.C., spot, £50. Indian tows very firm, with a steady inquiry. African sisal quiet, but firm.

SHELLAC.—Market firm, and business resulted in spot lots on the basis of 360s for fair T.N. standard; T.N., May, sold, 342s 6d; August, 355s; and October, 350s.

COFFRA again very quiet, and general tendency showed some irregularity. F.M.S. Straits, May-July, and also June-August, Rotterdam, sold, £24 17s 6d; ditto, to Hamburg, £24 15s; F.M., ditto, June-August, Marseilles, £24; Ceylon, June-August, Hamburg, £25 17s 6d; London, £25 12s 6d; South Sea to the Continent, quoted, £24; London, £23 12s 6d; Java to Continent, sold, £24 17s 6d; Malabar, ditto, quoted, £26 10s. Palm kernels, May-July, Liverpool, sold, £17 17s 6d.

RUBBER.—This market showed some irregularity, and during the greater part of the week trade moved quietly. Standard Plantation crepe and sheet, spot, also May, sold, 7 1/2d to 7 3/4d and 7 1/2d; June, 7 1/2d to 7 1/2d and 7 1/2d; July-September, 8d to 7 1/2d and 7 1/2d; October-December, 8 1/2d to 8d and 8 1/2d. Fine hard Para, spot, 10 1/2d; soft fine, 6d, and ball 8d per lb.

EGG PRODUCTS.—Market fully steady, but general course of trade ruled quiet. Prime liquid yolk, spot, 14s 5d; albumen, 3s 4d.

MENTHOL.—Spot, 22s; forward, 21s. Japanese peppermint oil, spot, 5s; forward, 4s 7d. Aniseed, spot, 2s 1 1/2d. Slab camphor, spot, 3s 6d; crude, on spot, 3s 1d per lb. Japanese wax, spot, 97s 6d per cwt.

OILS.—Linseed market irregular and easier. Spot, net, naked, 44s; May, 42s 6d; June-August, 39s 6d; September-December, 37s. Rape firm. Crude, spot, 45s; refined, 48s. Cotton firm. Crude Egyptian, 43s; Bombay nominal; common edible, 49s. China-wood, Hankow, spot (barrels), 68s 9d; shipment, 63s 6d to 66s 6d, as to position. Coconut quiet. Ceylon, spot, 40s 6d; May-June, 38s 6d; Cochin, ditto, 42s. Soya steadier. Oriental, barrels, ditto, 41s 6d. Japan fish steady. May-June, cases, 22s. Cod steady. English, spot, 37s. Ground nuts steady. English crushed, naked, spot, 43s; deodorised, barrels, 56s. Turpentine irregular. American, spot, 71s 9d; May, 71s 6d; May-June, 71s; July-December, 69s. Rosin firm for common grades. American, grade B, 13s 9d; F, 14s; G, 14s; WW, 20s 6d. French, F/G, 13s 9d; WW, 17s 6d; extra pale, nominal. Petroleum quiet. American standard white, 3s 4 1/2d; and water-white, 1s 5d per gallon.

OILSEEDS.—Linseed market quiet and irregular. Bold Bombay, affloat, £22 5s. Small Bombay, ditto, £21 10s. Calcutta affloat, £21 15s; leading, £21 15s; April-May, sold, £21 15s; May-June, sold, £21 5s to £20 15s and £21 5s. Plate, affloat, £20; April-May, sold, £19 15s to £19 10s and £20, and May-June, £19 5s to £20. Rapeseed easier. Tonia, May-June, £18 15s; real bold Ferozepore, ditto, £18 10s. Cotton seed quiet. Egyptian black, May, sold, £12 10s; and white, £11 17s 6d. Bombay, May-June, sellers, £9 5s. Gingly dull. Chinese, May-June, Continent, nominal; large Bombay, ditto £23. Castor, Bombay, May-June, quoted £18 to Hull. Ground nuts steady. Coromandel, machine-dried, May-June, Hull, £23 15s; Continent, £23 15s; Chinese decorticated, f.a.q., May-June, Continent, nominally £23 15s per ton.

METALS.—Tin: The market continued active and easier at the week's commencement, when standard cash changed hands at £152 and £150 10s, with three months' £154 10s to £152. Dealings were on a moderate scale at Tuesday's meeting, prices being irregular and easier. Cash sold down to £149, improving to £150, and forward between £150 10s and £151 5s. Wednesday—A smaller quantity was registered, while rates were in an upward direction. Cash sold at £150 10s to £151 15s, and three months' at £152. An improve-

ment prevailed on Thursday. Cash sold at £151 to £151 5s, and three months' at £152 5s to £153, and since to £152 15s. At Friday's session rates were rather easier, and dealings quiet. Cash, £150 15s to £150 10s; early June, £150 15s; and three months', £152 to £151 15s; English ingots, £150 10s. Copper: Generally steady last Monday, standard cash selling at £62 5s to £62, and three months' at £62 10s. An improvement prevailed on the following day, though the highest points were not maintained in some cases; cash changed hands at £62 2s 6d and £62 7s 6d, settling down at £62 3s 9d; three months' £62 12s 6d. During the middle of the week the tendency was a little better, cash realising £62 5s, and three months' £62 10s to £62 15s. Only a small business was done at Thursday's meeting; cash realised £62 5s to £62 7s 6d, and three months' £62 12s 6d to £62 15s. At Friday's session cash sold at £62 10s to £62 5s; early July, £62 15s to £62 12s 6d; and three months' £62 15s to £62 13s 9d. Electros, £68 10s to £71; best selected, £66 to £68; strong sheets, £92; wire bars, £71. Lead maintained £25 to £23 7s 6d, as to position. Spelter dearer, £27 17s 6d to £27 15s, according to position. Antimony: English regulus, £29 5s to £33. Aluminium: Home delivery, £120; export, £125 per ton.

TALLOW.—Messrs Colchesters and Woolner write as follows on May 24th:—The tallow market continued quiet during the week, and prices are quoted 6d lower. The demand is slow from all directions. Shipments of tallow from Australasia during April amounted to 6,400 tons. At auction to-day 1,472 casks tallow were offered, and 471 were sold. Quotations are:—Australian mutton: Fine, 41s; good to fair, 39s 6d to 38s; dull to dark, 35s 6d to 32s; hard, 40s. Australian beef: Fine, 40s; good to fair, 37s 6d to 36s; dull to dark, 33s 6d to 31s 6d; sweet, 41s. Present shipment from Australasia: Mutton, fair coloured, 48 degs., 38s 6d; and mixed, 43s, c.i.f., London, 37s. The market letter is 1s lower for tallow, stuff unchanged. Town tallow, 33s 6d per cwt. Rough fat, per 8 lbs, 4d; melted stuff, 23s per cwt. Quotations are:—Town: 32s 6d net cash, naked, ex works. Country: Frail casks, 31s 6d; home melted, shipping casks, net f.o.b., good coloured, 34s; fair to dull, 33s 6d to 32s. Bone fat: White, none; pale, none; benzine, 29s; melted stuff, 29s, f.o.b.

METROPOLITAN CATTLE.—MAY 25.

British Beasts, per stone of 2 lbs to sink the offal. Sheep, per stone.

Beasts—Herefords	nominal	Sheep—Downs	15 4 to 16 8
Shortboms	8 6 to 9 0	Ewes	10 0 to 10 8
Devons	8 8 to 9 2	Crossbreds	15 0 to 16 4
Norths	8 6 to 9 0	Scottish	nominal
Scottish	9 0 to 9 4	Lamb—Downs	16 0 to 18 0
Irish	nominal		
Fat Cows	5 0 to 5 4		

LONDON POTATO MARKETS.—MAY 25.

King Edwards	11 0 to 12 0	Scottish	9 0 to 10 0
Aras Ch.	11 0 to 12 0	New Tenerife (case)	21 0 to 22 0
Evergoods	9 0 to 10 0	New Spanish (cwt)	30 0 to 32 0
Danish	8 0 to 9 0	Jerseys (lb)	0 4 to 0 4 1/2

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.		INDIA RUBBER.—lb.	
COCOA—Duty, British grown	55s foreign 52s cwt.	Para, fine, hard, spot	0 10 9 0
Trinidad, per cwt.	55 0 75 0	Plantation crepe	0 7 1/2 0 0
Granada	52 0 63 0	INDIGO—per lb.	
Ceylon, plantation	75 0 95 0	Bengal, good red vio-	9 0 10 0
Guayquil	0 0 0 0	let to fine	9 0 10 0
Bahia, finest	58 0 60 0	Mid. ord. vio.	9 0 10 0
COFFEE—British grown		Low to good ord.	5 0 6 0
55s foreign 52s cwt.	60 120 8	Madras, dry leaf, good	5 0 6 0
Do good to fine	120 141	Kurpah, good, mid. to gd.	6 0 7 0
Costa Rica, ord. to mid. 75	0 110 0	Low to mid.	5 0 6 0
Good to fine	115 0 135 0	HEMP—per ton	
Central American, gd.	75 0 100 0	St. Petersburg, layer	48 8
Ord. to mid.	105 0 115 0	Manila, "G" Grade,	34 0
Mid. to fine	105 0 115 0	July/Sept.	31 10
Columbian, ordinary	65 0 73 0	N. Z. spot, high fair	31 10
Do gd. ord. to low mid. 73	0 8 0	JUTE.	
Do mid. to fine	85 0 112 8	Native first marks,	
OREMIALS.		May/June 1st grade	35 15 0 0
Acid, oleic	per lb 2 3 4	LEATHER—per lb.	
Bleached	0 24 0 4	Bolsa Benda 10 lb.	1 5 1 10
Oxalic, net	0 0 0 0	Do do 10 1/2	1 5 1 10
Tartaric, English	1 4 1 44	Do do 12 1/2	1 9 2 8
Foreign	1 4 1 44	Do do 14 1/2	2 0 2 8
Alum lump	per ton 10 10 17 0/0	Do do 16 1/2	2 0 2 8
Do ground	8 16 10 17 0/0	Do do 18 1/2	2 0 2 8
Ammonia, carb. p. lb	0 4 0 44	Do do 20 1/2	2 0 2 8
Muriate, White, ton	60 0 65 0	Do do 22 1/2	2 0 2 8
Sulphate	218 0 80 0	Do do 24 1/2	2 0 2 8
Argentic, lump, per ton	65 0 70 0	Do do 26 1/2	2 0 2 8
Powder	per ton 39 0 40 0	Do do 28 1/2	2 0 2 8
Acetic, pot.	per cwt 70 0 80 0	Do do 30 1/2	2 0 2 8
Pearl do	do 70 0 80 0	Do do 32 1/2	2 0 2 8
Bleaching pwr. p. m	14 0/0 14 10/0	Do do 34 1/2	2 0 2 8
Borax, crystals	cwt 28 0 0 0	Do do 36 1/2	2 0 2 8
Do powder	30 0 0 0	Do do 38 1/2	2 0 2 8
Creosote	per ton 115 0 117 6	Do do 40 1/2	2 0 2 8
Oil, naphtha	per lb 1 11 5 0	Do do 42 1/2	2 0 2 8
Linseed, dry	per cwt 1 9 1 1	Do do 44 1/2	2 0 2 8
Nitrate of Soda, p. m	10 10 16 10 0	Do do 46 1/2	2 0 2 8
Potash		Do do 48 1/2	2 0 2 8
Chlorate, net	0 44 0 44	Do do 50 1/2	2 0 2 8
Prussiate	1 24 1 25	Do do 52 1/2	2 0 2 8
Do Foreign	0 25 0 30	Do do 54 1/2	2 0 2 8
Sulphate	per ton 25 0 30 0	Do do 56 1/2	2 0 2 8
Sulphate	per lb 1 10 1 10	Do do 58 1/2	2 0 2 8
Sulphate	per cwt 65 0 70 0	Do do 60 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 62 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 64 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 66 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 68 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 70 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 72 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 74 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 76 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 78 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 80 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 82 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 84 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 86 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 88 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 90 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 92 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 94 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 96 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 98 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 100 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 102 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 104 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 106 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 108 1/2	2 0 2 8
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Sulphate	per ton 210 0 210 0	Do do 112 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 114 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 116 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 118 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 120 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 122 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 124 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 126 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 128 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 130 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 132 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 134 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 136 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 138 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 140 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 142 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 144 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 146 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 148 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 150 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 152 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 154 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 156 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 158 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 160 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 162 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 164 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 166 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 168 1/2	2 0 2 8
Sulphate	per ton 210 0 210 0	Do do 170 1/2	2 0 2 8

The List of Applications will open on Monday next, and close on or before the 31st May, 1922.

Compagnie Générale Transatlantique

(SOCIÉTÉ ANONYME.)

(UNINCORPORATED UNDER FRENCH LAW.)

Established in Paris in 1861.

CAPITAL AUTHORISED

Fcs. 200,000,100.

ISSUED: 540,000 Shares of Fcs. 150 each = Fcs. 81,000,000. (Divided into 80,000 5 per Cent. Preference Shares and 460,000 Ordinary Shares.)

Issue of £1,500,000 6½% STERLING REGISTERED OBLIGATIONS at 92½ per cent. In Obligations of £500, £100 and £50 each.

Principal and Interest will be payable in Sterling in London free of all present or future French taxes or other French deductions. These Obligations are the only Sterling Obligations of the Company, and none of the other Obligations issued by the Company (and herein referred to) carries any hypothecation or preferential charge. The Obligations will be dated 1st June, 1922, and will run for a term of 85 years. They will be redeemed at par by a Cumulative Sinking Fund to be applied annually, and commencing on 1st June, 1927, of an amount sufficient to redeem the whole issue by the 1st June, 1907. The Company reserves the right to redeem at par on any interest date after the 1st June, 1927, the whole or any part (to be determined by drawings) of the Obligations then outstanding. It also reserves the right to purchase on the market (or by tender) the whole or any part of these outstanding Obligations. This issue ranks *pari passu* with the other outstanding Obligations herein-after referred to. The Registered Obligations of this issue when fully paid may, at the option of the holder, be converted into Bonds to Bearer, the expenses of conversion, including the British Stamp Duty, being borne by the holders. Interest will be paid half-yearly on 1st June and 1st December in each year. The first payment will be made on 1st December, 1922, representing interest at the rate of 6½ per cent. per annum calculated on the instalments from their respective due dates.

THE NATIONAL PROVINCIAL & UNION BANK OF ENGLAND, LIMITED, of 15 Bishopsgate, London, E.C.2, and Branches; and the

SOCIÉTÉ GÉNÉRALE (de Paris),

of 53 Old Broad Street, London, E.C.2, are authorised on behalf of the Company to receive applications for the above £1,500,000 6½ per Cent. Sterling Registered Obligations.

PAYABLE AS FOLLOWS:—
On Application ... £10 0 0 per cent.
On Allotment ... 30 0 0 "
On 29th June, 1922 ... 52 10 0 "
£92 10 0 per cent.

Payment in full may be made on application or on any day prior to 22nd June, 1922, under discount at the rate of 2½ per cent. per annum.

ABRIDGED PROSPECTUS

The COMPAGNIE GÉNÉRALE TRANSATLANTIQUE owning a fleet of 88 units in service, representing 494,388 tons, and five units in construction (45,750 tons), is the largest French Shipping Undertaking. Its Passenger and Cargo Steamers are in regular service between the principal French Ports and the great Ports of the United States, Central America, and the Mediterranean. The Company also controls various Navigation Companies, the most important of these being the Compagnie Française de Navigation à Vapeur (Cyprien Fabre), which Company has large reserves, and its fleet and other assets are valued in the Accounts on a most conservative basis.

THE COMPANY'S ASSETS.

The net surplus assets of the Company on 31st December, 1921, after allowing for the amortisation of outstanding Obligations and those of the present issue, all at their full redemption prices, amounted to £3,555,439, taking Fcs. 50 to the £.

The details are as follows:

	Francs. (Fcs. 50 = £1.)	Sterling.
The fleet, stores, buildings, &c. (fixed assets) ...	287,016,305	
Surplus of liquid assets over liabilities ...	185,948,599	
Net proceeds of present issue ...	423,959,804	£8,479,196
Nominal amount of Obligations outstanding 31st December, 1921:—		
8% Obligations ...	128,841,000	
4% do. ...	32,552,580	
6½% do. ...	60,000,000	
In addition to the above Obligations the Company has outstanding 5% "Bons" to the nominal value of ...	20,294,500	
Present Issue ...	282,686,000	£5,653,720
	75,000,000	1,500,000
	807,686,000	£16,153,780
Net Surplus Assets ...	Fcs. 178,371,904	£3,555,439

In the above statement the value of the fleet and the buildings is taken conservatively, as heavy depreciations amounting to Fcs. 115,087,408 have been written off in the last seven years, in addition to special provision for boilers. Excluding the "Paris" (a 35,000-ton boat just completed), the fleet stands in the Company's books at 233 Francs, or (at Fcs. 50 to the £) £4,660,000. The object of the present issue of 6½ per cent. Sterling Obligations is mainly to provide sums payable in Great Britain for the construction of the Company's vessels and the supply of coal.

THE COMPANY'S PROFITS.

The following table shows the Company's profits available for amortisation of Obligations, interest thereon, depreciation, dividends on the share capital, &c., as at 31st December of each of the past seven years:

	Francs.	Sterling (Fcs. 50 = £1.)
1915 ...	84,792,777.98	£1,695,851
1916 ...	58,701,897.98	1,174,039
1917 ...	54,126,598.07	1,082,530
1918 ...	54,372,249.85	1,087,445
1919 ...	49,076,738.18	981,535
1920 ...	51,948,928.95	1,038,959
1921 ...	55,386,690.60	1,107,732
TOTAL ...	Fcs. 390,304,807.01	£7,806,080
AVERAGE ...	Fcs. 48,473,072.48	£969,441

The average of the profits for the past seven years as shown above is £969,441. The present total outstanding annual charge for interest on and redemption of all the Company's outstanding Obligations, including interest on the present issue, approximates £430,000. To the above-mentioned profits will be added the benefit to be derived from the present issue.

The Company's Reserves on 31st December, 1921, totalled Fcs. 84,035,116 (independently of depreciation), besides which there was a Taxation Reserve of Fcs. 22,828,366, and a provision of Fcs. 19,867,800 in connection with claims for lost ships pending settlement with the Government, making a total Reserve of Fcs. 126,731,282.

The following dividends have been paid on the Company's Ordinary Share Capital:—

1915 ...	6 per cent.	1918 ...	18½ per cent.
1916 ...	12 "	1919 ...	15½ "
1917 ...	18½ "	1920 ...	18 "
		1921 ...	10½ per cent.

The Obligations now offered have been guaranteed by the Imperial and Foreign Corporation Limited, of 1 Broad Street Place, London, E.C.2, at £1,200,000. The Corporation has entered into contracts with other parties whereby such parties undertook upon the issue being made to subscribe or find responsible subscribers at the issue price for various amounts totalling in all £1,500,000 nominal of the Obligations now offered in consideration of a commission of 8 per cent., out of which commission they will pay 1½ per cent. underwriting and ½ per cent. over-riding commissions. The Corporation pays all brokerages, costs of advertising, printing and circulating the Prospectus, British Stamp Duty and other expenses of the issue.

A brokerage of ½ per cent. will be paid by the Imperial and Foreign Corporation Limited on allotments (other than allotments in respect of underwriters' applications) in respect of applications bearing the stamp of a Banker, Broker, or other approved agent.

Application will be made to the Committee of the Stock Exchange for permission to deal in these Obligations after allotment, and in due course for an official quotation.

London, 26th May, 1922.

Prospectuses and Forms of Application may be obtained from the above Bankers; from Quilter & Co., 32 Old Jewry, E.C.3; Myers & Co., 19 Throgmorton Avenue, E.C.3; Nathan & Rossell, 7 Adam's Court, E.C.3; and from Lawson and Ormrod, 4 Norfolk Street, Manchester.

FORM OF APPLICATION.

Amount allotted £.....

COMPAGNIE GÉNÉRALE TRANSATLANTIQUE

(Société Anonyme.)

(Incorporated under French Law.)

Issue of £1,500,000 6½% Sterling Registered Obligations at 92½ per cent. IN DENOMINATIONS OF £500, £100 AND £50 EACH.

To the Directors of the Compagnie Générale Transatlantique, c/o NATIONAL PROVINCIAL & UNION BANK OF ENGLAND, LIMITED, 15 Bishopsgate, London, E.C.2.

GENTLEMEN, Having paid to your Bankers the sum of £....., being a deposit of 10 per cent. on application for £..... 6½ per Cent. Sterling Registered Obligations of your Company at 92½ per cent., I/we request you to allot to me/us that amount of Obligations, and I/we undertake and agree to accept such Obligations or any less amount of obligations that may be allotted to me/us upon the terms of the Company's full Prospectus dated the 26th May, 1922, and subject to the Conditions endorsed on the obligations and the "Statuts" of the Company, and I/we agree to pay the balance of 6½ per cent. due from me/us by the instalments specified in the said Prospectus, and I/we authorise you to place my/our name(s) on the Register of Holders of such Obligations of the Company as the Holder(s) of the said Obligations allotted to me/us.

I/we desire that the £..... of Obligations applied for by me/us, or any less amount which may be allotted to me/us shall be issued as nearly as possible in the following denominations, viz.:

A.....	Obligations of £500 each = £.....	£.....
B.....	" " " £100 " = £.....	£.....
C.....	" " " £50 " = £.....	£.....
	TOTAL £.....	

Yours faithfully,

54 Usual Signature
Surname
Christian Name or Names
Address
Profession or Occupation
A Lady should state whether she is a Spinster, Married Woman or Widow.

This form is to be filled in and sent with the deposit of 10 per cent. on the amount of Obligations applied for to The National Provincial and Union Bank of England, Limited, 15 Bishopsgate, London, E.C.2, and Branches, or the Société Générale (de Paris), of 53 Old Broad Street, London, E.C.2.

Cheques should be made payable to THE NATIONAL PROVINCIAL & UNION BANK OF ENGLAND, LIMITED, or Bearer, or to the SOCIÉTÉ GÉNÉRALE (de Paris), or Bearer, and crossed not NEGOTIABLE. If altered from "Order" to "Bearer" the alteration should be signed by the Drawer.

An acknowledgment will be forwarded in due course either by Allegiance Letter or return of the deposit.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCIV.

SATURDAY, JUNE 3, 1922.

No. 4,110.

Andresens og Bergens Kreditbank A/S

(Foreningsbanken)

BERGEN & CHRISTIANIA

Capital and Reserve Fund - Kr. 112,000,000.00

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Every description of Banking business transacted

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CORRESPONDENTS TO THE ROYAL ITALIAN TREASURY
Every description of Banking business transacted.

TABLE OF CONTENTS.

The Money Market....	1139	Letters to the Editor—	
Leading Articles—		An International Banking System	1158
The Process of Trade Recovery.....	1141	Stock Exchange News—	
The World's Wheat Position	1142	The Stock Markets	1160
Our Index Number	1143	New Issues	1160
Insurance as a Newspaper Advertisement	1144	Active Securities	1162
The Hague Rules and Legislation.....	1145	Company Meetings	1163
Dealing in Options	1146	Government Returns—	
Latin-American Notes.....	1147	Currency Notes Account..	1181
Notes of the Week—		Public Income & Expenditure	1181
The Position in Ireland ..	1147	Treasury Bills and Bonds by Public Tender.....	1181
The Reparation Understanding	1148	Bankers' Gazette—	
The Revival of Agriculture in Poland	1148	Bank of England	1181
Cotton Trade in Japan ..	1149	Clearing Returns	1182
America's Abandoned Railways	1149	Overseas Bank Returns ..	1182
The British Guiana Loan ..	1149	Loan and Discount Rates ..	1184
Bleachers' Association....	1149	Overseas Bank Rates	1184
Lipton's Profits	1150	Rates of Exchange	1184
The "Old" Equitable....	1150	Bullion	1185
Victory Insurance	1150	Imports & Exports of Gold ..	1185
Liebig's Extract	1150	Gold and Silver Prices....	1186
Overseas Correspondence—		Commercial Reports—	
United States	1151	Analysis of Balance-Sheets ..	1186
France	1152	Mining Outputs	1186
Germany.....	1153	Rhodesian Gold Output ..	1186
Italy	1154	Dividend Announcements..	1186
Switzerland	1155	Railway and Tramway Traffic	1187
Canada	1155	Reports and Notices.....	1188
India	1156	Profit and Loss Accounts..	1188
South Africa	1157	Commercial Reports—	
Books and Publications—		Cow Trade.....	1188
Stabilising the Mark	1158	Iron and Coal Trade	1190
Waste	1159	Cotton Trade	1191
A Bolshevik Ideal	1159	Wool Trade	1191
Books Received	1159	Vegetable Oils and Oilseeds ..	1192
		Hides and Leather Trades..	1194
		Overseas Produce Markets ..	1192
		Price Current	1193

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Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's, 37 Avenue de l'Opera. New York: Economist Office, 20 Broad street (Room 1,709).

THE MONEY MARKET.

MONEY was scarce until the end of May, owing to the seasonal demands at the end of the month accompanied by small maturities of Treasury bills to offset the new ones that had to be paid for. On Thursday there was the usual expectation of extreme ease owing to the payment of War Loan interest, and the usual disappointment because the sum so produced did not seem to be available as quickly as had been hoped. There were also heavy withdrawals of cash for the adornment of the weekly average bank's statements, and money remained quite

scarce. Since, however, money must be plentiful when these temporary inconveniences are overpast, until the interest money is absorbed by Treasury bill sales, the tendency of the discount market remained easy, and the question of a reduction in Bank rate again began to be canvassed. Yesterday money became extremely abundant, but the discount market was firmer, owing to a mysterious surprise at the high rate at which Treasury Bills were allotted.

	June 3, 1922.	May 26, 1922.	May 19, 1922.	May 12, 1922.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	4% (Apl. 13, '22)
Banks Deposit Rate	2	2	2	2	2% (Apl. 13, '22)
Discount Call	2	2	2	2	2% (Apl. 13, '22)
Household (Notios)	2½	2½	2½	2½	2½ (Apl. 13, '22)
Market rate (3 months' bills) ..	2½	2½	2½	2½	2½ (Apl. 13, '22)

The Bank return showed no change in the gold stock, an increase of £1,825,000 in the note circulation, and a decrease of the same amount in the Reserve. Movements in the Government and Other securities were slight and nearly balanced, and the total deposits were 2½ millions lower. But owing to the transfer effected by maturing Treasury bills, Public Deposits rose by 10½ millions at the expense of Other, which were 12½ millions lower at 10½ millions. These figures, of course, were taken out on the day before the War Loan interest payment. There was an increase of £1,359,300 in currency notes outstanding in the return dated June 1, 1922. The amount outstanding is £298,279,300, which includes £1,617,100 for notes called in but not yet cancelled. The fiduciary issue is £248,712,200, or £61,276,200 below the maximum.

THE STOCK MARKETS.

The Irish crisis, the Epsom meeting, and the approach of the Whitsuntide holiday checked Stock Exchange activity this week in most markets. But the hopeful development of the Reparations affair, and hopes of the German Loan Committee, caused French and German bonds to recover, while among Home securities, Home railway ordinary stocks again enjoyed lively support, and the carry-over on Tuesday revealed a modest bull account in this section. British Government stocks, with the exception of War Loan, have shown an easier tendency. The slight recent animation in South African mines has subsided, while leading oil share quotations weakened on fears that the Shell dividend might be cut. On Monday and Tuesday the first bi-monthly settlement since 1914 was negotiated, and brokers report that the investing public have shown little eagerness to avail themselves of the restored facilities for speculation.

COMMODITY MARKETS.

Some uncertainty is reported in the raw cotton situation, the price for fully middling American being given at 12.30d per lb. Buyers in consequence have been less disposed to place orders with spinners and manufacturers. In the wool trade prices remain firm, although the market is not so active. In the pig-iron market, our Middlesbrough correspondent states that there is no inclination to do business, and there is no sign of animation yet in the steel trade. Our Glasgow correspondent, however, reports some activity in the Scotch pig-iron and steel markets. Best Admiralty coal is down to 27s-27s 3d per ton, and market conditions are reported to be unsatisfactory. Wheat quotations are slightly higher on account of better American advices. The vegetable oil and oilseed market is dull, and there is a tendency to lower prices. In the hide market prices are advancing; an improving demand is noticeable for sole leather. Good business is reported in the boot and shoe industry. Further details of markets and prices will be found from our special correspondents in later columns.

FOREIGN EXCHANGE.

Although there has been more movement this week in consequence of the settlement of the immediate difficulties of the reparation problem, business has remained very

restricted and lifeless. The mark, as was to be expected, has reacted favourably, having moved down during the week from rather over 1,300 to 1,200 yesterday, after being rather below that figure on Thursday, forward rates being about ½ mark per month below spot. This rather rapid recovery would seem to show a perhaps over-optimistic tendency on the part of the market. It is true that if an international loan can be obtained the mark position will be greatly relieved, but it should also be remembered that the whole industrial element in Germany is opposed to any rapid or extended fall in quotation on the ground of the confusion in business which this would cause. It is also by no means certain as yet that a satisfactory international loan will be floated, and in the meantime Germany has still to provide each month the equivalent of 50,000,000 gold marks, which, under the present agreement, it is allowed to purchase by the issue of further paper marks, an almost certain cause of further depreciation. It is surprising, in view of the recovery in the mark, that Paris should at 48.94 be worse than the 48.86½ of last week, after having been down to 48.74 on Monday. In addition to the reparation settlement, the general movement at this time of the year would have led one to expect an increase rather than a fall in value. The only explanation so far put forward is that French merchants are securing exchange for autumn purchases of raw material. The forward rate is this week about 1½ centimes above spot. Brussels and Milan have risen in sympathy with Paris to 53.01½ and 85½ respectively. Among the neutral exchanges Amsterdam has had a sharp move up from 11.43½ on the 26th and 11.39½ on the 29th to 11.49½ yesterday. Switzerland at 23.32½, is one centime higher, after being considerably lower in the early part of the week, and Madrid is also slightly higher at 28.24½. Among the Northern group, Stockholm has moved against us from 17.23½ to 17.20, but Christiania has gone up from 24.40 to 24.97½, and Copenhagen, in spite of the pending Danish municipal loan in London, from 20.36½ to 20.47½. Helsingfors has been in some request, and has moved from 214 to 210. In Central Europe the disturbed political state of Austria has been accompanied by further depreciation, the rate at one time in the week being over 50,000, and even now being 48,500, as compared with 43,500 a week ago. Warsaw, on the other hand, is some 1,000 marks lower at 17,500. Budapest shows little change, Prague, at 230, is very slightly lower, while Belgrade is about the same at 310, and Athens slightly better at 107. In the East the rupee is this week very slightly cheaper at 1s 3½d, the yen the same at 2s 1½d. The silver market has been very quiet, with little change, but, on the whole, the undertone in the market would seem good. Hongkong is ½d cheaper at 2s 7d, Shanghai 1½d cheaper at 3s 6d. In South America, Rio is 7½d, as compared with 7 17-32d a week ago, Montevideo rather dearer at 43½d (last week 43½d), Buenos Ayres, after some changes the same as last week at 44½d, and also Valparaiso at 37.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended May 27, 1922:—

Receipts.	Min. £	Expenditure.	Min. £
From Revenue	10,482	Supply Services	5,646
		Interest on Debt	1,511
		Sundries	403
		Added to Exchequer balances ..	778
		Reduction of Debt	2,850
	10,482		10,482

Revenue during week ended May 27, 1922, at £10,482,000, compares with £11,905,500 in the same week a year ago. The expenditure for the week is £7,560,400, or about half as much as a year ago. Customs was the chief revenue-producing item at £3,095,000, against £2,895,000 a year ago. Excise yielded £1,295,000, against £1,090,000. Estate, &c., Duties brought in £1,130,000, against £1,410,000. Stamps yielded £590,000, against £140,000. Property and Income-tax amounted to £2,284,000, or about the same as last year. Ordinary receipts under Miscellaneous yielded £200,000, against £620,517; while Special Receipts yielded £514,997, against £500,000.

The week's operations reduced the National Debt by the sum of £2,849,948, and caused the following changes:—

	Min. £		Min. £
Public Departments Advances ..	+ 10,380	Treasury Bills	— 10,572
National Savings Certificates ..	+ 950	Surplus of Bonds, &c.	— 2,000
		Other Debt	— 2,000
		Sundries	— 683
	+ 10,430		— 13,250

The Floating Debt was reduced by £190,000 during the week, and now stands at £943,250,500.

FINANCIAL YEAR, 1922-23 (April 1 to May 27, 1922).

	£		£
Total spent	103,111,461	Raised by revenue ..	127,863,743
Dec. in balances	7,114,414	Net repayments	31,866,696
Total	95,997,047	Total	95,997,047

ESTIMATES for YEAR 1922-23.

	£		£
Ordinary Expenditure	823,846,000	Ordinary Receipts ..	820,775,000
Special Expenditure	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000
		Surplus	706,000

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1916.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.	May 27, 1922.
Funded Debt	588	318	318	315	315	315	315	315	315
Term Annuities	58	22	22	20	19	18	17	17	17
4½% War Stock	..	62	63	63	63	63	63	63	63
4½% War Stock	..	62	63	63	63	63	63	63	63
4½% War Stock	..	62	63	63	63	63	63	63	63
National War Bonds	..	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051
4½% Funding Loan	..	649	1,636	1,509	1,478	1,413	1,201	1,201	1,201
4½% Victory Bonds	..	..	..	360	357	348	346	346	346
3½% Conversion Loan	..	..	..	..	..	..	24	24	24
5½% Treasury Bonds	..	..	..	..	..	..	273	380	380
5% Treasury Bonds	..	..	..	..	..	..	..	40	40
Do by tender	..	..	..	..	..	..	..	8	8
Treasury Bills	15	961	957	1,107	1,107	1,121	1,060	882	771
Exchequer Bonds	30	352	384	323	319	289	218	194	174
Natal Savings Certs	..	138	227	267	274	285	294	324	344
War Expend. Certs	..	..	..	..	..	..	..	..	..
Other Debt	..	944	1,341	1,306	1,181	1,139	1,097	1,050	1,083
American Loan	..	51	51	51	51	..	..	..	..
Temporary Advances	1	204	465	943	805	154	200	147	172
Other Capital Liabilities	654	5,872	7,435	8,033	7,829	7,574	7,748	7,658	7,625
Total Liabilities	711	5,921	7,481	8,079	7,878	7,623	7,799	7,708	7,675

POSITION OF THE FLOATING DEBT.

	Out.	May 22, '21.	Mar. 31, '22.	May 27, '22.	May 27, '22.
Temporary Advances	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Advances by Bank of England ..	155,804,000	147,301,500	171,981,500	171,981,500	171,981,500
Advances by Public Deposits ..	1,151,537,000	882,219,000	771,269,000	771,269,000	771,269,000
Treasury Bills outstanding	1,308,866,000	1,029,520,500	943,250,500	943,250,500	943,250,500
Total Floating Debt	1,308,866,000	1,029,520,500	943,250,500	943,250,500	943,250,500

THE PROCESS OF TRADE RECOVERY.

At the end of 1921 we ventured to express the opinion that the economic depression had passed its worst point. Subsequent events have shown this forecast to be justified, and though the recovery has been very slow, the evidences are steadily multiplying that the volume of production and business is moving, at a snail's pace, perhaps, but still in the right direction. It will be remembered that the American price index number began to rise slightly last autumn, and this, with other features in the situation, led to a very general prediction of a big boom in trade in the United States. This expectation was not fulfilled. The Harvard Committee on Economic Research, surveying the first quarter of 1922, point out that the price weakness in January and February of such important materials as iron and steel, non-ferrous metals, hides and rubber, the check to the fall in money rates, and strikes in the textile mills and the coal industry, have to be set against the general increase in the volume of production (except in the case of paper, motor cars, textiles, and rubber), the maintenance of a high level of building construction, and an increase in the movement of goods by rail. On the whole, there was a distinct balance of favourable factors, but not so marked as had been hoped. In the last month matters seem to be mending more rapidly, and it is now reported that steel production has risen to well over 70 per cent. of capacity, and unfilled orders are accumulating.

American conditions will, of course, have some reaction upon British industry. Wholesale prices in Great Britain

began to decline some months later than in America, and it is significant that the recent upward turn of our index number, which is recorded in another column, has shown a similar lag behind American prices. We do not suggest that the experience of two years ago will necessarily be followed now, and that the British curve will follow precisely the trend of the American price curve. American conditions are mainly dependent on her internal situation, whereas Great Britain's industrial position depends much more upon the general state of world trade, in which America is only one, though a very important factor. There are, however, other good reasons for thinking that the British trade situation may follow a course of slow recovery not unlike that which is in process in the United States. Firstly, conditions in some of the most vital of our markets are not unfavourable. In India the arrest of Ghandi seems to have been followed by a lull in the political unrest, and there, as in China, the volume of business is slightly expanding. In Australia the exchange situation after many months is practically normal, and British exporters are now able to get prompter payment for goods shipped. Even the Continent of Europe, as our recent analysis of the foreign trade figures showed, is buying on a freer scale. Secondly, the disturbing factor of the depreciated exchanges, and in particular of the mark, is passing away through the rapid adjustment of German internal wages and prices to the low external value of the mark, and, as there is reason to hope for greater stability in the exchange, so a sounder basis of competition is being re-established. The effect of the rise of German prices on our iron and steel industry is that Britain has returned to a position in which she can compete successfully with Continental producers in the world's export markets. This brings us to the third point, namely, the adjustment of costs in Great Britain. The coal and iron and steel industries are the two trades in which wages have been most drastically reduced. In both cases workpeople are suffering hardship through the fact that the cost of living is still high, but in both cases the result has been to regain to a very substantial extent our lost export trade. During the last four or five months there has been some adjustment of wages in other home industries, notably in the building trade, where the adjustment, together with a fall in the price of raw materials, is beginning to bring the cost of building down to a level at which private enterprise has some prospect of being resumed. This internal adjustment has still some way to go, but it is a favourable factor that the Board of Trade cost of living index is steadily approaching the wholesale price index.

There remains, however, one very serious stumbling-block which is holding up the improvement in the internal markets in the country. We refer to the stoppage in the engineering trade, which is now nearly three months old. What one may perhaps call the 47 "associated" unions have decided by a substantial majority to accept the employers' latest memorandum, which is a step towards a clearer definition of managerial functions, and though the engineers will be very loth to follow suit, there are signs that they cannot hold out much longer, and that we shall shortly see the end of a quarrel which should never have been allowed to reach the stage of a definite rupture. Some months ago our Labour correspondent pointed out that the men were fighting upon what they considered to be a point of principle, and that in resisting the employers' claim they were standing for the right of a free working man to exercise some control over his economic destiny. A majority of the employers seemed equally to imagine that they were fighting for a principle of vital importance, which they would perhaps have expressed by saying that, though they readily admitted the desirability of discussions with their workpeople on many of the conditions obtaining in the factories, the employer must have the last word and be master in his own house. The man—who surely must have been a lawyer—who coined the phrase "managerial functions" may well have imagined that he was inventing one of those "clichés" on which great public issues are fought. But, in our opinion, confirmed by a study of Sir William Mackenzie's inquiry, the issue cannot properly be expressed at all in terms of general principles.

After a century of evolution, the employer is no longer the autocrat of the workshop, but is rather in the position of a constitutional monarch who exercises authority subject to very clearly defined conditions. His freedom is limited by public opinion, by laws, by current standards of wages, and, so far as working conditions also are concerned, by a large code of collective agreements. The whole trade union movement is a limitation of industrial autocracy, and, on the other side, is a means through which the individual worker exercises a very large and real measure of control over his employment. In the present dispute the employers admit—as, of course, they must—that workshop conditions must be subject to general agreements, and their representatives are prepared to see some substantial extension of the subjects to be covered by such agreements. They are also ready to set up procedure to be followed in questions arising between employers and employed in matters of workshop practice—such as the really critical question of the grade of labour to be employed in manning new types of machinery. The masters having agreed that the men should be consulted on this point, the issue narrowed itself down to whether the employer may or may not introduce the change pending discussion. It will be remembered that during the war the unions surrendered their pre-war rules and practices, and permitted an immense volume of unskilled labour to enter into the machine shops. The events of the last twelve months, together with the fact that workpeople have to-day a very shrewd conception of the realities of international competition and of the state of trade, means that, although the individual will be tempted to take a short view of any particular change in a particular workshop, patience and consideration will be successful, as many employers have already proved, in removing the objection to developments and technical progress. But this result will not be achieved without confidence between the parties, and for this the first essential is a greater willingness than in the past on the part of employers to disclose their costs and financial results to their workpeople. This is the first step towards removing the suspicion that they are being exploited. It is undoubtedly possible at the present moment for employers to secure their aims by the process of bringing the unions to their knees, for at the moment economic conditions are strongly on their side. But to use this power in a drastic manner would be the greatest possible mistake; for it would remove any hope of rebuilding British industry, as it must be rebuilt, on the basis of co-operation between employers and workpeople. Otherwise the trade recovery will be the signal for the outbreak of more bitter struggles than ever. In this respect Mr Harding has given a lead in America of the greatest significance by calling together the steel magnates of that country—the only country in which the continuous processes at the furnace are still worked on the two 12-hour shift system instead of the three eight-hour shift system prevalent in Europe—and urging upon them that the present period of comparative depression is the moment to fall into line and put their house in order on this vital question of working conditions. A gesture to-day by English or American employers signifying that they appreciate, and intend to act upon, the conception of partnership in industry not only would help to revive a sense of national solidarity in facing economic difficulties which has rather been lost sight of since the war, but also is the only policy by which the employer can hope to prosper.

THE WORLD'S WHEAT POSITION.

(FROM A CORRESPONDENT.)

ACCURATE information about wheat production is difficult to obtain, as method and accuracy vary considerably in each country. The most reliable statistics are those of imports and exports of the wheat-consuming countries, as compiled from records of actual transactions between dealers. Taking as a basis the five years 1909 to 1913, the average annual world production of wheat was estimated to be 464.75 million quarters, grown in 262.5 million acres. Of this total, 90 per cent. was produced in the Northern Hemisphere on about 90 per cent. of

the world's wheat area, the Russian Empire accounting for 23 per cent., the United States 19 per cent., India 9 per cent., France 8 per cent., followed, in order of importance of total yield, by Austria-Hungary, Canada, Italy, and the Argentine.

The countries which absorbed the largest bulk of the surplus of the exporting countries are those of Western Europe. The average amount of wheat and flour taken by these countries during the period under discussion was around 75.5 million quarters (figures expressed in Imperial quarters of grain, flour as its grain equivalent). Of this amount the United Kingdom accounted for 27.25 million quarters; Germany, 11.2; Belgium, 9.25; the Netherlands, 9.5; Italy, 6.6; and France, 4.8 million quarters. Re-exports, chiefly in the form of flour, totalled between 12.25 and 12.5 million quarters from the Netherlands, Belgium and Germany. There was thus a balance of net imports over exports in Western Europe of about 63 million quarters, or about 74 per cent. of the world's surplus wheat imported for consumption.

Exports of wheat totalled nearly 80,900,000 quarters, contributed by Russia, 25 per cent.; the United States, 15 per cent.; Argentine, 14.6 per cent.; Canada, 14 per cent.; Roumania, 8 per cent.; India, 8 per cent.; Australia, 7.6 per cent.; and Bulgaria, 1.7 per cent.

The war at once disorganised the producing and distributing machinery in the countries of the Allied and Central Powers; eventually Western Europe was deprived of the surplus wheat of Russia and of the exporting countries of Eastern Europe to the extent of approximately 33 million quarters, or about 40 per cent. of the world's surplus. Further, large tracts of land went out of cultivation in the war zone. The consequent rapid advance in wheat prices caused large additional areas to be put down to wheat in North America and Australia, and, to a lesser extent, in other countries outside the war zone. These results may be judged by a study of the following table:—

	Wheat Area.			Production.		
	Average 1909-1913.	Average 1915-1919.	Per-centage Inc. (+) Dec. (—)	Average 1909-1913.	Average 1915-1919.	Per-centage Inc. (+) Dec. (—)
	1,000 Acres.			1,000 Quarters.		
U.S.A.....	47,097	57,873	+ 23.00	85,836	103,862	+ 21.00
Canada	9,945	16,379	+ 64.70	24,640	31,810	+ 29.00
Argentina	15,799	16,566	+ 4.80	19,668	19,437	— 1.00
India	29,114	31,020	+ 6.50	43,842	40,818	— 7.00
Australia	6,798	10,287	+ 51.00	10,618	13,830	+ 30.00
	21,751	26,422	+ 21.47	36,921	41,951	+ 13.62

Thus there was an increase of 21 per cent. of land under wheat, with about 13.5 per cent. increase in gross yield in the five important exporting countries. Labour and other difficulties handicapped the producer, and probably prevented still greater areas being brought under cultivation in North America and Australia. These adverse conditions did not exist to any extent in the Argentine and India, and the small response from these sources of supply suggests that no considerable export increase can be expected from these two countries.

The consumption of Europe has been greatly reduced during and since the war. Hence shutting off of Russian supplies has not had so adverse an effect on the British consumer as might have been anticipated, and the world price of wheat compares favourably with the price of other articles of food and drink. Were Russian wheat to come on the market in sufficient quantities at a cheaper rate than other wheats, prices would undoubtedly decline in the first instance; but the probability is that production overseas would decline very considerably in favour of other agricultural products, and though the industrial populations of the world would be better off, it is doubtful whether the price of wheat would be permanently reduced in relation to other food products. During the years of the war there was never any actual shortage of wheat. The great difficulty lay in transporting wheat from the producing to the consuming areas, and this handicapped distribution. The following table, showing exports of wheat and flour of the large exporting countries for the period 1914-15 to 1918-19, as compared

with the exports of 1909 to 1913, shows how the loss of the Russian export was made up:—

Exporting Countries.	Average Exports, 1909-1913.	Per-centage of total supply.	Average Exports, 1914-15-1918-19.	Per-centage of total supply.
	1,000 Quarters.		1,000 Quarters.	
Russia	20,125	24.5	..	..
U.S.A.	12,323	15.0	29,262	43.0
Argentina	11,897	14.5	9,647	14.0
Canada	11,268	13.7	19,937	29.0
Roumania	6,601	8.0	..	..
India	6,386	7.8	3,768	5.5
Australia	6,166	7.5	5,624	8.0
Hungary	5,981	7.0	..	..
Bulgaria	1,245	1.5	..	..

Owing to the great change in territorial boundaries it is difficult to discuss the present wheat areas and production of Europe, country by country. If Europe is taken as a whole, less Russia and Poland (about 61 million acres), it would appear that the 1921 area is about 10 million acres and the supply 17 million quarters of wheat less than the average of the years 1909 to 1913.

The outlook as to the surplus of wheat in the exporting countries in January of this year was quite satisfactory, although India has once again become an importing country, owing to her poor crop of 1921. Estimated stocks, consumption, and exportable surplus for these countries were, in million quarters:—

	Total Supplies Available at the Opening of the Current Season.			Estimated Consumption during the Current Season.	Quantities available for Export at the opening of the Season.	Exports from the Season until Dec. 31, 1921.	Quantities Available for Export Jan. 1, 1922.
	Yield, 1921 and 1921-22.	Stocks at the Opening of the Current Season.	Total.				
Canada	37.6	8	38.4	11.2	27.1	12.9	14.2
U.S.A.	99.3	5.2	104.5	70.7	33.9	23.5	10.4
Argentina	19.3	4.5	23.8	8.2	15.6	..	15.6
Australia	17.0	..	17.0	4.6	12.4	..	12.4

An exportable surplus of over 50 million quarters at the beginning of the year is sufficient to meet the demands of the importing countries until the next harvest, and also to allow of some carry over after August, 1922. Prospects for the 1922 crop in India are reported as favourable, so that she may be able to make some contribution to the world supply before the new harvests of the Northern Hemisphere come on the market. It is estimated that the area under wheat in sixteen countries in the Northern Hemisphere is a little over 117 million acres, and about 2 per cent. less than last year. Reports of the condition of the various areas are on the whole satisfactory.

Future supplies are intimately bound up with the price paid to the producer. Rapid changes in the price level result in rapid changes in the industry. If the production of wheat or any other farm produce is not profitable, the acreage is reduced in the following season, but this change in acreage is often obscured by the powerful influence of the weather, which greatly affects the yield per acre. The year 1920 was very favourable for crops, and in the United States the yield per acre of the six grain crops was 13 per cent. more than in the previous year, and the third largest yield ever known, although the area was 14 million acres less than in 1919. Uncertain prospects in the spring of 1920 caused a tendency to hold the surplus in hand. Unusually favourable weather later, and consequent unexpected production caused a severe drop in cereal prices, which was responsible for the fall of prices in the United Kingdom.

In the past, prices have been low in proportion to the economic value of wheat on account of the great difficulty of regulating or preventing over-production in a world-wide and scattered industry, partly controlled by climatic conditions. Greatly increased productive costs are general throughout North America and Australia, so that in the future a higher price may be anticipated, unless distributive and marketing costs are reduced, or a more economic system of production introduced.

The future of Russia as an exporter of grain is speculative. In the past her exports were not a true surplus over consumption. For years the exports of breadstuffs have been made at the expense of the needs of a rural population in a state of destitution and semi-starvation. It is indeed doubtful if Russia was ever completely free from famine. Now, years must elapse before Russia can build up any sound export trade in grain.

It is doubtful if the United States can further increase her export of grain, as she has already reached the limit of readily available agricultural land, and future expansion or reclamation of land will depend entirely on the return which the level food prices offers to the farmer. The United States have also to meet increasing demands for domestic consumption, so that the present high level of exports is not likely to be maintained. The Argentine as a wheat exporting country has not fulfilled the expectations of a few years ago. Cattle raising is the predominant industry, and lucerne is of more importance than wheat. Exports vary considerably, and are unreliable. British India is also unreliable, as she is dependent on the vagaries of the monsoon for the success or failure of her crops, and any increase in exports cannot be expected from this source. Canada is the only country which immediately offers facilities for great expansion in the wheat areas of the North-West Provinces. Here there are available for cultivation millions of acres of prime arable land, as soon as expenditure of capital is justified. Any consistent increase in Australian exports in the future is problematical. If, however, the retarding factors of low rainfall, limited rural population, and railway facilities can be met, Australia will probably share with Canada the major portion of the wheat export trade of the world.

The history of the war and after illustrates once more the great elasticity of the world's production, and though other countries' misfortunes have largely been responsible for the fact that we have had sufficient supplies, the fortunate fact that there are a multiplicity of sources on which to draw remains to-day, as in the past, the great safeguard of an uninterrupted supply of Great Britain's daily bread.

OUR INDEX NUMBER.

A DISTINCT upward movement has been taken by our Index Number of wholesale prices in May, the total having risen from 4285 to 4372. This increase of 87 points is the largest which has occurred since September, 1921, when there was an increase of 105 points. The rise last month was not general, the total advance being more than accounted for by the movements in primary foodstuffs and textiles. The majority of the changes which took place were, however, in an upward direction. The table below shows the latest figures for each of the five groups, and for the total:—

Date.	Cereals and Meat.	Other Food Products (Res. Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	Percentage Change.
Basis (avg. 1901-5)...	500	300	500	400	500	2200	100.0
End July, 1914.....	579	323	616	444	553	2515	114.6
" Dec., 1915.....	897	446	731	711	848	3634	165.1
" Dec., 1917.....	1286	686	1694	839	1348	5863	266.8
" Nov., 1918.....	1289	783	1848	903	1389	6212	282.6
" Dec., 1919.....	1303	782	1805	866	1337	6094	277.0
" Dec., 1919.....	1441	881	2442	1145	1453	7364	334.7
" Mar., 1920.....	1508	914	2674	1246	1709	8352	379.6
" Dec., 1921.....	1344	805	1284	1216	1275	5924	269.8
" Dec., 1921.....	921	636	1106	762	931	4357	198.0
" Jan., 1922.....	907	654	1066	730	925	4284	194.7
" Feb., 1922.....	948	640	1037	696	936	4259	193.6
" Mar., 1922.....	980	687	1038	700	929	4297	195.8
" April, 1922.....	1008	667	1010	709	890	4285	194.8
" May, 1922.....	1040	657	1079	710	885	4372	198.7

In the first group of foodstuffs every commodity has moved, but with the exception of a sharp decline in pork, a slight drop in flour, barley, and foreign wheat, all other changes are increases. There is a further seasonal increase in potatoes, and beef and mutton have again risen. Home-grown wheat is higher, having been in

short supply and sparingly offered. Tea and coffee alone show a change in the second group of foodstuffs, and have both fallen.

In the textile section all commodities have risen, with the exception of flax, in which there has been a drop of nine points. According to Messrs Wm. F. Malcolm's market report, however, business in Russian flax has been almost negligible. Cotton quotations are all distinctly firmer, and there has been a pronounced rise in silk and jute, while wool is also slightly better. In their monthly cotton trade report Messrs Robt. Barbour and Brother, Limited, write: "Most markets of the world are increasingly feeling the pinch of short supplies, and are gradually, it is hoped, recovering from the acute financial disability which for so long has prevented any attempts to satisfy normal requirements. The steadiness of the raw material has also been a benefit, and there has been a marked absence of the nervousness characteristic for many months last purchases made one week should prove to be dear the next. More spindles and looms continue to come into operation, the unemployment figures show an encouraging reduction, and, in spite of the disinclination of overseas markets to raise their bids, spinners and manufacturers have been assisted in their efforts to secure more remunerative prices by a healthy demand, not in big lines, but in moderate quantities sufficient in the aggregate to reach an appreciable figure." At the recent wool sales the wool offered has been readily absorbed, and competition has been strong, not only from home buyers, but from German, French, and Swiss purchasers. The demand, moreover, is apparently based on actual increased machinery consumption.

In the minerals group changes are few. Iron and steel remain unaltered. Steam coal has fallen slightly, and lead and copper show a slight increase, the latter on bullish reports from America. In the miscellaneous group changes are slight and insignificant, as may be seen from the table below, in which the movement of each commodity's index, as compared with the end of April, is set out, the figure 50 representing the average price during the base period 1901-5 in each case:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	107½	— 3	Cotton A	110	+ 16	Copper	52	+ 3
English	100½	+ 7	Cotton B	129	+ 8½	Minerals	710½	+ 1
Flour	95	+ 5	Yarn	115½	+ 9			
Barley	87	+ 1	Cloth	130½	+ 5½			
Oats	94	+ 10	Wool, Eng.	95	+ 2½	Baltic timber	101½	— 2
Potatoes	125	+ 19	Aus. Wool	97½	+ 6½	Amer. timber	89	— 1
Rice	109	+ 24	Silk	112½	+ 16	Leather	72½	— 1
Beef	108	+ 9	Flax	112½	— 9	Petroleum	137	— 1
Mutton	123½	+ 11½	Hemp	43½	+ 1½	Oil	79½	— 1
Pork	93	+ 20	Jute	112½	+ 12	Oilseed	85	+ 1
						Tallow	58	— 2½
Cereals & Meat	1,040½	+ 32	Textiles	1,079	+ 69	Indigo	127	— 1
						Crystals	125	— 1
Tea	100	— 6	Pig-iron	97	..	Rubber	10½	— 1
Coffee	99	— 4	Steel rails	92	..			
Sugar cane	150½	..	Iron bars	92	..	Miscellaneous	885	— 5
Sugar beet	106	..	Coal, steam	130	— 5			
Butter	86	..	House coal	107½	..	Total	4,372	+ 87
Tobacco	116½	..	Lead	104	+ 3			
			Tin	59	..			
Other foods	657	— 10						

The net result of these changes is that our Index Number now shows an increase of 70 per cent. over the level at the time of the outbreak of war, as compared with an increase of 67 per cent. a month ago. The present position of each of the groups together with that of recent months is compared in the next table, in which the indices for the end of July, 1914, are taken as 100:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100
Dec., 1918	226	222	293	186	241	236
Dec., 1919	249	250	396	247	263	287
March, 1920	261	260	484	269	309	325
June, 1920	261	263	416	278	281	305
Dec., 1920	233	229	209	261	230	231
June, 1921	203	188	158	210	185	188
Dec., 1921	159	180	180	164	168	170
Jan., 1922	157	186	173	158	167	167
Feb., 1922	164	182	168	150	169	166
March, 1922	169	195	168	151	161	167
April, 1922	174	189	164	152	160	167
May, 1922	180	186	175	153	159	170

The levelling-up process has thus continued, although minerals still remain conspicuously below the general level.

The final table gives the latest price indices from some of the principal foreign countries, the pre-war figures being taken as 100:—

	United States.	France.	Italy.	Germany.	Switzerland.	Sweden.	Denmark.	Japan.
Nov., 1918	205	358	438	6,572*	325	367	292	214
Highest, 1920	227	591	679	6,572*	325	366	403	388
End 1921	123	326	594	3,585	176	172	178	209
End Jan., 1922	131	314	577	3,955	171	170	177	206
Feb., 1922	133	307	562	4,888	170	166	182	205
Mar., 1922	132	308	534	5,899	163	164	178	200
Apr., 1922	134	315	..	6,572	161	..	177	197

* April, 1922.

The United States figure represents a gain of 10.2 per cent. over the low level of June 1, 1921, but a decrease of 43.9 per cent. from the peak of February 1, 1920. The principal increase in April was in metals. In Germany wholesale prices are nearly six times as high as at the beginning of 1920, and nearly 66 times as high as in 1914. Prices of manufactured goods are rising particularly rapidly, owing to the continuous wage increases, and to the fact that raw material bought after the mark had experienced its severest slump is now appearing in the form of finished goods. The provisional figure for the end of April for France shows that, as in this country, the lowest point of the drop was reached at the end of February.

INSURANCE AS A NEWSPAPER ADVERTISEMENT.

For some months past we have watched with amusement the frantic efforts of certain London newspapers to employ accident insurance benefits as a means of obtaining subscribers. This form of competition is by no means general. Two of the best and most shrewdly conducted morning papers have contemptuously held aloof; the strong group which owns the most popular of the London evening papers also has stood aside; the London fever has scarcely, if at all, infected the great provincial Press. The disease is essentially local and particular, and appears to attack only those newspaper proprietors who are members of the House of Lords—and not all of them. It will probably pass away as rapidly as it has arisen, but not before a great deal of money has been spent upon accident benefits which would have been better employed in improving services of trustworthy news, and not before the principles of insurance have been flagrantly violated by amateur exponents.

We must distinguish between the present feverish desire of sections of the Press to advertise accident benefits and successful claims against one another, and that old feature of the popular periodical Press—the insurance coupon. Long ago—it was in the early 'eighties—the late Sir George Newnes offered £100 to the heirs of every reader of *Tit-Bits* who was killed in a railway accident with the paper upon his person. From this beginning one had extensions of the system until almost every "popular" weekly gave away an accident insurance coupon covering death or injury to the holders during passenger travel. The risks for individuals were small, and the cost of the insurance small. Several accident insurance companies—notably the Ocean and the General of Perth—took up the underwriting of these risks in return for a small premium, and the general effect was to popularise the idea of protection by insurance against accidents. A great many people, when they discovered how limited was the cover given them for nothing by the Press, took out genuine insurance policies for themselves, and learned the truth that if one wants a thing of value one has to pay its price in the market. The present insurance craze is altogether different from these modest beginnings, for those who indulge it aim at giving—apparently for nothing—exceedingly costly insurance benefits to all registered readers, and aim at employing these benefits as a means to increase circulation in competition the one with another. The insurance companies could safely encourage the old insurance coupon which was paid for by a premium and was under their control, but the insurance companies are by no means anxious

to encourage the new wild competitive system of showering insurance payments upon all and sundry by return of post. They are, indeed, afraid of it. They do not see clearly to what it is leading. Some of the insurance offices still underwrite some of these newspaper risks, but others, who did for a while, are withdrawing entirely now. The essence of the newspaper "stunt" is the encouragement of claims. When one organ of the Press advertises that it has paid five successful death claims, a competing organ burns to shout that it has paid for six. It is the same with minor accidents, which are far more numerous and in the aggregate more expensive to meet than death claims. The more one newspaper can pile up sprained wrists and broken legs, the more eagerly others hunt for cricked backs and broken heads. The first principle of insurance companies in settling claims is to distinguish the genuine from the spurious; but it is the first principle of competitive newspaper insurance to welcome claims, genuine or spurious, as a means of advertisement. For them a day without its successful claim is a blank day. And so we have, or shall have if this business continues for much longer, the uprising of the professional claim-maker, just as in the early days of workmen's compensation we had the professional claim-maker. An insurance office has no compunction at all about rejecting a spurious claim or an excessive claim, but when one is eager to shout that one has paid more claims than the other man in Fleet Street, a proper scrutiny is a needless embarrassment. We have rarely seen a more certain method of corrupting the public wholesale than is revealed by this latest development of "newspaper enterprise."

Where is the money to come from? The cost of the old insurance coupons, given away with popular periodicals or with calendars and diaries, was a trifling sum. But the cost to newspaper proprietors of some of these advertised benefits is terrific. The sale of a penny morning paper to a registered reader does not yield to the proprietor more than eighteen shillings a year after meeting the newsagents' discount and the costs of distribution. Out of that revenue of eighteen shillings a head the white paper, the "newsprint," has to be paid for, and this cost of the white paper is by far the biggest item in the production of a daily newspaper. We reckon, after a rather careful investigation, that the annual expense of providing for the voluminous insurance benefits cannot be less than from ten to fifteen shillings per registered subscriber. It may be more, for the manufacture of claims is a deadly business when it becomes really virulent. Seeing that under normal conditions there is a very small margin between the sales revenue of a daily journal and the sums required to meet paper costs, distribution charges, and agents' discounts, there is no possibility of the expense of paying insurance claims being met out of sales. If, as must be happening now, every registered reader involves a loss—possibly of as much as ten shillings per head per annum—the bigger the sale the bigger the loss. All new readers brought in by the pull of the insurance benefits will be a registered reader, and many of the old readers will be induced to register themselves. One can see, as these volumes of registered readers are expanded day by day, an appalling liability being accumulated, a liability which it will not be at all easy to be quit of. In some instances dates next year are given as a sort of limit to the ever-growing liability, but in others the wording of the contracts is so vague that it looks as if once a registered reader always a registered reader entitled to insurance benefits. Here and there one can see that insurance office warnings have been regarded, but in other cases there is no trace of any stirrings of prudence. When this latest newspaper "stunt" collapses from the intolerable weight of it, there will be some pretty legal actions and some bitter surprises. It is not at all easy to get rid of that vague oppressive thing, an implied contract.

We repeat our inquiry: Where is the money to come from? The answer must be: out of the pockets of the advertisers, or out of the pockets of the newspaper proprietors. A newspaper proprietor may be willing to lose money for a time if by such means he may destroy a rival. But he cannot go on very long however rich he may be. These insurance benefits, continued for a year, must run away with hundreds of thousands of pounds. The chasm

between the revenue from sales and the costs of purchasing subscribers by insurance benefits must be met out of the advertisement revenue if it is to be met at all. We shall see before long a collision between the advertisers in the "insurance Press" and the proprietors. If the rates of advertising are put up to meet the cost of the successful claims the advertisers will be obliged to consider their position most carefully. They cannot pay enhanced rates which would involve an increase in the prices of their products to the public—that would be fatal in these hard times, and they will have sitting on their doorsteps the canvassers of the "non-insurance Press" offering advertising in their columns at the old rates. There is a limit to the value of "net sales" from the point of view of the advertiser, especially when the increase in net sales is due to a cause other than a desire to read the newspaper purchased. There must, while this "stunt" rages, be an enormous waste in newspaper circulation. One reads that a distinguished and astute statesman drew claims from four daily papers in compensation for a recent accident. Very many people, anxious for insurance on the cheap, must be buying two or three papers daily and registering with all of them. Surplus copies, bought for insurance purposes, are useless to the advertiser.

It is possible that this latest craze will die away as have other crazes before it. It is altogether too costly to last. If all the daily Press was in it, then the advertiser might be coerced into paying accident claims at the expense of the public who purchased his goods. But, happily for the consumer, the disease is local and particular. It does not extend very far, and it has not lasted very long. To be permanently successful it needs to be universal, of which, happily, there is no sign.

THE HAGUE RULES AND LEGISLATION.

ACROSS the international movement which has brought the Hague Rules into everyday use is projected the shadow of coming national legislation. The Hague Rules were the outcome of voluntary international agreement among commercial and shipping men. They constitute a code of common conditions as to sea carriers' liability for incorporation by reference in bills of lading. As explained in an article in the *Economist* of November 19th last, the Rules make the shipowner responsible for the safe carriage of cargo—he becomes in effect an insurer for the period of the voyage, subject to a limit of £100 per package—and they preclude the insertion in bills of lading of the endless clauses of exemption from liability, which has been a ground of complaint by merchants for many years. The Hague Rules represent an international compromise worked out by representatives of the trade interests directly concerned, together with bankers and underwriters. The basis of liability laid down is substantially that of the American Harter Act, and the similar Canadian Act, though the financial limit of shipowners' responsibility is much higher, and the form of the Rules is that of a self-contained code capable of application to transactions in any part of the world. The Rules define the extent of the responsibility, and do not, like existing legislation, merely prohibit clauses which would narrow the liability (whatever it may be) under national law. Their form is adapted to their intended world-wide use, and their adoption by a voluntary international conference (at which Sir Henry Duke, President of the Admiralty Court, was chairman) left the question of revision naturally for a subsequent similar gathering of business men, should experience of their use disclose a need for amendment.

Since the conference at the Hague last September, when the Rules were settled, they have been widely discussed, and have been endorsed by Chambers of Commerce and other representative commercial, financial, and insurance organisations in various countries. The Rules are now incorporated in the bills of lading issued by a number of the leading shipping lines. They are used, as was intended, mainly in connection with the shipment of miscellaneous goods by liners. In the "tramp" trades, where cargoes of grain, coal, timber, and so on are carried in bulk, the merchants, equally with the shipowners, have their own organisations for the purpose of agreeing with the shipowners' standard forms of shipping documents

conformed to the requirements of the particular trades. The "tramp" trades do not specially need, though, of course, they are free to use, the Hague Rules. In fact they have not adopted them. The voluntary character of the international code leaves the question of adoption open for the decision of those concerned. In matters of business this is convenient, but the "tramp" trades are now, it would seem from the remarks of Sir William Noble, when presiding at the recent annual meeting of the Baltic Conference, in peril of legislation, and may have to protect their freedom. Sir William referred to the peril of legislation on the lines of the Harter Act spreading not only to the United Kingdom, but to all maritime countries.

So far as the United Kingdom is concerned legislation is, it is understood, to be introduced almost immediately by the Board of Trade to carry out a resolution of the Imperial Conference last summer, that there should be legislation on the lines of the Canadian Act, which, as already mentioned, is similar to the Harter Act. Instead of adhering closely to the Canadian model, the bill, it is gathered, may contain, in a schedule, a code of rules similar to, but embodying, modifications of the Hague Rules. Apparently the "tramp" trades wish to be excluded from any such legislation, and the question arises whether any section of the commercial community desires legislation. An organisation calling itself the British Federation of Traders' Associations, representative mainly of merchants in the grain and other bulk cargo trades, was formed at the beginning of this year to oppose the Hague Rules in view of the promise of legislation by the Imperial Conference. Representatives of this body and of shipowners are understood to have engaged in informal conversations at the Board of Trade as to a modified code of rules to be given statutory effect. The position appears, therefore, to be somewhat confused, especially as between merchants and shipowners in the "tramp" trades. It is clear, however, that the problem is an international one, and that legislation, except as a sequel to an international convention, and to give effect to a basis of uniformity previously agreed upon with other countries, might only add to existing divergencies and complications. Moreover, acquiescence in proposals for legislation by British commercial interests would lay them open to the charge of ignoring the compact made with business men of other nationalities at the Hague. The Hague gathering took place after the sitting of the Imperial Conference, and its result, in the adoption of the Hague Rules, may be regarded therefore as a new factor which has arisen since the resolve to proceed with British national or Empire legislation was arrived at. In any event, the maintenance of the voluntary principle would keep the important question of revision open, and would avoid the stereotyping of regulations in a form beyond the control of the international trading community, whose interests they should serve. That, in a matter of this kind, is a vice from which no legislation can be free.

DEALING IN OPTIONS.

THIS week's settlement of the first regular fortnightly account which the Stock Exchange has undertaken since the outbreak of war showed that people are not yet taking any particular advantage of the additional facilities allowed them for dealing in stocks and shares through the medium of contangoes. There was a small position open in Home Rails, and also in a few of the popular industrial shares, where some of the previous buyers were anxious to carry over their commitments. As a whole, however, the result of the first fortnightly settlement has not brought much additional grist to Stock Exchange mills. Dealing in options is another of the ways whereby speculation is to-day free from restrictions imposed upon it since the outbreak of the war. It is a little curious that this particular branch of Stock Exchange activity should be confined so largely to the outside firms who advertise for option business, and who succeed in attracting the attention (with the money also) of a good many people who like to dabble in stocks

and shares without incurring more risk than can be measured.

As everybody knows, the giver of option-money pays a certain sum per share for the right to take up the shares, at the price fixed at the time of the operation, and at any time within the period which the option covers. Options may be done for any length of time up to three months, according to the new Stock Exchange rules. A simple illustration may be more useful than paragraphs of explanation, so it may be assumed that the would-be speculator, thinking that Great Westerns, for instance, may rise during the next three months, endeavours to ascertain what he would have to pay for an option which would give him the right to call the stock at a fixed price within that period. Taking the market price at 107, or whatever it may be at the time the option is done, the operator would probably find himself asked about $3\frac{1}{2}$ per cent., that is, £35 on £1,000 stock, for three months. To the price of 107 is added in the Stock Exchange the amount which it would cost to carry over stock during the time. Taking $\frac{1}{2}$ per cent. as the average rate per fortnight, in three months this would come to $2\frac{1}{2}$ points, spread over the five settlements. Therefore, the actual cost of the stock is the current price of 107, plus the contango of $2\frac{1}{2}$, plus the option money of $3\frac{1}{2}$, and the broker's commission, making the cost of the stock about £113 altogether, before the giver of the option money would see any profit at all. He would be liable for the £60 expenses on £1,000 stock, but this would not be payable until such time as the option runs out. We are taking a somewhat extreme case, because Great Western is, of course, a heavy stock, the rate of contango works out stiffly, and prices in Home Rails are moving so rapidly as to cause option-money takers to charge high rates for their own protection. The ordinary course of procedure in the House is for the man who takes option money in this way to buy half the stock immediately the option is effected, whereby he partially insures himself against loss.

The principle is exactly the same, of course, when applied to shares, and the shorter time for which the option is done, the cheaper the rate and the less expense for continuation. If the giver of option money should see his Great Westerns, for example, rise to 120 to-morrow, and sells the stock at that price, he must carry it over as a bear until the maturity of the three months, receiving the contango rate every fortnight, and so adding to his profits. The point is that his loss is limited to the amount of expenses, and if the transaction fails to come up to his expectation, the matter is ended by the payment of an amount which he can measure precisely to-day. The outside brokers come in with an offer to do options at prices which may not take into account any contango rate. It is well understood that in many instances they simply run the stock against their customers, taking the option-money (which they carefully insist upon having paid at once, instead of at the expiration of the option), and risking whatever the event may be. If the customer makes a profit, he may, with luck, get his money, but it is a well-known fact that, during the past six months, for instance, many people who have "made" paper profits by dealing with outsiders, find themselves unable to obtain settlement. They are put off with payments on account, or induced to take up other options that have the effect of giving the outsiders a longer run for their money and a greater chance of getting it back. Option dealing with members of the Stock Exchange is more expensive, and the House is urged by a good many of its friends to adjust rates in such a manner as will eliminate the competition from irresponsible outsiders. But the Stock Exchange never goes out of its way to encourage mere gambling. Chances are worked out as mathematically as possible, and with the intention of giving both sides an equally fair chance. To deal with a member of the House means that the client has a security which, naturally, he cannot rely upon when doing business with advertising outsiders of whose reputation he knows little or nothing. At the end of an option, if he has made money by dealing through a Stock Exchange firm, the client's chance of failing to get his profit is as negligible as his risk of not receiving profits that he has "made" with bucket-shops, is great.

LATIN-AMERICAN NOTES.

(BY OUR CORRESPONDENT.)

VENEZUELA.—The announcement that Señor Don Juan Vicente Gomez has been re-elected President of Venezuela for the fifth period will be by no means unwelcome news to British investors in that country. In 1908, during the critical period in which the ex-President Cypriano Castro remained in power, British economic interests were seriously imperilled, and it was due to the action of General Gomez so soon as he became Acting-President, during Señor Castro's absence in Europe, that matters speedily righted themselves. As Vice-President, General Gomez had strongly disapproved of Señor Castro's treatment of important foreign companies. At that time, apart from a diplomatic rupture with Holland, who sent warships to Venezuelan waters, and with the United States, which also threatened action, the Venezuelan Government was engaged in disputes with several British and French firms. There is ample precedent for the re-election of General Gomez for a further period as Chief-Executive. General Cypriano Castro had himself re-elected four times, and General A. Guzmán Blanco served for six terms. Under the revised constitution, General Gomez will serve for seven years, during which term it is reasonable to look for a period of political rest and economic progress in the country. Under his previous Governments the public services in Venezuela were reformed, and the general prosperity of the country greatly advanced; many hundreds of miles of good roads were built, close attention was given to the health department, wireless stations and military aviation schools were established, immigration fostered and agriculture encouraged, while stock-breeding, in which the President takes a considerable interest (being, as he is, one of the largest stock-owners in the Republic), has been systematically supported. The financial condition of Venezuela is believed to be thoroughly sound, and the Government is reported to possess a substantial balance in the bank. The great need of the Republic—namely, transport—is likely to receive special attention, while the rich oilfields which have lately brought Venezuela into prominence are likely to be more systematically developed. The several British companies interested, such as the British Controlled Oilfields, the Shell Combine, the North Venezuelan Petroleum Company, the Venezuelan Oilfields, the Venezuela Oil Concessions, and the Bolívar Concessions, all report more or less satisfactory progress; while of late an association of interests between British and United States holdings has been introduced. It is understood that important negotiations between the Standard Oil Company and the British Controlled Oilfields for the development of a large area of the Buchivacoa oilfields have been completed, while a generally favourable opinion has been expressed of the high quality and immense quantities of oil obtainable. It would, therefore, appear that, under the new administrative auspices, Venezuela's economic progress is assured.

PERU.—That foreign banking can be made profitable in Peru is shown by the substantial gains made during the past year by the Banco Italiano at Lima, which recorded net profits of over £101,000, enabling a dividend at the rate of 18 per cent. to be distributed, and more than £P73,000 to be carried forward after all fees and several different funds had been provided for. During the current year imports into Peru are to be severely curtailed, there being already on hand a substantial amount of unsold stock, while the adverse rate of exchange precludes traders from entering into any forward contracts with foreign concerns, such as at this period of the year has been customary.

ECUADOR.—While the world produces cacao to the value of £30,000,000 per annum, and Latin America is responsible for fully one-half of the output, Ecuador contributes the largest amount of any of the South American States. In view of the threatening state of the cacao trade on the Gold Coast—up till now the most productive in the world—Ecuador may one day attain the rank of the largest producer. Just as Chile depends largely upon nitrates, Peru upon her cotton, and Brazil upon coffee for the greater part of their respective national revenues, so does Ecuador rely upon the value of its cacao exports for economic prosperity. Anxious eyes are being turned towards the cur-

rent year's crop, which, if it attains to the normal output, should reach 90,000,000 lbs, which may be compared with 75,000,000 lbs expected from Brazil. Epoca cocoa promises well, and is expected to secure favourable markets. The purchasing power of the people of Ecuador is not large at the present time, the question of exchange being still the controlling factor. The high sterling rate is handicapping business between this South American country and the United Kingdom, as well as with the United States, Ecuador's chief market for its cacao. The exceptionally low rate of German exchange, on the other hand, enables our Teutonic rivals—always active, and moderately successful in this Republic—to widen their scope and attract business in directions hitherto unattained. Financial conditions in the State are still precarious; few of the Government officials have been paid their full salaries for some time, while among the lower ranks of employees heavy arrears have been allowed to accumulate—causing widespread dissatisfaction. An effort recently made to raise an internal loan of \$2,000,000 from the more wealthy cacao planters failed, the terms asked being considered too onerous. The Government, however, will probably be obliged to concede generous terms for any financial assistance granted, and is prepared to consider applications for certain monopolistic concessions upon articles of consumption such as liquors, which would not inflict any hardship or weigh unduly upon the poorer classes of the community.

UNITED FRUIT COMPANY.—The comments made in our issue of April 8th regarding the favourable position of the United Fruit Company are borne out by the figures of the second quarter of the year, which show that this enterprise has gained remarkable earnings since April 1st, with every likelihood of exceeding \$1,500,000 for the full month. If this estimate is realised, the first four months of the year would show earnings of \$4,500,000, which, in a season generally unfavourable for fruit-growing, owing to adverse climatic influences, may be regarded as exceptionally encouraging. The company expect to close their half-year's trading with earnings of \$8,000,000, which would be equivalent to one full year's dividends gained in the first six months, and would permit of a distribution of between \$7 and \$7.50 per share.

Notes of the Week.

The Position in Ireland.—Nearly six months after the signature of the Irish Peace Treaty, and two months after the signature of the Pact between Sir James Craig and the leaders of the Provisional Government, Mr Churchill was unfortunately constrained, in the House of Commons on Wednesday, to paint a gloomy picture of the effects of the insecurity of Irish conditions. "As a consequence of this insecurity," said Mr Churchill, "prosperity has been seriously affected. Banking and business are curtailed; industry and agriculture are languishing; revenue is only coming in with increasingly laggard steps; credit is drying up; railways are slowing down; stagnation and impoverishment are overtaking the productive life of Ireland; the inexorable shadow of famine is already cast on some of its poorer districts." The months that have elapsed since the birth of Ireland's new opportunity have certainly been full to the brim with disappointment, even for those who realised most clearly the immense difficulties of the tasks facing the Provisional Government. Until ten days ago we were entitled, to quote Mr Churchill's words, to look forward "across the disappointments, vexations, misgivings, and perplexities of the Irish situation" to the "great and hopeful event" of a General Election in Southern Ireland, from which, it was confidently hoped, would proceed overwhelming popular vindication of the Treaty. To-day we can still look forward to the elections, which are fixed for June 16th. But it will not be a free election. It is to be an amazing and disquieting type of "coupon" election. Following a declaration on May 19th by Mr Griffith that "the Republicans did not represent 2 per cent. of the people of Ireland," Mr Collins on the very next day signed a pact with Mr De Valera. Under this pact, supporters of the

Treaty are to have 64 seats and the anti-Treaty party 57 seats, in the new Parliament; that is to say, that Republican candidates for 57 seats would not be opposed by the Treaty party. After the election a Coalition Government is to be formed, consisting of five pro-Treaty and four anti-Treaty Ministers, together with the President of the Assembly and the Defence Minister. The first business of the new Parliament and Government would be to confirm (or reject) the Irish Free State Constitution which has been framed and will be before the electors. Obviously, the proposed formation of Government and a Parliament in which opponents of the Treaty are to form nearly one-half arouses the most profound anxiety. If Mr Griffith believed a few days ago that the Republicans only represent 2 per cent. of the Irish people, why does he permit them to be offered nearly one-half of the seats in the Parliament and Cabinet? Enemies of the Treaty in this country see in this move an intention to throw over the Treaty and declare a Republic, now that British troops have been evacuated (except from Dublin). Mr Collins and Mr Griffith represent the agreement and coalition with De Valera and his party as necessary for the establishment of social order that the Provisional Government has been unable to secure. Mr Churchill, while frank and outspoken upon the menace of the new development, "sees great force" in that argument—though the effect on lawless conditions is certainly as yet unnoticeable—and still believes that those who signed the Treaty are still animated by an earnest desire and resolve to carry it out. If that belief is justified—and for the moment we cannot do otherwise than take the Colonial Secretary's word for it—then Mr Griffith and Mr Collins, despite mistakes, disappointments, and their latest policy, are entitled to demand an extension of that patience and sympathy that they have so far received from Great Britain. They can hardly be surprised, however, if their "extremely questionable compact" with Mr De Valera taints that patience and sympathy with anxiety and suspicion. If they are in earnest, as with Mr Churchill we persist in believing, they may yet pull Ireland through, and the desperate expedient of the Collins-De Valera pact may be justified. But we can no longer shut out from our minds the possibility of failure. In that lamentable event, the Treaty may be infringed, a Republic may be declared. Another possibility: the present lamentable situation may be prolonged through the formation of another Provisional Government, or of a Committee of Public Safety. We refuse to prophesy disaster or to abandon hope, in spite of the grave complication of extensive fighting on the Ulster border. But public opinion, while avoiding "impatience, prejudice, and vexation," should be preparing itself against all possible eventualities.

The Reparation Understanding.—The letter of the German Government to the Reparation Commission issued on May 29th, and the Commission's reply dated May 31st, has avoided the danger of a new rupture with Germany and of French action in the Ruhr, and has afforded the much-needed breathing space for the deliberations of the Loan Committee. The German Chancellor's reply follows very closely the text which Dr Hermes took back with him to Berlin, and therefore satisfies the Commission, which has accordingly extended the moratorium for the rest of this year. This means that for 1922 German reparation payments will be in accordance with the figures of the Cannes Conference. Shortly stated, the German reply points out the steps that have been taken to balance the Budget. Subsidies to public services have been abolished, food subsidies reduced from 17,200 milliard marks to 550 milliard marks in 1922, and by these and other changes the Budget expenditure has been reduced by 24½ milliard marks. A table is forwarded to the Commission showing a great increase in revenue due to the higher yield of existing taxes based upon recent experience and on the continued depreciation of the mark, together with an estimate of the yield of new taxes. The Chancellor agrees to limit the floating debt to its figure of March 31, 1922, and if at the end of any succeeding quarter this maximum is exceeded steps will be taken to raise credits otherwise than from the Reichsbank and in a form not giving rise to fiduciary inflation. If the

excess persists additional taxation will be proposed to the Reichstag. This limitation of the floating debt is subject, however, to the possibility of meeting demands for foreign currency required for reparations by an external loan, and the reply states that if such a loan is not forthcoming or fails to supply the means of making repayment, the amount outstanding may be added to the floating debt. In other words, means of purchasing foreign currency is not to be found by heavier internal taxation, and if other means of acquiring foreign currency fail, recourse will be had to inflation. The German Government accepts the principle of supervision of its finances on the understanding that such supervision will not affect the sovereignty of the German Government, disturb the working of the administration, or violate the secrecy as to the wealth and private affairs of taxpayers. It is agreed that the greatest importance attaches to the need for securing the return of exported capital, and the Government will undertake all possible steps to this end by means of a foreign or internal loan. They will also discuss with the Committee of Guarantees any means for preventing the further flight of capital. The German Government report that they have legislated last week to secure the absolute independence of the Reichsbank, and conclude by undertaking to publish statistics of German economic conditions on the same basis as before the war. They make their declaration on the assumption that the Reparation Commission will confirm the reduced rate of payment for the whole of 1922. It will be observed that the German Government do not make these undertakings contingent upon a foreign reparation loan being floated. In accepting the memorandum the Commission, while confirming the reduced schedule of payments for 1922, reaffirm that the moratorium remains liable to cancellation if the Commission is satisfied that Germany is failing to carry out the terms of the Chancellor's letter, and in particular if the proposed arrangements for dealing with the Budget deficits and the floating debts fail, and no satisfactory alteration is put in their place.

The Revival of Agriculture in Poland.—Tillage in Poland is rapidly recovering from the effects of the German and Bolshevik invasions. According to a special correspondent of the *Temps*, whose information we have reason to believe is correct, between 11 and 12 million hectares, or about 29 million acres, were sown in 1913 in the regions now forming the territory of the Republic. By 1919 about 3,500,000 hectares were lying fallow; but in the spring of last year this amount had been reduced to 1,213 million hectares, and this year to 600,000. In 1913 the grain and potatoes produced amounted to 35 million metric tons; last year the amount was 25 millions, and the wheat exported exceeded 30,000 car loads, or 600,000 metric tons. The cultivation of sugar beet, suspended during the war, has been resumed, and the country can now export grain, flax, sugar beet, hops, meat and poultry, eggs, cheese, and some timber. Agriculture is to be officially promoted by information as to the selection of seed, manuring, and cattle raising, and by the establishment of Chambers of Agriculture and elementary agricultural schools. These latter institutions for young person of both sexes already number 34; a farm is attached to each. Land hunger, however, is acute among the peasantry everywhere, and a peasant proprietary is the best defence against Bolshevism. Accordingly, in 1920, during the Russian invasion, a law was passed by a narrow majority limiting in principle the holding of any one proprietor to 180 hectares (432 acres), this amount being reduced to 60 hectares (144 acres) in industrial districts and the neighbourhood of towns, and extended to 400 hectares (988 acres) in Podolia, Volhynia, and what once was Prussian Poland. Were this redistribution carried out strictly, the great estates, with their sugar factories and distilleries, and a production enhanced by the extensive use of agricultural machinery, would cease to exist, and the total yield of the national agriculture would seriously decline. Such estates, however, may be exempted from redistribution if they reach a certain standard of organisation and production; but the provisions of the law in this respect are regarded as inadequate. However, the present *Soyez*

or Parliament will shortly be dissolved, and the middle-class element will probably be stronger in its successor. The law, therefore, will probably be modified in respect both of the distribution and the terms of sale. Those estates which are being regularly and satisfactorily worked come last in order for redistribution, and a period is allowed for voluntary sale by their proprietors to peasant applicants; failing an arrangement, compulsory sale is carried out. Apparently, therefore, there is time to correct the defects of the law of 1920.

Cotton Trade in Japan.—The secretary of the International Federation of Master Cotton Spinners' and Manufacturers' Associations has published some interesting statistics relating to the position of the cotton industry in Japan. The figures have been compiled from the returns of the Japan Cotton Spinners' Association. The amount of yarn produced in 1921 was 739,532,957 lbs, against 744,653,499 lbs in the previous year, 783,374,826 lbs in 1919, and 732,830,660 lbs in 1918. In view of the charges of cheap labour in Japan, it is of interest to mention that in 1921 the average wages per shift per hand in pence for male workers were 36.58 against 39.16 in the previous year, 27.88 in 1919, and 17.15 in 1918. With regard to female workers, wages have advanced per shift per hand in pence from 11.90 in 1918 to 21.75 in 1919, 29.89 in 1920, and 28.35 in 1921. The amount of cotton consumed in Japan last year was 850,490,559 lbs, against 847,550,110 lbs in 1920, 892,231,087 lbs in 1919, and 847,122,389 lbs in 1918. The working spindles in 1918 were 2,936,508, and in 1921, 3,162,353.

America's Abandoned Railways.—In America 1921 was the fifth year in succession during which the mileage of railway lines discarded exceeded the total mileage of new lines constructed. Operation was discontinued on more than 1,600 miles, which was over 1,000 miles in excess of the new mileage completed during the same period. These figures, however, do not indicate any real falling off in business. The lines that have been discontinued are mainly in the Southern States, and many of them were built for some temporary or special purpose. Those, for instance, that were constructed for the carriage of lumber have no reason for existence when the timber has all been cut and hauled. But in some instances the public interest suffers through the cessation of a necessary means of communication. This has lately happened in several counties along the 350-mile route of the Missouri and North Arkansas Railroad, which abandoned operations last July owing to its inability to earn enough to cover expenses of working. The people in this district are now left without any railway service whatever. Motor transport will not fill the gap, for the highways are in such a condition as to be impassable for automobiles—probably, indeed, they have been allowed to fall into this neglected state because the local needs have hitherto been largely supplied by the railways. Various schemes have been proposed to keep this railway alive. One suggestion was that the local railway brotherhoods (*Anglice*, unions) should purchase the line and run it themselves. Another was that Mr Henry Ford, fresh from his success with the Detroit, Toledo, and Ironton, should be invited to take over the property. Ultimately a committee, representing several carrying interests, put forward a plan which has been adopted. It includes a 25 per cent. reduction in wages, an increase in freight rates, and the issue of a loan of three and a half million dollars, of which three millions are to meet existing obligations, and the remainder are to be devoted to additions and improvements. In such cases as these an important legal question is sometimes involved. Has a railway the right to "quit" whenever it pleases? The Federal Transportation Act, passed in 1920, contains a section which forbids a railroad engaged in inter-State commerce to abandon its line without obtaining a certificate from the Inter-State Commerce Commission stating that public convenience and necessity, present and future, permit of such abandonment. But the interpretation of this provision has raised some difficult points. A certificate of this nature has been obtained, for instance, by the Eastern Texas Railroad, a line thirty miles long, entirely

within the State of Texas. It was built in 1902 for lumbering purposes, and has been operated at a loss since 1917. Its rolling stock now consists of nothing but a combination coach that it owns and a locomotive and a passenger car that it leases. The State authorities are opposed to the abandonment of the line, and a State Court has ruled that the certificate obtained from the Commission must be held to permit the discontinuance of only such inter-State business as is carried on by this railway. As this business has constituted three-fourths of the traffic, to act upon a permission thus limited would evidently involve the railway still deeper in financial difficulties.

The British Guiana Loan.—The loan issued this week here by the Government of British Guiana has proved a marked success. The lists were opened at 9 on Wednesday morning and, except for country applicants, were closed at 10.15. The terms were favourable, the issue price being 99½ per cent., the interest 5½ per cent., and redemption at par is to take place in 30 years at earliest, or at any subsequent interest date until 1972. The loan, like its predecessor of last year, is to be spent in defence and public works, including railways; it increases the total debt of the colony to about £2,400,000, against which there are and will be substantial assets, chiefly the railways and the debts of local authorities to the Central Government. The loan is secured on the general revenue, and there is a substantial surplus annually. Its success gives hope that more attention may be paid by British enterprise to the great resources of a colony which, like British Honduras, has been somewhat neglected hitherto by British capitalists. The colony possesses all the resources of the neighbouring Spanish-American countries, with much greater security for their uninterrupted exploitation. Labour, of course, is a standing difficulty, and East Indian immigration has not altogether solved the problem.

Bleachers' Association.—Another textile company to show a recovery in its last financial year is the Bleachers' Association, whose trading profit has gone up from £899,200 to £950,100, while the net profit has risen from £514,300 to £653,900. The figures of trading profit, however, are not strictly comparable, for in the first place repairs and maintenance required £507,400 a year ago, as against £405,700 for the year ended March 31st last. Again, last year bankers' and other interest amounting to £88,400 was charged after trading profit had been struck, whereas in the present accounts an unstated amount for this is deducted before the figure is given. A true comparison, therefore, can only be made between net profits which, as may be seen from the summary below, are still the highest recorded, with the exception of the boom year, 1919-20:—

Year Ending March 31.	Trading Profit.	Net Profit.	Prof. Dividend.	Ordinary Dividend.	To Reserve, &c.	Inc. or Dec. to Carry Forward.
	£	£	£	Amount	Rate.	£
1907.....	457,938	266,415	125,464	91,564	4	55,000
1908.....	439,814	246,104	125,464	68,673	3	53,239
1909.....	387,312	199,582	125,464	nil	—	50,000
1910.....	503,680	313,035	125,464	103,009	43	50,000
1911.....	515,783	312,981	125,464	103,009	43	50,000
1912.....	538,121	371,625	125,464	114,455	5	125,000
1913.....	672,799	433,907	130,951	137,346	6	125,000
1914.....	666,045	423,416	131,455	138,306	6	125,000
1915.....	438,575	197,835	134,983	70,078	3	50,000
1916.....	674,878	416,394	135,988	141,006	6	65,790
1917.....	794,874	515,583	135,988	176,257	74	130,000
1918.....	826,130	527,655	135,988	176,257	7	130,000
1919.....	770,259	475,513	135,988	235,010	10	164,712
1920.....	770,259	475,513	135,988	235,010	10	164,712
1921.....	899,151	514,333	135,988	237,108	10	125,010
1922.....	950,138	653,988	135,988	296,386	124	200,000

Reserve appropriations consist of £125,000 to general reserve, as against £100,000 a year ago, and £75,000 against £25,000 to superannuation fund. The ordinary dividend is raised from 10 to 12½ per cent., and the carry forward increased by £21,500 to £359,400. Balance-sheet changes are small. Bankers' loans have been reduced by nearly £300,000 to £334,300; stock-in-trade is £189,800 lower, but £390,900 has been added to debtors. The directors point out that "the profits, after deducting all charges prior to debenture stock interest and preference share dividend, are equivalent to 8.61 per

cent. on the capital employed, i.e., the share and loan capital of the Association, reserve fund, and amount brought forward as at March 31st, 1921." This compares with 7.12 per cent. a year ago and 10.88 per cent. for the year 1919-20.

Lipton's Profits.—After a sharp relapse in profits a year ago the profits of Lipton, Limited, for the 12 months ended March 31st show a substantial recovery. Business in the home trade, states the report, shows an increase for the year, both in volume and amount, but trading expenses continue to press heavily on profits. The export trade has been for the greater part of the year comparatively small in amount, but recently, it is stated, there has been some improvement in this branch. To meet losses at some of the branches abroad, £50,000 has been transferred from reserve, and with this allowance trading profits are over £128,000 higher at £561,800, while net profits have increased by £119,000 to £394,300. A comparative table of results is appended:—

Year Ended March.	Gross Profits.	Expenses, &c.	Net Profits.	Depreciation.	Div.
	£	£	£	£	%
1902.....	228,202	39,441	188,761	19,063	8
1908.....	274,335	83,935	190,400	27,624	8
1912.....	307,207	103,922	203,285	51,341	6
1913.....	315,606	111,967	203,639	41,095	6
1914.....	314,949	131,461	183,488	23,202	6
1915.....	272,182	149,509	122,673	*262,274	nil
1916.....	295,089	125,645	169,444	45,104	nil
1917.....	442,776	140,189	302,587	44,057	7½
1918.....	544,322	126,222	418,100	44,055	12½
1919.....	579,678	130,902	448,776	47,411	12½
1920.....	644,564	177,005	467,559	51,866	12½
1921.....	433,230	158,061	275,169	57,103	12½
1922.....	561,833	167,521	394,312	82,601	12½

* Including £220,889 drawn from "premium on shares account."

Management expenses increased from £148,300 to £155,000, and £25,000 more is allowed for depreciation. A year ago the dividend on the ordinary shares was maintained at 12½ per cent. at the expense of allocations to reserve, which in 1919-20 had amounted to £110,000, and by reducing the balance forward. The 9 per cent. cumulative preference shares to the amount of £600,000, issued about a year ago, receive a dividend of £39,900, and the ordinary dividend remains at 12½ per cent., requiring £156,250, and no transfer is made to reserves, but the amount carried forward is increased by nearly £10,000 to £37,300. Changes in the balance-sheet are small. In view of "the extensive character of the company's interests in India and Ceylon," the balance of reserve account has been divided into India and Ceylon reserve £100,000, and general reserve £400,000. A bank overdraft for £287,300 has been wiped off, and stock in trade has been reduced by £281,900. The savings banks deposits are practically unchanged at £135,000. The directors state that the company's tea estates have shown satisfactory results, and that there has been a small profit from the rubber estates.

The "Old" Equitable.—For a man to be a life policyholder with the "Old" Equitable is *prima facie* evidence of intelligence, but for such a man to confuse his fine old Society with the late City Equitable Insurance Company—and to write to his directors on the subject—indicates that *prima facie* evidence is not always to be trusted. The recent announcement that the Old Equitable had made a valuation, and decided to resume its bonus distributions, took the cream off its report for last year; but there remain characteristic features which are worthy of some notice. The new business of 768 policies assuring £578,277 exceeded that of the "boom years" 1919 to 1920, a striking testimony to the confidence of the Equitable's *clientèle* in its ability to resume the bonuses which then were suspended. The claims by death showed that on the average every £1,000 of original assurance had been increased by bonuses to £1,842. From the point of view of profit earning, the chief features are:—Net interest earnings of nearly 4½ per cent., against a valuation rate of 2½ per cent.; expenses of 6.8 per cent. of

the premium income, against 8.28 per cent. in 1920; and a profit on realisations of investments and revaluation differences of £237,025. The funds at the end of the year were £5,249,511, an increase of £344,527.

Victory Insurance.—Existing conditions press hardly upon new insurance companies which have not had time within which to amass the necessary reserves. We see that in the fire and general department of this company the premiums were £387,216 and the funds, after meeting claims and expenses, were £36,791, much less than the customary amount to provide for unexpired risks. In the marine account there was a loss of £62,211, after estimating £65,000 as the amount required to close the account. Profit and loss showed a debit balance of £83,387 carried to the balance-sheet. The auditors call attention to the fact that the amount required to close the marine account and the outstanding liabilities on the fire and general account have been estimated by the management; they sign the report "assuming the sufficiency of these provisions." The paid-up capital of the company, £250,000, is high in proportion to its liabilities, and the assets represented by it—Government securities £114,485 and cash £137,165—are the chief source of security for policyholders.

Liebig's Extract.—In the report and accounts of Liebig's Extract of Meat Company, Limited, for the year ended March 31st last, sales show a decline from £1,049,088 in 1920-21 to £907,697 for the year under review. Expenses are still comparatively high at £731,002, and profits at £176,695 compare with £285,385 a year ago. The company's record since 1914-15 is as follows:—

	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
Sales	£ 601,251	£ 683,442	£ 900,979	£ 1,056,671	£ 1,073,632	£ 1,114,291	£ 1,049,088	£ 907,697
Expenses	375,381	372,912	570,240	1,737,546	769,287	791,284	763,703	731,002
Net profit	225,870	310,530	330,739	319,125	304,345	323,007	285,385	176,695
Brought forward	50,859	70,142	150,619	247,647	243,609	252,076	247,878	255,814
Directors	276,729	380,672	481,358	566,772	547,954	575,083	533,263	432,509
Prof. dividend	19,587	28,053	31,711	31,163	33,878	35,205	18,221	—
Ord. dividend	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Ord. dividend	135,000	150,000	150,000	150,000	150,000	150,000	150,000	124,470
(22½%) (25%) (25%) (25%) (25%) (25%) (25%) (15%)								
Reserve, &c.	2,000	2,000	92,000	92,000	62,000	92,000	59,228	—
Carried forward	70,142	150,619	247,647	243,609	252,076	247,878	255,814	259,039

It will be recalled that last year the company offered for subscription at par 120,000 new ordinary shares of £5 each to the ordinary shareholders. As at the time the existing £5 ordinary shares were quoted at round about 18½, and the quotation is now even 13½, shareholders received a substantial bonus. This issue of ordinary shares doubled the company's ordinary capital, increasing it from £600,000 to £1,200,000. It is therefore somewhat surprising to find the ordinary dividend is 15 per cent. free of tax for the year, as compared with 25 per cent. free of tax for the previous year, especially as nothing has been added to reserve, and this year it will be noticed our tables for the first time have nothing to record for the directors' "percentages." It may be that directors have undisclosed sources in view which will yield fresh avenues of profits, but with falling sales it is difficult to see how the 15 per cent. distribution free of tax can be maintained. However, the reserve fund stands at £1,000,000 and with total assets at £6,090,366, after deducting various creditors amounting to £2,532,647, there remains £3,557,719 as cover for £2,200,000 of share capital, which must be regarded as a very satisfactory state of affairs. The balance-sheet is analysed in our usual column.

THE People's Commissariat of Foreign Trade, R.S.F.S.R., informs us that the International Nishni-Novgorod (Russia) Fair will open on August 1st, and continue until September 15th, 1922. Permission to firms wishing to attend the Fair may be obtained from the Soviet trade representatives.

THE Board of Trade announces that in order that the Register of Claims against Russia may be completed as early possible, persons, firms, and companies of British nationality having claims which have not yet been

registered should record them with the Russian Claims Department, Board of Trade, Cornwall House Annexe, Waterloo Bridge road, London, S.E.1. Registration of a claim does not imply any undertaking on the part of His Majesty's Government to put it forward, or any assurance that if put forward it will be satisfied.

Obersea Correspondence.

UNITED STATES.—AMERICAN OPINION AND EUROPE'S PROBLEMS—APRIL FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

NEW YORK, May 22.

EUROPEAN problems, economic and financial, received a great deal of attention at the annual convention in Washington last week of the Chambers of Commerce of the United States. Besides President Harding, Secretary of State Hughes, and Secretary of Commerce Hoover, the speakers included some of the foremost bankers and business men of this country.

Secretary Hoover's speech on "The Effect of the European Situation on American Business" attracted wide interest, because it was generally regarded as outlining the United States Government's attitude in its relations with Europe, and also because it was delivered shortly after the State Department's refusal of the invitation to participate in the proposed conference at The Hague. Next to our domestic economic problems, the matter uppermost in the minds of all of us, he declared, must manifestly be the advance of Europe toward the degree of stability which we ourselves enjoy. Business men and economists the world over, he said, have long been in common agreement upon the major steps necessary for its attainment. The conclusions of the great majority were summarised by Mr Hoover as follows: First, such political relations between the states in Europe themselves as will produce an atmosphere of peace, and destroy the atmosphere of war. Second, the reduction of armament, not only to lessen Government expenditure, but to give confidence of peace. Third, the inter-Governmental debts, including German reparations to be fixed upon such a definite basis of payment of interest and principal as will create reasonable confidence that payments will be met. Fourth, the balancing of budgets more through the reduction of expenditure than the increase in taxation, and a cessation of the consequent inflation in currency and short time bills. Fifth, the ultimate establishment of the gold standard with the assistance of either credit or gold loans, and, where necessary, the acceptance of diminished gold content to many old units of currency. There are many less important steps, he said, but they become easy and certain when those major issues are accomplished. If such measures could be accomplished to-morrow, he added, the stream of commerce and industry would rush economic recovery at a pace which would amaze the world. "The most unlikely event on the economic earth," he continued, "is that the United States, as a Government, will again engage in any Governmental loans. As financial assistance must arise from our private investors, then, in order to attract those investors, confidence must be maintained in the progress toward peace and economic stability." It is essential, Mr Hoover further stated, that such loans should be confined to reproductive purposes. The furnishing of raw materials, the construction of transportation facilities, public utilities, factories, and production throughout the world, is a use for American capital that will bless both the borrower and the lender. But loans, on the other hand, that are dissipated either directly or indirectly in monetary expenditure, or in unbalanced budgets, in the bolstering up of inflated currencies, would be, in his opinion, a double loss to the world.

Francis H. Sisson, vice-president of the Guaranty Trust Company of New York, asserted in his address that "Revaluation of some foreign currencies, formerly on a gold basis, seems to be the only alternative to complete repudiation." Mr Sisson also declared that a redistribution of the world's gold reserves might in time be effected gradually through a readjustment of international trade balances. "Whether willingly or unwillingly," he continued, "we must grant liberal extensions of time in the payment of the bulk of the debts due the United States Government by foreign Governments, or continue to forgo receipts."

A. C. Bedford, president of the Standard Oil Company, referred to the "widely held opinion" that there must ultimately be considerable revision in the obligations on Germany. At the same time, he pointed out, the ability of any of the Allies, other than England, to pay their indebtedness to the United States is dependent largely upon German Reparations payments to them. Such a situation, he declared, "constitutes a complex of bad finance, unsound economics, political manoeuvring, of efforts to attain the impossible, and of fundamental failure to face facts as they are, to grapple with realities, and to build upon foundations which the experience of mankind has shown to be dependable."

Another point made by Mr Bedford was the following:—"At the earliest possible moment, after giving due consideration to the fundamental principles which should govern a sound treatment of the problem, both Russia and Germany," Mr Bedford argued, "should be restored to economic productivity and to their full commercial relations with the rest of the world."

Dwight W. Morrow, of J. P. Morgan and Company, spoke of the improving conditions in Western Europe, but thought the extent to which the financial rehabilitation of Europe will help America will depend largely upon how much our commercial depression has been due to the financial chaos in parts of Europe. It is too often considered, he said, that all of our troubles are due to the failure of portions of Europe to recover financial equilibrium. Such, he contended, is not the case. The depression in the United States, and also in England, he asserted, has been due in large part to the fact that a great emergency demand in 1919 led to unsound ex-

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pansion, and during the past two years the world has been working back through much pain and travail to a readjustment of values.

Our foreign trade in April showed some decrease as compared with the preceding month. Exports were \$321,000,000, as against \$332,000,000 for March and \$340,464,106 in April of last year. The final returns were something of a surprise because earlier indications were that our export trade was gaining in some lines and also because it was known that cotton exports, as shown by the statistics of cotton exchanges, were 613,000 bales, as against only 325,000 in April a year ago. In just what direction export trade decreased last month is not yet clear, but evidently it was not in cotton. The total exports of merchandise for last month were larger than for any month, except March, since last October. The import total of \$217,000,000 represents a decrease of 16 per cent. from March, and is only slightly larger than the aggregate reported for February. The excess of exports over imports for April amounted to \$104,000,000, the largest since October of last year.

FRANCE—REPARATIONS—THE GERMAN REPLY— THE BANKERS' COMMITTEE.

(FROM OUR CORRESPONDENT.)

PARIS, May 30.

THE German reply to the demands of the Reparations Commission was received to-day, and is accepted here as generally satisfactory. Some quarters here, indeed, go so far as to characterise the German acceptance as "the first manifestation of good faith that has yet been shown by the German Government" in its discussions with the Allies. When it is recalled that a year ago, on May 21, 1921, Germany gave way only after having been served with an ultimatum, it will be realised that substantial progress has been made in the direction of better relations between the former belligerents.

On March 21st the Reparations Commission agreed to grant the German Government a temporary moratorium for its payments during 1922, on condition that it agreed before May 31st to impose 60 milliards of new taxation, balance its Budget, limit its note issue, and submit its public finances to indirect control by the Allied Committee of Guarantees (sitting permanently in Berlin). By the Allied agreement of May 5, 1921, the German payments for 1922 were fixed at 2,000 million gold marks in cash, plus 26 per cent. of its total exports. Under the proposals made on March 21st last this was reduced to cash payments of 720,000,000 gold marks (of which 350,000,000 have already been paid this year) and plus payments in kind to the value of 1,450 million gold marks. The benefit of these concessions, Germany was informed, she would lose if she did not accept by May 31st the conditions imposed on her by the Reparations Commission's Note, and the agreement of May 5, 1921, would again come into full operation (which meant that the payments that have been in suspense since January 1st last, now amounting to about 1,000 million gold marks, would become payable within 14 days), and that, if Germany again defaulted, she would become liable to penalties (which might or might not involve an occupation of more of her territory by the Allied forces).

Experts here are convinced generally that, although the settlement reached will not directly benefit this country for some time yet, so far as ready cash is concerned, it has apparently rendered future prospects much rosier. So far as promises can go, the German reply is a surrender all along the line. The Berlin Government unconditionally accepts a measure of control over its national finances, sets forth the steps it proposes to take to balance its Budget, undertakes to limit its note issue, and promises to ensure the autonomy of the Reichsbank, and to issue honest statistics in the future, or, at any rate, to resume their publication "on the same basis as before the war." Whether this latter modification will prove sufficient remains to be seen, for it is notorious that the German national statistics before the war, notably in regard to her mortality returns, were anything but honest. Nor is this the only point on which the German reply will need strict attention. It is evident Germany's acceptance of

the demand that she shall limit her note issue is dependent on help being given to her in the near future in the form of a certain proportion of the yield from the proposed international loan. From the French point of view this is unacceptable, if put in the form in which the point is expressed in the German reply. It is expected that the Reparations Commission, in its response, will make it clear that Germany must agree, in any case, and quite apart from any question of an international loan, to limit her note issue to a fixed figure. She will also be given to understand that if the issue of the international loan proves practicable, she will obtain a certain amount of direct help from it, but that the two matters must be regarded as entirely independent of each other.*

Much will depend, however, so far as this point is concerned, on the attitude adopted by the committee of banking experts who are now considering the feasibility of an international loan. Mr Morgan and M. Vissering, who represent the Americans and the neutrals respectively, are reported to take the view that a substantial part of the yield from such a loan should be handed over to Germany, to enable her to place her finances on a sounder footing, whereas the Allied representatives on the committee are asserted to support the view that the whole of the amount subscribed should be devoted to reparation payments. On the whole, there appears to be a general feeling here that the banking experts will decide that the issue of the suggested international loan is perfectly practicable, but that it will yet be some time before the world's money markets will be in a fit state of preparedness for such an operation. It is also regarded here as probable that the bankers will make a strong attempt to fix definitely the total amount of reparation payments to be made by Germany, and that to this end they will gather all information possible both in Germany itself and from their own respective Governmental and banking sources of information. In financial circles here it is pointed out that there is no direct reference in the German reply to the forced loan which the German Government is reported to have decided to call for, and it is urged that a formal promise to take this step, and to arrange for penalties to be inflicted on defaulters in regard to such a loan, should be made an integral part of the German undertakings.

A cry of alarm has been raised among French spinners owing to the alleged invasion of the textile area of this country by English yarns. Enormous quantities of these products are stated to have recently been thrown on the markets of Calais, Lille, St. Etienne, and other centres, at prices ranging from 5f to 10f a kilogramme below the rates established by French spinners. One of the latter, in a statement printed here, suggests that the British Government, in order to relieve unemployment in Lancashire, "has offered to pay the millowners a substantial proportion of the unemployment allowances if they will reopen their mills and devote themselves to export trade." In any case, he adds, whether it be due to Government subsidies or private initiative, the British spinners threw on the French markets in January 210 quintals of yarns, in February 550 quintals, and in March 1,140 quintals, and their stocks are far from being exhausted. Some of the Bolton mills, it is asserted, are working full time, and solely for export. Demands are being made for an appeal to the Ministry of Commerce for steps to be taken to protect the French spinners against what is alleged to be "a British offensive on a large scale due to a dumping policy."

The holiday on Ascension day, and the fact that the Bourse is still waiting to know the decision of the Reparations Commission has resulted in there being no very definite movement to record as to the Bourse, though the general improvement noted last week has been fairly maintained. French Rentes are considerably stronger, the Three per Cents. rising from 56.20 to 57.80, the 1915-1916 from 76.55 to 77.40, the 1917 Four per Cents. from 62.90 to 63.70, and the 1918 Four per Cents. from 62.52 to 63.22. The Six per cents are, however, weaker, having dropped from 94 to 93.45. Banks have declined slightly. Railways have fluctuated round about 192.

* Since our correspondent wrote, the Reparations Commission have sent a reply which is discussed in a "Note of the Week" on an earlier page.

week's figures. Shipping has reacted unfavourably to the failure of the Chargeurs Réunis issue in London. Metals have been stronger, Creusot having advanced from 2,045 to 2,240. Mines have been fluctuating. Mexican Eagles have remained unchanged, but Shell showed a slight drop, and Royal Dutch was weaker.

GERMANY.—LOAN PROSPECTS—CURRENCY— EXCHANGE AND BOURSE—MARKETS.

(FROM OUR CORRESPONDENT.)

BERLIN, May 29.

THE Cabinet crisis which was threatened over the concessions made by the Finance Minister, Dr Hermes, during the Paris negotiations has been avoided; but the terms upon which the arrangement for reduced Reparations payments is to be extended, the terms of a possible loan, and the connection between these two things, are not yet clear. The public does not yet know whether Dr Hermes made his concessions conditional upon the loan, or only expressed a hope that as a result of the concessions a loan would be granted. This distinction is radical, because the Cabinet and Reichstag have so far proclaimed that it is impossible to balance the Budget, stop the increase of the Floating Debt, and cease inflation, by raising sufficient further taxes to provide for Reparations in cash and kind. For a withdrawal of the Cabinet's reply to the Reparations Commission's Note of March there is no reason. It is not possible to put before the Reichstag a plan for carrying through the Hermes concessions as preliminary to and independently of a loan. But as the Reparations liabilities were practically the only cause of deficit in the 1922 Budget, and therefore the only cause of the increasing floated indebtedness and inflation, their complete covering by means of a foreign loan would make it possible to put the Hermes concessions into operation. Additional taxation, if at all necessary, would be needed only to cover such home liabilities, arising mainly from the prices and salaries rise, as have accrued since the Budget was presented. On these points Dr Wirth's statement to the Reichstag concerning Genoa cast no new light. Complaining that Reparations were excluded from the Conference, Dr Wirth stated that hardly a single meeting with Ally or neutral representatives took place without Reparations being discussed. Apart from that and from some polite optimism, Dr Wirth confined himself to the Rapallo Treaty, which he defended without any qualification, both as useful in itself and as having been enforced by Germany's exclusion from the victor countries' negotiations with Russia.

The Forced Loan Bill has not yet been put through. A Reichsrat Commission amendment alters the contribution scale, making the rate 1 per cent. on the first liable 100,000 marks and 2 per cent. on the next 150,000 marks, instead of, as originally, 2 per cent. on the first 250,000 marks. Another amendment fixes the interest at 4 per cent. from November 1, 1925, instead of as originally 2½ per cent., to be raised to 4 per cent. only from November 1, 1930. Also in the Reichswirtschaftsrat numerous amendments (which would not, however, bind the Reichstag) are pending. There is still complete uncertainty as to the Bourse quotation, and the rules for lending on security of the loan. Bourse experts declare that a low quotation, which is inevitable on a provisionally non-interest-bearing loan if no support is provided, would send down other Government stocks; and it is suggested that the loan should be accepted at par in payment of certain taxes. The Frankfurter Chamber of Commerce suggests that the interest rate, after the no-interest term, should be 5 per cent., and that it should be freed from the 10 per cent. tax on interest and dividends.

The increase in the Floating Debt of discounted Treasury bills in the second ten-day term of May was 3,092,570,000 marks, and since the beginning of the financial year (April 1st) 13,747,620,000 marks, as against 17,702,513,000 marks in the whole first quarter of financial year 1921-22. The total on May 20th was 285,682,785,000 marks, as against 166,329,187,000 marks at the beginning of the financial year 1921-22. The Reichsbank statement for May 23rd shows a decline of 7,734,327,000 in Treasury bill discounts to 156,470,381,000 marks, but note circula-

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tion increased by 1,234,733,000 marks to 144,138,326,000 marks. Kassenschein circulation was 8,989 millions. An official report on the circulation of money contains the following data. In circulation on December 31, 1913, were 3,622 million marks in coins, and 2,753.2 millions in paper, the total being 6,375.2 millions. On March 31, 1922, coins in circulation totalled 535.2 millions, and paper 139,615.8 millions, total being 140,151 millions. The circulation index figure (100 in 1913) rose to 2,198.4. This index increase is much lower than the increase in prices. The official explanation is that the circulation figure is more an indicator of incomes than of prices; that incomes have not adapted themselves to the price rise, and that the relatively small increase of circulation is a proof of impoverishment. It is, however, true that much of the reported circulation is hoarded with the aim of tax evasion, and that part is abroad. The coin circulation in all metals (net sum minted) was 6,410,808,400 marks on March 31, 1914, whereof 4,412,752,600 marks was in gold 20-mark pieces, and 706,672,400 marks in gold 10-mark pieces. On March 31, 1922, coins in circulation were 5,816,988,200 marks, of which 4,450,945,600 marks were in gold 20-mark pieces and 704,894,500 marks gold 10-mark pieces. Silver token money, of which about 1,000,000,000 marks was in circulation in 1913, was demonetised in 1920. Copper and nickel money is still legal tender, but it has disappeared entirely from circulation owing to its metal value exceeding its token money value. The token money actually circulating at present is iron, zinc, or aluminium. Note circulation, comprising Reichsbank notes, Reichskassenscheine, and notes of the private banks of issue, totalled on March 31, 1914, 2,648,556,700 marks, and on March 31, 1922, 139,944,185,000 marks. The last figure includes 8,700,591,000 mark notes issued by the Darlehnskassen, which were created after the outbreak of war. Of the Reichsbank's share, which was 130,671,352,000 marks on March 31, 1922, 64 milliards were in 1,000-mark notes, and 48 milliards in 100-mark notes. The smallest Reichsbank note is 10 marks, but the Darlehnskassen issue notes for 1 mark and 50 pf., for which no article whatsoever can now be bought. The instability of the currency's buying power has been followed by the replacement on a large scale of the small notes with coins of cheap metal.

While a decision on the loan question is awaited, the foreign exchanges have been weak, but not markedly so. The fear in business circles that a favourable solution will cause, at least temporarily, a heavy fall in the exchange continues, checks the giving of orders, and has evoked a demand that the Reichsbank, by selling foreign currencies, should do all it can to counter the movement. As prices have of late risen independently of the exchange movement, and (owing to freight-rate and wage-movements) seem destined to continue rising, a roughly working mark stabilisation is generally preferred to an improvement. A heavy drop of the foreign exchanges—such as occurred in November-December last—would certainly cause a serious industrial crisis, without at first bringing benefit to the State finances, which have fairly well adapted themselves to the present mark exchange. A permanently maintained restoration of the mark to, say, double its present exchange would at first produce chaos.

The Bourse, following the exchanges, has been extremely weak for home dividend-payers and foreign loans, but firm for home loans. Figures in the official "Wirtschaft und Statistik" show how unreal are the

nominal gains reaped by bull operators during the great Bourse boom which began a year ago. Stocks, which averaged 259 in April, 1921, averaged 772 in April, 1922, but in the intervening year the wholesale prices index rose from 1,326 to 6,355, and the cost of living index from 894 to 3,175. It follows that, except perhaps for speculators on margins, there has been no real gain from successful bull operations, and, further, that the rise in stocks quotations has been smaller than the rise in the value of the companies' properties. War Loan to-day was 77.50, 4 per cent. 100, 3½ per cent. 85.20, 3 per cent. 130, Colonial 4 per cent. 124.50, and Savings and Premium 85.10. Great activity continues in Hungarian, Turkish, Austrian and Mexican rentes and bonds. Austrian Staatsbahn 3 per cent. bonds, which in December sold around 90, to-day quoted 1,060; and on the preceding Bourse day Austrian 4 per cent. gold rente, which fell to 30 last year, touched 930.

The markets, with the exception of hides and leather, tend to weakness. The Berlin grain market is dull, showing fears of a mark improvement and reflecting recent weakness in Chicago. Chemicals, with certain exceptions, are being offered in large quantities, and buyers show reserve. Hides and leather have risen sharply, prices at the Berlin auctions on the 26th being from 10 to 40 per cent. above those at the last preceding auction. In textiles reserve is shown. Numerous English and American textile firms have taken action against Germans who failed to deliver goods within the contracted term, and refused to admit their customers' claim to annul the contracts on this ground and to receive back moneys paid on account. Foreign buyers in Germany ought to watch Reichsgericht decisions on such matters, as in numerous cases the "clausula rebus sic stantibus" has been applied to liberate German firms from, or to prevent foreigners denouncing, contracts. Often by fulfilment of their contracts the Germans would have been ruined owing to the change in conditions; but equally heavy losses are sometimes forced on foreigners, who have depended upon delivery by Germans for the fulfilment of their own obligations. In iron and steel there is an increase of imports from France. The Steel Syndicate will this week meet to determine whether prices for half-finished and rolling mill materials shall again be raised. Against the somewhat improved mark exchange stands a further increase in freight rates from June 1st, which will increase production cost by 200 to 250 marks a ton. French heavy iron producers are said to be preparing to come to an agreement with Germans in order to forestall the plans of the Thyssen, Kloeckner, and other groups to set up new blast furnaces instead of those lost in Alsace-Lorraine. At present these plans are checked by extreme shortage of coke. The Allies' demand for reparations coke has risen from 350,000 tons monthly in September, 1921, to 638,000 tons in the present and two following months. The present coke demand is about a third of the entire coal and coke demand, although Germany in 1921 produced only 27 million tons of coke, as against 136 million tons of coal. This enforced delivery has a very bad effect upon the pig-iron production, and it caused in the late winter serious privation, as the central-heated houses in the cities, in which coke is used, could not be sufficiently heated.

ITALY.—POSTAL SERVICES—STATE RAILWAYS FINANCIAL RESULTS—COST OF LIVING AGAIN DECREASING.

(FROM OUR CORRESPONDENT.)

TURIN, May 27.

POSTMASTER-GENERAL has published a very interesting report on the working of his services. The figures (in millions of lire) are based on the estimates:—

	1907-1908.	1922-1923.
Income	151.2	794.2
Expenditure	113.4	962.0

Profit (+) or loss (—) .. + 37.8

The war has played havoc with this great public service. While in 1907-8 there was a margin of 25 per cent. between income and expenditure, in 1922-3 the expendi-

ture exceeds income by 21 per cent. A remarkable decrease in the traffic handled by the Post Office took place between 1917-18 and 1920-21, and is partly attributable to the all-round increase of the tariffs. For instance, parcels, which once cost 0.60 lire up to 3 kilograms and 1 lira up to 5 kilograms, must to-day pay 2.50 lire up to 1 kilogram, 5 lire up to 3 kilograms, and 8 lire up to 5 kilograms, and so the traffic dwindles. In February, 1921, postal charges were increased by 60 per cent. If the traffic had maintained itself at the previous level, income should have increased by 60 per cent. In fact, the increase was considerably less. In the telegraphic services the increase in the tariff charged was only 20 per cent. but (excepting the period from February to May) the income was every month below the expectation by margins varying from 4 to 15 per cent.

In the case of telephones, the experience was somewhat mixed; but when, in January, 1922, to the old increase of 33 per cent. was superadded a new increase of 53 per cent. in the tariff charged, the increase of income fell short of expectation by 24.8 per cent.

Signor Repaci gives in the April number of the *Riforma Sociale* (Turin) an interesting account of the Italian State Railways. Unfortunately, as Senator Bianchi, chairman of the permanent supervising Parliamentary Committee on State Railways, remarks in a report laid on May 17, 1922, before the Senate, the railway administration has not yet published its report for the financial year 1920-21. But, although somewhat belated, the figures calculated by Signor Repaci are of importance as being the first attempt to gauge the financial results of the State railway system from its origin in 1901-6 up to 1919-20.

The following table shows expenses (in millions of lire):—

	1	2	3	4	5	6	7	8	Total.
	General.	Maintenance and Inspection.	Rolling Stock, Fuel, and Repairs.	Trade Services.	Navigation on the State Channels.	Additional Expenses.	Additional Services, &c., not included in Official Accts.	Interest and Amortisation of Capital.	
1905-6 ..	35.3	36.5	93.4	64.9	..	21.0	17.6	241.5	510.2
1906-7 ..	53.4	46.8	122.9	93.3	0.3	25.0	20.5	247.0	610.0
1907-8 ..	54.6	52.5	144.1	104.3	0.5	26.1	20.6	255.4	656.6
1908-9 ..	50.7	57.3	140.7	119.0	0.4	21.6	29.6	256.3	636.3
1909-10 ..	56.0	61.6	159.8	128.7	0.6	22.2	28.6	252.8	690.9
1910-11 ..	59.8	64.7	166.5	133.3	0.7	23.6	29.9	271.4	726.5
1911-12 ..	61.2	70.0	188.8	139.6	0.8	25.7	28.0	279.5	790.0
1912-13 ..	68.5	73.1	193.9	140.6	0.9	26.5	30.2	287.1	821.0
1913-14 ..	72.9	74.4	194.6	144.7	0.9	27.1	34.8	293.9	846.6
1914-15 ..	77.5	80.0	223.6	150.6	1.2	19.7	39.2	303.8	895.9
1915-16 ..	79.9	76.9	340.0	185.5	1.9	24.4	48.8	311.9	1,046.5
1916-17 ..	61.2	85.5	560.7	164.0	2.9	42.6	61.5	312.2	1,390.8
1917-18 ..	102.9	99.8	811.0	218.0	6.3	36.2	82.7	313.1	1,680.2
1918-19 ..	194.8	164.6	855.6	326.1	4.8	64.0	100.4	314.1	2,029.8
1919-20 ..	63.3	312.6	1,528.5	614.0	8.5	72.2	118.1	315.0	3,032.3

The official figures are those for the first six columns. The two columns 7 and 8 had to be estimated by the author so as to give a complete idea of the position. Owing to legal technicalities the railways administration omits in its accounts some items of expenses, which must be included if we wish to have a complete idea of the whole working of the railways. For instance, the interest and amortisation of the old capital invested in the State railways—i.e., the capital invested previously to July 1, 1905, when the State took over the railways from the companies, is wholly omitted from the accounts. Signor Repaci estimates this charge at 214 millions lire, which are included in column 8. The next table shows income (in millions of lire):—

	Passengers.	Baggage and Express Goods.	Goods.	Navigation in the State Channels.	Transportation for State Accounts, Miscellaneous and Indirect Income.	Total.	Deficit.
1905-6 ..	129.5	26.2	183.1	..	8.3	347.2	1,680.2
1906-7 ..	153.9	30.7	221.8	..	15.9	422.5	1,680.2
1907-8 ..	161.9	33.1	238.9	..	20.1	454.0	1,680.2
1908-9 ..	172.1	33.5	249.8	..	25.9	481.2	1,680.2
1909-10 ..	181.1	34.9	274.9	0.5	28.5	516.0	1,680.2
1910-11 ..	186.6	35.6	287.0	0.5	31.7	541.5	1,680.2
1911-12 ..	202.2	42.6	300.7	0.6	32.6	578.1	1,680.2
1912-13 ..	218.3	42.2	311.6	0.7	36.2	609.1	1,680.2
1913-14 ..	227.6	41.4	320.0	0.7	37.3	637.1	1,680.2
1914-15 ..	197.3	45.0	387.7	0.7	36.4	617.1	1,680.2
1915-16 ..	251.3	135.3	376.5	0.7	52.4	816.3	1,680.2
1916-17 ..	324.3	289.9	457.0	1.4	47.6	1,120.2	1,680.2
1917-18 ..	405.3	377.4	467.4	1.3	101.2	1,353.6	1,680.2
1918-19 ..	653.4	323.7	574.9	1.4	111.6	1,665.0	1,680.2
1919-20 ..	734.3	227.6	806.6	1.6	136.7	1,905.1	1,680.2

The extraordinary increase in 1919-20 in the deficit, and the even greater loss which in 1920-21 is known to have been suffered, is an intolerable burden, especially in view of the manifold increases of railways charges. The increase in the price of coal goes far to explain the loss; and so far as coal goes it is hoped that better times have come. But other more permanent causes are at work. The recent debate in the House of Deputies on the Railways Budget was terminated with an unanimous vote on the desirability of a better application of the principle of an eight-hour day for railwaymen. Many members spoke with alarm of the fact that railwaymen understood the eight-hours' principle as an obligation not to work, but to be present for eight hours, so that the effective hours of work are said to be only 2.6. The number of men employed on the State railways went up from 147,289 in 1913-14 to 206,600 in 1920-21, and the average annual cost from 2,065 lire to 9,700 lire. And this greatly increased number of men gives a less efficient service, as appears from the vastly increased cost of damages paid to shippers for delay, waste, thefts, &c. From 3.9 millions lire in 1913-14 (1.13 per cent. on a total of goods carried of 347.4 millions lire) the damages paid rose in 1920-21 to 97.8 millions lire (3.64 per cent. on a total of goods carried of 2,685.6 millions lire). Public opinion, as the debate in the Chamber shows, is awakening to the danger, and the responsible Minister claims that in a year or two things will be once more normal.

The cost of living is again slowly receding; but we are as yet at a level very much higher than the lowest reached last year. The following index number relates to the city of Turin, and is calculated on the basis of the first half of 1914. I have only included the maximum and minimum levels after September, 1920:—

	Food.	Clothing.	House.	Light and Heating.	Miscellaneous.	Total.
First semester, 1914	100	100	100	100	100	100
September, 1920	420.1	531.2	100	430.8	455.9	398.4
March, 1921	536.6	496.8	110	428.5	543.9	472.2
July, 1921	446.3	411.4	120	354.2	537.1	404.7
December, 1921	536.7	448.0	120	433.5	578.3	471.0
January, 1922	523.7	454.3	120	435.4	590.7	465.6
February, 1922	522.7	449.6	120	406.9	597.5	463.5
March, 1922	491.4	437.7	120	383.1	597.5	442.3
April, 1922	470.3	433.3	120	378.0	587.1	424.4

The index applies to a working man's family, with wife and three children, inhabiting a house under the Restriction of Rent Acts. If the family were obliged to find a house in the free market a rent from two to four-fold the pre-war rent would have to be paid.

SWITZERLAND.—IMPROVED EMPLOYMENT—GOLD IN CIRCULATION—INTEREST RATES—RHINE NAVIGATION.

(FROM OUR CORRESPONDENT.)

GENEVA, May 18.

SOME definite symptoms of recovery are now to be observed in Swiss industry. The unemployment figures for April are not yet published, but there was a further important reduction in March. The cotton industry, in particular, is receiving large orders from abroad, and the watch industry from non-European countries, while Government assistance in export to countries with depreciated currency has had, perhaps, some stimulating effect. As to the embroidery industry, it is remarkable that the big leading firms with international sales organisations are still suffering from practically complete unemployment, while smaller firms with simpler organisation are receiving appreciable orders from dealers in various countries. Fortunately, the number of embroidery looms working in small shops is two-thirds of the total. The better demand for labour in Swiss industry has not so far influenced stock exchange quotations of Swiss industrial shares. This market is still very dull, and the balance-sheets for 1921, publication of which is now going on, tend to increase the pessimism of investors. It makes a very bad impression that, for example, the holding company of Brown, Boveri,

the leading Swiss electrical concern, passes its dividend for the second consecutive year.

We have now in Switzerland the remarkable feature that the American dollar has risen considerably over par again, and that gold remains in circulation, having practically driven the 20f note out of use. In other words, gold has now in this country a commercial value less than that of the American dollar. At the shareholders' meeting the chairman of the Swiss National Bank declared that the bank does not intend to start open payments of gold, but to leave the introduction of gold into circulation, as hitherto, to private banks. This means that the Swiss note-bank is not convinced that it is possible to maintain a legal parity between gold and Swiss banknotes under present conditions. It is rather difficult to oppose this view, although practical evidence seems to deny it. Consequently, the Swiss National Bank refuses to pay gold against banknotes, while every post-office gives gold against notes of the National Bank. Of course, the National Bank continues issuing gold coin against foreign coin or gold bars, but never against its own notes.

Since the beginning of May practically all Swiss cantonal banks have reduced the interest on mortgage securities from 5½ to 5 per cent., and some of the urban districts from 5½ to 5¼ per cent. The interest rate on bonds issued by cantonal banks was generally reduced on May 15th from 5 to 4½ per cent., and in many cantons the currency of the bonds has been reduced from five to three years. As to savings bank accounts, their interest has been reduced from 4½ to 4 per cent., and to 3½ per cent. for deposits over 10,000f. Of course, private bankers are practically obliged to follow these regulations of the cantonal stock banks, so that the average income of the small investor becomes seriously cut down. Out of the balance-sheet total of Swiss banks, amounting to 15 milliards, 6 milliards are controlled by cantonal State banks. The reduction of the interest rates on home investments in State banks has had, of course, the effect of making the average investor inclined to purchase securities in the stock market, and also abroad. The average yield of Swiss public bonds has dropped since the beginning of April from 4.9 per cent. to 4.55 per cent., and the next loan of the Federation, which will be launched for the electric construction programme of the Federal Railways, will be issued at the rate of 4½ per cent. This means a reduction of 1½ per cent. in comparison with a year ago.

In the International Commission for the regulation of the Rhine shipping the Swiss point of view of a free Rhine up to Basle was not accepted. France received the right to construct a side canal for the purpose of electric power stations in Alsace. This Rhine canal will be under international supervision, and the rights of Swiss shipping will be safeguarded. Although this is not in accordance with the principal Swiss standpoint, the Federal Government finally agreed that the Swiss representatives on the Commission should acquiesce. The reason for this was that neither France nor Germany would have been willing to spend the very considerable sums necessary for the readjustment of the natural Rhine stream between Strasburg and Basle. Without such readjustment of the natural stream and its regular maintenance, the Rhine to Basle is economically of comparatively small importance.

CANADA.—CROP CONDITIONS—PARLIAMENT AND THE WHEAT BOARD—THE FREIGHT RATES COM- MITTEE—IMMIGRATION SCHEMES—THE FORTH- COMING BUDGET.

(FROM OUR CORRESPONDENT.)

OTTAWA, May 22.

A SPELL of unprecedentedly wet weather during the first two weeks of May has in many districts of Western Canada given a serious setback to farming operations, and delayed seeding beyond the average normal date. The Assinabine River has flooded thousands of acres of the most fertile land in Manitoba, which had already been seeded to wheat, and no crop, except some patches of coarse grains, will be grown on this inundated soil this year. The *Manitoba Free Press* estimates the wheat acreage for Manitoba at 3,325,100, for Saskatchewan at

11,523,000, and for Alberta at 6,379,500 acres; these figures, if correct, mean a decrease of 5 per cent. in Manitoba, and of 15 per cent. in Saskatchewan, which will be partially offset by an increase of 5 per cent. in Alberta. Eastern Canada has had some very heavy rains, but farm work has not been seriously hampered, and is now well ahead. Winter wheat has come through in good condition, and acreage of this crop to be harvested will be ten per cent. greater than last year. The Federal Bureau of Statistics classes the hay crop as at present one or two points behind its state at the corresponding date in 1921, but pastures are good. There is a splendid showing of apple and other fruit blossom, and prospects are good, especially in the Niagara Peninsula, for a bumper fruit crop.

The question of a wheat board and system of control still occupies the attention of Parliament. In spite of the opposition of the Minister of Agriculture, who declared for a voluntary pool, the Agricultural Committee passed last week a resolution recommending the Government to establish a Wheat Board endowed with such powers, compulsory or otherwise, as were feasible within the limits of the Federal constitution. The Cabinet are known to be loath to take this course, but the issue will now be projected into the House, where they cannot command a majority.

The special Parliamentary Committee on freight rates has begun to take evidence. The Canadian Pacific Railway have at last shown their hand, and their President, Mr E. W. Beatty, while expressing his willingness to see a general reduction of freight rates on basic commodities, strongly opposed the restoration of the effect of the Crows' Nest Pass agreement on the ground that a return to the rates enforced by it would cripple the C.P.R.'s revenues. In fact, he declared they would fall short of earning fixed charges and recent dividends by about \$15,000,000. The re-establishment of the Crows' Nest Pass scale in the West would militate against general reductions applicable through Canada. Mr D. B. Hanna, the President of the C.N.R., also testified that the restoration of the C.N.P. scale would last year have meant an increase of over 10 million dollars in the deficits on the National system. The general impression in Ottawa is that the suspension of the agreement will be continued.

The Government have published a new series of regulations governing the entrance of immigrants to Canada. The financial test of the possession of \$250 is abolished, and in its place is substituted an occupational test, which in practice aims to exclude all except trained farmers, domestic servants, and people willing to go on the land. There is still a steady tide of immigrants coming in, and it has increased since the St Lawrence was opened for navigation, but its dimensions are much smaller than in the years immediately before the war, or even last year. Meanwhile the Western Colonisation Association has evolved a comprehensive land settlement plan, embracing every province in the Dominion, and seeking to co-ordinate the colonisation activities of the federal and provincial administrations, the Canadian Pacific Railway and the Canadian National Railways. The scheme is the product of many months of investigation and continuous conferences with the best available Canadian, American, British, and European experts on immigration, with Canadian and American real estate agents, with the heads of banking, trust, and mortgage corporations, and with Cabinet Ministers and civil servants. It contemplates the settlement within ten years, at an expenditure of approximately \$30,000,000, of 10,000,000 acres of idle land adjacent to railways in the three prairie provinces, and of vacant areas in the Eastern provinces and British Columbia. The Association hopes to obtain the endorsement of the King Government for its plan, and to begin the establishment of the necessary machinery.

The Federal Budget will be brought down during the present week, but no hint of its provisions has been disclosed. Both the farm implement and the textile manufacturers are prepared for substantial cuts in their schedules, and the Government is, in view of its attitude upon the Wheat Board, more than ever under the necessity of placating the Western Progressives by tariff reductions.

Mr Lloyd Harris, who was head of the Canadian Trade Mission in London during the later years of the war, and has always been known as a strong Protectionist, lately made a speech in which he advocated free trade within the Empire; but his remarks aroused the ire of the Ontario Branch of the Canadian Manufacturers' Association, who immediately passed a resolution to the effect that while they were prepared to support the principle of preference, they would resist inter-Imperial free trade as fatal to the growth of Canadian industry.

INDIA.—COTTON MIXING—MILLOWNERS' PROSPERITY—RETAIL PRICES—MONETARY CONDITIONS.

(FROM OUR CORRESPONDENT.)

BOMBAY, May 5.

ONE measure introduced into the Legislative Assembly during the session just ended seems to have attracted inadequate notice. This is the Cotton Transport Bill. Its main object is to prevent the mixture of long and short staple growths. The practice of transporting short staple cotton to long staple districts and then retransporting the product to market, where it receives the credit of having been grown in the district covered by the rail-mark, is very prevalent in India. So much so that the Central Cotton Committee, appointed by the Government of India, gave considered attention to the problem. The outcome is the above-mentioned Bill, an all-embracing measure, for which the new Minister of Commerce, the Hon. Mr Innes, is responsible. It calls in the aid of officials, from the Governors of Presidencies and Provinces to station-masters, and there is every indication that the fast-growing evil of cotton-mixing with intent to defraud will in the near future receive a decided check, and will in course of time be eliminated altogether.

Prosperity continues to reign among cotton mill interests in India. At the recent annual meeting of the Bombay Millowners' Association it was indicated that perhaps the future would not be so bright as the present. What was meant, in other words, was that the mills would not, perhaps, continue to pay the very respectable dividends now being received by shareholders. No fear as regards the prosperity of the mills or the industry was intended to be expressed. Huge reserves have been built up during the past half-a-dozen years. Below are tabulated the results of the past year's working of three representative Indian cotton mills, and these figures present a general indication of the industry's well-being in this country. Comparison with recent Lancashire returns would prove interesting:—

	NAME OF MILLS.		
	Phoenix.	Dawn.	Kohinoor.
	Rupees.	Rupees.	Rupees.
Net profit	23,96,455	14,18,629	22,07,401
Brought forward	5,19,280	5,11,318	14,192
Total yearly dividend	175	300	400
Depreciation	1,75,000	85,000	1,35,000
Reserve	8,00,000	5,80,000	4,00,000
Carry forward	5,33,735	2,84,947	55,149

The face values of the above shares are respectively Rs. 100, Rs. 250, and Rs. 500. The total yearly dividend given above represents the amount in rupees distributed per share, and all these dividends are free of income-tax.

According to the latest statistics of the Labour Bureau, the level of retail prices in the Presidency was for last month 62 per cent. above the pre-war level. This figure records a drop of three points on the March, 1922, reckoning and a drop of five points on the reckoning for April, 1921. The percentage increases over the July, 1914, level for April, 1920, and April, 1919, were 71 and 67 respectively. The articles included in this Indian index number are cereals, pulses (staple articles of food among the Indian population), other articles of food, fuel and lighting, clothing, and house rent; no allowance is made for any change in the standard of living since July, 1914. Such allowance, in fact, is unnecessary.

The money market remains unchanged, and the exchange market shows a firm tendency, banks' selling T.T. rate on London standing at rs 3½d. Call money is being offered at 4½ per cent., and the Imperial Bank of India rate remains unchanged at 7 per cent. The active demand for

gold which was in recent evidence has fallen off somewhat, and Bombay Mint metal now stands at Rs. 28 per tola. Ready silver has improved to Rs. 94/12 per 100 tolas. Most of the Indian Government securities are in demand, and there is no change to report in mill shares.

SOUTH AFRICA.—UNION FINANCE—GOVERNMENT AND RAILWAY BUDGETS—FINANCIAL EXPEDIENTS.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, May 10.

THE whole Union has received with some relief the announcement in the Budget speech of the Minister of Finance (the Hon. Richard Burton) that no fresh taxation was to be imposed, except certain adjustments in estate and succession duties, making the tariff uniform in the four provinces of the Union. There was a general feeling that, even if the ordinary rank-and-file taxpayer escaped any extra income-tax, there would at best be a steepening in the grade of the super-tax. Additional taxation has been avoided by again taking into revenue some £640,000 from land sales and mining leases. "The wise thing to do in the circumstances of the country was to avoid the necessity of heavier taxation whilst we have this nest-egg, which is there for the very purpose of coming to the assistance of the country in bad times." It was, no doubt, unsatisfactory, admitted the Finance Minister; but if they did not once more take advantage of this expedient, they would be penalising themselves too much in favour of posterity.

Actual revenue last year was £29,106,000, while the estimate for the next financial year is £27,900,000. Revenue last year was only £286,000 below estimate, but individual items varied greatly. Customs and Excise combined were nearly £1½ millions below estimate, postal revenue over £300,000 down, while the proceeds of the diamond export duty at £143,000 were only half the sum expected. But the drop in Customs and Excise was wiped out by income and dividend tax, which realised £5,584,000 as against an estimate of only £4,952,000, super-tax £1,390,000 against a forecast of a round million, and excess profits tax £1,814,000 instead of £1,300,000 estimated for. Mr Burton's remark that the total inland revenue estimated at £16,612,000 had actually realised £18,041,000 was greeted with "A bad estimate" from one of the Nationalists. "It was not a bad estimate," rejoined the Minister amid laughter, "but the efficiency of the tax-collecting department was increased." From gold mining the revenue realised was £2,337,000, compared with an estimate of £1,945,000, but from diamonds the revenue was only £395,000 against £750,000, so depressed has been the trade. The total expenditure was £30,225,000, leaving a deficit of £1,361,000.

The public debt of the Union has been increased by £13,169,000, and now stands at £191,777,000 gross, from which may be deducted a credit of £3,163,000 and sinking funds of £11,500,000. For the ensuing year Mr Burton budgets for an expenditure of £28,718,000, plus some £225,000 special expenditure due to the disturbances on the Rand, while the revenue is put at only £27,900,000, leaving a total deficit of £1,043,000. By taking the proceeds of land sales and mining leases estimated at £640,000, the deficit is reduced to £403,000. But for the Rand disturbances, claimed Mr Burton, which stopped the gold mines for practically three months, the Union might very well have been "sailing on an even keel." Public debt expenditure is found to increase so long as money is voted for development, but purely administrative and clerical expenditure has been reduced

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from £15,412,000 to £13,720,000. Pensions reveal considerable increase, largely owing to awards to sufferers in the Anglo-Boer War.

Before the war the railway systems, particularly the Central South African, embodying the Transvaal and Orange Free State lines, made handsome profits. So much so that the Act of Union prescribed that the railways were to be run on "business lines," and no longer as taxation machines. But high cost of labour, the tendency of public opinion to compel the use of white labour on work which could be equally well performed by natives, a matter which also exercises the mine managements, have changed the position very materially.

A year ago a deficit of £693,400 was budgeted for, but in consequence of the disorganisation caused by the strike on the Rand (the March deficit alone was over half a million), the actual figure was more than double, namely, £1,800,700, bringing the accumulated deficit up to £4,400,000. In view of the past experience of huge profits, it is no wonder that the Act of Union "makes no provision for losses on railways, so the total estimated deficit will have to be carried forward until it is liquidated." The railways in the South-West Africa Protectorate are being taken over in spite of their losses and accumulated deficit. For the current financial year expenditure has been reduced by no less than £2,844,000, by elimination of cost of living bonus, modification of the eight-hour day, restricted overtime, and decrease in personnel. Mainly attributable to extra interest maintenance and betterment charges, there are other increases of £1,365,000.

In the opinion of the Minister, the railway administration endeavours to maintain too high a standard, and such is incompatible with cheap rates and the building of extensions. It was preferable to do a big business at a low tariff rather than a small business at a high tariff. The expenditure for the ensuing year includes that on the Protectorate lines representing about £500,000 last year, so the economies are greater than the figures indicate inasmuch as more work is being done. "The Union Administration had spent millions on improvements of lines already constructed, and working improvements, which in many cases do not bring in a shilling more revenue, but simply pile up the capital account and the amount of interest to be paid."

The Union railways comprise 9,500 miles of open lines, and the Minister made the startling statement that "no less than 5,655 did not earn the interest on the £33,400,000 invested in them." To meet the four and a-half millions accumulated deficit, it is proposed to transfer £2,000,000 from the renewals fund, for which an Act of Parliament will be necessary.

I doubt whether such an extensive system in a sparsely populated and industrially poorly developed country (outside the Rand) can obtain sufficient traffic to carry lavish appropriations of 3½ millions each on maintenance of permanent way and equipment, and, besides these, £1,600,000 depreciation or contributions to renewals fund. A total of nearly 8½ millions is an enormous sum in relation to a revenue traffic of only 50,000 tons and 200,000 passengers a day. The Union Auditor-General considers that as the life of rolling stock is estimated at 25 years' replacement, expenditure "must be regarded as excessive, imposing a burden on revenue far beyond that which it is entitled to bear."

The Ministers both of Finance and of Railways think the Union's trade position shows signs of improving, while exports show a tendency to increase. Traversing the statement of colliery interests that high tariffs had driven trade away, Mr Jagger said that export and bunker trade had increased 54 per cent. since 1914, and the ratio of shipment coal traffic to total goods traffic from 18.8 to 21.7 per cent.

Letters to the Editor.

AN INTERNATIONAL BANKING SYSTEM.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In connection with the consortium plan which is generally accepted as a necessity for the reconstruction of European finances and of international exchange, the suggestion of Mr Vanderlip for an international chain of national banks, not directly Governmental, but rather on the Bank of England model, seems worthy of more general consideration than it has had. America's present stock of gold has gone far beyond a proper reserve, and has become a hoard, not of advantage to America and disadvantageous to the rest of the world. Despite unfavourable conditions of trade here as elsewhere, it is evident that America has a large amount of capital for investment, as the sales of more than a million shares of stock per day on the New York Stock Exchange give proof. The increasing prices are not so much speculative as in recognition of the fact that the abnormal rate of interest is steadily lowering. Mr Vanderlip's suggestion is that the international bank system might usefully be started in America, with American surplus capital and American stockholders, but on the agreement that American shares should be purchasable by the nationals of any country as an international bank was established in that country and its surplus capital became ready for such investment. For this purpose the co-operation of international bankers, especially in America and Britain, is necessary, but it is to be hoped that neither national nor trade jealousies would stand in the way. Through such a banking system hoarded capital might safely be made fluid, and the industries of continental countries might again be given their full opportunity.

Incidentally, such an international banking system of semi-national banks might be utilised to solve the pressing problem of paper currencies. I recall that once in Colombia I drew \$100 on a letter of credit, came out with \$10,000 in my pocket, and spent \$400 for a four dollar Panama hat and \$5.00 for a five cent. box of matches. In that country the gold standard has since been established, and the old currency has disappeared. The Russian paper rouble is, of course, close to the vanishing point, and the German mark is approaching too near that figure. Governments cannot, as such, cope with the situation, but through such a banking system further demoralisation might be checked, as the printing presses are stopped, by establishing a rate at which these banks would accept the paper currency on an understanding with the Government that its obligations for such currencies could be redeemed and obliterated at this price.

Of course, international systems of finance and currency are of no use except to promote and stabilise international trade. At the moment, while America is debating the highest tariff ever proposed, and other countries are placing barriers instead of breaking them down, discussions on this point seem academic. But the protective system is approaching its breaking point, and the world must turn to an acknowledgment of the ultimate principle that nations, like men, can exist and trade only through good will, ready to give of their best by accepting freely the best of others. This is equally good politics and good economics, and unless war is to continue, economic peace must be the basis of world stability.

New York, May 4th, 1922.

R. R. BOWKER.

Books and Publications.

STABILISING THE MARK.*

THIS is an able and timely memorandum prepared at the request of the German Ministry of Finance by one of the most eminent of the younger German economists. The author begins by pointing out that a violently

* Die Stabilisierung der Mark. By Professor Dr M. J. Bonn. (Berlin) Verlag für Politik und Wirtschaft. 60 pp.

fluctuating exchange makes it impossible to carry out any systematic commercial policy. For the time being, the object in view must be to check a further fall in the gold value of the mark. Such a check would not amount to stabilisation, since stabilisation would require the fixing not merely of a minimum, but also of a maximum value of the mark. If large fluctuations are to be prevented, moreover, the maximum and minimum must not be too far apart. One of the great difficulties is that as soon as the fixing of such a maximum value is mooted there would be a danger of foreign speculative holdings of marks being thrown on the market, with the result that any serious attempt at stabilisation would be impossible. The immediate aim, therefore, should be the limited one of preventing a further fall in the value of the mark.

Professor Bonn next considers various methods of influencing exchange rates, quoting historical examples of each method. First the balance of payments may be directly influenced by exercising control over the buying and selling of exchange, or by arrangements with foreign creditors. Secondly, the exchange can be systematically maintained at a fixed level in relation to some other currency by organised buying or selling of drafts, as was done, e.g., by Austria, Russia, and India before the war, and by the United Kingdom in regard to the American exchange during the war. Thirdly, the value of the currency can be maintained by the institution of a conversion fund (as, e.g., in Argentina). Stabilisation of exchange, however, is only practicable when there is a favourable balance of payments and a reserve—consisting of gold, gold exchange, saleable international securities, or control over credit in a gold standard country—which can be used to counteract a temporary adverse balance. In the case of Germany the balance of international payments is at present adverse, even apart from liabilities on account of Reparations. The account has only been balanced by concealed credit operations—mainly in the form of the buying of marks by foreign speculators.

The author has some interesting remarks on the effects of exchange depreciation upon the volume of exports. He points out that the export of finished goods must be considered in conjunction with the import of raw materials, and while a fall in the exchange value of the mark may directly encourage exports, it makes the buying of materials for later exports more difficult. He does not think that there is much room for the reduction of domestic consumption. "The very heaviest taxation directed to the restriction of internal consumption could hardly result in a more ruthless restriction of the internal market than this continuous fall in the value of money." On this point Professor Bonn is, we think, not quite convincing. No doubt large classes of the community—especially owners of house property and holders of fixed interest securities—are hit by the continual fall in the value of the mark, but some other classes—notably owners of industrial shares—are benefited. The burden of taxes is lightened. There appears to be no doubt that important extensions of industrial and other plants are going on in Germany which denote considerable accumulation of capital, while the profiteer class is said to be as extravagant as ever. We are not convinced that there is not room for an important further reduction of consumption in Germany on the part of a considerable section of the community. However this may be, Professor Bonn is certainly right in concluding that the existing premium on exports resulting from the difference between internal and external prices is not enough to increase exports and contract imports sufficiently to bring about a favourable balance of payments for Germany.

Mere balancing of the German Budget by means of a compulsory loan would not in itself result in the attainment of a favourable balance of payments sufficient to meet reparations, nor is the existing moratorium adequate. Deliveries in kind are little better than payments in cash from the point of view of relieving the adverse balance of payments. The author's principal conclusion deserves to be quoted:—

England, Belgium, and Italy can accept postponement of certain conditions. France's financial existence, on the other hand, is dependent upon the receipt of considerable payments in gold. As the economic salvation of Germany cannot, at the moment, be achieved at the expense of the economic collapse of France,

a way must be found which will free Germany for a definite period from gold payments to France without France having to forego these amounts. It will, therefore, be necessary to advance for about five to seven years at the expense of Germany the sums which Germany cannot pay at the time.

This means, he says, a loan of about 5 to 7 milliards of marks. Such a loan, he thinks, would bring with it an alleviation of the German balance of payments and an improvement in the dollar exchange. It would then not be difficult for the Central Banks of the world, acting in co-operation, to keep the exchange at about the new level—i.e., to fix a minimum value for the mark in the exchange market. Internal prices in Germany would gradually adjust themselves, trade could be freed from restrictions, and the Budget could be balanced. The mark would not yet have been stabilised, but the foundations would have been laid for future stabilisation.

WASTE.*

THIS book contains the results of an investigation undertaken towards the end of 1920 at the suggestion of Mr Hoover, the first president of the Federated American Engineering Societies, into the restrictions and wastes in industry. The essence of the plan was to gather quickly such concrete information as might be used to stimulate action and lay the foundation for other studies. The present volume is, therefore, a preliminary study based on a careful examination of a considerable number of establishments in six industries only, viz., building, men's ready-made clothing manufacturing, boot and shoe manufacturing, printing, metal trades, and textile manufacturing. Detailed questionnaires were sent out, and a large amount of "field work" was done by investigating engineers, as is indicated by the fact that some 50 engineers spent about two months each in securing the information upon which the reports are based.

As regards the different elements of waste, the book is chiefly interesting as showing their variety and relative magnitude. It is estimated that over 50 per cent. of responsibility for existing waste in industry in America can be placed at the door of management, and less than 25 per cent. at the door of labour, while a smaller amount is chargeable to outside contacts—the public, trade relationships, and other factors. The investigation also emphasises the wide difference which exists between the best and the average firm in each industry. For every one point representing waste assessed against the best plant, there were assessed against the average plant a number of points ranging from 1½ in building and textile manufacturing to 4½ in the metal trades.

The investigators have carried out a useful inquiry of a novel character, and it is to be hoped that they will see their way to make a more extensive survey. We think, also, that something of a similar kind might well be attempted in this country. The elimination of waste is no less important in industry than in the public service, and a more accurate knowledge of the facts would not only make for improvement of industrial methods from within, but also facilitate the framing of a progressive industrial policy for the country generally.

* "Waste in Industry." By the Committee on Elimination of Waste in Industry of the Federated American Engineering Societies. (New York) McGraw-Hill Book Company.

A BOLSHEVIST IDEAL.*

THIS "Interim Report of the State Economic Planning Commission of the Council for Labour and Defence" of the Soviet Republic is published for the Information Department of the Russian Trade Delegation in England, and consists of articles by experts dealing with the conditions of the famine region and the necessary remedial measures. That region, apart from Uralsk, covers nearly 238,000 square miles; its population was 19 millions, and its annual wheat crop averaged about 3,000,000 tons, of which 35 per cent. went abroad. Its varying soils are elaborately described: among the remedial measures suggested are the dispersion of the huge villages in the lower Volga region, in some of which an inhabitant may

* "The Restoration of Agriculture in the Famine Area of Russia." Translated from the Russian by Eden and Cedar Paul. (London) Labour Publishing Company, Limited. 5s.

live ten miles from his holding; co-operative farming; water storage and irrigation; promotion of the fisheries, and of numerous and varied home industries; public works; above all, vast electric power stations, worked partly by water and wind, but mainly by burning the great local deposits of bituminous shale—which, however, is not good fuel. There is much statistical detail, though when we learn that the repair of bridges on 20 miles of line will employ 76,000 workers, and the building of a wooden bridge 76,580, we suspect mistranslation, unless a "worker" is an abstraction, like a "ton-mile." Apart from this vista of conscripted and possibly unpaid labour, the book presents a very attractive ideal; unfortunately, even if the Soviet Government could get the means, there is no reason to suppose that it will ever have the power, or its subordinate authorities the energy, to realise its plans. Even if they had, a public authority, especially if it repudiates money in principle, is not under the necessity of constantly considering whether it is spending more than it will get back.

BOOKS RECEIVED.

An Introduction to the Principles of Industrial Administration. By A. P. M. Fleming and H. J. Brocklehurst. (London) Sir Isaac Pitman and Sons, Limited. 3s 6d net.

Studies in Commerce: 1. The True Basis of Efficiency. By Lawrence R. Dicksee. (London) Gee and Co. (Publishers), Limited. 5s net.

The Fiscal and Diplomatic Freedom of the British Oversea Dominions. By Edward Porritt. Edited by David Kinley. Oxford: At the Clarendon Press. Humphrey Milford. 12s 6d net.

La Monnaie, Le Crédit et le Change. By Aug. Arnauné. (Paris) Félix Alcan. 15 fr net.

The Statesman's Year Book for 1922. (London) Macmillan and Co., Limited. 20s net.

To the countries for which recent census returns were published in the last issue of the "Year-Book" the following are added in the present issue, viz., the United Kingdom, India, the Union of South Africa, Canada, Australia, Tasmania, New Zealand, the Federal States of the United States, Bulgaria, Chile, Czechoslovakia, France, and several of the French Colonies and Protectorates (Algiers, Tunis, Morocco, West Africa), Greece, the Netherlands and the Dutch East Indies, Nicaragua, Norway, Sweden, Venezuela, and Russia. The section relating to the last-named country, and that dealing with China, have been specially revised. In the preface it is stated that "conditions in Ireland have not yet reached the stage that would justify us in allotting to the Irish Free State a special section among the Dominions." But an account of the situation will be found in the introductory section, which also furnishes information on the organisation of the League of Nations, the Imperial and Washington Conferences, and a number of surveys of world production (gold and silver, iron, steel, wool, cotton, sugar, &c.).

The Problem of the Pacific in the Twentieth Century. By General N. Golovin, in collaboration with Admiral A. B. Bubnov. Translated by Constantine Nabokoff, with a Preface by Harold Williams. (London) Gyldendal, 11 Hanover square. 10s 6d net.

The Oil and Petroleum Manual, 1922. By Walter R. Skinner. (London) 15 Dowgate hill, Cannon street, E.C. 4. 8s 6d net.

The 13th annual issue of the "Oil and Petroleum Manual" has just been issued. Since its inception in 1910 the "Oil and Petroleum Manual" by reason of its complete information, has been recognised as a valuable work of reference on the oil industry. Owing to the public interest now taken in oil-producing companies, and to the increasing demand for oil and its by-products, and also to the keen competition for new oil-bearing properties, the 1922 issue of the "Oil and Petroleum Manual" makes its appearance at a most opportune moment. This year's issue contains full particulars of 615 companies, producers, refiners, carriers—pipe and steamship—and oil finance companies operating in all parts of the world. Special attention has been directed to the principal American and foreign companies. Lists are also given of the officials connected with the companies. A table showing the monthly production of the principal companies known on the London Stock Exchange for 13 months ended April 30, 1922, is also given, together with the world's annual production of petroleum since 1913 from the principal contributing countries. The glossary of technical terms is also very useful.

Official Year Book of the Commonwealth of Australia: Statistics for Period 1901-1920. No. 14. 1921. (Melbourne) Bureau of Census and Statistics.

The Annals of the American Academy of Political and Social Science. The Ethics of the Professions and of Business. (Philadelphia) 39th street and Woodland avenue.

Les Grands Marchés des Matières Premières. Par F. Maurette. (Paris) Armand Colin. 5 fr.
The Review of Economic Statistics. April, 1922. (Cambridge, Mass., U.S.A.) Harvard Economic Service.
Commercial Atlas of Latin America. (London) The Anglo-South American Bank, Limited, 62 Old Broad street. 10s 6d.

The Anglo-South American Bank, Limited, has prepared an Atlas of Latin-America, which, being mainly of a commercial nature, will doubtless be of utility to those trading with that territory. The atlas contains 11 maps of different parts of South and Central America, and a novel feature is the method of indication of the relative commercial importance of the imports and exports of the countries covered, and also of the principal products of the various districts.

Home Rule for Scotland: The Case in 90 Points. With a Foreword by the Rev. James Barr, B.D. (Glasgow) Scottish Home Rule Association, 109 Hope street. 6d net.

The British Chamber of Commerce, Paris. Annual Report for 1921. (Paris) 6 Rue Halévy.
Bulletin of the Imperial Institute. No. 4. 1921. (London) John Murray. 3s 6d net.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. ACCOUNT.
 June 14. June 15.

THE gravity of the Irish situation, the attractions of Epsom, the sudden inrush of summer, and the approach of the Whitsun holidays combined to undermine activity in the Stock Exchange markets other than for Home Railway stocks and certain industrials. The speeches of Mr Lloyd George, and the more conciliatory tone adopted by French politicians, served to allay some of the nervousness recently apparent in connection with Genoa. French and German bonds have recovered sharply. In fact, there has been more doing in foreigners, at any rate, from the speculative point of view, than in the market for Home Government stocks, where the War Loan stands out as the firmest member of the group on account of reinvestment of part of the interest money distributed on Thursday.

Apart from the War Loan, British Government stocks have gone softly, and it is noticeable that the Home Railway Prior Charge list has started to ease off, after its long and continuous upward movement. Of the lately issued Colonials, the price of Straits Settlements 4½ per cents, which came out at par, is about 1½ discount, the underwriters being left with 98 per cent. of the stock. The New South Wales 4½ per cent. scrip offered at the same price, stands at 2½ discount. British Guiana 5½ per cent. Loan at 99½, though not a trustee security, was snapped up immediately. Amongst other subscription lists that closed almost as soon as they were opened this week, may be mentioned those of the Madras Electric Debenture and the Antofagasta Nitrate Debentures. An important industrial issue, said to involve some five million pounds capital, is reported as being on the stocks for issue soon after Whitsun.

The more cheerful sentiment engendered in connection with the French outlook made itself apparent in brisk rises amongst French Government Bonds and the Scrip issues of the French Railway Loans. The three German series also moved up rapidly. Russians, however, have given way. The announcement that the coupon due on the Chinese (Vickers) Loan will be duly met, brought about a jump of several points in the price of the bonds, other Chinese issues participating more quietly. Helsingfors 4½ per cent. have gone back, there being no fresh information concerning the expected Finland Loan. Peruvian Corporation stocks spurted under the buying of French speculators, although the top prices were not maintained.

The Home Railway market continues to be the most lively in the Stock Exchange. The carry-over on Tuesday disclosed a modest bull account in a few stocks, but in others the dealers appear to have none too much supply on their books, judging by the way in which contango-rates ran off in the later adjustment of rates. People have been taking profits on the eve of Whitsun, but it is noticeable that a fairly strong body of support stands behind the market, and that interest is keenly anxious to take advantage of the speculative possibilities still held out by the uncertainties connected with the grouping arrangements. Caution suggests that the remarkable rise which has taken place in prices this year may have gone sufficiently far to justify a little selling, with a view to possible replacement of the stocks at lower prices later on. The Grand Trunk and Mexican Railway markets have been dormant. Argentines are in greater favour again, and something of a feature in this department is the way in which Antofagasta, San Paulo and Western of Havana stocks advanced. Leopoldina preference strengthened on the declaration of the usual dividend, though the ordinary stock once more receives nothing.

Raw rubber strengthened a few farthings without this having any particular effect upon the share market. The oil list is disturbed by fears that the Shell dividend, the announcement of which is due immediately, may be reduced from the regular 5s per share. This caused weakness throughout the oil leaders, and prices are lower on the week. Strength is shown by the textile division. There has been little doing, and comparatively small changes in the markets for shipping, banking, insurance and brewery descriptions. Dunlops were run up smartly on the statement that Sir Eric Geddes is to take command, but the rise brought in a few sellers. Marconis were turned out by the profit-snatchers, and cable stocks are heavy, apparently on realisations by holders who fear the competition of wireless. The Eastern Telegraph Company, by the way, celebrates its jubilee this month. Electric lighting shares keep strong, gas stocks are tolerably steady, and the iron and steel market waits upon developments in connection with the engineers' lock-out. Brunner Monks improved as the result of the dividend announcement. Hudsons Bays hardened, but other land shares merely marked time. The scarcity of stocks in the trust companies is as pronounced as the demand for them.

After South Africans had enjoyed a little animation on the knowledge that a settlement has been reached in connection with the ex-enemy shares held by the South African Custodian, the market fell back into a very quiet rut. De Beers sympathised with the strength shown by Paris-held stocks, and Rio Tintos advanced on purchases from the same city. Rhodesians were redeemed from complete inactivity by a little gambling in Selukwes. Barrier shares responded to a certain amount of buying from Australia. The various shares connected with tin, the metal, have attracted no particular attention, and the same observation is applicable to Indian, Mexican and miscellaneous mining shares.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—				
Amount previously recorded	412,025,773			
5% Treasury Bonds (by Tender May 26, 1922), £2,300,000, at £98 15s 7d			2,269,717	

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHANGERS WEEK ENDED MAY 26, 1922.

April 1 to May 26, 1922, £20,330,000	50,000	50,000		
To the Public—				
British Guiana Government £1,000,000 5½% Sterling Loan in Bonds to Bearer (red. at par 1942-72), Iss. at 99½% (May 31) 1,000,000 ..	995,000	100,000	895,000	
Compagnie Générale Transatlantique, £1,500,000 6½% Sterling Registered Obligations (red. at par 1927-57), Iss. at 92½% (May 29) ..	1,500,000	1,387,500	150,000	1,237,500
Antofagasta Nitrate Co., £500,000 6½% First Mtdge. Debs. (red. at 102% 1924-39), Iss. at 97½% (May 30)	500,000	487,500	25,000	462,500
Madras Electric Supply Corporation, £200,000 7½% Second (Registered) Debentures (red. at 102% 1932-47), Issued at 95% (May 29)	200,000	190,000	20,000	170,000
Incomati Estates, Limited, £70,000 8% Registered Debs. (red. at 102½% Jan. 1, 1937, or at 105% on 6 months' notice by company on or after Jan. 1, 1925), Issued at 101%	70,000	70,700	7,000	63,700
Bobby and Co., Limited, 50,000 6% Cum. Pref. Shares, £1, at par ..	50,000	50,000	12,500	37,500
Do 100,000 7½% Cum. Prefd. Ord. Shares, £1, at par (May 30) ..	100,000	100,000	25,000	75,000
Taymouth Castle Hydro Hotel, Lim., 75,000 Ord. Shares, £1, at par (May 31)	75,000	75,000	37,500	37,500
Total offered to the Public	3,355,700	3,770,000	2,978,700	
To Shareholders only—				
Constantine Oil Fields, 60,000 Prefd. Ord. Shares, 10s, at par ..	30,000	30,000	1,500	28,500
Tanganyika Concessions, 750,000 10% Cum. Prefd., £1, at par ..	750,000	750,000	93,750	656,250
Total offered to Shareholders only	780,000	95,250	684,750	
Total offered for subscription to date	4,135,700	4,765,250	3,663,450	
Total offered for subscription for whole year—	1921	1922	1923	1924
1921	4,135,700	4,765,250	3,663,450	
1922	96,780,668	198,397,528	367,884,328	610,607,532
1923	198,397,528	367,884,328	610,607,532	998,644,487
1924	367,884,328	610,607,532	998,644,487	234,356,137
1925	610,607,532	998,644,487	234,356,137	71,901,378
1926	998,644,487	234,356,137	71,901,378	142,719,745

British Guiana Government £1,000,000 5½ per Cent. Sterling Loan of 1922.—This is an offer for sale of the whole amount at 99½. Principal and interest are payable in London. The loan will become due and payable on July 1, 1972, but the British Guiana Government reserves the right to retire the whole issue at par on July 1, 1942, or after this date upon giving six months' previous notice. A cumulative sinking fund, which will be sufficient in the aggregate to redeem bonds

when they become payable, will be provided; the first payment is to be made on March 1, 1925. The payments to the sinking fund will be made by the Government of British Guiana to the Crown Agents for the Colonies, Millbank, London. These bonds are a direct obligation of the Government of British Guiana, and are secured on revenues and assets of the colony and rank *pari passu* with all other loans of the colony, which are outstanding, whether local or otherwise, subject only to a prior charge for the Civil List, which is approximately £23,000. No other prior charges may be created. The proceeds of the loan are required to meet the cost of sea defence works, railway improvements on the coast, drainage, and other public works. The public debt of the colony of British Guiana amounted at December 31, 1921, approximately to \$5,600,000 (£1,166,666). Since that date a loan of approximately \$2,000,000 has been raised in British Guiana, the proceeds of which are to be used in assisting in carrying on the works for the purpose of which the present loan is being issued. The total revenue of the colony for the year ended December 31, 1920, amounted to \$6,099,238.59 (£1,270,675). The surplus of revenue over expenditure for the year amounted to \$1,265,411.27 (£263,627), and the total balance at the credit of the surplus and deficit account at December 31, 1920, was \$2,122,445.87 (£442,176). The prospectus states that "the official figures for 1921 are not yet available, but the total balance at the credit of the surplus and deficit account on December 31, 1921, was approximately \$1,000,000 (£208,333)." It should be noticed that this is not a trustee security. We also refer to this issue in "Notes of the Week."

Dominion of New Zealand, New Plymouth Borough Council 5½ per Cent. Loan.—Issue of £142,000 in debentures to bearer. Principal and interest payable in London. The principal is repayable at par on April 1, 1933. The issue has been sold at £98 per £100, and these particulars are taken from a public announcement made to comply with Stock Exchange regulations. It is stated that "subject to existing loans, this issue is a direct obligation of the borough." The debt of the borough at March 31, 1921, was £425,274, of which £257,118 was represented by revenue-producing undertakings. The loan is further secured by a threepenny rate. A threepenny rate produces £19,499, and the unimproved value for rating purposes is £1,559,930, but we are not informed what the present total annual rates are. The issue is free from New Zealand taxes, unless held by people domiciled in New Zealand. A fairly good issue in its class.

Peter Walker and Son, Warrington and Burton, Limited.—Authorised share capital £3½ millions, of which £3½ has been issued. There are also £1,000,000 4 per cent. first mortgage debentures issued, and the company is authorised to borrow up to £1,200,000 in all. The following details are taken from an announcement which appears in the press in order to comply with the regulations of the Committee of the London Stock Exchange in connection with an application for leave to deal in £1,000,000 of issued 7½ per cent. "B" cumulative preference shares. These rank after £1,000,000 of 5 per cent. cumulative preference shares of £10 each. The company undertakes not to create further shares ranking in priority to or *pari passu* with this issue. These 7½ per cent. "B" cumulative preference shares were issued in July, 1920, undivided profits to the amount of £1,000,000 standing to the credit of general reserve having been capitalised and applied in paying up the shares in full. The company has guaranteed the principal, interest and dividends of the debenture and preference stocks of two subsidiary corporations, viz., Peter Walker and Son Property Corporation, Limited, and Peter Walker and Son Property Corporation No. 2, Limited. It is stated that 998,000 of these "B" preference shares have recently been purchased ex June 30th dividend by Helbert, Wagg and Co., Limited, on behalf of themselves and others at the price of 18s 3d per share, less a commission of 1½d per share paid to them by the vendors. According to the *Stock Exchange Official Intelligence* for 1922, all the ordinary shares of this concern are held by Peter Walker (Warrington) and Robert Cain and Sons, Limited. This information is supplemented by a circular sent out by a city financial house, in which it is stated that the net assets available as cover for "B" preference shares amount to £3,025,459. But it mentions that assets include a sum of £1,061,659 in respect of goodwill. From this circular it would appear that profits should be sufficient to provide preference dividend needs. But having regard to the particular industry and the boom bonus share issue, the investment must be regarded as somewhat speculative.

The Madras Electric Supply Corporation, Limited—Authorised share capital £380,000, divided into shares of £1 each. The issued capital consists of 211,965 ordinary and 74,935 6 per cent. cumulative preference shares. First mortgage debentures have been issued for £151,875. This is an issue of 200,000 7 per cent. second (registered) debentures at 95 per cent. These debentures will be repayable at par on December 31, 1947, by means of a cumulative sinking fund, beginning in 1926, to be applied by annual drawings at par or

by purchase in the open market. The prospectus states that "the debentures of this issue outstanding will be redeemed at 102 per cent. if and when the undertaking of the corporation is purchased by the authorities (the earliest date being August 29, 1947), or the whole or any part of them may be redeemed at any time after January 1, 1932, at the option of the corporation, on giving six months' notice, at 102 per cent." They are to be secured by a trust deed constituting a floating charge on assets subject to existing issue of "first mortgage debentures." Surplus assets available as cover for these debentures are valued at £356,528, excluding proceeds of present issue. On the basis of 1920 revenue figures, there should be a margin after payment of all loan and sinking fund charges. Subject to industrial risks, the offer represents a fair return on capital.

The Antofagasta Nitrate Company.—Incorporated under the laws of the Republic of Chile. Issued share capital \$96 millions (Chilean currency). The Chilean currency is taken at \$35 to the £, at which rate the capital would be £2,742,856. This is the present rate, but the pre-war par was 13.3 to the £. Registered first mortgage debentures for £500,000, bearing interest at 6½ per cent., are now offered for sale at 97½. These debentures will be secured by a trust deed under Chilean law as a first specific charge on the company's land and estates in Chile. They will be redeemed, it is stated, by a sinking fund, beginning in 1924, of £34,000 per annum, to be applied by purchase of debentures at or under 102, or by drawings at 102, redemption to be completed by 1939. The prospectus is accompanied by a letter setting out the profits and their distribution for the last ten years, showing an average of £427,904 per annum. The lower profits last year were due to the disturbed condition of the nitrate market. Interest and sinking fund on the debentures will require £66,500 per annum, so that the margin of security is wide even on last year's reduced figures. The proceeds of the issue are required to complete payment to the Chilean Government for additional lands acquired, for development of the properties, and for redeeming a small amount of existing debentures in order that the present issue may have a first mortgage over properties. In 1920, \$40 millions (say £1,142,857) of reserve funds were capitalised and distributed to the shareholders in shares, "thus retaining these accumulated profits for further development." The latter sentence, however, is not a very convincing argument for bonus share distributions. This is a reasonable offer clearly set forth, and the company has a good record. In view of the present difficulties of the nitrate industry, the terms might not appear over generous. But the directors' confidence was vindicated by rapid over-subscription.

Bobby and Co., Limited.—Authorised share capital £850,000, of which £600,000 has already been issued. This is an issue at par of 50,000 6 per cent. cumulative preference, and 100,000 7½ per cent. cumulative preferred ordinary shares, all of £1 each. Surplus assets of the company are valued at £691,714. This includes goodwill at £25,155, but excludes the proceeds of the present issue. Six per cent. preference shares form part of a total issue of £300,000. These rank first, while the 7½ per cent. preferred ordinary amounting to £350,000 rank next, followed by ordinary shares for an authorised amount of £200,000, of which £100,000 only has been paid up. These preference issues are somewhat top heavy, and though it is pointed out that there are no debentures, the fact that the company owes the bank £100,000 at the present time, shows that charges can be made on assets. A little information as to method of valuing stock and depreciation allowance would have been useful. Profits are shown for one year. This shows that the company is making a good trading profit. The shares will probably interest a large number of people who have a sentimental attachment to this popular seaside house.

Incomati Estates, Limited.—Authorised share capital £250,000 of which all has been issued. There are trust certificates and debentures outstanding for £37,500. This is an offer for sale at 101 per cent. of £70,000 8 per cent. registered debentures, being part of a total authorised issue of £125,000, of which £100,000 has been issued. These debentures are secured by trust deed constituting a floating charge upon assets subject to the above-mentioned trust certificates and debentures of a company engaged in the business of sugar plantations and manufacturers. These registered debentures are to be redeemed at 102½ on January 1, 1937, but the company has the right after January 1, 1925, to redeem at 105 per cent. In the offer for sale, surplus assets available for cover are valued at £519,601. It should be noticed, however, that estates have been "recently valued," and certain other items are taken "at cost" without date of purchase, which is a point very important to know. Net profits for three years are given before allowing for depreciation, taxation and directors' fees. According to the *Stock Exchange Official Intelligence* for 1922, nothing was paid on the preference shares for 1920. Accounts for 1921 have not yet been issued, although we notice that the summary of assets is as at January 31, 1922. No mention is made as to any Stock Exchange application for quotation purposes. Although the com-

pany is precluded from creating any specific charges ranking in priority to or *pari passu* with these debentures, the offer is only suitable for the consideration of those who realise the risks involved and the difficulty of effecting sales of the security in the event of there being no Stock Exchange market.

Taymouth Castle Hydro Hotel, Limited.—Authorised capital £75,000, divided into shares of £1 each. This is an issue of the whole amount at par. The company has acquired for £25,000 Taymouth Castle, with 500 acres of "policy" grounds and salmon-fishing rights in Loch Tay and the River Tay, for the purpose of carrying on a hydro hotel establishment. Kenmore village, which consists of a modern hotel, several cottages, and shops, is included in the sale. It is proposed to spend a considerable sum in installing electricity for lighting, cooking, and heating, and a waterfall acquired by the company is available for this purpose. The property has apparently been purchased on very reasonable terms. Although the special privileges and reduced hotel terms offered to shareholders may attract the bargain seeker, the proposition at its present stage is one mainly for opulent investors.

We are informed that the issue by tender of £100,000 South-end Waterworks 5 per cent. preference stock was largely oversubscribed. Tenders at £85 2s 6d and above will receive allotment in full, and at £85 2s about 76 per cent. Tenders below £85 2s will receive no allotment.

ACTIVE SECURITIES.

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall.
War 4½, 1925-28 ..	94½	94½	—	—	—	—	—
Loans 4½, 1925-28 ..	94½	94½	—	—	—	—	—
Loans 4½, 1925-28 ..	94½	94½	—	—	—	—	—
Loans 4½, 1925-28 ..	94½	94½	—	—	—	—	—
Loans 4½, 1925-28 ..	94½	94½	—	—	—	—	—
Loans 4½, 1925-28 ..	94½	94½	—	—	—	—	—
Loans 4½, 1925-28 ..	94½	94½	—	—	—	—	—
Loans 4½, 1925-28 ..	94½	94½	—	—	—	—	—
Loans 4½, 1925-28 ..	94½	94½	—	—	—	—	—
Loans 4½, 1925-28 ..	94½	94½	—	—	—	—	—

Colonial and Foreign Railways.

Antioquia Cons.	62½	64½	—	2½	—	—	—
B. A. & Pacific	48½	47½	—	3	—	—	—
B. A. & Pacific	48½	47½	—	3	—	—	—
B. A. & Pacific	48½	47½	—	3	—	—	—
B. A. & Pacific	48½	47½	—	3	—	—	—
B. A. & Pacific	48½	47½	—	3	—	—	—
B. A. & Pacific	48½	47½	—	3	—	—	—
B. A. & Pacific	48½	47½	—	3	—	—	—
B. A. & Pacific	48½	47½	—	3	—	—	—
B. A. & Pacific	48½	47½	—	3	—	—	—

Banks.

Barclays B. (A1, f.p.d.)	24½	24½	—	—	—	—	—
Chartered Bk of India	18	18	—	—	—	—	—
Lloyds (A1 with A1 p.d.)	24½	24½	—	—	—	—	—
London Joint City & Midland (A12 with A12 paid)	8	8½	—	—	—	—	—
London County West- minster and Parr's (A20 with A5 paid)	17½	17½	—	—	—	—	—
London County West- minster and Parr's (A20 with A5 paid)	17½	17½	—	—	—	—	—
London County West- minster and Parr's (A20 with A5 paid)	17½	17½	—	—	—	—	—
London County West- minster and Parr's (A20 with A5 paid)	17½	17½	—	—	—	—	—
London County West- minster and Parr's (A20 with A5 paid)	17½	17½	—	—	—	—	—

Foreign Government Securities.

Argentine 5½, 1888-7	100	100	—	—	—	—	—
Belgian 3½	70	70	—	—	—	—	—
Brazil 5½, 1914-70	71	71	—	—	—	—	—
Canadian 5½, 1888-7	77	77	—	—	—	—	—
Do 7½	104	104	—	—	—	—	—
Chinese 4½, 1912-7	72	72	—	—	—	—	—
Egyptian 4½	71	71	—	—	—	—	—
French 4½	43	45	—	2	—	—	—
Do 4½	34½	36	—	1½	—	—	—
Do 4½	34½	36	—	1½	—	—	—
Do 4½	34½	36	—	1½	—	—	—

Telegraphs.

Anglo-American "A" 2½	23½	23½	—	—	—	—	—
Marconi Wireless	24½	24½	—	—	—	—	—
Marconi Wireless	24½	24½	—	—	—	—	—
Marconi Wireless	24½	24½	—	—	—	—	—
Marconi Wireless	24½	24½	—	—	—	—	—
Marconi Wireless	24½	24½	—	—	—	—	—
Marconi Wireless	24½	24½	—	—	—	—	—
Marconi Wireless	24½	24½	—	—	—	—	—
Marconi Wireless	24½	24½	—	—	—	—	—
Marconi Wireless	24½	24½	—	—	—	—	—

British Railways.

Great Central Pref.	202½	23½	—	2½	—	—	—
Great Eastern	44	44	—	—	—	—	—
Great Northern Def.	42½	42½	—	—	—	—	—
Great Western	105½	105½	—	—	—	—	—
Do 7½	104	104	—	—	—	—	—
London, Brighton, & A.	65½	65½	—	—	—	—	—
London, Chatham, & A.	111½	111½	—	—	—	—	—
L. and N.W. (New)	102½	102½	—	—	—	—	—
L. & S.W. Western, Def.	28	31	—	3	—	—	—
Metropolitan	462½	472½	—	10	—	—	—
Metropolitan	462½	472½	—	10	—	—	—
Metropolitan	462½	472½	—	10	—	—	—

American Railroads.

Chesapeake & Ohio	75	76	—	1	—	—	—
Erie	20	19	—	—	—	—	—
Do 4½ 1st Pref.	30	27	—	—	—	—	—
Do 4½ 1st Pref.	30	27	—	—	—	—	—
Do 4½ 1st Pref.	30	27	—	—	—	—	—
Do 4½ 1st Pref.	30	27	—	—	—	—	—
Do 4½ 1st Pref.	30	27	—	—	—	—	—
Do 4½ 1st Pref.	30	27	—	—	—	—	—
Do 4½ 1st Pref.	30	27	—	—	—	—	—
Do 4½ 1st Pref.	30	27	—	—	—	—	—

Miscellaneous.

Aerated Bread (A1)	148½	148½	—	—	—	—	—
Anglo-Persian Oil (A1) ..	43½	42½	—	1	—	—	—
Armstrong (Sir W. G.)	18	16½	—	1½	—	—	—
and Co. (A1)	15	15	—	—	—	—	—
Asiatic Petroleum (A1) ..	109½	109½	—	—	—	—	—
B. & S. Small Arms (A1) ..	53½	52½	—	1	—	—	—
Broad Street (A100)	53½	52½	—	1	—	—	—
British-American Tobacco (A1)	348½	4	—	2½	—	—	—
Brit. & Am. Meat (A1) ..	11	11	—	—	—	—	—
Burnish Oil (A1)	58	58	—	—	—	—	—
Cons. (J. and P.) (A1) ..	34½	34½	—	—	—	—	—
Courtauld's (A1)	24½	24½	—	—	—	—	—
Conard (A1)	13½	13½	—	—	—	—	—
Corpan, Long (A1)	13½	13½	—	—	—	—	—
Crutcher Rubber (A1)	13½	13½	—	—	—	—	—
Crutcher Rubber (A1)	13½	13½	—	—	—	—	—
Crutcher Rubber (A1)	13½	13½	—	—	—	—	—
Crutcher Rubber (A1)	13½	13½	—	—	—	—	—
Crutcher Rubber (A1)	13½	13½	—	—	—	—	—
Crutcher Rubber (A1)	13½	13½	—	—	—	—	—
Crutcher Rubber (A1)	13½	13½	—	—	—	—	—
Crutcher Rubber (A1)	13½	13½	—	—	—	—	—
Crutcher Rubber (A1)	13½	13½	—	—	—	—	—

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall.
Brakpan (A1)	24½	24½	—	—	—	—	—
Broken Hill Prop. (A1) ..	13½	13½	—	—	—	—	—
Chartered (A1)	13½	13½	—	—	—	—	—
Cons. Gold Fields (A1) ..	13½	13½	—	—	—	—	—
Crown Mines (A1)	13½	13½	—	—	—	—	—
De Beers Def. (A24)	11½	12½	—	1	—	—	—
East Rand Prop. (A1) ..	13½	13½	—	—	—	—	—
Edulid (A1)	13½	13½	—	—	—	—	—
Gov. Gold Areas (A1) ..	48	48	—	—	—	—	—
Gov. Gold Areas (A1) ..	48	48	—	—	—	—	—
Gov. Gold Areas (A1) ..	48	48	—	—	—	—	—
Gov. Gold Areas (A1) ..	48	48	—	—	—	—	—
Gov. Gold Areas (A1) ..	48	48	—	—	—	—	—
Gov. Gold Areas (A1) ..	48	48	—	—	—	—	—
Gov. Gold Areas (A1) ..	48	48	—	—	—	—	—
Gov. Gold Areas (A1) ..	48	48	—	—	—	—	—
Gov. Gold Areas (A1) ..	48	48	—	—	—	—	—

ANALYSIS OF BALANCE-SHEETS.

BLEACHERS' ASSOCIATION.

March 31, 1922.

LIABILITIES.		ASSETS.	
Amount.	Inc. or Dec.	Amount.	Inc. or Dec.
Ord. shares	2,371,086	Land, buildings, &c.	9,501,116
Prof. shares	2,472,500	Stock, &c.	875,401
4½ deb. stock	2,250,000	Debtors	1,241,890
Unpaid dividends	4,413	Cash and bills	34,920
Sundry creditors	2,179,889	Investments	363,546
General reserve	1,325,000		
Div. reserve	180,000		
Superannuation fund	68,762		
Fire insurance fund	284,712		
Investments contingencies fund	50,000		
Profit and loss	830,511		
Total	12,016,873	Total	12,016,873

BRUNNER, MOND, AND CO.

March 31, 1922.

LIABILITIES.		ASSETS.	
Amount.	Inc. or Dec.	Amount.	Inc. or Dec.
Ord. shares	9,647,041	Properties	6,341,486
Prof. shares	4,000,000	Investments	7,225,753
Capital reserve	1,000,000	Patents accounts	2,077,515
Reserve	837,785	Stocks	3,945,549
Investment reserve	265,000	Debtors	1,214,087
Depreciat'n acct.	20,667	Cash	1,209,344
Savings banks	91,974		
Department	3,416,516		
Creditors	2,420		
Dividends unclaimed	2,420		
Balance due	820,703		
Profit and loss	824,754		
Total	20,806,157	Total	20,806,157

LIEBIG'S EXTRACT OF MEAT.

March 31, 1922.

LIABILITIES.		ASSETS.	
Amount.	Inc. or Dec.	Amount.	Inc. or Dec.
Ord. shares	1,000,000	Land, bldgs., &c.	419,367
Prof. shares	1,200,000	Investments	497,380
5% red notes	600,000	Debtors	1,614,948
Bills payable	653,219	Establishments	1,712,421
Creditors	1,279,428	Stock	1,502,397
Reserve	1,000,000	Cash	187,867
Profit and loss	357,719		
Total	6,090,366	Total	6,090,366

LIPTON, LIMITED.

March 31, 1922.

LIABILITIES.		ASSETS.	
Amount.	Inc. or Dec.	Amount.	Inc. or Dec.
5% cum. pref.	1,000,000	Goodwill, &c.	2,008,396
9% cum. pref.	600,000	Plant, &c.	719,612
Ord. shares	1,250,000	Stocks	1,501,067
Debentures	1,100,000	Sundry debtors	752,568
Bills payable	27,690	Expenses p.f. issue	41,832
Bank overdraft	—	Insurance, &c.	14,089
Sun. creditors, &c.	790,681	Investments	253,440
Savings bank deposits	134,983	Cash at bank and on hand	290,933
Unclaimed divs.	5,170		
Debenture int'rs accrued	9,000		
Div. on 9% p.f. shs.	18,122		
Benevolent fund	2,768		
Reserve	500,000		
Profit and loss	143,583		
Total	5,581,997	Total	5,581,997

ALEXANDERS DISCOUNT Co., Ltd., 24, LOMBARD STREET, E.C.3.

Telephones: 1832 & 225 Avenue. Telegrams: "Alexanders, Thread-London."

CAPITAL SUBSCRIBED - £1,250,000 RESERVE FUND - £250,000
CAPITAL PAID UP - £800,000 RESERVE LIABILITY £500,000

Approved Mercantile Bills discounted. Money received on deposit at call and short notices at current market rates; for longer periods on specially agreed terms. The Company deals in British Treasury Bills of any maturity.

COMPANY MEETINGS, &c.

THE FINE COTTON SPINNERS' AND DOUBLERS' ASSOCIATION, LIMITED.

MR HER

profits for the association. The contract for this machinery was placed before the war, and although we had to consent to raise the price, still it came in far below to-day's values. £7,769 has been expended on the ropery belonging to the association, which is now making ropes, banding, &c., not only for the associated mills, but also for sale in the outside market.

About £10,000 has gone in warehouse alterations, making in three mills economy in the handling of the yarn, and the balance has been spent in the research department. We have so far placed capital expenditure on this department to our property account, but when it is completed the amount will be written off against the £35,000 you put on one side for the purpose, and which, as yet, stands untouched in our balance-sheet. If you will follow the figures down you will see that this year we have placed £180,000 to the depreciation account; for many years we took £140,000, then raised it to £180,000, and last year to £220,000; but the fact that we have this year run such short time, and the perhaps more important one that the cost of machinery has been greatly reduced, has led your board to the decision that for this year, at any rate, £180,000 was an ample sum to appropriate for this purpose. You will notice we have only laid out £151,567, although we have made every renewal that was necessary to keep the mills up to the top of their form. In addition to this, we have spent £136,000 on repairs, and have written this sum off profit and loss account. Prices for all classes of repairs are still very high, and no doubt in future years this item will be considerably reduced. This brings the depreciation fund to £787,945, and gives the value of our properties in our books at £5,404,593, an increase of £79,370 over last year.

SUNDRY INVESTMENTS.

The next item is "sundry investments, &c." It stands at £4,436,135, an increase of £448,047. This increase is occasioned by the amount we have had to lend to our French mills for reconstruction, about which I shall say a word presently, and by loans we have had to make to many of our subsidiary companies for the purpose of their businesses.

STOCK-IN-TRADE.

Stock-in-trade comes to £3,078,866, and shows a decrease of £729,420. I am glad to be able to tell you that the decrease is all in yarn and stores; cotton itself shows an increase. Yarns are down 950,000 lbs in weight, and £692,590 in value. Stores are down £105,887. The reason for the reduction in stores is mainly that we have carried a very heavy stock of coal, and when we saw the price must come down and the position was safe, we used up all our surplus stocks. We have not yet replaced them, but we shall do so as soon as we consider values have come to a safe level.

YARN.

In the yarn section the policy of the board has been during the whole of the year to reduce stocks; it was obvious that wages must come down, and it was equally obvious that this reduction would reduce the value of our stocks of yarn. Our managers made valiant efforts to carry out the policy of the board, and although trade did not permit the full reduction we aimed at, still you will admit their work was not without effect. You will notice the reduction in value does not correspond with the reduction in weight, but had there been no reduction in price during the year our stocks would have stood at something like £450,000 more than they do, a fact you will easily see has had some considerable effect on our profit and loss account. I am sure, however, that you will approve of the policy of your board in taking a safe and even a conservative view of the value of stocks.

TRADE AND OTHER DEBTORS—A GOOD SIGN.

Trade and other debtors, £1,466,702, is an increase of £80,395, and is a very good sign indicating the increase of our business. I am glad to tell you, in addition, that our list of overdue accounts, always a feature watched carefully by the executive, shows a gratifying reduction on the year.

Cash at bankers shows that we have a credit against our unsecured account of £32,398, instead of, as last year, a very considerable debit.

LIABILITIES.

Turning to the other side of the balance-sheet, you will see that the capital issued stands exactly as last year, and that there is no change in the reserves. The insurance fund stands at £148,830, an increase of £13,444, this being the excess of premiums over claims on the 10 per cent. undertaken by the association. I hope it will not be long before our auditors advise us that we may safely take a bigger percentage of the risks.

THE PENSION FUND.

Our pension fund shows an increase of £1,050, this being the interest on the invested portion of the fund. The number of pensions granted during the year is 40, and the total number of your old workpeople drawing pensions at the present time is 99. Every one of these pensioners has given over 30 years, and some over 50

years' continuous service in the mills of the association, and are now incapacitated for work. The total number is smaller than we anticipated when we started the scheme, and when I tell you that we have nearly 1,200 workpeople who have completed from 30 to 67 years' service, you will agree that no attempt on the part of our workpeople has been made to take undue advantage of this fund.

The research fund I have already mentioned.

The superannuation fund shows hardly any change.

Loans, £209,722, show a reduction of £62,546.

Creditors on bills and open accounts, £1,348,517, shows an increase of £283,715, indicating the increased volume of trade, and largely the fact that we have more cotton bought on which we have given bills than we had a year ago.

PROFIT AND LOSS ACCOUNT.

This brings me to the profit and loss account, which you will find at the top of the page. You will see that we brought forward £185,906, and that we have made a profit of £613,339, this profit being £490,524 more than that of last year.

The total sum we have to dispose of is, therefore, £799,246, and from this must be deducted debenture interest of £110,000, leaving a sum of £689,246.

The profit of £613,339 is arrived at after charging all expenses in the ordinary way, the only difference from pre-war sheets being the item for enemy debts, and the adjustments of E.P.D.

ENEMY DEBTS.

As regards enemy debts, the bulk of these have been dealt with in former stocktakings, but we had amounts owing for stocks, &c., which had been lodged with the German Public Trustee, and which we had a difficulty in obtaining. Some months ago we sent our secretary and our accountant to Berlin, and they were able to make a satisfactory settlement of the greater part of these accounts, and we have been able to bring into our profit and loss account a sum of £40,000. We have still more accounts to settle, and another journey to Berlin may be necessary, but we shall hope to bring the balance into the next stocktaking. The E.P.D. account is one which, at the moment, it is best not to discuss too closely. It cannot be considered without including the question of damages to property in France, and we must not overlook the fact that we have not yet arrived at a final settlement with the Inland Revenue.

The amount that the board decided to bring into the accounts was settled after careful consideration of this position, and represents an amount over provided in our accounts in previous years.

I ought to say that the delay in coming to a settlement with the Inland Revenue does not mean that we have any disagreement with them. It simply arises from the complexity of our figures, and the great amount of arrears of work which have accumulated at the Inland Revenue offices. We have treated the officials of the Inland Revenue with the utmost candour, have found them on their side anxious to act fairly towards us, and do not doubt in due course we shall arrive at a just and proper settlement.

A GOOD RESULT.

I hope that our figure of profit for this year may appeal to you as a good result. Had the trading of the period been normal, it is one we should have been disappointed with, but when you consider that for the first five months we were working very short time, and made a loss, that we have suffered from a further decline in the value of our stocks of yarns, and that we have also been handicapped by the almost entire lack of demand for our very fine ranges of yarns, it seems to me that we may congratulate ourselves on having such a respectable figure to dispose of. Coming back to that figure, if you turn to the front page, you will find it again, and you will see that we paid interim dividends of £190,375, and have now left a sum of £498,871 2s 3d to dispose of, and I have no doubt our chairman, when he comes to the next resolution, will give you reasons for the manner in which we propose to divide it. We only gather together for this short meeting once yearly, and I know you expect a few words on our big subsidiary companies.

COTTON-GROWING INVESTMENT.

On our investment in cotton growing, I have to give you a poor report. This company had last year a partial failure of the crop. With half a crop it is impossible to make profits, and, in this case, the result was a considerable loss. Fortunately, they had reserves to cover this loss, but we received during the year only the interest on our gold bonds. The cause of the failure of the crop was the boll weevil, but I am glad to tell you that, in conjunction with the Board of Agriculture at Washington, our friends on the plantation are confident that they have at last found a means of checkmating that annoying insect. I refer to the system of poisoning, which was tried partially last season, and on all land where it was applied a crop was raised. For instance, it was applied on 900 acres where our new strain of cotton was planted, and 600 bales of cotton were raised, while on a similar extent of land next to this, which was not so treated, practically no cotton at all was gathered.

This season they have the machines and they have the poison to treat the whole estate, and, given reasonable weather, there should be no doubt of a crop, and if you get a crop a profit is practically certain. The Cotton Company is very anxious that we should inspect their work, and see the perfection to which they have brought the estate, and we have promised to send a number of directors this autumn, so next year you may expect an interesting, and I hope a pleasing, report.

THE FRENCH MILLS.

Turning to the French mills, you will remember that we have three French companies, and we have one English company trading in France. These are now in very different condition from that of a year ago. The French companies are just complete, are now in full running, and are in really magnificent condition.

The English company has two mills complete, with a total of 150,000 spindles; the third mill is not yet filled, partly because we have not as yet received one penny for reparations through our Government, partly through a difficulty about workpeople, which will take a year or two to put right, and partly because we wish to see what direction trade in France will take when it settles after the war, and when it has adjusted itself to the spindles and looms of Alsace, before we decide the nature of the machinery we put into this third mill.

None of the companies has done really well this year. Trade in France has been quite as bad as with us, but all have made a profit and all have paid a dividend. They are now finding improved trade, and there is every prospect of satisfactory results in the future.

REPARATIONS.

The settlement of Reparations goes very slowly. For our French companies the French Government has done a great deal, but we have not yet obtained a final settlement, and at the present time I do not think it would serve any useful purpose to discuss these figures.

For the English company we have not as yet received anything, but we have only just obtained the completed claim made out for us by the French Government, and been able to hand this to our Reparations Committee. We are pressing our claim there, and we are also bringing the claim for stocks of cotton and yarn before the Mixed Arbitral Tribunal. We have the best advice that it is possible to obtain, and with our direct claim and our indirect claim on E.P.D. account we shall, I feel confident, eventually settle this matter without loss.

CRUSHING TAXATION AND GOVERNMENT INTERFERENCE.

In spite of the time I have taken, you will, I think, expect me to say one more word upon our future prospects. It would be useless to pretend that we have as yet the prospect of an easy normal trade. We still suffer from crushing taxation, and undue interference with trade by our Government, and the general unrest and poverty of Europe. The next year or two must be years of uncertainty and must call for the exercise of every quality of foresight, of unceasing effort, and of good fortune, if we are to give you the results you desire.

A BRIGHTER FUTURE.

But I think the worst is over. We have got our values back upon a reasonable basis, and thanks largely to the good sense and goodwill of our operatives can now produce our yarns at a price that should ensure a sale. Fashions, which have been so much against us, show some slight signs of becoming more favourable, and I think we may look to the future with more hope than we were able to a year ago.

For ourselves, we have a fine concern to-day at a low value; we have a management in our mills, and an organisation that can and will take advantage of every breeze of fortune. We have the most skilled workers that exist in any mills in the world, who, I am happy to say, in the main, co-operate with the management in the most friendly spirit. We have not only the name but are actually the producers of yarns that cannot be beaten, and, personally, I think cannot be equalled by any other spinners in the world, and there is every reason to believe that, given reasonable trade, this association can and will render a good account of itself. (Applause.)

Now, gentlemen, I have very much pleasure in moving the resolution:—"That the directors' report and accounts, as presented to this meeting, and upon which a report by the auditor has been read, be and the same are hereby received and adopted."

The Chairman: I will ask Mr Bellhouse to second the resolution.

Views of Mr VERNON BELLHOUSE.

Mr Vernon Bellhouse, in seconding the resolution, said: I think that after the able explanation of the figures that has been given by our managing director, you will unanimously pass the resolution which he has proposed. It is perfectly true that we have passed through a very difficult year, with a measure of success

which, I venture to think, hardly any of us could have anticipated. Let us hope that it may continue. (Hear, hear.) With our wonderful equipment in mills and machinery and the staffs at our mills, including both management and operatives, we are certainly in a magnificent position for taking full advantage of our opportunities. And, personally, I think they are much brighter than they were at this time last year.

RESEARCH WORK.

Your managing director has referred to research, and as this is a subject in which I take a very deep interest, I may, perhaps, be allowed to make a few remarks upon it. Since the war, research has been very much in everybody's mind, so much so, that in war parlance it has been "Let us have research and yet more research." I maintain that this country has been built up on research, and that the premier position which it holds among the nations of the world has been owing to research, and other nations which, perhaps, may have, apparently, got a little bit further than we have in it, owe to us the origin of research.

There is no doubt that to-day everybody is going more deeply into the matter after, perhaps, having been a bit slack during the last few years. Anyhow, as far as this association is concerned, we are applying it in its most scientific sense in connection with our products. Shall we succeed? That is, of course, the question which we have before us. In other words, will the results that we get from research justify the annual expenditure which is bound to follow? I think we shall succeed. In any case, with this question before us, as to whether we shall succeed or whether we shall not, we have built up a research department which will be able to deal with any and all problems that may arise. Its management, under the able leadership of Dr Lawrence Balls, has been got together on truly scientific and practical lines, and we are in a position to tackle any questions and abstruse problems which it was absolutely impossible to deal with under the conditions of ordinary mill practice. Only time will show whether we are going to succeed. I think we shall. I am very confident—I am very optimistic about it myself. But I would like you to understand that should there be any failure in it—should we find that results do not justify the annual expenditure—we are in a position to, and should, give it up. This eventuality I do not look for, but should it come about we should be able to close it down without any very serious loss as our equipment, machinery, and buildings would still retain their usefulness.

The resolution was passed unanimously.

DECLARATION OF DIVIDENDS.

The Chairman then moved the following resolution:—"That the following dividends be now declared out of the profits of the undertaking, viz.:—

"A dividend for the half-year ended March 31, 1922, at the rate of 5 per cent. per annum on the £8,000,000 preference shares, numbered 1 to 3,000,000 inclusive.

"A dividend for the half-year ended March 31, 1922, at the rate of 5 per cent. per annum on the £940,000 preferred ordinary shares, numbered 1 to 940,000 inclusive.

"A dividend for the half-year ended March 31, 1922, at the rate of 11 per cent. per annum on the £3,675,000 ordinary shares, numbered 1 to 3,675,000 inclusive." Mr William Eckersley has specially asked me to make his apologies to you for his inability to take the chair at this meeting. I am afraid that his health is now far from robust, and at the last minute his doctor has ordered him away for a complete change.

THE ASSOCIATION'S GREAT LOSS.

I think that my first duty is to refer to the very great loss we have all sustained in the recent death of our chairman, Mr McConnell. During the last twelve months I have had exceptional opportunities of appreciating the great amount of work Mr McConnell did for the Fine Spinners. He had an infinite capacity for getting to the rock-bottom of any question that was put before him. He thoroughly mastered the detail, and no matter how intricate the subject might be, no work was too hard for him until he was thoroughly conversant with the matter from every point of view. I am sure that his wife and the members of his family have the sincere sympathy of the board and the shareholders in their bereavement.

As you have heard, the board has suffered a further loss during the year by the death of Mr Peter Eckersley. Mr Eckersley was one of a large family of cotton spinners, all of whom were more or less closely connected with this association. He was a past master in the art of mill management, and had made a life study of textile machinery. His loss will be felt severely by the board. The board will miss his services greatly.

A YEAR OF GREAT DIFFICULTY.

To turn to the year's work, it has undoubtedly been one of great difficulty, but I venture to hope that the results are not altogether unsatisfactory to you.

When we last met in this hall some 12 months ago things were at their very worst, and for the first few months of the year under discussion it was very difficult to keep a hopeful outlook. However, in the late summer there was a slight improvement, a glimmer of light, and this improvement, not without ups and downs, has continued up to the present time.

The problem of exchanges all over the world has caused us infinite anxiety. In fact, I am not sure that it was not one of the most difficult matters with which we had to deal. The high price and abnormal fluctuations in cotton at times completely undermined the confidence of our customers in the stability of values, and caused dullness.

THE FUNDAMENTAL PRINCIPLES OF GOOD MANAGEMENT.

At the beginning of the year compulsory short time was, as almost always, most detrimental to margins, for, as you all know, a small profit on 48 hours' work dwindled in the most astounding way on 36. Even when compulsory short time gave way to optional short time our difficulties were not over, for there is a point at which you can, with some firms, by an increase of production, delay and even diminish that accumulation of stocks which we are all so anxious to avoid. Yes! the year has been full of useful lessons, but has, as usual, borne out the fundamental principles of good management, and by no means the least of these is liberalism in the upkeep of plant and machinery. During the year we have on additions, depreciation, and renewals paid for out of revenue spent some £400,000 on your properties. We have, as Mr Lee has informed you, a new and entirely up-to-date mill of some 52,000 spindles, and as this mill is part of an established firm it has its market ready to its hand, and will, I am sure, become a valuable profit-earning asset to your association.

WELFARE WORK.

Mr Lee has so ably covered the ground in his criticism of the balance-sheet that I feel it is not necessary for me to take up much more of your valuable time. But there is just one other matter—it is a side issue which has not been mentioned, but in which I think you may be interested. I refer to welfare work, of which we have heard so much during the last few years. We have made a substantial start. We believe in it; we are anxious to do what we can to ameliorate the working conditions of our employees. But it is a matter which requires most careful handling. What will go in one district may be a complete failure in another, and it is very easy to spend a large sum of money on objects which will not be appreciated by the operatives.

We have efficient first aid at all the mills, rest rooms at most, and a growing number of canteens. We have at the head of this department a very able lady, with competent assistants, and we hope that she may be able to make the thing into the success it deserves.

DISTRIBUTION OF PROFITS.

And now to turn to the balance-sheet, or rather the profit and loss account, at the point to which Mr Lee brought it. You will see that we have a credit balance of £498,871, and it is now our duty to say how this sum shall be distributed. I need hardly tell you that this matter of distribution has received our most careful consideration. It first came before the executive, and they handed on their conclusion to the consultative committee. Finally, it was considered by the full board. In each case the verdict was unanimous.

Things are different from what they were 12 months ago. Then we had the coal strike, compulsory short time, and a complete lack of demand for our manufactures.

Now most of these troubles are of the past, but the demand is not yet what I should like it to be. Personally, I feel that we are justified in our recommendation. I will now call upon Mr Peel to second the resolution.

VIEWS OF MR JOHN G. PEEL.

Mr John G. Peel: It is with great sorrow that I find myself put up to second this resolution, because, undoubtedly due to the death in one case and the illness respectively of our chairman and vice-chairman, who otherwise would, the one, have proposed, and the other seconded, this resolution. Apart from that I really do think we are to be congratulated on being able to put before you such a result this year. I have had a fairly long experience of different branches of the cotton trade, and I really doubt if I have ever known a year in which there have been such long periods of acute depression. Therefore, it is with great pleasure that we are able to put before you a resolution of this kind, which I fancy you will find satisfactory. I should like to close my remarks by expressing extreme gratitude to the executive, and to the working management of this concern. It is entirely due to them that we are able to put this result before you. I trust that you will express your gratitude to them for the good work, for the honest, and invaluable, practical work, they have done throughout the year. The resolution was carried unanimously.

RE-ELECTION OF RETIRING DIRECTORS.

Mr William Howarth: The resolution I have the honour to propose is as follows:—"That Messrs William Eckersley, John W. Adam, Claude H. Blair, F. I. Dixon, H. M. Harwood, Ernest Mather, and P. B. Whitehead be, and they are, hereby re-elected directors of the association." You will notice that one name is omitted from that list. You know the cause, and I associate myself with the expressions of regret uttered by our managing director and our chairman with regard to the death of Mr McConnell. Had it not been for that death, of course, his name would have been in this list. With regard to the others, I am quite sure you will agree that they are capable of taking forward the work of this association, and carrying on its traditions in full vigour. Their names are all known to you—that of Mr William Eckersley as vice-chairman, Mr Adam has been associated with one of our branches, and with the central office, one or other, practically for all his working life. Mr Blair is our venerable secretary. Mr Dixon has charge of one of our largest spinning concerns, and has been apprenticed from his youth with us. Mr Harwood is one of our largest shareholders. He was formerly in charge of one of the concerns that we took over by purchase, and his name is known and revered wherever the cotton trade is understood. Mr Ernest Mather has also spent most of his working life with us. Mr Whitehead is in the same position. We have a judicious blend of age and youth, of experience and energy, and I am quite sure that this meeting cannot do better than unanimously agree to re-elect them as directors of this association. Mr Chairman, I have great pleasure in moving the resolution.

Mr A. E. Dixon: Ladies and gentlemen, I have much pleasure in seconding this resolution.

The resolution was passed unanimously.

ELECTION OF AUDITORS.

The Chairman: I will ask Mr Herbert Knott to propose the next resolution.

Mr Herbert Knott: Mr Chairman, ladies and gentlemen, Before I move the resolution which has been put into my hands, may I claim the indulgence of the meeting for a moment. It was my privilege to sit on the board of the association with the late Mr McConnell for the first seven years of its existence, and with the late Mr Eckersley for a period almost as long, and therefore, in a very special manner, I share in the loss which we all feel to-day at their removal. The removal of Mr McConnell, coming so soon as it does after the death of Sir Herbert Dixon, must be felt by the directors very keenly. I venture, therefore, to express on my own behalf, and on behalf of all present, our very sincere sympathy with the directors. The resolution I have to move is as follows:—

"The Messrs Edwin Guthrie and Co., chartered accountants, of 71 King street, Manchester, be and they are hereby appointed auditors of the association until the next ordinary general meeting of the association, and that they be paid the sum of £1,500 as remuneration for their services, inclusive of out-of-pocket, travelling, and hotel expenses."

Messrs Guthrie have been the auditors of our association from its inception. The firm is of very old and honourable standing in the City, and I have very much pleasure in moving their reappointment as auditors.

The Chairman: I will ask Mr G. St Clair Robertson to second the resolution.

Mr G. St Clair Robertson: Mr Chairman, ladies and gentlemen, I have much pleasure in seconding the resolution.

The resolution was passed unanimously.

THANKS TO THE CHAIRMAN.

Mr A. Linney Arnold: It gives me very great pleasure to move the following resolution:—"That the thanks of this meeting are, due, and are hereby tendered, to Colonel R. W. D. Phillips Brocklehurst for the ability and courtesy with which he has presided over this meeting."

It very often happens that a vote of thanks to the chairman for presiding over a shareholders' meeting is purely a matter of form, but I think that this morning we are all agreed that our thanks are due to Colonel Brocklehurst for the ability and courtesy with which he has presided over this meeting. And I should very much like to be able to go a little beyond the formal terms of the resolution, and to say that not only the shareholders throughout the country are very grateful to the managing director, the executive and the board as a whole, and, as Mr Peel has said, to the working and managing staff, for the very careful and efficient way in which they have managed the affairs of the association in the very difficult year under review. Losses, and in some cases very big losses, have been made by many companies during that period, and the shareholders of this association appreciate the fact that its affairs have been so managed that the directors are able to recommend and to pay a reasonable dividend in a year which all know to have been a year in the spinning trade. The directors are well aware that the affairs of this association are watched anxiously by thousands of

shareholders in all parts of the country, and it must be very gratifying to the board to feel and to know that these shareholders and others have such confidence in them and in the recuperative powers of the association that they value the preference shares on a par with War Loan, and the ordinary shares at nearly 100 per cent. premium, in spite of the present low year. But this confidence, while it is very gratifying, implies expectations which, I am sure, the board will do their best to realise. And we all sincerely hope that in the coming year they will have greater prosperity, and that they will be freer from those anxieties which have been such a marked feature of the last two years—anxieties which have been not only caused by the state of the markets and trade generally, but have unfortunately, been greatly increased by personal considerations in the loss of two able and trusted leaders. I have pleasure in moving the resolution.

Mr W. J. Smith: I content myself, after the able way in which Mr Arnold has proposed the resolution, with formally seconding it. It is, however, in my opinion, not quite comprehensive enough. It ought to have extended to our managing director for the lucid exposition he gave of the balance-sheet, which threw light on certain important points which could not be otherwise completely grasped by ordinary individuals. He did it so well that I quite appreciate it.

The resolution was put by Mr H. W. Lee and carried unanimously.

The Chairman: I beg to thank you for your appreciation of what I am afraid are my rather amateurish efforts in the chair. This, ladies and gentlemen, closes the meeting.

UNITED BRITISH INSURANCE COMPANY, LIMITED.

INCREASED PREMIUM INCOME.

The ordinary general meeting of the United British Insurance Company, Limited, was held, on the 1st instant, at the Criterion Restaurant, London, Mr C. H. Dodd (chairman of the company) presiding.

The general manager and secretary (Mr H. F. Baker) read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said he was glad to be able to report in the fire insurance account a very considerable improvement on the figures of last year. It would be seen that the premium income had increased by nearly £100,000, while the claims paid and outstanding were about in the same proportion as last year—namely, 50 per cent. Commission and expenses were lower, and, after making a reserve of 40 per cent. of the unexpired risks, which involved putting a larger sum to reserve this year than last year, they had a balance to transfer to profit and loss of £1,838, as against a transfer from profit and loss of over £39,000 last year. In view of the conditions of fire insurance business in this country during the year 1921, he felt sure shareholders would agree with him that this result was quite satisfactory. The accident insurance account showed a considerable increase in premiums. Last year the premium income was about £950, and this year it had increased to £3,067. The claims paid and outstanding were at quite a satisfactory ratio—namely, 26.9 per cent.

EMPLOYERS' LIABILITY ACCOUNT.

The employers' liability account showed an increase in premium income of something like £1,300, which was eminently satisfactory in view of the fact that trade was so bad last year, and employers' liability business had consequently been very difficult to get. The claims had been considerably higher, amounting to about 46 per cent., as against 34 per cent. Commission and expenses were also somewhat higher; but here, again, after making the usual reserves, they had a profit to transfer to profit and loss account of £737, as against about half that amount last year. Their motor and general insurance account was also of a quite satisfactory nature. The premiums, it was true, had not increased to any great amount—they were up from £90,000 to £96,000 odd—but in a year like 1921, when motoring was very much under a cloud, he thought they would agree that an increase in these figures was exceptionally satisfactory. The claims paid and outstanding showed a loss ratio of about 59 per cent. Commission and management expenses were a little higher than last year, but here, again, they had set aside to reserve the usual 40 per cent., and were enabled to transfer to profit and loss a sum of just about £1,000, as against a transfer from profit and loss last year of £6,677. The marine insurance account showed a considerable drop in premium income, but this was what they had worked for and desired. They had no intention of retaining the premium income from marine insurance at the figures they showed in 1919 and 1920. The income had dropped from £638,000 to £460,000. They had

been exceptionally careful, and had taken every precaution with regard to the risks they had undertaken. Expenses of management and commission were low, amounting only to a little over 10 per cent., and, after a deduction of £25,000, which they had transferred to profit and loss, they were left with a reserve of £612,282, which was 132.8 per cent. of their premium income. This ought not only to be sufficient to meet all possible claims, but there ought to be, and he hoped there would be, a very substantial profit that would come to them one day from this account. The life assurance and annuity account had also shown a small growth. The fund now stood at £28,504, but this big increase was accounted for by the fact that they had transferred from the general reserve fund £20,505 14s, being the amount which they had to set aside in accordance with the provisions of the Act of Parliament, and this formed a deposit with the High Court as security for the life insurance department.

PROFIT AND DIVIDEND.

The total of the profit and loss account was £177,986, which was accounted for by the balance brought forward from last year, the transfers from the various accounts to which he had referred, the sum of £61,200, in respect of interest, dividends, and rents, and a small sum for transfer fees. After writing off various amounts they were left with a balance of £73,986, which they proposed should be dealt with by paying a further dividend at the rate of 10 per cent., less tax, which would be paid on or about June 10th. An interim dividend of 7½ per cent., less tax, had been paid in November last, so the shareholders would get a total dividend for the year of 17½ per cent., and after paying these they would carry forward £24,986. He imagined that there were not many companies that could show a transfer to profit and loss account from every single account as the result of last year's business. They had been through, for the last two years, a most troublesome and trying period in the insurance world. This was the aftermath of the war, and it might be some little time before things would settle down again to their normal conditions, but the United British had, he thought, been successfully steered through the troublesome waters, and a great deal of credit was due to the general manager and other officials of the company.

Mr J. E. Hodgkin seconded the motion, which was carried.

HAMBROS BANK, LIMITED.

A SUCCESSFUL YEAR.

The tenth annual ordinary general meeting of the shareholders of Hambros Bank, Limited, was held, on the 1st instant, at the registered office of the company, 45 Bishopsgate, London, E.C., Sir Everard Hambro, K.C.V.O. (the chairman), presiding.

The secretary (Mr J. H. Roscoe) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—You will find laid on the table the directors' report and the statement of accounts for the year ending March 31st last, and I will assume that, according to our usual custom, we may take them as read.

The balance-sheet calls for no special remark, except, perhaps, that it reflects the period of trade slackness through which we are passing, which is shown by the decrease in acceptances and holding of bills and the increase in Government securities. Of these securities 60 per cent. are short-dated, which we feel justified in regarding as cash.

One other item which perhaps requires explanation is the premises account, which has risen from £225,000 to £315,000. This is due to the fact that our Old Broad street premises were not included last year; both these properties we consider conservatively valued.

The bank has had a successful year, and before formally moving the adoption of the report and accounts, I shall be pleased to reply to any questions or observations from any shareholder.

I now formally move: "That the report of the directors and audited statement of accounts to March 31, 1922, already printed and circulated amongst the shareholders, and as presented to this meeting, be received, adopted, and entered upon the minutes."

Mr H. Bendixson (vice-chairman): I have much pleasure in seconding the resolution.

No questions being asked, the resolution was put to the meeting and carried unanimously.

The Chairman: The next resolution I propose is: "That a final dividend of 9 per cent. for the year ended March 31, 1922, free of income-tax, be declared on the capital paid up, and that such dividend be made payable on and after June 2, 1922."

Mr H. Hunter: I beg to second the resolution.

The motion was unanimously agreed to.

Mr H. Bendixson, Sir James Currie, K.C.B., Mr S. E. Dahl, Mr E. Gluckstadt, Right Hon. Earl Grey, and Mr H. Hunter were re-elected directors of the company.

ROYAL INSURANCE COMPANY, LIMITED.

RESULTS OF A DIFFICULT YEAR.

CHAIRMAN'S REVIEW OF THE VARIOUS DEPARTMENTS.

APPRECIATION OF COMPANY'S STOCK EXCHANGE SECURITIES.

The seventy-seventh annual general meeting of shareholders in the Royal Insurance Company, Limited, was held, on Monday, May 29, 1922, in the boardroom of the company's head office building, No. 1 North John street, Liverpool, at 12 o'clock noon.

Mr Thomas Woodsend (chairman of the company) presided over a large attendance of directors and shareholders.

The Chairman said: Ladies and gentlemen,—Before dealing with the accounts, it is my sad duty to refer to the loss we have sustained in the death of Mr Charles Alcock, a director, and formerly for 18 years general manager of this company. Although of late years, owing to his having resided in the South of England, we had not seen Mr. Alcock very often at our meetings in Liverpool, still he very closely and regularly attended to his duties as a member of the boards of the "Royal" and "British and Foreign Marine" in London, where his ripe experience was of great value to both companies. His memory will long be cherished by those who had the privilege of being associated with him.

Last year I referred to the breakdown in health of Mr Chappell, our then general manager, and I am sorry that the hopes which the directors expressed at that time as to his restoration to health were not realised, and that, acting on the advice of his doctors, Mr Chappell felt it necessary to tender his resignation. This was received with great regret, as it meant the termination of over 40 years' continuous service with the "Midland Counties" and the "Royal," during the last 10 years of which Mr Chappell had held, to the great satisfaction of the directors, the important post of general manager of the company. It was a great pleasure to the directors to appoint Mr Chappell a director of the company, and his name will come before you to-day for re-election.

To fill Mr Chappell's place as general manager the directors appointed Mr J. J. Atkinson, who has spent the whole of his business career with the "Queen" and the "Royal," and during the greater part of this time he has occupied high and important posts in the active management with great credit to himself and benefit to the company.

With regard to the report and accounts of the company, it is customary, first of all, to refer to the operations of the company in the fire department.

FIRE DEPARTMENT.

Many of you are, no doubt, shareholders in other insurance companies, and you will have read the reports and the speeches of the chairmen at the various meetings which have already been held. You will have been struck by the unanimity with which references have been made to the comparatively poor results recorded by insurance companies generally in their fire department operations during last year. The large increase in the volume of premium shown in our accounts for 1920 reached high-water mark early in 1921, and since then there has been a steadily diminishing income, and our figures for the whole of the past year show a diminution of over £600,000. Coincident with this falling-off in business, the losses incurred have been heavier, and consequently we show a much reduced ratio of profit even after allowing for the reduction in the reserve for unexpired risks. This indifferent result is the aftermath of the fleeting prosperity engendered since the conclusion of the Great War, but I am hopeful that with the gradual improvement in trade conditions, limited though this appears to be at the present time, the return to more normal conditions will bring to insurance companies better trading results, and we are confident that when this comes about the "Royal" will secure its full share.

LIFE DEPARTMENT.

In the life department, while, in common with other insurance companies, we have not done so well as in previous years, still we have succeeded in issuing no fewer than 5,934 new policies, representing £3,677,800 of sums insured. The "Royal" life policies continue to be a popular and attractive contract with the insuring public.

ACCIDENT DEPARTMENT.

While the premium income in our personal accident department is practically the same as in the previous year, the net results were good enough to warrant our transferring to profit and loss account the sum of £50,000, still leaving a more than ample reserve in the account to meet all liabilities. Our operations in the employers' liability section have again been very satisfactory. The premiums, due to a reduction in the rates for workmen's compensation business and to diminished wage rolls, are somewhat less than in the previous year, but the claims ratio has been quite satisfactory, and from this department we have again transferred to profit and loss account £100,000, as in the previous year.

GENERAL INSURANCES ACCOUNT.

The general insurances account, which, as you are aware, embraces the operations of the Royal Indemnity Company, of New York, has again been eminently satisfactory, showing, as it does, an increase in the volume of premium of fully 10 per cent., a diminished claims ratio, and only a slight increase in the expense ratio. The percentage of underwriting profits in this section of our operations has been entirely satisfactory, and the shareholders, I am sure, will be gratified to observe that we have repeated last year's transfer of £100,000 to the credit of profit and loss account, making the total transfers from the accident department for the past year a quarter of a million sterling, while maintaining the reserves in all sections on a strong basis.

RETIREMENT OF MR R. W. THOMPSON.

It must be no little satisfaction to the accident department manager, Mr R. W. Thompson, whose long and successful career, first with the "Northern Accident" Company, and since 1907 with the "Royal," will be brought to a close in a few weeks, when he retires under the provisions of our superannuation scheme, that such eminently satisfactory results have been obtained in this department during his final year of office. We wish Mr Thompson many years of health and happiness in his retirement from active duties.

MARINE DEPARTMENT.

I need not elaborate the difficulties which the marine department underwriters of the company have experienced during the year 1921. Our sympathy must be expressed to Mr Stitt, the able successor to Mr Davies, in the chief underwriting chair of the "British and Foreign," and to Mr Williams, the London underwriter of that company, in the trying and difficult times with which they have had to cope, not forgetting in this connection their valued colleagues in New York and elsewhere. The shareholders will agree that, taking the combined operations of the "Royal" and "British and Foreign," it is a matter of satisfaction that the underwriting loss for the closed year—viz., 1920—was not greater than £91,681, which sum we have transferred to profit and loss account.

PROFIT AND LOSS ACCOUNT.

With regard to this account, the income from interest and dividends is slightly less than last year, and, having regard to the meagre result of our trading in the fire and marine departments and consequent disturbance of funds, I think the shareholders will agree that we have every reason to be satisfied with our important revenue from this source. As usual, the interest account includes the dividend received on "The Liverpool and London and Globe" shares, which dividend, I am happy to remark, is on the same basis as in the preceding year.

The provision for income-tax is sufficient to cover the whole of our income-tax and corporation profits tax for last year, after taking into account the amount recovered in respect of excess profits duty. This recovery was largely due to adverse results in our marine department.

You will see that we have this year written £100,000 off the item in the balance-sheet in respect of shares of incorporated companies, which mainly consists of our holding in shares of allied companies. The directors thought it wise to thus reduce the book values of businesses acquired.

I will refer later on to the general question of depreciation, but I may here explain that during the course of the year your directors found it advisable to exchange certain short-dated securities for others of longer date, and as the sale of these and other securities turned into an effective loss depreciation which had already been provided for in the general contingencies fund, it has been considered proper to utilise part of that fund in this way, seeing that it was created for the purpose of meeting depreciation on investments as well as any other contingencies.

After making the usual transfer to the superannuation fund, I am pleased to say that the balance of profit and loss account carried forward to the current year has been increased by nearly £120,000.

This year we have not transferred anything to the additional reserve in the fire fund, but the balance of profit and loss account, which we regard as "part and parcel" of the fire reserves, has been, as I have just shown, considerably increased.

STOCK EXCHANGE SECURITIES.

You will, not unnaturally, expect me to say something in regard to the present position of the company in respect of its holdings in Stock Exchange securities. At December 31st last, as you will

observe from the certificate attached to the balance-sheet, the value of our assets in the aggregate was in excess of the amount stated in the balance-sheet, after taking into account the provision made in the general contingencies fund. And you will be gratified to learn that a valuation taken out at a recent date of our Stock Exchange securities enables me to say that the total value is now in excess of the values stated in the balance-sheet, quite irrespective of the amount in the general contingencies fund. Taking a long view it is difficult to prophesy the course of the markets, but the position to-day of the "Royal" investments is a remarkable testimony to the wisdom of the conservative policy pursued by the board in the selection of the investments of the company.

DIVIDEND.

The resolution to be submitted will recommend the payment of 11s per share, less income-tax, making with the interim dividend paid in November last, the same dividend as in the preceding year, namely, 22s per share, less tax.

REINSURANCE COMPANY FAILURES.

So much attention has been directed to recent events in the insurance world, particularly in respect to a certain group of reinsurance companies, that the shareholders may expect a word from me as to whether our company has in any way been adversely affected by these failures. I am pleased to be able to say that so far as our fire department is concerned, there is little or no possibility that we shall sustain any loss whatever, but in our marine department we may incur a loss which I do not anticipate will be more than £25,000.

Arising out of the disturbances I refer to, it is suggested that further legislation is necessary in this country, but I hold the view that the insurance public have no need to be distressed by what has happened in the reinsurance world, and that hasty or ill-considered legislation is to be deprecated.

AUDIT ARRANGEMENTS.

Our audit arrangements, we are well satisfied, in every way safeguard the interests of the shareholders. Messrs Harwood, Banner and Son, who were appointed auditors by the shareholders, thoroughly examine the accounts of this company, and necessarily in the undertaking of an audit of the character of the "Royal's," their work extends continuously from one end of the year to the other. Every facility is given to the auditors to carefully examine and verify the correctness of the accounts, not only at home but abroad. And, as their certificate shows, they examine the securities held by the company. I think the shareholders may rest content that this is a matter which the directors, in their interests, have under close observation, and that nothing is left to chance.

I have now pleasure in moving the first resolution, which is as follows:—"That the report of the directors be approved and adopted, and that a dividend of 11s per share, less income-tax, be payable on or after Tuesday, the 30th ult., making, with the interim dividend paid in November last, 22s per share, less income-tax, for the year 1921."

Mr W. R. Glazebrook (one of the deputy-chairmen) seconded the motion, which was carried unanimously.

The following directors, namely, Mr A. K. Barnes, Mr F. A. Bates, Mr Geo. B. Heyworth, Mr A. Allan Paton, C.B., Mr John Rankin, and Mr Thomas Woodsend, who retired by rotation, and Mr George Chappell, who retired under Article 75 of the articles of association, were re-elected directors, and Messrs Harwood, Banner and Son were appointed auditors for the ensuing year.

Mr J. P. Hargreaves: I have pleasure in proposing:—"That the thanks of this meeting be presented to the directors of the company and to the London board; also to the members of the company's local boards, and to its officers and agents at home and abroad, and to the boards of directors and officials of allied companies, for their valuable services during the past year." This resolution covers a very large field, but it needs very few words in its support. We look upon the "Royal" as the home of all that is sound and sure in the insurance world, always of the best, and this is due to the long-continued policy of our directors in years past, and of our managers, not only of those who direct from headquarters here, but also of our immense army of workers who represent us all over the world. I have great pleasure in moving this resolution.

Mr J. L. Bailey, in seconding, said both directors and staff had had a very difficult year, and the shareholders were very greatly indebted to them for the report they had been able to issue.

The motion was carried by acclamation.

The Chairman: It only remains for me to express the thanks of my co-directors and myself for the vote of thanks you have just passed to us. It is always a pleasure to each individual member of the board to feel that he is helping to steer this company in the straight and correct course, and we are rather proud, too, of its being a Liverpool concern. The directors and staff wish to thank you through me for your kind vote of thanks.

This concluded the business of the meeting.

LA GUAIRA HARBOUR CORPORATION, LIMITED.

PRESENT POSITION AND FUTURE PROSPECTS.

The ordinary general meeting of the La Guaira Harbour Corporation, Limited, was held on May 30th, at Winchester House, London, Mr J. G. B. Stone (the chairman) presiding.

The secretary (Mr E. J. Summers) having read the notice convening the meeting and the report of the auditors,

The Chairman said: The figures show that we earned during the year under review a total of £20,722, as against £50,014 in 1920, a decrease of £29,292, and, after adding dividends and interest received from the Macuto Railway, with sundry receipts, and adjusting income-tax account, our total receipts amount to £26,720. From this amount we have to debit £20,999 interest on the first debenture stock and £134 interest on loan, and we are left with £5,586 to be transferred to the credit of the second mortgage stockholders, representing 19s per cent. for the year, the balance of the cumulative 2½ per cent. being a charge on the future revenue of the corporation.

It will be observed that while our total revenue on the tonnage shows a very heavy decrease, there is also a decrease in the various items of expenses, with the exception of necessary expenses in respect of negotiations in connection with our action in charging dues by measurement, and I may mention here that the policy adopted by the board in this matter, which came into force as from April 1st last year, is justified by the additional dues already collected from that source from that date up to the end of the year amounting to 75,968 bolivars, or £3,008. I need hardly point out that this figure represents a lean year, and the extra dues that will accrue to us from this source as trade revives will be proportionately larger. As the trading conditions improve we shall, in the natural order of things, benefit correspondingly. We have had a bad year, but with a concern such as ours we cannot make trade, but can only handle it, and, as it comes, give facilities for the shipping. In the meantime we must strain every effort to be in the best possible position to handle it rapidly and efficiently when it comes. The existing circumstances are such that merchants hesitate to sell their goods at present prices, and are holding them in the hope of better times. This cannot continue indefinitely, and when force of circumstances brings these goods to market you will reap the benefit.

Referring to the balance-sheet, our capital expenditure on construction account for the year amounts to £2,842 2s 7d, the amounts having been expended as follows: Completing extension to Bajo Seco warehouse, £1,342 2s 7d; fee for engineer's report, £1,500; total, £2,842 2s 7d. We have had to make additions to our plant during the year, costing us £6,072.

I must also mention that during last year the Macuto and Coast Line Railway Co., in order to meet the public requirements, extended their line at Maqueta to the church, and we being practically the owners of the line, were called upon to advance funds for the extension amounting to £5,500. The Macuto Railway is a prosperous though small concern, and we hope will be able presently to raise funds to repay this advance. You will realise that the prevailing circumstances have prevented us proceeding with the work recommended to be carried out by Messrs J. G. White and Co. in their report, but this must be done at the first opportunity.

The result of providing the above funds, amounting to a total of £14,414 16s 9d, renders it necessary to ask the second mortgage stockholders to agree to the further postponement of payment of interest until such time as the revival in trade renders it possible for the liability to be discharged.

In moving the adoption of the accounts, I need hardly express the disappointment of the board at the very poor results obtained. These are entirely attributable to the unprecedented depression in trade and the decrease in profit on the exchange on remittances, the latter arising from the adverse rate of exchange during the year, it being 23.10 at the end of 1921, as against 20.70 the previous year, and to the impossibility of raising capital. The acute commercial depression of 1920 became intensified in 1921 and brought trade to a deadlock. Exports were difficult to realise, except at prices which offered no profit to the merchants, and consequently imported goods were in very poor demand.

I do not attempt to forecast the immediate future, as unseen circumstances often arise to falsify what seem well-founded views, but in a rich country such as Venezuela, which grows or supplies articles which are in demand or consumed in large quantities in other countries, a revival in export trade can hardly be delayed much longer, bringing in its train an increased demand for imports.

Mr E. W. Fradgley seconded the resolution, which was unanimously adopted.

A meeting of the holders of second mortgage stock of the corporation was held, and a resolution was passed assenting to a concession to the corporation in respect of the payment of the interest represented by the deferred interest warrants.

In reply to questions the Chairman stated that a scheme for capitalising the deferred interest and to put the company on a sound financial basis would be dealt with at the earliest opportunity.

CONSOLIDATED ASSURANCE COMPANY, LIMITED.

DIFFICULT YEAR—DIVIDEND MAINTAINED. LIQUIDATION OF ACCOUNTS IN ENEMY COUNTRIES. FUTURE OF REINSURANCE.

The eighteenth annual general meeting of the Consolidated Assurance Company, Limited, was held, on the 1st instant, at the Institute of Chartered Accountants, Moorgate place, London.

Mr E. A. Colquhoun (the chairman) presided.

The actuary and secretary (Mr C. Windett) having read the notice convening the meeting and the auditors' report,

The Chairman said: Gentlemen,—The accounts having been in your hands for some days, if it is your pleasure we will take them as read.

Before dealing with the report and the accounts, I would like to refer to the death of our old colleague Colonel Clifford, who had been a director of the company since its formation; his ability and his keen interest in the company are a very great loss to us all.

During the year we have been fortunate in obtaining the assistance and co-operation of Mr John Scrimgeour, who has been elected to the board, and whose confirmation you are asked to sanction to-day. Mr Scrimgeour's name and experience are so well known to all of you that I need say no more than that we heartily welcome him and consider ourselves fortunate in having at our disposal his ripe experience.

Taking now the report and accounts, I would remind you that reinsurance companies' accounts are usually six months late, and as therefore some of you will have already seen the report and accounts of the leading companies, you will have realised that the past year has been a poor one both as regards fire and marine insurance. This is due, no doubt, to the general disorganisation of trade and credit all over the world, and also to the prolonged drought both here and abroad during last year.

FIRE AND GENERAL DEPARTMENT.

The net premiums amounted to £1,110,935, or £227,114 less than in the preceding year, but the total is still considerably in excess of that of 1919. The claims, commissions, and expenses total up to £1,197,768, and it is due to the fall in the premium income automatically releasing a portion of the reserve previously set aside that the account in the end shows a small profit.

With regard to the decrease in the premium income, I wish to state that this is in no way due to loss of connections. It is mainly accounted for—as with other insurance companies—by the fall in values and shrinkage on business prevalent throughout the world; but in our case another factor has been the voluntary curtailment of liabilities where the outlook was unpromising. This, in some instances, entailed considerable retrocession towards the close of the year, which has the immediate drawback of contributing to the reduction in the premium income whilst leaving the losses incurred and the expenses unaltered and increasing their respective ratios. But under normal circumstances we should derive benefit during the present year from the steps taken, and in any case there is this satisfaction, that the 40 per cent. reserve with which we have charged ourselves bears in reality a higher relation to the actual liabilities current on December 31st last.

CLAIMS RATION.

The ratio of the claims paid and outstanding works out at 72 per cent. (or 66.6 per cent. after adjustment of the premium reserve), and this high ratio reflects the unfavourable experience which was general last year.

The commission paid shows a still further advance of 32.7 per cent., and the expenses at 3 per cent. also compare unfavourably, though in this latter case it has been found on analyzing the items that quite 1 per cent. is in respect of foreign and colonial taxation—a charge with which we were not familiar in the years gone by but which, as a result doubtless of the war, has now become a serious factor.

The whole question of the cost of acquiring and conducting the business has been and is still, I can assure you, engaging our most careful consideration, and every effort will be made to improve the position in this respect.

CLOSING PRE-WAR CONTRACTS.

Turning again to the left-hand side of the account, I desire to refer to the sum of £16,884 written off the additional reserve brought forward from the previous year. This sum is composed, as stated, of payments made during the year to close pre-war con-

tracts in former enemy countries. Under the terms of the Peace Treaty sums due in the currencies of the countries in question are payable at the pre-war rate of exchange—a very unfortunate provision so far as this company is concerned, for had we been left to make our own settlement, it will be clear to you that at current rates of exchange we should have saved a considerable amount of money. Some further claims will possibly have to be met under this head, but they are of lesser importance, and full provision has been made for them in the accounts.

The final outcome of the operations of the current year is a credit balance of £4,013 which has been left in the account, and added to the additional reserve, the total of the fire and general fund thus standing at the end of the year at £473,160 or 42½ per cent. of the premium income.

MARINE DEPARTMENT.

Taking next the marine revenue account, there is no gainsaying the fact that we have had, in common with others, an unfavourable experience in this department last year, the losses paid and reserved for in respect of the 1921 and previous accounts absorbing a larger sum than the premium income, with the result that we have deemed it desirable to transfer the sum of £50,000 from the profit and loss account to the credit of this account in order to strengthen the fund. The premiums at £579,329 show a reduction of £118,661 on the previous year's total, but the fall is really greater, as the figure for 1921 contains nearly £100,000 of premiums properly belonging to 1920, but received too late for inclusion in that year's accounts. The true premium income for 1921 is consequently less than £500,000, and I may add that the present year is expected to show a further decline. I bring this out to show you that we have, in view of prevailing conditions, for some time past been curtailing our business in this department, but you will appreciate that the management of a reinsurance company has not the same liberty of action as the underwriter of a marine insurance company, who can decline offers made to him daily as he likes, whilst in our case the choice lies between continuing a reinsurance treaty or giving it up altogether. We entered this market primarily to assist in the development of the fire department, and this object has certainly been achieved.

LOSS EXPERIENCE.

Turning back to the right-hand side of the account I would mention that the loss experience was adversely affected in the latter part of the year by heavy claims under treaties which had been previously cancelled, and were in process of running out. When possible we made a cash settlement of all outstanding liabilities under expiring treaties, and thus claims are included which otherwise would only have figured as payments in later accounts. Provision has also been made for all claims notified but not yet settled.

The fund at the end of the year stood at, say, £370,000, nearly 64 per cent. of the premiums shown, or over 74 per cent. of the actual premiums for 1921, and should, we think, be fully sufficient.

The commission ratio of 7.8 per cent. shows a welcome drop of 1.3. The expenses of management work out at 2.8 per cent., but marine policy stamps account for over 1 per cent. The two items together show a reduction as compared with the previous year, and the question of further reducing the cost of the business is engaging the earnest attention of the management.

LIFE DEPARTMENT.

With regard to our life business, as I have previously stated at these meetings, most of it is drawn from abroad, and during the past year we have succeeded in finally liquidating our foreign agency accounts in the countries where during the war we were unable to correspond with our offices.

During the war we had, of course, no account from enemy countries, and we could only assume that premiums due were paid. They appeared in the income, and were balanced on the other hand as premiums outstanding. As the accounts came in, we have been able to ascertain and write off those premiums not renewed. There has thus been produced a reduction of premium income and of funds by the eliminations on each side of the account. Those policies to which a surrender value attached have been liquidated by either paying the surrender value in cash or

by reserving for it. All outstanding claims have also been fully reserved for, and we now start with a clean sheet.

I would mention here that we found on resuming control of our business in enemy countries our accounts and funds in perfect order. The only complaint we have to make is that economy has not been studied by the foreign States. Staffs were kept on and paid who were not producing.

The life insurance fund has decreased during the war by roughly £5,000, due to the writing off of premiums and the clearing up of expenses, claims, and surrenders appropriate to the war period.

QUINQUENNIAL VALUATION.

As the company's quinquennial period terminated on December 31, 1921, the usual investigation has been made into the life business as at that date on the same bases as were employed at the last quinquennial valuation. After providing adequate reserves for the satisfaction of future liabilities, a surplus of £2,570 is disclosed, which we are carrying forward in the life fund.

I think you will agree that this result is satisfactory, when I tell you that amongst our policy holders are nationals of no less than 13 European countries, all of which were engaged in the Great War, and that, in addition, the Spanish Morocco war also claimed victims amongst our assured.

Not only have our claims been affected by this, but also our expenses of management, as pointed out above.

You will see from the revenue account that we have written off £10,469, being loss on exchange due to writing down our foreign balances to the rate of exchange ruling on December 31st. I trust that in course of time, as the foreign exchanges appreciate, we shall see some of this money back again.

The new business for 1921 shows a further expansion on the previous year, while the first four months of this year show a still greater increase of new business.

BALANCE-SHEET ITEMS.

I will now, if you will allow me, pass to the balance-sheet, before touching on the profit and loss account.

You will remember last year I referred to our raising a loan in the United States to facilitate our entry into business there. This policy has been justified, as the exchange—as you know—materially improved, and so also did the price of the British Government securities which were the security for the loan. In consequence, we realised our securities and paid off the loan of £268,750, and this will account for the greatest change in the balance-sheet. There is no loan in existence to-day.

This rise in the value of our securities has also rendered the investment reserve fund unnecessary, and we have utilised it, reserving against sundry foreign debtors £20,000, and the balance £30,000—has been transferred to profit and loss.

The other changes in the balance-sheet are due to two causes—(1) the fall in our income, which I have already alluded to—viz., £345,775 in all (against this income we had certain reserves which have been called upon to meet the corresponding liabilities); and (2) exchange. As you know, this has not improved in certain countries, and we are compelled to keep large balances abroad for the services of our extensive foreign business. The writing down of these balances to their English equivalent has been a heavy drain upon us.

INVESTMENTS AND CASH.

The investments, the majority of which are gilt-edged British and foreign Government securities, are shown in the balance-sheet at £1,141,423, and their mean market value to-day is in excess of this.

The cash, measured in sterling, also has decreased, owing largely to writing down of our foreign balances to current rate of exchange, from £187,311 to £114,257, which we hope some day will come back to us.

PROFIT AND LOSS ACCOUNT.

I shall detain you, gentlemen, but little to-day by my references to the profit and loss account.

You will notice we bring in £85,217, the balance of the last account, to which we add £68,989 interest, less tax, and £30,000, balance of investment reserve fund.

On the other side, you will find the interim dividend paid, interest paid on balances in hand, expenses not charged to other accounts, income-tax, loss on exchange, depreciation of furniture, and, finally, transfer to marine account £50,000, leaving us with £57,218 to carry forward.

You will see, gentlemen, that if you deduct from interest received, £69,989, the interest paid away £17,194, we are left with a net interest receipt of £52,795. We feel, therefore, quite justified in interest proposing to you to declare the same dividend for 1921 as for last year—viz., 20 per cent. and 5 per cent. bonus, both subject to tax. This absorbs £30,859 of the £52,795. £12,343 of the dividend has already been paid, leaving £18,515 to be paid out of the balance carried forward.

You will remember that I told you at our last meeting that the board considered that additional capital would be required, and the directors decided to issue 98,666 £1 fully-paid shares to make the paid-up capital up to £275,000. In view of the disturbed condition of the market we were advised that the time was not suitable for a public issue, and we therefore accepted an advantageous offer from a financial house for the whole issue, stipulating in fulfilment of the promise given at the last meeting that the shares should be offered first to the shareholders. This transaction occurred this year, and so no mention is made in the accounts under review.

THE FUTURE.

As regards the future, when the reinsurance market has settled down, we hope to progress as in previous years, and when conditions become more normal to obtain a further share of business, for although we have been offered a considerable amount of new business, the terms were, however, such as to compel us reluctantly to decline a large portion of it. However, we feel that a spirit of co-operation will ensue, which will permit of the conditions under which reinsurance business is carried on being placed, as they should be, on a footing satisfactory to both parties.

I now beg to move the adoption of the report and accounts, but before asking Mr Scrimgeour to second this I shall be happy to answer any questions.

Mr John A. Scrimgeour seconded the motion. The Chairman, in reply to questions, said the company had had no relations whatsoever with the City Equitable.

The motion was put and carried unanimously, and the dividend and bonus as recommended were approved.

The retiring director, Mr E. Colquhoun, was re-elected, and the appointment of Mr J. A. Scrimgeour to a seat on the board to fill the vacancy caused by the death of Colonel E. T. Clifford, C.B.E., D.L., was unanimously confirmed.

The auditors, Messrs Price, Waterhouse, and Co., were re-appointed, and a vote of thanks to the chairman closed the meeting.

GODFREY PHILLIPS, LIMITED.

INCREASED SALES—ECONOMIES EFFECTED.

The thirteenth ordinary annual general meeting of Godfrey Phillips, Limited, was held, on the 1st instant, at the Abercorn Rooms, Great Eastern Hotel, Liverpool street, London, Mr Joseph Phillips presiding.

The Chairman, in moving the adoption of the report and accounts, referred to the item of stock which had been reduced to £267,000. That reduction had been brought about by working on their stock of 1919 tobaccos which gave them during the year sufficient good and fine tobaccos for the majority of their operations, and relieved them from the necessity of making purchases out of the very poor crop of 1920 tobaccos. The latter, it was true, was less costly than the stock they were working on, but for quality it had no comparison.

The growers of leaf tobacco in the United States had formed a pooling arrangement for the maintenance of prices irrespective of quality. That movement he did not think would be successful, but should it be, their stocks of old tobacco, which to some might appear too large, would prove their worth and enable them, where they were compelled to buy, to pick and choose to an extent which those who were not holding stocks of 1919 tobacco would be unable to do.

Referring to the profit and loss account, he said at the close of 1920 the total amount to the debit of that account was £104,000. During the year they had made a profit of £15,000, reducing the debit balance to £89,000. Disappointing as the result had been, it was not altogether unsatisfactory, when all circumstances were taken into account. It was not, he said, reasonable to expect that such a setback as had been experienced could be entirely overcome in the short time that had elapsed since the end of 1920, especially as the times had been very unpropitious. The coal strike in the Midlands last year materially affected employment, and trade in the manufacturing areas, which were the most important parts of the country. So far as their company was concerned, trade had been generally bad, and unemployment acute. Further, the continuance of adverse exchanges had made it exceedingly difficult to do any profitable export trade. In view of those adverse conditions, the increase in the company's sales was satisfactory.

During the year many economies had been introduced in the process of manufacture and the working of the business, not by a reduction in the wages, but by improved methods and by the installation of labour-saving devices.

Mr Arthur I. Phillips (general manager) seconded the resolution, which, after some discussion, was carried with a few dissentients.

WESTERN ALLIANCE REINSURANCE COMPANY, LIMITED.

COMPANY'S STRONG FINANCIAL POSITION.

RISE IN COMPANY'S INVESTMENTS.

The second annual general meeting of the Western Alliance Reinsurance Company, Limited, was held, on the 1st instant, at the Institute of Chartered Accountants, Moorgate place, London. Mr E. A. Colquhoun (the chairman) presided.

The secretary (Mr E. E. Colquhoun) having read the notice convening the meeting and the report of the auditors,

The Chairman said:—Gentlemen, those of you who are shareholders in other insurance companies, or have noticed the reports published in respect of last year's operations, will have realised the extent to which insurance has been adversely affected—particularly in the fire and marine branches—by the abnormal economic conditions prevailing throughout the world. It could consequently not be expected that we should remain immune from these influences. Having said this much in general terms, I will deal with the figures in the various accounts.

FIRE AND GENERAL DEPARTMENTS.

It is in this section of our operations that we have felt the full force of the unfavourable conditions to which I have just alluded, and there is no doubt that the extraordinarily dry weather of last summer was also a contributory factor. We have also been called upon to bear our share of damage by fire which may certainly be attributed to political unrest, and whilst there is some hope of ultimate recovery in certain instances, these claims help to swell the total of the losses at the present time. The net premiums in this department you will see amounted to £331,582, and the claims paid and outstanding to £271,287, or nearly 82 per cent. The commission paid represents 32.5 per cent., and the working expenses, including foreign and Colonial taxation, 5 per cent.

These figures are certainly not satisfactory to us, but I venture to think that, after the information I am about to give you, they will be regarded as less unsatisfactory than appears on the surface. In the first place, there is a reduction in the premiums compared with the previous year of some £55,000, and with a falling income an increased loss ratio is ordinarily to be expected, but in the case of last year this reduction in the premium income, which was purely voluntary, was brought about by the retroceding of a portion of the current risks just prior to the close of the year in a section of the business where the outlook was not encouraging. This, whilst improving the position by cutting down the liabilities, left the losses and expenses already incurred as before, with the result that they naturally bear a higher ratio to the receipts diminished by the sum paid away in retrocession premiums. The transaction in question has further an important bearing upon the fund at the end of the year, which, augmented by the transfer of £20,000 from the profit and loss account, stands at £115,994, or 35 per cent. of the premiums as shown, but in reality—on account of the reduction in the liabilities—more nearly approaches the generally accepted standard of 40 per cent.

Before leaving this account I feel that, with two years of such widely differing experience, a fair way to review the situation would be by combining the figures of the two years. If this is done, the total premiums credited to the department amount to £718,433, whilst the total losses work out just under 51 per cent. The cost of acquiring and working the business is higher than we like to see, but I can assure you that the matter is engaging our closest attention.

MARINE DEPARTMENT.

Coming next to the marine revenue account, the premiums at £260,540 show an increase over the previous year. This is explained by the fact that arrangements entered into in 1920 did not give a full year's yield till 1921. We are still following the same cautious policy in this department that I referred to twelve months ago, and I may add that present indications point to a reduction in the premium income for the current year.

The claims paid, with full provision for those notified but still outstanding, absorbed 41.6 per cent. of the premiums, which I think will be regarded as a satisfactory ratio, especially having regard to the conditions prevailing in the marine insurance market generally. The commission and expenses together, including over 1 per cent. for marine policy stamps, work out at 14.4 per cent. and show a reduction on the previous year. The final outcome of the year's operations is a surplus of £114,285, which has been added to the marine fund, thus bringing the latter up to £210,000, or rather more than 80 per cent. of the premium income. This, then, is the position of our marine account of the second year, and without attempting to prophesy as to what profit

we may find we have made twelve months hence, I think you will agree that the showing is one that we may rest content with in the meanwhile.

BALANCE-SHEET ITEMS.

I will with your permission now deal with the balance-sheet before I turn to the profit and loss account. Last year we showed investments of just over £617,000 and cash £14,500, against which we had a loan of £77,500, leaving us with £554,000. This year we show investments of £498,217 and cash £58,469, making a total of £556,686, without taking into account the appreciation shown in the funds. You will remember that last year I explained the circumstances under which we thought it desirable to borrow the £77,500 for the purposes of our foreign business in preference to remitting at the then low rate of exchange. I am glad to say that action has been justified by circumstances in that the exchange has recovered and our securities have appreciated in value. I am glad to say that while at December 31st the investments showed an appreciation of £7,000, at the present moment a still larger appreciation is shown. The investments of the company consist almost entirely of gilt-edged securities, and to-day the invested funds are £626,837 at cost and £694,133 at middle market value, an appreciation of £67,295 net.

PROFIT AND LOSS.

Finally, I take the profit and loss account, from which you will note that dividends, interest, and miscellaneous receipts amount to £30,178, against £11,164 last year, and we therefore have no hesitation in recommending the payment of the same dividend—namely, 5 per cent.—as was paid last year. We have provided for such income-tax as the company may have to pay, and after allowing for the transfer to the fire and general account of £20,000, we carry forward a balance of £18,104, subject to the balance dividend, £5,250.

As regards the future, I am hopeful that we have seen the worst of this depression, and that, while pursuing our conservative management, coupled with our financial strength, we shall obtain our fair share of any improvement, and that the report and accounts for 1922 will show increased progress and better results.

I now beg to move that the report and accounts be adopted, that the payment of an interim dividend of 2½ per cent., less tax, in December last be confirmed, and that a final dividend of 2½ per cent., less tax, be now paid.

Mr J. C. Gould, M.P., seconded the motion, remarking that having regard to the circumstances through which they had been passing the report was more than satisfactory.

The Chairman, in reply to a question, having explained that the company had had no relations whatever with the City Equitable, the motion was carried unanimously.

TRIBUTE TO MR COLQUHOUN'S SERVICES.

The Right Hon. the Lord Amptill, G.C.S.I., G.C.I.E., in moving the re-election of the retiring director, Mr E. A. Colquhoun, said that there was nobody who had had greater experience of or had been more successful in reinsurance business than the chairman. Shareholders might be perfectly certain that so long as Mr Colquhoun controlled the destinies of the company, it would be carried on on the conservative and cautious lines for which it had been founded. They might regard themselves as exceedingly fortunate in having been able to secure that gentleman's guidance and chairmanship.

Colonel F. J. Scott seconded the motion, which was carried unanimously.

The auditors, Messrs. Baker, Sutton, and Co., were re-elected, and the remuneration of the directors was fixed at 1,000 guineas, free of income-tax.

On the motion of Colonel Lemon, seconded by Dr Smyth, a hearty vote of thanks was accorded to the chairman, directors, managing director, and staff.

The Chairman, in acknowledging the compliment on behalf of himself, the directors, and the staff, said shareholders must not overlook the extent to which they were indebted for the results shown, to their managing director, Mr J. H. E. Lane. All he would add was that if they were right in thinking that there was going to be an improvement in the market generally, with their history, with their funds, and with their cautious management, he was certain that their company would get their share of it.

The proceedings then terminated.

NESTLE AND ANGLO-SWISS CONDENSED MILK CO.

COMPANY'S POSITION AND PROSPECTS.

CHAIRMAN CONFIDENT OF THE FUTURE.

RETURN TO NORMAL CONDITIONS NECESSARY.

We would emphasise the fact that we have every confidence of a return to normal profits. One must not forget, however, under what abnormal conditions we have had to work both during and after the war. Governments were at that time the principal buyers of our products, which we could not possibly deliver direct to our customers through the intermediary of our numerous selling depots. Our strongest efforts are now directed toward the re-establishment and development of this direct contact with the consuming public by means of rational advertising and by all other means at our disposal. This brings us to believe that we can to-day still reckon on sales which are about double those of pre-war days, which will enable us to make use more completely as time goes on of our manufacturing capacity, whilst giving preference to those countries which can produce under the most favourable conditions.

FINANCIAL REORGANISATION POSTPONED.

It is difficult at present to foresee what the results of this year will be, as they depend to a great extent upon the measures adopted for the improvement of our position, and because we cannot calculate exactly when these measures will make their effects felt. This is one of the principal reasons why we propose to you to-day to delay for the time being the financial reorganisation of our company. Our bankers understand our position perfectly; we can count upon their support and their collaboration in our plan of reorganisation; nevertheless, we think it preferable not to go ahead in this matter for the present.

In coming to this decision we have been guided by the consideration that it is in the direct interest of the shareholders not to establish a definite plan of reorganisation until the working of our business during this year has given us sufficient information to enable us to estimate what sacrifices we must ask them to agree to in order that such reorganisation can be satisfactorily effected.

FALL IN SWISS LOAN RATES.

In our opinion, this information will enable us to undertake the reorganisation under the most favourable conditions possible, and we have also taken into account economic considerations contingent upon the financial situation. We see to-day a fall in the rates of interest, which makes conditions easier. Who would have thought a year ago that the Swiss Confederation would abandon so quickly the 6 per cent. and 5½ per cent. basis and come back to the rate of 4½ per cent. for loans? This fall is all to our advantage, and allows us to delay the reorganisation with the idea that circumstances are not likely to be less favourable than they are now, but, on the contrary, one can hope that they will be better. In adopting this attitude the board hopes to have the support of all classes of shareholders.

ADDITION TO THE DIRECTORATE.

I should like, gentlemen, to add also a word on the subject of our proposal to modify the articles of association. From last year onward it became apparent that financial questions would have an ever-growing importance in our enterprise. We wish, therefore, to give to the bankers, who not only help us with their credits, but also represent the interests of strong groups of shareholders, a more important place on the board, the more so as these bankers will be of the greatest assistance to us in collaborating in the establishment of a scheme of reorganisation.

We have secured for the financial side of our management the collaboration of a specialist of first rank in the person of Mr Louis Dapples, whose election to the board we are proposing to you. Mr Dapples will devote himself especially to the present financial questions, and with this end in view we shall ask him to become the fifth managing director. Mr Dapples has been at the head of banking establishments of the first order in France, England, and Italy; he has a wide experience of finance in overseas countries. With his collaboration it will be easier for us to solve in the best interest of our company the important questions of exchange, which constantly present themselves owing to the universal character of our business.

It is therefore necessary, as we propose to you in the order of business, to modify articles 22 and 29 of the articles of association with a view to increasing the number of the members of the board and of the general management.

In closing, I would like to repeat, gentlemen, that the board has taken everywhere most energetic steps for the reduction of general expenses, and that it looks forward with full confidence to the future of the company.

At the fifty-fifth annual general meeting of shareholders, held, on May 29, 1922, at Cham, Switzerland, the report and accounts of the company for the year ending December 31, 1921, were adopted by the shareholders, and all the proposals of the board as set out in the report accompanying the accounts were carried.

The Chairman, G. Aguet, Esq., C.B.E., of London, in the course of his speech said:—

In order to give you a precise outline of the position of the company and the reasons which have caused the large losses suffered in 1921, the board has established a very complete annual report, to which we refer you.

PROHIBITION OF THE EXPORT OF CONDENSED MILK.

The events which occurred during the war are still in the memory of all. You know how we in Switzerland were compelled to deliver our fresh milk supplies to the towns and important centres for their daily consumption. This resulted in serious loss to us, because we did not derive any profit from the use of our staff, as the condensing of the very small quantities of fresh milk which remained at our disposal were far from being sufficient to cover our expenses. The decrease in the production began with the prohibition of the export of our condensed milk, and as, on the other hand, the world demand for condensed milk was enormous we were compelled, in order to avoid our business being ruined, to purchase goods where we could find them. It was this which led us, through sheer necessity, to participate in a certain number of foreign enterprises of good standing.

RATE OF EXCHANGE AN ADVERSE FACTOR.

Gradually the rate of exchange of the Swiss franc rose to such a degree that it has been impossible for us to recommence manufacturing in Switzerland since the war ended as we should have liked to do. In fact, the production of condensed milk in Switzerland became, owing to these circumstances, so costly that it could only result in losses, and, therefore, contrary to all rational working.

DRAWBACK ON IMPORTED SUGAR AND TINPLATES.

The recent fall in the price of fresh milk and a certain rise in foreign exchanges allow us, however, to foresee now the time when we shall be able to produce larger quantities of Swiss condensed milk. We sincerely hope that our national product will soon regain its former importance in our manufacture. Experience has shown that our customers know very well how to distinguish between a milk of average quality and a perfect one such as ours, which is undoubtedly preferred by them. This fact gives to our brands a marked advantage over those of our competitors. We hope that the Swiss authorities will also back up our efforts by giving us, as most foreign countries do, a drawback on imported sugar and tinplates. It seems to us that such an action on the part of the authorities would be more than justified, seeing that it is more advantageous for the country to grant drawbacks on raw materials used in the manufacture of goods in Switzerland than by checking importation to paralyse home industry.

FINANCIAL SITUATION.

You will have seen from our annual report that the financial situation of our company has improved by a decrease of 115 million francs under the heading of "creditors." The programme laid down for the reduction of our stocks has continued to make its effects felt this year, and this has allowed us to reduce our debts up to the end of May by a further 21 millions.

Our debtors are represented by many thousands of customers, most of them old ones, who pay us as a rule during the month following the delivery of the goods. Since the foundation of our company we have never incurred serious losses through bad debts; the exceptionally high amount of 1,100,000 for 1921 is due to a bankruptcy in Cuba, and it is not likely that such a thing will occur again. The island of Cuba has passed through an intense crisis, due to the fall in the price of sugar.

The reduction of our financial needs is contingent on the decrease in production, but, on the other hand, it must be noted that the present production is much less costly, as certain raw materials, such as fresh milk and sugar, have almost returned to their pre-war cost, although other factors, particularly labour, are still markedly high, in spite of recent reductions.

We have been able to conclude from these circumstances that, thanks to a reduction in cost on the one hand and to a continued demand for our products on the other, we shall again have results showing normal profits as soon as we can work under normal conditions and reckon on a certain stability in the exchanges.

THE ROYAL MAIL STEAM PACKET COMPANY.

SIR OWEN PHILIPPS' REVIEW OF SHIPPING INDUSTRY.

FOREIGN COMPETITION—FLAG DISCRIMINATION.

CHEAP COAL AND TRADE REVIVAL.

CORPORATION PROFITS TAX.

The annual meeting of the Royal Mail Steam Packet Company was held, on the 1st instant, at the Cannon street Hotel, Cannon street, London.

Sir Owen Philipps, G.C.M.G., M.P. (the chairman of the company), presided.

The secretary (Mr D. I. Conradi) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and gentlemen,—Before coming to the business of the meeting, I feel I must refer with deep regret to the losses we have sustained since last we met by the death, which occurred in October last, of Sir Joseph Savory, and on April 30th this year of Mr Herbert E. Wright.

Sir Joseph Savory had been a member of the court for over 40 years, whilst Mr Wright became a director in 1918. Both these gentlemen were respected and valued colleagues, and will be greatly missed in our counsels.

BOARD'S SOUND POLICY.

This old chartered company was established 83 years ago, and it is almost exactly 20 years since I became your chairman. It has been my consistent aim and that of my colleagues on the court of directors to pursue the policy of steadily building up this old business on sound and progressive lines by keeping abreast of modern conditions and providing up-to-date facilities for those who travel or ship their goods by our vessels.

At the same time we have kept in view the vital importance of a sound financial state of affairs, and have always (even in boom years) refrained from paying sensational dividends. The assets of the company have been well written down out of profits.

FLEET'S GROSS TONNAGE.

The total gross register tonnage of the vessels directly owned by our company is now 350,000 tons, whilst the fleets of the Royal Mail Steam Packet Company and the other shipping concerns with which it is closely allied aggregate considerably over two million tons gross register, or more than 10 per cent. of the total British mercantile marine.

ACCOUNTS.

The accounts which are before you to-day set out the financial position of the company and do not call for any special comment.

Our ordinary, preference, and debenture capital and reserves now amount to nearly £14,000,000.

Like practically all commercial undertakings, we have suffered from the world-wide depression in trade and industry which prevailed throughout the year 1921. We have, therefore, thought it prudent to reduce the dividend on the ordinary stock to 6 per cent. for the year.

RESERVES AND DEPRECIATION.

Our reserve fund stands at the substantial figure of £1,600,000; whilst, for the first time in the company's history, our insurance fund amounts to over £1,000,000.

For the past 20 years we have followed the practice of writing off not less than 5 per cent. per annum from the first cost of our steamers, so that our older vessels stand at low values in the company's books. Even in 1914, when, you will remember, the sum of £200,000 had to be taken from reserve, the full appropriation of 5 per cent. for depreciation was made, whilst the vessels that we either built or acquired under war-time conditions have had additional sums written off their cost for special depreciation. Our fleet stands in our books at a moderate figure.

COMPANY'S NEW YORK SERVICE.

Since early Victorian days the passenger services of the Royal Mail Steam Packet Company have been a household word in South America and the Caribbean, and the vessels of this company have won an enviable reputation for comfort in ocean travel.

Recognizing the desirability of strengthening the bonds of trade and travel between Europe and the North American Continent, we have for some time past been running a regular direct service of mail and passenger steamers between Hamburg, Southampton, Cherbourg, and New York. This was by no means the first introduction of the Royal Mail Company to the United States travelling public, as for many years prior to the war we maintained a regular passenger and mail service between New York and Southampton via the West Indies and Canal zone, as well as a regular tourist service between New York and Bermuda and pleasure cruises from New York to the Caribbean in the winter months.

I desire to bring specially to the notice of both British and American passengers that they now have at their disposal an additional direct line of first-class steamers to and from the United States.

NEW SHIPS FOR AMERICAN SERVICE.

As the "Orduna," "Orbita," and "Oropesa," running in this service have become popular with North Atlantic travellers, both on account of their excellent sea-going qualities, their comfortable accommodation, and the reputation which this old chartered company has for its cuisine, your directors have decided to add two fine new vessels, specially built for the New York Service, the "Orca" and "Ohio," the latter a vessel of nearly 20,000 tons. I feel sure our American friends will appreciate this progressive policy.

In passing I may mention that the connection with New York of your company and its affiliated lines is very close. From Southampton and the Continent we have a regular passenger service direct to that great port; from New York the mail and passenger steamers of the Pacific Steam Navigation Company proceed South via the Panama Canal to Peru and Chile on the West Coast of South America; whilst the mail and passenger vessels of the Lamport and Holt Line ply regularly between New York and Rio and Buenos Aires on the East Coast of South America.

SOUTH AMERICAN SERVICE.

We have maintained our passenger services between Southampton and Liverpool and Brazil and the River Plate, but the volume of traffic does not as yet permit of our resuming pre-war frequency of sailings.

In order to encourage traffic, we have substantially lowered passenger fares.

Business generally in South America has been passing through a period of severe depression, and the number of passengers travelling to and fro by all lines, whether British or foreign, has been considerably less than in pre-war days.

REDUCTION IN FARES TO SOUTH AMERICA.

I have for some time felt that, in order to assist in getting the wheels of trade moving again, it was imperative to encourage people to resume travelling between South America and Europe as in the days prior to the war. We have, therefore, been pressing our Continental friends to agree to a further large reduction in the passenger fares, which were still very high, but, as they were unable to see their way to make more than a comparatively trifling reduction, it was mutually arranged between the passenger lines serving South America that, after June 16th, individual lines would for the time being adopt the tariff which each considered best suited to existing circumstances.

After June 16th passengers will be able to travel to and from South America by the British lines at a reasonable cost, although still considerably above the pre-war figure, as the expenses of running steamers, including cost of coal and wages, are still far higher than before the war. I hope that this further reduction in passenger fares will prove a very practical step towards the resumption of business activity in and with South America.

SERVICE TO NORTH PACIFIC PORTS IN U.S. AND CANADA.

We have maintained our regular service with the North Pacific ports of the United States and Canada in association with the Holland-America Line, and our new motor vessel "Loch Katrine," of about 12,000 tons deadweight, which was built specially for this service, is now engaged in the trade.

CANADA-WEST INDIES SERVICE.

I am pleased to report that by arrangement with the Canadian Government the contract for the mail and passenger service by this company between Canada and the West Indies has been extended for a further period of two years from April, 1922.

NEW YORK-BERMUDA SERVICE.

Our pre-war passenger service between New York and Bermuda was resumed last year, and during the past winter we maintained a regular weekly service on this route.

PLEASURE CRUISES (NORWAY).

We are continuing our summer cruises to Norway this year with the s.s. "Avon." These cruises have proved very popular, and, besides being successful in themselves, are a useful means of acquainting another branch of the travelling public with the way in which we care for our passengers.

MOVEMENT OF CARGO.

The movement of cargo between the various countries to and from which our vessels ply has continued to be seriously restricted, owing to the universal depression in commerce and industry.

The company's fleet has been increased during the past year by the addition of the s.s. "Montgomeryshire" and the motor vessel "Loch Katrine," whilst the "Magdalena" and "Trent," both old ships, have been sold.

FOREIGN COMPETITION.

In British shipping, one of the outstanding after-results of the war has been the growth of foreign competition. The Great War gave a big stimulus to the mercantile marines of a number of countries, and owing to the temporary shortage of shipping immediately following the war, the newcomers for the time being prospered exceedingly. Then came the slump, and there was not enough business to go round, which has resulted in severe competition in almost every trade.

Whilst British shipping has to fight unaided for its existence, foreign ships are, in many cases, supported and assisted in various ways by their respective Governments. British shipowners firmly believe that, in the long run, they will more than hold their own, but where competition is State-aided it must necessarily be an uphill fight, and British shipowners may need to look to their Government for a greater measure of sympathy and consideration towards the shipping industry than has hitherto been extended to them.

It must not be forgotten that British shipping played a vital part in the war, and, in my view, the British nation cannot, under any circumstances, afford to let its mercantile marine take a secondary place.

FLAG DISCRIMINATION.

Another outstanding factor in shipping since the war has been the growing tendency amongst certain nations to discriminate in various ways against the ships of nationalities other than their own, such as debarring them from participation in coastwise trade, imposing much heavier dues and Customs charges in the case of foreign ships than against their own, and otherwise.

Great Britain has stood for centuries for the freedom of the seas, and extends to vessels of all nations the same treatment in all respects as to her own. It is to the interests of all that the seven seas should be free, and I hope that all discriminatory measures may be dropped.

If, on the contrary, foreign nations impose restrictions and penalties against the British mercantile marine, it may be necessary for Great Britain, in self-protection, to reconsider her position. There is an Act of Parliament of 1853, which has been on the Statute Book for 70 years, giving the British Government at any moment power to take immediate measures to protect her mercantile marine against unfair discrimination.

TRIBUTE TO STAFF.

As announced in the report, the court has appointed Mr J. W. Clark to be a director of the company, and he comes up for re-election to-day. Mr Clark's service with the R.M.S.P. extends over a period of 41 years, and he has been general manager for the past ten years. He is at present on a visit to New York on the company's business.

I would like to take this opportunity of expressing the thanks of the court for the care and attention which Mr Clark and the assistant managers, officials, and staff, at home, abroad, and at sea, have devoted to the interests of the company.

SUPERANNUATION FUNDS.

In connection with the Royal Mail Steam Packet Company and its allied steamship lines, we have within the last few years established no less than seven superannuation fund associations for the benefit of their respective staffs.

These superannuation funds together have a total membership of 5,874, and already have accumulated an aggregate capital of £1,419,715 invested in the names of trustees in trustee securities. Whilst they are all based on the contributory principle, which, in my opinion, is the best in the interests of all concerned, it is noteworthy that, out of the total invested funds of £1,419,715, the sum of £1,155,710 has been provided by the respective companies, or over 80 per cent. of the total investment fund.

I am glad to say that the Royal Mail superannuation fund continues to grow, and the membership continues to increase.

THE FUTURE.

There was never a time in my experience when it was more difficult than at present to forecast the future. One thing only is certain, and that is that no trade in the world moves in more regular cycles than the shipping industry. It is now just over two years since the post-war shipping boom collapsed. The prices of commodities, and also of ships, although they may not have reached bottom, are now tending to stabilise, and in some cases even slightly to advance.

I am still strongly of the opinion that we shall not witness a real revival in trade and commerce in this country and secure

work for all the unemployed until two things happen—namely, coal is available for industry and commerce at considerably under £1 a ton, and the present heavy burthen of taxation is very substantially reduced, including the total abolition of the Corporation Profits Duty.

If and when these things are brought about, as I hope they may be, business all round should steadily improve, and when business improves this company, with its world-wide ramifications, will be in a position to take advantage of the better conditions and continue to take no small share in the development of the trade of the Empire.

I now move: "That the report of the directors and the accounts and balance-sheet for the year ended December 31, 1921, submitted to this meeting, be and the same are hereby received and adopted, that the dividends paid on the preference stocks of the company as shown therein be and the same are hereby declared, and the payment thereof approved; and that a balance dividend of 4 per cent., less income-tax, making, with the interim dividend of 2 per cent. paid in November last, 6 per cent. for the year, be and the same is hereby declared on the ordinary stock." I will ask Mr Cameron-Head to second it.

Mr James Cameron-Head seconded the resolution, which was carried unanimously.

The retiring directors, Mr Arthur Nevile Lubbock, Mr Edward Norton, and Mr John William Clark were re-elected, and Mr Harold John Morland, F.C.A. (of Messrs Price, Waterhouse and Co.), was reappointed auditor.

VOTE OF THANKS TO CHAIRMAN, DIRECTORS, AND STAFF.

Mr P. Matthews moved "That a cordial vote of thanks be given to the chairman, directors, management, and also to the staff, both on shore and afloat, for their services during the year." In doing so, he said the chairman had been able to give them a very satisfactory account of the stewardship of the board. The chairman was a tower of strength to the company, and they knew that in carrying on an important business in connection with one of the chief industries affecting the life of the country it was essential to have men managing their affairs who were both keen and careful. The report submitted to them showed that those virtues were prominent in the board now entrusted with the affairs of the company. The shareholders were glad to hear that the board had been joined by Mr J. W. Clark, who was well known to many of them as general manager. Those who had been connected intimately with the affairs of the company were those whom the shareholders liked to see on the board. They had an excellent staff, both on shore and afloat, and it was to the staff, as well as to the directors and management, that they owed a cordial vote of thanks.

Mr D. W. Allport seconded the resolution, and the vote was unanimously accorded.

THE CHAIRMAN'S REPLY.

The Chairman, in thanking the shareholders for the vote, said that everybody who had had to do with business realised that they had a difficult time to face, but he was convinced that if everyone interested in the future of the country did their level best in reducing the expenses of the concerns with which they were connected, and their personal expenses, then they could put pressure on the Government to reduce Government expenses. The reduction so far effected by the Government was small in comparison with the enormous further reductions, both in expenses and staff, that could be made, but until the City of London and the rest of the country showed that in carrying on their own concerns they were as economical, or almost as economical, as before the war, they could not fairly put pressure on the Government to make them go back more nearly to the pre-war level. The proceedings then terminated.

NITRATE PRODUCERS' STEAMSHIP COMPANY, LIMITED.

TAXATION BURDENS—CAUSES OF UNEMPLOYMENT.

The annual general meeting of the Nitrate Producers' Steamship Company, Limited, was held, on May 30th, at 20 Billiter buildings, London, Sir John Latta, Bart., presiding.

The Chairman, in moving the adoption of the report and accounts, said that when they last met the outlook was gloomy in the extreme, and it remained so. Their West Coast business since the war had been non-existent; they had not had a steamer in that region during the war. To make matters worse, the Chilean Government had decided to reserve their coasting trade to themselves, which he thought would prove a mistaken policy. The company, however, were lucky in being able to secure profitable contracts elsewhere. The directors recommended a balance dividend of 5 per cent., with a bonus of 5 per cent., both free of tax, making 15 per cent. for the year. They were not likely to be able to repeat this distribution.

Referring to the burden of taxation, he said that in the last six years they had had to pay 100 per cent. per annum on their capital,

or a total of £935,000. This, in simple form, showed the grievous load capital had to bear.

THE CRUX OF INDUSTRIAL TROUBLE.

The present unexampled dimensions of unemployment were not entirely due to insurmountable causes. The crux of the trouble was that labour unions had reached such perfection that their leaders wielded greater power in the business destiny of the country than was exercised by the Government itself. Their one-sided restrictive policy—as they had no power over foreign unions—occasioned much needless unemployment. Many orders had to be executed abroad. Merchants could use these islands as a trading mart and conduct a substantial business altogether independently of the whims of British workmen. This was becoming daily more serious for British artisans, who had callously looked on as ship after ship had proceeded for repairs to the Continent, simply handing over their daily bread to foreign competitors with pitiable indifference. That insidious principle was also rampant in other trades.

Continental workmen were more prosperous than British because their unions' methods were regulated by expediency. British Labour leaders had mistaken views concerning the power of the Government over the business transactions and the financial fortunes of citizens. Mr Clynes remained of the opinion that good would ensue from a capital levy on the rich.

A BUSINESS MAN'S WATCHDOG COMMITTEE.

The time had arrived when a permanent business man's watchdog committee should be created in the House of Commons. It would cost little or nothing. Damaging statements were often disregarded because of the stupid licence that attached in this country to what was called "free speech." Unfortunately, our foreign competitors, with or without knowledge, but always for their own purposes, circulated such statements, claiming authenticity for them because expressed in the House of Commons. Such a committee would be most serviceable to many self-made captains of industry in the House, whose invaluable experience more often than otherwise lay dormant because they were poor speakers. It would be easy for them to bring injurious statements before the committee for examination. By question and answer, an equally authoritative contradiction, with the force of the committee's finding behind it, could, if necessary, be put on record. The advice of the committee would also be of advantage to the Treasury officials. Had

they been able to consult such a body, presumably the Chancellor would not last year have continued the E.P.D. The miscalculation of £90,000,000, although appalling, did not represent the whole loss, and demonstrated how completely they were out of touch with the trend of affairs. The levy was chiefly collected from old-established houses, and operated in restraint of trade, as it impounded money urgently wanted for reconstruction purposes. What was worse, it mostly went in refunding amounts to thriftless companies, many of which had gone out of business. The total loss of this mal-administration was incalculable.

Mr Robert A. Lawther seconded the resolution, which was carried unanimously, and the usual formal business terminated the proceedings.

EQUITABLE LIFE ASSURANCE SOCIETY.

INCREASED NEW BUSINESS—BONUS DISTRIBUTION.

The one hundred and sixtieth annual general meeting of this society was held, on the 30th ultimo, at the Society's House, Mansion House street, London, Sir Evan Spicer (president) presiding.

The Chairman, in moving the adoption of the report and accounts, said that during the year 1921 the society obtained rather more new business than in the previous year, and, in fact, more than it had obtained for over 100 years. In some way 1921 was a very difficult year for new business, and it was gratifying that they managed to obtain more than in the previous year, which was one of the best years for new life assurance business within living memory. The claims were again very light.

Referring to the bonus distribution which had just taken place, he said that, in making the valuation at the end of last year, both the assets and liabilities had been revalued on conservative principles. In dealing with the assets, they had to consider particularly the value of the Reversionary Interest Society and the Equitable Reversionary Interest Society, which were acquired in 1919 and 1920. There was no market in these securities, and the only way a value could properly be put upon them was to make a detailed valuation of the various investments of those societies. This had been done by the actuary, and the result was that a substantial appreciation was found in respect of them. The society's Stock Exchange securities appeared at the middle market price at December 31st, and the total profit on realisations and revaluations of securities was £237,000, which meant a net appre-

ciation during the past two years of £97,234. It was partly owing to appreciation and partly to the light mortality during the past two years, and the continued low rate of expenses at which they had been able to work, that they found, on valuing their liabilities, that they were able to give the usual quinquennial rate of bonus at the end of last year. So far as whole-life assurances were concerned, they had increased the rate of interim bonus that was to be paid in the event of the older policies becoming claims before the next valuation, and they had also arranged that bonuses for recent policies were to vest and become payable at once, instead of when four years' premiums had been paid. In regard to endowment policies, a special bonus had been added, payable only if they survived to the end of the term. He might summarise the whole position of the society by saying that they were giving a little more bonus, they were making a valuation at least as stringent as they had made in the past, and they were carrying forward £160,000 as a general reserve.

The report was unanimously adopted.

THE INVESTMENT TRUST CORPORATION, LIMITED.

YEAR'S RESULTS—INCREASED DIVIDEND.

LARGE APPRECIATION OF TRUST'S SECURITIES.

MR ROBERT FLEMING ON CAPITAL AND REVENUE.

The thirty-fourth annual general meeting of the shareholders of the Investment Trust Corporation, Limited, was held, on the 1st instant, at the offices of the Corporation, Gresham House, 24 Old Broad Street, London.

Mr Robert Fleming, chairman of the company, presided.

The secretary (Mr Hildred Carlisle) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—The two heads of a discourse on the annual report of an investment trust company are naturally capital and revenue, and to-day I propose very briefly to refer to our invested fund and the revenue derived from it.

FLUCTUATIONS IN STOCK EXCHANGE VALUES.

Beginning with the capital fund, the fluctuations in the Stock Exchange value of the securities of which our invested fund consists, during the last 11 years, as shown in the annual reports, will be of interest.

They are as follows:—

At May 1, 1912, the market value showed an excess over book cost of	£
" 1913, do do	334,917
" 1914, do do	165,854
" 1915, do do	38,421
" 1915, there was a depreciation of	272,196
" 1916, do do	327,420
" 1917, do do	295,914
" 1918, do do	510,569
" 1919, do do	337,100
" 1920, do do	346,469
" 1921, do do	571,531
while this year there is again an excess over book cost of	27,517

In making our valuation, which is checked by the auditor, we take the middle quoted price. If, for example, the quoted price is 100 to 102, we value at 101. Only 19 securities out of 399 are unquoted.

As showing of how comparatively small importance to an investment trust company—just as in an ordinary trust—is the Stock Exchange price of its invested funds, we may contrast these severe fluctuations with the dividends simultaneously paid to the deferred shareholders:—

For 1912 the dividend was 12 per cent.
For 1913-1919 the dividend was 12½ per cent.
For 1920 the dividend was 13 per cent.
For 1921 the dividend was 14 per cent.
For 1922 we are paying 15 per cent., and, as you see, we have a surplus of £26,757 for the year.
The corporation profits tax has during the past year swallowed up more than the equivalent of 1 per cent. dividend. We have often referred to the unfairness and injustice of this tax.

INVESTMENTS IN UNITED STATES.

We still have 21 per cent. of our investments in the United States, and the year's revenue has been helped by a favourable New York exchange. For the present year it may be less favourable, and, besides, it will not surprise us if out of the 399 investments there may be some new irregularity. We have very little in the ordinary shares of industrial companies, but already three or four substantial concerns, largely owing to the immense drop in the value of their stocks of goods, have postponed paying dividends even on their preferred shares, and these can hardly hope to be on the upgrade again during the present year. But it is wonderful with what steadiness the revenue investment trusts has been maintained, and anything which may develop in the direction indicated is not at all likely to do more than somewhat reduce our surplus over the 15 per cent.

RISE IN GOVERNMENT SECURITIES.

Returning again to capital account, as you know, there is nothing exceptional to our company in the rise in prices, which has, compared to those ruling a year ago, been fully 12 per cent. on the whole fund. The percentage of rise has been as great, even greater in some British Government securities, than in other lines. As the report shows, we held on May 1, £950,500 of these. Of that amount one-third was in the Three and a-Half per Cent. Conversion Loan. It cost us within the year about 62 per cent., and on May 1st it was 76½ per cent., a rise of 23½ per cent. on the money invested—surely an extraordinary rise during peace in an English Government security in so short a time! Unfortunately, there is no parallel improvement in the manufacturing and export industries of the country, nor any clear signs of an improvement. It is the comparative deadness of trade that has brought about that cheapness of money which in its turn has resulted in the very exceptional rise in investment securities which the past six months has witnessed. We would all prefer to see some arrestment of this rise if its cause was the restoration of the nation's manufacturing activities, on which its real prosperity depends.

World finance is still in the melting pot; how to balance budgets, stop paper issues, and stabilise exchange. The United States of America, it is certain, cannot go on as in pre-war times and during the war, exporting to Europe in enormous volume its surplus products—cotton, copper, wheat, and a hundred other things—unless it buys in exchange, and yet its legislators are busy erecting walls higher and higher for the purpose of excluding even those few imports that heretofore have managed to scale existing barriers. On the ocean, too, they seek to maintain their competition through subsidies, preferential railway rates and other means.

U.S. CHAMBER OF COMMERCE REPORT

While Washington talks and acts thus, I am glad to see that the United States Chamber of Commerce begins to see things as they are. A recent report, through its Finance Committee, on the Inter-Allied Debt situation, says:—

"It is evident that the payment of inter-Allied debts requires, first, an international credit balance arising out of trade and other financial relations, and, secondly, granting that there is such a balance it is still necessary for each country to secure from taxation the means with which to buy bills of exchange from exporters and others to pay debts.

"This raises the fiscal problem in each country. It is not imaginable that in addition to tax burdens which the people of those countries already bear still further taxes could be levied adequate to effect the purchase of bills of exchange in order to make debt payments to the United States. In fact, it would appear that the Budget situation is such in all Allied countries that they could not pay now, even though the trade balance was fixed."

With these remarks I beg to move:—"That the report and accounts, as presented, be and they are hereby received, approved, and adopted, and that a dividend of £9 10s per cent. on the deferred stock, less income-tax, making with the interim dividend £15 per cent. for the year ended May 1, 1922, be and is hereby declared."

Sir William Guy Granet seconded the motion, and it was unanimously adopted.

On the proposition of the Chairman, seconded by Mr H. A. Vernet, the retiring director, Sir William Guy Granet, was unanimously re-elected.

On the proposition of Mr Dunn Gardner, Messrs Cecil O. Webb and Lionel Baddeley were reappointed auditors, and the proceedings then terminated.

BRITISH THOMSON-HOUSTON COMPANY, LIMITED.

SUCCESSFUL YEAR—INCREASED PROFIT.

COMPANY'S SOUND FINANCIAL POSITION.

The twenty-seventh ordinary general meeting of the British Thomson-Houston Company, Limited, was held, on the 30th ultimo, at their offices, Crown House, Aldwych, London, Mr H. C. Levis (the chairman and managing director) presiding.

The assistant secretary (Mr Alfred Clements) read the notice convening the meeting.

The Chairman, having read the auditor's report, said:

I think the report which has been sent to the shareholders, and which is now formally submitted, will be considered very satisfactory. In submitting last year's report, I gave a brief synopsis of the company's growth, and said that from about 1912 there was a marked improvement in the electrical business in this country, and that the improvement had been steadily maintained up to nearly the end of the year then under review. I then mentioned the fact that, although a reaction had begun, the year, as a whole, was a record one. The volume of unfilled orders on hand at the

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

HEAD OFFICE:
62, OLD BROAD STREET,
LONDON, E.C.2.

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

MANCHESTER BRANCH:
39, Mosley Street.

Affiliations:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

● BRANCHES OF THE ANGLO-SOUTH AMERICAN BANK, LIMITED.
 ★ BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.
 ○ BRANCHES OF THE COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

end of that year was such that, notwithstanding the fact that during 1921 the orders received were less in volume than for the year 1920, the output for 1921—that is to say, the amount billed to customers—was the greatest in the history of the company. This large output is responsible for the satisfactory results appearing in the balance-sheet and profit and loss statement submitted to-day.

CURRENT YEAR'S ORDERS.

Notwithstanding the general depression throughout the country, the volume of orders received by the company this year to date is over 37 per cent. in excess of the orders received for the corresponding period of 1921. The company now has on hand orders to the value of over £2,250,000.

It might be well for me to repeat what I said a year ago, relative to inquiries, and that is, that the volume is very large, and while the proportion which has resulted in orders is not as great as in 1920, nevertheless there is still a great demand for electrical machinery, which must be satisfied sooner or later, and from which we confidently expect to get our fair share of business.

COMPANY'S FLOATING DEBT LIQUIDATED.

In the latter part of the year under review, it was deemed wise to make provision to liquidate the floating debt of the company. An issue of £3,000,000 of debenture stock was authorised, and £1,500,000 par value was issued on satisfactory terms. The issue was largely over-subscribed, and it is satisfactory to note that this stock stands at a substantial premium to-day. Although on the balance-sheet there still appears an amount of £764,000 due to the International General Electric Company, this has since been liquidated, and the only debt which the company has, in addition to debenture stock and employees' savings certificates (which I will refer to again in a moment) is sundry creditors, retentions, &c., which, it will be observed, is covered more than three times over by apparatus, supplies, &c., finished and in progress of manufacture, and the sundry debtors, retentions money, and other outstanding accounts.

I mentioned the item of employees' savings certificates. This scheme was described in my speech of last year, and was instituted during the year in accordance with that statement. It enables employees to invest their savings by purchasing certificates bearing a fixed rate of interest, and pay for same on an instalment plan. The number holding the certificates is now over 1,300.

EXPENDITURE ON FACTORIES.

During the year the expenditure on factories was over £450,000, all of which was in connection with works started or authorised prior to the year under review, and, as stated in the report of the directors, was principally in connection with the new Birmingham factory, the new glass works which we are erecting at Chesterfield in connection with our electric lamp business, and extensions to the Rugby plant, all of which will be completed during the current year.

It may be of interest to note that the total cost of property, buildings, and plant to the end of December last was £2,670,000. From this cost there has been written off year by year sums aggregating £793,286, or over 29 per cent. of the total cost, and of the net book value remaining, nearly half represents expenditure at pre-war costs.

It must also be remembered that the present net value includes the large factory premises at Birmingham, which were only put into operation during the year 1921, and the works at Chesterfield, which are not yet completed. From this it will be seen how very substantial the total depreciation has been. Of course, the value at which the plant stands in the balance-sheet is much less than the cost of replacement.

The buildings and equipment have all been maintained in first-class condition.

GOODWILL, PATENTS, AND LICENCES.

The next item in the balance-sheet to which I would like to refer is that relating to goodwill, patents, and licences at cost. The heading "goodwill, patents, and licences" is a misnomer, as the item consists, in reality, of sums paid for patents and licences, the actual value of which is much greater than the figure appearing in the balance-sheet. No amount is included for goodwill. The wording is that which has been in use for many years. In addition, there are a great many patents which have come to us automatically from the General Electric Company and the International General Electric Company, both of New York, under our contracts with those companies, and without capital expenditure.

In this connection it is of particular interest to note that in the latter part of 1921 one of our most important patents covering the manufacture of the gas-filled type of incandescent lamp was sustained by the House of Lords, and since January 1st of this year, another important lamp patent, covering the so-called "leading-in wire," has been sustained, and from this decision there has been no appeal. The effect of these two decisions, of course, has been beneficial to ourselves and our licensees in this country.

SHARES AND DEBENTURES IN LIGHTING, TRACTION AND OTHER COMPANIES.

Another item on the balance-sheet to which I would like to refer is shares and debentures in lighting, traction, and other companies. Since January 1st this item has been reduced by the realisation of investments included under this head, for amounts aggregating £103,000, as against their book value of £76,600. We believe that the remaining items are carried at a very conservative valuation.

The item "Apparatus, Supplies, &c.," is carried on the balance-sheet at £1,718,793. The portion covered by stock-in-trade has been written down to replacement value during the year. The balance of this item consists of work in progress, which is covered by firm contracts.

The item in the balance-sheet covering discount, commission, &c., on the issue of 7 per cent. debenture stock will be written off from year to year, and the redemption obligation is such that the whole of the issue itself will be extinguished in 40 years.

The cash balance, as will be observed, is very substantial, and has continued down to the present date, notwithstanding the liquidation of the company's indebtedness, to which I have already referred, so that the company's finances are in a most satisfactory condition.

PROFIT AND LOSS ACCOUNT.

Turning to the profit and loss statement, it will be observed that the profit for the year, after deducting all expenses and charges, other than interest on debentures and loans, is £509,258, an increase of nearly £40,000 over the profit for 1920. To this there is added the amount brought forward from the previous year, viz., £225,891, making the total amount to be dealt with £735,150. From this we have to take, in the first instance, £119,446 for interest on debentures and loans, about £60,000 less than for 1920, due, of course, to the re-arrangement of the company's finances. The plant account has been depreciated by £60,000, and there is a reserve of £100,000 for contingencies, which we believe is ample for all requirements. This leaves a balance to be carried to the balance-sheet of £455,703. Out of this it is proposed to pay dividends on the preference shares at the rate of 7 per cent. per annum free of income-tax, which absorbs £105,000, and 6 per cent. on the ordinary shares, likewise free of income-tax, which absorbs £120,000, and these, deducted from the above amount of £455,703, leaves an amount to be carried to the next balance-sheet of £230,703.

It will be noted that the dividend on the preference shares is payable free of tax; arrangements, however, are in process of completion under which, from June 1st, future dividends will be subject to tax in the usual way. This involves the payment of reasonable compensation to the present holders for the surrender of this right, but ultimately it will be greatly to the advantage of the company.

NEW OFFICES—WAR MEMORIAL.

For a great many years the London office of the company has been at 83 Cannon street, but the business has expanded to such an extent that it was necessary to get additional office accommodation, so the offices at Cannon street were given up, and we are now occupying our present quarters at Crown House, Aldwych, which are commodious and convenient, and in a district in which a number of engineering concerns have their offices.

The memorial to the employees who fell in the Great War, and which I mentioned in my speech a year ago, was completed during the year. It was unveiled with appropriate ceremonies by Field Marshal Sir William Robertson, and dedicated by the Venerable Claude M. Blagden, Archdeacon of Warwick, and Rector of Rugby, on October 29th.

I hesitate to touch on the question of industrial disputes; much has appeared in the Press, and it is to be hoped that all of these matters will be amicably adjusted in the near future. I am glad in this connection to be able to state that the personal relations between our own employees and our management are satisfactory.

I now beg to move that the report of the directors produced, together with the annexed statement of the company's accounts to December 31, 1921, duly audited, be now received, approved, and adopted, and that the recommendations therein contained as to dividends or otherwise be adopted and carried out.

Major Martindale seconded the resolution, which was carried unanimously. On the motion of the Chairman, seconded by Major Martindale, Lord Carmichael, Messrs Owen H. Smith, and W. C. Lusk, the retiring directors, also the Right Hon. Earl Buxton (who has been elected a member of the board since the last annual general meeting) were re-elected directors of the company.

Mr Galloway then proposed, and Major Martindale seconded, the re-election of Messrs Price, Waterhouse and Co., the retiring auditors, their remuneration to be fixed by the directors. The motion was carried unanimously.

A hearty vote of thanks having been accorded to the chairman, directors, and staff, the meeting terminated.

ANGLO-ARGENTINE TRAMWAYS COMPANY, LIMITED.

"SIGNS OF REAL IMPROVEMENT."

The thirty-eighth ordinary general meeting of this company was held, on the 30th ultimo, at Winchester House, London, Sir George A. Touche, Bart. (the chairman), presiding.

The London manager and secretary (Mr W. D. Dawes) read the notice convening the meeting and the report of the auditors.

The Chairman, in the course of his speech, said: I fear our report may have been received with some disappointment by the shareholders, although you were prepared for much less favourable figures than those of a year ago. What I am able to tell you to-day will I hope, mitigate your disappointment, but I cannot hope it will remove it altogether. In 1920 the receipts from all sources were £4,413,164. In 1921 they were £4,277,600, a difference of £135,564. In my address last June I particularly called your attention to the manner in which the revenue for 1920 had benefited by special features, such as the favourable exchange and the large credit for income-tax, owing to the heavy payments for arrears of dividend on the first preference shares, and explained that such credits were windfalls not likely to recur. The difference in exchange alone represents a larger sum than the difference in our net receipts, while income-tax accounted for nearly as much as the reduction in receipts from all sources. The par rate of exchange for the Argentine gold dollar on London is 47.58d. Our remittances for the year totalled nearly £1,000,000, at an average rate of 45½. In 1920 the average rate was 58.89d. We have thus lost heavily on exchange as compared with the previous year. In addition to the special credits I have mentioned, the gross figures, as published, included various miscellaneous items. During the year under review these gave us, for advertising £25,876, tolls £10,428, rents £9,329, cargo haulage £2,274, and express trips £3,068.

TRAFFIC RECEIPTS.

When we separate the traffic receipts from the other credits we begin to find some ground for encouragement. In his report a year ago the general manager estimated an increase of 5 per cent. in 1921. This estimate has proved extraordinarily accurate. The traffic receipts in 1920 were £4,000,741; in 1921 they were £4,203,369, an increase of £202,628, or almost exactly 5 per cent. The traffic receipts are the backbone of our undertaking, and their steady increase is the basis alike of our hopes and fears for the future. It is the basis of our hopes, because it is only the advance in takings which can enable us to meet the increasing burden of social legislation. Our traffic receipts have increased because the population of Buenos Ayres has increased every year, in spite of the return of immigrants to their own country during the war. The increase in population since 1910 has been over 400,000. The population is now estimated at 1,708,000, and no similar population in the world is supplied so well with tramway facilities. At certain hours our surface cars have difficulty in coping with the traffic. Last year we carried nearly 90,000,000 more passengers than in 1916, and we ran nearly 7,000,000 more miles.

EXPENSES.

Yet we must be grateful for the larger traffics, for without them the record of increased expenditure would be an alarming one. The total expenditure for the year amounted to £3,305,081, against £3,198,028 in 1920, an increase of £107,053. Traffic expenses were £1,223,358, or £65,093 in excess of the previous year. Of this £57,218 represents increases in wages. While the increase is high, it must be remembered that there was also a substantial increase in the number of passengers. Traction expenses were £644,744. These, as you know, are governed by the cost of fuel. We expected a large saving here. The traffic expenses in 1920 were £812,693. Almost all the difficulties with which we had to contend during the war were, as you know, owing to scarcity of fuel. In 1918 the traction expenses were as high as £891,632, as compared with £644,724 last year. Here, surely, is ground for encouragement. Of the many problems which beset us we hope that of fuel may, for the moment, be considered a minor one. The cost of fuel during the year varied from \$30.75 gold in January to \$18.50 gold in December, and we confidently expect that it will be even below this last price during 1922. Maintenance was £416,819, against £345,064, an increased cost of £71,755. The actual expenditure of £166,789 compares with £82,011 in the year 1920. In order to strengthen our renewals reserve in that year, when the expenditure was abnormally low, we added £51,161 to the actual outgoings, thus increasing the renewals reserve fund to £340,000. We might have drawn upon this reserve to meet part of the heavy charges of 1921, but in the opinion of the board it was undesirable to reduce the renewals fund below the sum of £340,000, at which it has stood for the last two years. The whole of the year's expenditure was therefore charged to revenue.

PAYMENTS TO THE MUNICIPALITY.

We now come to a figure which, after traffic and traction ex-

penses, looms as the most prominent expense on our revenue account—I refer to the large sum of £433,481 under the head of general rates and taxes. The whole of this sum is paid to the Municipality of Buenos Ayres for taxation. It consists principally of the percentages on our traffic receipts payable under the terms of our concession. While it is in our interest to maintain an efficient service, it will be seen that this is equally in the interests of the municipality. We have, therefore, every reason to look to the local authorities for encouragement in our task. There are naturally many questions which involve consideration by the municipality, and on some of them there is room for divergences of opinion. That must always be so. Our fundamental rule has always been to consult the comfort of the inhabitants whose interests the Municipal Council properly seeks to safeguard. We recognise that a satisfied public is an asset to a great concern like ours. It is probably on that account that our relations with the municipality are sympathetic and friendly. Administration and general charges in Buenos Ayres were £159,954, against £144,408, an increase of £15,546.

PENSIONS.

Pensions represent a very large sum. The company's contribution to the official pension fund in Buenos Ayres was no less than £109,302. This was for a full 12 months, that for 1920, £87,461, being for nine months only. These are new charges in the last two years, and show how our burdens have increased. This additional charge alone would provide a return of 5 per cent. on over £2,000,000 of capital. A casual examination of the accounts might create the impression that we are losing ground, especially in the light of the statement that the working expenses were 76.25 per cent., as compared with 75.60 per cent. last year. A closer view shows that increased receipts from traffics are to some extent counteracting the poor exchange.

The balance carried to the net revenue account is £972,519. We have paid the current year's dividend on the first preference shares, £176,000, leaving £143,531 undistributed. This enables us to satisfy 12 months' arrears on the second preference shares to December 30, 1917, requiring £137,500, and leaves to be carried forward to 1922 £6,031. We have already paid one-half of this second preference dividend, and now recommend you to authorise the payment of the second half. It was a question whether we should pay a full year's dividend on the second preference shares, or only a half-year's dividend. To pay the full year it is necessary to encroach, to a small extent, on the amount carried forward, which is reduced from £15,884 to £6,031, rather a beggarly balance in a company of this magnitude. It goes against the grain to do this, but the board felt it to be desirable to prevent the arrears on the second preference shares from increasing. There are still four years of dividend in arrear on these preference shares, while the ordinary share capital of £3,250,000 has received no return since 1914. This is not a satisfactory position. The business should be self-supporting on a commercial basis. It is not an encouragement to investment in the provision of public utilities.

The Tramway Company deserves well of the people of Buenos Ayres. The gain to the city is great. The gain to the tramway company is very disappointing. The present tariff arrangement was authorised in 1920, and is subject to review in 1923. The increase of a cents paper, authorised in January, 1920, was no free gift and no unearned bonus. Our shareholders have not benefited. We had to pay for every penny of it. The extra amount contributed by the public in Buenos Ayres has been paid back in the shape of extra wages, pensions and taxation to the municipality; while we have been able to earn only the current dividend on the second preference shares with an effort, the arrears remain. The ordinary shareholders get nothing. It will soon be necessary to review the position, and we are confident the question will be approached by the authorities in a fair and judicial spirit.

I would draw your attention to one item in the balance-sheet—the investments—now reduced to £305,218 at cost price. They have long shown a heavy depreciation. A year ago the shortage, after allowing for the reserve fund, was £113,000, but the recent appreciation of all securities has added considerably to the valuation.

You may expect a word or two about the outlook, but I am no prophet. Under the best conditions we have a long uphill task. There are immense arrears to be made good. Happily, there are now signs of real improvement, although these ought not to be exaggerated. The shadow of war is passing, and it cannot be doubted that prosperous days for the Argentine will return.

On the other hand the remarkable growth of the city aggravates the traffic problems, already serious. These questions are engaging the attention of the management, and we hope to attain a solution as satisfactory as the circumstances will permit, but we cannot work miracles. And always our first consideration is the convenience of the public, and we hope they also will consider us.

Mr W. F. Hamilton, K.C., seconded the motion, which was carried unanimously.

EAST AFRICAN ESTATES, LIMITED.

DEVELOPMENT PROGRESS OF THE PROPERTY.

FINANCIAL POSITION OF THE COMPANY.

The fifteenth ordinary (adjourned) general meeting of the East African Estates, Limited, was held, on the 31st ultimo, at the registered offices of the company, Carlton House, Regent street, London, S.W., the Right Hon. the Earl of Plymouth (the chairman) presiding.

The secretary (Mr Wm. Beaumont) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—I beg to move the adoption of the report and accounts for the year ended June 30, 1921, and in doing so regret the delay in the presentation of the accounts, which, the shareholders will appreciate, cannot always be avoided in dealing with distant places.

May I point out that the valuable property which the company holds on long lease from the Government is included in the balance-sheet at a nominal figure of £1, and that the expenditure shown in the balance-sheet upon a comparatively small portion of such property is represented by plantations of considerable value and by preparatory and experimental work, the latter of which has served to show the potential resources of the company?

In addition to the above-named assets, the value of which could be easily underestimated, I should like to draw the attention of the shareholders to the fact that the investments of the company, taken at their then value, the sundry debtors (less creditors), stock in hand, cash in hand and at call, totalled the satisfactory sum of £162,230 2s 1d. The world depression stood in the way of disposal of any of our plantations, but the directors are satisfied that the excellent state of the three plantations on the coast will eventually lead, not only to the sale of the developed portion of the estate, but to the selling or letting of other suitable plots.

PROGRESS OF THE COCONUT PLANTATIONS.

In this connection I should just like to draw attention to what you will find in the printed report—namely, that the company's coconut plantations are making good progress. One of them—the Waa plantation—has been brought into a perfect state of cultivation, and no further outlay will be required beyond occasional weeding and the collection of nuts. The Gazi plantation is also in a very satisfactory state. The expense of weeding and generally cultivating this plantation will be considerably reduced in 1922-23, many of the trees already bearing. We hope that within the next two years there will be a substantial revenue from these two plantations.

Your directors regret the adverse balance in the profit and loss account of £9,508 10s, mostly accounted for by the loss of £7,709 8s 3d on the commercial department. It will be remembered that the department was closed instantly the first indication of the slump was noticed. The shareholders are fortunate that the loss is so small, as it is quite apparent now that the continuation of the department, even for a very short time, would have resulted in great loss to the company. It is quite clear that the drastic step of closing the department was taken at the right moment.

The directors' advisers are confident that the Taveta Concession is most suitable for the cultivation of sisal, and it is hoped in the future, when financial and other conditions are more favourable, that this large acreage will be a considerable source of income.

DEVELOPMENT OF THE LIKONI TOWNSHIP.

The development of the 500 acres of building land at Likoni has been retarded through a variety of reasons, but the plans are now approved and the beginning of development of the township is being arranged for. The Government having established a suitable motor ferry for the carrying of passengers and motor-cars from Mombasa to the Likoni side of the harbour, your company is constructing a jetty, which will enable these to land on the company's property.

A road is being constructed facing the harbour, and the company's manager is having a bungalow and office erected for himself at the beginning of the road near the ferry. It is hoped that this will lead to a demand for land and for further houses. It is within the knowledge of the shareholders that Mombasa is overcrowded, and, as the port is growing in importance, the demand for the company's land must increase. The directors look with confidence to the future of the Likoni scheme.

DIRECTORS' VISIT TO THE PROPERTY.

The managing director (Sir Owen Thomas) and Major the Hon. J. C. Lyttelton, one of the directors of the company, visited the property in January last and were satisfied with the progress that had been made. The recommendations made by them regarding the future development of the property are being considered by the board.

It will be noticed that the loss of £9,508 10s has been written off the balance of the share premium account, leaving the account

standing at £72 11s 2d. I will now ask Mr Guedalla to second the resolution.

Mr Herbert Guedalla seconded the motion, which was carried unanimously.

On the proposition of Mr A. M. Hunt, seconded by Mr M. R. Margesson, the retiring directors, his Grace the Duke of Westminster and Major the Hon. J. C. Lyttelton, were re-elected, and the auditors (Messrs Downes, Munns, and Co.) were reappointed. The proceedings then terminated.

LONDON ASIATIC RUBBER AND PRODUCE COMPANY, LIMITED.

BOARD'S CAUTIOUS POLICY.

The 14th ordinary general meeting of the London Asiatic Rubber and Produce Company, Limited, was held, on the 2nd instant, at the Council Room of the Rubber Growers' Association (Incorporated), 2 Idol lane, London, Mr Henry John Welch (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: Our issued capital shows an increase of £53,032 over last year. £34,518 has been added to the reserve account from premiums received on shares, and sundry creditors and credit balances are reduced by about £14,000. The cost and development of our properties shows an increase of £51,463.

Buildings, machinery, and plant are increased by about £15,000. We had at the date of the balance-sheet, and still have, cash and investments amounting to over £100,000.

The results for the year, including interest on investments, show a profit of £5,760. With the addition of the excess profits duty refund we have a total to bring into account of £36,620, which, added to the amount brought forward from last year, gives us £98,313 standing to the credit of profit and loss account. Out of this we propose to transfer £9,000 to income-tax reserve, and to carry forward the balance of £89,313. The board regrets that it does not see its way to recommend the payment of any dividend at present.

Our total planted area is just over 8,000 acres, of which 5,251 acres are six years old and upwards. Excluding any allowance for reserve lands, the total cost of all our properties, calculated on the issued capital taken at par, works out at about £46 10s per planted acre, or, if we deduct the value of our net liquid assets, the cost per planted acre works out at just over £31. The present immature areas of 2,752 acres have, however, still to be brought into bearing.

Only two of our seven estates, Diamond Jubilee and Semenyih, were tapped continuously throughout the year.

Although the immediate outlook for the rubber producing industry is not very encouraging, sooner or later, however, the tide must turn. In my opinion the shareholders may regard this company's future with confidence.

Mr Mence Wilkinson seconded the resolution, and it was carried unanimously.

In the course of the formal proceedings which followed, the Chairman, replying to Mr Henderson, said that in regard to the publication of the details of production costs and other particulars likely to be of use to buyers of rubber, before the next general meeting he hoped that the question would have been thoroughly considered by the various companies, and the reasons for and against the publication fully ventilated.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),

FINLAND.

Capital and Reserves - Fmk. 248,700,000.00

Deposits and Cheque Accounts
(31/12/21) - Fmk. 1,234,000,000.00

124 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

GOVERNMENT RETURNS.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments in Bank Accounts.	Advances to		Redemption Account.					
			Bankers.	Savings Banks.	Gold and Coin in Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.	
1914.	£ 21,535	£ 6,302	£ 3,810	£ 18,500	£ 481	£ 9,294	£ 11,423			
Aug. 26.....	38,478	169	600	18,500	481	9,294	9,286			
Dec. 31.....	103,125	729	159	249	28,500	276	54,621	20,536		
1915.										
Dec. 29.....	150,144	2,430	64	40	28,500	190	118,102	6,868		
1916.										
Dec. 27.....	212,782	8,554	39	675	28,500	134	186,637	5,486		
1917.*										
Dec. 26.....	323,241	15,529	..	570	28,500	89	305,133	4,566		
1918.										
Dec. 31.....	356,152	17,182	250	245	28,500	91	337,537	2,802		
1919.										
Dec. 30.....	357,356	16,700	..	190	28,500	117	331,660	305		
1920.										
Dec. 29.....	367,626	16,962	..	..	28,500	130	336,504	134		
1921.										
Mar. 30.....	343,826	15,599	Silver Coin.	28,500	19,450	139	311,334	141		
June 29.....	325,584	14,965	3,000	28,500	19,450	148	287,750	150		
Sept. 28.....	314,382	14,830	3,000	28,500	19,450	152	278,119	143		
Dec. 28.....	325,584	14,658	3,000	28,500	19,450	147	289,131	161		
1922.										
Mar. 30.....	300,351	14,255	5,000	28,500	19,450	159	261,479	177		
May 25.....	296,920	13,091	5,000	28,500	19,450	161	256,900	161		
June 1.....	298,279	13,025	5,000	28,500	19,450	161	258,177	177		

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £30,600,000, for 1921 at £31,555,200, and for 1922 at £309,988,400.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £50,000,000 in three months' Treasury Bills dated from Monday to Saturday, June 6-June 10, were opened on June 2, 1922, and the total amount applied for was £67,630,000. Tenders for Tuesday to Friday bills at £99 7s 8d, about 59 per cent., above in full. Saturday bills at £99 7s 10d and above in full. The average rate of discount for Treasury bills was £2 7s 8.49d. The amounts allotted were as follows:—In bonds, £2,000,000; in bills at 3 months, £48,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	4½% Treasury Bonds, 1932. Average Price.
May 1922.	£	£	£ s d	£ s d
May 5.....	50,000,000	80,650,000	2 3 0.52	..
May 12.....	45,000,000	87,140,000	2 6 8.63	..
May 19.....	45,000,000	88,445,000	2 7 8.41	..
May 26.....	(a) 50,000,000	(a) 79,255,400	2 5 2.06	98 13 7.82
June 2.....	(a) 50,000,000	(a) 67,630,000	2 7 8.49	98 13 8.4

(a) Including Treasury Bonds.

Tenders will be received on Friday, June 9, 1922, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £55,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from		Receipts.	
	Apr. 1, 1922, to May 27, 1922.	Apr. 1, 1921, to May 28, 1921.	Week Ended May 27, 1922.	Week Ended May 28, 1921.
Balances in Exchequer on 1st April:—	£	£	£	£
Bank of England.....	9,963,424	2,591,051	..	..
Bank of Ireland.....	1,210,106	483,455	..	..
REVENUE.	11,173,530	3,074,506	..	..
Customs.....	18,351,000	17,305,000	3,095,000	2,895,000
Excises.....	23,455,000	28,820,000	1,295,000	1,030,000
Motor Vehicle Duties.....	1,354,000	994,000	..	..
Stamp Duties.....	10,091,000	7,209,000	1,130,000	1,410,000
Land Tax, House Duty, & Mineral Rights Duty.....	1,962,000	1,474,000	590,000	140,000
Property & Income Tax (including Super-Tax).....	410,000	340,000	20,000	10,000
Excess Profits Duties, &c.....	43,823,000	50,662,000	2,284,000	2,120,000
Corporation Profits Tax.....	954,000	14,950,000	..	1,330,000
Post Office.....	2,681,000	1,140,000	273,000	150,000
Crown Land.....	7,500,000	7,030,000	1,000,000	750,000
Interest on Sundry Loans.....	160,000	100,000	80,000	50,000
Miscellaneous.....	343,524	609,519	..	..
Ordinary Receipts.....	7,831,879	3,054,206	200,000	650,517
Special Receipts.....	8,947,340	9,906,696	514,997	500,000
Revenue.....	127,863,743	143,564,421	10,481,997	11,095,517
Total, Inc. Balance.....	139,037,273	146,638,927	..	..
OTHER RECEIPTS.—				
Temporary Advances Repaid.....	550,000	1,150,000	..	150,000
Bullion.....	..	..	..	..
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Act, 1920 and 1921.....	..	..	..	..
Under the Unemployment Insurance Act, 1921.....	1,210,000	..	..	..
(b) For other Issues:—				
By Treasury Bills for Supply.....	478,349,000	820,560,000	56,718,000	104,996,000
By National Savings Certificates.....	24,930,000	5,380,000	650,000	630,000
By Treasury Bonds.....	..	997,935	..	..
5½% year, 1925-35.....	121,708	..	..	..
5½% 1927.....	61,421,831	..	..	..

	Total Receipts into the Exchequer from		Receipts.	
	Apr. 1, 1922, to May 27, 1922.	Apr. 1, 1921, to May 28, 1921.	Week Ended May 27, 1922.	Week Ended May 28, 1921.
By Other Debt created under the War Loan Acts, 1914 to 1919.....	..	2,290,392	..	..
(d) Ways and Means Advances.....	130,570,000	153,035,000	10,400,000	23,235,000
Anglo-Persian Oil Company—Dividends on Shares acquired.....	243,012	..	..	..
Repayments—				
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	7,901	3,773	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	265,460	56,500	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	87,358	71,624	..	..
Total.....	836,793,543	1,130,184,151	78,249,997	140,076,517

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1922, to May 27, 1922.	Apr. 1, 1921, to May 28, 1921.	Week Ended May 27, 1922.	Week Ended May 28, 1921.
EXPENDITURE.	£	£	£	£
Permanent Charge of Debt.....	3,434,757	3,308,212	..	..
Interest, &c., on War Debt.....	48,486,946	55,008,036	1,510,882	2,719,724
Road Fund.....	633,000	393,000	..	..
Payments to Local Taxation Accounts, &c.....	200,000	300,380	150,000	..
Payments to Northern Ireland Exchequer.....	410,000	..	250,000	..
Land Settlement.....	246,782	341,761	..	..
Other Consolidated Fund Services.....	279,476	313,342	3,557	45,730
Supply Services.....	49,420,500	99,561,900	5,646,000	12,089,000
Expenditure.....	103,111,461	159,226,631	7,560,439	14,854,454
OTHER ISSUES.				
Temporary Advances—				
Bullion.....	..	1,150,000	..	150,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1920.....	84,909	84,909	..	..
Under the Unemployment Insurance Act, 1921.....	1,450,000	..	240,000	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1920 and 1921.....	200,000	1,300,000	200,000	..
Under the Post Office (London) Railway Act, 1913.....	..	25,000	..	..
Under the Housing Act, 1914.....	13,000	25,000	..	..
Redemption of Unfunded Debt—				
Treasury Bills for Supply.....	589,145,000	788,724,000	67,290,000	86,635,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917.....	1,053,275	8,665,497	24,936	475,066
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920.....	4,600,000	2,000,000	600,000	..
(b) Repaid otherwise.....	..	2,400,000	..	600,000
Principal of Exchequer Bonds paid off.....	19,236,605	..	..	..
5½% 1922, £20,235,605; less: paid off by the National Debt Commissioners, £1,000,000—£19,235,605.	..	..	..	..
Other Debt under the War Loan Acts, 1914 to 1919.....	7,251,988	11,423,345	2,000,000	1,000,000
Ways and Means Advances Repaid.....	105,890,000	144,470,000	20,000	35,050,000
Depreciation Fund, under the Finance Act, 1917.....	399,521	4,660,022	..	500,000
Anglo-Persian Oil Company—Issued under the Anglo-Persian Oil Company (Acquisition of Capital) Amendment Act, 1919.....	243,012	..	243,012	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	..	2,305,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	55,656	1,200	..	700
Balances in Exchequer—	839,734,427	1,126,460,604	78,178,387	140,165,220
Bank of England.....	1,978,127	1,928,974	30,350	170,703

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS £7,657,433
CLAIMS PAID £27,500,000

Accidents and illness.
Employers' Liability. Fidelity Guarantees.
Fire and Burglary. Motor Cars. Public Liability.
Inspection and Insurance of Boilers, Engines,
Electrical Plant and Lifts.
Executorships and Trusteeships.

Head Office: 36-44 MOORGATE, LONDON, E.C.2.

BANKING DEPARTMENT.

Capital	£14,553,000	Government securities	£47,997,913
Reserve	£5,179,828	Other securities	£75,358,923
Public deposits	£28,740,945	Notes	£22,792,605
Other deposits	£101,480,533	Gold and silver coin	£1,822,544
Seven-day & other bills	£17,679		

147,971,985 147,971,985

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Account.

COMPARISON with PREVIOUS WEEK and a YEAR AGO.

	Amount, May 31, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Best	£3,179,828	—	£25,952
Public deposits	£28,740,945	—	£12,144,495
Other deposits	£101,480,533	—	£13,689,101
Government securities	£47,997,913	—	£20,558,209
Other securities	£75,358,923	—	£5,900,455
Reserve	£5,179,828	—	£6,897,040
Notes in circulation	£22,792,605	—	£6,379,480
Gold and silver	£1,822,544	—	£517,680
% of reserve to liabilities	18%	—	18%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.
1922.						
Mar. 1	£138,763,964	£122,234,155	£138,265,592	£131,468,690	£24,797,809	18%
15	£128,775,441	£121,758,195	£134,549,141	£127,267,680	£25,467,240	18%
22	£128,779,763	£121,704,445	£142,190,053	£134,862,288	£25,525,318	18%
29	£128,771,201	£122,718,940	£150,541,882	£144,249,557	£24,502,261	16%
April 5	£128,879,159	£122,896,990	£146,528,233	£139,777,088	£24,432,169	16%
12	£128,863,165	£122,439,245	£142,002,996	£132,812,916	£24,873,220	17%
19	£128,876,773	£121,638,245	£134,595,798	£126,555,897	£25,688,528	18%
26	£128,873,818	£121,307,055	£134,366,940	£125,995,611	£26,015,763	19%
May 3	£128,873,878	£122,031,180	£146,049,335	£132,511,460	£25,432,698	17%
10	£128,867,632	£121,631,685	£142,438,187	£134,402,217	£25,748,254	18%
17	£128,879,227	£121,070,755	£139,061,838	£130,549,595	£26,258,472	18%
24	£128,880,842	£120,889,975	£132,436,093	£123,780,787	£26,440,867	20%
31	£128,881,009	£122,715,860	£130,221,478	£123,356,836	£24,615,149	18%

TEN YEARS' RECORD.

At corresponding date with the present week.	May 29, 1912.	May 27, 1914.	June 2, 1920.	June 1, 1921.	May 31, 1922.
Circulation (excluding Bank post bills)	£28,954,680	£28,933,380	£113,806,555	£129,095,280	£122,715,860
Public deposits	£20,485,798	£19,014,809	£21,241,833	£16,598,448	£28,740,945
Other deposits	£14,209,314	£14,248,964	£127,322,131	£133,169,634	£101,480,533
Government securities	£36,485,320	£11,046,570	£80,518,283	£65,556,122	£47,997,913
Other securities	£28,856,131	£25,463,980	£19,102,724	£17,718,109	£24,615,149
Reserve of notes and coin	£39,360,791	£35,947,360	£114,458,784	£128,363,389	£24,615,149
Proportion of reserve to liabilities	46%	42%	12%	11%	18%
Bank rate of discount	3%	3%	7%	6%	4%
Market rate, 3 months' bills	3-3 1/2	3 1/2	6 1/2	5 1/2	2 1/2
Price of Consols	77 1/2	77 1/2	77 1/2	77 1/2	77 1/2
Price of silver per oz.	28 1/2	28 1/2	72 1/2	38 1/2	56 1/2
Average price of wheat	37s 3d	35s 0d	50-00-56	46-25-50	48-65-85
Exchange on New York	25-23-26 1/2	25-17-0	83-92-97	83-88-91 1/2	84-45-45 1/2
London	12-18 1/2	12-05-10	10-65-67	11-29-34	11-43-47
Berlin	20-45 1/2	20-49 1/2	153-167	243-246 1/2	1215-1246
Clearing house return	£233,670,000	£199,913,000	£803,737,000	£738,039,000	£672,996,000

BANKERS' CLEARING RETURNS.

Week Ending—	Town Clearing.	Country Clearing.	Total.
1922.			
January 1—May 24	£14,734,031,000	£1,144,344,000	£15,878,375,000
May 31	£694,518,000	£48,477,000	£742,995,000
Total to date 1922.	£15,388,550,000	£1,192,821,000	£16,581,371,000
Do 1921.	£13,747,267,000	£1,374,141,000	£15,121,408,000
Increase or decrease in 1922.	+ £1,641,283,000	— £181,320,000	+ £1,459,963,000
	13%	13%	10%
Total for 1921.	£31,928,380,000	£3,002,179,000	£34,930,559,000
Do 1920.	£34,948,684,000	£4,072,280,000	£39,020,964,000
Increase or decrease in 1921.	— £3,020,304,000	— £1,070,101,000	— £4,090,405,000
	8%	36%	10%

DEPRECIATION IN INDUSTRIAL INVESTMENTS

can best be covered by a Limited Payment Policy in the

SCOTTISH PROVIDENT INSTITUTION

HEAD OFFICE:

6, St. Andrew-square, Edinburgh.
London: 3, Lombard-street, E.C.3.
West End: 17, Pall Mall, S.W.1.

ACCUMULATED FUNDS - £17,000,000

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Inc. or Dec.
Aggregate Totals to May 27.			
BIRMINGHAM	£58,454,900	£46,298,600	— £12,156,300
BRISTOL	£31,947,000	£29,792,000	— £2,155,000
DUBLIN	£152,048,100	£139,654,600	— £12,393,500
LIVERPOOL	£25,103,900	£23,357,700	— £1,746,200
LEICESTER	£16,630,300	£16,338,900	— £291,400
LIVERPOOL	£201,313,800	£180,977,100	— £20,336,700
MANCHESTER	£318,288,300	£311,283,500	— £7,004,800
NEWCASTLE-ON-TYNE	£45,633,400	£40,217,400	— £5,416,000
NOTTINGHAM	£15,739,300	£14,194,600	— £1,544,700
SHEFFIELD	£26,068,600	£19,678,700	— £6,389,900

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

	May 26, 1922.	May 19, 1922.	May 12, 1922.	May 5, 1922.
Resources.				
Total gold reserve	£3,007,890	£3,005,140	£3,000,000	£2,995,000
Legal tender notes and silver reserve	£127,560	£127,560	£127,560	£127,560
Bills discounted for member banks	£487,340	£488,700	£474,590	£470,000
Bills bought in open market	£105,360	£97,120	£106,520	£87,140
Government obligations owned	£596,210	£594,980	£617,510	£306,730
All other resources	£68,560	£68,040	£67,470	£48,230
LIABILITIES.				
Government deposits	£60,410	£39,280	£44,370	£17,320
Other deposits	£1,856,770	£1,846,770	£1,833,850	£1,688,630
Federal Reserve Notes in actual circulation	£2,128,230	£2,146,660	£2,159,190	£2,174,800
Federal Reserve Bank Notes in actual circulation	£71,700	£74,470	£74,210	£144,830
All other liabilities	£19,750	£19,090	£19,520	£29,760
Capital and surplus	£320,090	£320,060	£320,010	£320,010
Ratio of total reserve to gross deposit and Federal Reserve note liabilities combined	77.5%	77.6%	77.3%	67.6%

STATEMENT OF CANADIAN BANKS.

	Mar. 31, 1922.	Feb. 28, 1922.	Jan. 31, 1922.	Mar. 31, 1921.
Assets.				
Cash and bank balances	£447,024,483	£461,875,760	£463,609,126	£526,573,128
Bank balances abroad	£64,314,091	£68,442,276	£61,296,489	£84,946,778
Call and short loans	£267,418,683	£272,910,237	£260,545,689	£282,416,254
Securities	£353,663,167	£352,376,752	£350,564,552	£355,347,008
Loans in Canada	£1,239,496,136	£1,232,974,475	£1,222,587,877	£1,374,661,658
Loans abroad	£151,969,504	£155,706,861	£148,733,777	£164,083,930
Other assets	£98,870,347	£101,387,820	£108,484,469	£107,331,480
LIABILITIES.				
Note circulation	£162,651,367	£164,490,301	£162,645,115	£206,094,888
Deposits—				
Government	£124,699,206	£131,715,607	£130,617,161	£133,704,471
Public in Canada	£1,714,861,914	£1,719,428,875	£1,720,361,570	£1,880,079,828
Foreign	£265,747,914	£267,435,529	£264,777,596	£300,161,608
Bank balances—				
Canadian	£8,828,369	£10,545,429	£11,362,901	£13,073,490
Foreign	£45,774,760	£44,283,147	£38,271,376	£43,049,487
Bills payable, &c.	£25,560,772	£29,125,034	£31,440,615	£43,381,280
Other liabilities	£2,546,418	£3,619,053	£2,118,167	£2,385,095
Capital and rest	£254,242,599	£255,742,286	£255,742,286	£263,343,370

BANK OF FRANCE.

	June 1, 1922.	May 25, 1922.	May 18, 1922.	June 2, 1921.
Assets.				
Gold coin and bullion	£5,637,811	£5,527,645	£5,527,645	£5,519,002
Of which held abroad	£1,948,367	£1,948,367	£1,948,367	£1,948,367
Silver coin and bullion	£284,088	£283,622	£283,390	£283,390
Discount and advances	£4,742,249	£4,568,089	£4,612,574	£5,128,347
LIABILITIES.				
Notes	£35,982,101	£35,674,180	£35,247,275	£38,392,006
Government deposits	£20,592	£42,604	£14,292	£45,360
Private deposits	£2,282,610	£2,294,918	£2,430,333	£2,871,139

BANK OF SPAIN.

	May 27, 1922.	May 20, 1922.	May 13, 1922.	May 6, 1922.	May 28, 1921.
Assets.					
Gold	£2,522,265	£2,522,265	£2,522,265	£2,522,265	£2,522,265
Silver	£641,726	£638,952	£635,526	£635,526	£635,526
Loans and discounts	£2,295,367	£2,318,803	£2,360,036	£2,360,036	£2,360,036
Treasury bills	£344,475	£344,475	£344,475	£344,475	£344,475
LIABILITIES.					
Circulation	£4,160,518	£4,184,788	£4,208,919	£4,281,000	£4,202,343
Deposits	£1,180,504	£1,166,643	£1,151,019	£1,092,673	£1,335,777

NATIONAL BANK OF GREECE.

	Mar. 28, 1922.	Mar. 13, 1922.	Mar. 28, 1921.	Previous Return.	Last Year.
Assets.					
Gold and balances abroad	£1,368,187,302	£1,381,045,315	£1,447,677,007	£12,858,013	£79,489,705
Government loans and securities	£2,559,710,943	£2,561,408,649	£1,296,429,232	£1,697,706	£126,328,171
Discounts and loans	£782,257,370	£751,618,810	£757,970,534	£30,638,560	£24,886,436
LIABILITIES.					
Notes in circulation	£2,255,180,060	£2,217,579,786	£1,579,508,668	£37,600,275	£675,671,393
Government deposits	£121,513,787	£153,338,162	£107,809,611	£31,824,375	£13,704,176
Private sight deposits	£1,013,475,798	£1,037,150,263	£823,799,680	£23,674,465	£189,676,118
Private deposits at fixed dates	£990,718,543	£981,340,414	£747,124,552	£9,378,129	£243,593,991

BANK OF JAPAN.

	April 22, 1922.	April 15, 1922.	April 8, 1922.	April 1, 1922.	April 23, 1921.	Position Jan. 30, 1914.
ASSETS.	Yen.	Yen.	Yen.	Yen.	Yen.	Yen.
Cash and bullion.....	1,611,656	1,271,742	1,264,558	1,264,837	1,879,273	221,320
Discounts.....	161,610	154,406	142,817	222,466	43,044	41,740
Advances.....	122,372	122,969	132,648	144,207	104,534	70,540
LIABILITIES.						
Notes.....	1,116,664	1,114,664	1,124,346	1,254,680	1,032,119	352,270
Govt. deposits.....	836,912	829,630	768,584	722,452	1,376,594	87,340
Other deposits.....	48,236	38,321	40,416	44,355	145,476	11,440

NATIONAL BANK OF EGYPT.

(000's omitted.)

	Mar. 31, 1922.	Feb. 28, 1922.	Jan. 31, 1922.	Mar. 31, 1921.	Position May 31, 1914
ASSETS.					
Gold	3,357	3,361	3,360	3,361	1,571
Government securities	39,434	38,928	40,032	39,291	2,084
LIABILITIES.					
Notes in circulation	31,112	32,529	33,899	34,186	2,400
Government deposits	3,598	2,881	2,520	2,656	2,315
Other deposits	11,431	12,228	12,616	13,832	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF PORTUGAL.

(000's omitted.)

	Mar. 22, 1922.	Mar. 15, 1922.	Mar. 8, 1922.	Mar. 1, 1922.	Mar. 22, 1921.
ASSETS.					
Cash and bullion	27,157	27,241	27,175	27,181	27,610
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	1,788	2,535	3,612	3,555	7,275
Discounts	150,120	149,576	145,982	141,200	120,907
Government loans	620,099	620,099	620,099	620,099	588,111
LIABILITIES.					
Notes in circulation	748,907	749,522	751,571	747,886	633,225
Deposits	55,779	51,317	45,435	55,729	56,553

NATIONAL BANK OF BULGARIA.

(000's omitted.)

	Feb. 7, 1922.	Dec. 30, 1921.	Dec. 22, 1921.	Nov. 14, 1921.
ASSETS.				
Gold	61,107	61,307	62,715	63,239
Balances at foreign banks	1,010,911	986,725	989,123	1,051,116
LIABILITIES.				
Notes in circulation	3,583,506	3,615,439	3,570,374	3,592,379
State advances	3,863,749	3,667,507	3,691,997	3,578,312

POLISH NATIONAL BANK.

(000's omitted.)

	May 10, 1922.	April 30, 1922.	April 20, 1922.	April 10, 1922.	April 30, 1921.
ASSETS.					
Gold	29,649	29,495	29,263	29,134	13,400
Silver	43,894	43,875	43,680	43,639	39,500
Foreign coin	146,302	146,090	158,954	146,747	53,300
Foreign banks	640,820	662,006	489,964	467,747	53,300
Advances to the Govt.	220,000,000	220,000,000	227,100,000	124,380,000	
Private loans and discounts ..	56,227,559	54,732,501	53,235,491	52,400,173	5,921,400
LIABILITIES.					
Notes in circulation	266,547,602	260,553,764	255,543,087	257,332,410	86,755,303
Deposits	54,503,177	56,201,567	57,365,461	59,278,222	25,724,900

THE STATE SAVINGS AND CREDIT BANK OF LATVIA.

	March 31, 1922.	February 28, 1922.	January 31, 1922.	December 31, 1921.
ASSETS.				
Total cash	105,071,127	78,431,115	93,893,005	113,677,630
Foreign bank	189,191,494	212,765,509	290,561,915	328,184,387
Discounts and loans	404,866,363	385,359,428	225,721,267	108,268,974
Other assets	62,275,936	44,125,698	46,829,833	213,786,964
LIABILITIES.				
Capital paid up	304,923,087	300,000,000	300,000,000	233,317,483
Deposits	397,582,249	355,455,468	212,602,160	230,600,462
Other liabilities	56,293,584	65,226,284		

BANK OF ESTHONIA.

(000's omitted.)

	March 31, 1922.	Feb. 28, 1922.	Dec. 31, 1921.
ASSETS.			
Gold and foreign coin	124,418	124,569	81,944
Total cash	285,518	243,391	158,656
Foreign bank	576,025	467,426	207,554
Discounts and loans	3,070,598	1,950,907	1,397,774
LIABILITIES.			
Capital paid up	250,000	250,000	250,000
Reserve	10,674	10,674	10,674
Notes in circulation	700,000	700,000	350,000
Deposits	2,053,963	1,747,660	1,103,823

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

	May 23, 1922.	May 15, 1922.	May 7, 1922.	April 30, 1922.	May 23, 1921.
ASSETS.					
Gold	10,096,710	10,096,710	10,096,710	10,096,701	9,528,245
Other coin and notes	2,246,613	2,252,033	2,484,189	2,537,995	3,124,713
Foreign bank	1,151,057	897,262	971,406	1,072,421	
Discounts and loans	572,938	581,922	557,203	682,355	1,627,928
LIABILITIES.					
State notes in circulation	9,297,042	9,488,437	9,784,170	10,075,757	10,517,574
Deposits	2,393,586	1,981,680	1,975,264	1,875,117	1,637,031
Other liabilities	2,376,690	2,365,810	2,350,074	2,438,598	2,126,281

* Resulting from bank notes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENES

(000's omitted.)

	April 22, 1922.	May 15, 1922.	May 8, 1922.	April 30, 1922.	May 15, 1921.
ASSETS.					
Gold	70,381	69,374	70,377	70,376	64,370
Other coin and notes	17,072	17,052	17,189	17,189	11,539
Foreign bank	309,544	280,824	282,802	313,489	350,065
Discounts and loans	887,780	857,894	874,313	886,364	185,094
LIABILITIES.					
Govt. advances	4,418,523	4,418,533	4,418,533	4,418,523	3,713,879
Notes in circulation	4,819,208	4,773,748	4,846,498	4,815,489	3,703,252
State credits	334,282	334,282	334,282	334,282	374,807
Deposits	577,807	525,663	502,336	367,331	297,096

LONDON RATES.

	May 26, 1922.	May 27, 1922.	May 28, 1922.	May 29, 1922.	May 30, 1922.	May 31, 1922.	June 1, 1922.	June 2, 1922.
Bank rate (reduced from 4½% Apr. 13, 1922)	4%	4%	4%	4%	4%	4%	4%	4%
Market rates of discount—								
60 days' bankers' drafts	2½	2½	2½	2½	2½	2½	2½	2½
3 months' do.	2½	2½	2½	2½	2½	2½	2½	2½
4 months' do.	2½	2½	2½	2½	2½	2½	2½	2½
6 months' do.	2½	2½	2½	2½	2½	2½	2½	2½
Discount (Treasury Bills)—								
3 months'	2½	2½	2½	2½	2½	2½	2½	2½
Loans—Day to day	2½	2½	2½	2½	2½	2½	2½	2½
Short	2½	2½	2½	2½	2½	2½	2½	2½
Deposit allowances: Banks	2½	2½	2½	2½	2½	2½	2½	2½
Discount houses at call	2½	2½	2½	2½	2½	2½	2½	2½
At notice	2½	2½	2½	2½	2½	2½	2½	2½

† Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

Previous Week's.							
	Short Loans.	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1922.	%	%	%	%	%	%	%
Mar. 17.....	1 1/2	1 1/2	1 1/2	1 1/2	4 1/2	4 1/2	5 1/2
Mar. 24.....	2 1/2	2 1/2	2 1/2	2 1/2	4 1/2	4 1/2	5 1/2
Mar. 31.....	2 1/2	2 1/2	2 1/2	2 1/2	4 1/2	4 1/2	5 1/2
April 7.....	2 1/2	2 1/2	2 1/2	2 1/2	4 1/2	4 1/2	5 1/2
April 12.....	2 1/2	2 1/2	2 1/2	2 1/2	4 1/2	4 1/2	5 1/2
April 19.....	2 1/2	2 1/2	2 1/2	2 1/2	4 1/2	4 1/2	5 1/2
April 26.....	2 1/2	2 1/2	2 1/2	2 1/2	4 1/2	4 1/2	5 1/2
May 3.....	2 1/2	2 1/2	2 1/2	2 1/2	4 1/2	4 1/2	5 1/2
May 10.....	2 1/2	2 1/2	2 1/2	2 1/2	4 1/2	4 1/2	5 1/2
May 17.....	2 1/2	2 1/2	2 1/2	2 1/2	4 1/2	4 1/2	5 1/2
May 24.....	2 1/2	2 1/2	2 1/2	2 1/2	4 1/2	4 1/2	5 1/2
May 31.....	2 1/2	2 1/2	2 1/2	2 1/2	4 1/2	4 1/2	5 1/2
June 7.....	2 1/2	2 1/2	2 1/2	2 1/2	4 1/2	4 1/2	5 1/2
June 14.....	2 1/2	2 1/2	2 1/2	2 1/2	4 1/2	4 1/2	5 1/2
June 21.....	2 1/2	2 1/2	2 1/2	2 1/2	4 1/2	4 1/2	5 1/2
June 28.....	2 1/2	2 1/2	2 1/2	2 1/2	4 1/2	4 1/2	5 1/2

IRISH BANKS' RATE.

	Present Rate.	Date Changed.	Previous Rate.	Date Changed.
Discount	5	Apr. 13, 1922	5	Feb. 16, 1922
Deposit	2	Feb. 16, 1922	2	Nov. 4, 1921

OVERSEAS BANK RATES.

	Bank Rate	Bank Rate
	Changed.	Changed.
Amsterdam	May 15, 1920 .. 64	Nov. 4, 1920 .. 6
Berlin	Dec. 23, 1914 .. 5	Mar. 11, 1922 .. 5
Brussels	May 13, 1921 .. 6	Apr. 27, 1922 .. 5
Bucharest	Sept. 4, 1920 .. 6	May 11, 1920 .. 6
Calcutta	June 1, 1922 .. 5	June 14, 1919 .. 6
Christiansburg	Apr. 25, 1922 .. 5	Mar. 10, 1922 .. 5
Copenhagen	Nov. 8, 1920 .. 9	Mar. 2, 1922 .. 3
Helsingfors	Sept. 3, 1920 .. 7	Nov. 18, 1919 .. 8
London	Nov. 2, 1921 .. 4½	Nov. 29, 1921 .. 7
New York Federal Reserve	Nov. 2, 1921 .. 4½	Sep. 1921 .. 7

RATES OF EXCHANGE.

	London on	Usance	Par.	June 3, 1922.	May 26, 1922.	June 2, 1922.
Paris	francs to £1	T.T.	25-22½	46-70-75	48-78-83	48-92-95
Berlin	marks to £1	T.T.	20-43	247-248	1295-1298	1220-1223
Vienna	krone to £1	T.T.	24-02	1650-1700	4200-4400	4750-4900
Prague	krone to £1	T.T.	24-02	264-268	231-235	229-231
Warsaw	P. marks to £1	T.T.	20-43	3950-4000	1800-1900	1750-1800
Bukarest	lei to £1	T.T.	25-22½	234-236	640-650	640-650
Budapest	kr. to £1	T.T.	24-02	110	3550-3750	3550-3650
Constantinople	piastres to £1	T.T.	110	1508-528	665-685	690-710
Sofia	levas to £1	T.T.	25-22½	315-325	575-625	595-600
Belgrade	dinas to £1	T.T.	25-22½	120-125	295-305	305-315
Amsterdam	florin to £1	T.T.	12-107	11-31-32	11-434-44	11-444-49
Brussels	francs to £1	T.T.	25-22½	46-70-75	52-73-78	53-03-5
Christiansburg	krone to £1	T.T.	18-159	25-27-50	24-32-37	24-93-98
Copenhagen	krone to £1	T.T.	18-159	16-88-90	17-23-26	17-24-26
Helsingfors	P. marks to £1	T.T.	25-22½	200-205	214-215	208-209
Greece	drachmas to £1	T.T.	25-22½	62-75-63-00	1084-1094	1064-108
Italy	lire to £1	T.T.	25-22½	74-1	84-1	85-1
Switzerland	francs to £1	T.T.	25-22½	22-20-23	23-32-35	23-33-35
Madrid	pesetas to £1	T.T.	25-22½	29-64-66	28-17-20	28-25-27
Lisbon	pence to escu.	T.T.	53-4	6-64	4-1	4-4
Alexandria	piastres to £1	Sight	97½	97½	97½	97½
New York	dollars to £1	Cable	4-88½	5-89½	4-44½-45	4-47-47½
Montreal	dollars to £1	Cable	4-88½	4-35-35	4-48½-49	4-50-51
Buenos Ayres	pence to peso	T.T.	47-62½	44½-4	44½-4	44½-4
Rio de Janeiro	pence to mils.	T.T.	16	8½	17½	17½
Medan	pence to dollar	T.T.	51	42½-42½	44½-44½	44½-44½
Valparaiso	pence to peso	T.T.	13-33	35-00	37-00	37-00
Lima	Eng. to Per. £1	90 days	10 to 10	10 to 10	10 to 10	10 to 10
Calcutta	ster. to rupee	T.T.	10 to 10	10 to 10	10 to 10	10 to 10
Bombay	ster. to rupee	T.T.	10 to 10	10 to 10	10 to 10	10 to 10
Madras	ster. to rupee	T.T.	10 to 10	10 to 10	10 to 10	10 to 10
Hong Kong	ster. to dollar	T.T.	10 to 10	10 to 10	10 to 10	10 to 10
Shanghai	ster. to tael	T.T.	10 to 10	10 to 10	10 to 10	10 to 10
Singapore	ster. to dollar	T.T.	10 to 10	10 to 10	10 to 10	10 to 10
Yokohama	ster. to yen	T.T.	24-58½	28-54-58½	28-14-58½	28-14-58½
Manila	ster. to dollar	T.T.	24-06½	28-14-58½	28-14-58½	28-14-58½
Mexico	pence to dollar	T.T.	10 to 10	10 to 10	10 to 10	10 to 10

† Rate for previous day.

CURRENT RATES IN NEW YORK.

The Irving National Bank of New York cable the following money and exchange rates in New York:—

	June 2, 1922.	May 4, 192
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GOLD AND SILVER PRICES.

The price of gold and cash and forward prices of bar silver during this week and in previous years are as below:—

1922.	Gold.		Silver.		Date.	Silver.	
	Per Ounce.		Cash Per Ounce.	Forward, Per Ounce.		Cash, Per Ounce.	
May 27 ..	93 5	d	36 1/2	36 1/2	June 9, 1916	30	
28 ..	93 3	d	36 1/2	36 1/2	8, 1917	38 1/2	
29 ..	92 9	d	36 1/2	36 1/2	7, 1918	48 1/2	
30 ..	92 9	d	36 1/2	36 1/2	6, 1919	53 1/2	
31 ..	92 9	d	36 1/2	36 1/2	4, 1920	56 1/2	
June 1 ..	93 1	d	36 1/2	36 1/2	3, 1921	33 1/2	
2 ..	92 11	d	36 1/2	36 1/2			

NOTICES.

The National Provincial and Union Bank of England, Limited, announce that a branch of the bank is now open at 24 and 24A Goldhawk road, Shepherd's Bush, W. 12.

The London office of the Australian Bank of Commerce, Limited, has received advice that Mr H. R. Lysaght has resigned from the position of chairman in view of his visit to England. Mr Mark Sheldon has been appointed to the position.

The Bank of Australasia has opened a branch at Elsternwick, Melbourne, Victoria.

The London Joint City and Midland Bank, Limited, announce the opening of a new office at 4 Belle Vue Bank, Low Fell, Gateshead-on-Tyne, under the management of Mr W. T. Park. They also announce the opening of a new branch in The Square, Ellesmere, Shropshire, under the management of Mr E. Lloyd Jones.

MINING OUTPUT STATISTICS FOR APRIL, 1922.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Ounce Works.	Mill.	Ounce Works.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	£	£
British Platinum (4 weeks to May 20th)	..	..	112 (platinum)	39 (gold)	7,968	2,077
Esperanza	2,040	..	..	..	..	..
Frontino and Bolivia	7,786	..	..	..	101,538	..
Mining Corporation of Canada	12,773	..	4,026 (gold)	18,862 (silver)	..	..
Waihi	..	..	..	..	21,780	6,006
Quarter Ended April 30th—Glyn's Lydenburg	12,216	..	..	..	..	..

	Output.		Other Notes in Return.	
	Tons.	Tons.	Week ended May 20th.	Week ended May 27th.
Coal.	Tons.	Tons.	Week ended May 20th.	Week ended May 20th.
Chinese Engineering	18,430	..	..	..
Chislet Colliery	4,115	..	..	..
East Kent	3,557	..	..	..
Miscellaneous.	..	..	..	..
New Vail River	..	..	Diamonds registered, 556 carats, valued at £3,318.	..

BROKEN HILL SOUTH.—Output for the four weeks ended April 8th:—16,360 tons of crude ore were treated, assaying 14.5 per cent. pb., 6.6 ozs. ag., 13.4 per cent. zn., producing 2,982 tons concentrates, assaying 66.2 per cent. pb., 25.2 ozs. ag., 7.4 per cent. zn. Of the foregoing 2,522 tons came from the lead concentrating mill, assaying 67.1 per cent. pb., 21.5 ozs. ag., 7.4 per cent. zn., and 460 tons were produced from current slime, assaying 61.1 per cent. pb., 39 ozs. ag., 7.3 per cent. zn., 12,000 tons damp slime were treated, assaying 11.5 per cent. pb., 7.1 ozs. ag., 12.6 per cent. zn., and produced 1,983 tons concentrates, assaying 52.3 per cent. pb., 33 ozs. ag., 12.4 per cent. zn. The despatches of zinc tailings were:—To Zinc Corporation, 29,028 tons net; Amalgamated Zinc, 8,984 tons net.

SULPHIDE CORPORATION, LIM.—During the four weeks ended on May 20, 1922, 9,893 tons of ore and 2,491 tons of slimes were milled at the Central mine, producing 2,343 tons of lead concentrates (including 317 tons from the de-leading plant), which assayed 43 ozs. silver, 66 per cent. lead, together with 4,011 tons zinc concentrates, assaying 11 ozs. silver, 8 per cent. lead, 46 per cent. zinc per ton. At Cooke Creek, 1,845 tons of lead concentrates and purchased ores were smelted, producing 1,151 tons lead bullion for treatment in the refinery. The refinery products for the same period were 1,381 tons soft lead, 178,836 ozs. silver, 1,325 ozs. gold, and 176 tons antimonial lead.

RHODESIAN GOLD OUTPUT.

Month.	1919.	1920.	1921.	1922.
January	211,917	211,851	293,794	240,056
February	220,885	250,020	288,235	304,488
March	226,006	199,881	134,932	257,356
April	213,159	208,334	282,396	..
May	218,057	403,855	225,841	..
June	214,215	194,134	338,200	..
July	214,918	313,126	279,269	..
August	207,339	241,270	256,151	..
September	223,719	231,226	271,452	..
October	204,184	248,085	363,374	..
November	186,462	282,237	306,636	..
December	158,835	272,470	267,005	..
Total Gold	2,499,492	3,056,549	3,217,275	..

NOTE.—The value of the gold output fluctuates each month in accordance with the amount of premium which may be declared to the Mines Department of Southern Rhodesia in that month.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked * or stated in Cash. * Interim div.	Date of Payment.	Method of Payment.	Lat/ut Pre-vious	Dividend for Whole Years.
Railways.					
Bengal Nagpur	3 1/2%	July 1	..	..	..
East Indian, Del. Gt Indian Peninsula	2%	..	Less tax	..	..
Leopoldina, Pref.	..	..	Less tax	..	..
Banks.					
Banco de Bilbao	10	June 23	..	20	..
Bank of New South Wales	10	..	..	..	..
British Bank for Foreign Trade	6 1/2%	June 19	..	..	..
Credito Italiano	..	..	..	..	..
Imperial of Persia	3 1/2 p.s.*	June 15	Tax free	..	..
Molsons, Montreal	3 1/2%	July 3	..	..	..
Royal of Australia	10	..	..	..	..
Standard of South Africa	14 1/2	..	..	..	..
United Discount and Securities	6	July 1	Tax free	..	..
Insurance.					
Imperial of Persia	3 1/2 p.s.*	June 15	Tax free	..	..
Tea and Rubber.					
Ceylon Estates Investment	..	..	Less tax	15	..
Chubwa Tea	15 1/2%	..	Less tax	15	..
Kuala Selangor Rubber	..	..	..	25	..
Tea Estate	6 1/2%	..	Less tax	..	..
Nagole (Ceylon) Rubber and Tea	3 1/2%	..	Less tax	6	..
Pamam Rubber and Tea	5 1/2%	May 31	Less tax	5	..
South Warranah Tea	15 1/2%	..	Less tax	25	..
Tara Tea	..	..	..	15	..
Mining.					
Oroville Dredging	19 p.s.*	June 24	Less tax 5/ in £	..	..
Other Companies.					
Alley and Maclellan	15 1/2 p.s.*	..	Less tax	6	..
Anderson Foundry	..	..	Less tax	15	..
Arding and Hobbs	..	..	..	12 1/2	..
Bengal Coal	65	..	..	10	..
Bleachers' Association	10 1/2%	..	..	..	..
Brazilian Traction, Light, &c.	1 1/2%	July 1	..	..	..
Cum. Pref.	4 1/2 p.s.*	..	Tax free	8	..
Brisbane Electric Trams	..	..	..	5	..
British and Irish Steam Packet	..	..	..	10	..
British Moss Litter	15 1/2%	..	Tax free	25	..
Buchanan-Dewar	..	..	..	..	..
Canada Landed and National	2 1/2%	..	..	..	..
Investment	10 1/2%	June 19	Tax free	..	..
Carreras	..	..	..	..	..
Cheltenham Original Brewery	6	..	Less tax	10	..
Chloride Electrical Storage	5 1/2%	..	Tax free	..	..
Cleveland Bridge & Engineering	5 1/2%	June 23	Tax free	..	..
Compania Saneadora de Carnes	5 1/2%	June 6	..	..	..
Cope Brothers	..	..	Less tax	10	..
Consolidated Gas, Electric	8 1/2 p.s.*	July 1	..	..	..
Craig and Rose	..	..	Tax free	..	..
Crowden and Kewes	..	..	..	..	..
Delhi Electric Tramways	..	..	..	..	..
Dick (W. B.) and Co.	..	..	Tax free	..	..
Dimmington Main Colliery	5 1/2%	..	Tax free	..	..
Dominion Glass	1 1/2%	July 1	..	..	..
Doult and Co.	..	..	..	..	..
Eustace Miles Foods, Pref.	10 1/2%	..	..	..	..
Electric Construction	9 1/2%	..	..	..	..
Fitch and Son	..	..	..	..	..
Forestral Land and Timber	3 1/2%	June 1	..	..	..
Gartside (Brookside) Brewery	7 1/2%	..	..	..	..
G. Bear, Limited, Pref.	5 1/2%	..	..	..	..
Goldsbrough, Mort, and Co.	5 1/2%	..	..	..	..
Grand Hotel (Jersey), Pref.	10	..	..	..	..
Guest, Keen, and Nettelfolds	16 p.s.*	June 29	Tax free	..	..
Heils (Dublin)	2 1/2 p.s.*	..	..	..	..
Henry Gardner and Co.	7 1/2%	..	..	..	..
Holbrooks, Limited	6 1/2%	..	..	..	..
India General Navigation, &c.	2 1/2%	..	..	..	..
India and General Trust, Def.	..	..	..	..	..
Ileworth Brewery	3 1/2%	..	..	..	..
John Shaw and Sons, Wolverhampton	..	..	..	..	..
J. Stone and Co.	..	June 15	Less tax	5	..
Legunas Nitrate	..	..	..	..	..
Liffield Brewery	..	..	Tax free	7 1/2	..
Lipton, Limited	3 1/2%	June 1	Less tax	..	..
London Central Markets	8 1/2%	June 19	..	12 1/2	..
Madras Electric Supply	..	..	Tax free	15	..
Maypole Daily Co., Def.	..	..	Tax free	8	..
Met. Assn. for Improving Dwellings	13 p.s.*	June 30	Less tax 6/ in £	..	..
Methy Electric Traction	2 1/2%	..	..	..	..
Metropolitan Properties	..	..	..	..	..
Mint (The), Birmingham	..	..	..	..	..
Nenchatel Alkali Company	1 1/2 p.s.*	..	..	..	..
Newcastle Breweries	16 p.s.*	June 24	Less tax	..	..
Nobel Industries	..	..	..	..	..
O. C. Hawkes	..	..	..	..	..
Odham's Press	3 1/2%	..	..	..	..
Officers' Brewery	..	..	..	..	..
Pennsylvania Water and Power	13 1/2%	..	..	..	..
Peter Walker (Warrington), &c.	1 1/2 p.s.*	July 1	Less tax	..	..
Rees Roturbo Manufacturing, Pref.	..	..	..	..	..
Rio de Janeiro Flour Mills	5% (to Sept. 30, 1918)	..	..	..	..
Royal Dutch Petroleum	1 1/2 p.s.*	July 1	Tax free	..	..
South African Townships	16 1/2%	..	..	..	..
Stanton Ironworks	..	..	..	..	..
Stanton Heath and Lee Green	6 1/2%	..	Tax free	10	..
The Oxford	6 1/2%	..	..	..	..
Thomas Owen and Co.	6 1/2%	..	..	..	..
Tredgare Iron and Coal, "A"	..	..	..	..	..
Trust and Mortgage of Iowa	..	..	Tax free	7 1/2	..
Trust Union, Limited	..	..	..	..	..
Walker and Homfray	9 1/2%	..	..	..	..
Western Telegraph Co.	1 1/2 p.s.* (bonus)	..	..	..	..
Wm. Collins and Co.	5 1/2 p.s.*	June 24	Tax free	..	..

PRINCE'S HALL RESTAURANT, LIMITED, state that the company is not in a position to declare a dividend this year.

OIL OUTPUTS.

ROUMANIAN CONSOLIDATED OILFIELDS, LIMITED.—Production (April 30th to May 13th), 1,112 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, May 24, 1922, amounted to 824 tons.

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Week Ended May 28, 1922.			Aggregate 21 Weeks 1922.		
	Passen-gers, &c.	Goods, &c.	Total for Week.	Passen-gers, &c.	Goods, &c.	Total Receipts.
Bracon and Merthyr	60	948	4,032	4,980	20,095	77,836
Great Central (c)	6762	43,700	130,800	174,500	933,200	3,742,800
Do Joint Lines	1612	..	..	36,300	..	681,100
Great Eastern (c)	12072	103,800	85,900	189,700	2,82,800	4,139,000
Great Northern (c)	1,050	91,200	140,700	231,900	1,836,400	4,939,400
Great Western (d)	3,535	250,000	441,000	691,000	5,300,000	13,141,000
London & N. Western (d)	2,633	329,000	427,000	756,000	6,729,000	15,884,000
London & South Western	988	124,300	62,700	187,000	2,446,400	3,702,100
Lon. Brighton & S.C. (e)	487	91,459	28,274	119,733	1,714,898	595,363
Maryport & Carlisle (c)	428	1,031	2,024	3,055	23,624	38,047
Metropolitan (c)	794	32,145	3,438	55,583	688,748	78,423
Midland (c)	1,585	159,000	289,000	448,000	3,319,000	7,019,000
Midland & S. W. Jnc.	63	1,055	1,392	2,447	24,739	28,694
North Eastern (c)	1,850	114,100	263,000	377,100	2,933,400	5,181,100
North London	16	4,746	10,137	14,883	101,808	214,707
South E. & Chatham (c)	654	108,300	40,000	158,300	3,388,900	891,800
Underground E.R. (c)	..	..	..	..	..	..
Lon. & Sub. Group (c)	..	..	..	..	..	..
Caledonian	1,097	67,700	102,800	170,500	1,311,500	2,097,800
Glasgow and S.W. (c)	476	32,200	34,600	66,800	551,300	775,300
Gt. N. of Scotland (c)	3362	8,060	8,970	17,030	165,880	212,190
Highland (c)	492 (a)	9,189	8,216	17,405	197,685	221,955
North British (c)	1,376	66,100	109,100	175,900	1,888,900	2,535,100
Belfast and County	80	5,294	1,203	6,497	93,620	30,588
Down (b)	160	3,976	3,548	7,524	106,323	77,991
Dublin and Drogheda (b)	538	7,175	14,585	21,760	..	184,314
Midland Gt. West. (b)	..	..	..	..	..	529,265

(a) Including 10 miles temporarily closed. (b) Week ended May 26, 1922. (c) Week ended May 27, 1922. (d) Including receipts from Amalgamated Lines.

OVERSEAS RAILWAY RECEIPTS.

Name.

Reports and Notices.

Baring Bros. and Co., Limited, notify that the transfer books of the Commercial Cable Company sterling 4 per cent. 500-year debenture stock will be closed from the 20th to the 30th instant, both days inclusive, for the preparation of the warrants for the interest due July 1, 1922.

The Agent-General for Ontario informs us that there have arrived in London samples of gold and silver ore from Canada. These include four samples of gold ore from the Dome Mine, value £100; one sample of gold ore from the Crossus Mine, value £500; one sample of silver ore from the Trethewey Mine, value £200; and one sample of silver ore from Cobalt, value £200. These samples are on view at the office of the Agent-General for Ontario, 163 Strand, London, W.C. 2.

Sir William Noble, who has just retired from the position of Engineer-in-Chief to the Post Office, has accepted a seat on the board of the General Electric Company, Limited. We understand that Sir William Noble proposes to devote his attention mainly to the development of the telephone and wireless sections of this important manufacturing concern.

The Imperial Ottoman Government notifies all Ottoman subjects in Great Britain who are holders of pre-war Austrian and/or Hungarian bonds that the listing and stamping of such bonds, in accordance with the regulations of the Reparation Commission, must be completed by June 30th. Any such holders should immediately communicate with the Imperial Ottoman Bank, London, 26 Throgmorton street; Manchester, 56-60 Cross street.

It is announced that Mr Duncan Paterson (Director of the Bank of Adelaide) and Mr John Falconer (Chairman Messrs Poulton and Noel, Limited) have been appointed Directors of the Southern Union General Insurance Company of Australasia, Limited.

We are informed by the Ontario Government that, owing to hydro-electric power being available, the cost of power for use at the gold mines of Northern Ontario ranges from 35 to 50 cents per ton of ore treated. The general value of the ore now being treated is over \$10 per ton, and the average cost of producing bullion is between \$5 and \$6 per ton.

Mr A. A. Campbell Swinton, F.R.S., M.Inst.C.E., M.I.E.E., has joined the Board of W. T. Henley's Telegraph Works Company, Limited.

At the annual general meeting of the Insurance Officials' Society, held on May 30, 1922, Mr E. Roger Owen, the deputy chairman of the Commercial Union Assurance Company, Limited, was re-elected president.

In consequence of the necessary building operations for the enlargement of their premises in Threadneedle street, the Bank of Australasia are to-day removing to temporary offices at 13 Leadenhall street, E.C. 3.

GOVERNMENT STOCKS, &c.

CHINESE GOVERNMENT 8 PER CENT. STERLING TREASURY NOTES, 1925-1929.—We are informed that the Chinese Government, as a result of negotiations which have been taking place, have requested Vickers, Limited, to pay the coupon due on April 1st last out of certain funds in the hands of Vickers, Limited, belonging to the Chinese Government. The payment of this coupon exhausts the funds so held. Noteholders should present their coupons to Lloyds Bank, Limited, in London in due course upon official publication of the advertisement to this effect. In view of the difficulties which have been experienced in the payment of coupons in the past negotiations are proceeding to obtain specific security on the increased maritime customs revenue if and when such increase takes place, instead of on the special security granted by the Chinese Government on the surplus salt revenue, which, for reasons already explained, never came into active effect.

BANKS.

BANK OF NEW SOUTH WALES.—Advice has been received by cablegram that at the half-yearly general meeting of proprietors held on May 30th at Sydney, a dividend on the capital stock of the bank was declared at the rate of 10 per cent. per annum for the quarter ended March 31st last, payable June 23rd. The sum of £100,000 has been added to the reserve fund, making it £3,600,000, and a credit balance of £160,132 18s 1d has been carried forward to next account.

THE SUMITOMO BANK, LIMITED.—Balance-sheet, December 31, 1921:—

LIABILITIES.	Yen.	ASSETS.	Yen.
Subscribed capital	70,000,000	Capital unpaid	20,000,000
Reserve funds	19,000,000	Loans, bills discounted, and exchange purchased	356,450,987
Pension reserve	1,200,000	Due from other banks	8,166,997
Deposits	369,776,325	Customers' liabilities on foreign credits, acceptances, and guarantees	18,955,805
Exchange sold and bills payable	4,913,061	Government Bonds	62,210,618
Exchange adjustments	643,121	Municipal, and other securities	13,483,344
Due to other banks	22,632,189	Bullion and foreign currencies	11,559
Foreign credits, acceptances, and guarantees	18,955,805	Bank premises and furniture	6,854,535
Dividends not yet paid	910	Cash in hand	34,465,572
Rebate on bills not yet due, and interest accrued on deposits	7,782,644		
Balance brought forward from last half-year	1,046,590		
Net profit for the half-year	4,648,371		
Total	520,599,516	Total	520,599,516

THE STANDARD BANK OF SOUTH AFRICA, LIMITED.—The directors of the Standard Bank of South Africa, Limited, have resolved, subject to audit, to recommend to the shareholders at the general meeting to be held on July 26th next, a dividend for the half-year ended March 31st last, at the rate of 14 per cent. per annum, together with a bonus of 2s 6d per share, both subject to income-tax, making a total distribution of 16½ per cent. for the year ended March 31, 1922, to appropriate £50,000 to the writing down of bank premises, and

£100,000 to the officers' pension fund, carrying forward a balance of about £191,000. All other usual and necessary provisions have been made. It may be mentioned that these figures are the result of one year's trading, whereas at the corresponding period last year the results covered 15 months' trading.

MISCELLANEOUS.

FORESTAL LAND, TIMBER, AND RAILWAYS COMPANY, LIMITED.—The directors announce that, after writing off £220,643 on stocks of stores, &c., bringing in £170,000 previously over-provided for taxation, and transferring £500,000 from reserve account, the accounts for the year ending December 31, 1921, show a net balance of £126,313, making, with the amount carried forward from 1920, a total of £239,617 available. The dividend paid on the 6 per cent. cumulative preference shares absorbed £111,951, leaving £127,666 to be carried forward to new account. The board have decided not to recommend the payment of a dividend on the ordinary shares. The profit on sale of estancias, viz., £986,057, has been transferred to the reserve account, which will then stand at £2,322,859. The depreciation account remains unchanged at £1,047,604.

NOBEL INDUSTRIES, LIMITED.—The directors have now received sufficient particulars of the results of the constituent and associated companies for the year 1921 to enable them to declare a dividend on the ordinary shares (payable on July 1, 1922) on account of that year, of 5 per cent., less income-tax at 6s in the £. After this distribution (which they propose in due course to recommend as final for 1921), the estimates show that there will be a balance on profit and loss account for the year to add to the amount carried forward (£757,498) as at December 31, 1920. The recommendations to be made to the shareholders for the appropriation of this carry forward will include the allocation of a substantial proportion thereof to a special investment reserve account. The final completion of the constituent companies' accounts, with their outstanding taxation settlements, will make it necessary to defer the annual general meeting until early September.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

The continued spell of warmth and sunshine has greatly improved agricultural prospects and stimulated growth, so that the appearance of cereal crops leaves little to be desired. Spring oats, however, require additional moisture, as fields in some districts are rather patchy. Generally quiet conditions prevailed at market during the week, and prices in many cases ruled easier, though towards the close a steadier tone was apparent. Native wheat in small supply, but sells slowly, and rates easy at 57s to 59s for suitable milling samples, with inferior sorts quoted 55s per 504 lbs free on rail. Imported descriptions, after being slow and easier, improved on higher c.i.f. offers. No. 1 Northern Manitoba 63s, No. 3 ditto 58s, Australian 60s, all landed per 496 lbs, and Rosafé 64 lbs ex ship to arrive 58s per 480 lbs. The wheat cargo displayed weakness until the close of the week, when a good demand prevailed, both on Continental account and from home millers. Cargoes of Australian afloat sold 55s 3d to 55s 6d, Rosafé 64lbs afloat, also 63½ lbs loading, at 54s 6d to U.K., several steamers of ditto afloat to Portugal at 55s to 55s 3d, and ditto 63½ lbs May-June to France at 54s per 480 lbs. Parcels also followed the upward tendency, after a sharp decline, with business chiefly in North American and Argentine grades. Flour quiet, and prices further gave way both for home milled and imported. London standard straight run quoted 47s 6d, town households 45s 6d, patents 49s 6d to 50s 6d, all English straight run 44s 6d per sack, delivered in London area. All English country straights 42s to 43s per sack, free on rail at London stations. Of imported, Manitoba export patents quoted 47s, straights 43s, Pacific 46s, and Australian 42s 6d to 43s per 280 lbs. Business on c.i.f. terms remains dull. Canadian patents June seaboard quoted 44s, straights 40s, Kansas patents 45s, and Australian 40s per 280 lbs. Millers offals dull, and tendency easier. Broad bran quoted

BARCLAYS BANK LIMITED.

HEAD OFFICE: 54, LOMBARD STREET, LONDON, E.C.3.

And 1,600 Branches in England and Wales.

CHIEF FOREIGN BRANCH:

168, Fenchurch Street, London, E.C.3.

The Bank issues Drafts and Letters of Credit on all the principal towns of the World; makes Mail and Telegraphic Transfers; effects Foreign Collections; establishes Documentary Credits; and generally undertakes EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS.

Agents and Correspondents in all the principal towns throughout the World.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward	Net Profit.
					Prefer.	Ordinary.			
					Amount.	Amount.	Rate.		
Banks.									
Royal of Australia	Mar. 31*	£ 31,636	£ 58,721	£ 90,357	£ ..	£ 37,500	10	£ 20,000	£ 32,857
Nitrate									
Lagunas	Dec. 31	37,655	21,133	58,788	..	18,000	2½	..	40,788
Rubber, &c.									
Cluny	Dec. 31	12,702 Dr	1,930	10,772	..	..	..	Dr 10,772	5,083
Kapowas	Dec. 31	1,897 Dr	10,451 Dr	8,554	..	..	..	Dr 8,554	22,601
Kuala Selangor	Dec. 31	10,121	8,503	18,624	..	..	..	13,000	5,624
Lanadron	Dec. 31	49,850 Dr	18,469	36,381	..	..	..	2,500	33,881
Ledbury	Dec. 31	26,552 Dr	6,891	20,161	..	..	..	..	20,161
Pernambang	Dec. 31	4,663 Dr	4,610	53	..	..	..	..	53
Sapong	Dec. 31	13,738	3,423	17,161	..	..	..	6,000	11,161
Strathmore	Dec. 31	9,215 Dr	3,942	5,273	..	..	..	1,000	4,273
Shipping.									
India General Navigation	Dec. 31	26,139	19,446	45,585	12,202	19,667	4½	3,500	10,216
Shops and Stores.									
Lipton	Mar. 31	27,779	255,711	283,490	89,907	156,250	12½	..	37,333
Tea.									
Chubwa	May 31	33,829	16,943	50,772	3,710	7,950	15	29,500	9,612
Jetinga Valley	Dec. 31	Dr 76	4,966	4,890	4,602	..	..	..	288
Textiles.									
Bleachers' Association	Mar. 31	337,891	848,888	1,186,779	135,987	296,386	12½	395,000	359,406
Tramways.									
Pernambuco Tramways and Power	Dec. 31	19,599 Dr	6,761	12,838	..	..	..	11,730	1,108
Worcestershire Electric Traction	Dec. 31	307	3,078	3,385	..	1,908	2	308	1,169
Trust.									
Egyptian and Foreign	Dec. 31	33,535 Dr	60,572 Dr	26,992	..	..	..	Dr 26,992	..
Indian and General	April 30	1,580	14,834	16,414	5,496	7,028	10	2,290	1,600
Other Companies.									
Anderson Foundry	Mar. 31	27,300	14,895	42,195	..	18,900	18/p.s.	10,000	13,295
Brunner, Mond, and Co.	Mar. 31	138,308	1,022,000	1,160,308	245,313	770,906	8	50,797	93,292
Chatham Empire Theatre	Mar. 31	24,984 Dr	1,748	23,236	..	2,210	7½	..	21,026
Cope Brothers and Co.	Mar. 31	14,687	70,555	85,242	..	26,250	10	25,000	33,992
Electric Construction	Mar. 31	23,498	82,685	106,183	4,395	30,000	10	49,715	22,073
Henry Gardner and Co.	Mar. 31	Dr 9,035	50,508	41,470	..	30,000	6	..	11,470
J. Stone and Co.	Dec. 31	52,633	176,152	228,785	15,000	60,030	7½	25,000	128,755
Liebig's Extract of Meat	Mar. 31	255,814	176,694	432,508	50,000	124,470	15½	..	258,038
London Shoe Co.	Mar. 31	714	4,033	4,747	..	..	..	..	847
Metropolitan Association, &c.	Mar. 31	457	6,909	7,366	..	6,727	5	..	639
Odham's Press	Dec. 31	24,819	96,263	121,082	41,723	28,241	8	30,000	21,118
Thomas Brown and Sons	Jan. 31	..	29,125	29,125	7,425	6,750	5	14,950	..
Thomas Owen	Mar. 31	21,106	3,063	24,169	12,000	7,500	5	..	4,669

* Half-year.

† Free of tax.

£7 15s 6d to £8, ordinary ditto £6 10s to £7, middlings £9 to £9 10s, per ton ex mill, bags included. Fancy Plate middlings £9 10s, and Plate pollards £7 15s ton landed. English barley largely nominal, as trade is practically finished for the season, but a fair demand is experienced for feeding sorts, and good lots rule from 44s to 48s per 448 lbs, free on rail. Of imported, Californian quoted 40s to 48s, Australian Chevalier 40s to 52s, Chilean ditto 51s to 56s, per 448 lbs ex store. American malting 48 lbs 32s 6d, No. 4 Canada Western 32s 6d, both ex ship to arrive, and Tunisian 37s ex store, all per 400 lbs. Maize continued dull and easier, though closed steady at the decline, in view of forward firmness. Plate ex ship 37s 9d, ditto landed 38s, yellow African 35s 6d ex quay, and No. 2 American mixed 34s landed per 480 lbs. White African maize meal quoted £7 15s ton ex store. Cargoes were in slow request, but holders were not pressing, and rates were fairly steady. Parcels very irregular, though closing firm, with business in La Plata May-June up to 34s 14d per qr 280 lbs. Oats quiet, but fairly steady. English whites quoted 36s 6d to 38s, black winters 34s 6d to 36s, grey winters 35s to 36s per 336 lbs free on rail. Of imported, Plate f.a.q. 27s, ditto clipped 29s, No. 2 Canada Western 32s, No. 2 Canada feed 29s, No. 2 white clipped American, 38 lbs, 27s 3d, British Columbian 37s 9d, and New Zealand 35s to 40s, all landed per 320 lbs. Oatmeal quiet, but prices fully steady, owing to scanty offerings of suitable milling qualities. London-made, coarse pinhead quoted £19, other cuts £18 10s, whole groats £18, rolled oats £19, flaked oats £21, ordinary Scottish oatmeal £19 10s to £20 10s, and American, all cuts, £18 to £18 10s per ton. English beans remain quiet. Choice winters sell at 53s 6d to 54s 6d, ordinary 51s to 52s, while springs range from 57s 6d to 68s per 504 lbs free on rail. Chinese horse beans quoted £10 15s to £11 15s ton. Rangoon hand-picked spot 7s to 7s 3d, Madagascar haricots old crop 10s to 12s, ditto new 18s to 19s cwt. English peas are in good request, and offerings are now becoming very light. Maples are firmly held, and range from 85s to 95s, and light. Maples are 60s per 504 lbs free on rail. Of imported, Dutch hand-duns 58s to 60s per 504 lbs, ditto screened 25s to 26s, Japanese 51s to 52s, Tasmanian "A" grade 23s to 24s, New Zealand blue 22s to 25s per cwt. English rye quoted 40s to 45s per 504 lbs free on rail. Lentils steady. No. 1 split 29s to 30s, No. 2 ditto 22s to 24s, and Egyptian 22s 6d to 24s per 100 lbs ex store. Homeward grain chartering was on a moderate scale, and mostly to Continental and Mediterranean ports. The River Plate section ruled easier, but the inquiry shows slight improvement, and now extends to July. Handy-size steamers to U.K./Continent June loading done down to 27s 6d loading at upper ports, with 25s, no reduction paid from Buenos Ayres/La Plata. Numerous charters were effected from Montreal on the basis of 20½ cents one, 21½ cents two ports Mediterranean, not east of West Coast Italy, and 20 cents to Marseilles. To Continent 15 cents is quoted, while American

GOLD and SILVER in ONTARIO

Gold mining is developing rapidly in the Province of Ontario, Canada. In 1921 the gold output was \$14,702,268. In 1922 it will probably be 18 or 20 million dollars.

The two chief camps are Porcupine and Kirkland Lake. Hollinger Consolidated, at Porcupine, is one of the great gold mines of the world; at present its production is about \$1,000,000 per month. Among other mines of this group are McIntyre and Dome, each with an output of more than 2 millions yearly.

At Kirkland Lake, the Lake Shore, Wright-Hargreaves, Teck-Hughes, and Kirkland Lake mines are the present producers.

Matatchewan, Larder Lake, West Shining Tree, Goudreau, Schreiber are other localities where gold has been discovered, and mines are being developed.

The silver mines of the Cobalt area are world-famous. Discovered in 1903 their yield up to the end of 1920 was 323 million ounces. Nipissing mine in 1921 yielded 3,012,614 ounces, O'Brien 1,408,890 ounces, Coniagas 1,301,860 ounces.

The pre-Cambrian rocks, in which the gold and silver and other minerals are found, extend over most of Northern Ontario, comprising many thousands of square miles. The greater part of this territory is unprospected.

The climate is invigorating, there is plenty of wood, water and labour. There are no mountains, and the prospector can go almost anywhere in his canoe. The mining laws are liberal. Ontario mining taxes are on net profits only, the rate being three per cent.

Magnificent specimens of gold and silver ores are now on view at the office of Mr. Wm. C. Noxon, Agent-General for Ontario, 163, Strand, London, W.C.2, where descriptive booklets, maps, and other information may be had.

THE HON. H. MILLS,
Minister of Mines,
Toronto, Ontario, Canada.

THOS. W. GIBSON,
Deputy Minister of Mines.

Northern Range is represented by 13½ cents Antwerp-Hamburg range, 22 cents three ports Denmark, and 20 cents Mediterranean. From the North Pacific wheat is quoted at 37s 6d June-July, and 40s new crop August-September to U.K.-Continent. Eastern markets dull, and 17s 3d paid on dead weight for a large steamer to U.K., Continent June loading. Australia inactive at last rate established—viz., 45s from Sydney to U.K./Continent. South African maize August-September rules at 25s, home. Mediterranean trades quiet, and rates largely nominal for grain tonnage.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919.
Estimated sales of home-grown wheat—				
1 week to May 27	Cwts. 205,772	Cwts. 226,834	Cwts. 216,673	Cwts. 62,724
36 weeks to May 27	15,166,543	14,950,771	11,497,807	10,520,946
Average price of English wheat per quarter	s d 56 3	s d 55 11	s d 57 6	s d 72 10
— per cwt.	13 4	13 0	20 6	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1918 to 1921:—

	QUANTITIES SOLD.			AVERAGE PRICES.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1922.	qrs bsh 15,329 6	qrs bsh 5,464 7	qrs bsh 12,488 9	s d 55 11	s d 41 5	s d 32 3
May 30	15,329 6	5,464 7	12,488 9	55 11	41 5	32 3
31	48,013 4	5,183 5	12,488 9	56 3	40 1	32 11
1918	15,329 6	5,464 7	12,488 9	55 11	41 5	32 3
1919	66,253 3	6,470 3	7,753 3	73 8	60 0	44 9
1920	12,695 4	3,871 2	4,176 3	72 10	59 3	63 0
1921	45,584 0	7,173 1	10,138 2	88 4	44 9	38 5

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated June 1st, is as follows:—Pig-iron: With the approach of the holidays and the continuance of the engineering dispute, there is no inclination to do business. Once the latter dispute is settled we should have a good local demand for foundry pig-iron. Prices remain at 90s for No. 3 Cleveland G.M.B. and 95s for East Coast Mixed Numbers Hematite. Manufactured Iron and Steel: No sign of animation yet in the steel trade. Steel ship plates (home), £10 10s; steel ship angles, £10; iron bars, £12; steel rails, £9 10s net. Iron ore: Imports of ore have been good, but consumers have as much as they need for the present, and an occasional cargo is the extent of the demand. Best Rubio sellers' price is still 27s, but other good ores can be bought at considerably less.

Our Glasgow correspondent (writing on Thursday) says:—A better tone has ruled this week in the markets for Scotch pig-iron and steel, and a more hopeful feeling as to the future generally prevails than has been the case for some time back. The improvement is most pronounced as respects pig-iron, which is in strong request on both home and foreign accounts. Scotch makers report that the volume of business put through in May was the largest recorded for years, that in proportion, however, to the tonnage produced, which, as can be understood, was considerably below the normal. It is an unfortunate circumstance that the quantity of Scotch iron in sight is only equal to covering local and home wants, and these naturally meet with first consideration. As has been said, makers here are prepared to add to their outputs—provided they are convinced that matters are really on the mend, and that the current increased demand is not a flash in the pan. Since last week values have hardened by about 2s 6d a ton, and Scotch No. 1 is called 98s 6d; No. 3, 93s 6d (on trucks at producers' works), or 5s a ton more, Glasgow delivery. At the weekly meeting of the "ring" yesterday, sellers of Scotch No. 3 were asking 97s 6d, f.a.s., Glasgow; 90s for No. 3 Cleveland (Middlesbro'), and 96s for mixed numbers East Coast hematite, f.o.b. Middlesbro'; but there were no buyers. Conditions in the steel trade are no worse than they were eight days ago. If anything, there are more rolling mills running, and that here and there on substantial orders broken a time ago. And it appears that in the bigger constructional establishments a surprising amount of tonnage (for export) is being handled. Nearly every colonial and South American market is feeling the home pulse as to prices and deliveries of material. In short, buyers all over the Eastern markets especially are closely watching the situation with a view, it is calculated, to forward operations and activity which nearly everybody expects will follow on a restoration of peace to engineering ranks. Clyde shipbuilding returns for May make a not unsatisfactory showing. In April, only one boat (a steam launch) of 25 tons was put into the water, but May was responsible for 14 vessels of 26,500 tons, which means that at the end of the preceding month a goodly number of steamers were near to the launching basin and might legitimately have been included in that period. It is of interest to note that at the beginning of the year semi-official calculations made out that there were then "in hand on the Clyde" (for finishing in 1922) 127 vessels of 754,899 tons. The launches to date represent 46 vessels of 152,587 tons, leaving "on hand" 81 vessels and 602,312 tons. How that tonnage stands in relation to com-

pletion it is impossible to say, but it remains that builders must, in the circumstances, have a fair share of construction to go on with. Authorities affirm that while new placed orders are few, inquiries are comparatively numerous, and will bear fruit if prices ease a point or so.

Our Sheffield correspondent writes:—Except for the rolling mills, which are working half-time, the iron and steel trade continues at a standstill, and consequently the Whitsun holidays will scarcely affect the situation. In those branches not affected by the strike works will stop on Friday until some day next week. Further evidence is forthcoming of the improved outlook for steel both at home and abroad, and while buying is suspended for the moment there is a decided hardening tendency of prices. These are expected to go up when active trade is resumed. Sellers refuse to contract forward at the current rates. Open hearth steel furnaces are working at a fourth of their capacity, and crucible furnaces only a day or two per week. Large firms here have suffered heavy financial losses through the lock-out, and there is a risk that orders which they are unable to execute may go elsewhere. At the same time, there is a large amount of work accumulated awaiting the settlement. Prices in files and tools are being severely cut, and some of them are nearly back to the per-war level. Much of the business being booked cannot prove remunerative. Offered prices of building ironwork, including fireplaces, baths, and rain water goods, have been reduced about 10 per cent. this week. The tendency of hardware prices generally continue in a downward direction. The coal trade is extremely flat in the home market consequent upon the idleness of so many works. The official quotation for best South Yorkshire steam coal is 23s, but it can be bought at 21s, and lower prices are predicted. Large consumers and gas companies are refusing to contract ahead. In consequence of the hot weather, the house coal market has collapsed. Progress continues to be made in the manufacture of coalite, the product of a patent process which renders coal smokeless. Authorities believe that the experimental stage of this invention has been completed, and that it is now ready for practical application. Blast furnace coke has dropped to 17s per ton.

Our Cardiff correspondent writes:—The South Wales coal market has taken a very disappointing turn this week. The Whitsun holidays are usually preceded by exceptional pressure. Ship-owners are anxious to get their tonnage away and merchants their cargo, and the normal effect of this pressure is a decided hardening, if not a rise, in the current market prices of coal. That has not been the case this week; indeed, the end of the week found prices easier than they were at the beginning of the week, and best large Admiralty steam coals, which a fortnight ago were strong at from 28s to 28s 6d per ton, were done for this week's loading at 27s. The reaction from the spurt of March last has been more extensive than that anticipated; on Wednesday and Thursday there was a very disturbing absence of new inquiries; and one of the chief reasons why the collieries have been willing during the past few days to sell so much below the figures of a week ago is their desire to obtain as large a supply as possible of empty waggons in readiness for the resumption of work at the pits on the termination of the Whitsun holidays next Wednesday. The appeal made to the salesmen a fortnight ago has not had the effect hoped for, and a special meeting of the Coal Owners' Association has been convened for next Friday to consider the application of more effective expedients for the regulation of prices. The financial difficulties both of the employers and the workmen are forcing to a head this problem of output restriction and price regulation. The miners have warned the employers that they can endure no longer a wage rate so considerably less in purchasing power than that earned before the war, and have intimated that unless the employers take some action to secure a higher selling price they will themselves aim independently at that object by an arbitrary limitation of the working week to five days instead of six. Consultations between colliery salesmen have failed, and it now remains to be seen what more stringent restriction on freedom of action will be imposed at next week's meeting of the coalowners. The audit for April has just been received, and it is so disappointing as to give a new stimulus to the movement in the direction of regulation. The proceeds of the industry in April were not enough to pay

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more than 7 per cent. on the standard wages. The workmen, however, are entitled to a minimum of 28 per cent. on those standard wages, and to provide that minimum the coalowners on a district basis will have to sacrifice the whole of their standard profits of £280,000 for the month, and find a further sum of about £36,000. The cause of this reduction in the proceeds of the industry was the loss during the month of about 800,000 tons in output as a result of the snowstorm at the beginning of the month of the Easter holidays, and of a smaller number of working days than in March. The industry has not been faced with a more serious financial situation since decontrol.

The following were the market quotations for representative coals at the end of the week. Best Admiralty large, 27s to 27s 6d; second Admiralties, 26s 3d to 26s 6d; best drys, 26s to 26s 6d; best black veins, 26s 6d to 27s 3d; Western Valleys, 26s to 26s 6d; Eastern Valleys, 25s 6d to 26s; best bunker smalls, 18s to 18s 6d; ordinary cargo smalls, 16s 6d to 17s. There was no alteration in coke prices, but pit wood was easier at 30s to 30s 6d, ex ship.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Although the market is not nearly as active as it was a few weeks ago, there is a steady business in most qualities, and prices remain exceedingly firm. Spot lots of merinos are very scarce, and topmakers are now quoting for delivery well on towards the end of the year. Generally speaking, there is little, if any change in top quotations, but the position is against the buyer all the time. The consumption of crossbreds is steadily increasing, and there is a strong feeling that values will continue to appreciate in 46's and below. It is in these qualities, of course, that there is most room for improvement, and it is an undoubted fact that they are now receiving an increasing amount of attention after having been consistently neglected for several months. The outlook in the yarn trade is regarded as fairly satisfactory. Most firms have plenty of work in hand, and orders continue to come through at slightly better prices than have hitherto been obtained. Apparently manufacturers are beginning to feel a little more confident, and are operating cautiously on a basis more in keeping with current values, but there is still a certain amount of hesitation in following the upward movement, and some profess to believe that they will be able to do better by waiting. On the whole, however, there is a great display of confidence in the future of values, especially in the case of merinos, and while few traders would like to see any further advance in prices of merinos, they certainly do not expect to see cheaper wool this side of August. There is practically no change in yarn quotations on the week, but it is becoming increasingly difficult to get any concession on quoted rates. A feature of the piece-goods trade is the continued run on wool whippords for ladies' wear. The demand for Botany serges and worsted suitings is also better, and, taking the trade all round, the position shows marked improvement.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The visit paid to Bradford last week-end by the Premier and Agent-General for Western Australia served to direct attention to the wool being grown in that State. Sir James Mitchell (Premier) and Sir James Connolly (Agent-General) had an opportunity to see for themselves some of the processes of wool manufacture, by which it is possible to gain a far more intelligent conception of the extent and importance of the industry than book knowledge can possibly provide. Their visit also had its social advantages, and these should eventually prove to have been the medium for bringing about a better understanding between wool-growers in West Australia and users in Bradford. The two visitors were entertained to dinner by the officials and members of the British Wool Federation, and on that occasion some very important facts were laid before the Premier and his companion, one of which was the necessity which exists for reducing freight charges on wool shipped from Australia. It was pointed out that the cost of sending wool from New Zealand to England is 1d per lb, the cost from Australia being 1½d per lb. Apart from the fact that the rates are in themselves excessive, it is anomalous that wool sent the greater distance should be charged the lower price; the explanation appears to be that the Australian Government own a fleet of steamers, and are therefore able to determine wool freights, whereas the New Zealand Government is dependent entirely upon privately owned steamships to send wool from the Dominion to English ports. The point which it was intended to drive home to the Premier and his companion was that growers are the party who really pay the cost of wool transit. Even if this were not so in theory it would be so in fact, for if the cost of transit from Australia and New Zealand were not taken into account in estimating wool values, the extra charge would have to be debited, and would come up in the price of tops and yarns, and eventually in the cost of fully manufactured goods. The public buy the last-named, and would, therefore, be paying the cost of transit. But as the public includes everybody, wool-growers and consumers alike, the whole thing will only work round in a circle. It may be assumed that the Premier and Agent-General will take these facts into consideration, and will use their influence towards bringing down the cost of transit on wool from Australia.

Mr H. Norman Rae, M.P., mentioned the necessity for better wool classing by Australian pastoralists. He stated quite accurately that some really excellent merino wool is grown south of Perth, wool which is quite equal to the bulk of the produce from other States. The clips grown north of Geraldton are heavier in con-

dition, due entirely to the nature of the country. The further north the districts on which the clips are grown, the more waxy is their character. The writer makes this statement on the strength of 25 years' experience of handling West Australian wools, and must also say that the classing done by pastoralists in that State is capable of great improvement.

Mr Rae's appeal for increased population in West Australia had also considerable force behind it. The country cannot be developed properly without men, and as it is a good wool-growing area, there is ample scope for pastoral enterprise.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—May 26, 1922.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.		Same Period 1920.	
							Med.	Good Med.	Med.	Good Med.
Sea Island	..	..	..	..	..	..	..	..	..	..
Florida do.	..	..	..	..	..	..	..	..	..	..
Georgia do.	..	..	..	..	..	..	..	..	..	..
American	..	..	..	..	..	..	..	..	..	..
Brazilian	..	..	..	..	..	..	..	..	..	..
Peruvian	..	..	..	..	..	..	..	..	..	..
Paraguay, Rio Grande, &c.	..	..	..	..	..	..	..	..	..	..
Moscow, &c.	..	..	..	..	..	..	..	..	..	..
Moscow, &c.	..	..	..	..	..	..	..	..	..	..
Casas	..	..	..	..	..	..	..	..	..	..
Moscow, &c.	..	..	..	..	..	..	..	..	..	..
Sao Paulo	..	..	..	..	..	..	..	..	..	..
Egyptian	..	..	..	..	..	..	..	..	..	..
Upper	..	..	..	..	..	..	..	..	..	..
Sakellari	..	..	..	..	..	..	..	..	..	..
Peruvian	..	..	..	..	..	..	..	..	..	..
Rough	..	..	..	..	..	..	..	..	..	..
Moderately Rough	..	..	..	..	..	..	..	..	..	..
Smooth	..	..	..	..	..	..	..	..	..	..
Smooth	..	..	..	..	..	..	..	..	..	..
Mitafi	..	..	..	..	..	..	..	..	..	..
West Indian, &c.	..	..	..	..	..	..	..	..	..	..
Do	..	..	..	..	..	..	..	..	..	..
African, East, &c.	..	..	..	..	..	..	..	..	..	..
Do	..	..	..	..	..	..	..	..	..	..
Machine Ginned Surtee	..	..	..	..	..	..	..	..	..	..
Machine Ginned Broad	..	..	..	..	..	..	..	..	..	..
Machine Ginned Brooming	..	..	..	..	..	..	..	..	..	..
Machine Ginned Comra. No. 1	..	..	..	..	..	..	..	..	..	..
Machine Ginned Comra. No. 2	..	..	..	..	..	..	..	..	..	..
Machine Ginned Khandeish	..	..	..	..	..	..	..	..	..	..
Machine Ginned Comptah	..	..	..	..	..	..	..	..	..	..
Machine Ginned Bengal	..	..	..	..	..	..	..	..	..	..
Machine Ginned Seide	..	..	..	..	..	..	..	..	..	..
Tinnivelly	..	..	..	..	..	..	..	..	..	..
Madras, Western	..	..	..	..	..	..	..	..	..	..
Madras, Northern	..	..	..	..	..	..	..	..	..	..
M. G. Cocanada, Red	..	..	..	..	..	..	..	..	..	..
China, Smyrna, &c.	..	..	..	..	..	..	..	..	..	..

MANCHESTER, June 1.

The general tone of the market has continued quieter. Buyers have been less disposed to place orders with spinners and manufacturers. The falling off in the turnover is put down to the uncertainty with regard to the raw cotton situation and the monsoon

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season in India. Much less cloth demand has been experienced for India than for some little time back, and buying has been confined to small lots. Moderate orders have been booked for China, without there being any general buying movement. Printing and finishing goods have moved off to a moderate extent for several minor outlets. The home trade has been busier, there being an active demand for light fancy materials. It has been a slow week in American and Egyptian yarns for home use and export, but quotations have been firmly held.

(I.) Comparative Statement of the Cotton Trade.

	Price, June 1, 1922.	Previous Weeks in 1922.				
		Price, May 25.	Price, May 18.	Price, May 11.	Price, May 4.	Price, April 27.
Raw Cotton—Fully Mid. American . . . per lb	12-30	12-04	12-15	11-66	11-18	10-35
— Sakellaridis Fully Good Fair						
— Egyptian per lb	19-25	18-75	18-75	18-00	18-00	17-50
Yarns—32's twist per lb	19-25	19-25	19-25	18-75	18-75	18-75
— 40's twist per lb	19-25	19-25	19-25	18-75	18-75	18-75
— 60's twist (Egyptian) . . . per lb	29	29	29	28-50	28-50	28-50
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	31 0	31 0	30 6	29 6	28 6	28 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	29 6	29 6	29 6	29 6	28 6	28 0
32-in. ditto, 38 yds, 18 by 16, 10 lbs	18 3	18 3	18 3	18 3	17 9	17 9
32-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs	17 0	17 0	17 0	16 9	16 3	16 3

(II.) Compared with Previous Years.

	Price, June 1, 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American . . . per lb	12-30	8-06	28-69	20-10	22-17	15-57
— Sakellaridis Fully Good Fair						
— Egyptian per lb	19-25	16-00	74-00	27-09	28-82	27-10
Yarns—32's twist per lb	19-25	17-75	59-50	36-50	46-25	19-25
— 40's twist per lb	19-25	16-50	55-50	35-50	46-25	19-25
— 60's twist (Egyptian) . . . per lb	29	31	124	54	56-25	38
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	31 0	34 6	100 651	6 59	0 26 6	
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	29 6	32 0	94 651	0 57	0 26 3	
32-in. ditto, 38 yds, 18 by 16, 10 lbs	18 3	19 0	50 630	0 32	6 15 4	
32-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs	17 0	16 6	44 027	0 29	3 13 7	

VEGETABLE OILS AND OILSEEDS.

Various influences have conspired to make the market quiet and inanimate. Demand for the oil products has fallen away, and with prices falling there is no disposition to anticipate requirements on the part of buyers. Linseed oil has fluctuated somewhat, but is, on the whole, cheaper. Home demand is small, and export requirements are in abeyance. America, which has taken since the beginning of the year 20,000 tons from Hull alone, has not been a buyer this week, importers on the other side evidently waiting to see how the new tariff is going to shape and to size up the statistical position. Much depends upon an industrial revival and an increased spending power of the peoples. Supplies of seed are less than normal, if advances from the growing areas are to be accepted, and this is a factor tending to give the market a certain amount of firmness. Spot and near prices, though easier, still maintain an appreciable advantage, and, after touching £40 ex Hull mill, have advanced to £42. June-August delivery may be bought at £38, and September-December at £36, but these positions begot but little interest.

Demand for cotton oils is slow, and prices lower on the basis of £41 for crude Egyptian and £37 10s for common edible refined. Crude soya bean oil is scarce, and late rates fully maintained. Rape oil is rather easier, and worth £44 ex Hull mill spot, and £43 July-August. Other oils show but little change, and demand is less than normal.

In the oilseed section linseed has been lower, but has since steadied. Plate has been done below £19 10s for shipment to Hull, and Calcutta at £20 7s 6d to £20 10s, May-June, to London. Cottonseed, in sympathy with Alexandria, is lower, and crushers disinclined to buy at present level. Manchurian soya beans have been done at £12 on passage to Hull, and Cawnpore castor seed at £16. Palm kernels and ground nuts quiet.

Linseed cakes are in poor demand, and quoted 10s lower at £14 ex Hull mill. Cottons and other kinds unchanged.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR CORRESPONDENT.)

The hide market is gradually gathering strength, and tanners are getting alarmed at the outlook; best heavy ox hides sold from 8 1/2d to 9d per lb at Bermondsey on Thursday, showing an advance of 1/4d on last week's rates. Lights remained steady, but cows advanced, and several classes of calfskins showed 1/4d to 1/2d advance on last prices. The firm position of hides seems general all over the world, as latest cables from New York report further advances, best heavy packets now selling at 15 1/2 cents, and native cows at 13 1/2 cents. The demand for S. American wet salted hides remains quiet, and few sales are reported.

The demand for sole leather is still improving, and merchants have done a fair week's trade. Tanners are perforce obliged to advance prices, in view of dearer hides, although they admit the demand for leather hardly warrants it. The advent of fine weather,

coupled with the advancing prices, has led shoe manufacturers to order the lighter averages, 10/12 lb bends being popular. Shoulders and bellies are dull, although there is a fair demand for light oak tanned grades for innersoles, and soles of women's shoes for summer wear.

The sale of upper leather does not appear to have kept pace with the improvement in sole stock, although quite a good trade is passing still in suedes, coloured kid, and patent leathers. Curriers of E.I. kips are short of orders, as the demand for stout boots is badly affected by the shortage of money in the industrial districts.

The improvement in the shoe section is well maintained, and the quantity of ladies' shoes, sporting shoes in canvas and leather, sent out last week is almost a record.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, June 2.

General course of trade proceeded quietly, and with one or two exceptions demand was again governed by wants of immediate necessity.

SUGAR.—This market developed quite a firm tone, and steady absorption took place, chiefly of spot parcels, and in which British goods largely participated as imported remain in small supply. Messrs Tate and Lyle's cubes, 53s to 54s; crushed, 51s 6d; granulated, 48s 9d to 49s 3d; pulverised, 50s 9d; caster, 50s 9d to 51s 9d, as to quality; pieces, 35s to 37s; fine white, 44s; granulated, August-September delivery, duty paid, 42s to 43s 6d, as to sample. American granulated, spot, sold, 47s 7 1/2d up to 48s 1 1/2d; June, 20s 7 1/2d to 20s 10 1/2d and 20s 9d; July, 20s 9d to 21s, c.f. and i., United Kingdom. White Mauritius, spot, sold, 44s 6d to 45s 6d. White Brazilian, afloat, quoted 19s 6d; white Java, July, 19s 6d, both c.f. and i., terms, London. Cuban, basis 96 per cent., June, quoted 14s 3d; Brazilian, basis 80 per cent., July-August, 9s, both c.f. and i., United Kingdom. Dutch and also Czechoslovakian sugars nominal for shipment. Terminal market firmer. White, August, sold, 21s to 21s 6d and 21s 3d; December, 20s 7 1/2d to 20s 9d. Cuban stock, 1,084,390 tons, against 1,347,650 tons at same time last year. Liquid glucose, July-August delivery, 26s 6d. American syrup quietly steady.

COFFEE.—Spot market presented very quiet features, and no auctions were held this week. Futures remained slow but steady.

COCOA.—Market still very quiet, with quotations nominally unaltered. Butter steady, quiet at 1s 7 1/2d per lb for prime English.

TEA.—No auctions held this week, having been suspended until the 12th inst. By private treaty only a retail amount of business has been doing.

RICE.—Prices on the week show no material alteration, but demand continued very slow. Two Stars new crop, spot, quoted 14s 9d. Bran quiet, unchanged. Rangoon beans, hand-picked, spot, 7s 6d. Dutch peas, spot, hand-picked, 29s cwt.

SPICE.—Pepper market exhibited a quiet, steady tone. Fair black Singapore, spot, quoted, 4d; June-August, 3 1/2d; Aleppo, spot, 4 1/2d; Tellicherry, 4 1/2d; white Singapore, spot, 7d; ditto June-August, 6 1/2d; Muntok, spot, 7 1/2d; June-August, 7 1/2d; Zanzibar cloves, spot, 2s 1/2d; pimento, 2 1/2d; black pepper, 2 1/2d per lb; ditto June-August steamer, London, 2s 3d; Havre, 2s 4d; fair Penang seed, spot, 2s 2d; sago flour, May-June, sold, 14s 7 1/2d; June-August, 14s 3d. Desiccated coconut, spot parcels, sold, 42s; July-August, 38s 6d per cwt.

FRUIT.—A steady tone governed the market for currants and a moderate demand was experienced. Both Valencia raisins and sultanas met a quiet sale. Dates steady, and Siar, spot, sold, 27s 6d.

JUTE.—This market, after advancing sharply in the early part of the week, disclosed slight irregularity at times, but there was a good inquiry throughout. First grade, spot, Hamburg, sold, £34 to £36; May-June, £36 to £38 10s; June-July, £37 10s to £38 15s. Lightning grade, May-June, £33 5s to £33 10s; June-July, £33 15s to £34. Hearts, June-July, £28. 10-oz hessians, spot, 41s; 8-oz, 29s 6d.

HEMP.—Manila, after being quiet and easier for the commoner qualities, showed a slightly steadier tone. G grade, August-October, sold, £32 15s to £32 10s; June-August, £32 10s. Finer qualities neglected and quite nominal. New Zealand high point, fair, spot, £30; fair, £29. African sisal, No 1 G.E.A., June-August, £35. Indian steady, quiet, but Indian tows firmly held.

SHELLAC.—Market dearer. T.N., spot, fair quality, 38os; August, sold, 38s to 37s 6d.

COPRA.—Market steady, quiet. F.M.S. Straits, June-August, Rotterdam, sold, £24 17s 6d; F.M. ditto, to Marseilles, £24; Ceylon,

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1909.)

Capital Subscribed	Y60,000,000
Capital Paid Up	Y52,500,000
Reserve	Y11,780,000

Head Office - - - - - **TAIPEH, FORMOSA.**
London Office - - - - - **25 OLD BROAD STREET**
(Gresham House), E.C.2.

BRANCHES: Amoy, Batavia, Bangkok, Bombay, Canton, Foochow, Hankow, Hongkong, Kinkiang, Keelung, Kobe, Moji, New York, Osaka, Semarang, Shanghai, Singapore, Soerabaya, Swatow, Tainan, Tokyo, Yokohama, &c., &c., and Correspondents in every principal town in the World.

The Bank is incorporated by Special Charter of the Imperial Japanese Government, and is authorised to issue note in Formosa, conducts general Banking Exchange Business, undertakes Trust Business, and acts as Business Agents for other Banks. Deposits are received for fixed periods on terms which may be ascertained on application.

May-July, value, £26, to Rotterdam-Hamburg; South Sea, £24 2s 6d; Cebu, £24 10s; Malabar, £26 10s. Palm kernels, July-September, Liverpool, sold, £17 10s.

RUBBER.—Market rather irregular, but with a fair amount of business done. Standard plantation crepe and sheet, spot, and June, sold, 7 1/2d to 7 3/4d; July-September, 8 1/2d to 8 3/4d, and 8 1/2d; October-December, 8 1/2d to 8 3/4d, and 8 1/2d; January-March, 8 1/2d to 9d, and 8 1/2d. Fine hard Para, spot, quoted, 10d; soft fine, 10d; and Caucho ball, 8d.

EGG PRODUCTS.—Market steady, quiet. Prime liquid yolk, spot, 142s 6d per cwt. Albumen, spot, 3s 5d per lb.

OILS.—Linseed market irregular. Spot, net, naked, 44s 6d; June, 41s 3d; June-August, 39s; September-December, 37s 6d. Rape quiet. Crude, spot, 45s; refined, 48s. Cotton steady. Crude Egyptian, 43s; Bombay nominal; common edible, 49s. China-wood: Hankow, spot (barrels), 68s 9d; shipment, 65s 6d to 67s 6d as to position. Coconut quiet. Ceylon, spot, 40s 6d; June-July, 38s; Cochin, ditto, 42s. Soya steady. Oriental, barrels, ditto, 41s 6d. Japan fish steady. May-June, cases, 22s. Cod steady. English, spot, 31s. Ground nuts steady. English crushed, naked, spot, nominally 45s; deodorised, barrels, 56s. Turpentine irregular. American, spot, 69s 6d; June, 69s; July-December, 65s; September-December, 64s 6d. Rosin firm for common grades. American, grade B, 13s 9d; F, 14s; G, 14s 9d; WW, 20s 6d. French, F/G, 14s 3d; WW, 17s 6d; extra pale, nominal. Petroleum quiet. American standard white, 1s 4 1/2d; and water-white, 1s 5d per gallon.

OILSEEDS.—Linseed market quiet and easier. Bold Bombay, afloat, £22 5s. Small Bombay, ditto, £21 10s. Calcutta afloat, £21 10s; loading, £21 10s; April-May, £21 10s; May-June, sold, £20 15s to £20 7s 6d. Plate, afloat, £19 10s; April-May, sold, £19 10s, and May-June, sold, £19. Rapeseed quiet. Toria, June-July, quoted £19; real bold Ferozepore, July-August, £18 10s. Cotton seed easier. Egyptian black, June 15, £12; and white, £11 10s. Bombay, May-June, sellers, £19 2s 6d. Gingly dull. Chinese, May-June, Continent, nominal; large Bombay, ditto £23. Castor, Bombay, May-June, quoted £17 15s, to Hull. Ground nuts steady. Coromandel, machine-dried, May-June, Hull, £23 15s; Continent, £23 15s; Chinese decorticated, f.a.q., May-June, Continent, nominally £23 15s per ton.

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.		INDIA RUBBER.		PROVISIONS.		SPICES.—Pepper, per lb.	
0000A—Duty, British grown	150 0	Para, fine, hard, spot	10 0	Butter—per cwt.	170 0	Singapore, fair/white	7 0
55s foreign 42s cwt.	75 0	Plantation crepe	10 0	Irish creamery	164 0	Black Singapore	7 0
Trinidad, per cwt.	62 0			Do factory	160 0	White Siam	7 0
Granada	62 0			Australian	154 0	Phenon	7 0
Guyana, plantation	62 0			Argentine	154 0	Cinnamon—lat sort.	1 0
Yaguayal	62 0			Dutch	164 0	Do 2nd	1 0
Bahia, finest	62 0			New Zealand	158 0	Do 3rd	1 0
				Danish	172 0	Do 4th	1 0
				Bacon, anglo-Irish	155 0	Do 5th	1 0
				Danish	167 0	Chips	0 34 6
				Canadian	130 0	Cassia lignea	45 0
				American	100 0	Olive—Zanzibar	1 2 6
						Penang	2 7 3
						Ginger—per cwt.	153 0
						Canadian	142 0
						Bangkok No. 2	82 0
						Lard—Irish bladders	72 0
						American boxes, 60lb	69 0
						Pork—per 8 lbs	1 9 4
						Beef—Froton, per lb	1 1 6
						Sooty	8 4 0
						Cheese—Canterbury	70 0
						New Zealand	68 0
						Eng. Cheddar	153 0
						Cheshire	148 0
						Dutch	48 0
						Kops, pr 120—English	12 6
						Irish	12 6
						FLOUR—28lb lbs—	
						Eng. straight ex mill	46 0
						RICE—per cwt. c.f.	
						French	14 4 14
						Broken la	12 0
						ROBIN—per ton—	
						American	13 15 0
						French	15 10 0
						SAGO—Pearl, per cwt	25 0
						Sago flour	29 0
						SHELLAC—per cwt—	
						Orange, first market	42 0
						Second, fair to fine	40 0
						TN Orange	370 0
						Garnet, Lac, AC	320 0
						Blocky	none available
						Blocky 450	0 0
						Blocky (TN)	none available
						SILK—per lb.	
						China—Blue Elephant	25 0
						Canton	14 0
						Tussah	14 0
						Re-reel	0 0
						Japan	24 0
						Itain—Raw, pr Milan	40 0
						SHELLS—M-o-P, per cwt—	
						Manila, bold	15 0 0
						Macassar	15 0 0
						Sydney	9 10 0
						W. Australian	9 10 0
						Bombay	5 10 0
						SUGAR—per cwt duty 25s 8d.	
						per cent. polarisation	4 0
						B.W. L. muscovado	32 6 36
						Crystallised	41 0
						Java, c.f.	19 7 0
						Refined—London	
						Yellow Crystals	43 0
						Ones	55 0
						Lincoln hog	184 0
						Granulated	48 0
						Crystals, No. 3	48 0
						Ones	50 0
						Fleeces	34 6 44 0

CITY OF CALGARY

FOUR AND A-HALF PER CENT. AND FIVE PER CENT. DEBENTURE LOANS.

The City of Calgary announces that the COUPONS falling due 1st July, 1922, on the above-mentioned Debentures may be PRESENTED on and after the 12th June, 1922, between the hours of 10 and 2 o'clock (Saturdays excepted), at the Bank of Montreal, 47, Threadneedle Street, E.C.2.

Three clear days required for examination. Lists may be obtained on application at the Bank.

CITY OF REGINA

FOUR AND A-HALF PER CENT. DEBENTURES

The City of Regina announces that the INTEREST COUPONS of the above-mentioned Debentures maturing 1st July, 1922, may be PRESENTED on and after the 12th June, 1922, between the hours of 10 and 2 o'clock (Saturdays excepted), at the Bank of Montreal, 47, Threadneedle Street, E.C.2.

Three clear days required for examination. Lists may be obtained on application at the Bank.

CITY OF SASKATOON

FIVE PER CENT. DEBENTURES.

Banks, &c.

THE ROYAL BANK OF CANADA

Established 1869.
Paid-up Capital and Reserve ... \$40,800,000
Total Resources ... \$471,000,000
Head Office: MONTREAL.
SIR HERBERT S. HOLT, President.
E.L. PEASE, Vice-President & Managing Director.
C. E. NEILL, General Manager.
LONDON OFFICE:
BANK BUILDINGS, PRINCES STREET, E.C.2.
T. R. WHITLEY, Manager. J. MACKIE, Joint Manager.
700 Branches in Canada and Newfoundland; Cuba, Porto Rico, Dominican Republic, Haiti, Costa Rica, Venezuela and Colombia; British West Indies, French West Indies; British Honduras, British Guiana, Buenos Aires, Argentina; Montevideo, Uruguay; Rio de Janeiro, Santos and Sao Paulo, Brazil, Spain, Barcelona; New York Agency, 68, William Street.
FRENCH AUXILIARY:
THE ROYAL BANK OF CANADA (FRANCE).
PARIS, 28, Rue du Quatre-Septembre.

COMMONWEALTH BANK OF AUSTRALIA

(Guaranteed by the Australian Government.)
SIR BENJAMIN MILLER, K.C.M.G., Governor.
JAMES KELL, Deputy-Governor.

Branches and Agencies throughout Australasia.
Banking and Exchange Business of every description transacted. Bankers to the Government of the Commonwealth of Australia, the Government of the State of Queensland, the Government of the State of South Australia, the Government of the State of Tasmania.
3,125 Savings Bank Branches and Agencies at Post Offices in Australia. At 31st December, 1921.
Savings Bank Balances ... £57,272,738
General Bank Balances ... £2,552,592
Note Issue Department ... £5,545,371
Other Items ... £787,134
£126,170,985

Londres Office: 38-41 NEW BROAD ST., E.C.4.
C. A. B. CAMPION, London Manager.
Also at Australia House, Strand, W.C.

HONG KONG AND SHANGHAI BANKING CORPORATION.

CAPITAL ALL PAID UP ... \$20,000,000
SILVER RESERVE ... \$23,500,000
STRIKING RESERVE held in London ... \$4,500,000
RESERVE LIABILITY OF PROPRIETORS ... \$20,000,000
Head Office—HONG KONG.
Chief Manager—Hon. Mr. A. G. STEPHEN.
BRANCHES AND AGENCIES:
Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo, Colombo, Dairen (Dalny), Foochow, Haiphong, Hankow, Hankow, Harbin, Hongkong (Shanghai), Ipoh, Johore, Kobe (Hiogo), Kuala Lumpur, London, Lyons, Malacca, Manila, Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San Francisco, Shanghai, Singapore, Sourabaya, Suipei, Tientsin, Tsingtau, Vladivostok, Yokohama.

COMMITTEE IN LONDON:
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Hon. Cecil Baring, C. A. Campbell.
David Laidlaw, Sir George Sutherland.
A. M. Townsend, C. F. Whigham.
MANAGERS IN LONDON:
SIR NEWTON J. STARRS, H. D. C. JONES,
Sub-Manager, John MacLennan,
Accountant, A. Moncur.
GRACECHURCH STREET, LONDON, E.C.3.

THE YOKOHAMA SPECIE BANK, LTD.

(Registered in Japan.)
Established 1880.
Capital Subscribed & Fully Paid ... Yen 100,000,000
Reserve Fund ... 61,000,000
Head Office ... YOKOHAMA.
Branches at—
Batavia, Bombay, Buenos Ayres, Calcutta, Changchun, Dairen (Dalny), Fengtien (Mukden), Hankow, Harbin, Honolulu, Hong-Kong, Kai Yuen, Kobe, London, Los Angeles, Lyons, Manila, Nagasaki, Nagoya, Newchwang, New York, Osaka, Peking, Rangoon, Rio de Janeiro, Saigon, San Francisco, Seattle, Shanghai, Shimonoeki, Singapore, Sourabaya, Sydney, Tientsin, Tokyo, Tsinanfu, Tsingtau, Vladivostok.
The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.
Deposits received for fixed periods at rates to be obtained on application.
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T. OKUBO, Manager.

BANCO DE CHILE.

London Agency—
94 GRACECHURCH STREET, E.C.4.
Chilian Dollars.
Paid-up Capital ... 100,000,000
Reserve Fund ... 50,000,000
Reserve Liability of Shareholders ... 100,000,000
Reserve Fund in Gold of 182 ... 13,333,333
Head Office: Santiago and Valparaiso.
Branches in all parts of Chile.
The London Agency transacts every class of Banking Business with Chile. Current accounts also opened and deposits received.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

Incorporated by Royal Charter and Act of Parliament.
ESTABLISHED 1825.
Capital Subscribed, £5,000,000. Paid-up, £1,100,000. Uncalled, £3,900,000.
RESERVE FUND ... £1,100,000.
HEAD OFFICE—EDINBURGH.
WILLIAM CARNEGIE, General Manager. GEORGE A. HUNTER, Secretary.
LONDON OFFICE—37 Nicholas Lane, Lombard Street, E.C.4.
T. C. RIDDELL, Manager. DUGALD SMITH, Assistant Manager.
Every description of Banking Business transacted.
There is a specially equipped Foreign Department at the principal Glasgow Office.

THE ANGLO-EGYPTIAN BANK LTD.

SUBSCRIBED CAPITAL, £1,800,000
PAID-UP, £800,000 RESERVE FUND \$750,000
BRANCHES—EGYPT: Alexandria, Cairo, Port Said, Suez, Tanta, Zagazig, Mansourah, Assiut, Beni-Suef, SUZAN: Omdurman, Khartoum, Port Sudan. PALESTINE: Haifa, Jaffa, Jerusalem, Ramallah, Nazareth. MEDITERRANEAN: Malta, Gibraltar.
The Bank transacts every description of Banking business in Egypt, grants Letters of Credit, and affords facilities to travellers proceeding to Egypt and elsewhere.
Deposits received for fixed periods at rates to be obtained on application. Interest payable February 28th and August 31st.
On current accounts interest at the rate of 5 per cent, per annum allowed on minimum monthly balances, provided they do not fall below the sum of £200.
No. 27 Clement's Lane, Lombard Street, E.C.4.

BANQUE FRANÇAISE POUR LE COMMERCE ET L'INDUSTRIE, 17, rue Scribe, PARIS.

Established 1891.
Capital ... Fr. 100,000,000 fully paid
Reserve Funds ... Fr. 12,350,000
Deposits (31st July, 1921) Fr. 414,000,000

Transacts General Banking Business.
Correspondents in England:
LONDON JOINT CITY & MIDLAND BANK, LTD.
Head Office and Branches.
For Conditions and Particulars application can be made to the London Representative, 7, Leabury, E.C.2.

BANK OF NEW SOUTH WALES

Established 1817.
LONDON OFFICE—29 Threadneedle Street, E.C.2.
Paid-up Capital ... £5,000,000
Reserve Fund ... 8,500,000
Reserve Liability of Proprietors ... 5,000,000
Aggregate Assets, 30th Sept. 1921 ... £71,865,852 0 5
The London Office issues drafts on demand on its Head Office (Sydney, N.S.W.) and Branches in all the Australian States, New Zealand, Fiji, and Papua. Makes Mail and Cable Transfers, Negotiates and collects Bills of Exchange. Arranges Wool and other Produce Credits. Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australasian Banking Business.
H. MELDRUM, Acting Manager.

Ernesto TORNUST & Co.

Limitada,
BUENOS AIRES.
Established 1880.
Oldest Business Establishment in the River Plate.
Fully Paid Up Capital, Reserves and Surplus £15,701,258.18 Gold equal to £3,115,329 Sterling.
GENERAL FINANCIAL, BANKING AND COMMERCIAL BUSINESS.
ADMINISTRATION OF REAL AND PERSONAL PROPERTY.

UNION BANK OF CANADA.

Incorporated 1885. Head Office: WINNIPEG.
Paid-Up Capital (30th Nov., 1921) ... \$8,000,000
Ret and Undivided Profits (ditto) ... \$6,764,996
TOTAL ASSETS (ditto) ... \$152,625,386
The Bank has over 850 Branches in Canada, and Agents in the Principal Cities in America.
DEPOSITS RECEIVED at favourable rates, which may be ascertained on application to London Offices: 6 PRINCES STREET, E.C.2.
26 HAYMARKET, S.W.1.
New York Agency: 49 WALL STREET.

CRÉDIT SUISSE

Established 1856.
Capital and Reserves - - - - - Francs 130,000,000
Head Office: ZURICH, SWITZERLAND.
Bale, Bern, Frauenfeld, Geneva, Glaris, Kreuzlingen, Lausanne, Lugano, Lucerne, Neuchâtel, St. Gall.
General Banking Business.

THE COMMERCIAL BANKING COMPANY OF SYDNEY (LIMITED).

Established 1884. Incorporated in New South Wales.
Capital Paid-up ... £3,300,000 0 0
Reserve Fund ... £2,500,000 0 0
Reserve Capital ... £3,000,000 0 0
Drafts payable on demand, and Letters of Credit on Australasia are issued by the London Branch. Bills of Australia negotiated or collected. Remittances Cabled.
London Office—18 Birch Lane, Lombard St., E.C.

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NOTICE.
Members of the Stock Exchange are not allowed to advertise for business purposes, or to issue Circulars or Business Communications to persons other than their own Principals. Persons who advertise as Brokers or Share Dealers are not Members of the Stock Exchange, or in any way under the control of the Committee. Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature. A list of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew Lane entrance, the Bank of England, or obtained on application to EDWARD SATTERTHWAITE, Secretary to the Committee of the Stock Exchange, Committee Room, The Stock Exchange, London, E.C.2.

LONDON COLONIAL WOOL SALES.

The Committee of London Wool Brokers will offer for sale by public Auction at the Wool Exchange, Coleman Street, London, E.C., on behalf of the British-Australasian Wool Realisation Association, Limited, at the Series of Sales commencing on TUESDAY, 13th JUNE, 1922, about 72,000 Bales AUSTRALASIAN WOOL, 8,000 " CAPE WOOL.
Catalogues to be obtained in due course at the Office of the Committee of London Wool Brokers, 42 Wool Exchange, E.C.
In addition to the above, about 92,000 bales of privately owned Wool will be offered during the Series, say, 45,000 bales Australian, 98,000 bales New Zealand, 8,000 bales Cape and 6,000 bales Punta Arenas. Catalogues to be obtained in due course from the various Brokers.

BENGAL-NAGPUR RAILWAY COMPANY, LIMITED.

Notice is hereby given that the REGISTER OF MEMBERS of this Company will be CLOSED from 7th to 30th June, both inclusive, for preparation of the warrants for the interest for half-year ending 30th June, 1922.
The warrants will be posted on the 1st July, 1922.—By order of the Board,
182 Gresham House, T. R. WYNNE,
Old Broad Street, E.C. Managing Director.
31st May 1922.

MERSEY DOCKS AND HARBOUR BOARD.

Notice is hereby given that the TRANSFER REGISTERS of the Debenture Stock, and also the Transfer Registers of the (July and January) Annuities and Bonds will be CLOSED from Four o'clock in the afternoon of Monday the 12th instant, till the end of the month, for the purpose of preparing the Half-yearly Interest Warrants. The Transfer Registers will be re-opened, and documents for registration received from the morning of the 1st July, 1922.
W. C. THORNE, Registrar.
Dock Office, Liverpool,
1st June, 1922.

The Economist, WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCIV.

SATURDAY, JUNE 10, 1922.

No. 4,111.

ALLIANCE

ASSURANCE COMPANY, LIMITED.
HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2
ASSETS EXCEED £25,000,000.

The Hon. N. CHARLES ROTHSCHILD, President
The Alliance grants Insurances of all kinds.

LIFE DEPARTMENT.

Full information respecting
ESTATE DUTY
and
CHILDREN'S EDUCATIONAL
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issued by the Company may
be obtained on application
from the Head Office or any
of the Offices or Agencies
of the Company.
O. MORGAN OWEN, General Manager.

Centralbanken for Norge

Christiania, Norway,
transacts all kinds of banking business.

CORRESPONDENTS IN:
Aalesund, Bergen, Christiania and S., Drammen, Fredrikstad, Haugesund, Sandefjord, Skien, Stavanger, Trondheim.

and all Norwegian places of any importance.

CAPITAL AND SURPLUS
1 Jan., 1920... Kr. 69,000,000

CREDITO ITALIANO.

Capital Fully Paid ... Lire 300,000,000
Reserve ... Lire 90,000,000
Deposits and Current Accounts at 31st December, 1921 ... Lire 4,419,768.340

Head Office of the Bank: MILAN.
THE BANK HAS BRANCHES THROUGHOUT ITALY.
London Branch: 22 ABCHURCH LANE, E.C.4.
Managers { D. A. HORNER,
F. N. SCHILLER.

Transacts a general Foreign Banking Business, having correspondents in all Countries, and is specially prepared to grant facilities for the development of trade between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.
Telegrams: "Italo credit, Cannon, London." Telephone: 7802-7803 CH4.

TABLE OF CONTENTS.

The Money Market	1195	Books and Publications—	
Leading Articles—		Recent Economic Literature—A Month's Survey	1214
The Bankers' Problem ..	1197	Books Received	1215
The American Exchange ..	1198	Stock Exchange News—	
The European Iron and Steel Trade	1199	The Stock Markets	1215
Irish Securities	1201	New Issues	1216
Brunner, Mond, and Co. ..	1202	Active Securities	1217
The Trade Union Act Amendment Bill	1202	Company Meetings	1218
Notes of the Week—		Government Returns—	
The Halt in the Stock Exchange Rise	1203	Currency Notes Account ..	1221
Irish Free State Revenue and Expenditure	1204	Treasury Bills and Bonds by Public Tender	1221
Cereal Crop Prospects ..	1204	Public Income & Expenditure	1221
American Cotton Crop ..	1204	Bankers' Gazette—	
The Turkish United Debt	1204	Bank of England	1222
Conditions in Sth. Africa ..	1205	Clearing Returns	1222
Forestral Land Company ..	1205	Overseas Bank Returns ..	1223
Present Position of the Baku Oilfields	1205	Loan and Discount Rates ..	1224
Farm Products in America	1206	Overseas Bank Rates	1224
Central Mining and Investment	1206	Rates of Exchange	1225
National Mining Corporation	1206	Bullion	1225
Financial Conditions in Japan	1206	Company News—	
Overseas Correspondence—		Dividend Announcements ..	1217
United States	1207	Mining Outputs	1226
France	1208	Transvaal Gold Output	1227
Germany	1209	Statistics	1227
Norway	1211	Reports and Notices	1227
Denmark	1211	Railway & Tramway Traffic	1228
Spain	1212	Analysis of Balance-Sheets	1229
Argentina	1212	Profit and Loss Accounts ..	1230
Letters to the Editor—		Commercial Reports—	
Public Accounts	1213	Corn Trade	1229
Venezuela and Unpaid Coupons	1213	Iron and Coal Trade	1230
		Wool Trade	1231
		Cotton Trade	1232
		The Timber Trade	1232
		Vegetable Oils and Oilseeds	1233
		Hide and Leather Trades ..	1233
		Overseas Produce Markets	1233
		Price Current	1234

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Office: Granville House, Arundel street, Strand, London, W.C. 2.

Copies of the Economist may always be obtained in the City at Messrs Davies and Co., 95 Bishopsgate; Leathwait and Simmons, 5 Birch Lane; Barker and Howard, 6 Fenchurch buildings, Sugar Loaf court, Leadenhall street; Pottle and Son, 15 Cullum street; Willing and Co., Limited, 50 Cophall avenue, and 53 Finsbury pavement.

Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's, 37 Avenue de l'Opera. New York: Economist Office, 20 Broad street (Room 1,709).

THE MONEY MARKET.

LOMBARD STREET got less benefit than it expected from the War Loan interest payment, partly because it had been financed more by Treasury bills than by the creation of Ways and Means Advances from the Bank of England, and partly because the official figures seemed to indicate that nearly ten millions of the interest were still unpaid before the holiday. The market is also still feeling the effect of the Whitsuntide expansion in the note circulation, and so may find itself more abundantly supplied

next week. As it was, there was quite enough money to be had at low rates for financing all the business now passing, but when a great surplus is expected sufficiency looks like poverty. Discount rates were consequently firm in tendency, in spite of the quietness of business, and the market seemed to have taken rather more Treasury bills than it could absorb comfortably.

	June 10, 1922.	June 3, 1922.	May 26, 1922.	May 19, 1922.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	4½ (Apr. 13, '22)
Banks Deposit Rate	2	2	2	2	2½ (Apr. 13, '22)
Discount Call	3	2	2	2	2½ (Apr. 13, '22)
Houses' Notice	2½	2½	2½	2½	2½ (Apr. 13, '22)
Market rate (3 months' bills)	2½ ⁷ / ₁₆	2½ ⁷ / ₁₆	2½	2 ⁷ / ₁₆	..

The Bank return showed an increase of £6,000 in the stock of gold, while notes had returned from circulation to the extent of £202,000; the Reserve was thus £208,000 higher. Government securities had risen by £13 millions, and Public deposits had declined £13 millions. The Private deposits were thus £24 millions higher, in spite of a decrease of £2 millions in Other securities. There was an increase of £3,148,700 to £301,429,000 in currency notes outstanding, which includes £1,615,471 for notes called in but not yet cancelled. The fiduciary issue is £251,863,500, or £58,124,900 below the maximum. Silver coin in the Redemption Account was increased by £1,000,000 to £6,000,000.

THE STOCK MARKETS.

The week has been a quiet one on the Stock Exchange, the Irish crisis being the chief reason for the check to recent activity. British Government securities have been a heavy market, with $3\frac{1}{2}$ per cent. Conversion Loan dropping sharply, while demand fell off for Colonial Government stocks and Home Railway prior charge issues. Home Railway ordinary stocks gave way all round on a stream of selling orders. French and German bonds improved on reparations developments, but later lost part of their gain for a similar reason. Rubber shares are in the doldrums, the raw material having gone to fresh low levels. Reductions in the Shell and Royal Dutch dividends emphasised the uncertainty in the oil share market, while industrial markets showed little excitement, although iron and steel shares hardened a little on the result of the ballot of the engineers. Kaffirs were dull.

COMMODITY MARKETS.

On account of the Whitsuntide holidays, business has been practically brought to a standstill in the cotton industry, and there is nothing to report. In the wool trade conditions are very quiet, there being a tendency to wait until values have been tested in London at the auctions which open next Tuesday. In the pig-iron market the holidays have seriously affected the volume of dealings, although in view of the prospects of an early settlement of the engineering dispute there is rather a better demand for pig-iron. When the Cardiff coal market re-opened on Wednesday best Admiralty was quoted at 27s per ton; the general trend of the coal market is towards lower values, and the industry as a whole is seriously concerned over the position. In the timber trade the Swedish import business is good, and prices are fairly well maintained, while quotations for hardwoods are not inclined to weaken. In sympathy with American prices, wheat quotations have been firm. Though prices are on a rather lower level in the vegetable oil and oilseed market, raw linseed oil supplies are scarce. There is little doing in the hide and skin market, but shoe manufacturers are fairly well occupied. Further details of markets and prices will be found on later pages from our trade correspondents.

FOREIGN EXCHANGE.

The foreign exchange market is still suffering from uncertainty as to the ultimate result of the meeting of bankers which is considering financial assistance to Germany, and rumours regarding the attitude of the politicians is reflected in rates. Regardless of the fact that the German reply to the Reparations Commission is considered satisfactory, the mark has further depreciated

from 1,225 last Saturday, and is now quoted round 1,300. French and Belgian currencies have moved in the same direction, the rates rising from 49.05 and 53.12 to 49.63 and 53.60 respectively in the same period. Paris futures are 1 centime per month over spot. The feature of the market during the last few days has been the rapid upward movement in dollars. New York, which finished last week at 4.47½, opened after the holiday over 4.50, rising at one time on Tuesday to 4.51½, from which figure, however, it has receded and is now quoted about 4.49½. The rise, due to purchases of sterling from the other side, particularly over the holidays, is not easily accounted for. An optimistic feeling appears to exist in New York at the moment regarding the financial position in this country, and the movement seems more due to psychological causes than actual material factors. Forward dollars are now ½ of a cent above spot per month. European currencies have nearly all moved in our favour: Holland shows a slight rise of two points at 11.51, and Switzerland has risen from 23.35 to 23.50. Among the Scandinavians Copenhagen has been steady, and is practically unchanged at 20.42, probably on the feeling caused by the recent municipal loan. The Christiania and Stockholm rates, on the other hand, record small rises at 25.45 and 17.26 respectively. Italy has risen in sympathy with other Allied rates, and is now round 87. Finland continues steady round 209. The heavily depreciated currencies continue weak, Austria having again reached new depths at the record figure of 70,000. The Eastern exchanges have been fairly steady: Hongkong and Shanghai each falling about ½d to ½d. With the intervening holiday the period under review is short, and the South American market has shown no particularly interesting feature. The Buenos Aires and Valparaiso rates have shed a fraction at 44d and 36.40 respectively, but Rio remains steady at 7 17-32.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended June 3, 1922 :—

RECEIPTS.		EXPENDITURE.	
From Revenue	Min. £ 9,877	Supply Services	Min. £ 8,652
Amount borrowed	37,952	Interest on Debt	39,841
Taken from Exchequer balances	806	Sundries	142
	<u>48,635</u>		<u>48,635</u>

The total revenue for the week ended June 3, 1922, amounted to £9,876,800, as against £11,808,500 in the corresponding period a year ago. The expenditure was swollen by the interest on War Debt, which absorbed £39,840,900 out of a total expenditure of £48,634,900. Interest on War Debt in the same week last year absorbed £43,988,000 out of a total expenditure of £64,139,800. Property and Income Tax last week yielded £3,020,000, as compared with £4,295,000 in same week last year. Customs, at £2,187,000, compares with £1,659,000. Special Receipts under Miscellaneous brought in £1,329,100, against £550,600, but Ordinary Receipts under Miscellaneous produced only £101,100, against £1,445,400.

The week's operations increased the National Debt by the sum of £37,951,766, and caused the following changes :—

	Min. £		Min. £
Bank of England Advances ..	+ 14,500	Public Departments Advances ..	— 250
4½% Treasury Bonds	+ 2,000	National Savings Certificates ..	— 660
Unemployment Insurance ..	+ 240	War Loan Surrenders	— 052
Supplies	+ 006	Issues under War Loan Act ..	3,303
Treasury Bills	+ 24,656	Exchequer Bonds Repaid	— 250
	+ 41,673		— 3,720

The Floating Debt was increased by £39,105,000 during the week, and now stands at £982,355,500.

FINANCIAL YEAR, 1922-23 (April 1 to June 3, 1922).			
	£		£
Total spent	151,746,376	Raised by revenue ..	137,740,552
Dec. in balances	7,920,754	Net borrowings	6,085,070
Total	143,825,622	Total	143,825,622

ESTIMATES for YEAR 1922-23.

£		£	
Ordinary Expenditure	823,846,000	Ordinary Receipts ..	820,775,000
Special Expenditure...	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000
		Surplus	705,000

June 10, 1922.]

NATIONAL DEBT.
(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.	June 30, 1922.
Funded Debt	588	318	318	315	315	315	315	315	315
Term Annuities	30	22	22	20	19	18	17	17	17
3 1/2% War Stock	..	63	63	63	63	63	63	63	63
4 1/2% War Stock	..	16	14	13	13	13	13	13	13
4 & 5% War Stock	2,091	2,068	2,047	2,040	1,995	1,956	1,943	1,942	1,942
National War Bonds	..	649	1,509	1,476	1,405	1,201	1,201	1,201	1,201
4% Funding Loan	..	..	..	409	409	405	346	346	346
4% Victory Bonds	..	..	..	360	357	348	266	266	263
3 1/2% Conversion Loan	..	..	..	..	..	23	24	24	24
5-15 year Treas. Bonds	..	..	..	..	..	..	275	380	380
5 1/2% Treasury Bonds	..	..	..	..	..	..	..	40	40
5% Treasury Bonds	..	..	..	..	..	..	..	8	71
Do by tender	15	961	957	1,107	1,107	1,121	1,060	882	796
Treasury Bills	80	392	384	323	319	289	218	194	174
Exchequer Bonds	138	227	267	267	274	285	294	324	344
Nat'l Savings Certs.	..	23	..	..	..	..	..	..	..
War Expend. Certs.	..	944	1,241	1,306	1,181	1,132	1,097	1,090	1,088
Other Debt	..	61	61	61	61	..	..	..	..
American Loan	..	204	455	943	805	154	200	147	180
Temporary Advances	1	..	..	..	..	..	..	..	..
Other Capital Liabilities	654	5,872	7,435	8,033	7,829	7,574	7,748	7,658	7,665
	57	49	46	46	47	49	61	50	50
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,799	7,708	7,711

POSITION OF THE FLOATING DEBT.

	June 4, '21.	Mar. 31, '22.	June 3, '22.	June 3, '22.
Temporary Advances Outstanding			\$	\$
Advances by Bank of England	49,500,000..	147,301,500..	174,500,000..	+ 14,500,000
Advances by Public Debt	145,105,000..	177,886,500..	181,886,500..	+ 95,000
Treasury Bills outstanding	1,172,817,000..	882,219,000..	795,969,000..	+ 24,700,000
Total Floating Debt.....	1,367,422,000..	1,029,520,500..	982,355,500..	+ 39,105,000

THE BANKERS' PROBLEM.

A YEAR ago, at the London Conference in May, when one of the most virulent of those lovers' quarrels between England and France which have arisen so frequently since the Armistice was at its height, the Reparations Commission greatly contributed to assist the Governments out of their difficulties by assessing the German debt to the Allies at a figure substantially less than had been agreed upon three months previously in Paris. This week the Commission has once again helped by its action to avert a crisis and create a situation in which the Bankers' Committee may still fulfil some of the high hopes which have been entertained in regard to it, or at all events to enable it to make some contribution towards solving Europe's outstanding problems. A few days ago the bankers informed the Reparation Commission that before they considered what loan, if any, could be raised for Germany abroad they must first know whether they were to assume that the total Reparation debt of Germany was fixed or was in any way subject to reconsideration. This question not unnaturally raised the fear of the French that the bankers might use the possibility of a loan as a lever for reducing France's claim, and indeed, looking at the matter from the business standpoint, this is the point to which the bankers sooner or later must inevitably come. But the citadel which has been defended by French statesmen so tenaciously was not to be captured on a simple summons, and M. Poincaré declared that his representative would not consent to any assumption that the total was open to review. After prolonged discussion, however, the Reparations Commission, by a majority vote, in which the French delegate was in a minority of one, decided that "nothing in the terms of reference should be held to preclude the Committee from examining any of the conditions which may be necessary for the raising of external loans by Germany, including such as relate to the general re-establishment of her external credit." This decision, in which the Belgian delegate voted with Great Britain and Italy, gives the bankers the free hand obviously essential for their work. It is true that, according to report, the bankers feel that this vote by France makes their deliberations somewhat unsatisfactory, but they can hardly have hoped to secure from their deliberations an immediate settlement of the whole difficult problem, and it is of the utmost importance that their opinion should be clearly and frankly formulated. A definite report, even if the details might give rise to differences of opinion in financial circles, would carry the problem a very long way on the road towards solution.

French opinion, however, is on very strong ground when it urges that it would be most unsatisfactory for France to take for granted the necessity for a radical revision of

her claims while the indefensible and impracticable inter-Allied debts remain on the balance-sheet at their face value. Moreover, it is well that we should remember in Great Britain that France has very substantial ground for anxiety as to her financial position. In summarising the figures of comparative budgets compiled by the League of Nations a fortnight ago, we showed how greatly the solvency of the French and German Governments respectively depends on whether Reparations are paid or not. Further examination of the figures brings out very clearly the fact that in the last two or three years, while the burden of taxation in France has very greatly increased, the burden in Germany has grown lighter, thanks largely to the strange tricks which violent changes in the value of money are playing with public finances. Thus, excluding in all cases receipts from the sale of war stores, but including as taxation the high profit from fiscal monopolies such as sale of matches, tobacco, &c., the French Government expects to collect from the nation in the current year 22 milliard francs, compared to 20 milliards last year, less than 17 milliards in 1920, and $4\frac{1}{2}$ milliards before the war. Two years ago the document prepared for the Brussels Conference showed these figures in relation to the national incomes of various countries, but owing to the great changes in values which are taking place, no attempt is made in the recent publication of the League to repeat such estimates. As, however, the wildest statements have been made as to this proportion in Italy, France, and Germany, it may be well to consider in a broad way what sort of figures are likely to be near the truth. Before the war France's national income was estimated at $37\frac{1}{2}$ milliard francs, on which taxation amounted to 12 percent. This was higher than in most other countries owing to the centralisation of French Government and finance. In 1920 the Brussels Conference memorandum estimated France's income at 150 milliards. This was probably on the high side, as subsequent statistics have shown that French prices generally did not follow the extreme rise which at that time was shown in the wholesale price index number, and the true figure may not have been more than 120 milliards. Since then France's industries have been getting busy, and Alsace Lorraine has, to an increasing extent, filled the gap caused by the lack of output from the devastated areas, both as regards agricultural and industrial production. But prices have been falling, and we should not care to have to defend an estimate of more than 100 milliard francs.

On the other hand, the Central Govern-

In Germany, on the other hand, the Central Government, which has considerably larger functions than before the war, has increased its income from 2½ milliard marks to 27 milliards in 1920, 69 milliards in 1921, and an estimate of over 100 milliards in this year's Budget, of which 24 milliards are being collected on behalf of the component States. This last figure represents approximately a balancing of the "ordinary" budget, in connection with which it has to be remembered that Germany's expenditure on armaments is now very much limited, that her internal debt, being calculated in paper marks, has become by comparison a mere bagatelle, and that partly under external pressure the last of the subsidies on food and contributions towards her public services, such as railways, are disappearing from the Budget. Her national income before the war

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was 43 milliard marks; in 1920 it was estimated by the Brussels memorandum at 272 milliards, and to-day, after allowing for the transfer of large industrial territory, it cannot be less than 1,200 milliards, and may be considerably more. Our readers can form some opinion of this estimate for themselves in considering that the German population has fallen from 67½ to 61 millions by deduction of territory, that the cost of living index has increased 32-fold, wholesale prices 66-fold, wages of lower officials 35-fold, railway rates and wages of unskilled labour in the iron and steel trade 50-fold. From these figures, together with an estimate for Great Britain, based on the assumption that the British national income was 5,000 millions sterling in 1920, and owing to decreased production, falling prices and the elimination of Southern Ireland, was 3,500 millions in 1922, we get the following ratios of Government revenue to the total income of the country:—

	France.	Germany.	United Kingdom
	%	%	%
Pre-war (actual receipts).....	12	5½	7½
1920 (actual receipts).....	11 to 14	10	21
1922 (estimated receipts).....	22	7	22

These various figures are only put forward to illustrate numerically the statement that the depreciation of the mark in Germany has, in spite of the efforts of the Government, produced the result of relative under-taxation, and that until the mark is steadied for a period it is impossible for any financial organisation to cope with the problem of maintaining the ratio of taxation. This difficulty would inevitably have prevented adequate taxation in Germany quite apart from the fact that the newness of her fiscal machinery has enabled evasion to be widely practised. Even after allowing for a very wide margin of error, the figures afford justification of the action of the Reparations Commission in insisting that Germany could and should raise an additional 50 milliards of taxation this year. They also help to explain the attitude of France. French reconstruction, which has been carried out in a very remarkable way, and has extended cultivation to a quite astonishing degree across the battlefields of the Great War, has, as yet, received practically no help from Germany, but has been done by means of the thrift of the people of France, who have lent their Government many milliards for the purpose. The problem of getting reparations from Germany is unfortunately not a simple matter of statistics and taxation; the big question of the form of payment and the effect of competition of German goods have also to be considered. Moreover, even the lowest reparation figure which is being discussed in Paris to-day, viz., 2½ milliard gold marks a year, means to-day in paper marks 180 milliards of additional taxation. But until it is realised that France has up to the present paid for the devastation of the war on her own credit, and that the deterioration of the German mark, while destroying the German middle-class and making the gravest financial and political difficulties for the Government, has meant relatively light taxation for employers and work-people among the industrial classes, we shall not begin to understand the psychology of Paris.

THE AMERICAN EXCHANGE.

ON no subject has the human capacity to err been more devastatingly demonstrated than on that of the course of exchange between New York and London during and since the war. Everyone remembers how in the early stages of the war it was generally announced that the rocketing rise in sterling that followed the pulling in of British credits from America, had come to stay, more or less, and deputations composed of experienced bankers and brilliant officials visited New York and Washington with the object of devising ways and means for mending a process that promised to disorganise purchases and sales between the two countries; how the process in the meantime quietly cured itself, and went so fast in the other direction that all the high-browed experts found that they had been considering the wrong problem, and that what they had to do was to arrange a system by which the price of sterling

could be held up and pegged. Last year, again, some of the most skilful and highly educated brains that devote themselves to questions of exchange were seriously considering schemes for devaluing the pound sterling on a basis which now looks quite extravagantly low. Sir Charles Addis, who examined these proposals with an eye of searching criticism when giving his inaugural address as President of the Bankers' Institute in November, discussed a suggestion for stabilising sterling at a ratio of \$3.65 to the pound. Since then the price of sterling in New York has risen, with slight reactions, until, when the Whitsun holiday left it in the hands of American dealers, it soared above \$4.50. For many reasons such a movement seems, when considered in the light of the economic relations of the two countries, to be contrary to all the laws of financial mechanics, and opinion in the City has been much exercised, in the slackness of business brought and left by the holiday, in trying to find an explanation. The balance of trade, though to a much less extent than during or immediately after the war, is still against us and for America; instead of having to pay large sums here to meet coupons on the mass of railroad and industrial securities held by British investors, America collects interest on our war securities placed among pro-Ally capitalists, and will shortly be receiving a half-year's interest on the debt lent by her Government to ours; at this time of year it is usual for bills drawn on London in anticipation of wheat and cotton shipments to begin to affect the price of sterling, and the recent low rate of discount quoted in Lombard Street might naturally quicken such operations. And yet the price of sterling mounts, and puzzled dealers in exchange want to know why, and still more, whether the movement is likely to last.

Explanations cabled from the other side are voluminous but not altogether satisfying. Last Wednesday's *Times* contained a cablegram from its New York correspondent on the subject of the passing by the British £ sterling of the 4 dollars 50 mark, and quoted the opinion of a "well-known American banker" as summarising as follows the causes of the movement:—(1) Small offerings of commercial bills. (2) Betterment in Britain's economic and financial situation. (3) The large volume of foreign loans made in the American market (68 million pounds in the first three months of 1922). (4) Continuance of easy money conditions. (5) Rumours of successful progress of the Bankers' Conference in Paris, which means betterment in the Reparations situation, and consequent progress in re-establishing trade in Europe. (6) Authoritative statements that there is no danger of disruption in Anglo-French relations. (7) Statements that Britain has already effected all necessary arrangements for meeting the first instalment of interest upon her debt to the U.S.A. Moreover, according to the same authority, the rise itself is a cause of its own existence—"It has had a psychological effect in increasing confidence that the return of the pound sterling to gold parity is in sight." In the same strain the *New York Herald* is quoted as saying that "the pound sterling, in fact, is on the way to par. The only secret about getting a nation's foreign exchange back to par when it has been heavily depreciated is for that nation to become able again to pay all its bills and then to pay them." It need not be said that if only a sufficient number of people in America and elsewhere believe and say that the pound is on its way to par, and act upon this belief by buying it for the rise, they will put it up to par in spite of all the influences to the contrary. A new difficulty has been brought into the always puzzling problem of calculating future movements of exchange by the extent to which an inexperienced and un-instructed public has taken to gambling in foreign currencies, attracted by the violence of their fluctuations. It was at all times difficult enough to trace the influences which really affected the movements of the exchanges, and now the unfortunate gambler is obliged, in addition to these calculations, to make guesses as to what an often asinine public is going to think about the course of exchange, and how far it will act upon its beliefs. It

will be noted that several of the reasons given above by a well-known American banker for the rise in sterling are purely sentimental—such as the rumours of successful progress of the bankers' conference implying betterment in the Reparations situation, and consequent progress towards European recovery. It seems somewhat astonishing that the authority quoted did not refer to the possibility of a great international loan to which large subscriptions from America are expected as a consequence of the efforts of the bankers' committee. Even with the Reparation question most satisfactorily settled, Europe's real recovery must necessarily take time; but the big loan, the possibilities of which the bankers have been summoned to discuss, would have a much more rapid effect in giving European countries dollars to dispose of and putting up the value of the pound. A still more sentimental reason was the one given concerning the absence of any danger of disruption of Anglo-French relations. It is observed by experienced dealers in exchange that Americans who take a favourable view of the European position are likely to express their confidence by purchases of English currency owing to the remarkable freedom of the market in sterling, and the enormous transactions that take place daily in dollars in London and in sterling in New York. If, however, the rise were as sentimental as is believed by many, it would naturally be expected that Americans would be acquiring large balances in London, and there appears little or no evidence that this is actually happening. As to the other reasons given by the American banker, the betterment in Britain's economic and financial situation is, let us hope, real to a certain extent. In last week's *Economist* we showed reasons for believing that the progress of our trade is real, though we had to admit that its pace may be that of a snail, and the financial position, with real saving checked by high taxation, and the Government nevertheless obliged to borrow in order to meet its statutory and contractual obligations to repay debt, does not seem to be one to encourage extravagant bullishness on the part of operators in sterling. As to the large volume of foreign loans made in America, this is an influence which, though immediately favourable to sterling, only increases the extent of the debt, already so enormous, owed by Europe to the United States, the liquidation of which raises so difficult a problem, especially in the light of America's policy with regard to shipping and the Tariff. Finally, the continuance of easy-money conditions put forward by the American banker as a reason for the strength of sterling would seem to be evidence in the wrong direction, seeing that money is both officially and unofficially cheaper in London than in New York, a fact which would in normal times have caused a certain number of kites to be flying across the Atlantic to take advantage of the lower rate of discount here turning the exchange against London; but in these days, of course, such things as finance bills do not happen. And though tentative inquiries have been heard of from America as to forward rates of discount here, we cannot discover that business has resulted.

It may be that the real explanation of the improvement in the American price of sterling is not to be found in any of these flattering considerations which point to the appreciation of the pound, but rather in the depreciation of the dollar, as shown by a rise of the price of commodities in America, which began much earlier than the rise in England, which, indeed, has hardly begun to manifest itself to an appreciable extent when compared with the previous fall. If this be so, the question of the continuance of the rise in sterling remains very difficult, and perhaps becomes even more difficult to solve. If America has now entered on a period of price inflation, assisted by tariff restrictions on imports, credit expansion and a soldiers' bonus to be provided with money created *ad hoc*, and continued by all the speculative exuberance to which our cousins on the other side of the water are so pleasantly addicted, who can say how long this process will push the pound up by depreciating the dollar, and how soon the mercurial temperament of American business will bring about a tumble in prices and the reversal of the process? Will the depreciation of the dollar last long enough to carry the pound up to par and perhaps send back to England a sufficient sum in gold to make the authorities

here confident enough of the future to restore London's position as a free market in gold, abolishing the present prohibition of export except under licence? To answer these questions one has to foresee the course of events, political and financial, not only in America but in England; since in this country the Chancellor of the Exchequer has plenty of amateur advisers who will counsel him to meet the deficit in next year's Budget, to which he has admitted that this year's is leading, by the simple process of manufacturing credit which might go far to counteract the influences above enumerated by depreciating sterling.

THE EUROPEAN IRON AND STEEL TRADE.

IN the latter half of 1921 the curious spectacle was presented of an acute and widespread depression in the iron and steel trade outside of Germany, accompanied by a growing boom within Germany. Changes in recent months have not yet dissipated that depression or destroyed that boom, but they have profoundly modified the underlying conditions of the situation. The instability of German conditions, with costs and prices bounding ever upwards, and the success which has now crowned the persistent efforts of British manufacturers to reach a competitive price level, are the two dominating factors in the European iron and steel trade of to-day. Superficially these two factors have already effected a radical transformation in the trade, since German competition, the bane of the world market in 1921, is no longer experienced with the same intensity, and in recent months the German home market has itself been invaded by foreign pig-iron and steel. Some consideration of the nature of the German boom is required to assess these developments at their true value, and to avoid an exaggerated interpretation of undoubted facts.

The German boom has become almost exclusively, as it always has been principally, an *internal* boom. It is true that in the early months (June-August, 1921) a considerable number of export orders were booked, and that in the last six months of 1921 Germany consistently exported more iron and steel than any other country. In the depressed state of the world market the orders which went to Germany formed an alarmingly high proportion of the whole, and the menace of German competition was very real. Yet the tonnage sent abroad from Germany in the third and fourth quarters of the year (633,000 and 686,000 tons respectively) does not indicate a booming export trade, and is, in fact, less than the 772,000 tons of British exports in the first quarter of 1922. In the first quarter of 1922 German exports amounted only to 597,000 tons. The explanation of these facts is that the boom in Germany spread to the finishing industry and to the chief steel consuming industries, and that this extension created a greater home demand for steel than could be satisfied, with the result that the German manufacturer found the home market, with its soaring prices, more attractive than the keenly contested export field, to gain which he had to overcome many obstacles both within and without Germany. Furthermore, it has become a settled conviction with the German steel-makers that it is more profitable to export highly finished steel products, or engineering products, rather than crude iron and steel, and the association of many of the steelworks with the engineering groups in vertical combinations or understandings has favoured this policy.

The import of iron and steel into Germany is likewise a direct consequence of the German boom. The effects of the losses sustained by the German steel industry under the Treaty of Versailles have been clearly shown at a time when the industry is working at high pressure. These losses were more severe in pig-iron than in steel, and in semi-finished steel than in the finishing depart-

ments. On the basis of the 1913 figures Germany was deprived of an annual production of seven million tons of pig-iron and four million tons of steel. Hence, the present boom had not proceeded far before there emerged a distinct shortage both of pig-iron and of semi-finished steel. Even the available blast furnace capacity could not be fully utilised owing to the shortage of coke. Hence, pig-iron has been imported from Luxemburg, Lorraine, England, and the Saar, and semi-products from the Saar, Lorraine, and Luxemburg. It is extremely doubtful whether much of this foreign material is being purchased because of any advantage in price, although the fact must not be overlooked that Luxemburg, Lorraine, and the Saar are specially favoured for competition in the German market by the provisions in the Treaty of Versailles, which secured to the products of these districts exemption from German Customs duties.

It is therefore clear that diminished exports and increasing imports are themselves evidence of the continuance of the German boom, and the possibility must be faced that a slowing down of activity in the home market may lead to increasing exports and diminished imports. Although no statistics of production are yet available, it cannot be doubted that Germany is still producing considerably more iron and steel than any other European country. Indeed, German output is limited at present not by the market, but by material hindrances to production, and notably by the shortage of coke already referred to, and by transport difficulties, of which the two brief railway strikes were merely the most visible signs.

Already the German boom has benefited other lands, since it has dulled the edge of German competition abroad. From the point of view of export tonnage, the chief gainer has apparently been the United Kingdom, where the continuance of the depression in the home market has resulted in the exportation of a very large proportion of the present small production. The extent to which French exports have benefited cannot be fully gauged until further statistics become available, but French production has received so notable an uplift that in March the output both of pig-iron and of steel was higher than in any month since the Armistice (380,000 tons of pig-iron and 361,000 tons of steel). In Belgium also production has been increasing, and the Belgian manufacturers have benefited both from the withdrawal of German competition from the Belgian market, and by the increasing cultivation of the German market on the part of their new-found Luxemburg brothers.

More than most booms does the present German one carry within itself the seeds of its own destruction. It has been fostered by inflation and protected from external assault by the depreciation of the exchanges. But the fact that it is so dependent upon currency conditions, and thus ultimately upon political decisions, makes its future course the more obscure. Already, last December, a temporary improvement in the mark undermined confidence in the "catastrophe" boom, as it was then described. The present position is that costs and prices have practically caught up with the runaway mark, and that apparently only a further exchange landslide can prolong the phenomenal activity of recent months. Furthermore, the real burdens imposed upon the German manufacturer have been increased by the Government decision to stop subsidising industry by means of uneconomic railway rates, and flour subsidies. A series of increases has at last, by May, 1922, brought German railway rates into line with wholesale prices generally at fifty times the pre-war level. Wages, also, so long subsidised by artificially low bread prices, are now rising steadily and steeply; reliable statistics are hard to obtain, but the figure of 25 marks per hour is given as the wage paid to unskilled labour in the iron and steel industry, and this represents more than fifty times the pre-war rate. And since April the coal tax has been increased from 20 per cent. to 40 per cent.

It is not possible to make a wholly satisfactory comparison of costs and prices in the different countries, but the available data, although incomplete and in part inapplicable to the conditions of international trade, indicate at least the direction of present movements,

although they do not enable us to establish with exactitude the position reached. The prices in the following table are inland prices, and it is well known that these do not necessarily correspond with export quotations:—

TABLE I.—COMPARATIVE PRICES.

	U.K.	Germany.		France.		Belgium.	
		Marks.	Sterling.	Francs.	Sterling.	Francs.	Sterling.
Coke—							
May, 1921.....	s d		s d		s d		s d
May, 1922.....	42 6	331-20	27 6	110	47 0	130	55 6
Foundry Pig-iron—							
May, 1921.....	120 0	1,560*	128 0*	245	104 6	265	112 6
May, 1922.....	90 0	5,870	88 6	225	92 0	240	89 6
Plates—							
May, 1921.....	280 0	1,850	152 0	850	339 0	586	250 0
May, 1922.....	210 0	10,850	161 0	640	261 0	465	173 6

* This price was in May, 1921, a purely nominal maximum price, and sales were being made at 200-300 marks below it, or at a sterling equivalent of about 100s.

It is worthy of note that the sterling price of German plates is now higher than a year ago, and this would apply to some other finished steel products also. But the most significant fact disclosed by the table is that the gap between German and world prices is not nearly so great as it was. As German prices are expected to continue to mount, the narrowing of this gap is already creating apprehension in Germany, for it threatens not only to render German competition in foreign markets more difficult, but also to set a limit to the boom within Germany, unless the mark again tumbles. The possibility of foreign steel forcing its way into Germany at competitive prices is already restraining the ardour of forward buyers, and at present this slackening in the placing of orders is the real sign that the boom is endangered.

In sharp contrast with the upward movement of costs and prices within Germany is the decline in both in other countries. In the article on "The Wages Tangle" in the *Economist* of January 21st certain particulars were given regarding wages reductions in the British iron and steel industry; the far-reaching character of these reductions is sufficiently shown in the fall in the average weekly earnings of labour from £5 7s 11d in September, 1920, to £2 19s 11d in March, 1922. The decline in coke prices from the peak of 62s 9d to 23s 6d per ton, at ovens, has been the other most important item in cost reduction. As the balance-sheets now being published clearly show, prices have been reduced in advance of costs and at the expense of profits. In the export market, in particular, British manufacturers have made great sacrifices to regain lost markets and to encourage doubtful buyers, with the gratifying result that more British iron and steel was sent abroad in the first quarter of 1922 than in any similar period since the third quarter of 1920. Foreign competition in the home market has also been decisively checked.

In France the fall in coke prices has been the main factor in the reduction of costs, and although the price of coke has risen somewhat since the removal of Government control at the end of the year, the price of pig-iron has also been raised from the extraordinarily low level of the autumn without disturbing the market. The more regular arrival of German coke since the beginning of February, at the rate of some 6,000 tons a day, has permitted the re-lighting of furnaces in Lorraine, so that 32 out of 66 are now in blast, and further additions to this number are expected. Wages are falling in France, and concessions from the railway companies in respect of export traffic have also helped the industry.

Belgium was, after the United Kingdom, the chief victim of the depression in 1921. The hostility of the trade unions to any reduction in wages temporarily robbed Belgium of one of her chief advantages—the relative cheapness of her labour. Recently, however, a wages cut of 10 per cent. has been accepted, and with reductions in miners' wages also the price of coke is falling. The home market has been freed from German competition, and Belgian manufacturers have gained important export contracts. The Customs union with Luxemburg, so long resisted, is now an accomplished fact, and it is a happy augury for its success that at the very moment of its accomplishment the Luxemburg manufacturers are more interested in the German market than in the Belgian.

The following table indicates the extent of the increase in production in the United Kingdom, France, Belgium, and Luxemburg:—

TABLE II.—PRODUCTION OF PIG IRON AND STEEL.
(1,000 tons.)

	Pig Iron.		Steel.	
	Fourth Quarter, 1921.	First Quarter, 1922.	Fourth Quarter, 1921.	First Quarter, 1922.
United Kingdom	782.3	977.9	1,230.2	1,295.7
France	838.1	1,004.7	826.2	982.7
Belgium	178.6	299.5	151.3	265.1
Luxemburg	292.0	326.0	232.4	249.9

The preceding analysis points to a lifting of the depression and to a slackening of the German boom. In our own country revival is at present retarded by the engineering dispute, and the export figures, so satisfactory in themselves, are, when viewed in relation to the restricted production, eloquent of the depression in the home market. There is, however, some confidence that, with the settlement of the present dispute, business will revive. But the instability of German conditions is the dominating fact in the general situation, and the danger that a fresh depreciation in German exchange may enable German manufacturers to obtain compensation for a waning home demand in a revival of export business cannot be ignored.

IRISH SECURITIES.

(BY A MERE ENGLISHMAN.)

EVERY office boy knows that credit is a delicate plant, which requires for its growth and maintenance an atmosphere of peace and security. When political and industrial conditions are disturbed credit withers and fails, investors, who are shy birds, take fright and get out of their holdings, prices fall rapidly as capital transfers itself to other markets, and if the disturbance of the atmosphere is really severe a panic may easily be developed. War, revolution, civil war, are the worst enemies of credit and financial stability.

Ireland by common consent is at present in a highly disturbed condition. The provisional Government is fighting an anxious battle with the republicans, who will be content with nothing short of a revolution, and it is forced to make such compromises with them as endanger the peace between Great Britain and Ireland, which was thought to be established by the treaty of last autumn. In the North civil war is openly being carried on, and British troops are engaged with forces from Southern Ireland shelling their positions, clearing salients, and generally carrying out on the soil of Ireland operations which apparently might by any unfortunate turn of events develop into war on a wholesale scale. In such circumstances a fall in the price of those securities in which the Irish investor puts his capital is what we would naturally anticipate, more especially as the Irishman, more fortunate than the inhabitant of other gravely disturbed countries, has at hand the finest investment market in the world. He has only to sell out his holdings in Irish stocks and shares, and re-invest the money in English War Loan which will give him a return of 5 per cent. on the soundest security that Europe has to offer. With Ireland in the early throes of civil war, with order dethroned, and political chaos imminent, this transfer of capital to the other side of the Irish Channel is the natural and obvious course for a prudent Irishman to pursue.

With this in mind, we take a few prices of Irish stocks and shares, expecting to find that as political conditions improve and deteriorate, the market will rise and fall. A year ago, when the I.R.A. and the British auxiliaries were carrying on their irregular warfare throughout the South, prices would naturally be depressed. With the signing of the treaty, they would as naturally recover. And with the disappointments of the last six months they would fall again probably to an even lower level than that of 12 months ago. The following table includes a number of securities centred in Southern Ireland, selected at

random, and shows the price of them at the end of March, 1921, at the end of October, 1921, and on June 2, 1922:—

SOUTHERN IRELAND SECURITIES.

Name of Security.	Share or Stock.	Paid Up.	Prices.			Present Yield.
			End of Mar., 1921.	End of Oct., 1921.	June 2, 1922.	
Dublin Corporation 3½ % Red., 1944	Stock	100	56½	55½	70½	£ s d 5 14 0
Bank of Ireland	Stock	100	185	192	225	5 14 6
The National Bank	50	10	15½	15½	16½	7 3 0
Gt. Southern & West. Rly.	Stock	100	38	44½	59	6 15 9
Dublin United Tramways	10	10	5½	6½	7½	7 0 2
Guinness (Arthur)	Stock	100	350	360	420	5 18 0
Burke (Edward and John)	5	5	3	2½	2½	9 10 6
Pim Brothers	5	5	5	5½	5	5 0 0
Dublin (Stn.) City Market	10	10	3½	3½	4½	4 11 6

Instead of falling with the political barometer, the price of almost all these securities has risen sharply, Dublin Corporation 3½ per cent. going up from 55½ to 70½, and returning less than 5½ per cent. at the current quotation. Bank of Ireland stock has risen from 192 in October to 225 in June, a gain of 33 points, or nearly 17 per cent., and returns to the investor less than 5½ per cent. Great Southern Railway has risen more than 14 points, or over 30 per cent., Guinness' stock has jumped 60 points, while the others representing the bottling trade, drapery, transport, and marketing, are all either higher or practically as they were. In fact, the course of the market for these South Irish securities in the last seven months has been very similar to the course of the markets for British securities. There is no sign of anxiety in the investor, no suggestion that he has taken fright, and is seeking opportunity to shift his capital, and anyone who saw the prices and yields without being told what the securities were, would say at once that they denoted a most gratifying stability, and a high degree of peace and civilisation. Turning to North Ireland, we find a condition of things not very different. The following table sets out prices of stocks and shares in which the northern area is mainly concerned.

ULSTER SECURITIES.

Name of Security.	Share or Stock.	Paid Up.	Prices.			Present Yield.
			End of Mar., 1921.	End of Oct., 1921.	June 2, 1922.	
Belfast Corporation 3½ % Red., Jan. 5, 1935	Stock	100	65½	66	79½	£ s d 5 17 9
Do 5 Red., Oct. 4, 1945	Stock	100	..	77	94½	5 8 3
Belfast and County Down Railway, Ord.	Stock	100	71½	71½	71½	7 0 3
Gt. North'n (Irel'nd) Ord.	Stock	100	51	50	59½	8 8 6
Northern Banking, "A"	10	2	5½	5½	4½	7 12 0
Do "B"	10	2	2½	2½	2	8 15 0
Dunville and Co., Ord.	10	10	12	10½	11½	9 19 0

Belfast Corporation's new 5 per cent. stock has risen since October from 77 to 94½, and its old 3½ per cent. from 66 to 79½. The Great Northern Railway, which connects North Ireland with the South, and would be expected to suffer among the first when civil war breaks out, has risen from 50 to 59½—nearly 20 per cent.; distillery shares are good, and bank shares with a heavy uncalled liability stand at well over 200 per cent. of their nominal paid-up value.

The total capital represented in these two lists amounts to no small figure, one railway alone having loan and share capital of nearly £15,000,000, while all the other concerns are large, with capitals held mainly in Ireland by Irishmen. Why is it that with their country in so disturbed a condition they still hold on to such quantities of local stock instead of replacing it with safe stuff that they can buy in 24 hours for the trouble of sending a letter to a London stockbroker? The Irish investor is no blinder to his financial interests than the investor in any other country, and it is impossible to suppose that he would rather have 5½ per cent. in a country that threatens to go the way of Russia than 5½ per cent. in a stable country like Great Britain.

The same phenomenon of rising prices was apparent in 1914, when Ulster was arming and civil war was declared

to be imminent, and the firmness of the markets was then attributed to the splendid patriotism of Ulster and her abiding faith in her own destiny. If the same explanation is offered to-day it has to be duplicated, and we must account for the phenomenon (1) by the splendid patriotism of Ulster and her abiding faith in her own destiny, and (2) by the splendid patriotism of South Ireland and her abiding faith in her own destiny. The unsophisticated Englishman is tempted to accept a simpler explanation, and say that politics in Ireland, though a good deal hotter and a good deal more violent than in England, are just as unreal as they are here; that politicians talk a vast amount of nonsense, and love rhetorical phrases like "the pathway of revolution" and "the road to civil war" so much that they can never omit a chance of employing them, and that a great deal of what is going on in Ireland to-day is political stage play that may lead to bloodshed, but is never intended to produce civil war or revolution on the grand scale. This theory may be all wrong, but it is difficult to find another that fits the facts. If there is a better explanation one would like to know what it is.

BRUNNER, MOND, AND CO.

FORMED in 1881 to take over the business of alkali and chemical manufacturers from the firm of the same name, Brunner, Mond, and Co., Limited, has since 1911 acquired at intervals the businesses of other kindred concerns, until it has become one of the dozen giant industrial companies, whose total resources exceed £20 millions. A blemish on the company's record is the bonus issue of capital of over £4½ millions to ordinary shareholders in 1918, but apart from this the company's financial history is good. In 1911 the whole of the issued capital of William Gossage and Sons, Limited, amounting to £525,000, in 1912 control of Joseph Crosfield and Sons, Limited, by an exchange of ordinary shares, and in 1915 nearly the whole of the ordinary capital of the Ammonia Soda Company were acquired. In 1916, with the object of "mutual co-operation in technical and commercial matters," a working agreement was come to with the Castner-Kellner Alkali Company, Limited, which allotted £250,000 of its £1 shares to Brunner, Mond, and Co., and the latter allotted £200,000 of its ordinary shares to the Castner-Kellner company. In 1918 shareholders in the Buxton Lime Firms Company, Limited, were offered the option of exchanging their shares in the proportion of one Buxton Lime Firm's £10 share for five fully-paid shares of Brunner, Mond. In 1919 the company sold its holdings of ordinary shares in Joseph Crosfield and Sons and Wm. Gossage and Sons to Lever Brothers, Limited, for the sum of £4 millions, leaving a capital profit in the books of £2,100,000, of which £500,000 was transferred to depreciation account, and £1,600,000 placed to investment surplus account. In January, 1920, Brunner, Mond made an offer to purchase not less than 75 per cent. of the shares of the Castner-Kellner Alkali Company at the rate of two fully-paid shares for each fully-paid Castner-Kellner ordinary share, and this was accepted by holders of over 85 per cent. of the shares. In March of the same year practically the whole of the share capital of Electro-Bleach and By-Products, Limited, was obtained, and in July half the issued share capital of the Madeley Coal, Coke, and Brick Company (1905), Limited, was acquired, and shortly afterwards a subsidiary company called Synthetic Ammonia and Nitrates, Limited, was formed, the company being the only shareholder. The company also holds a controlling interest in Chance and Hunt, Limited. It will thus be seen that the activities of the company have steadily expanded in the last decade. Early in 1918 a revaluation of the company's investments disclosed a surplus of £2,797,200, and this sum, together with £1,849,600 from the reserve fund, was capitalised by the allotment of three fully-paid ordinary shares for every two ordinary shares held. This was done, in the words of the directors, to correct "the disparity between the share capital of the company and the actual capital employed," and the erroneous views thus created of the company's real earning power in relation to capital.

As a result, the company has now a paid-up capital of £13,647,000, of which £9,647,000 is in ordinary shares and £4,000,000 in 7½ per cent. cumulative preference shares. In May of last year the existing preference shares of £10 were subdivided into 10 shares of £1 and 2,500,000 new 7½ per cent. preference shares of £1 were issued, the rate on the old 7 per cent. preference shares being at the same time increased to 7½ per cent. as from April 1, 1921. For several years the ordinary shareholders received a dividend of 27½ per cent., but when the capital was watered the rate dropped to 11 per cent., and the highest rate paid since then is 11½ per cent. for 1919-20. In the following year it fell to 8 per cent., at which level it remains for the year ended March 31st last, the report for which was issued at the end of last week. From the summary table below it will be seen that fairly good profits have been earned, despite the depression in trade. Gross profits, after deducting depreciation, amounted to £677,500, as against £493,200 a year ago, but investment and loan revenue was £501,700, as compared with £655,500:—

	1913-14.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
Paid-up capital	4,031,870	4,597,049	9,244,626	9,456,603	9,470,378	11,077,841	13,647,042
Reserves	1,386,000	1,991,958	141,881	603,906	2,817,680	3,032,680	2,802,785
Gross profits, investment receipts, &c.	851,290	1,254,706	1,264,514	1,199,040	1,319,389	1,182,271	1,220,310
Charges, &c.	81,947	137,553	152,666	186,959	190,239	243,764	196,310
Net profits	769,343	1,117,153	1,111,848	1,012,081	1,129,150	938,517	1,024,000
Brought forward	120,179	121,547	214,131	117,072	136,315	123,703	138,308
Pref. dividend	889,522	1,238,700	1,325,979	1,129,153	1,265,465	1,062,230	1,160,308
Reserve, &c.	105,000	105,000	105,000	105,000	105,000	105,000	245,312
Ord. dividend	2,500	102,500	250,000	100,000	50,000	50,000	50,797
	671,102	814,972	851,907	785,753	984,224	765,912	770,906
	(27½ %)	(27½ %)	(11 %)	(10 %)	(11½ %)	(8 %)	(8 %)
Balance	110,920	216,228	119,072	138,400	126,241	141,308	93,293

These figures do not tell the whole story so far as the past year is concerned, for depreciation in the value of stocks during the year amounted to £250,100, and the cost of the preference share issue was £129,800. These two sums are met by withdrawals from investment surplus reserve account, which, as already mentioned, stood at £1,600,000. Net profits may thus be said to be £379,900 less than the figure given above. Owing to the increase in preference capital, and in the rate of dividend, the distribution thereon requires over £140,000 more. The suspense account is credited with £50,000, and £800 is written off patents account. In order to maintain the 8 per cent. dividend on the ordinary shares, the balance forward has to be reduced by £45,000. Thus the funds of the company have been drawn upon to the extent of £424,900 for dividend payments. Whether this is warranted by the company's general position may be questioned by some. The total visible reserve funds amount to £2,802,800, while property stands at £6,341,500, and investments in associated and other companies at £7,225,800. The company is certainly loaded with a very heavy capital, but there hardly seems room for serious objection to the policy adopted in the latest accounts. Incidentally, the investment surplus reserve account has now been closed by the creation of a capital reserve account of £1,000,000, and a transfer of £220,100 to general reserve. The report throws no light upon trading conditions in the company's sphere of industry, but the chairman will no doubt have something to say in justification of the dividend policy at the annual meeting next Friday.

THE TRADE UNION ACT AMENDMENT BILL.

(BY OUR LABOUR CORRESPONDENT.)

TRADE unionism to-day feels itself menaced. The engineering lock-out is deemed to be a wanton attack upon trade unionism. From the trade union point of view, the action of the Engineering Employers' Federation is open to no other interpretation. A new attack upon trade unionism has come from quite another quarter in the shape of the Trade Union Act, 1913, Amendment Bill. During the opening years of the twentieth century the trade union movement sustained two shattering blows. The first was the Taff Vale Decision. The perilous position in which the trade unions found themselves as a result of this judgment was rectified by the Trades Disputes Act,

1906. Two years later, Osborne, a railway man, raised the legality of the political levy. Backed by capitalist money, Osborne succeeded in shaking the trade union movement to its foundations. Individuals in different unions were assisted to seek injunctions to restrain their organisations from utilising their funds for political purposes. The newly created Labour Party was in the gravest peril. The situation, like that created by the Taff Vale Case, was a spur to organised Labour, and it is not an exaggeration to say that the Labour Party during its first years owed much to the effects of these two crises in consolidating Labour opinion. In 1913 the Trade Union Act was passed, and though it did not meet the demands of the Labour movement, it did enable the trade unions to embark upon political activities.

There was a political truce during the war, but since the war the growing strength of the Labour Party has drawn attention to the political importance of trade unionism. Some little time ago the *Morning Post* published some fantastic articles dealing with trade union finances—articles which any independent person acquainted with the trade union movement would regard as malevolent and unjust. The articles were reprinted, and have been distributed throughout the country. The Unionist organisation appears to have been the medium of distribution. In the next place, efforts have been made to persuade trade unionists to contract out of paying the political levy to their organisations. Sir George Younger has admitted in the House of Commons that he has had 1,000,000 exemption forms printed, and that he has distributed a quarter of a million. A form of claim for exemption from the payment of the political levy has been printed in numerous newspapers up and down the country. These devices, however, do not appear to have met with the success which was expected, and consequently a far more drastic effort is being made.

Under the existing law, a union may by a majority vote establish a political fund, and the members may be required to pay into it unless they apply to be exempted from such payment. The Unionists have introduced a Bill into the House of Commons to amend the Act of 1913. It requires that there shall be a 20 per cent. majority on a vote of 50 per cent. of the total membership in order to establish a political fund, that thereafter members shall declare in writing their intention of contributing to the fund, if they should desire to contribute, and that such a written declaration shall be made each year. Instead of taking steps to exempt themselves from payment of the political fund where they do not wish to pay, under the new Bill members of unions are exempted to begin with unless they make application in writing—and repeat it every twelve months—to be allowed to pay into the political fund. In other words, conscientious objectors are to be placed in a privileged position.

It will be obvious that under the new Bill the administration of trade unions will become more difficult and more complicated; but that will doubtless be regarded as a distinct advantage by many supporters of the Bill. This, however, is but a minor criticism of the measure. What is far more important from the Labour point of view is that the Bill seeks to impose upon trade unions limitations placed on no other kind of organisation, and it will be strongly resisted on this ground. Further, in practice, there is no hard and fast line of demarcation between industrial and political questions. Are workmen's compensation, factory legislation, unemployment insurance—to quote but three subjects—industrial or political questions? They are obviously both. The question at once arises as to whether conscientious objectors are to be automatically exempted from contributing to a political fund which is partly, at least, used for improving the industrial position of the workers.

It is regarded as strange in the Labour Movement that many of those who showed little consideration for the conscientious objectors during the war should be tenderly solicitous of trade union conscientious objectors—or it would be so regarded if it were not realised that the Bill is a direct attack upon trade unionism and the Labour Party.

It is true that the Bill is but a private member's measure, and it was anticipated that during the second

reading it would be talked out, but the Speaker—to the amazement of the Labour Members—allowed the Bill to go to a division, and the second reading was, of course, carried. It is almost inconceivable that a private member's Bill dealing with so large a question should be allowed to pass through Parliament. So far, the Government has given no sign of its attitude. No Government spokesman lifted his voice either for or against the Bill, though the members of the Government who voted walked into the lobby in support of it. Probably the Government, as on so many questions, is torn two ways. The path of political wisdom, however, is to let the Bill die.

Any serious attempt to put it through the Houses of Parliament might very well lead to far-reaching consequences. The trade union movement would not take the attack lying down. The menace to trade unionism would be a means of pulling together the whole Labour Movement. It fought hard to undo the Taff Vale and Osborne judgments; it would fight doubly hard to-day to resist the Trade Union Act Amendment Bill. If the measure were to reach the Statute Book, it may be predicted that most unions would defy it, and in so doing present the Government with a pretty problem. But it is difficult to believe that the Bill will pass into law. It is, however, in Labour's eyes, significant of a tendency. There is more than a hint in it of the class war, and it provides an excellent means of manufacturing Bolsheviks.

Notes of the Week.

The Halt in the Stock Exchange Rise.—There is no sufficient bull account in the Stock Exchange markets to bring about any widespread loss or anxiety as a consequence of the decline which has taken place in Stock Exchange securities this week. Compared with the best prices recently touched, the lowest levels, of Wednesday morning, say, showed a fairly wide gap. Great Westerns, for instance, which reached 108 the other day, fell to 102½, the 3½ per cent. Conversion Loan, which was over 78, fell to 75½, with a good many other prices weakening in a similar fashion. The previous rise, however, had been on a scale so substantial and so rapid as to leave the impression that some kind of reaction was due, and the Stock Exchange habit is to look for a fall after any such advance as the markets have witnessed during the past six weeks. The Bank rate fell, rather unexpectedly, to 4 per cent. on April 13th, and this released a tremendous amount of money from deposit accounts that were being run by capitalists, to whom the prospect of receiving 2 per cent. on their money was far from inviting. Consequently, they turned their attention to the Stock Exchange, bought gilt-edged stocks up to a standard at which Home Railway debentures paid 4½ per cent., or less, on the money, hoisted Consols, local loans, and other such securities on to a 4½ per cent. basis, and, incidentally, led to a general scramble for stocks and shares, in the course of which everything of the investment order advanced. Nor did the movement end here. Encouraged by the advances in gilt-edged issues, the more speculative fraternity began to apply eagerly for new issues. In spite of the grumbling which arose, owing to the smallness of allotments, there was a good deal of money made by tagging in this way. The little shopkeeper in the suburbs was glad to take his four or five pounds profit

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transactions of every description.

Correspondents in all parts of the world.

on partly-paid scrip, and was encouraged to apply for the next issue of which his broker sent him a prospectus. All this had the effect of setting in vibration an atmosphere of successful Stock Exchange operations, and the tide of enquiry turned strongly towards industrials, more especially in those companies engaged in trades which were thought to be likely to benefit from the termination of the engineers' lock-out. By Whitsuntide the bulk of the deposit-money which was available for Stock Exchange purposes had been used. The speculative investor and the speculator were both ready to take what profits had accumulated, and to stand by for the next opportunities which might come along. Fresh buying was brought up with a round turn by the gravity of affairs in Ireland, which led to the impression that the expected fall in the Bank Rate this week might not materialise until later on, if at all. Jobbers in the Consol market reported that big blocks of Conversion Loan and other Government stocks were coming in. Dealers in Home-Railway Trustee securities maintain that the reaction in their stocks is due, not so much to selling orders, as to withdrawal of the previous buying, added to which, of course, there is the regular amount of daily realisation which goes on automatically in connection with deceased accounts, and on behalf of people who require money for other purposes. The Stock Exchange has marched to something like a halt. Some men in the House think that their markets stand on the brink of the usual summer quietude, and that the brisk business of the past six or eight weeks will be succeeded by the listlessness ordinarily associated with the dog days. Others point to the capital which constantly accumulates when trade is not particularly active, and they regard the present hiatus as nothing worse than a useful lull which is having the effect of reducing prices to levels at which they offer attractions to the man who does not mind buying something which, a little before, had stood a good deal higher. The prospects of cheaper money are held to discount the effects of the somewhat choked condition of new issue markets. Taking it all round, there is a general consensus of opinion that this week's reaction is of no special consequence, and that it will be succeeded by a recovery as soon as the influence of investments begins to make itself felt again. The argument that this condition of quietude in the markets is the result of the re-introduction of contangoes and fortnightly settlements finds little support in serious quarters, but it is put forward as one of the reasons why the public attitude towards the House to-day is marked by a reserve which time alone can prove to be the precursor of indifference, or of fresh financial energy.

Irish Free State Revenue and Expenditure.—We have received from the Ministry of Finance, Dublin, a statement of State receipts and payments, which we understand is being issued weekly by the Free State Government. The total receipts of the Irish Exchequer from April 1, 1922, to June 3, 1922, are given as £4,867,700. Of this amount, £3,867,700 is from revenue and a million from Ways and Means advances. The principal item of revenue, which for the present is collected on the basis of rates current in Great Britain, is £2,502,000 on account of Excise, to which no doubt Messrs Guinness contribute a substantial portion. Property and Income-tax, including Super Tax and Mineral Rights Duty, yield £642,000 in the two months, while Customs provide £372,000. Estate and other duties total £165,000, and Corporation Profits Tax £13,000. For Consolidated Fund Services £65,790 is allocated. It would be interesting to know, however, if any of the estimated contribution to the Home Exchequer is included in this amount. It may be recalled that this estimated contribution has been placed at approximately ten millions annually. Supply Services at £2,558,200 bring total expenditure up to £2,623,990 for the period under review. Ways and Means advances were repaid amounting to £260,000, and a balance of £1,983,710 is shown in the hands of the Irish Exchequer at June 3, 1922. We gladly welcome this financial statement of the Free State Treasury, not so much for the information it contains, or any inferences which can yet be drawn from its figures, as that it shows evidence of the intention to proceed along conventional financial lines. Incidentally, both Irish and

Home Treasury officials are to be congratulated upon the approaching accomplishment of the work of separating the accounts of the two States, a by no means easy task.

Cereal Crop Prospects.—The Statistical Bureau of the International Institute of Agriculture publishes in its latest bulletin, the most recent official information from the different countries, regarding the condition of crops and the prospects for the coming harvests. With regard to countries other than European, it is confirmed that the wheat harvest of British India has given good results, in comparison with last year's crop and with the average. It is estimated that the production of India, this year, will reach 9.7 million metric tons, surpassing last year by 40 per cent., and the average during the preceding five years by 4 per cent. The most recent telegraphic communications from India are also optimistic; in the Punjab, for example, which is responsible for more than a third of the total production of India, the results of the harvest are said to be above expectations. As regards the United States, the prospective yield of winter wheat, based on the condition of the crops at May 1st, is estimated at 15.9 million metric tons. This yield would equal that of 1921 and be 3 per cent. above the average of the previous five years. The prospective yield of rye is reckoned on the same basis at 20 million quintals, or 37 per cent. better than that in 1921, and 17 per cent. above the average. Later reports from the United States confirm this good outlook for the winter crops, and point to an equally satisfactory one for the spring sowings. In Canada, the spring sowings are rather later than usual. The crops in Japan forecast a moderate yield. Serious damage owing to drought has occurred in Algeria, but there are favourable reports from Egypt and the Anglo-Egyptian Sudan. As regards European countries, the crop condition may be considered as passable in Germany, Belgium, France, Hungary, Italy, Netherlands, and Poland. In these countries, in general, there has been a decided delay in plant development owing to cold and damp, especially during the month of April. The crop development is normal in Great Britain and Ireland, and very good in Bulgaria. As regards the areas sown with wheat and rye, there is no notable change, as compared with last year, in those countries which have furnished data.

American Cotton Crop.—The Agricultural Bureau of the United States Government has issued its first report on the cotton crop for 1922-23, the condition being given up to May 25th. The figure is 69.6 per cent., against 66.0 per cent. a year ago, 62.4 per cent. in 1920, 75.6 per cent. in 1919, and a ten-year average of 74.6 per cent. The statement was about equal to expectations, and although on the report being published prices in New York and Liverpool advanced slightly, there has not been any marked change in values. The weather in the belt so far this season has not been very favourable, and the growth in certain parts has been adversely affected by heavy rains. The acreage is understood to be rather larger than a year ago, and the Agricultural Bureau at the beginning of July will issue an official estimate of the area under cultivation, in addition to a further condition report. The crop for this season will be about 8,500,000 bales, and the consumption about 12,500,000 bales, so a substantial output in 1922-23 will be necessary if a scarcity of supplies and higher prices are to be avoided.

The Turkish Unified Debt.—The Turkish Unified bondholders are faring better than might have been expected, in spite of the suspension of the revenues ceded for debt service, both in the territory in Asia Minor held by the Kemalists and in the provinces held under mandates by Great Britain and France. Last year, it will be remembered, a payment on account was made of 1s 3d for each coupon (of 8s) from March, 1915, to March, 1920, inclusive; now it is announced that the Debt Council will pay a further 9d on each of these coupons, independently of any sum which may be due to the holders as the result of the decision, expected some months hence, of the Mixed Tribunal set up by the Treaty of Versailles as to their claim to be paid at the pre-war rate of exchange

from the sums collected by the Debt Commission during the war and deposited in German banks, and to some small extent in Austrian. It is also announced that 6s is to be paid on account on each of the two following coupons for 1921-22, and there is reason to expect that this amount will be paid on those for 1922-23. Some funds are also available for the service of the Turkish Lottery Bonds (Lots Turcs), which, however, are not held in England. The announcement raises two questions: Should not the coupons for 1915-21 share equally with the later ones in such revenue as is available; and, seeing that the French Administration in Syria and the British Administration in Palestine and Irak have, like the Kemalists, taken over the debt revenues in those provinces, though, unlike the Kemalists, they do not give receipts for them, ought not the Debt Council to apply to them for these revenues, which properly belong to the bondholders, even though the Treaty of Sèvres is as yet unratified, and the destiny of the provinces in question is therefore not yet settled finally? However, the bondholders may well congratulate themselves that, in view of the recurrent crises at Constantinople, it is possible to pay them anything at all.

Conditions in South Africa.—According to a cable received by the National Bank of South Africa from their Cape Town office, the South African Budget was well received and the discussion ended on May 24th. The Minister of Finance, speaking in reply to criticisms, appealed for the support of all parties in effecting administrative economies, and "closed his speech with a note of optimism." General Smuts contributed an important speech, summarised as follows in the cable:—"He stated in connection with the recent upheaval that, but for a stable Government being in power, the situation might have been parlous. It was time a halt was called and the country given a chance. The problem now before them was how sanely and reasonably to bridge the transition period from the old to new South Africa on industrial lines. The Board of Trade had been instructed to investigate closely important items in the tariff. The Prime Minister also outlined the Government's constructive policy, including the decision, in principle, to give a bounty to all iron and steel produced from native South African ores. Regarding agriculture, he stated it was necessary to eliminate conflicting interests, and to arrange a system whereby farmers would obtain, and consumers pay, reasonable prices for produce, and for only the best produce to be exported." As regards the iron and steel bounty proposal, the Government are adopting the least objectionable method of fostering an industry. The cable further states that the railway deficit for the year's working amounts to £1,500,000, bringing the total accumulated deficit to £4,000,000. A cable received by the Standard Bank of South Africa states that South African imports in May were £3,469,000 and exports £3,802,000. Exports included £2,292,000 of native gold.

Forestral Land Company.—None of the company's factories having been at work since the early months of the year 1921, the report of the Forestral Land, Timber, and Railways Company for the 12 months ended December 31st last shows a substantial trading loss, namely, £291,342. To this has to be added £32,272 for London charges and other expenses, and £220,643 written off stocks of stores and materials, and working bullocks, making a total loss of £544,257. But by releasing £170,000 out of sums set aside from profits during recent years for taxation, and not required for that purpose, and by withdrawing £500,000 from reserve, and including £571 from transfer fees, the directors call the result a profit for the year of £126,314. This compares with previous results as follows:—

	1914.	1916.	1918.	1919.	1920.	1921.
Profit	£ 234,065	£ 1,614,889	£ 815,980	£ 992,581	£ 560,261	£ 126,314
To pref. shares ..	123,745	260,788	186,058	92,751	92,751	111,951
Preference dividend ..	8 %	15 %	12 %	6 %	6 %	6 %
To ordinary shares ..	92,982	504,111	279,922	371,004	432,832	..
Ordinary dividend ..	6 %	27 %	18 %	18 %	12 %	..
Special reserve ..	..	250,000	150,000	150,000	..	..
Excess profits res. ..	..	600,000	200,000	..	300,000	..

The preference dividend of 6 per cent. is paid, leaving £127,666, or £14,300 more than was brought in, to be carried forward. No addition has been made to depreciation account, which stands at £1,047,604, in view of the fact that the factories were closed for practically the whole of the year, but the reserve fund has been increased by £473,520, by the balance of the realisation of sundry assets account, namely, £963,957, and sundry minor credits, less the £500,000 transferred to reserve. In May, 1920, the shareholders approved an offer made to purchase the company's Estancia business as a going concern, together with its holding in the Development Company of Santa Fé, Limited, for £2,502,551 in cash, payment to be made during 1920 and 1921. During 1920 £1,211,500 was received, but last year the buyers asked for postponement of the remaining payments, which the board granted. During the year the company acquired the entire share capital of Fontana, Ltda., an Argentine company, the remainder of the capital of Calder and Mersey Extract Company, Limited, and about 95 per cent. of the share capital of Messrs H. Renner and Co., of Hamburg, and the balance-sheet shows an addition of £1,222,500 to holdings in and advances to associated undertakings, which now total £2,200,900. Debtors have been reduced by £574,500, a holding of £596,400 in War Loans and bonds has been sold, while cash has been reduced by £102,500 to £565,107.

Present Position of the Baku Oilfields.—In the economic rehabilitation of Russia, oil is a key industry, just as, at the moment, it is the pivot on which its foreign relations turn. This is fully recognised officially; not only has M. Litvinoff been spending his time in interviewing oil deputations in Berlin and Italy, the *Economische Kaya Jizu* is full of oil week after week. But the Baku oil industry is typical of other industries in Russia in so far as it illustrates the antinomy between the policy which the Government is trying to pursue on the financial side, and that which it ought to pursue on the productive. Financial stability depends on a restriction of the note issue. The official figure of Russian rouble exchange is 602 of the new, 1922, rouble notes to the £. But in terms of previous issues, each 1922 rouble equals 10,000. In pre-1922 currency the £ is thus worth more than 6 million roubles—a fantastic situation. Restriction of note issue, however, means the starvation of the Government trusts like that working the Baku wells, the Azneft. Every report on Baku is occupied in complaints of the hopelessly hampered position of the Azneft, owing to want of capital. The workers' wages have been kept at the October, 1921, figures, despite the rise in prices, and even so, are so badly in arrears that daily output is falling off, and men are leaving in droves. Moreover, while the industry "depends exclusively on active boring, such boring can only be undertaken very slowly, owing to the lack of capital." The following table gives the output, &c., for last few years:—

Year.	Annual Production. Mil. Poods.	No. of Wells Worked.	Average per Well. Mil. Poods.
1911.....	454	2,857	159
1916.....	439	3,677	119
1919.....	225	1,880	118
1921.....	156	1,456	108
1922 (in roubles)	45	1,308	35

The wells now being worked are becoming exhausted; new ones must be struck. Even the moderate programme of the Azneft (monthly output of 16.6 million poods of oil, working 1,500 wells) cannot be carried out so long as it is not supplied with financial resources from the Department of Central Government, which controls fuels, the department known as the G.O.U.T. Its programme implies an expenditure of 253,680 million roubles up to the end of the year; its actual revenue from all sources is 12,000 million roubles. Wages alone account for 218 million roubles a month. Unless the financial crisis is overcome, the recovery of production is impossible. Of the wells which the Azneft is partially working the larger proportion were originally bored and exploited by foreign, largely British, capital. For instance, the properties of Baku Consolidated were seized in 1920.

Farm Products in America.—A gross wealth valued at £2,473,000,000 was produced by the farmers of the United States during 1921, according to an estimate recently completed by the U.S. Department of Agriculture. This amount is approximately two-thirds of the aggregate value of farm products in 1920 (£3,652,000,000), and about one-half of such value for 1919 (£4,756,000,000). During the same period, 1919 to 1921, the production of ten crops, which represent about 95 per cent. of the total crop area, fell but 8 per cent. Placing the average quantity of production of these crops for the five years 1910-14 at 100, crop production in 1919 was 108; in 1920 it was 117; and in 1921 it was 100. The quantity of crop production in 1919 was about the same as during the preceding seven years; that in 1920 was the largest ever recorded, and that in 1921 was the lowest since 1913. The total value of all crops in 1921 is estimated at £1,400,000,000. In 1920 this value was placed at £2,181,000,000, and in 1919 at £3,085,000,000. The decrease in the 1921 figures clearly indicates the drop in prices of farm products during the past two years. The total value of animal products declined from £1,672,000,000 in 1919 to £1,471,000,000 in 1920 and to £1,068,000,000 in 1921.

Central Mining and Investment.—Our Mining correspondent writes:—Recent events on the Rand having been detailed and discussed *ad nauseam*, the directors of this important mining-finance undertaking wisely keep their comments short. They intimate, however, that the revenue was swollen by dividends received during the year, but really earned in more prosperous times; also that to counteract the effect of depreciation "holdings which had formerly been stocked at low prices were written up to a level nearer market prices." The latter is an unusual course, and the two features rather discount the satisfaction which might be derived by shareholders from the comparatively small falling off in the net profit shown. Appended is an analysis of the accounts for the past three years:—

	1919.	1920.	1921.
Shares, investments, &c.	577,010	5,732,430	5,736,470
Debtors, less reserves	552,150	601,570	55,420
Creditors	3,415,030	3,191,170	2,565,380
Loans	591,900	808,900	936,450
Cash	455,550	327,630	77,330
Dividends, profits, &c.	876,770	506,630	444,490
Management, &c., expenses ..	57,960	37,350	41,320
Taxes	8,960	78,990	88,820
Net profit	809,850	390,280	314,360
Dividends	332,500	255,000	255,000
Do per share (tax free)	18/	12/	12/
To reserve fund	200,000	100,000	..
For income-tax	150,000	70,000	65,000
Brought forward	124,530	145,260	100,400
Carried forward	186,870	100,400	90,300

While as a whole the portfolio shows little change, there is a decline of some £200,000 in the gold and diamond interests, due largely to depreciation. On the other hand, base metals, minerals, oil and industrial participations figure for increased amounts, while the real estate entry has been swollen both by a higher valuation of these assets and by further purchases of Transvaal Consolidated Land shares. The diminution in the free cash resources will be noticed. Some 30 per cent. of the investments are unquoted. The others have since the date of the balance-sheet scored an appreciation of greater or lesser extent—a point to be borne in mind when calculating out the value of the shares. The surplus cash assets represent fully £10 5s per £8 share, now quoted at about 7½, giving a yield of nearly 9 per cent., tax free. When the position in these respects was pointed out a year ago, the price of the shares was 6½, and in the meantime 12s in dividends has been paid.

National Mining Corporation.—In view of the nature of the directorate, and of the technical talent available, great things were expected from this mining-finance enterprise, which was floated in October, 1919, and acquired interests in various well-known concerns such as the Burma Corporation, the Santa Gertrudis, the Mexican Corporation, the Tanganyika Concessions, and the British Equatorial Oil Company. Unfortunately for those who subscribed, the conditions then prevailing were of an inflated character. Hopes have in several directions been disappointed, while results generally suffered from the fall in metal prices in conjunction with the advance in working costs. Not very long ago the £1 shares, 10s paid, stood at a purely nominal quotation, purchasers being practically non-existent in view of the heavy liability. Just recently an improvement to nearly 3s occurred on rumours that the uncalled liability was to be extinguished, and in anticipation of the issue of the annual report. The rumour proves to have been partly "founded on fact." The directors intimate that shares and interests standing in the balance-sheet at £1,055,600 show a depreciation of £639,100. To meet this position it is proposed to write off 6s of the 10s per share so far subscribed, and to extinguish 6s of the uncalled liability, thus converting the issued capital into 8s shares, 4s paid, leaving £500,000 to be called up—it is understood only in small instalments should any exceptionally promising business come along. A simple calculation indicates that the proposed writing off will more than cover the depreciation, 6s per share being equivalent to £743,150. The net assets are equivalent to about 3s 6d per share. The interests of the Corporation now include notes of the Mexican Corporation, shares in the Ayan Corporation (Siberian gold dredging), and the South American Copper Syndicate (upon whose property a favourable report by a well-known consulting engineer has just been published). As soon as conditions become more normal, satisfactory returns should be forthcoming from the bulk of the National Mining Corporation's holdings.

Financial Conditions in Japan.—Owing to continuous American demand and the scarcity of stock, the price of raw silk recently rose sharply, but the liquidation of the stock held by the Imperial Silk Company served to flatten the market. On the strength of the recent firm tone in the silk market, farmers are quoting new cocoons at exceptionally high prices. In consequence, silk merchants in Yokohama have unanimously given warning to silk manufacturers that unless the quotation of new cocoons comes down to a reasonable level it will become impossible for the merchants to give them the usual financial assistance in purchasing cocoons. While imports seem to have passed their high mark, exports, on the other hand, are increasing in silk and cotton yarn alike, which has been reflected by a decreased adverse balance since the middle of May. The favourable outlook of foreign trade was quickly taken as an encouraging factor by the stock market, which showed a little improvement. The money market remains unchanged, and the rate of short loans has been low owing to the facts that banks are freely offering the funds they hold for financing silk manufacturers, and that a big repayment of Government loans and interest is anticipated on June 1st.

THE seventy-fifth annual general meeting of the Institute of Actuaries will take place on Monday, 12th instant, at 5 p.m., at the Hall of the Institute, Staple Inn.

THE Royal Colonial Institute announces a meeting at the Edward VII. Rooms, Hotel Victoria, W.C. 2, on Tuesday, June 13, 1922, at 8.30 p.m., at which a paper on "British West Indies" will be read by the Hon. W. G. Ormsby-Gore, M.P. Sir Owen Philipps, G.C.M.G., M.P., will preside.

Oversea Correspondence.

UNITED STATES.—THE REDUCTION IN RAILWAY RATES—LOWER WAGES.

(FROM OUR CORRESPONDENT.)

NEW YORK, May 29.

THE most important recent developments affecting trade and industry generally, as well as railroads and railroad labour in the United States, are the decision rendered last week by the Interstate Commerce Commission, calling for a reduction of about 10 per cent., on the average, in all class and commodity freight rates throughout the country, and the Railroad Labour Board's ruling, announced to-day, making a heavy cut in wages of railway employees. Both decisions are to become effective on July 1st. The present wage reduction, and others that are expected, promise to affect largely the revision in freight rates, so far as the carriers are concerned.

In readjusting freight charges, the Commission used a novel method. It decided that on and after July 1st all freight rates would be considered unjust and unreasonable to the extent that they may exceed the rates in effect immediately before August 26, 1920, by certain specified percentages in the various rate regions of the country; the percentages are so applied as to make the reductions in each group or region equivalent to 10 per cent. In determining the reductions, the Commission took the rates before August 26, 1920, as 100 per cent., added the percentage of increase in the different districts which was authorised on that date, and then made a horizontal reduction of 10 per cent. For instance, the increase granted on August 26, 1920, to railroads in the Eastern district was 40 per cent., making an index number of 140 per cent. as of that date. Ten per cent. of the latter is 14 per cent. The Commission, therefore, directed that 26 per cent. should be substituted for the original 40 per cent. increase allowed in August, 1920. The same procedure was followed in cutting rates in other sections. For Western railroads, the 35 per cent. increase authorised in August of 1920 was reduced to 21.5 per cent.; in the Southern and Mountain Pacific groups, the 25 per cent. increase previously granted was lowered to 12.5 per cent., and on inter-territorial traffic the 33½ per cent. rise, formerly allowed, was cut to 20 per cent. The decision, however, does not mean that there is to be a sweeping reduction of 10 per cent. in all existing freight rates. The new ruling will not apply to rates that have been lowered since August, 1920, except in cases where such reductions have been made merely to equalise rates. For example, an additional 10 per cent. cut will not be made on grain and grain products, such rates having been reduced about 16½ per cent. last January, and the decision will have the effect of continuing the general 10 per cent. reduction which has been in force on agricultural products.

The Commission declared that the reductions arrived at were the largest, in its opinion, that could be ordered if the railroads were to earn a reasonable return on the valuation of their property investment. Possible wage reductions, which would lessen operating costs, had been taken into consideration in reaching its conclusions, it said, and consideration had also been given to the greater earnings which increased traffic would bring to the carriers. It is reliably stated that the rate reductions made by the railroads since August, 1920, to date have cut the carriers' revenue to the extent of about \$200,000,000 annually. Tentative estimates by competent authorities indicate that the Commission's decision, just rendered, will mean an additional loss in revenue, ranging from \$225,000,000 to \$240,000,000 a year. Obviously, the actual result will depend largely upon the volume of traffic, and upon further wage reductions which may be granted by the Labour Board. In the course of its decision the Commission states that "there is a definite conviction in the minds of the shipping public that the present rate level is unreasonably high, is an effective barrier to the return of business activity, prosperity, and the usual volume of traffic, and that it should be substantially reduced."

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Besides prescribing freight rate reductions, the Commission, in its decision, which is the result of an investigation begun in the latter part of last year, makes two other important rulings. One is that, in view of the fact that taxation on income is deducted by the railroads before net operating income is computed, a return of 5½ per cent. on valuation is a reasonable annual return within the meaning of the Transportation Act. The latter authorises the Commission to fix rates on a basis that will yield the carriers an average return of 5½ per cent., and permits that body to increase such return to 6 per cent. in its discretion. The other ruling is to the effect that the Commission finds no reason to place the property valuation of the first-class railroads, adopted for rate-making purposes, at less than the tentative valuation of \$18,900,000,000, which has been employed up to the present. As a matter of fact, that valuation was adopted nearly two years ago, and does not take into account heavy additional property investment made since 1920.

The Commerce Commission's decision with respect to freight rates is welcomed in some quarters, especially by those who will derive benefit from the reduction, but it does not measure up to expectations of some interests, and is severely criticised by others. It apparently is not in line with the Administration's hope that rates on various commodities would be reduced, instead of cutting freight rates generally, and it is plain that the more important commodities will not receive the assistance, in the form of specific reductions, such as Secretary of Commerce Hoover wanted to give them, and which he had declared were needed more than were reductions in class rates, that is, rates on finished goods.

Passenger fares remain unchanged, and the surcharge on Pullman fares has been retained—a keen disappointment to the travelling public, which complains bitterly about the abnormally high cost of transportation.

While all members of the Interstate Commission concur in the freight rate reduction, three members, in separate opinions, express the belief that still lower rates should have been prescribed, or that the principle of the horizontal reduction is unfitted to existing conditions. One of the Commissioners declares that, in the case of many commodities, the 10 per cent. reduction will have "no perceptible influence in lowering costs of living, stimulating industry, ameliorating economic conditions, or bringing us into more favourable and equitable relationship at home and abroad."

The Railroad Labour Board's decision, just handed down, orders a reduction of about 12 to 13½ per cent. in prevailing wages of maintenance of way men; it will apply to all the major railroads of the country, with two or three exceptions, and will affect some 400,000 employees. After July 1st, under the Board's ruling, wages of such employees, which now range from 28 to 40 cents an hour, will range from 23 to 35 cents an hour. Pending a readjustment of their working rules, the big four brotherhoods, as well as the Switchmen's Union, are not now parties to any dispute before the Labour Board, but it is considered more than likely that sooner or later a wage controversy will develop with those unions. Other cases, however, are pending before the Board, and wage decisions applying to some 500,000 railway shopmen and approximately 200,000 telegraphers, clerks, station employees, and other classes, are expected to be rendered in the near future. All of the wage reductions, it is said, will be announced in time to become effective on July 1st.

although the Labour Board insists that its action in cutting wages is not based on the fact that freight rates are to be reduced as of the same date. On the other hand, it is quite evident that the Interstate Commerce Commission, in ordering the cut in freight tariffs, fully expected reductions would be made in wages, even though it had no jurisdiction over the latter.

It is estimated that the Labour Board's decision will cut the annual pay roll of the carriers by about \$48,000,000, and that other similar decisions yet to be rendered will make a further reduction of some \$100,000,000. In May, 1920, the Board granted an increase in wages totalling approximately \$600,000,000. In July, 1921, it cut some \$400,000,000 from that increase. Therefore, if present expectations are realised, the further reductions believed to be impending, together with the cut under the present ruling, will wipe out practically all of the remainder of the \$600,000,000 increase authorised in May, 1920, and will restore wages virtually to the levels prevailing prior to that date.

Just what the outcome of these highly important decisions will be it is, of course, impossible to predict with any degree of certainty. The general feeling, at least in the financial district, judging from the recent course of prices for railroad shares, is that increased traffic and wage reductions may more than offset the loss in operating revenue which will result from the cut in freight rates. As already stated, however, much depends on the extent of the growth in traffic; furthermore, increased traffic will unquestionably mean some increase in operating expenses and greater outlays than have been made in the past year or so for equipment and maintenance. Under the new order of things, the carriers may be able to make a better showing in the matter of net operating income than they have heretofore—provided the volume of freight moving throughout the country continues to increase at the rate witnessed in the past few months. But they will have to enjoy a long period of prosperity to make up for the very lean months of the past year and a half. In July, 1920, it will be recalled, the Commerce Commission fixed rates which were intended to yield the carriers an annual return of 6 per cent. on their property investment. They actually earned only about half that return in the ensuing year, and in only one month, namely last March, did their net operating income closely approach the 6 per cent. return, notwithstanding heavy reductions in operating expenses through drastic economies and curtailment of maintenance expenditures.

FRANCE.—BANKERS' COMMITTEE AND REPARATION —MONEY WEAK—PRICES—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, June 6.

THE event of the week has been the sudden modification brought about in the whole aspect of the proceedings of the bankers' committee (called by the Reparations Commission to consider the question of an international loan on behalf of Germany), by the decision of the assembled experts to make the question of a further reduction of the German reparation debt the crucial factor in the problem under consideration. The banking experts have succeeded in maintaining greater secrecy over their proceedings than perhaps any one of the other recent international conferences here, and it was not until yesterday that the real reason for the sudden adjournment of the committee on Friday until over Whitsuntide became generally known. It then transpired that the bankers wished to elicit the opinion of the Reparations Commission as to whether the question of a possible reduction of the German debt below the figure of 132 milliards, fixed in May, 1921, may be regarded as within the terms of the reference under which the committee was brought together.

Whatever the reply of the Reparations Commission may be, there is no doubt of the attitude the French delegates will take on this question. The promptitude with which M. Poincaré—to whom a hint of what was in the wind must have become known—on Friday afternoon informed the Chamber of the French Government's view on the point, was significant. The French delegation on the

Reparations Commission, M. Poincaré insisted, must not accept any fresh reduction of the debt due to France. The bankers, according to the French view, have nothing to do with the question of the amount of reparations Germany will have to pay, but have merely to consider whether and under what conditions an international loan might be issued, and if they go outside those limits France will decline to take any further interest in the matter. Whether, in the event of the majority of the Reparations Commission taking a contrary view, the French will remain intransigent time alone can show. The one circumstance that would undoubtedly largely modify French opinion on the point would be a recommendation from the bankers' committee that the three great problems of the German reparation debt, the suggested international loan, and the outstanding inter-allied debts, should be taken up for consideration as forming three parts of one indivisible whole. The suggestion has already been made in banking circles here that perhaps the simplest way to handle the whole matter would be through the medium of another Washington Conference, and there is reason to believe that both the French and the British Governments are lending a favourable ear to the proposal. It is even reported that the American Government is actually about to be "sounded" both from London and Paris as to its views on this suggestion.

Quite apart from this eleventh hour importation of the question of whether the amount of the German debt has been irrevocably fixed, the bankers' conference was looked upon some days ago as foredoomed to failure, so far as any probability of a huge international loan resulting from its efforts. The French have all along put forward the fact that they have already been compelled, through Germany's default, to furnish between 80 and 90 milliard francs for the purpose of commencing the reconstitution of the devastated areas, and they may be regarded as firmly resolved not to place a centime more than they are compelled to do in the hands of such a notoriously bad creditor as Germany has proved to be. The British are regarded here as unlikely to lock up any appreciable amount of capital in a German loan, while it is regarded as unlikely that the Americans would be satisfied with the kind of guarantees Germany would offer. Finally, there is a strong feeling here that Germany herself is really by no means anxious for such a loan to be floated, on the ground that it would probably improve the situation of the mark, and thus deprive German exporters of one of their best weapons. Colour is given to this argument by the report that Herr Bergmann has put forward to the bankers' committee the cool proposal that 50 per cent. of the yield of any loan that may be issued shall be handed over to Germany for purposes quite apart from those connected with reparation payments. In these circumstances it is believed in Paris that the bankers are unlikely to recommend, at the best, the issue of anything more than a comparatively small international loan. It is suggested that an issue of \$1,000,000,000 (or about 5,000,000,000 of gold) would be sufficient to enable Germany to meet her reparation payments, under the present schedules, for 1922 and 1923, which would give time for a more comprehensive and perhaps quite different manner of dealing with the problem to be worked out.

The session of the Semaine de la Monnaie that has been opened at the Conservatoire Nationale des Arts et Métiers, and that is being very well attended, was opened by M. Raphael Georges Lévy, who, in delivering the inaugural address, pointed out that the main function of the conference was to study the evils caused by the depreciation of money. One of the principal of these was the uncertainty caused, but there was a second evil that was even greater and more deep seated, namely, that which affected all citizens living on fixed incomes of whatever sort, who received the same annuities despite the increased cost of living. It was easy to lay down the principle by which the evil was to be remedied. Inflation had to be replaced by deflation. The issue of paper money should be stopped at the earliest possible moment, and the amount of money in circulation calculated so that it should be decreased until the pre-war value of currency had been attained. He warned the conference against the danger of too rapid a contraction, because this would bring about a fall of prices that in its way would be as calamitous as the previous

rise. He recommended that in countries where inflation had been relatively slow the French method of progressive deflation should be adopted.

In the course of the debate that followed, M. Henri Javal summarised certain of the dangers of inflation, pointing out notably how seriously Governments were affected by inflation, as this forced them to pay unduly high rates of interest when coming on to the markets for loans. M. Bonnet, Assistant Commissioner to the Government, summarised a report he has drawn up on the effects of inflation on State finance. He insisted that it was necessary to draw a close distinction between the value of capital and profits before the war and to-day. The apparent increase observed to-day was due not to a real gain, but to the fall in the value of money, and it was therefore only equitable that special taxation based on extraordinary profits should be levied on real and not on apparent values.

The French index numbers for April, as compiled by the Service de la Statistique Générale de la France, are now available. Taking 100 as the base figure for the period 1901 to 1910, the comparative index figures for March and April, in respect of the wholesale prices of 20 categories of foodstuffs and 25 categories of industrial materials, were as follows:—

	1922.	April
	March	(Corrected). (Provisional).
General index figure (45 categories).....	355.4	362.6
Foodstuffs alone—		
General index figure (20 categories).....	366.9	387.5
Vegetable foods (8 categories)	342.3	372.3
Animal foods (8 categories)	402.3	427.2
Sugar, coffee, cocoa (4 categories).....	345.2	338.7
Industrial materials alone—		
General index figure (25 categories)	346.3	342.8
Minerals and metals (7 categories)	290.1	293.6
Textiles (6 categories).....	381.8	373.7
Various (12 categories)	361.3	356.0

The details show that, while there was an appreciable fall in most of the categories during April, the substantial rise in meat and vegetable prices more than nullified this advantage. Figures for the retail prices in Paris (13 categories) indicate a similar appreciable increase in the cost of living during the month of April. The index figure for March was equivalent to an increase of 194 per cent. on that of 1914, while that for April represented an increase of 204 per cent.

The decline of French imports continues to constitute the most striking factor of French international trade, as is shown by the statistics just published by the Customs Department for the first quarter of the year. There is some difficulty in getting an exact comparison between the various returns, as the rates for entries are those established by the Customs authorities, while those for exports are calculated on the basis laid down by the Customs Commission appointed in 1919. In the first quarter of 1922 England exported to France goods to the value of 867,550,000 francs, as against a value of 920,911,000 francs in the first quarter of 1921. The similar figures for the United States were 788,173,000 and 1,361,924,000; for Germany, 315,810,000 and 744,950,000; for Belgium, 346,655,000 and 453,714,000; for Switzerland, 107,885,000 and 112,319,000; for Spain, 27,612,000 and 103,781,000; and for Italy, 173,156,000 and 128,239,000. The general tendency of these figures is also confirmed by the returns from other countries. On the other hand, during the same period there has been a marked tendency towards increase in the volume of French exports, except in the case of Germany, Switzerland, Spain, Italy, Brazil, and the Argentine, where there has been a decline. Thus and the figures for the first quarter of 1922, as compared with the figures for the first quarter of 1921, are as follows:—England, 943,553,000, those of 1921, are as follows:—United States, 613,831,000, as against 747,833,000; Germany, 504,328,000, as against 399,599,000; Belgium, 1,148,696,000, as against 628,013,000; Switzerland, 221,604,000, as against 1,093,245,000; Spain, 64,893,000, as against 175,138,000; 339,087,000; Italy, 186,456,000, as against 175,138,000. In other and Italy, the figures for French exports have shown a comparable rise.

For the third week in succession the Bourse has maintained the firmness that manifested itself when it became evident that the alarming proposals brought forward at the Genoa Conference were not to come into effect. It is

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clearly impossible in the present conditions, after the long-continued economic depression, to look for a boom, but the fact that the means have been found to bridge over the menacing date of May 31st, and that the possibility is being seriously considered of raising an international loan that would make it possible for Germany to meet a certain portion of her liabilities, have created a feeling of optimism that, it may be hoped, will be maintained. Should the proposed loan not eventuate, the resulting fall in the franc would tend to harden foreign securities, and this would to some extent support the home market. If, however, the loan succeeds, the satisfaction felt will be a very strong factor of buoyancy. French Rentes were a trifle stronger, the Three per Cents. rising from 57.80 to 57.90, the 1914 Three and a Half per Cents. from 83.70 to 84.85, the 1918 Four per Cents. from 63.22 to 63.42, while the 1920 Six per Cents., having paid interest, dropped from 93.45 to 91.25. Banks are slightly stronger, Banque de France moving from 5,700 to 5,725, Banque Ottomane from 673 to 685, and Banque de l'Union Parisienne from 618 to 639. Railways have continued their upward movement, Est gaining 15 points at 745, Nord 40 points at 1,145, and P.L.M. 3 points at 878. Others have remained virtually unchanged, except Midi, that at 765 has fallen back 5 points. Navigation stocks have been practically without variation, though Chargeurs Français advanced from 498 to 535. Suez has risen from 5,840 to 5,890. Electrical undertakings have been in demand.

GERMANY.—FINANCES—EXCHANGE AND BOURSE —INDUSTRY—PRICES—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, June 6.

THE prospect of a loan resulting from the Paris discussions is rather less favourably regarded than when the discussions began. This view was reflected by the Bourse and in financial circles on the first business day after the holidays. Although it is in the German interest to have the whole question of Reparations considered in connection with international war indebtedness, it is held that the chance of an immediate loan, which is necessary for this year's Reparations and for the execution of the reforms promised to the Reparations Commission, is diminished in measure as the problem is enlarged, and as the number of interests involved is increased. Few persons believe that a radical rehandling of Reparations, much less a pooling of or remission of other international debts, is possible at present. The Cabinet's last reply to the Reparations Commission makes it clear that the main point of the proposed reform, which concerns the Floating Debt and circulation increase connected therewith, depends wholly upon a release by means of loan from the coming Reparations liability. The Reparations Commission's reservation of right to withdraw the partial moratorium in case the German Government, without a loan, fails to carry through the reforms has naturally no practical meaning, as without a loan no serious attempt will be made.

In this case the only alternatives are default, or the financing of the payments by further floating debt and inflation operations. The Government has not yet got over its difficulties with the Forced Loan. The Reichsrat has made numerous further alterations in the Bill. The Cabinet is still being urged by associations representing industry and banking to raise the interest rate, to discriminate in favour of public companies on the ground that these cannot afford to part with capital, and to provide for advances by the Darlehnskassen on the security of the loan up to a high percentage of the nominal value—otherwise, it is declared, the Bourse quotation of the loan during the first interest-free years will not exceed 50.

The floating debt of discounted Treasury bills on May 31st was 289,246,065,000 marks, an increase of 17,310,900,000 marks, of which 17,180,492,178 marks was for Reparations purposes, since the beginning of the financial year (April 1st). The Reichsbank's report for May 31st shows a new record in pressure for credit. Treasury bill discounts increased by 11,323,541,000 marks to 167,793,922,000 marks; note circulation by 7,810,853,000 marks to 151,949,179,000 marks; Kassenscheine to 9,440,500,000 marks. The cause of the heavy discounting is the usual month-end demand for money. The Reichstag has sanctioned a new material increase in postal, telephone, and telegraph rates. The ordinary State railways budget for 1922-23 balances at 97,078,628,000 marks. Estimated receipts from passenger traffic are 11½ milliards, from freight 83.3 milliards. On the expenditure side is 4.47 milliards for service of the railway debt. The cost of wages is 42 milliards, of materials 50½ milliards. The Extraordinary Railway Budget balances at 16,992,459,000 marks. There is an operating surplus of 4½ milliards, the deficit, which last year was 10,835 millions, being wiped out. The condition of the railways continues to improve. Traffic, in train-kilometres, in April-December last, was 18,812,909, against 16,859,473 in the same period of 1920, and the number of freight cars loaded was 8,759,871, against 8,262,377. There is still a chronic shortage of freight cars, the deficit in which rose from 1 per cent. of the demand in May last year to over 30 per cent. in December. Traffic in the area of the former Prussian-Hessian system had by last October already recovered to 94 per cent. of the traffic of 1913. Locomotives do as much work, 183 kilometres daily, as before the war, but cars average only 62 kilometres, against 88. In spite of their great increase, German rates, which in December last were about 21 times those of 1913, and have since been increased, are lower than those of most high-exchange countries, and a good deal of "exchange traffic" is being directed over German lines.

The Bourse during most of last week was weak for industrials, but recovered towards the end, and was today firm on basis of less favourable loan prospects. The *Frankfurter Zeitung's* Bourse index for dividend-payers shows for June 2nd 33,530, against 34,484 a week earlier. Foreign loans were weak, but Home Loans extremely firm, on foreign—mostly English and Italian—buying. This buying, which is apparently meant as an exchange speculation, reached a climax on June 1st, when Federal 3 per Cent. rose in a few hours from 130 to 159.50, 4 per Cent. from 106 to 118, and 3½ per Cent. from 85.25 to 95. Many State loans also had big rises on this day, Prussian 3 per Cents. Consols rising 9½ points. Since then some loans have had a slight set-back. To-day's quotations were:—War Loan, 77.50; Federal 4 per Cent., 121; 3½ per Cent., 88.50; 3 per Cent., 149.90; Colonial 4 per Cent., 128; Savings and Premium, 85.60; Prussian 4 per Cent. Consols, 86.50; 3 per Cent., 85.30. The rise in loans between the beginning of the year and the boom day, June 1st, was very considerable:—

	January 3.	June 1.
Federal 4 %	87.75	118
Do 3½ %	73	95
Do 3 %	102.50	159.50
Prussian 4 % Cons.	69	87.50
Do 3½ % Cons.	59.50	78.75
Do 3 % Cons.	56.70	88

Bourse sentiment has been favourably affected by such reports of important banks for 1921 as have so far appeared. The Dresdner Bank reports nett profits of 203,173,932 marks, against 142,488,018 marks in 1920,

and has increased its dividend to 16 per cent., and added 50,000,000 marks to its reserve. Net profits of the *Commerz-und-Privat-Bank* are 98,707,743 marks, against 66,797,953 marks, dividend being raised also to 16 per cent. The *Schaaffhausen'scher Bankverein* announces a dividend of 15 per cent., against 12 per cent. The balances of these banks cast an instructive light upon the inflation process. The demand for capital continues. New issues in May totalled 4,151.5 millions, against 1,488.2 millions in May, 1921, capital increases of existing concerns accounting for 2,357.9 millions, issues of new companies for 1,016.6 millions, and bonds for 777 millions. Total capital raised in the first five months of 1922 was 12,480.2 millions, against 5,568.8 millions in May, 1921.

Employment and home trade reports continue to be good, but nervousness concerning the future of the mark exchange is causing buyers to show reserve. The Labour reports for end of April show only 51,417 unemployed out of 5,991,685 persons embraced by the statistics. The rate, 9 per mille, is lower than in any month of the last pre-war decade. The coal and coke shortage continues, and Berlin Municipality has returned to importing English coal for gas production, as before the war. The Ruhr coal production declined in May by about 25,000 tons a day. The Federal Minister of Industry, Herr Robert Schmidt, has made another speech of warning that a crisis will come if the mark exchange recovers. The export branch will be specially threatened, said Herr Schmidt, owing to the fact that Germany hardly anywhere enjoys most-favoured nation treatment. The Prussian Trade Minister's monthly report on industry is favourable, but refers more often than is usual to foreign competition, and declares that in thin plates England and Belgium have driven Germany from her markets, and that foreign prices are 2,000-3,000 marks a ton lower than German home prices. Representatives of the iron and steel industries have again petitioned the Government to remove the export duties, which in this branch are around 6 per cent. The import of French pig-iron is increasing, but the cause here is not price competition, but insufficiency of the German native supply.

The price-rise has slowed down. The *Frankfurter Zeitung's* index number for 77 wholesale commodities at June 1st shows (on basis of 100 for January 1, 1920) 606, against 584 on May 1, 317 on January 1st, and 143 on January 1, 1921. Foods rose from 668 to 696, textiles and leather from 375 to 388, minerals from 498 to 502, and miscellaneous from 724 to 759. On basis of 100 for 1914, the figure for June 1st is 6,809, foods being 6,073, textiles and leather 10,347, minerals 7,771, and miscellaneous 6,221. The index figure for 21 finished industrial articles is 4,585, against 4,054 on May 1st, 2,223 on January 1st, 1,200 on January 1, 1921, and 769 on January 1, 1920. Since January, 1920, the foreign exchanges have risen about six-fold, and the cost of commodities and finished articles almost exactly six-fold. Experience shows that such a close correspondence is attained only a considerable time after the fall in the mark exchange has ceased. Seven months ago (in early November) the mark exchange stood a little lower than now, but prices of both commodities and finished articles were below half of those now prevailing. This justifies the belief that a prolongation of the recent relative mark exchange stability, even if no mark rise occurs, will see German prices all round at about world-market level.

The foreign trade reports for April shows an increase of the import surplus. Imports were 2,888,900 tons, against 2,644,600 tons in March, the value being 28,249 million marks, against 22,911 million marks. Exports were 2,176,000 tons, against 2,152,600 tons; and export values 22,949 million marks, against 21,238 million marks. The import surplus was 5,300 million marks. Totals for the first four months of 1922 are:—Imports, 9,317,500 tons, value 76,003 millions; exports, 8,102,700 tons, value 73,334 million marks. The figures for the same four months of 1921 have not yet been published. Imports in April as compared with March show (in weight) an increase under the headings food, minerals, chemicals, textiles, and base metals, but a decline under leather and of machines; exports show an increase in chemicals, and stone wares, and a decrease in agricultural products, textiles, paper, pottery, glass, base metals, and wares thereof, and machines and vehicles.

NORWAY. — WAGES REDUCTIONS AND HOURS — PUBLIC FINANCE—PRICES.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, May 31.

THE awards of the Arbitration Court are being pronounced successively for the various trades. Thus awards have been given for the engineering trade, the building trade, the joiners' trade, and, as far as the holidays, overtime work, &c., is concerned, also for the paper industry. Considerable reductions have been made in the wages, but not to such extent as was claimed by the employers. As to holidays, they have, generally, been reduced from a fortnight to eight days (with full wages). The Court is certainly composed of both able and upright men; but their awards, if out of proportion to the hard fact of competition and the absorbing capacity of the markets, cannot be of much value, apart from taking the settlement out of the hands of the parties most directly concerned, which may or may not be an advantage.

The legalised eight-hours working day is also by many considered as an impediment to legitimate trade, and, therefore, in the long run tends to injure instead of to benefit the workmen, for whose sake, of course, it was introduced. As it is now, the Act is very rigid, prohibiting the workman who might for special reasons wish to work 54 hours a week instead of 48 hours from doing so; and the rigidity of the law is felt especially in agriculture. So upon an interpellation in the Storting, the Minister concerned agreed that concessions might be granted, although the principle of an eight-hour day would be strictly maintained.

The cost of Norway's defence of her neutrality during the war has now been definitely fixed, and the amount is about 189 million kroner. The cost of the "crisis arrangements" made by the Government to secure the supply of foods, fuel, &c., during the war, so far has been ascertained amounts to 238 million kroner, but as these arrangements have not yet been all wound up, there will be a considerable additional amount. The payment of these amounts, of course, has been successively provided for. The reduced public income estimated for the coming financial year will necessitate reduction in various Budget items, especially in the grants or extra salaries to public servants to the extent of more than 20 millions. The revenue expected to be subject to the greatest reduction is that of the income-tax, the stamp duties, and the tobacco tax.

The wholesale price level, according to the *Farmand*, has during May moved slightly downwards, namely, by 0.9 per cent. Textiles have risen, fuel and oils have fallen, and so have grain and flour, whereas meat and fish have risen a little.

The note circulation of the Bank of Norway at the end of this month shows some expansion, and amounts to Kr.375,152,000. The reserve consequently has come down from Kr.55,636,000 to Kr.47,140,000. The increase in circulation, though a little larger than usual, is what is generally taking place at the turn of the month. The stock market is weak, with a slight stiffening in shipping shares.

It is stated that during May 600,000 tons of iron ore was shipped from Narvik (Northern Norway), which is also said to be the largest quantity ever shipped from any port in a single month, except from Lake Superior ports.

The foreign exchange market is somewhat irregular, but with a weakening tendency for the krone. Spring work is practically finished all over the country. The weather has been very favourable, but it is cold, windy, and dry, so that vegetation is far behind the normal.

DENMARK.—FOREIGN TRADE—TRADE, PRICES, AND EXCHANGE—BANK FIGURES.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, May 29.

OFFICIAL information has now appeared on the subject of Danish foreign trade up to the end of the month of March. Taking everything into consideration the trade balance results are of a favourable character, though it

must be remembered that the comparatively small import figure is a sign of depression in the Danish world of trade. During March, imports and exports practically balanced. The value of the latter amounted to Kr.100,000,000, and of the former to Kr.103,000,000. These figures are respectively Kr.38,000,000 and Kr.33,000,000 smaller than during the same month last year.

The figures for the first three months of the year are as follows:—

	Imports.		Exports.	
	1921.	1922.	1921.	1922.
	Mln. Kr.	Mln. Kr.	Mln. Kr.	Mln. K.
January	168	102	133	80
February	159	70	108	76
March	141	103	133	100

The effects of the great lock-out recently concluded were especially marked in the February figures. In March, among other goods exported, were Kr.30,000,000 worth of butchery products and Kr.34,000,000 worth of dairy produce, and the exports of eggs totalled some Kr.10,000,000. All these figures are considerably higher than those of the preceding month. During the first quarter of this year Denmark has imported 531,918 tons of coal as compared with 501,863 tons during the corresponding months last year. Of the amount imported this year 239,832 tons came from Northumberland and Durham, 260,838 tons from Scotland, 24,381 tons from Yorkshire and Derbyshire, and 4,897 tons from Wales. The imports from Northumberland, Durham, and Scotland were considerably larger than usual. Only 86 tons were, however, imported from the United States, compared with 61,265 tons in the January-March quarter of 1921. The imports of cinders and coke, which also came mainly from Great Britain, rose from 118,747 to 201,735 tons. Finally, the imports of briquettes rose from 501 to 1,521 tons, of which 1,371 tons came from Great Britain. Furthermore, much interest has been aroused lately in this country by the fact that the Danish State Railways have ordered 100,000 tons of British coal (three months' consumption) through "De Forenede Kulimportører" (The United Coal Importers). Prices are up at about 32s per ton.

The situation as regards Danish trade has not apparently undergone any substantial change. Generally speaking, the markets show the same sign of depression which has been referred to in previous reports. As regards wholesale prices, *Finanstidende* publishes monthly figures, the last of which gives an index number of 177 for May 1st, against 178 a month earlier. This figure is calculated by taking average ruling price during the period July 1, 1912, to June 30, 1914, at 100. It is, however, only the raw materials and the feeding-stuff group which have contributed towards the decline, whereas food stuff rose from 172 to 176. The level of prices is now 31 per cent. lower than a year ago, and 56 per cent. lower than in November, 1920, when prices reached their peak. The Danish krone, in the period May 1, 1921, to May 1, 1922, has risen about 14 per cent. in relation to dollars, and is now 77 per cent. of its par value. The Statistical Department reports that retail prices in January showed a fall in respect of the majority of goods since October, 1921. This fall in prices has also continued during the present year, according to the latest information, but has not, however, been large as regards most goods in consideration. Some goods even show a rise in prices as compared with January figures.

The monthly statistics regarding the position of the banks have now been completed up to the end of April. At the end of March the balance-sheets of all the banks (including the National Bank) totalled Kr.5,299,000,000, as against Kr.5,288,000,000 at the end of April. The difference is, as will be seen, extraordinarily slight, and is accounted for by very small movements in several items. On the liabilities side the total figures for share capital (Kr.409.6 million) is Kr. 12 million less than in March, which is due to the fact that "Kjøbenhavns private Laanebank" has been taken over by Den Danske Landmandsbank, in whose accounts its assets and liabilities are included. Circulation of notes by the National Bank fell during the month from Kr. 451.79 million to Kr.405.81 million. The maximum issue of notes permitted is Kr. 697.35 million, so that the bank has a note reserve

or, in other words, after the territories occupied were set free by the Germans.

Consequently the arguments made are not based on right or equity. Thanking you in advance for the publication of this letter, I am, yours faithfully,

H. PEREZ DUPUY.

(Member Board of Directors of the Banco de Venezuela.)
Caracas, Venezuela, May 15th, 1922.

Books and Publications.

RECENT ECONOMIC LITERATURE—A MONTH'S SURVEY.

"ECONOMICS seemed to me thoroughly interesting, until I got to money." This naive judgment, passed by a student in the Cambridge school, recalls itself to the mind as one surveys the publications of the past month. They would prove, to the author of the remark, but a sorry show. The feature he found so little exhilarating is, in them, predominant. Money, the gold standard, currency in all its aspects—these are the outstanding issues, as reflected in contemporary economic literature. What is called abroad, where, over a great part of Europe, it is indeed the overshadowing fact of life, the Valuta, is becoming more and more the first question to which the writer on economics has to address himself. If our generation of economic students does not understand the "function of money," it will not be from the lack of illustrative examples, or of a row of works, in all languages, designed to make their meaning accessible to the least instructed intelligence. For the moment one may continue to enter such books under the subheading "Advanced and Technical," but the fact of doing so is a reminder to the classifier of the fallacy of all preliminary groupings. There was a time when, to reach "monetary problems" was a sign that one had passed out of the elementary stage in one's economic education, and entered one relatively more advanced; but that is hardly true to-day. Even the handbooks intended for the youngest student have to contain a reference to the exchanges.

(a) Elementary.

Mr F. Lavington has performed a difficult and very useful task extremely well in the little volume in which he explains, in terms capable of being understood by all and sundry, provided they are prepared to concentrate their attention, the workings and progress of trade cycles. He describes "The Trade Cycle" (P. S. King, Great Smith street, London, 3s 6d), as "an account of the causes producing rhythmic changes in the activity of business." Clearly, no account of phenomena so complex could be entirely simple without being to some extent misleading. Mr Lavington is always candid; he admits that in his summary statement there is much that has been conjectured, little that has been proved. That is, however, inevitable, since in the factors that have to be considered the psychological, determining the level of business confidence, are recognised as of supreme importance. But his little book is at once the best and the simplest short account of the fluctuations of industry that has been published.

Mr Albert Crew's "Economics for Commercial Students" (Jordan and Sons, London, 5s) is now in its fourth revised edition; it is admirably designed for its purpose. A very large part of the space is devoted to the practical as distinct from the purely theoretic side of economics; there is a brief survey of industrial history, and a good short account of the economics of government. Excellent, too, in its way, is the "Introduction to the Principles of Industrial Administration," by A. P. M. Fleming and H. J. Brocklehurst (Pitman, London, 3s 6d).

(b) Advanced and Technical.

In the preface to the new (sixth and revised) edition of his "La Monnaie, le crédit et le Change" (Paris, Alcan, 15s) M. Arnauné writes:—"The teaching of experience, as assembled and formulated by economists, is that the exchanges cannot be regularised with any degree of certainty and permanency save by the free international

circulation of the metallic standard, i.e., gold, between civilised Western countries. Further—and here economics and morals teach the same lesson—every failure to meet obligations injures the credit of the debtor." The new material in the revised edition consists, essentially, in the application of these ideas; notably, as one expects with a French writer, of the latter. On inflation, which he calls the "science of appearances," M. Arnauné has some very acute remarks. The second volume is to appear in the course of the present year. Bearing on the same subject are two pamphlets, "Le Retour à L'Or," published in Brussels by the Moniteur des Intérêts Matériels, and "The Re-establishment of the Gold Basis of the Currency," by H. R. Sleeman (Institution of Mining and Metallurgy, 225 City road, London).

Attention may further be drawn to an interesting article in the U.S. *Banking Magazine* (published in this country by Effingham Wilson), for May, on "Gold Loans for Europe," by M. Wertheim. His view is that before such loans (as suggested, for instance, by Mr. Frank Vanderlip) can be granted, certain prerequisites must be fulfilled. These are that the present unbalanced budgets be made to balance; that a serious attempt be made to put the collapsed currencies on some sort of real basis; and that, third, the Reparation question be cleared off. There must, in a word, be some sort of stabilisation, by the establishment of a fixed unit.

Insurance underwriters, for whom it is intended, will find Mr Kubler Ridley's "The Common Hazards of Fire Insurance" (Pitman, London, 5s), exceedingly useful. It is clearly and concisely written and well arranged. Useful, too, is the volume containing Mr H. B. Hurd's lectures on "Marine Insurance" (Effingham Wilson, London, 3s 6d).

(c) Descriptive and Works of Reference.

The story of the fiscal relations between the colonies and the Mother Country is one of great interest, with much in it that is significant for students of tariff movements to-day. In "The Fiscal and Diplomatic Freedom of the British Overseas Dominions" (Oxford, the Clarendon Press, 12s 6d), this story is very well told by Mr Edward Porritt, whose volume forms one of a series of economic monographs on the war, issued for the Carnegie Endowment for International Peace. Dr Kinley, the president of the University of Illinois, writes an introduction. The watershed in the story was well marked by a speech of Lord Kimberley's, in 1873, in which he laid it down that "responsible government was an even more important principle than that of Free Trade." "The Restoration of Agriculture in the Famine Areas of Russia" (Labour Publishing Co., London, 5s), consists of a series of interim reports, made to a department of the Soviet Government, whose name it would take too much space to print out here. The most striking are those which discuss the application of electricity to agriculture. In one respect all the reports are impressive; they drive home the terrible gravity of the situation, and the deplorable state into which Russian agriculture has fallen. Only heroic measures can save it. "Les Grands Marchés des Matières Premières," by F. Maurette (Paris, Armand Colin, 5s), is an admirable brief survey of the great markets of the world's essential raw materials—coal, oil, cotton, wool, silk, iron, rubber, wheat—well written and arranged. The chapter on oil, for instance, is excellent, and marked by a genuine sense of values. Interesting as a document is the account, by the Bulgarian Director of Compulsory Labour, Christo Stoyanoff, of the actual machinery used there for carrying it through, though he does not give much information as to the economic effect ("Le Travail Obligatoire en Bulgarie." Sofia, Imprimerie de L'Etat.).

The "Anglo-South American Handbook for 1922" (edited by W. H. Koebel, for the Federation of British Industries) (T. Fisher Unwin, London, 25s), is a very fine production, infinitely more readable than such things commonly are. It includes not only the Argentine Republic, but Central America, Mexico, and Cuba. With this one naturally ranges Mr R. A. Lehfeldt's "The National Resources of South Africa," with a preface by General Smuts, published in Johannesburg by the University of the Witwatersrand Press, obtainable in

England from Messrs Longmans. A rather ironic sort of footnote to it is supplied in the "Chronological Note on the Dispute on the Transvaal Gold and Coal Mines," issued by the *Cape Times*, and obtainable in London from the Transvaal Chamber of Mines. The *Oil and Petroleum Manual* and the *Statesman's Year-Book*, both for 1922, need no special comment. Both are invaluable, and each year show additional useful features. In the same way, the "Marconi Directory" (25s) explains itself.

(d) Political and Propagandist.

There was a time when the White Paper recording Mr Churchill's Conversations with General Golovin was read with more eager interest by those who suspected that the British Government was actively backing White adventures in Russia than any novel. Now the General appears in a new character. His book on the "Problem of the Pacific in the Twentieth Century" (translated by M. Nabokoff, with a preface by Harold Williams, Gylendal, Hanover square, London, 10s 6d) reveals him as an admirable writer, rather of the Bernhardt type. In his view only the cession to Japan of the Philippines by the United States (a cession he dismisses as unthinkable) can prevent a collision between the States and Japan, whose "expansion is irresistibly motivated by increasing population." He notes some interesting facts in the internal conditions of Japan—i.e., the overwhelming authority of the Genro, and the rise in the cost of living there caused by the influx of gold. Admiral Bubnov contributes a series of chapters on the probable course of actual naval hostilities.

Mr Elliott Dodds' "Liberalism in Action" (Allen and Unwin, Museum street, London, 3s) is, of course, a purely propagandist work, very well done. He surveys the record of the Liberal party, and sets out a policy for its endorsement, including an industrial policy. Mr Dodds' task is positive; that of Professor L. Dicksee is partly negative, in so far as in his "The True Basis of Efficiency" (London, Gee and Sons, 6 Kirby street, 5s) he is attacking the Socialist conception, and quotes, in that connection, an article by Mr John Murray, M.P. His positive contribution is a spiritual concept of efficiency. In his preface he speaks of "Right-Thinking Before Right Doing; Character and Vision the Bed-Rock of all True Efficiency." His volume is the first in a new series, entitled "Studies in Commerce," edited by Sir W. H. Beveridge and Professor Sargent. Mr P. W. Wilson did not go out to the United States as a propagandist; he had an open mind about prohibition, and went there for other purposes than to study it. His little book, "After Two Years" (U.K. Alliance, 6d) is, he claims, merely an impartial account of what he actually saw. He sums it up thus: "The 10 per cent. who are resisting or delaying the object of the law are of less national significance than the 90 per cent. who have submitted to the law, and many would deny that the minority is as great as 10 per cent. None would, I think, put it higher."

In the periodicals attention may be drawn to Sir Bampfylde Fuller's analysis of the "Basis of Economics," in the *Nineteenth Century*, and a very useful attempt to weigh up recent economic developments in Russia in the *Round Table*.

BOOKS RECEIVED.

Linen. By Alfred S. Moore. Vol. 3 of Staple Trades and Industries. (London) Constable and Co., Limited. 10s 6d net.
Workmen's Compensation Insurance. By C. E. Golding. (London) Sir Isaac Pitman and Sons, Limited. 5s net.
Labour Defended. By Thomas Hodgskin. With an Introduction by G. D. H. Cole. (London) Labour Publishing Company, Limited. 1s 6d.
Railways and Railway Securities. By Frank C. Betts. (London) Mortimer Harley and Co., Limited, 25s.
Foreign Exchange Interest Tables. Compiled by R. M. Spence. (Liverpool) Rockliff Brothers, Limited, 44 Castle street.

The Bank of Liverpool and Martins, Limited, write:—"In consequence of the extraordinary fluctuations in exchange rates which have taken place since the war, the pre-war 'Cambists'—i.e., exchange tables—are now to a great extent useless. As there is both considerable difficulty and loss of time in calculating Tel Quel rates without

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using tables of this nature," Mr Spence, the compiler of the above mentioned volume, decided to get out these tables for his own use, and, "finding them to be of real value in connection with his work, has decided to publish them." The bank adds that "We believe that exchange operators in this country would find them invaluable."

Economic Development in Denmark Before and During the World War. By Harald Westergaard. (Oxford) Clarendon Press. 4s 6d net.

Landownership Policy of New Roumania in Transylvania. By Dr Dennis Sebes. (Budapest) Popular Literary Society.

The Twenty-first Financial and Economic Annual of Japan, 1921. (Tokyo) Government Printing Office.

The Eternal Masquerade. By H. Dennis Bradley. (London) T. Werner Laurie, Limited. 7s 6d net.

Bulletin de la Statistique Générale de la France. Avril. (Paris) Felix Alcan.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
June 14.	June 15.

QUIET conditions in the Stock Exchange have taken the place of the activity and animation witnessed a short while ago. A dozen reasons are put forward to account for the difference in the Stock Exchange atmosphere. Chief amongst them is the state of affairs in Ireland, which does undoubtedly influence the investor and the speculator in their refusal to venture very far into stocks and shares at such a critical time. Some people expected that there would have been a reduction in the Bank rate this week, but no hopes were grounded upon this, and it is assumed that the Bank rate will not be changed until there is a rift in the Irish clouds.

It may be that the new issue torrent has been rather overdone; the stags are having none too happy a time at present. Even the British Guiana loan, the subscription list for which was very promptly closed, has been a trifle under par, though a slight premium developed on Thursday. New South Wales 4½ per cents. fell to 4 discount. Big discounts upon the strip of the newly issued French shipping lines reflect the anxiety of the underwriters to part with some of the stock with which they were left.

The market for British Government securities is heavy, and the 3½ per cent. Conversion Loan gave way somewhat abruptly. Nor is there anything like the demand which existed a fortnight ago for Home Railway prior-charge issues, Colonial Government stocks, Indian railways, and such-like descriptions. The investor has got enough stock for the present, and, in the markets, dealers are not eager to take more on their books than they know where to place.

French and German bonds have both been tolerably active, Germans rising on the latest developments in regard to reparations, but going back materially from the best. French bonds moved somewhat similarly. Brazilians have been dull, and falls occurred in Argentines, Peruvians, Japanese, Chinese, and other foreign issues. Chileans kept tolerably steady, but the tendency in this market matched that apparent in other parts of the Stock Exchange.

Home Railways gave way with a run. From the opening of the market after the Whitsun holiday a steady stream of selling caused heaviness in all the various sections. There were spasmodic rallies, but these were hardly sufficient to wipe out the effects of the profit-taking which has been a constant factor every day. North-Easterns proved superior to the sellers, and Great Westerns rose in sympathy. Canadian Northerns are lower in the Colonial railway market. Antofagasta Deferred shed several points on the disappointing dividend of 3 per cent., against 7 per cent. last year. Argentines were unable to maintain their previous bold front; Entre Rios stocks continue to give way by reason of the poor results, and Brazilians are no better, with the exception of Leopoldinas.

RUSTON AND HORNSBY, LIMITED.—The directors do not recommend the payment of the outstanding dividend on the preference shares or a dividend on the ordinary shares for the past year.

low prices charged; the increased demand on goods of their own manufacture had been most gratifying.

In view of the large amount of unemployment it would please them to learn that at most of their factories increased staffs had been working full time for practically the whole year.

The most disappointing feature of their business had been the continuation of the depression in foreign trade. They hoped they had seen the last of the adverse conditions, and they had made all possible arrangements with the object of preventing a recurrence of the losses.

The company had shown progress, but it could hardly be said that trade generally had much improved, although there was now a distinctly better feeling, and indications of some promise were showing themselves.

Sir Thomas concluded his speech with a warm tribute to the splendid support the business had received from the staff, from the highest position to the most humble. He specially mentioned Mr. H. L. Peters, deputy-chairman.

After some remarks from the shareholders, practically all congratulatory, the resolution for the adoption of the report and accounts was carried unanimously, as were the other resolutions sanctioning the dividend of 8½ per cent., making 12½ per cent. for the year, re-electing directors, and reappointing auditors.

The proceedings terminated with a hearty vote of thanks to the chairman, directors, and staff.

THE RHODESIA GOLD MINING AND INVESTMENT COMPANY, LIMITED.

COMPANY'S LIQUID POSITION.

The twelfth ordinary general meeting of the Rhodesia Gold Mining and Investment Company, Limited, was held, on the 6th instant, at the Cannon street Hotel, London, Mr C. F. Rowsell (the chairman) presiding.

The secretary (Mr A. D. Owen, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that the balance-sheet this year differed very much from that of the previous year, as it gave effect to the reduction in the capital of 300,000 shares of £1 each to 300,000 of 10s each. In the year under review they had received in respect of profit on shares sold, interest and dividends, revenue from properties, and sundry receipts, £20,159; last year they had received from interest and dividends, revenue from properties, and sundry receipts, £24,195. The expenses of administration were £2,459 this year, as against £2,589 in the previous year. The result of the year's working was a profit of £11,902. The value of the assets, excluding properties, plant, and buildings, amounted to £138,767, representing 9s 3d per share on the capital. The position was, therefore, very liquid, and he thought they were fully justified in the declaration of a dividend of 9d per share, free of income-tax.

They held several blocks of claims, the most important being the Huntsman Mine, where they had milled to date 13,126 tons, which had been sold for £44,988. Up to December 31st that mine had shown a profit of over £10,000, and since that date a further profit of £1,748, after charging all costs of development, and the present developments were encouraging. They hoped to be able to continue paying dividends of at least the same rate as the present one. They still held 18,851 shares in the Lonely Reef Gold Mining Company, Limited, which continued on its prosperous career. That company had paid dividends last year amounting to 30 per cent., had already declared a dividend for the current year of 15 per cent., and he hoped it would pay a larger dividend when the accounts were finally closed.

The latest news received by cable was to the effect that prospects at the bottom of the Huntsman Mine were better than they had been in the previous year, and that there was a great increase in prospecting in Rhodesia, which might lead to important discoveries. The report and accounts were unanimously adopted, and the usual formal business having been transacted, the proceedings terminated.

LIEBIG'S EXTRACT OF MEAT COMPANY, LIMITED.

"TRADE AND TURNOVER ENTIRELY SATISFACTORY."

PROSPECTS OF INCREASING DEMAND.

The fifty-seventh ordinary general meeting of Liebig's Extract of Meat Company, Limited, was held, on the 8th instant, at Cannon street Hotel, Cannon street, London, E.C., Mr C. E. Gunther (chairman and managing director) presiding.

The Chairman said that the increase of capital resolved upon last year had been duly effected, the issued ordinary capital now consisting of £1,200,000 in 240,000 shares of £5 each.

On this occasion they were not adding to the reserve fund, which stood at the handsome figure of £1,000,000, but this did not mean that they would not add to it in the future; indeed, one of the first aims of the board would continue to be to carry a large reserve, and to supplement it from time to time, as circumstances might permit, thus further strengthening the already powerful financial position of the company.

STOCKS.

In a great enterprise such as theirs it was absolutely essential that they should keep themselves well provided with stocks, not only of raw materials, but also of their finished products. The seasonal nature of the company's working and the large volume of their sales rendered this policy in their case more than ever necessary. The heavy decline in the value of all materials had affected them in the same manner as the majority of industrial undertakings, and the chairman emphasised the point that it was not their trading results, but the writing down of stocks to the lowest figure commensurate with market values that had been the cause of the reduction in profits.

GRATIFYING DEVELOPMENT IN SALES.

Their trade and turnover had been entirely satisfactory, the sales of their products not only having been well maintained, but showing in several lines a most gratifying and encouraging development, and he considered that they might look to the future with every confidence.

Considering this and the strong position of the company, the directors felt justified in recommending a final dividend of 9s per share on the old ordinary shares, and the proportionate equivalent on the new. The new capital had, of course, not yet had time to become profit-earning, but he was glad to say that the construction of the freezer at Fray Bentos was proceeding, and the new plant should be complete and ready for working about the end of the present year. They would then be in a position to take their share in the trade in chilled and frozen meat, besides continuing to expand and develop their sales business in the products for which the company had been justly celebrated for over half a century.

FUTURE PROSPECTS.

Their Paraguayan estancias were now well stocked with cattle, and they were arranging to start a factory there later in the year. He had no doubt that the cattle business, having passed through some critical years, would eventually be fully restored to a healthy and invigorated condition. It would seem that prices had just about touched bottom, and that the livestock raiser might look forward to the future with more equanimity.

With cattle at their present prices, there were prospects of an increasing demand for the products derived from them and markets such as those on the Continent, which had appeared to be lost, were now showing a revival of interest. The company's farms carried some half million head of their own cattle, and they were probably the largest cattle-farming concern in the world.

In further remarks, the Chairman said that, with Mr Follett Holt, he was leaving shortly for South Africa, with the intention of inspecting the company's properties there. The report and accounts were unanimously adopted.

THE LONELY REEF GOLD MINING COMPANY, LIMITED.

SATISFACTORY RESULTS—SUCCESS OF NEW PLANT.

The twelfth ordinary general meeting of the Lonely Reef Gold Mining Company, Limited, was held on the 6th instant at Cannon street Hotel, London, Mr C. F. Rowsell (the chairman of the company) presiding.

The secretary (Mr A. D. Owen, F.C.I.S.) read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said that the total to the credit of the appropriation account was £202,449, as against £236,726 last year. They had paid two dividends, amounting to 30 per cent., as compared with 50 per cent. in the previous year, and the financial position of the company was quite satisfactory. An interim dividend of 15 per cent. was payable on July 14th next, and they hoped to be able to declare a final dividend for the current year on a higher scale, and that the total would therefore be higher than that for the past year.

With regard to the position at the mine, the immediate results of the recently installed suction gas plant showed that not only would it solve the great difficulty which the gradual exhaustion of the wood supplies was causing, but it would reduce the actual costs of supplying the power for the Lonely plant by upwards of £3,000 per month. The ore reserves at December 31, 1921, amounted to 204,294 tons, of an average value of 18.1 dwts, as against 202,845 tons of an average value of 20.8 dwts in 1920. The figures of progress during the year indicated very clearly that the mine was still in an excellent position, and that they might look forward to a long period of good results. They would not have incurred the heavy expenditure which they had on the power plant if Mr Kingston, the consulting engineer, had not held very strong views as to the profitable future of the mine.

A considerable reduction had already occurred in the working costs, and the saving on the new plant was equal to about 10 per cent. dividend on the capital of the company. Shareholders must not overlook the fact, however, that they were met with a continuous fall in the value of gold, but he was hopeful that that would be more than counterbalanced by further reductions in working costs.

The output of the mine to date was 597,706 tons of ore milled and £2,466,572 worth of gold recovered. Dividends equal to 33½ per cent. of the issued capital had been paid.

The report and accounts were unanimously adopted. The retiring directors and auditors were re-elected, and a vote of thanks to the chairman and staff in South Africa concluded the business.

GOVERNMENT RETURNS.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments in Foreign Exchange.	Advances to		Redemption Account.					
			Bankers.	Savings Banks.	Gold and Coin in Circulation.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.	Balance at Bank of England.
1914.	21,535	6,302	3,810	18,500	..	481	9,924	11,423	9,286	11,423
Aug. 26.	38,478	169	600	28,500	..	276	54,621	20,536	20,536	20,536
Dec. 31.	103,125	729	159	249	28,500	..	190	118,102	6,868	6,868
1915.	150,144	2,430	64	40	28,500	..	134	186,637	5,486	5,486
Dec. 27.	212,782	8,554	39	675	28,500	..	89	305,133	4,566	4,566
1916.	323,241	15,529	..	570	28,500	..	91	337,537	2,802	2,802
Dec. 31.	356,152	17,182	250	245	28,500	..	117	331,660	305	305
1917.	357,356	16,700	..	190	28,500	..	130	336,504	134	134
Dec. 31.	367,626	16,962	..	..	28,500	..	139	311,334	141	141
1918.	343,826	15,599	3,000	28,500	19,450	..	148	287,750	150	150
June 29.	323,894	14,365	3,000	28,500	19,450	..	152	278,119	143	143
Sept. 28.	314,282	14,830	3,000	28,500	19,450	..	147	283,131	161	161
Dec. 28.	325,594	14,658	..	..	28,500	..	159	261,479	177	177
1919.	300,351	14,255	5,000	28,500	19,450	..	161	258,177	177	177
Mar. 30.	298,279	13,025	5,000	28,500	19,450	..	159	260,555	163	163
June 1.	301,429	13,239	6,000	..	..	..	..	..	..	..

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, and for 1922 at £309,988,400.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £50,000,000 in three months' Treasury Bills dated from Monday to Saturday, June 13-June 17, were opened on June 9 1922, and the total amount applied for was £76,795,000. Tenders for Monday to Friday bills at £99 8s 10d, about 7½ per cent., above in full. Saturday bills at £99 8s 3d and above in full. The average rate of discount for Treasury bills was £2 6s 9½d. The amounts allotted were as follows:—In bonds, £1,100,000; in bills at 3 months, £48,900,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills, Average Rate.	4½% Treasury Bonds, Average Price.
May 12.	45,000,000	87,140,000	2 6 8½	..
May 19.	45,000,000	88,445,000	2 7 2½	..
May 26.	(a) 50,000,000	(a) 79,255,000	2 5 3½	98 15 7-83
June 2.	(a) 50,000,000	(a) 67,630,000	2 7 8-9	98 13 8-4
June 9.	(a) 50,000,000	(a) 76,795,000	2 6 9-94	98 1 5-45

(a) Including Treasury Bonds.

Tenders will be received on Friday, June 16, 1922, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £50,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Total Issues out of the Exchequer to	Receipts.		Issues.	
			Week Ended June 3, 1922.	Week Ended June 4, 1921.	Week Ended June 3, 1922.	Week Ended June 4, 1921.
Balances in Exchequer on 1st April.	£	£	£	£	£	£
Bank of England ..	9,963,424	2,591,051	..	..	..	..
Bank of Ireland ..	1,210,106	483,455	..	..	..	..
REVENUE.	11,173,530	3,074,506	..	..	..	..
Customs ..	18,964,000	2,187,000	1,659,000	1,659,000	1,659,000	1,659,000
Excise ..	24,360,000	29,740,000	905,000	905,000	905,000	905,000
Motor Vehicle Duties ..	1,354,000	1,267,000	273,000	273,000	273,000	273,000
Stamp ..	10,671,000	7,850,000	580,000	580,000	580,000	580,000
Land Tax ..	2,092,000	1,624,000	123,000	123,000	123,000	123,000
Land Tax ..	430,000	350,000	20,000	20,000	20,000	20,000
Mineral Rights Duty ..	46,843,000	54,957,000	3,020,000	3,020,000	3,020,000	3,020,000
Property & Income Tax (including Super-Tax) ..	954,000	16,002,000	1,052,000	1,052,000	1,052,000	1,052,000
Excess Profits Duties, &c. ..	2,907,000	1,250,000	226,000	226,000	226,000	226,000
Corporation Profits Tax ..	8,750,000	7,500,000	1,250,000	1,250,000	1,250,000	1,250,000
Post Office ..	160,000	100,000	..	..	..	..
Crown Lands ..	472,106	612,050	128,582	128,582	128,582	128,582
Loans ..	7,332,971	4,499,590	101,092	101,092	101,092	101,092
Miscellaneous ..	10,276,475	10,457,330	1,349,155	1,349,155	1,349,155	1,349,155
Special Receipts ..	137,740,552	155,372,970	9,876,809	9,876,809	9,876,809	9,876,809
Revenue ..	148,914,082	158,447,476	..	..	..	..
Total, Inc. Balance ..	550,000	1,300,000	..	..	..	..
OTHER RECEIPTS.	..	..	..	..	..	..
Temporary Advances Repaid:—	..	..	..	..	..	..
Bullion ..	..	..	..	..	..	..
Money Raised by Creation of Debt:—	..	..	..	..	..	..
(a) For Capital Expenditure Issues:—	..	..	..	..	..	..
Under the Telegraph (Money) Act, 1920 and 1921 ..	..	..	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921 ..	1,450,000	..	240,000	..	..	..
(c) For other Issues:—	..	..	..	..	..	..
By Treasury Bills for Supply ..	536,180,000	905,366,000	57,831,000	57,831,000	57,831,000	57,831,000
By National Savings Certificates ..	25,380,000	6,030,000	450,000	450,000	450,000	450,000
By Treasury Bonds:—	..	..	..	..	..	..
5-15 year, 1920-25 ..	..	998,675	..	..	..	..
5% 1927 ..	..	121,708	..	..	..	..
5% 1932 ..	..	61,421,831	..	..	..	..
4½% 1932 ..	..	2,269,700	..	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919 ..	..	2,297,481	..	..	7,087	7,087
(d) Ways and Means Advances ..	148,320,000	197,485,000	17,750,000	17,750,000	44,450,000	44,450,000
Anglo-Persian Oil Company—	..	..	..	..	..	..
Dividends on Shares acquired ..	243,012	..	..	..	..	..
Repayments—	..	..	..	..	..	..
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921 ..	13,768	7,719	5,867	5,867	3,946	3,946
Do Issues under Section 59 (4) of the Finance Act, 1920 ..	265,460	56,500	..	..	..	..
Do Issues under Section 59 (5) of the Finance Act, 1920 ..	87,358	71,624	..	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920 ..	..	..	..	..	..	..
Total ..	925,216,919	1,272,060,475	88,423,376	88,423,376	141,876,324	141,876,324

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Total Receipts into the Exchequer from	Receipts.		Issues.	
			Week Ended June 3, 1922.	Week Ended June 4, 1921.	Week Ended June 3, 1922.	Week Ended June 4, 1921.
EXPENDITURE.	£	£	£	£	£	£
Permanent Charge of Debt ..	3,434,757	3,317,296	..	..	9,084	9,084
Interest, &c., on War Debt ..	88,327,823	98,996,074	39,840,883	39,840,883	43,988,038	43,988,038
Road Fund ..	633,000	693,000	..	..	300,000	300,000
Payments to Local Taxation Accounts, &c. ..	300,000	453,454	100,000	100,000	153,074	153,074
Payments to Northern Ireland Exchequer ..	410,000	468,879	..	..	20,132	20,132
Land Settlement ..	266,914	..	..	..	124,118	124,118
Other Consolidated Fund Services ..	300,876	313,342	21,400	21,400	..	..
Supply Services ..	58,073,000	119,127,400	8,652,500	8,652,500	19,565,500	19,565,500
Expenditure ..	151,746,376	223,336,445	48,634,915	48,634,915	64,139,814	64,139,814

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves exceed £13,000,000

Head Office:

62, OLD BROAD STREET, LONDON, E.C.2.

AFFILIATIONS:

THE BRITISH BANK OF SOUTH AMERICA, LTD., and THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

	Total Issues out of the Exchequer to meet Payments from		Issues	
	Apr. 1, 1922, to June 3, 1922.	Apr. 1, 1921, to June 4, 1921.	Week Ended June 3, 1922.	Week Ended June 4, 1921.
OTHER ISSUES.				
Temporary Advances—				
Bullion	..	1,300,000	..	150,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	84,909	84,909	..	..
Under the Unemployment Insurance Act, 1921	1,450,000	..	..	..
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Acts, 1920 and 1921	200,000	1,300,000	..	..
Under the Post Office (London) Railway Act, 1913	13,000	25,000	..	..
Under the Housing Act, 1914	..	25,000	..	..
Redemption of Unfunded Debt—				
Treasury Bills for Supply	622,320,000	852,304,000	33,175,000	63,580,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917	1,075,076	9,497,374	21,801	831,877
Issues under the War Loan Act, 1919, Sections 2 and 3, and the Finance Act, 1921, Section 45	3,303,000	..	3,303,000	..
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920	5,100,000	2,450,000	500,000	450,000
(b) Repaid otherwise	..	2,400,000	..	..
Principal of Exchequer Bonds paid off	19,486,605	..	250,000	..
5% 1922, £20,486,605; 10% paid off by the National Debt Commissioners, £1,000,000—£19,486,605.	..	..	..	..
Other Debt under the War Loan Act, 1914 to 1919	7,251,383	11,471,516	..	48,171
Ways and Means Advances Repaid	109,235,000	157,369,000	3,345,000	12,899,000
Depreciation Fund, under the Finance Act, 1917	399,521	5,320,044	..	660,022
Anglo-Persian Oil Company—issued under the Anglo-Persian Oil Company (Acquisition of Capital) Amendment Act, 1919	243,012	..	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	..	2,690,000	..	385,000
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	55,656	1,200	..	..
Balances in Exchequer—				
Bank of England	921,964,143	1,269,604,488	89,289,716	143,143,884
Bank of Ireland	2,030,810	2,014,042	60,683	85,068
Bank of Scotland	1,221,966	441,945	867,023	1,352,628
Total	3,352,776	2,455,987	806,340	1,287,560

Treasury, June 6, 1922.

Clerical, Medical & General

LIFE ASSURANCE SOCIETY.

Persons who effect Profit Policies before

THE 30th OF JUNE

will be entitled at the next Division to

A FULL FIVE YEARS' BONUS

The Society has never passed a Bonus.

Chief Office: 15, St. James's Square, London, S.W.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, June 7, 1922.

ISSUE DEPARTMENT.

£	£
Notes issued	145,510,935
Government debt	11,015,100
Other securities	7,434,900
Gold coin and bullion	127,060,935
	145,510,935

BANKING DEPARTMENT.

£	£
Capital	14,553,000
Reserve	3,190,983
Public deposits	15,541,214
Other deposits	125,938,176
Seven-day & other bills	17,552
	159,240,925
Government securities	61,137,484
Other securities	73,280,722
Notes	22,997,525
Gold and silver coin	1,825,194
	159,240,925

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Account.

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, June 7, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,190,983	+ 11,155	+ 25,153
Public deposits	15,541,214	+ 13,199,731	+ 2,117,648
Other deposits	125,938,176	+ 24,857,643	+ 7,348,785
Government securities	61,137,484	+ 13,139,571	+ 12,138,638
Other securities	73,280,722	+ 3,078,201	+ 3,628,944
Notes	22,997,525	+ 207,570	+ 6,283,300
Gold and silver coin	1,825,194	+ 5,120	+ 5,766,725
% of reserve to liabilities	17½	+ 18	+ 5½

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% Reserve to Liabilities.	Bank Rate.
1922.							
Mar. 15	128,775,441	121,758,195	134,549,144	127,267,680	25,467,240	18½	12½
22	128,779,763	121,704,445	142,190,053	134,862,288	25,525,318	18	12½
29	128,771,201	122,718,940	150,541,882	144,249,557	24,502,261	16½	12½
April 5	128,879,159	122,896,990	146,528,233	139,777,088	24,438,169	16½	12½
12	128,863,165	122,439,345	142,009,596	136,812,916	24,873,820	17½	12½
19	128,876,773	121,836,245	134,505,738	126,555,382	25,015,763	19	12½
26	128,872,818	121,307,055	134,366,840	125,995,611	25,015,763	19	12½
May 3	128,873,878	122,091,180	146,049,335	138,511,460	25,232,698	19	12½
10	128,887,539	121,591,685	142,438,187	134,402,217	25,746,264	19	12½
17	128,879,227	121,070,755	139,061,838	130,549,595	26,258,472	18½	12½
24	128,880,842	120,899,975	132,466,093	123,780,787	26,440,867	20	12½
31	128,881,009	122,715,860	130,221,478	123,356,836	24,615,149	18½	12½
June 7	128,886,129	122,513,410	141,479,390	134,418,206	24,822,719	17½	12½

TEN YEARS' RECORD.

At corresponding date with the present week.	June 5, 1912.	May 27, 1914.	June 8, 1920.	June 8, 1921.	June 7, 1922.
Circulation (excluding Bank post bills)	29,084,390	28,933,380	114,367,090	128,280,155	122,513,410
Public deposits	11,710,115	19,014,809	19,440,900	17,658,862	15,541,214
Other deposits	40,314,228	14,248,964	136,874,117	133,886,961	125,938,176
Government securities	14,155,013	11,046,570	74,499,429	73,276,122	61,137,484
Other securities	14,532,028	41,461,280	78,789,599	76,909,666	73,280,722
Reserve of notes and coin	30,051,028	25,463,980	20,789,599	18,539,419	24,822,719
Coin and bullion	40,685,464	35,947,360	116,706,689	128,369,554	128,886,129
Proportion of reserve to liabilities	48½	48½	13½	12½	17½
Bank rate of discount	5½	5½	7½	6½	12½
Market rate, 3 months' bills	2½	2½	6½	5½	12½
Price of Consols	76½	74½	46½	46½	55½
Price of silver per oz.	26½	26½	45½	34½	35½
Average price of wheat	36s 10d	35s 0d	72s 9d	89s 4d	55s 11d
Exchanges (Paris)	25:24:25	25:17:20	50:70:51	46:90:47	49:25:40
New York	84:48	84:48	83:91:4	83:75:82	84:49:50
Amsterdam	12:1½	12:05	10:75:35	11:30:35	11:49:63
Berlin	20:4	20:49	154:160	249:254	1260:1335
Clearing house return	364,970,000	199,913,000	749,802,000	645,763,000	615,576,000

BANKERS' CLEARING RETURNS.

Week Ending—	Town Clearing.	Country Clearing.	Total.
1922.			
January 1—May 31	15,358,550,000	1,199,891,000	16,558,441,000
June 7	564,411,000	51,265,000	615,676,000
Total to date 1922	15,922,961,000	1,244,086,000	17,167,047,000
Do 1921	14,115,937,000	1,431,234,000	15,547,171,000
Increase or decrease in 1922	+ 1,807,024,000	+ 187,148,000	+ 1,994,172,000
	12½	13½	10½
Total for 1921	31,928,380,000	3,002,179,000	34,930,559,000
Do 1920	34,946,683,000	4,072,220,000	39,018,903,000
Increase or decrease in 1921	- 3,018,303,000	- 1,070,041,000	- 4,088,344,000
	8½	26½	10½

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Inc. or Dec.
Aggregate Totals to June 3.			
BIRMINGHAM	61,272,000	49,263,000	- 12,009,000
BRISTOL	32,807,000	34,070,000	+ 1,263,000
DUBLIN	158,193,700	145,807,400	- 12,386,300
LIVERPOOL	24,835,100	24,844,800	+ 970
LONDON	17,381,100	17,946,400	+ 565,300
MANCHESTER	304,566,900	189,369,900	- 115,197,000
NEWCASTLE	332,222,700	328,772,800	- 3,449,900
NOTTINGHAM	46,400,700	42,228,500	- 4,172,200
Sheffield	16,383,900	14,948,300	- 1,435,600
GLASGOW	29,270,600	20,946,200	- 8,324,400

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

(000's omitted.)	June 2, 1922.	May 26, 1922.	May 19, 1921.	June 3, 1921.
RESOURCES.				
Total gold reserve	3,007,620	3,007,690	3,005,140	2,408,650
Legal tender notes and silver reserve	122,880	127,560	125,980	160,170
Other resources	471,490	487,240	468,700	1,926,230
Bills discounted for member banks	115,180	105,360	97,120	77,070
Bills bought in open market	68,420	59,210	594,980	266,430
Government obligations owned	58,740	68,560	68,040	49,040
All other resources	54,300	60,410	39,280	32,350
LIABILITIES.				
Government deposits	1,815,860	1,856,770	1,846,770	1,688,040
Other deposits	2,141,180	2,128,230	2,146,660	2,751,500
Federal Reserve Notes in actual circulation	70,550	71,700	72,470	143,490
Federal Reserve Bank Notes in actual circulation	320,130	320,090	320,050	304,250
All other liabilities	19,800	19,750	19,090	30,890
Capital and surplus	320,130	320,090	320,050	304,250
Ratio of total reserves to gross deposits	78.0%	77.5%	77.6%	57.4%
Federal Reserve note liabilities combined				

STATEMENT OF CANADIAN BANKS.

	Mar. 31, 1922.	Feb. 28, 1922.	Jan. 31, 1922.	Mar. 31, 1921.
ASSETS.				
Cash and bank balances	447,024,423	461,875,760	463,629,126	526,573,128
Bank balances abroad	64,314,091	68,442,770	61,286,489	98,846,776
Call and short loans	267,418,683	272,910,237	260,543,689	282,416,354
Securities	353,663,167	352,376,752	350,864,552	355,347,006
Loans in Canada	1,239,496,136	1,135,574,475	1,222,587,871	1,374,661,658
Loans abroad	151,968,504	155,706,861	148,733,717	164,093,930
Other assets	98,870,347	101,327,520	108,484,499	107,381,490
LIABILITIES.				
Note circulation	162,651,367	164,490,301	162,645,115	206,094,668
Deposits—				
Government	124,699,206	131,715,607	130,617,161	133,704,471
Public in Canada	1,714,428,675	1,719,428,675	1,720,381,570	1,880,079,859
Foreign	265,747,914	267,435,578	254,777,696	300,181,609
Bank balances—				
Canadian	8,838,369	10,545,429	11,362,901	13,073,490
Foreign	45,774,760	44,283,147	38,271,576	43,049,427
Other liabilities	23,560,772	23,125,034	31,440,615	43,381,320
Capital and surplus	2,546,212	2,519,063	2,118,167	2,985,695
Other liabilities	254,242,399	255,742,286	255,742,086	262,343,370

BANK OF FRANCE.

	June 8, 1922.	June 1, 1922.	May 26, 1922.	June 9, 1921.	Position May 28, 1914.
ASSETS.					
Gold coin and bullion	5,527,966	5,527,811	5,527,645	5,519,416	3,730,625
Of which held abroad	1,948,367	1,948,367	1,948,367	1,948,367	632,650
Silver coin and bullion	284,843	284,808	283,622	272,975	2,377,775
Discount and advances	4,493,731	4,741,249	4,568,089	4,904,090	
LIABILITIES.					
Notes	36,317,805	35,982,101	35,674,180	38,375,243	5,811,875
Government deposits	18,099	20,592	42,604	25,765	183,700
Private deposits	2,197,046	2,282,610	2,299,818	2,685,392	845,900

BANK OF NORWAY.

(000's omitted.)

Assets.	May 31, 1922.	May 22, 1922.	May 15, 1922.	May 31, 1921.	Position May 31, 1914.
Coin and bullion—Gold	147,292	147,292	147,292	147,292	44,224
Balance abroad and foreign bills	42,492	40,818	42,239	42,048	28,533
Norwegian & Foreign Government securities	9,835	9,835	9,835	9,095	8,816
Discounts and loans	446,396	440,845	443,014	427,420	76,911
LIABILITIES.					
Notes in circulation	375,152	366,656	371,572	416,184	113,484
Deposits at notice	151,658	152,439	150,803	105,490	7,188

New rules for issuing bank notes have been given by Statute of November 2, 1920. We are authoritatively informed that the right of issue of the Bank of Norway is calculated at an amount of 250 million crowns above the stock of gold and at present extraordinary additional amount of 50 million crowns from July 25, 1921, until further order.

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

IMPERIAL BANK OF INDIA.

(000's omitted.)

Assets.	May 12, 1922.	May 5, 1922.	April 28, 1922.	April 21, 1922.	April 14, 1922.
Govt. securities	8,396.61	9,115.52	8,622.70	8,543.34	8,729.25
Other securities	1,282.23	1,282.23	1,282.23	1,282.23	1,282.23
Loans	16,817.70	16,260.03	16,092.25	16,455.92	16,620.00
Cash credits	27,980.00	28,247.73	28,257.72	28,363.35	28,541.10
Inland bills	6,259.92	6,174.46	7,702.20	7,966.61	8,201.16
Foreign bills	4.28	4.47	4.01	2.48	2.61
Bullion	2,465.43	2,465.43	2,465.43	2,465.43	2,465.43
Dead stock	50.44	49.44	49.58	38.61	38.00
Sundries	10.55	9.74	9.01	11.90	7.44
With other banks	14,864.46	15,897.97	18,045.55	17,203.43	14,095.58
LIABILITIES.					
Subscribed capital	11,242.20	11,242.20	11,242.12	11,242.08	11,242.12
Capital paid up	5,621.30	5,621.30	5,621.28	5,621.27	5,621.28
Reserve	4,012.82	4,012.82	4,012.80	4,012.80	4,012.80
Public deposits	13,514.42	13,514.42	13,514.42	13,514.42	13,514.42
Other deposits	54,193.35	55,747.16	57,480.08	56,334.14	54,455.25
Loans against securities	31.74	32.26	32.53	32.60	32.60
Loans from Govt. of India			2,000.00	2,000.00	2,000.00
Sundries	1,226.63	1,119.79	1,095.59	1,020.90	942.23
The above includes—					
Deposits in London	74	75	70	70	70
Advances in London	279	280	286	286	285
Cash, &c., at other banks in London	65	58	53	70	43

NATIONAL BANK OF EGYPT.

(000's omitted.)

Assets.	Mar. 31, 1922.	Feb. 28, 1922.	Jan. 31, 1922.	Mar. 31, 1921.	Position May 31, 1914.
Gold	3,357	3,361	3,350	3,361	1,571
Government securities	39,434	38,928	40,032	39,291	2,404
LIABILITIES.					
Notes in circulation	51,112	52,529	53,899	54,186	2,400
Government deposits	3,598	2,881	2,520	2,658	2,315
Other deposits	11,431	12,228	12,616	13,832	2,680

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.

(000's omitted.)

Assets.	May 23, 1922.	May 15, 1922.	May 8, 1922.	May 25, 1921.	Position May 30, 1914.
Gold	42,625	42,625	42,625	42,626	35,091
Balance abroad and foreign bills	190,067	208,872	217,057	240,812	90,379
Finland and Foreign Government securities	768,528	768,533	768,542	1,075,078	81,826
Discounts and loans	742,307	742,169	747,883	297,682	105,151
LIABILITIES.					
Notes in circulation	1,369,819	1,387,806	1,405,572	1,385,289	123,941
Deposits at notice	136,859	147,813	144,826	193,160	21,225

BANK OF PORTUGAL.

(000's omitted.)

Assets.	Mar. 29, 1922.	Mar. 22, 1922.	Mar. 15, 1922.	Mar. 8, 1922.	Mar. 20, 1921.
Coin and bullion	37,182	37,157	37,241	37,175	27,599
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	2,024	1,788	2,535	3,612	7,205
Discounts	151,280	150,120	149,576	145,982	123,034
Government loans	620,099	620,099	620,099	620,099	588,111
LIABILITIES.					
Notes in circulation	757,833	748,907	749,522	751,571	634,859
Deposits	56,405	55,779	51,917	45,435	55,803

NATIONAL BANK OF BULGARIA.

(000's omitted.)

Assets.	Feb. 28, 1922.	Jan. 31, 1922.	Dec. 31, 1921.	Nov. 30, 1921.	Oct. 31, 1921.	Sept. 30, 1921.
Gold	38,101	38,044	38,006	37,953	37,891	37,883
Silver	20,252	20,583	20,866	21,081	21,415	21,910
Treasury notes	107,613	111,535	117,032	119,355	158,135	161,327
Bills discounted	17,292	9,041	10,427	9,330	8,128	5,656
LIABILITIES.						
Notes in circulation	3,602,489	3,587,627	3,615,440	3,629,035	3,517,516	3,414,597
Deposits	1,325,322	1,442,811	1,277,157	1,159,580	1,129,340	1,241,428

POLISH NATIONAL BANK.

(000's omitted.)

Assets.	May 20, 1922.	May 10, 1922.	April 30, 1922.	April 20, 1922.	April 10, 1922.
Gold	28,879	29,649	29,495	29,265	29,000
Silver	43,916	43,875	43,875	43,880	43,880
Foreign coin	159,222	146,302	146,090	155,954	153,300
Foreign banks	1,362,263	640,820	662,006	489,984	1,243,800
Advances to the Govt.	217,000,000	220,000,000	220,000,000	220,000,000	106,625,000
Private loans and discounts	58,746,277	56,227,569	54,733,501	53,235,491	5,921,400
LIABILITIES.					
Notes in circulation	267,036,561	266,547,602	260,553,764	265,543,087	86,755,300
Deposits	53,636,427	54,503,177	55,201,567	57,365,461	25,724,900

THE STATE SAVINGS AND CREDIT BANK OF LATVIA.

Assets.	March 31, 1922.	February 28, 1922.	January 31, 1922.	December 31, 1921.
Total cash	103,071,127	78,431,115	93,893,005	113,677,630
Foreign bank	189,191,494	212,765,009	290,561,915	328,184,387
Discounts and loans	404,266,363	385,359,428	225,721,257	108,268,974
Other assets	62,275,936	44,125,688	46,829,823	213,786,954
LIABILITIES.				
Capital	304,929,087	300,000,000	300,000,000	300,000,000
Reserve	397,584,249	355,455,466	212,602,160	233,317,483
Other liabilities	56,293,584	65,226,284	...	230,600,468

BANK OF ESTHONIA.

(000's omitted.)

Assets.	April 30, 1922.	March 31, 1922.	Dec. 31, 1921.
Gold and foreign coin	192,212	234,419	81,944
Total cash	291,096	286,518	158,657
Foreign bank	869,984	576,026	207,555
Discounts and loans	2,305,864	2,070,598	1,399,774
Other assets	250,000	250,000	250,000
LIABILITIES.			
Capital paid up	37,771	10,674	10,674
Reserve	700,000	700,000	350,000
Notes in circulation	2,621,064	2,053,964	1,103,883

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

Assets.	May 23, 1922.	May 15, 1922.	May 7, 1922.	April 30, 1922.	May 23, 1921.
Gold	10,096,710	10,096,710	10,096,710	10,096,710	9,528,245
Discounts and advances	2,446,613	2,452,035	2,484,189	2,537,965	3,124,713
Gold, silver, foreign bills and balance abroad	1,151,057	897,262	971,406	1,072,421	1,627,988
Other assets	572,938	551,922	557,203	682,355	1,627,988
LIABILITIES.					
State notes in circulation	9,297,042	9,488,437	9,784,170	10,075,757	10,517,574
Deposits	2,393,586	1,981,680	1,975,264	1,875,117	1,637,031
Other liabilities	2,736,690	2,365,810	2,350,074	2,438,598	2,126,281

* Resulting from bank notes, current accounts, Exchequer bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENES.

(000's omitted.)

Assets.	May 22, 1922.	May 15, 1922.	May 8, 1922.	April 30, 1922.	May 22, 1921.
Gold	63,614	69,374	70,377	70,376	64,383
Other coin and notes	16,992	17,052	17,270	17,189	21,812
Foreign credits	289,145	280,834	282,802	313,489	343,716
Bills	855,135	857,894	874,313	886,364	185,658
Govt. advances	4,498,257	4,418,533	4,418,533	4,418,533	3,764,266
LIABILITIES.					
Notes in circulation	4,730,496	4,773,748	4,846,498	4,815,489	3,657,112
State credits	333,982	334,282	334,282	334,282	374,807
Deposits	679,025	525,663	502,336	367,331	374,434

LONDON RATES.

	June 9, 1922.	June 8, 1922.	June 7, 1922.	June 6, 1922.	June 5, 1922.	June 4, 1922.	June 3, 1922.	June 2, 1922.	June 1, 1922.
Bank rate (reduced from 4½ Apr. 13, 1922)	4	4	4	4	4	4	4	4	4
Market rates of discount—									
60 days' bankers' drafts	2½	2½	2½	2½	2½	2½	2½	2½	2½
3 months' do.	2½	2½	2½	2½	2½	2½	2½	2½	2½
6 months' do.	2½	2½	2½	2½	2½	2½	2½	2½	2½
LIABILITIES.									
3 months' (Treasury Bills)	2½	2½	2½	2½	2½	2½	2½	2½	2½
Loans—Day to day	2½	2½	2½	2½	2½	2½	2½	2½	2½
Short	2½	2½	2½	2½	2½	2½	2½	2½	2½
Deposit allowances: Banks	2½	2½	2½	2½	2½	2½	2½	2½	2½
Discount houses at call	2½	2½	2½	2½	2½	2½	2½	2½	2½
At notice	2½	2½	2½	2½	2½	2½	2½	2½	2½

† Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

Previous weeks:—								
	Short Loans.	Bank Bills.			Trade Bills.			
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.	
1922.	%	%	%	%	%	%	%	
Mar. 24.....	3	3½	3½	3½	4	4½	4½	
31.....	3	3½	3½	3½	4	4½	4½	
April 7.....	2½	2½	2½	2½	4	4½	4½	
12.....	2½	2½	2½	2½	4	4½	4½	
21.....	2½	2½	2½	2½	4	4½	4½	
28.....	2½	2½	2½	2½	4	4½	4½	
May 5.....	2½	2½	2½	2½	4	4½	4½	
12.....	2½	2½	2½	2½	4	4½	4½	
19.....	2½	2½	2½	2½	4	4½	4½	
26.....	2½	2½	2½	2½	4	4½	4½	
June 2.....	2½	2½	2½	2½	4	4½	4½	
9.....	2½	2½	2½	2½	4	4½	4½	

OVERSEAS BANK RATES.

	Bank Rate	Bank Rate
Amsterdam	July 1, 1915 .. 2	Nov. 4, 1920 .. 2
Athens	May 15, 1920 .. 6	Mar. 11, 1922 .. 6
Berlin	Dec. 23, 1914 .. 5	Apr. 27, 1922 .. 5
Bombay	May 19, 1921 .. 5	May 11, 1922 .. 5
Bucharest	Sept. 4, 1920 .. 6	June 14, 1921 .. 6
Calcutta	May 1, 1922 .. 6	Mar. 10, 1922 .. 6
Christiansburg	June 1, 1922 .. 5	Mar. 2, 1922 .. 5
Copenhagen	Apr. 25, 1922 .. 5	Nov. 18, 1921 .. 5
Helsingfors	Nov. 8, 1920 .. 7	Nov. 29, 1921 .. 7
Lisbon	Sept. 3, 1920 .. 7	Sept. 1, 1921 .. 7
New York Federal Reserve	Nov. 3, 1921 .. 4½	Sept. 1, 1921 .. 4½
Madrid	Nov. 4, 1920 .. 2	Mar. 11, 1922 .. 2
Paris	Apr. 27, 1922 .. 5	May 11, 1922 .. 5
Rome	May 11, 1922 .. 5	June 14, 1921 .. 5
Soerabaya	June 14, 1921 .. 5	Mar. 10, 1922 .. 5
Stockholm	June 1, 1922 .. 5	Mar. 2, 1922 .. 5
Swiss Bank	Mar. 2, 1922 .. 5	Nov. 18, 1921 .. 5

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Week Ended June 4, 1922.			Aggregate 22 Weeks 1922.		
	Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Re- ceipts.
Beecon and Merthyr.....	60	1,119	5,399	4,518	21,214	81,235
Great Central (c).....	6702	59,600	119,300	178,900	992,800	2,928,900
Do Joint Lines.....	1612	..	..	37,700	..	726,800
Great Eastern (c).....	1,207	136,600	80,700	217,300	2,219,400	4,356,300
Great Northern (c).....	1,050	128,400	127,600	256,000	1,964,800	3,230,600
Great Western (d).....	3,535	330,000	428,000	758,000	5,630,000	8,269,000
London & N. Western (d).....	2,633	482,000	388,000	870,800	7,211,000	9,543,000
Lon. & South-Western (d).....	968	164,000	62,200	226,700	2,610,400	1,317,900
Lon. Brighton & S.O. (c).....	487	115,225	28,186	141,411	1,828,123	623,549
Metropolitan (c).....	423	1,233	2,105	3,338	24,857	40,152
Midland (c).....	1,584	222,000	288,000	510,000	3,571,000	7,307,000
Midland & N.W. Jnc.....	63	1,904	1,458	3,352	26,643	30,152
North-Eastern (c).....	1,850	153,200	223,500	376,500	2,546,600	4,404,400
North London.....	16	4,748	9,412	14,150	106,556	224,119
South-E. & Chatham (c).....	654	169,600	41,500	211,100	2,558,500	933,300
Underground E.R. (c).....	..	..	..	4,813	..	4,860,981
Lon. & Sub. Group (c).....	..	..	..	57,591	..	301,309
..	..	..	..	2,165	..	92,308
Caledonian.....	1,097	74,000	95,500	169,500	1,385,500	2,193,300
Glasgow and S.W. (c).....	476	34,800	34,200	69,000	586,100	809,400
Gt. N. of Scotland (c).....	3362	9,330	9,340	18,670	175,210	221,530
Highland (c).....	492 (a)	10,327	8,761	19,088	207,952	230,716
North British (c).....	1,376	68,000	108,700	176,700	1,256,800	2,643,800
Belfast and County Down (b).....	80	5,167	1,154	6,321	98,787	31,742
Dublin and S. East (b).....	160	7,422	3,752	11,174	113,745	81,743
Midland Gt. West. (b).....	538	8,831	16,829	25,660	..	554,925

(a) Including 10 miles temporarily closed. (b) Week ended June 2, 1922.
(c) Week ended June 3, 1922. (d) Including receipts from Amalgamated Lines.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922.	+ or -	1922.	+ or -
INDIAN.							
Assam Bengal	4 weeks	Apr. 29	993	2,32,654	+ 36,950	9,50,782	+ 1,75,634
Bani Lal R.F.	6 weeks	May 13	118	30,300	+ 15,100	2,37,500	+ 109,000
Bombay & N. Western	5 weeks	6,267	6,61,040	+ 72,165	30,56,330	+ 34,019	
Bombay Nagpur	5 weeks	6,267	1,343,000	+ 57,000	71,51,000	+ 5,13,110	
Bombay, Bar. & O.L.	9 weeks	June 3	2,871	24,29,000	+ 3,00,000	2,20,91,000	+ 24,41,000
Burma	4 weeks	Apr. 29	1,342	8,47,761	+ 1,58,589	33,18,010	+ 4,46,611
Delhi, Umballa & Kalka	9 weeks	June 3	239	90,000		2,59,83,000	+ 16,42,000
East Indian	9 weeks	3,772	29,95,000	+ 1,12,000	2,44,77,900	+ 16,98,113	
East India Peninsula	8 weeks	May 27	2,721	15,00,000	+ 1,31,400	74,75,000	+ 8,75,890
Madras & Mahr.	6 weeks	6,228	15,00,000	+ 1,31,400	32,24,934	+ 37,500	
North India & Kashmir	5 weeks	6,259	71,530	+ 380	3,93,984	+ 20,369	
Do Lucknow-Brelly	5 weeks	6,302	94,089	+ 4,838	3,93,984	+ 7,70,386	
South Indian	6 weeks	13,182	9,41,999	+ 1,36,170	56,68,000	+ 3,21,720	
Shim. Punjab (month)	3 mths.	Mar. 31	717	8,05,149	+ 8,444	31,05,853	+ 3,21,720
Argentina (a).							
Argentina N.E.	48 weeks	June 3	752	10,700	+ 3,300	515,000	+ 56,700
Argentina Trans.	48 weeks	3,111	2,200	+ 1,208	1,111,185	+ 20,436	
B. A. & G. Pacific	3,542	145,000	+ 21,000	6,986,000	+ 655,000		
B. A. & G. Southern	3,947	154,000	+ 28,000	2,016,000	+ 632,000		
B. A. & W.	3,182	74,000	+ 4,000	3,845,000	+ 2,000		
B. A. & W.	22,000	+ 22,000	821,000	+ 346,000			
Buenos Ayres Cent.	10 mths.	Apr. 30	190	41,816	+ 943	55,238	+ 8,129
Central Argentina	48 weeks	June 3	3,306	182,000	+ 7,000	8,748,000	+ 270,000
Cordoba Central	48 weeks	3,105	56,500	+ 11,800	2,397,000	+ 170,900	
Entre Rios	48 weeks	3,811	16,350	+ 3,300	908,100	+ 208,500	
Brazilian (b).							
Brazil G. Southern G.	4 mths.	Apr. 30	1,005	10,600	+ 500	305,200	+ 27,000
G. West. of Brazil.	22 weeks	June 3	1,831	24,647	+ 11,270	575,395	+ 141,310
Leopoldina	22 weeks	4,153	36,521	+ 3,858	630,993	+ 30,870	
State of Bahia, S.W.	1 mth.	May 31	62	Ms 68,500	+ 27,000	68,000	+ 27,000
Chile and Peru.							
Antofagasta	22 weeks	June 4	838	20,820	+ 5,070	407,590	+ 188,185
Arauco	1 mth.	Mar. 30	644	12,000	+ 500	..	..
Nitrato (2 weeks)	20 weeks	May 31	566	13,050	+ 8,150	1,066,720	+ 148,730
Peruvian Corp.	11 mths.	Apr. 31	1,059	81,342,500	+ 105,760	14,136,830	+ 1,066,720
Talca	10 mths.	Apr. 30	172	(b) 6,750	+ 6,360	91,622	+ 164,978
Cuban.							
Cuba Railroad	8 mths.	Feb. 28	Gross	\$1,102,974	- 500,572	7,020,807	- 1,580,221
Havana Central	48 weeks	June 3	Net	\$474,495	+ 18,378	1,412,662	+ 3,404,329
United of Havana	48 weeks	3,120	9,257	+ 5,051	526,081	+ 20,451	
Uruguay.	48 weeks	3,120	54,919	+ 59,785	3,675,831	+ 242,367	
Central Uruguay	48 weeks	3,973	26,570	+ 508	1,229,825	+ 37,473	
C. Urug. (East Ext.)	48 weeks	3,111	6,145	+ 920	252,377	+ 24,155	
C. Urug. (North Ext.)	48 weeks	3,185	2,927	+ 611	131,384	+ 8,339	
C. Urug. (West Ext.)	48 weeks	3,811	2,084	+ 232	121,388	+ 36,535	
Midland Uruguay	11 mths.	May 31	919	12,553	+ 1,954	64,467	+ 2,415
North-West Uruguay	10 mths.	Apr. 30	113	3,181	+ 662	22,893	+ 772
Uruguay North	11 mths.	May 31	73	2,181	+ 662	22,893	+ 772
Other Foreign.							
Algeria and Gambia	22 weeks	June 3	33	Pa 15,000	+ 5,500	425,800	+ 66,900
Bilbao	5 mths.	May 31	15	1,116	+ 778	7,053	+ 3,882
Bolivar	5 mths.	31	136	7,800	+ 3,989	49,134	+ 1,124
Colombian Nat. Ry.	10 mths.	Oct. 31	86	17,240	+ 1,340	193,931	+ 3,531
Costa Rica	9 mths.	Mar. 31	190	32,243	+ 413	185,860	+ 49,381
Dorado Extension	4 mths.	Apr. 30	70	8,750	+ 9,750	37,750	+ 35,000
Dorado Popoy. Ext.	4 mths.	30	45	4,000	+ 250	17,500	+ 2,500
Florida & Cuba	21 weeks	May 27	559	9,017	+ 1,591	96,187	+ 5,882
G. Southern of Spain	21 weeks	May 27	124	Pa 97,797	+ 71,293	1,682,185	+ 474,011
International of	Gross		83,070			318,376	+ 3,049
Central America	4 mths.	Apr. 30	Net	34,146	+ 1,094	153,666	+ 56
La Guaira & Caracas	15 mths.	May 31	233	8,300	+ 370	49,470	+ 640
Mexican Railway	21 weeks	31	403	\$436,200	+ 26,000	6,166,700	+ 681,500
Do	4 mths.	Apr. 30	403	\$1259,000	+ 238,900	4,932,200	+ 597,200
Do	4 mths.	Apr. 30	Net	\$340,000	+ 274,300	1,077,800	+ 261,300
Do	3 mths.	Mar. 31	11,054	2,202	29,700	9,135	
Osman Railway	1 week	May 27	193	6,203		185,470	+ 43,780
Paraguay Central	47 weeks	Feb. 27	874	33,310	+ 850	16,390,765	+ 5,999,660
Puerto Rico, So.	3 mths.	Feb. 27	27	4,313	+ 414,841	18,500	+ 18,500
Puerto Cabello, So.	4 mths.	Apr. 30	35	4,500	+ 620	18,500	+ 18,500
Salvador	48 weeks	June 3	100	2,404	+ 450	167,893	+ 10,342
Sancti Fe Province	1 mth.	Apr. 30	..	121,792	+ 9,767	..	..
Samana & Santiago	5 mths.	May 31	..	15,090	+ 2,367	37,320	+ 6,890
Santa Fe and Huevia	4 mths.	Apr. 30	112	(a) 12,508	+ 5,021	46,263	+ 12,508

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distrib- ution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward	Net Profit.	Divid- end.
					Prefee.	Ordinary.					
					Amount.	Amount.	Rate.				
Breweries.											
Halifax Breweries	Mar. 31	Dr 6,046	Dr £ 431	Dr £ 6,477	£	£	%	£	£	£	%
Financial, Land, &c.											
Forestal Land, Timber, &c.	Dec. 31	113,303	Dr 378,686	Dr 260,383	111,951	..	..	..	Dr 6,477	Dr 858	..
South Australian Land Mortgage..	Dec. 31	6,238	5,831	12,069	..	10,433	7½	Dr 500,000	127,666	560,261	12
Gas.											
Malta and Mediterranean	Mar. 31	214	17,109	17,323	3,450	4,504	6½	..	1,636	14,763	7½
Plymouth and Stonehouse	Mar. 31	17,913	18,218	36,131	..	10,682	..	5,870	3,499	2,006	..
Hotels and Restaurants.											
Spa Hotel (Strathpeffer)	Oct. 31	Dr 8,247	Dr 1,884	Dr 4,627	..	..	..	..	25,449	7,643	3½
Iron, Coal, and Steel.											
Ransomes, Sims, and Jefferies ..	Mar. 31	40,811	3,997	44,808	2,750	..	..	..	Dr 4,627	115	..
Nitrate.											
Santa Rita	Dec. 31	20,076	17,621	37,697	..	15,000	15	..	42,058	15,458	..
Simo	Dec. 31	5,749	6,646	12,395	..	3,146	10	1,000	22,697	37,891	25
Rubber, &c.											
Bukit Sembawang	Dec. 31	57,574	Dr 22,838	34,736	..	..	..	..	8,249	Dr 1,257	..
Ceylon Estates Investment	Mar. 31	Dr 89	5,618	5,529	..	2,953	15	2,000	34,736	14,297	..
Djember	Dec. 31	21,441	15	21,456	..	..	..	..	576	Dr 1,220	..
Sialang	Jan. 31	33,427	2,328	35,755	..	..	..	..	21,456	2,209	..
Sungei Kapar	Dec. 31	16,046	Dr 6,419	9,628	..	..	..	..	35,755	..	..
Sungei Krian	Dec. 31	21,566	648	22,214	9,840	..	..	..	9,628	7,596	..
Tangga Batu	Dec. 31	3,195	Dr 2,299	896	..	..	..	..	12,374	4,111	..
Shops and Stores.											
Albert Baker and Co.	Mar. 31	40,291	34,630	74,921	..	25,000	12½	35,576	896	Dr 456	..
Tea.											
Alliance of Ceylon	Dec. 31	19,631	14,650	34,281	..	15,000	20	2,566	14,345	36,411	10
Imperial Ceylon	Dec. 31	Dr 16,803	15,296	Dr 1,508	..	..	..	..	16,716	Dr 8,834	..
Telegraphs, &c.											
Automatic Telephone	Dec. 31	6,861	16,452	23,313	12,000	..	..	7,000	Dr 1,508	Dr 26,428	..
International Automatic Tele- phone	Dec. 31	634	11,791	12,425	11,782	..	..	..	4,313	12,520	..
Textiles.											
Anglo-French Textile	Dec. 31	3,684	66,819	70,503	2,773	22,655	30½	41,092	643	11,770	..
Waterworks.											
Rickmansworth and Uxbridge Valley	Mar. 31	152	14,716	14,868	2,410	8,128	5½	..	3,983	38,686	30½
Other Companies.											
Brownlee and Co.	Mar. 31	7,921	81,552	89,473	3,500	31,495	10½	40,000	4,330	9,802	5
Holbrook's	Mar. 31	17,953	41,393	59,346	2,450	35,000	17½	11,393	14,478	11,542	5½
Inglis and Co.	April 29	9,866	32,012	41,878	1,901	19,218	15	21,896	11,542	39,907	15½
John Shields and Co.	Dec. 31	4,433	3,238	7,671	5,000	..	..	3,366	21,896	31,997	15
Joseph Burton and Sons	April 8	11,216	17,536	28,752	9,875	2,500	5	2,500	2,671	5,361	5
Meters	Mar. 31	6,874	28,973	35,847	7,216	13,362	8½	5,695	13,877	27,414	8½
North British Cold Storage	Apr. 30	10,611	6,029	16,640	..	3,165	15	5,000	9,574	4,969	10
Virol	Mar. 31	28,475	36,067	64,542	8,156	13,126	17½	10,000	8,475	9,469	10
Whiteaway, Laidlaw, and Co.	Feb. 28	147,237	Dr 97,567	49,670	41,500	29,469	5	Dr 21,299	33,260	31,976	15
										193,029	12½

† Free of tax.

† Free of tax.

Adriatic, while to Continent 15 cents per 100 lbs is the nearest indicated, 23 cents three ports Denmark, and full cargoes of flour to Black Sea ports 32 cents. Similar cargoes from American Northern Range can be worked at 13½ cents Continent, 22½ cents Denmark, and 20 cents West Italy per 100 lbs. Gulf of Mexico to Continent August paid 19 cents one, 20 cents two ports of discharge. North Pacific steady at 40s ton wheat to U.K./Continent September. Eastern markets dull, and rates largely nominal. Bombay at 17s 3d on dead weight. Australia indicates 40s for vessels of 7,000 tons to U.K./Continent. Danube shows some inquiry, and rates about 17s 9d for grain to U.K./Continent prompt loading. South African maize August-September indicates 25s maize August-September loading.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

	1921-1922.	1920-1921.	1919-1920.	1918-1919.
Estimated sales of home-grown wheat—				
1 week to June 3	Cwts. 170,943	Cwts. 181,609	Cwts. 14,227	Cwts. 849,590
23 weeks to June 3	15,327,486	11,834,776	10,619,584	12,147,163
Average price of English wheat per quarter—	s d	s d	s d	s d
— per cwt.	55 11	89 4	72 9	73 2
	13 0½	20 1	16 11	17 0

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1918 to 1921:—

	QUANTITIES SOLD.			AVERAGE PRICES.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1922.						
May 27	grs bsh 48,013	grs bsh 5,183	grs bsh 12,488	s d 56 3	s d 40 1	s d 32 11
June 3	35,886	4,152	8,744	55 11	41 4	33 7
1921.						
May 27	24,432	5,325	1,235	53 11	38 2	45 5
June 3	52,235	5,199	6,765	73 4	32 6	47 10
1920.						
May 27	16,219	1,434	2,562	72 9	30 8	63 4
June 3	42,375	7,054	10,784	89 4	43 4	39 0

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated June 8th, is as follows:—Pig-iron: There has been practically no business on account of the holidays, but with good prospects of an early settlement of the engineering dispute, there is a rather better demand for pig-iron. Prices are as follows:—No. 3 Cleveland G.M.B. pig-iron, 90s per ton; East Coast mixed numbers hematite, 95s per ton. Manufactured iron and steel: Works generally have been laid off during the holidays. Steel ship plates, home, £10 10s; steel ship angles, home, £10; iron bars, home, £12; steel rails, home, £9 10s net. Iron ore: The present output of hematite pig-iron being very restricted, it would only take a moderate demand to ensure more furnaces restarting. Iron ore stocks suffice for immediate requirements only. Best Bilbao Rubio, 27s per ton, sellers.

Our Glasgow correspondent (writing on Thursday) says:—A comparatively good business has been transacted in Scotch pig-iron this week, yet, taken all over, the tone has not been as firm as was the case last week. There have been numerous inquiries about, however, chiefly from South American markets, but operators have not been seeing eye to eye as to prices, which buyers regard as rather to the high side. Sellers (producers) are still asking 98s 6d for No. 1 and 93s 6d for No. 3, both on trucks at works. Buyers but holders declined to yield, being induced thereto by the fact that the Continental conditions were given as harder, Germany especially demand than has been the experience for months, and that both on passing on local order, while there is somewhat of a lull in deliveries to the Far East. In the last day or two inquiries from Australia, New Zealand, and South Africa have shown signs of expansion. A revival in inquiry and orders for tubes (for ship-ment), bolts, nuts, &c., is in evidence. Consumers here and on the Continent continue to pick up all the scrap iron and steel moving about. Heavy smelting steel brings from 60s to 62s 6d a ton, de-

livered at works. Bar (malleable) iron producers are experiencing a lot of broken time, but several of the larger firms forecast an improvement after the midsummer holidays in July. Trading in coal has come to a practical deadlock. Demand for smalls, for shipment to the Continent, is abnormally active, but no production is mixed—large and small—the one can't be raised without the other. As there is no inquiry for rounds to speak of, their output has to be stocked, which the owners cannot afford to do indefinitely, and in the circumstances have had to close down numerous workings, to the loss of both small and large assortments. Consequently, exports are suffering. There are 71 steamers—21 at Clyde ports and 50 at Forth ports—waiting their turn for cargoes.

Our Sheffield correspondent writes:—As the end of the engineering dispute is now in sight, traders are more hopeful of a revival of business, and next week there should be a resumption of activity at many of the iron and steel works. The outlook is still black for some branches, while others have a fairly substantial accumulation of orders to start upon. The electric and motor industries have good prospects, and both are large consumers of steel. The dispute has seriously shaken the finances of many large firms who previously were finding it extremely difficult to meet their obligations, and this problem is still causing no little anxiety. Owing to the closing down of so many open hearth furnaces, Sheffield has bought no hematite iron for a long time, while deliveries have been suspended, consequently the hematite trade is extremely depressed. As there are no stocks in consumers' hands, however, a change for the better at any time is favourable. Makers of raw materials are by no means disposed to sell forward at the current prices. These are now at a low level, and if demand develops they are likely to stiffen. Latest reports show that a good proportion of the 47 unions are at work again, but the services of the rest cannot be utilised until the skilled A.E.U. men return. Moderate business is reported in edge and joiners' tools, mining tools, and electroplated goods. Prices of all kinds of castings used in building construction have again been reduced by 10 per cent. In finished steel goods generally there has been a steady deflation of prices for a long period, and there is severe competition for the limited trade offering. Some of these prices now approximate the pre-war standard. The sale of steam coal for inland consumption has been meagre during the last two months, and as a consequence prices are easier, although the market has been kept up by the large exports to Germany and Belgium. Good steam coal can now be bought at 20s and 21s at the pits. Business in house coal is extremely depressed. Blast furnace coke is being offered at 17s, or 18s below the official price.

Our Cardiff correspondent writes:—The three days' official holiday in the coalfield has had no hardening effect on prices. In view of the lower rate of wages in the coalfield the miners' leaders had contemplated a restriction of the holidays to one day, but the miners are entitled under the wages agreement to three days' holiday at Whitsun, and the leaders eventually decided to take the three days in the hope that a restriction of the output would have the effect of improving prices. The holidays have not had that effect. When the coal market reopened on Wednesday there was very little inquiry, and for spot positions the prices of best Admiralty large coals receded by about 6d per ton. The easiness of the market is not reflected in the returns of coal shipments, for in the week ending June and the quantity of coal exported to foreign destinations was only slightly below the record for any week since the war. The explanation of this circumstance is to be found in the fact that employment was regular, and outputs were within 10 per cent. of the pre-war average weekly rate of production. The miners are threatening drastic steps to force up prices if wages are not immediately improved. While these notes are being written the employers are considering the recommendation of the Commercial Committee of the Monmouthshire and South Wales Coalowners' Association that some action be taken to counteract the present falling tendency of values, but from inquiries which I have made I am persuaded that no drastic step will be taken either to regulate outputs or to fix a minimum schedule of prices. Colliery opinion is too strongly opposed to the adoption of either of these expedients; if anything is done it will take the form of consultations between salesmen with a view to the avoidance of underselling. It may be of interest to indicate the course of prices realised at the pit head since the resumption of work last July. In that month the average price realised was 29s; by December it had dropped to 19s 4d. In January there was a slight improvement to an average price of 20s 1d, but there was a relapse in February to 18s 8d. The March price was 18s 6d, and the April price 18s 7d. The latter price showed a loss of 2d per ton on the whole of the output, the costs being distributed in the proportion of 11s 4d per ton for labour, and 7s 5d per ton for other costs. In January there was a profit of 2d per ton, in February a loss of 1d per ton, in March a profit of 10d per ton, and, as already stated, a loss of 2d per ton in April. Up to date the total amount surrendered by the owners out of the profits provided for under the agreement of last June in order to pay the miners their minimum wage has exceeded £1,600,000.

The current market prices are: Best Admiralty, large, 27s; seconds, 26s to 26s 6d; best drys, 26s to 26s 6d; black veins, 27s to 27s 6d; Western Valleys, 26s to 26s 6d; Eastern Valleys, 25s 6d to 26s 6d; best bunker smalls, 18s to 19s; ordinary cargo smalls, 17s to 18s. Coke was easier at 22s 6d for export, but unchanged at 23s 6d to 25s for inland blast furnace consumption. Pitwood was firmer at 31s 6d to 32s.

The undertone in the iron and steel trade, and particularly in the tinplate market, is slightly improved, but on the average there is a marginal loss on production, and the employers this week have refused applications for increases ranging from 10 per cent. to 25 per cent. on the current wages.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—It is somewhat difficult to form a correct idea of the market to-day. There has been a poor attendance on 'Change, and there is certainly less doing in tops, though whether this is due to the holiday disturbance or whether it is caused by the reports of easier prices in the Colonies remains to be seen. It seems certain from the cabled reports that topmaking wools are cheaper in Australia, and it may be taken for granted that little business will be attempted here until values have again been tested in London at the auctions, which open on Tuesday. Some members of the trade expect a slight decline in merinos, but everything will depend on the nature of the foreign demand. In the meantime, buyers are adopting a policy of caution, and there is not enough new business going through to test the market. Generally speaking, topmakers' quotations show little change from those of a week ago, but it is reported that concessions have been obtained in some cases, and, except where firms are heavily booked forward, it is possible that real business would make an impression on quoted prices. So much has been done during the past few weeks, however, that both buyers and sellers are now in a position to take things easy and let the market find its own level. The yarn trade remains healthy, and a fair amount of business is being done, especially in fine counts. Prices are firm at about last week's rates, but there is some irregularity in quotations owing to some firms being in a stronger position than others. Steady progress is being made in the piece-goods section, but it is difficult to do much on the current basis of prices. The outlook for the English new clip is considered good. The finest wools are expected to sell well, but there may be some difficulty in disposing of the deep, strong classes.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

For once let us deal with South African wools. A very healthy business is passing, and, as far as one can see, the outlook favours a continuance of about to-day's prices. It does seem strange that very different conditions should obtain in South African to what are seen in Australian wools. The end of April saw a finish in the marketing of 12 months' grown Capes, and no more will be available at the different selling centres throughout South Africa until the end of next September. The shorter wools, say six to eight months' growth, which are now being marketed, do not suit Bradford topmakers at all, being too short in staple. It is high time that South African wool growers adopted Australian methods by shearing once in twelve months, and the increased use of Australian blood would often give an inch longer staple, which in turn would result in better prices being paid.

South African wools are a very useful commodity. They are much sought after if they have plenty of staple, but to-day there is a marked absence of this wool on the market suitable for topmaking,

GOLD and SILVER in ONTARIO

Gold mining is developing rapidly in the Province of Ontario, Canada. In 1921 the gold output was \$14,702,268. In 1922 it will probably be 18 or 20 million dollars.

The two chief camps are Porcupine and Kirkland Lake. Hollinger Consolidated, at Porcupine, is one of the great gold mines of the world; at present its production is about \$1,000,000 per month. Among other mines of this group are McIntyre and Dome, each with an output of more than 2 millions yearly.

At Kirkland Lake, the Lake Shore, Wright-Hargreaves, Teck-Hughes, and Kirkland Lake mines are the present producers.

Matatchewan, Larder Lake, West Shining Tree, Goudreau, Schreiber are other localities where gold has been discovered, and mines are being developed.

The silver mines of the Cobalt area are world-famous. Discovered in 1903 their yield up to the end of 1920 was 323 million ounces. Nipissing mine in 1921 yielded 3,012,614 ounces, O'Brien 1,408,890 ounces, Coniagas 1,301,860 ounces.

The pre-Cambrian rocks, in which the gold and silver and other minerals are found, extend over most of Northern Ontario, comprising many thousands of square miles. The greater part of this territory is unprospected.

The climate is invigorating, there is plenty of wood, water and labour. There are no mountains, and the prospector can go almost anywhere in his canoe. The mining laws are liberal. Ontario mining taxes are on net profits only, the rate being three per cent.

Magnificent specimens of gold and silver ores are now on view at the office of Mr. Wm. C. Noxon, Agent-General for Ontario, 163, Strand, London, W.C.2, where descriptive booklets, maps, and other information may be had.

THE HON. H. MILLS,
Minister of Mines,
Toronto, Ontario, Canada.

THOS. W. GIBSON,
Deputy Minister of Mines.

**DRINK AND ENJOY
LIPTON'S TEA**
The Finest the World Produces

MONEY was in keen demand in the early part of the week, owing to small maturities of Treasury bills and withdrawals for the embellishment of weekly bank statements, and discount rates hardened on this influence, and that of the approach of the end of the half-year. On Thursday morning $2\frac{1}{2}$ per cent. was quoted for all dates, when the reduction of Bank rate to $3\frac{1}{2}$ per cent. changed the atmosphere of the market. There was some doubt as to

the action of the banks with regard to deposit rates, but they decided to follow the official lead, and the discount houses did likewise, whereupon the market rate of discount became a very nominal $2\frac{1}{2}$ per cent. Yesterday, when the result of the Treasury Bill tenders was known, the market rate became more nominal than ever at $2\frac{1}{8}$ per cent. For Bank rate to come down when the open market showed signs of hardening caused some surprise, but the movement was technically justified by the improved figures of the Bank return, and has long been, in the opinion of many, overdue. A further decline to 3 per cent. is now generally anticipated, and the gossips were eagerly discussing the question whether the official cheapening of money was merely intended to assist the placing of the Indian loan, or is designed to promote a funding operation.

	June 17, 1922.	June 10, 1922.	June 3, 1922.	May 26, 1922.	Previous Rate and Date Changed.
Bank Rate	$3\frac{1}{2}$	4	4	4	4 (June 15, '22)
Banks Deposit Rate	$1\frac{1}{2}$	2	2	2	2 (June 15, '22)
Discount / Call	$1\frac{1}{2}$	2	2	2	2 (June 15, '22)
Houses (Notice)	$1\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$ (June 15, '22)
Market rate (3 mths' bills) ..	$2\frac{1}{8}$	$2\frac{1}{8}$	$2\frac{1}{8}$	$2\frac{1}{8}$	..

The Bank return was favourable. A decline of £556,000 in the note circulation—in spite of the transfer of £100,000 to the currency note reserve—and a decrease of £2,000 in the stock of gold left the Reserve £554,000 higher. Government securities had been reduced by 14½ millions, but the Public deposits were nevertheless 2 millions higher. These movements left the Private deposits 15½ millions lower. There was a reduction of £2,205,800 to £299,222,200 in currency notes outstanding on June 8th, which includes £1,611,600 for notes called in, but not yet cancelled. The fiduciary issue is £249,560,000, or £60,428,400 below the maximum. The Bank of England notes in the Redemption Account have been increased £100,000 to £19,550,000.

The monthly statement of average weekly balances of the London Clearing Banks, printed in full in a later column, shows that for May deposits were some £8 millions higher than in the previous month. The aggregate figures for the nine English banks are given below:—

(Million £'s.)

	March, 1921.	June, 1921.	Dec., 1921.	March, 1922.	April, 1922.	May, 1922.
Capital and reserves	115.6	115.9	115.9	115.9	115.9	115.9
Acceptances	69.4	57.7	65.3	57.1	56.7	57.0
Deposits (incl. undiv. profits, &c.) ..	1,715.0	1,768.4	1,818.6	1,746.9	1,737.1	1,745.3
Total liabilities	1,900.0	1,942.0	1,999.8	1,919.9	1,909.7	1,918.2
Coin, notes, balance at bank, and cheques in course of collection ..	244.8	265.1	273.5	245.8	253.3	250.5
Money at call	82.6	98.0	105.7	107.5	107.3	109.0
Investments	336.1	335.9	343.3	332.7	402.3	415.7
Discounts	282.1	346.2	424.3	350.5	319.8	325.1
Loans and advances	862.6	815.4	762.3	746.2	745.2	735.7
Cover for accept., premises, &c.	91.8	81.4	90.7	82.2	81.8	82.2
Total assets	1,900.0	1,942.0	1,999.8	1,919.9	1,909.7	1,918.2

The decline in advances has continued, but the reduction in discounts has been checked, and there is a further substantial increase in investments.

THE STOCK MARKETS.

The second settlement since the outbreak of war was even smaller in volume than the first, and business during the week has been small, thanks to the uncertainty of the international situation, while the unexpected announcement of an Indian Government loan for £12½ millions caused further depression in the Consol market. The reduction in Bank rate to $3\frac{1}{2}$ per cent., and the accompanying decline in bankers' deposit rate to $1\frac{1}{2}$ per cent., served to check the downward movement, and on Thursday and Friday gilt-edged stocks and Home Rails, which had been steadily falling, showed some recovery. In the foreign market, French bonds are better, and Germans

improved. Home Rails rallied at the end of the week after their sharp reaction, but movements in the Miscellaneous section have been irregular, and many of the new issues stand at a substantial discount. Iron and steel shares have improved slightly on the termination of the engineers' lock-out, but there has been little business. Kaffirs benefited from buying from the Cape, but other mining markets have been dull.

COMMODITY MARKETS.

Markets generally are in an uncertain mood, as no one seems quite certain whether the trade recovery has really started or not. Fully middling American raw cotton has now risen to 12.80d per lb, but spinners and manufacturers are finding it somewhat difficult to book orders with material at this figure. While no real weakness has developed in wool values, there is an easier tendency noticeable in prices, but there is little in the present situation to indicate that the movement in this direction will continue. Only a gradual improvement is expected in the pig-iron market, and there is little doing at present, prices remaining unchanged. In manufactured iron and steel a reduction of 10s per ton in the price of plates, angles, and sections has been made, which it is hoped may stimulate business. Conditions in the Welsh steam coal market are still unstable, and prices have fallen further, best Admiralty being sold at 26s per ton. In the wheat markets prices were from 6d to 9d higher, but the demand was quiet. An all round weakness in the markets for vegetable oils and oilseeds is recorded by our correspondent. Hide prices were slightly easier at the Bermondsey auctions, but it is thought that leather values are not sufficiently stable to encourage buyers. Shoe manufacturers are reported busy. Further details of markets from our special trade correspondents will be found on later pages.

FOREIGN EXCHANGE.

The foreign exchanges were seriously disturbed at the beginning of the week by the news of the failure of the Bankers' Conference to agree to the proposed loan to Germany. Naturally the incidence of this was felt primarily by the mark, which fell to 1.455 on Monday, and the French and Belgian franc, which reached 51.05 and 54.05 respectively on Tuesday, the Italian lire on the same day falling to 90. Some recovery has taken place on the announcement of the determination of Germany to meet the reparation instalment of 50,000,000 gold marks, French francs moving yesterday from 50.97 to 50.85, Belgian from 54.35 to 54.20. Sympathetically, the dollar also showed the expected appreciation, and on Wednesday reached 4.46, the lowest quotation since the 2nd inst. Since then, however, a slight reaction has set in, the quotation for sterling now being 4.47½, but merchants with autumn requirements in view are beginning to wonder whether the "peak" of this year's appreciation has not now been reached and passed. The volume of new foreign issues of capital in New York, though decreased, does not appear yet to be over, and should have a spasmodic strengthening effect from time to time, while any definitely favourable development in the Reparations situation would, if only on account of its unexpectedness, have an almost disproportionately favourable effect on quotations. Amongst European exchanges not already mentioned must be noted the further heavy depreciation in the Austrian krone to 102,000/105,000 on the 13th inst., but the speculators in Vienna would appear to have overdone things, and the announcement of a proposal to establish a new Bank of Issue has helped to bring down quotations, which have now reacted to approximately 80,000. However, Austria's financial plight, as indicated by the last Bank statement, is such that it is impossible to look for any permanent improvement in her exchange until some workable scheme of financial reconstruction has taken definite shape. The Polish rate has depreciated to 19,000, owing to the political crisis which has developed, and the fear that Budget expectations will not be realised. Balkan currencies are without special feature, while among Scandinavians,

Copenhagen has risen to 20.58, and Christiania to 26.18, but Stockholm crowns are steady, at round about 17.26, and Finnish marks at 208½. Guilders show little movement at 11.49, and Madrid is easier, at 28.40. Bombay and Calcutta have eased slightly to 1s 3½d-½d, but the other Eastern exchanges remain steady to firm, and the same applies to the South American currencies.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended June 10, 1922:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	9,803	Supply Services	8,030
Amount borrowed	308	Interest on Debt	3,833
		Sundries	941
		Added to Exchequer balances ..	147
	10,111		10,111

The total revenue for week ended June 10, 1922, at £9,803,427, compares with £12,190,781 in the corresponding week last year, while expenditure, at £9,963,833, compares with £14,909,023. Customs yielded £2,416,000, as compared with £2,818,000 12 months ago; Excise £1,300,000, as compared with £1,495,000; Estate, &c., duties £1,200,000, as against £863,000; and Property and Income-tax £2,273,000, as against £1,954,000. Ordinary Receipts under Miscellaneous produced £200,163, in comparison with £1,326,882, while Special Receipts, at £471,264, compare with £1,436,437 a year ago.

The week's operations increased the National Debt by the sum of £307,700, and caused the following changes:—

	Min. £		Min. £
Public Department Advances ..	+ 1,250	Bank of England Advances ..	- 9,000
4½% Treasury Bonds	+ 1,974	Issues under War Loan Act ..	- 500
Treasury Bills	+ 6,574		- 9,500
	+ 9,808		

The Floating Debt was reduced by £1,174,000 during the week, and now stands at £981,181,500.

FINANCIAL YEAR, 1922-23 (April 1 to June 10, 1922).

	£		£
Total spent	161,710,209	Raised by revenue ..	147,543,979
Dec. in balances	7,773,460	Net borrowings	6,392,770
Total	153,936,749	Total	153,936,749

ESTIMATES for YEAR 1922-23.

	£		£
Ordinary Expenditure	823,846,000	Ordinary Receipts ..	820,775,000
Special Expenditure	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000
		Surplus	706,000

NATIONAL DEBT.

(Million £.)

	Apr. 1, 1914.	Mar. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.	June 10, 1922.
Funded Debt	588	312	313	315	315	315	315	315	315
Term Annuities	30	22	22	20	19	18	17	17	17
4½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	14	13	13	13	13	13	13	13
National War Bonds	2,081	4,068	2,047	2,040	1,995	1,956	1,943	1,942	1,942
4½% War Bonds	649	1,636	1,509	1,476	1,413	1,201	1,201	1,201	1,201
4½% Funding Loan	..	..	409	409	405	405	405	405	405
4½% Victory Bonds	..	..	360	357	348	346	346	346	346
5½% Conversion Loan	..	..	..	..	23	24	24	24	24
5½% Treasury Bonds	..	..	..	..	..	273	380	380	380
5½% Treasury Bonds	..	..	..	..	..	..	40	40	40
Do by tender	15	961	957	1,107	1,107	1,121	1,060	882	802
Treasury Bills	80	332	384	323	319	289	218	194	174
Exchequer Bonds	138	227	267	274	285	294	324	324	324
Natal Savings Certs.	23	23	23	23	23	23	23	23	23
War Expend. Certs.	944	1,841	1,306	1,181	1,132	1,097	1,090	1,083	1,083
Other Debt	51	51	51	51	51	51	51	51	51
American Loan	204	465	243	243	243	243	243	243	243
Temporary Advances	..	..	..	..	..	..	..	..	..
Other Capital Liabilities	654	5,872	7,435	8,033	7,829	7,574	7,748	7,658	7,663
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,799	7,708	7,713

POSITION of THE FLOATING DEBT.

	Out June 11, '21.	Mar. 31, '22.	June 10, '22.	Week ended June 10, '22.
Temporary Advances	5,500,000	5,500,000	5,500,000	9,000,000
Standing	35,500,000	35,500,000	35,500,000	1,260,000
Advances by Bank of England	140,395,000	147,301,500	173,146,500	1,260,000
Advances by Public Departments	1,195,412,000	882,219,000	802,535,000	6,566,000
Treasury Bills outstanding	1,372,307,000	1,029,520,500	981,181,500	1,174,000
Total Floating Debt	1,372,307,000	1,029,520,500	981,181,500	1,174,000

MR D. C. LATHBURY.

We regret to announce the death, in his 93rd year, of Mr D. C. Lathbury, who from 1878 to 1881 was joint editor of the *Economist* with Sir R. H. Inglis-Palgrave, and after 1881 was a regular contributor for many years.

THE BANKERS' PRONOUNCEMENT.

For the present, at any rate, the Bankers' Committee appointed by the Reparations Commission have failed to fulfil the highest hopes that were built upon them, but their report is a notable landmark in the tangled history of this baffling question and puts the issues upon a new and more realistic plane. The Committee were invited to consider and report on the conditions under which the German Government could raise foreign loans to be applied to the redemption in part of the capital of its reparation debt, "regard being had to its obligations under the Treaty of Versailles, and in particular under the schedule of payments of May 5, 1921." They were to consider in particular the terms of the loan and the amount which might be made available in each of the next two years; "the security which could be made available for potential lenders without undue prejudice to the future interest of Reparation"; and the method of control of assigned assets and the relations of the representatives of the lenders to the German Government and to the Reparations Commission.

All the world now knows—as, indeed, the Reparations Commission no doubt foresaw would be the case—that as soon as they came to grips with the problem the bankers on the Committee unanimously agreed that they could hold out no prospect of an external loan unless the total German bill was reduced, and they therefore asked the Commission the vital question: Whether they were at liberty to consider the possibilities which would arise from a modification in the London schedule? The reply of the Commission giving them a free hand was unfortunately not concurred in by the French delegate—which could only mean that though France is anxious to convert her claims into cash, she is not yet ready to modify her demands for the sake of ready money unless at the same time the inter-Allied debt question is settled. In so far as this last point really decided the attitude of France, it will command general support; but the fact that Germany's chief creditor was not willing that the scaling down of obligations should commence with the German payments led the Committee to the regrettable but sound conclusion that they could not profitably continue their work. The statement in which they give their reasons is a cogent and frank pronouncement of such authority—it is signed by financiers who speak the mind of the financial world of America, England and Holland, no less than of Belgium and Italy—that all further discussion of the subject will start from a new basis.

The Committee did not imply directly or indirectly that reparations ought to be reduced, but they clearly state that in the opinion of some of them a substantial loan could be floated if and only if the payments are reduced. Any figure they would have mentioned in this connection "would have necessarily represented an opinion not as to the probable maximum capacity of Germany, but as to the sums which the lending public of the world, forming its judgment amid all the perplexities of the present situation, would confidently believe to be well within Germany's capacity. Payments even so cautiously estimated would still be very considerable." So long as no modifications were made in this sense, the general credit of Germany could not be restored, since the potential lenders obviously feel that the enforcement of claims beyond the capacity and intention of Germany to pay might produce a collapse leading to social upheaval, and that in such a case even security such as Customs would become worthless; further, the investor, notably in the United States and Great Britain, would not be attracted by an arrangement which he did not regard as a permanent settlement, or one which held out a reasonable prospect of checking the deteriora-

This question of the frontier between Yugoslavia and Roumania was largely responsible for the failure of the Central European States at Paris in 1919. Instead of appearing as Allies by first settling their own differences

INDIAN GOLD MINES.

THE average annual output of gold from the mines of India was before the war not far short of 600,000 ounces, or approximately 3 per cent. of the world's total production. The bulk of this was mined by five companies, the Balaghat, Champion, Mysore, Nundydroog, and Ooregum. Since 1914 the output has been steadily dwindling, and by 1921 it had fallen to 390,848 ounces, as against 442,472 in the previous year. The accounts of the Champion Reef having been made up to December 31st, the same date as those of the other producing companies of the "Taylor" group in the Kolar field, it comes about, for the first time on record, that all the annual reports have been issued, and the meetings held in the spring. Those of the Balaghat were the last of the series. The publicity given to the affairs of these companies has been such as to induce purchases of the shares on the part of investors attracted by the dividends. It will therefore be useful to review the results of the past year, and to consider the prospects for the current period. The shareholders in three of the companies—the Champion Reef, Balaghat, and Nundydroog—not long ago had the unpleasant experience of getting a notice of reconstruction, with an assessment, very shortly after the receipt of a dividend; the one which may be considered the leader of the group—the Mysore—doubled its issued capital, while the Ooregum has forced its output—in each case to provide for the development and equipment of the mine at greater depth.

The Champion Reef statement—covering only three months—showed a working surplus of £7,000, as against £66,600 for the twelve months ended September 30th, 1920. At the date of the balance-sheet, the cash assets exceeded the liabilities by £105,000, and 5s apiece remained to be called up on 490,900 shares, representing a further £122,700. The ore reserve estimate of 221,950 tons showed a moderate reduction, compared with that of September, 1920, due to the concentration of underground work upon the provision of additional ventilation facilities; the tonnage was equivalent to about 1½ years' supply for the mill. Recent developments have not been particularly good, but encouragement is derived from the results in the adjoining Ooregum mine. Last year the Nundydroog treated rather more material than in 1920, but owing to the decline in average yield, coupled with the shrinkage in the gold premium, the revenue showed a decline. Dividends totalled 15 per cent., the same as for the two preceding years. The performance of an increased amount of development only expanded the ore reserves by 9,400 tons to 175,200 tons, also about 1½ years' supply.

The results for 1921 of the Mysore Company were affected by the same factors as those of the Nundydroog; in addition, a reduced tonnage was crushed. Thus the working profit came out £75,600 down at £207,800. The directors, however, maintained the dividend at the enhanced level of 25 per cent., taxation and depreciation allowances absorbing considerably less than before. At the date of the balance-sheet the company had net liquid assets to the tune of over half a million sterling. The ore reserve estimate of 837,000 tons—a small decrease, despite the performance of a largely increased development footage—equals about four years' work for the mill at the 1921 rate—202,300 tons, the lowest for many years. With both the Balaghat and Ooregum companies the capital includes preference shares entitled to an initial 10 per cent., and to participate in surplus profits *pro rata* with the ordinary. The first-named company in 1921 earned somewhat more than in the fourteen months ended December 31st, 1920; dividends on the preference shares were rather less, and on the ordinary rather more than before. Underground operations being restricted by the intersection of a watercourse at the 4,000 ft level, the ore reserves declined to 80,300 tons, or about two years' supply. The Ooregum last year treated a slightly increased tonnage of higher grade ore, securing thereby the record output of 101,600 ounces of fine gold. Dividends, however, remained at the rate paid for the two preceding years, amortizations being on a more liberal scale than before—indeed, as already mentioned, the output was really forced for the purpose of meeting

expenditure in connection with the sinking of a new circular shaft. Ore reserves were fairly well maintained at 422,650 tons, sufficient to keep the mill going for about 3½ years. The balance-sheet showed a strong financial position.

Appended is a statement of the dividends and yields on the different shares:—

Share.	Approx. Price, 28th May.	Dividend.	Yield.
Balaghat, Preference.....	13/ ..	22½ ..	17 ..
Do Ordinary.....	8/ ..	12½ ..	15½ ..
Mysore	12/6 ..	25 ..	20 ..
Nundydroog	9/ ..	15 ..	17 ..
Ooregum, Preferred	22/ ..	32½ ..	14½ ..
Do Ordinary.....	14/6 ..	22½ ..	15½ ..

The table given above shows highly attractive yields on the basis of last year's dividends. The crucial question, of course, is: Will they be maintained? There can be little doubt as to the answer. The Mysore Company last year averaged £5 5s 8d per ounce for its gold, or fully 13s above the current price. The difference would wipe out more than one-third of the profit. With the other companies the position, of course, is more or less the same. Below are set out the number of ounces recovered last year, the working profit, and the amount by which it would be reduced by a decline of 13s per ounce in the price of gold:—

	Gold. Ozs.	Profit. £	Difference in Gold. £
Balaghat	28,840	36,500	18,700
Mysore	129,700	207,800	84,300
Nundydroog	63,000	105,400	40,950
Ooregum	101,600	246,400	66,040

There are naturally certain small points of difference in the circumstances of the different companies, but the foregoing figures will enable conclusions to be formed as to the extent to which they will respectively be affected by the decline in the currency price of gold.

OVERSEAS TRADE IN MAY.

A SUMMARY of the official returns of overseas trade in May and the first five months reads as follows:—

MONTH of MAY.

	1921.	1922.	Increase or Decrease in May, 1922.
Imports	£ 86,275,239	£ 88,814,459	+ 2,539,220
British exports	£ 43,088,418	£ 58,045,353	+ 14,956,935
Re-exports	£ 7,231,836	£ 8,964,899	+ 1,733,063
Total exports	£ 50,320,254	£ 67,010,252	+ 16,689,998
Excess of imports over total exports	£ 35,954,985	£ 21,804,207	- 14,150,778

FIVE MONTHS ENDED MAY 31.

	1921.	1922.	Increase or Decrease in 1922.
Imports	£ 483,720,255	£ 403,042,217	- 80,678,038
British exports	£ 330,742,789	£ 299,615,854	- 31,126,935
Re-exports	£ 42,602,925	£ 46,951,311	+ 4,348,386
Total exports	£ 373,345,714	£ 346,567,165	- 26,778,549
Excess of imports over total exports	£ 110,374,541	£ 56,475,052	- 53,899,489

The only really significant point that emerges from these comparisons is the decline in the import balance as compared with last year. In spite of the fact that last month's import excess was more than double the average of the four preceding months, the total balance for the year to date is little more than half that recorded in the corresponding period of 1921. This movement must be counted as one among the influences that have led to the appreciation of sterling exchange. But in other respects the comparison with last year is of little service, because a year ago the great coal strike was crippling the country's export trade. Nor is the comparison of value figures with those of 1920 of more service, owing to the enormous change in values that the past two years have seen. The most instructive comparison, perhaps, is that obtained by placing May figures beside the average monthly figure of the first four months of the year. From various cate-

gories of import and export trade this method of comparison yields the following results:—

	May, 1922.		Average Monthly Figure for Period January 1 to April 30, 1922.	
	Imports. Million £.	Exports. Million £.	Imports. Million £.	Exports. Million £.
Food, drink, and tobacco	43.1	3.0	37.9	3.0
Raw materials and articles mainly unmanufactured.....	25.4	8.8	22.1	7.4
Articles wholly or mainly manufactured	20.2	45.1	18.4	49.0
Total (including Parcel Post)	88.8	58.0	78.6	60.4

At first sight the figures are discouraging, exports of manufactures in May being well below the average of preceding months. But cuts in prices of manufactured goods during the period must be taken into account, and actually the value of manufactured goods exported in May showed a slight advance on the April figure. Of more significance, perhaps, is evidence of heavier imports of raw materials, to which cotton and wool contribute largely. This suggests anticipation by manufacturers of increased demand for their products. Bullion and specie exports exceeded imports both in May and the five months, the figures being, for May, imports £4.3 millions, exports £4.5 millions, and for the five months, imports £15.8 millions, and exports £18.6 millions. The five months' gold and silver exports to U.S.A. were only £4.4 millions, against £23.6 millions in the same period of 1921.

One of the most encouraging figures in the official returns relates to shipping engaged in overseas trade. Tonnage cleared from our ports with cargoes in May and the five months were 5,104,340 and 21,907,286, compared with 2,934,644 and 15,157,843 in the corresponding periods of 1920. This information is supplemented by figures of coastwise shipping by months from January to April, which have been issued by the Ministry of Transport. These also indicate improvement on a year ago, the velocity of which was progressive in the first quarter, and naturally took a big jump in April, since the comparison with April, 1921, is vitiated by the coal stoppage. The improvement in coastwise shipping figures is due largely to greater coal movements. This, too, accounts mainly for an enormous increase in the tonnage of exports in March from the principal ports of the United Kingdom as compared with March, 1921. Official figures show that the tonnage of exports from the ten principal ports of Great Britain in March, 1922, were 4.3 million tons, against 2 million tons in March, 1921, and that about 80 per cent. of this increase comes under the heading of Cardiff, Newport, Swansea, the Tyne, and Glasgow. In our trade section on a later page will be found, as usual, a comparison of import and export value figures in May and the first five months of this year and last, under a large number of classifications.

Notes of the Week.

The Irish Constitution and Elections.—The constitution of the Irish Free State was issued to the Press on Thursday night, and therefore was in the hands of the electors of Southern Ireland before they recorded their votes at the general election, which began yesterday. To pass judgment upon this historical document without careful study is obviously impossible, and for the moment the public must accept the assurance which Mr Churchill gave to the House of Commons on Thursday, that the Constitution is in accordance with the Treaty. Mr Churchill and his advisors have had the opportunity for full consideration of the document, and this assurance may be welcomed as removing one of the most serious fears that have been entertained with regard to the Irish position. Unfortunately, other serious fears remain. The basis of the Collins-De Valera pact was such as to make the upshot of the elections, and the composition of the Free State

Government, subjects of grave anxiety. Mr Churchill has thought it desirable to postpone his statement on Ireland until next week. Public opinion will do well to follow his example, to accept with a sigh of relief his assurance that the Constitution is in proper form, and to temper inevitable anxiety with the hope that the election results may be such as to assure that a Constitution in conformity with the Treaty is put into force. Ireland for the moment is traversing a plank over the chasm that separates disaster from the beginning of pacification and well-being. Until the traverse has been accomplished, or has failed, a suspension of comment and criticism is the most helpful attitude for the English spectator.

Railways and Road Transport.—The public will not be greatly perturbed over the withdrawal of the London and North-Western Railway Company's Road Powers Bill, for while on balance the pros and cons are slightly in favour of the contention of the railway companies, there is a general feeling that it would be good for the companies to spend a year or two putting their own house in order and improving the efficiency and economy of post-war rail transport before they embark on this new venture. But there are grounds for serious criticism of the way in which the Bill has been torpedoed by the Ministry of Transport at the eleventh hour, after much time and money has been spent on its progress through the House, and of the arguments with which Sir George Beharell gave the *coup de grace*. The argument that the Bill, as drafted, did not sufficiently localise the activities of the different companies, and "might easily lead to wasteful competition through overlapping," is not a vital point for, if considered to be a real danger, it could have been dealt with in the Bill. The proposed agreement between the companies and the motor manufacturing companies not to buy second-hand vehicles also leaves us unmoved, for the Government can hardly frame its policy on a matter of permanent importance on the fact that it has at the moment some vehicles for sale. The vital issue is, however, the question of rates, and on this point the Government argument is worth studying. The railways believe that in order to remain the leading transport agency of the country they must enlarge enormously the amount of road carriage they are at present doing. They are prepared for their rates to be subject to control which would prevent temporary rate-cutting for the purpose of killing competition and then raising rates again; but they wish these rates to be in many cases less than the rail rates, presumably because they are satisfied that such rates will be remunerative and will develop traffic. But the Government is afraid that this will divert traffic from the rail to the road. This, in Sir George Beharell's view, might prejudice the fantastic principle of standard revenue, which he described as "the principal object of the Railways Act of last year." In certain cases the traffic managers are satisfied that goods can be carried by road cheaper than by rail, and in order not to be left out in the cold, the railways want a share of this traffic. The Ministry is willing that they may make a bid for such business, provided they charge the full railway rates, i.e., the very rates which are being undercut by rival road hauliers, which, as Euclid would have said, is absurd. Indeed, the whole controversy illustrates the impossibility of reconciling the economic problems arising out of rapidly developing methods of transport with the theory that you can for ever ensure a fixed return on the capital invested in any one form of transportation.

The Engineers' Ballot.—The most cheerful news of the week is the result of the engineers' ballot on the modified terms put forward by the employers. The members of the Amalgamated Engineering Union voted for acceptance by a majority of 36,055, the figures being 75,478 against 39,423. This practically marks the long overdue conclusion of one of the most unfortunate and futile industrial disputes of modern times. We use the word futile advisedly, for two reasons. In the first place the employers have won a Pyrrhic victory on a formula which, if it is interpreted in a spirit that clashes with the men's determination to have a voice in settling their working conditions, will certainly be repudiated. Secondly, long

months which have been devoted to quarrelling over a formula, should have been spent in discussing reduction of wages—a matter in which the engineering industry is lagging far behind other industries, and also far behind the economic necessities of the time. One union, the Boilermakers' Society, has not come into line. But as regards the industry as a whole, a fairly general and fairly prompt resumption of work is regarded as probable.

Summer Time.—The Home Secretary seems fated to flout public opinion. In suspending the death sentence on Ronald True he has been the unfortunate victim of a foolish inconsistency in the law on the one hand and of a newspaper ramp pandering to a sensation-loving public on the other. But in proposing to reduce the period of daylight saving in the permanent Act now before the House he is guilty of a great error of judgment. The introduction of daylight saving has been an exceedingly beneficent measure, which has greatly added to the health and facilities for recreation of the town population and encouraged allotments and gardens. Against this is to be set some inconvenience to a portion of the agricultural workers who have to rise in spring and autumn before daylight. Mr Shortt now therefore proposes that winter hours should apply in the greater part of April and September. But these are precisely the months when the additional hour of daylight in the evening is of special value to the city worker in his garden, on the playing field, or on holiday, and we sincerely hope that in this matter the House will not allow the interests of the great majority to be overruled by those of a clamorous minority.

Cotton Trade Hours and Production.—A Manchester correspondent writes:—This week the eleventh congress of the International Federation of Master Cotton Spinners' and Manufacturers' Associations has been held at Stockholm. The congress has been attended by over 200 delegates, representing 20 countries. The chief subject for discussion was the effect on mill production of the 48-hour week, and papers were read by three English delegates and leading employers from France and Italy. In a paper prepared by Mr Harold Cliff, the Secretary of the Oldham Master Cotton Spinners' Association, it was stated that the working hours in the English cotton spinning and manufacturing industry were fixed at 48 per week by agreement between the employers' associations and the operatives' trade unions, the reduced hours coming into operation in the middle of July, 1919. From 1902 to 1919 the Factory Acts restricted the hours of labour of women, young persons, and children to 55½ hours per week. It was pointed out that for the industry to swallow a reduction of 7½ hours per week, or 13.5 per cent., at one gulp, without producing sooner or later distressing and even painful symptoms, could not be expected. Mr Cliff presented some figures to show the actual effect of the change in this country from 55½ to 48 hours per week on the production of yarn. Owners of mills in the Oldham area, which contain more than one-third of the total spindles of Great Britain, were requested to furnish information. Particulars were also obtained from the Rochdale area. Dealing with 166 mule spinning mills in Oldham and Rochdale, it was found that in June, 1919, the average number of hanks of yarn per spindle per week produced were 22,389, whilst in July of that year, when the 48 hour per week had come into operation, the output was only 19,732 hanks, showing a reduction of 11.86 per cent. In dealing with 60 ring spinning mills in Oldham and Rochdale, the statistics show that the decline in production was 10.25 per cent. The figures given show the comparison between the period immediately before the change of the working week from 55½ hours to 48 hours and the period immediately after. During both periods the mills were neither efficiently nor fully staffed. The process of recovery from the war in both directions was rapidly proceeding. According to further statistics obtained, the average yarn output of Oldham and Rochdale mule spinning mills in 1914 for 55½ hours was 24,513 hanks per spindle per week, but by 1922 for a production of 48 hours the output had fallen to 20,212 hanks, showing a reduction of 17.54 per cent. With regard to ring spinning mills in

the same areas, the output in 1914 for 55½ hours was 35,111 hanks per spindle per week, whilst according to particulars obtained this year for 48 hours the production was only 30,140, a reduction of 14.15 per cent. Mr Cliff in commenting on the above figures said: "It will be evident that the 17.54 per cent. loss in production on mules is much in excess of the 13.51 per cent. due to the reduction in the nominal working week, and if allowance were made for the variation in average counts it would be greater still. So far as ring spinning is concerned, the loss of production of 14.15 per cent. is only slightly more than that due to the working time, and may be neglected if allowance is made for the slightly finer counts spun in 1922. It is abundantly evident from the tabulated figures that the effect of the reduction in working hours in cotton spinning in this country has not had the slightest effect in increasing the productive capacity of the worker. Credit must be given to the English textile operatives that they have never advanced such a claim as a reason for reducing the working week. The estimated number of spinning spindles in Great Britain, according to the latest figures issued, is 56,420,078. If we take it that the loss of production is no more than 13.5 per cent. reduction in our mills, then it would need the erection in Great Britain of an additional 8,805,450 spindles to equal pre-war production. At an average cost of £4 per spindle, the capital expenditure required would be £35,221,800, and the additional weekly wage bill at present rates would be over £70,000." In conclusion, Mr Cliff held that the outstanding factor of the adoption of the 48 hour per week was that, having reduced production and increased costs, a handicap had been placed on the ability of the industry to receive in exchange for its products the fruits of other labour in the same quantity or degree as formerly.

Belated Railway Statistics.—The Ministry of Transport has just issued a White Paper (No. 26, price 2s 6d net), containing certain operating statistics for the railways of Great Britain in January, 1922, as compared with January, 1921. We are emphatically in favour of the publication of the fullest possible statistics of railway working, but the present return is so belated as to lose most of its value. It is indeed doubtful whether January statistics published so late as June are worth the expenditure of public money involved in their compilation. Some of the principal figures in this belated return are as follows:—

	January, 1922.	Decrease on January, 1921.
Passenger receipts (excluding Season Ticket Holders)	4,759,556	17.01
Season ticket receipts	1,508,551	6.01
Freight train receipts (less cost of collection and delivery)	9,370,127	14.75
Tons carried	23,703,272	6.71

A feature of the figures is an increase of 5 per cent. in the tonnage of coal, coke, and manufactured fuel carried. Wagon miles in January, 1922, were 346,530,917, against 381,981,916 in January, 1921. The returns contain no information as to operating expenditure. In discussing the freight rate problem in a recent issue we deplored the fact that the railways in this country omitted to publish their operating expenses and net revenue with their monthly returns, as the American railroads do. Is there any reason why these figures cannot be produced promptly by the British railways without adding greatly to the expenditure already incurred? We are glad to see that we are at last to have ton-mile statistics, the Ministry of Transport having produced a bulky volume containing particulars of the tons, receipts, and receipts per ton mile at each mile up to 50 miles, and in mileage groups beyond that distance for 72 commodities. The information relates to monthly periods in 1920 and 1921. We hope to make a more detailed reference to these figures in the near future.

Coal, Iron and Steel Production.—The output of coal from the mines of Great Britain in the week ended June 3rd amounted to 4,440,900 tons, as compared with 4,629,600 tons in the previous week, and a weekly average

for the current year of 4,719,200 tons. Pig-iron production for May is given by the National Federation of Iron and Steel Manufacturers as 407,900, which compares with 394,300 tons in April, a monthly average of 217,600 tons in 1921, 669,500 tons in 1920, and 855,000 tons in 1913. Steel production in May was 462,300 tons, as against 404,200 tons in April and 549,400 tons in March. The monthly average for 1921 was 302,200 tons, for 1920 755,600 tons, and for 1913 638,600 tons.

Crop Prospects.—The monthly report of the Ministry of Agriculture and Fisheries states that all corn crops have improved since last month's report, particularly wheat, which is almost everywhere looking strong and healthy, and of a good colour. Barley and oats have also done well, though in some districts crops are thin and backward, especially where sown late. Wireworm is reported to be much more prevalent than usual, and some damage has also been done by frit fly. The area under each of these three crops is estimated to be, on the whole, about the same as last season, increases in the east of England being balanced by decreases in the rest of the country, and in Wales. The planting of potatoes has been late, on the whole, and in most districts was not completed until the end of May. In most parts of the country the area under potatoes is estimated to be rather less than last year, but in the north-eastern counties, where this crop is so largely grown, an increase is reported. The absence of rain has delayed the sowing of turnips and swedes, and in most parts very little had been done at the end of May; in the northern counties, however, sowing was well advanced. Owing to the scarcity of winter keep, fields were grazed later than usual in many districts, and subsequently growth was retarded by the cold weather. The warm weather in the latter part of May improved prospects, but the continued absence of moisture has now spoilt any promise of good crops except possibly in the later districts where rain may yet improve prospects. On present appearances yields in all parts of the country will be low, particularly in the case of "seeds" hay, which is expected to yield about 15 per cent. below average, while in the case of meadow hay a deficiency approaching 10 per cent. is anticipated. Pastures were somewhat bare until the middle of May, but greatly improved with the warm weather in the latter part of the month, though grass is still somewhat deficient in a few districts. Rain is now needed generally. The pastures are well stocked, and both cattle and sheep have improved, but are still rather backward in condition in many cases. Lambs have thriven well in the recent genial weather. Reports from principal growing districts indicate that both apple and pear bloom is setting well. Worcester Pearmain and Cox's Orange Pippins promise good crops, but other varieties of apples are patchy. The apple crop will probably be only slightly below average, whilst a good crop of pears is expected. Plum trees are carrying abnormal quantities of fruit and promise a heavy crop. In Kent and Middlesex the prospects for cherries are good, but in Buckinghamshire, though prospects are favourable on the whole, some trees are almost bare. In Hampshire the lack of rain has affected the prospects of strawberries; in Kent the plants, notwithstanding last year's drought, have flowered well, whilst in the Isle of Ely there has been great improvement, and the crop will nearly reach an average. Raspberry canes are stunted, and the crop is expected to be below average. Currants are generally progressing satisfactorily. Gooseberries in Kent and Cambridge will probably not yield an average crop, but prospects are more favourable in Norfolk, the Isle of Ely, and Worcester, where good average crops should be obtained. The supply of labour is ample, and generally in excess of requirements, but there are many reports that the number of unemployed has decreased since last month.

Hudson's Bay Report.—Thanks to a substantial advance in the prices of furs, the profits of the Hudson's Bay Company for the year ended May 31st last show a considerable increase. A year ago a loss of £84,100 was recorded for the fur trade, but for 1921-22 there is a profit of £237,100. Business in the salesshops, on the other hand, was adversely affected by the agricultural depression, "which has been almost greater in Canada than

in any other part of the world." Although there was an increase in the volume of sales, values diminished, and the profit dropped from £205,000 to £77,900. Receipts from the sale of farming lands dropped from £452,700 to £308,600, owing principally to a substantial reduction in the amount sold. Farm land sales for the year ended March 31st last comprised 33,594 acres at an average of £3 6s 9d per acre, as against 178,301 acres at an average of £3 10s for the previous year. Recent years' results are summarised below:—

Year Ending	Net Land Receipts.	Fur and Trading Profits.	Total Net Profits.	Ordinary Dividend.
May 31—	£	£	£	£
1909	175,476	80,391	255,867	260,000
1910	240,045	166,156	406,201	400,000
1911	548,512	159,966	708,478	400,000
1912	273,268	196,070	469,338	400,000
1913	589,926	228,324	818,250	500,000
1914	297,302	86,636	383,938	400,000
1915	2,697	30,641	33,338	nil
1916	24,652	266,662	291,314	200,000
1917	140,777	279,708	420,485	300,000
1918	367,841	315,964	683,805	400,000
1919	262,126	406,414	668,540	450,000
1920	174,276	331,757	506,033	400,000
1921	154,161	300,049	454,210	400,000
1922	69,987	450,468	520,455	450,000

The increase in total net profits amounts to £66,200, and the ordinary shareholders receive a total distribution of 45 per cent., as against 40 per cent. for the two previous years. Of the total dividend, 10 per cent. is in respect of the receipts of the land department, as against 15 per cent. a year ago. The balance carried forward "in respect of trade" is increased from £122,200 to £122,700, but "in respect of land" falls from £33,500 to £3,500. Under the Deed of Surrender of 1870, the company (whose full title is the Governor and Company of Adventurers of England trading into Hudson's Bay) was to stake one-twentieth of an area called the Fertile Belt as set out for settlement within 50 years from that date. On March 31st last there was a total of 2,810,591 acres in hand, but in addition to this there were, according to the report, instalments to be received on sales to the extent of £4,062,600. The balance-sheet, however, has as the last item on the credit side "unsold lands and instalments to be received on sales," with a blank in the value column. An analysis of the balance-sheet will be found on a later page.

British Dyestuffs.—After "prolonged negotiations with the Inland Revenue authorities in respect of" claims for refund of excess profits duty, the directors of the British Dyestuffs Corporation, Limited, are now able to issue accounts for the year ended October 31, 1921. After crediting the "estimated amount recoverable in respect of excess profits duty" and providing £467,106 for depreciation, profits for the year are shown as £437,683. But as £1,444,344 is the amount required to reduce stocks to current market values, the balance of profit together with £203,305 brought forward from the previous year's account are applied towards the reduction of this debit item, and the difference, a deficit of £803,356, is shown in the balance-sheet. The reasons for this serious setback given by the directors may be briefly summed up as (a) trade depression, and (b) foreign competition. Total assets are now valued at £9,776,744, as compared with £10,719,602. It is stated in the report that "the company has in the bank and invested in easily realisable securities over £1,250,000," which is, of course, a useful liquid asset, but it should be noticed that preliminary expenses at £251,552 remain unchanged under assets at precisely the same amount as that recorded a year ago. In the summary issued of the combined assets and liabilities of associated companies goodwill, patents, &c., are still valued at £1,000,000. The directors, however, take an optimistic view of the future in their report, and state that "with the return to ordinary conditions of trade, the continued support of users, and the assistance derive from the Dyestuffs (Import Regulation) Act," they see no reason why the output from the company's factories "should not ultimately compare favourably with that of any other country." The Government had £1,700,000 invested in this undertaking according to a White Paper issued in December last.

Lyons' Progress.—Whatever one may think of their bonus share distribution system, the directors of J. Lyons and Co., Limited, are able to point with some degree of pride to the progressive nature of and profitable results obtained by this remarkable company over a long period of years. Unfortunately in recent years we have been deprived of many valuable figures in the accounts, and it is to be hoped that with more stable conditions returning the directors will see their way clear to give them to us once again. The nature of the missing figures is revealed when an examination is made of our table, which is given below:—

Year Ending Mar. 31.	Gross Profit.	Ex-penses.	Ratio.	Net Profit.	Depreciation.	Reserves &c.	Dividends.	Ord. Rate.	Carried Forward.
1906	666,550	473,904	71.1	192,646	42,394	18,000	133,533	32	34,505
1907	722,221	496,432	68.7	225,789	55,178	60,000	145,007	32	51,169
1908	797,591	545,762	69.0	251,829	58,060	141,000	145,007	32	15,068
1909	969,305	681,454	70.5	287,851	67,452	30,000	183,300	32	13,833
1910	1,130,488	822,419	74.0	308,069	72,946	10,000	209,050	32	19,906
1911	1,220,724	918,334	75.0	302,390	79,385	201,234	424	41,674	
1912	1,358,480	1,036,421	76.3	322,059	87,003	211,256	424	64,474	
1913	1,450,590	1,110,982	76.6	339,608	91,849	69,189	221,651	424	21,303
1914	1,574,659	1,218,356	77.3	356,303	96,103	221,599	424	59,904	
1915	1,520,998	1,244,596	82.0	276,403	109,482	491,307	324	35,518	
1916	1,552,879	1,314,586	82.5	238,293	108,584	7,062	169,508	25	28,657
1917	..	..	..	268,475	105,913	170,213	25	21,503	
1918	..	..	..	316,292	120,835	40,000	170,164	25	6,803
1919	..	..	..	258,077	..	..	219,570	35	45,310
1920	..	..	..	396,684	..	60,000	346,684	424	35,509
1921	..	..	..	503,323	..	100,000	426,323	1424	12,480
1922	..	..	..	595,615	..	90,866	504,808	25	15,421

* And 10 per cent. in preferred ordinary shares. † In addition to share bonus.

Profits for the year have now reached the record figure of £595,615. This substantial sum enables the directors to allocate £90,866 to reserve, bringing the total reserves up to £500,000, and distribute £501,808 in dividends. The dividend rate works out at 25 per cent., as against 42½ per cent. a year ago. But it will be remembered that during the year a big bonus share distribution was made by making a raid upon reserves. The results of this distribution can be better seen by comparing ordinary capital, reserves and assets with those of a year ago:—

	March 31, 1921.	March 31, 1922.
Ordinary shares	399,987	400,000
Do "A"	87,810	681,820
Proportional profit shares	500,000	500,000
Reserves	900,000	409,134
Total assets	7,151,008	7,658,391

Thus while it may be admitted that ordinary capital needs increasing, many critics might reasonably contend that it would not be well to do this by depleting reserves, which are now at a figure in somewhat striking contrast to the total amount of assets. The most noticeable addition to assets has been in land and property, which has grown from £3,565,687 to £4,198,141. Investments in associated companies at £867,518 are slightly lower, and this is an item concerning which the directors might well give us a little enlightenment at the general meeting. The balance-sheet will be found fully analysed in our usual column.

British Electric Traction.—Though there was a slight decline in revenue, the accounts of the British Electric Traction Company for the year ended March 31st show a very slight change in profits, and as the balance brought forward was £27,000 higher than in the previous year, it is possible to make a slight increase in the ordinary dividend. Revenue from investments brought in slightly more, but interest on loans produced £2,700 less. The amount available for distribution, however, including the balance brought forward, was £311,400, as compared with £285,500 for the previous year. A comparison with previous results is given below:—

	1913-14.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
Divs. and interest	119,841	210,362	217,864	212,748	208,387	208,999
Total revenue	225,755	237,906	250,214	246,717	264,772	262,895
Expenditure, &c.	27,265	28,685	36,890	35,401	44,575	44,402
Debit interest	91,384	90,978	90,449	87,996	85,136	84,451
Net revenue	107,106	118,243	122,875	123,320	135,061	134,042
Brought forward	12,494	97,598	112,116	130,952	150,481	177,319
Amount available	119,599	215,841	234,991	254,272	285,542	311,361
Prof. dividend	52,468	42,765	42,765	42,765	42,765	42,765
(5½ %)	(6 %)	(6 %)	(6 %)	(6 %)	(6 %)	(6 %)
Ord. dividend	nil	39,788	39,788	53,051	53,051	59,681
(3 %)	(3 %)	(3 %)	(4 %)	(4 %)	(4 %)	(4 %)
Reserve, &c.	50,000	21,172	21,486	6,035	12,349	14,677
Balance forward	17,130	112,116	130,952	150,421	177,319	191,238

Investments, the bulk of which are in tramway undertakings, stand in the balance-sheet at £3,987,600, or £125,800 more than in the previous balance-sheet. The report states that the average yield was 5.24 per cent., as compared with 5.39 per cent. for the previous year. A detailed list of investments is appended to the report, the total nominal value being £5,135,900, of which £735,500 are debentures, £1,109,400 preference shares, and £3,291,100 ordinary shares. It is not stated how investments are valued in the balance-sheet, nor is there any mention whatever of investment depreciation. Apart from the addition to the book value of investments, the only change of consequence in the balance-sheet is a reduction of £97,300 in debtors.

Wm. Cory and Son.—The report of Wm. Cory and Son for the year ended March 31st last shows a considerable decline in profits, which are given after making ample provision for further maintenance charges and depreciation, &c. This year the profit and loss account has been abbreviated, and we are not shown the amount of directors' fees, which appeared at £12,000 for 1920-21. The profits for 1921-22 amount to £601,400, as against £770,800 for the previous year. A comparison of results over a series of years reads as follows:—

	1914-15.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
Profit	215,328	492,734	468,616	755,523	770,843	601,405
Brought forward	44,511	130,897	135,084	177,153	278,308	391,812
Deb. interest	259,839	623,631	603,700	932,675	1,049,151	993,217
Written off	37,000	37,000	37,000	37,000	37,000	37,000
Reserve, &c.	6,000	..	..	..	..	..
Prof. dividend	42,500	175,000	25,000	42,500	42,500	42,500
Ord. dividend	115,000	230,000	318,000	570,017	570,020	427,514
(10 %)	(20 %)	(20 %)	(20 %)	(20 %)	(20 %)	(15 %)
Employees' shs	1,108	4,047	4,047	4,851	7,819	7,364
Carried forward	58,231	135,084	177,153	278,308	391,812	478,839

For the third year in succession no allocation is made to reserve, but the distribution on the ordinary shares is reduced from 20 to 15 per cent., and an addition of £87,000 made to the balance carried forward. Reserve funds total £1,190,000, including £440,000 for premium received on ordinary shares. The principal changes in the balance-sheet are reductions of £433,900 in creditors and of £861,400 in debtors, while the property item has risen by £209,600, and investments in British Government stocks by £242,600.

Zinc Corporation.—It may be recalled that this undertaking, originally formed for the purpose of re-treating accumulated residues from the Broken Hill mines, subsequently strengthened its position by the acquisition of the property of the South Blocks company. Owing to the prolonged strike, in conjunction with the low metal prices, the mine has been shut down for some 2½ years, but the re-treatment works were restarted towards the end of 1920. The working profit, which was naturally a small one, was insufficient to meet depreciation, taxation, &c. However, the first half of the fixed preference dividend was paid, the balance being declared in July, 1921. The preference distributions in respect of the past year were announced at about the usual dates, giving ground for the inference that matters were going better. The report for 1921 shows, in fact, an operating surplus of £121,500, and after providing for the dividends in question, making special appropriations to the tune of £40,000, and providing for taxation, an increased balance remained to go forward. This position aroused hopes of an early resumption of payments on the ordinary shares, and the price experienced an appreciable advance. Purchasers, however, were rather reckoning without their host, for at the meeting held on Wednesday last the chairman intimated that money would have to be kept in hand for the purpose of renovating the plant after its long period of idleness. The corporation has become interested in a new process which promises to give a largely increased profit per ton of ore treated; its adoption on a working scale would necessarily involve outlay, hence expense under the heading of plant has to be faced in one direction or another. The Zinc Corporation, of course, already holds a large block of

ordinary shares in the Electrolytic Zinc Company of Australasia. As the arrears of interest on the preference shares are not expected to be cleared off until the middle of 1923, the investment is rather of the "long shot" order. A new departure takes the shape of the proposed acquisition of a participation in a very large zinc property on the Continent. The outlook for the Zinc Corporation generally depends partly upon trade and partly upon the attitude of labour—as to which Mr Govett had a good deal to say in the course of his speech. On the basis of the fixed preferential dividend of 20 per cent., the preference shares yield just 10 per cent. They rank for surplus profits equally with the ordinary, whose prospects in the near future, as above indicated, appear somewhat uncertain.

Crosses and Winkworth Consolidated Mills.—At the first statutory meeting of Crosses and Winkworth Consolidated Mills, Limited, held two years ago (on June 10, 1920), the chairman of the company took occasion to differ from the late Sir Herbert Dixon, who had passed some severe strictures on the recapitalisation of Lancashire cotton mills by London financiers. Sir Herbert had drawn a gloomy picture of what was likely to happen when the present boom in the trade was over, but the chairman observed that "during the last months I have made a very close study of the cotton industry, and I can see nothing to warrant the pessimism of Sir Herbert." He added: "In any case I do not think you need be nervous on this score in the case of your company." Fortunately for the company, in the first balance-sheet of the company, at March 31, 1921, in which assets were valued at £6,726,815, there were included reserve items of £1,500,000, "Premiums on shares account," and £375,522, specially allocated for taxation purposes. The company was then owing £106,754 to its bankers, and £143,392 for "loans." In the accounts for the year ended March 31, 1922, just published, a loss on the year of £539,323 is recorded. The directors are able to meet this serious slump by taking £750,000 from premium on shares account. Thus on turning to the new balance-sheet this item is now halved, and it is noticeable that debentures for £1,250,000 have been issued to the company's bankers as security for advances which have now grown to £550,783, although "loans" have fallen to £124,201. Two fresh items, however, appear; under assets, shares in Wm. Heaton and Sons, Limited, are recorded at £1,004,064, but no basis of valuation is mentioned, while on the other side, under liabilities, loans and interest, of Wm. Heaton and Sons, Limited, are taken into the accounts at £632,695. A brief reference is made to this fresh acquisition in the directors' report. Incidentally there is now a reserve for contingencies which includes taxation, and amounts to £363,235. The total assets, at £6,970,544, show an increase of £243,728 on the year. It certainly does appear that the late Sir Herbert Dixon read the signs on the horizon with a considerable degree of accurate perception.

Transvaal Output in May.—A marked improvement has taken place in the gold output figures during May issued by the Transvaal Chamber of Mines. The output during the month amounted to 629,786 ounces of fine gold, as compared with 511,338 ounces during April and 687,776 ounces in May, 1921. The following table shows the production for a number of years:—

	1916.	1917.	1918.	1919.	1920.	1921.	1922.
January	787,467	783,634	714,182	676,059	676,503	661,693	639,728
February	753,594	781,321	669,759	636,728	626,330	558,137	..
March	796,689	787,094	696,281	712,379	707,036	671,123	..
April	754,672	742,718	717,000	694,944	686,979	681,382	511,338
May	777,681	779,385	741,317	734,995	699,041	687,776	687,776
June	761,764	759,724	727,686	702,379	715,957	678,490	..
July	761,087	757,633	736,199	725,497	736,093	693,555	..
August	781,150	756,658	740,210	706,669	702,083	711,586	..
September	771,557	758,231	708,206	698,568	682,173	691,026	..
October	773,066	751,290	679,764	723,722	662,979	633,337	..
November	783,066	722,839	658,701	677,970	633,337	707,825	..
December	774,463	722,419	641,245	650,191	632,215	681,847	..
Totals	9,296,618	9,018,084	8,418,292	8,330,051	8,153,625	8,114,516	7,700,253

NUMBER of NATIVES EMPLOYED at the End of Last Eight Months by Members of the Witwatersrand Native Labour Association and Contractors.

	Aug. 1921.	Sept. 1921.	Oct. 1921.	Nov. 1921.	Dec. 1921.	March 1922.	April 1922.	May 1922.
Gold mines	169,008	171,912	175,331	176,410	177,836	124,169	138,277	155,425
Coal mines	14,446	14,244	13,936	13,465	13,230	11,185	11,385	11,526
Diamond	1,207	1,219	1,223	1,217	1,204	1,204	1,232	1,219
Total	184,661	187,375	190,490	191,092	192,290	136,558	150,894	168,169

It will be noted that the native labour figures also show an improvement on the April figures.

Oversea Correspondence.

UNITED STATES:—SOUTHERN PACIFIC—CENTRAL PACIFIC DISSOLUTION—COTTON CROP REPORT—FOREIGN BOND ISSUES FLOATED—TOBACCO AND STEEL COMPANY MERGERS.

(FROM OUR CORRESPONDENT.)

NEW YORK, June 5.

THE United States Supreme Court's recent decision, ordering the dissolution of the ownership and control of the Central Pacific Railway by the Southern Pacific Company, has caused very little concern in railroad and financial circles. It will probably be many months, possibly a year or more, before the district court, as directed by the highest tribunal, can prepare a decree to carry out the specific details of the latter's decision. In the meantime, the Interstate Commerce Commission, under the authority conferred upon it by the Transportation Act, to consolidate the railroad systems of this country into new groups, may take action which will greatly modify the dissolution order, so far as practical results are concerned. In its consolidation scheme, tentatively outlined some time ago, the Commerce Commission indicated that, in the public interest, the Southern Pacific and the Central Pacific should be included in one system. Even should the dissolution be carried out through an early enforcement of the Supreme Court's ruling, it would be possible, according to competent authorities, for the Interstate Commerce Commission, in working out its consolidation plans, to bring them together again. At least, that is the belief which is held in many quarters.

The Department of Agriculture's report, estimating the average condition of the cotton crop at 69.6 per cent. of normal, as of May 25th, was about what the trade had expected. The percentage on that date compares with 66 a year ago, 62.4 in 1920, 75.6 in 1919, and a ten-year average of 74.6 per cent. While the Government report is not unfavourable so far as the condition of the crop is concerned, it gives no estimate of the planted acreage, from which the indicated yield could be calculated. The report next month, it is understood, will contain acreage figures. Last July the department estimated that 26,519,000 acres had been planted to cotton, but like its other estimates last year, those figures were wide of the mark, for the revised report, just issued, shows that at the end of June, 1921, 31,678,000 acres were in cultivation, and the area actually picked amounted to 30,509,000 acres. Most authorities believe that a much larger acreage than that would be necessary to provide a harvest sufficient to meet requirements. A highly important consideration at present is how much of the acreage planted this season suffered from the extensive spring floods, especially in the lower Mississippi Valley, and how much of that area has been replanted.

New issues of securities, both domestic and foreign, are again being offered here in rather large volume, and are meeting with an active response from investors. Last week's total of such bonds approximated \$77,000,000.

consisting of some \$15,000,000 State and municipal issues, about \$19,000,000 public utility, and \$28,000,000 foreign bonds, the remainder including industrial, railroad and land bank offerings. One of the largest foreign flotations was the issue of \$24,000,000 Republic of Bolivia external 25-year secured refunding 8 per cent. sinking fund gold bonds, dated May 1, 1922, and not callable for 15 years. The bonds are the direct obligation of the Republic of Bolivia, and, in addition, will be also specifically secured by a first lien upon all import and export duties, as well as taxes on mining claims and various industries and corporations and other properties.

The entire issue was subscribed for within an hour or so after the books were formally opened. The proceeds of the loan are to be used for refunding purposes, and for railroad and highway construction. The block of bonds just floated here is part of \$33,000,000 authorised by the Bolivian National Congress; the remainder, it is understood, will be reserved for issue to complete the Atocha-Villazon and Potosi-Sucre railroads; the former line will give Bolivia direct railroad connection with Argentina, while the latter will open up one of the most fertile agricultural sections of the country. Another large foreign issue consisted of 40,000,000 guilders of the Anton Jurgens' United (Margarine) Works 25-year secured convertible 6 per cent. bonds. Of the total issue, 10,000,000 guilders were offered in Holland. The price to investors here was \$905 flat per bond, which will yield over 6.60 per cent. to maturity. Local bankers also sold \$3,934,000 Province of Manitoba 3-year 5 per cent. bonds at 99, and interest to yield about 5½ per cent., and \$1,000,000 guaranteed sinking fund mortgage 7 per cent. gold bonds of the Transportation Building Company, Limited, of Montreal, at 100 and interest. All of the foregoing offerings were quickly absorbed, as were practically all of the domestic issues, indicating that the recent congestion of new securities in this market has disappeared. To-day a banking syndicate placed on sale at 96½ and interest to net 7.30 per cent., \$25,000,000 United States of Brazil 30-year 7 per cent. gold bonds (Central Railway of Brazil electrification loan). Besides being a direct obligation of Brazil, the bonds are secured by a first charge on the gross revenues of the Central Railway. Kuhn, Loeb, and Co., it is announced, have purchased \$7,500,000 City of Greater Prague (Czecho-Slovakia) 7½ per cent. mortgage loan bonds of 1922, which are to be offered here for subscription at 92½ per cent., and accrued interest to yield 8.17 per cent. on the investment if held to maturity.

Mergers of industrial corporations are becoming more numerous. One of the biggest consolidations undertaken for some time past will be effected by the unification of the Tobacco Products Corporation and the United Retail Stores Corporation, which controls the United Cigar Stores Company. Under the terms of the proposed amalgamation the combination of the two concerns is to be accomplished by an increase in the Tobacco Products capital stock from \$33,000,000 par value to \$157,354,000 par value, and by an exchange of the stocks of that company and of the United Retail Stores for the new Tobacco Products stock to be issued. The consolidation will unite two of the most important factors in the manufacture and retail sale of tobacco.

Following closely upon the absorption of the Lackawanna Steel Company by the Bethlehem Steel Corporation comes the announcement that officials of the Republic Iron and Steel Company, the Midvale Steel and Ordnance Company, and the Inland Steel Company have adopted a plan to combine those three companies in a new concern to be known, probably, as the North American Steel Company. The extent to which each company will participate in the new stock to be issued has been announced, but the capitalisation of the new company has not been stated, although the intention is said to be to provide \$20,000,000 additional cash working capital through the sale of new common stock. This merger is the result of the original plan, launched some time ago, to combine seven of the leading independent steel companies, including Lackawanna. The latter, however, was acquired by Bethlehem, and three other companies apparently Reserve, &c. of the negotiations, possibly because of a disbalance forward over terms.

FRANCE. — BANKERS' COMMITTEE — EXCHANGE CLEARING HOUSE — UNEMPLOYMENT — TAX REVENUE — BOURSE.

(FROM OUR OWN CORRESPONDENT.)

PARIS, June 13.

THE failure of the Bankers' Committee nominated by the Reparations Commission to report favourably on the proposal that a great international loan should be issued on behalf of Germany, proved in no way disappointing to French opinion, as such a result was fully expected when it became known that the experts who formed the committee had decided to put forward the question of a possible reduction of the German reparation debt as an essential factor in the problem. The general impression here now seems to be that the next move will probably come from Germany. It goes without saying that it is believed that the Berlin Government will take advantage of the collapse of the loan proposition to try and secure substantial modifications in its favour of the conditions embodied in the recent agreement under which Germany has been granted a temporary moratorium. There are, indeed, already indications that such an effort is about to be made. Renewed attention is consequently being given here to the possibility of France securing payment in kind, under the Loucheur-Rathenau agreements signed at Wiesbaden several months ago, now that the probability of obtaining any appreciable amount of cash from Germany appears to be as far off as ever. These agreements, however, have not yet been ratified by the French Parliament, and there is a fear that, although the machinery for putting them into operation is practically ready, some time may yet elapse before materials will be coming in from Germany for use in the devastated areas. Badly as France requires ready money, the feeling is growing that if it is impossible to obtain cash, the next best thing will be to secure payments in kind. The essential point is that under the Wiesbaden agreements, France would be able to obtain something like 1,500,000,000 of materials from Germany without having, as at present, to pay for them in cash.

One of the practical results of the conference of economists and banking experts that met here last week to consider what special technical palliatives might be applied to regulate the existing monetary instability, will be the creation of a clearing-house for exchange transactions, which will probably be ready to start operations within the next few weeks. The new institution, which is best described in French as a *marché à terme des changes*, will be modelled very largely on the only other existing organisation of the kind, the Caisse Internationale at Antwerp, which was founded only two years ago, but which has already rendered important services to the trading public, in spite of its somewhat restricted scope. Its object will be not only to centralise and regulate exchange operations, but to restrict speculation as much as possible, and particularly that involuntary speculation into which many traders are forcibly drawn through the nature of their ordinary commercial operations. A manufacturer, for instance, who buys foreign raw materials for the purpose of fulfilling orders that will take several months to complete is often in the dark as to what his selling price will have to be at the date of delivery. Obligated, in spite of himself, to speculate on the exchange, he has necessarily to increase his price considerably, to protect himself against a possible loss. If he covers his risk in advance, through his bankers, the charges are so high that he is in most cases as badly off as ever. The trader who has to sell to foreign buyers against payment at a fixed future date has to face the same uncertainty.

The rôle of the exchange clearing house will be to bring together buyers and sellers of bills maturing on the same dates. Buyers and sellers will put their respective requirements to auction, quotations will be notified, and contracts officially registered. Sharp fluctuations in rates, it is claimed, will by these means be avoided, as each increase in the rate will bring larger numbers of sellers, which will re-establish equilibrium. The manufacturer, knowing in advance the price he will have to pay for the pound, dollar, mark, or other category at a given date,

will be able to fix his price with tolerable certainty of being satisfied. Speculation, the founders of the new clearing house argue, will for all practical purposes cease to exist, and will be replaced by arbitrage, as the only dealings recorded by the institution will be those concerning deliveries of goods and actual payments for them. As the institution will incur no risk, the rate of commission will be low. At Antwerp it is fixed at 5 per cent. As a guarantee of good faith, parties to a contract will be required to deposit with the clearing house a sum equal to the difference between the rate of the day and that fixed by the contract, which will be returned with interest when the contract is completed. The new clearing house is being organised by a group of "bankers and qualified professionals, manufacturers, and traders, exporters and importers, without interference from the State," and hopes are expressed that Paris may become the principal exchange market of the world. It is argued in some quarters here that one of the political effects of the new system may be to liberate the smaller new States that have arisen from the war from the domination of the international financial groups by whom they are at present exploited.

The comparative situation of Great Britain and France as regards unemployment may be summed up in a sentence; at the end of April 1st, 699,000 workers were in receipt of unemployment allowances in Great Britain, according to official figures, while in France the number in receipt of similar assistance was 7,800. At the end of May the latter figure had fallen to 5,700. The maximum amount of unemployment in France was in March, 1921, when 91,200 workers were in receipt of out-of-work pay (as compared with the British maximum of 2,170,000 in June, 1921).

The returns of the yield from taxes, indirect revenues and monopolies have now been issued for May, and the sum recovered amounted to 1,175,603,000f, an advance over the last year of 171,523,000f, or 17 per cent. As compared with the budget estimates, however, there is a deficit of 81,013,770f, or 6 per cent. The deficit is due chiefly to the tax on business turnover, which yielded 73½ million francs less than the estimate, and to Customs, which are 11½ million francs in default. The situation, on the whole, is the most favourable so far recorded for the year, the returns for the previous months having shown a percentage deficit on the budget estimates of 7, 19, 14 and 11 respectively. Tax on business turnover is substantially the same as last month, but shows an increase of nearly 33½ million francs, as compared with May of last year. Registration fees on the sale of securities, real property, and on Bourse operations are 9,349,500f less than the estimates, but this decline, partly due to accidental causes, is to some extent compensated by the increase in stamp duties, the luxury tax, and the tax on the revenue from real property, which show a balance over the estimates of 9,254,000f. Customs have brought in 227,840,000f. This figure is only 5 per cent. less than the estimates, while in the first four months of the year the deficit fluctuated between 34 and 42 per cent. The improvement in revenue is due to clearances in nearly all classes of commodities, except wheat and, above all, to large importations of colonial and foreign sugars. Indirect taxes are in advance over the estimates by 18,021,000f, and are 3 per cent. higher than the sum recovered in May, 1921. The budget estimates have been exceeded, especially in drinks, tobacco, motor cars and railway receipts. Apart from the sums mentioned above, it may be noted that the yield for income-tax for the month amounted to 149,926,900f, while the extraordinary tax on war profits amounted to 138,927,000f.

Despite the failure of the international loan proposal that has been the dominating feature of the week, the Bourse has continued fairly firm. The main effect of the negotiations with the Reparations Commission has been, in fact, the decline in value of the franc, and this has inevitably resulted in investors taking a keener interest in home securities. Had Germany secured the issue of a loan on a large scale, the movement would clearly have been in the other direction, and a stimulus would in consequence have been given to foreign securities. A further decline in value of the franc is to be foreseen, as the reports at present to

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hand make it probable that the year's harvests will only be of moderate quality. French funds have remained virtually stationary, though on the whole the tendency has been upwards, the biggest advance being in the redeemable Five per Cents. that have improved from 91.25 to 92. The 1914 and 1915 Four per Cents. have, however, fallen back a trifle. Banks generally have been neglected. Banque de l'Algérie has declined from 3,975 to 3,850. Banque Générale du Nord from 623 to 613. Banque Nationale de Crédit from 637 to 630, and Banque de l'Union Parisienne, which has paid a dividend, from 639 to 620. Banque de France, however, is 20 points stronger at 5,745. In rails, Nord has lost 5 points at 1,180, and Est 5 points at 740, but Midi, after paying a dividend, remains unchanged at 765; Orleans is 10 points weaker at 880, and P.L.M. 5 points weaker at 873. Shipping has a trifle more than maintained its position, Messageries Maritimes being a point up at 181, and Chargeurs Réunis a couple of points up at 342. In electrical undertakings, Thomson has dropped 15 points at 785, and Electricité et Gaz du Nord 9 points at 310. Edison, however, is 20 points better at 550, Bréguet 45f better at 825, and Gramme 7 points better at 770.

GERMANY. — REPARATIONS — INFLATION — EXCHANGE AND BOURSE — CROPS.

(FROM OUR CORRESPONDENT.)

BERLIN, June 13.

THE failure of the Paris Loan negotiations throws entirely into the melting-pot Germany's relations with the Reparations Commission. It is announced that the next two payments under the partial Moratorium plan are secured. There is no absolute impossibility in procuring the high-exchange currencies necessary for later instalments, but this can only be done at a certain cost. On this point a misconception is current, for which the Wirth Cabinet's stability of will is responsible. After the great rise in foreign exchanges last autumn, the Cabinet more than

once categorically declared that it would not continue to raise Reparations money by the method until then pursued, that is, by requisitioning from private persons high-currency bills received in payment of exports, compensating with paper marks, and allowing the private merchants' need of high currencies for imports and other foreign liabilities to be satisfied by reselling the paper marks. The heavy mark fall had frightened not only Germans, but also everyone else, and the Reparations Commission, agreeing that it was "impossible" to continue paying reparations in that way (though, strictly put, there was no impossibility), advised application for a Foreign Loan. Dr Wirth's declarations implied that, short of a loan or a release from immediate payments, there would be a default. The small reduction of instalments granted for a time, and since conditionally prolonged, afforded no material relief. As no loan or full moratorium has been obtained, Dr Wirth's policy on the above basis would be simply to refuse future payments. But of this nothing is now heard, and the public, which considered the mark at 300 to the dollar a monstrosity, now takes it for granted that Reparations money will continue to be obtained by selling marks, and that the only question open is the bearing on this of the recent Hermes proposals, and of the ensuing correspondence with the Reparations Commission.

The reasons for this change seem to be psychological. After seven months have passed since the mark touched 300, this figure has come to seem no more dreadful than did the exchange of 60 before the London Ultimatum. Business has in great measure adjusted itself to the new values; indeed, adjusted itself in shape of an approach to world-market prices too well, so that some kinds of business will welcome the new inevitable mark collapse. To-day it will be no more "impossible," and, indeed, probably no more difficult, to raise Reparations money by selling marks than it was a year ago. Apparently there is no absolute limit to such transactions; even in Russia, where sterling officially quotes at 10,600,000 roubles, roubles are still sold (though only at home) to obtain good money for imports. If Germany chooses to pay future Reparations in her past way, she will certainly be able to do so for an indefinite time, but with effects on the exchange which are sufficiently obvious. Whether this policy (which means a withdrawal of Dr Wirth's promises), or the policy of default in shape of a cessation of payments is the less injurious, is a controversial matter to Germans. When the hopeful London negotiations began in November, those Germans who supported Dr Wirth's policy replied to their opponents of the default school that the policy was indeed bad for the mark, but that in order to prove the impossibility of the London Ultimatum settlement, the policy had to be tried. Only failure of an honestly attempted "Erfüllungspolitik"—a "fulfilment policy"—would convince the Allies. As long as there was a prospect of an English loan, a complete moratorium, a reduction of the total Reparations liability, or an American International Loan, this argument easily defeated those persons who counselled "default honestly at once, and take the consequences." To-day, with nothing improved, and no difference except that the mark is now at a fifth of its then low level, the default party again claims that it was right, and that an honest attempt at fulfilment which could not succeed only did harm. The German Note of May 28th plainly had in mind a continuation of Reparations payment by means of the old floating debt, and inflation operations if no loan was obtained; and only in case of a loan did it undertake to keep the floating debt at the figure of March 31st by means of non-inflation credit methods or new taxes. The Reparations Commission, merely taking notice of the Loan proviso, answered that it retained its freedom to withdraw the partial moratorium if Dr. Wirth, even in the absence of a foreign loan, did not carry out the listed financial reforms. Such a withdrawal of the partial moratorium would have practical meaning only if (which is unlikely) Dr Wirth proved willing to pay the reduced instalments by mark selling, while unwilling to pay the full instalments by the same means. If the mark-selling method is to be continued, it matters little whether the moratorium payments or the full London ultimatum payments are enforced. There is no proof that the moratorium instalments would do less damage than

the London instalments—so far Germany's current foreign liabilities have always had less influence on the exchanges than had the indiscriminate mark-selling caused by pessimistic judgments as to Germany's financial relations with the Allies.

The failure of the Paris negotiations had a bad effect on the mark exchange. The dollar yesterday sold at 320. The lowest dollar exchange of this year was around 250 in April. The Reichsbank statement for June 7th shows a decline in Treasury Bill discounts, as is usual in the first week of the month, but a new large increase of circulation. The former fell by 3,752 millions to 164,041,617,000 marks; while circulation rose by 2,965 millions to 154,914,888,000 marks, and "Kassenscheine" circulation by 99,600,000 marks to 9,540,100,000 marks. Of late, inflation has been very rapid. Circulation of both notes and "Kassenscheine" at the close of the same week of last year was 81,141,100,000 marks, or about half the present total. On December 31st Note circulation was 113,639,464,000 marks, so that there has been an increase of about 50 milliards in five months and one week. In the same period of 1921 Note circulation rose from 68,805,008,000 marks to 72,145,349,000 marks, or by a little over 3 milliards. Private bankers are discussing the abolition of pfennigs from their accounts. The value of the pfennig is now only one-sixtieth of an English penny, and except newspapers practically nothing is priced under 3 marks. The Reichsbank has closed its branches in the Upper Silesian towns Koenigshuette and Kattowitz, and transferred the accounts to Beuthen. The German private banks are retaining their branches in Polish Upper Silesia under a provisional agreement with the Polish Government. The Bourse last week was inclined to firmness for dividend-payers, but home loans mostly declined slightly. Yesterday, the first Bourse Day after the Paris result became known, was entirely under the influence of the rising exchanges, and stocks mostly had considerable rises, while home loans dropped. It has long been the rule that bad news from Reparations standpoint sends stock up, while those home bonds in which foreigners speculate decline. Yesterday Federal 4 per Cent. fell from 114 to 110, 3½ per cent. from 89.90 to 85.75, and 3 per Cent. from 139 to 135; but to-day, with the exchanges slightly weaker, stocks receded somewhat, and the market was very dull.

The crop conditions report for the beginning of June shows a slight improvement in winter wheat, but winter rye and barley are the same as a month ago. The winter crops, fodder plants, and meadows are all between 3 and 3.5, 3 being middling and 4 bad. The spring crops are better than middling, but not as good as a year ago. The consumption of meat in Germany has fallen from 1,693,141,496 kilos in 1913 to 1,029,551,276 kilos in 1921. Per capita, in the present area, consumption fell from 46.15 to 28.52 kilos. Meat now costs 90 marks a pound retail, and is beyond the means of those who have not raised their incomes in proportion to the price-rise. The Prussian Industrial Inspectors' reports for 1921 describe an improvement in Labour efficiency and willingness. One very large iron concern puts its present per cap. production in the rolling mills at 95 per cent. of that of 1913, and states that workmen who in October, 1920, produced 5,895 tons of pig-iron, produced 7,765 tons in October, 1921. Hamburg's commercial shipping has recovered to pre-war dimensions. In May there arrived 1,143 vessels of 1,243,815 registered tons, against 1,242 of 1,193,526 tons in 1913; while departures were 1,449 vessels of 1,325,714 tons, against 1,362 vessels of 1,253,987 tons. About three-quarters of the ships, with only about a quarter of the tonnage, bore the German flag. The Federal Supreme Court at Leipzig has given the new important decision that a contract may be repudiated owing merely to a fall in the value of money. In this case the defendant withdrew from an agreement to sell his business for a fixed price at a future date. The Court declared in principle that an agreement need not be fulfilled when the parties mistakenly assumed at the time of contracting that the deal would represent a fair exchange of values at the time of carrying out. Hitherto the Courts have usually held that an agreement may be repudiated only when, owing to the change in currency values, its carrying out has become impossible. The new decision practically makes all purchase and delivery contracts unenforceable.

AUSTRIA.—PARTIES AND FINANCIAL PROGRAMMES—EXCHANGE FALL—DANUBE SHIPPING COMPANY—WAGES AND LIVING COSTS—GERMAN INTERESTS.

(FROM OUR CORRESPONDENT.)

VIENNA, June 6.

IN consequence of the protest initiated by the Socialist Party against the tariff policy introduced at the beginning of last month, the Minister of Finance, Dr Guertler, suffered a defeat in the House and was forced to resign. Financial, industrial, and commercial classes of the Austrian population felt vastly relieved at his fall. The Socialist Party, however, now regrets that the step it took has had such drastic results, the German Party having immediately exploited the situation by means of a determined attack against the Prime Minister, Mr Schober, towards whom they have been particularly antagonistic ever since his *rapprochement* with the Czechs at the Treaty of Lana. The Schober Cabinet was overthrown during the last week in May. The Christian Socialist and Pan-German parties have formed a new Government under Mr Seipel, which will make a desperate effort to avert the financial catastrophe with which Austria is threatened. The programme of the new Government is based on the following principles:—The efforts to obtain foreign credits and to secure the renunciation on the part of all members of the Entente of their lien rights will be continued; the superfluous officials and employees will be reduced in numbers; the deficit in Government organisations, as far as these are not handed over to private enterprises, will be diminished; the export trade is to be re-established by a reorganisation of working hours and scale of wages; a small committee will be set up with almost dictatorial powers to supervise Government finances. It is also hoped that it will be possible to found an independent issue bank after the arrival of representatives of the Morgan group. This programme contains a number of sound proposals, but its realisation appears to be difficult, as the Government has no means of executive power in its hands which it could exert should the programme meet with any opposition on the part of the workers, the army (which is purely a Socialist concern), and of the agricultural population.

The krone continues to fall in value in relation to foreign currencies, and is losing its purchasing power in the country at an appalling rate. The record prices in foreign currencies are caused partly by legitimate business and commercial requirements, and partly by the complete lack of confidence on the part of the population in their own currency, and their unwillingness to keep any appreciable amount of kronen on hand. Besides this, the official clearing house for foreign currencies (Devisenzentrale) carries on a foolish policy. Until recently it has carried out all exchange operations at the Stock Exchange, and now it has entrusted this business almost entirely to the hands of two firms, which has given rise to a considerable amount of adverse criticism. Owing to the announcements of the Finance Minister that large credits will be made available for Austria in the near future by England, France, Italy, and Czecho-Slovakia, many merchants and industrial firms were tempted to postpone covering their obligations in foreign currencies and have thereby sustained large losses. In this respect the Ministry of Finance must be reproached for the optimistic announcements which it repeatedly promulgated. The rate of exchange on May 30th was Kr. 50.775 to the £; on June 6th the rate was Kr. 61.475 to the £. The banknote circulation of the Austro-Hungarian Bank showed during the first two weeks of May an increase of 6.5 milliards of kronen, and during the third week of May a further 14.6 milliards were issued, so that the total issue has now reached 366 milliards of kronen. The most important recent financial operations in which British finance is interested was the increase of capital of the Danube Shipping Company. This company increased its capital from 100,000 shares to 150,000 shares. The 50,000 new shares were issued at 95,000 kronen for 1,050 kronen share, the old shares being quoted at 330,000 kronen a share. The issue price of the new shares gives an interesting example of the effects of depreciation of kronen. Before the de-

preciation, the Danube Shipping Company's shares with a denomination of 1,050 gold kronen per share represented an equivalent of £40 per share at par. They were quoted for years at from 1,200 to 1,500 kronen, or £50 to £60 per share. The latest issue at a price of 95,000 paper kronen, with the exchange at 60,000, is the equivalent of £1 10s per share. In order to raise the equivalent of £75,000 the company has found it necessary to increase its capital by 50 per cent., in other words, the price obtained for the new shares in paper kronen is the equivalent of subscribing on the basis of a valuation of only £225,000 for assets which were represented as worth £4,000,000 when the kronen had a gold value!

Austrian industry finds it increasingly difficult to maintain its position against German competition, particularly the iron and metal industry. Reckoned in Austrian kronen, the following gives a comparison of the hourly wages for a locksmith and turner in the two countries:—

	Germany. Kronen.	Austria. Kronen.
1922.		
March	432	722
April	527	813
May	714	1,025

The price of foodstuffs in Vienna shows an increase of 25 per cent. during the period from the middle of April to the middle of May. The following table gives the index figures of the price of the actual living requirements:—

January, 1921	100
January, 1922	1,142
February, 1922	1,428
March, 1922	1,457
April, 1922	1,619
May, 1922	2,028

From these figures it can be seen that Austrian money has now 1-20th of the purchasing power it had on January 1, 1921, in respect of the essential requirements of life.

German industry and the German banks are daily acquiring further economic interests in Austria. The Stinnes and Otto Wolff groups seem especially active, e.g., the former has already obtained the controlling majority of the Alpine Montan-Gesellschaft. The Dresdner Bank has now acquired a large block of shares of the Union Bank, and is represented on the board. The Disconto-Gesellschaft has taken a participation in the firm Ephrussi (a well-known private bank). A considerable number of banks and Stock Exchange firms have taken on German partners. The A.E.G. group (Allgemeine Elektrizitäts-Gesellschaft) in Berlin has, in conjunction with Austrian business friends, offered the Austrian Government to take over on lease one of the largest Government works, the Woellersdorfer works, and this offer has been accepted. Negotiations are also being undertaken here by German newspapers to acquire Austrian newspapers and printing presses. The German textile industry has also firmly established itself here.

CANADA.—THE FEDERAL BUDGET.

(FROM OUR CORRESPONDENT.)

OTTAWA, June 5.

ON May 23rd Mr W. S. Fielding, the Federal Minister of Finance, who is now in his seventy-third year, delivered his Budget speech, and as it was his sixteenth, is claimed to have established a record for the British Commonwealth. The estimated expenditures for the current fiscal year called for \$466,983,359, and the existing sources of taxation, which in 1921-22 produced \$381,270,000, could not, in his opinion, be relied on to yield more than \$332,629,000 during 1922-23. Although some of the items of expenditure could quite properly be charged to capital account, there would remain a dangerously wide gulf between the revenue and ordinary consolidated expenditure. Not only had no attempt been made at debt reduction, but actually \$86,000,000 had been added during the past year to the national net debt, which he now placed at \$2,427,296,798 on March 31st, as compared with \$336,000,000 on March 31, 1914. Therefore increased levies which are calculated to produce at least 40 million dollars during the present fiscal year, and to provide the country with a sort of a balance. The chief source of in-

The Budget has had a very mixed reception. If the

The financial community is very much agitated about the provision of the Budget which imposes a tax of 2 cents per every \$50 on all cheques and bills of exchange. Bond men, stockbrokers, trust and loan companies and insurance corporations have already made strong representations to Mr Fielding, and demonstrated the very serious burden which it will place upon the whole fabric of credit. Some large mortgage and insurance companies calculate that the new tax will cost them over \$30,000 per annum, and will have to be paid on thousands of cheques which are issued in transactions involving no profit to any parties.

As the result of outbreaks of cattle plague in 1715 and again in 1745 (this outbreak lasting 12 years), an ordinance was issued in 1770 prohibiting the imports of cattle, hides, &c. Following this prohibition Britain was free from contagious cattle diseases, the improvement of her cattle stock continued apace, the Smithfield Club held

were under 450,000. The first consignment of American chilled beef was shipped, and in 1881 New Zealand sent us her first contribution of frozen lamb. The two chief exporters of beef (frozen or chilled) were successively America and Argentina. In 1899 American exports amounted to 1,250,000 cwts, increased to over 3,000,000 cwts in 1903, and gradually declined, being barely 1,500,000 cwts in 1908; in 1910 they were under 500,000 cwts, South American exports amounting to slightly over 1,250,000 cwts in 1903, increased to 7,750,000 cwts in 1910. The largest number of imports on the hoof was in 1890, when they amounted to 642,000 cattle; these included Canadian store cattle estimated at not more than 50,000. From 1903 to 1907 they kept about 500,000 (all for immediate slaughter), dropped gradually to 200,000 in 1911, in 1912 were under 50,000; after this date the numbers were insignificant. The decline in imports on the hoof, practically all from North America, was due to the rise in the price of meat in the States resulting in the abandonment of the Cattle and Meat Tariff in October, 1913. The cessation of Canadian exports resulted from the remission of the American Tariff—in reality one and the same cause. Canadian stockbreeders, like those engaged in many industries, increased production during the war, American farmers felt the severe fall in prices, and induced their Government to put on a 30 per cent. tariff against Canadian cattle in May, 1921. The prairie provinces of Canada 5,000 miles from us, their only alternative market, now want to send us store stock on the principle, acknowledged by one of their official witnesses, that it is better to ship here, in spite of the extravagant cost of rail and sea transport than to sell nowhere (Q 3758 Finlay Commission Report). Suffice it to add that the recent change in the Cattle Tariff of the United States is the fourth in the last 25 years, and that stoppage of Canadian imports of store cattle in November, 1892, was due to our veterinary authorities mistaking bronchopneumonia for the far more serious disease of pleuropneumonia—this was at least excusable in view of the fact that little was then known about the former disease, and that cases of the latter disease were constantly coming among imports for immediate slaughter from overseas countries which were supposed to be clean.

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business and solicit your inquiries.**

Other points in the controversy have been sufficiently discussed elsewhere.—Yours faithfully,
Mansel Court, Hereford. R. T. HINCKES.

Travellers' Club, June 10th, 1922.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your interesting article on the above subject, which appeared in your issue of the 10th inst., you refer to the various causes which have helped to bring about a recovery in this exchange. There is one cause which you omit to mention, and which I venture to state is the principal governing factor, and that is the contraction in the fiduciary issue of the Treasury currency notes, which has taken place during the past two years. This amounts to £60,000,000. According to your report, the issue has been increased lately, and it is interesting to observe that this has coincided with a slight set-back in the rate of exchange. You state that it may be that the real ex-

planation of the improvement in the American price of sterling is to be found in the depreciation of the dollar, and to some extent I agree with your statement. We know that considerable inflation of the currency has taken place in America, and some authorities go so far as to state that there is not a free market in gold in America, and if there was a considerable export of the metal would take place. I express no opinion on this point, but I entirely agree with your concluding sentence in your article in which you refer to the possibility of the Chancellor of the Exchequer being tempted to meet the deficit in next year's Budget "by the simple process of manufacturing credit which might go far to counteract the influences above enumerated by depreciating sterling." This emphasises the supreme necessity of economy both in this country and elsewhere as a principal preventive of unsound finance. Waste and extravagance both at home and abroad have in the main been the principal causes leading to inflated and depreciated currencies, which in their turn have resulted in deranged exchanges, depression of trade, and unemployment. If this state of affairs is reversed we may surely look forward to sound currency, stable exchanges, and a revival of trade throughout the civilised world.—I am, Sir, your obedient servant,

D. M. MASON

(Chairman Executive Committee Sound Currency Association).

115 Cannon street, E.C. 4, June 12th, 1922.

NEWSPAPER INSURANCE AND ADVERTISERS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Might we confirm the conclusion of your able analysis of the newspaper insurance craze by briefly stating the view held by the national advertisers?

At the prevailing cost of newspaper space advertising has lost much of its economic value as a distributing agency. Our inquiries show that to-day it costs, as a general rule, two and a-half times as much advertising outlay per unit of sales as it did in 1913.

When newspaper advertising rates were raised to unprecedented levels, advertisers were assured that this was entirely due to excessive production costs (newsprint and labour), and, as a matter of common justice, advertisers naturally expected that as the reasons for excessive rates were removed, so rates would be reduced.

Newsprint prices are now almost, if not quite, normal, but instead of utilising the money saved on this main item of production cost in the reduction of advertising rates, it is being used to buy circulations with free insurance.

In view of the ascertained fact that many thousands of unwanted and unread papers are bought merely for the sake of the insurance offered (coupled with the total absence of conclusive evidence that this "inflated" circulation is of any merchandising value), advertisers decline to accept increased "net sales" as satisfactory compensation for the non-reduction of rates. And they will strongly resist any attempt to make such "net sales" an excuse for a further increase in rates.—Yours faithfully,

INCORPORATED SOCIETY OF BRITISH ADVERTISERS, LTD.,

H. T. HUMPHRIES, General Secretary.

London, June 15th.

IRISH SECURITIES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I should much like to know from what source your correspondent, "A Mere Englishman" (June 10, 1922), gets the information that the present price of Great Southern and Western Railway ordinary stock is 59.

I am interested in this stock, and have followed it with anxiety for some time, and within the last three weeks (May 30th) my brokers have quoted it to me at 51, which price it has been round about for a considerable time.

I can hardly believe it has risen 8 points in the interval, considering the political situation, and I suggest it be verified, as the value of your correspondent's opinion depends on the accuracy of his figures.

I believe that he has quoted the price of the preference stock in calling it 59, and that his other quotations are

for the ordinary. If he has done this in the case of any other of the investments he quotes, it would account for the larger part of the rise he maintains has taken place.—I am, yours faithfully,

H. L. DICKS.

13 Northgate, Bury St Edmunds, June 13th, 1922.

[The figures quoted by "A Mere Englishman" were taken from the Dublin Stock Exchange Official List, which on June 2nd quotes the "previous price" at 59, and "business done" in the afternoon at 58. The official quotation for the preference stock on that date was 69.—Ed. *Economist*.]

Books and Publications.

STABILISING THE MARK.*

THIS book is a careful study of the problem of stabilisation on somewhat similar lines to the memorandum by Professor Bonn, which was reviewed in our issue of June 3rd. Originally written as a prize essay for the University of Cologne, on the prescribed subject of "Attempts to Stabilise collapsed currencies during the last 50 years," the greater part of the book is devoted to an historical examination of the problem, with the special object of letting the past throw light upon the present and the future. The author has added a chapter on the stabilisation of the mark, and the whole essay must be regarded as an important contribution to the study of the subject.

He distinguishes at the outset three methods of stabilising exchanges, viz.:—"Artificial" stabilisation, "natural" stabilisation, and "seemingly artificial" stabilisation. "Artificial" stabilisation takes place when a State contracts a loan abroad for the express purpose of stabilising the exchange; "natural" stabilisation when a State stabilises its exchange either by its own power, or with the help of foreign credits resulting from its increased productiveness and prosperity. The exchange may gradually attain a level at which it is stabilised (as with the Russian exchange stabilisation under Witte, and with the American exchange in 1879), or be stabilised as soon as possible (as with the Argentine exchange stabilisation of Tornquist). The former method relies on the accumulation of gold as a preliminary condition of stabilisation, the latter regards accumulation of gold as a final result of stabilisation. This latter method is what the author calls "seemingly artificial" stabilisation (Scheinbar Künstliche Stabilisierung).

The author proceeds to examine in detail, and with much insight, the principal instances of stabilisation, including the Indian, Russian, and Argentine currency stabilisations (which he refers to as the Lindsay, Witte, and Tornquist systems, after the names of their authors), together with less important examples, such as the stabilisation of the German East African Rupee in 1904.

With regard to the Argentine reforms, it may be remarked that Tornquist's idea was to use the improvement which was taking place during the 90's in the exchange as a consequence of the inflow of capital (notwithstanding that the budget did not balance), to bring about a "seemingly artificial" stabilisation of the paper peso, preventing it from rising further, and diverting the favourable balance of payments caused by credits to the purpose of accumulating a gold reserve. Further recovery in the value of the paper peso was prevented by an arrangement under which the Caja de Conversion undertook to issue notes in exchange for gold at the rate of 2½-1, and conversely gold in exchange for notes. The success of the scheme depended upon the continuance of a favourable balance of payments which enabled Argentina to accumulate gold.

The Rouble stabilisation scheme was somewhat different. It also depended upon the favourable balance of payments, which tended to improve the value of the rouble. The idea, however, was not to devalue the rouble by fixing it at the existing low level, but to let the value rise until it reached a given higher level. Gold was gradually accumulated, and the stabilisation at the rate

* "Klassische Valuta-Stabilisierungen und ihre lehren für Deutschland." By Dr Carl A. Schaefer. (Hamburg) Verlag von C. Boysen. 1922.

of 1½ paper roubles to 1 gold rouble on 1 rouble = 2.16 marks was not announced until it had actually come about.

The Indian currency scheme was again different. It aimed at gradually raising the value of the rupee by relative contraction to the level of Rs. 15 to £1. The Indian Government would always issue Rs. 15 for 1 sovereign, so that the rupee could not rise above that level. But it might fall below it. Stability was maintained by the institution of a gold standard reserve in London, and depended on the maintenance of a favourable balance of payments with the support of the gold standard reserve.

In summing up these systems of securing stability, the author points out that they have this in common: their method is to secure a relative contraction or deflation of the currency in order to prepare carefully for the transition from paper money to true bank notes. Moreover, to be successful each method involves the existence of a favourable balance of international payments caused by credits (geborgt aktive Zahlungsbilanz). The Argentine and Indian systems have also in common the fact that they possess a gold standard without a gold currency, the former on an autonomous basis, but the latter in a state of vassalage. The Russian currency reform produced a gold standard combined with a gold currency.

In applying the results of his analysis to the case of Germany, the author considers which of his three methods might achieve a rapid and lasting success. The Witte System, he thinks, drops out at once, because it could not lead to stabilisation of the mark within a reasonable period. There remains then either the method of artificial stabilisation on the basis of a guarantee on the part of some foreign country or group of foreign countries (Lindsay System), or a natural spontaneous stabilisation with the assistance of virtual stabilisation credits similar to those which assisted Argentina in the 1890's. Artificial stabilisation would involve the stabilisor (e.g., the United States or a group of countries) in a very heavy liability so long as the rest of the world considered Germany to be unworthy of credit on the basis of a stable rate of exchange. Such a pegging of the exchange, assuming reparation liabilities unaltered, might involve the presentation of 250-300 milliards of paper marks (i.e., at the maximum, the whole of the floating debt, plus, perhaps, 20 per cent. of the note issues) for conversion at the fixed rate. If this rate were, say, 300 marks to the \$, a conversion loan of about \$1,000 million would be required, as well as a further sum for a reserve fund. So long as reparation payments remain impossibly high, artificial stabilisation is, therefore, out of the question. On the other hand, if reparations were scaled down to a sum which it became possible for Germany to pay, artificial stabilisation would be unnecessary, because capital would readily flow into the country, with the result that a favourable balance of international payments caused by credits would come about, thus supporting the exchange. Assuming that a process of natural stabilisation is the simplest and best, two alternatives are possible. The method of the Indian exchange could be adopted, reparation payments taking the place of "Home Charges," which, under the Indian scheme, are paid out of the favourable balance of payments, from the proceeds of the sale of Council Bills in London. The author thinks, however, that this would not work, and that it is essential that reparations should be adjusted to the exchange, instead of the exchange being adjusted to reparations. In any case, since stabilisation is impossible apart from a solution of the reparation problem, the first essential is a moratorium for several years, and a considerable reduction of later payments. Dr Schaefer's scheme for securing "natural" stabilisation is summarised as follows:—

- (1) Moratorium for several years. Reduction of later reparation payments. Foreign reparation loan of some milliards of gold marks.
- (2) Consequent increasingly favourable balance of payments caused by credits and a natural deflation in the note circulation.
- (3) Rise in the value of the mark to the verge of a deflation crisis.
- (4) Official announcement of future stabilisation rate.
- (5) Attainment of stabilisation rate.
- (6) Influx of gold to the Reichsbank: issue of gold notes on the basis of the stabilisation rate.

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- (7) Accumulation of a stabilisation reserve.
- (8) Consolidation of the floating debt.
- (9) Adoption of a new principle for note regulation by the Reichsbank.
- (10) Elastic reparation payments.
- (11) Denomination—i.e., for the sake of convenience, introducing a new mark equal to 10 old marks.

It will be seen that Dr Schaefer is in agreement with Professor Bonn as to the necessity for a reparations loan which would give Germany a chance of getting on her economic legs again. The scheme which he has evolved is supported by much cogent argument and learning.

WATCH JAPAN.*

GENERAL GOLOVIN is an eminent Russian strategist, and his aim is to show that Japan must necessarily come into conflict with the United States, and obtain the mastery of the Pacific Ocean unless the United States can ensure the support of a reorganised and powerful Russia. Substantially, his arguments are these: Japan's population, in 1920 nearly 56 millions, averages 375 per square mile, a density almost equal to that of the British Isles, and nearly double that of France. In Nippon the number of inhabitants varies from 500 to 1,000 per square mile; in Jesso it is only 65, but the Japanese, being rice-eaters, will not migrate northwards, and hence cannot find outlets there or in Saghalien or Siberia, nor in China proper, though it is sure to come under their control. Even now the rice crop is insufficient for them; they must, therefore, spread southwards; there is not enough room for them in Manchuria, Korea, and Formosa, and the mandate over the Marshall and Caroline Islands has opened the way for them to the Philippines, and eventually to Malaya, Siam, the Dutch East Indies, and Indo-China. The war has made their rich richer and their poor poorer, and both these results make for expansion. The Washington Conference, "a piece of political fireworks," engineered by the Republicans for party purposes, has not even suspended Japan's preparations for the conflict. The "naval holiday" enables her to spend on naval bases instead of on warships; the Four-Power Pact is an illusive safeguard; should she violate it, the navies of the other Powers cannot arrive in time to operate against her. She will have made herself impregnable except by a blockade; and they cannot even blockade her unless they have strong bases on the mainland of Asia. Cavite and Guam are useless as naval bases; Hongkong "has no rear," and Singapore is too far off. So that, to keep up the balance of power in the Pacific, as well as to avert defeat in the coming conflict, Russia must be restored to her rank as a Great Power. General Golovin, who was only prevented by illness from serving as Chief of Staff in Admiral Kolchak's army, has visited Japan, China, the Philippines, Malaya, and Hawaii, studied the literature of his subject exhaustively, and obtained the collaboration of Admiral Bubnov, a Russian naval strategist, who contributes an elaborate examination of Japanese and American naval strength. Of course, some of his assumptions may not be realised. Japan may not control China, Japanese Christians and Socialists may revolt against Mikado worship and militarism, and the overflow of Japanese population may find outlets in Malaya, or in the unpeopled regions of Spanish-America. Or, being a very adaptable people, the Japanese may take to eating wheat instead of rice, and so be able to settle in Siberia after all. But his book is a forcible presentation of possibilities, which may easily become actual if racial animosities and the methods of nations in dealing with one another prove to have remained as they were in 1914.

* "The Problem of the Pacific in the Twentieth Century." By General N. Golovin. (London) Gyldendal. 1922.

BOOKS RECEIVED.

Handbook on the Formation, Management, and Winding-up of Joint Stock Companies. By Sir Francis Gore-Brown. Thirty-fifth Edition. (London) Jordan and Sons, Limited. 15s net.

Employers' Associations in the United States. By Clarence E. Bonnett. (New York) The Macmillan Company. Obtainable from Macmillan and Co., Limited, London. 18s net.

The World of To-day: Unemployment. By F. W. Pethick Lawrence. (London) Humphrey Milford. Oxford University Press. 2s 6d.

First Principles of Political Economy. By Charles Gide. (London) George G. Harrap and Co., Limited. 2s.

The Economic Journal. June, 1922. (London) Macmillan and Co., Limited. 6s net.

The British Association for the Advancement of Science. A Retrospect 1831-1792. By O. J. R. Howarth. (London) Burlington House, Piccadilly, W. 1.

The Second and Third Internationals and the Vienna Union. (London) The Labour Publishing Company, Limited. 1s.

Labour and Capital in the Engineering Trades. (London) The Labour Publishing Company, Limited. 1s.

Reconstruction in Europe. Section Three. (Manchester) Manchester Guardian Commercial. 1s.

The Star (May 23, 1922) Special Annual Supplement. Finance. Commerce. Mining. (Johannesburg) Johannesburg Star.

This, the *Johannesburg Daily Star* of May 23rd, contains a special supplement dealing with finance, commerce, and mining in the Union of South Africa, Rhodesia, and Lourenço Marques. It is stated that this is the first supplement of its kind to be issued in South Africa, and will in future be published annually by the *Johannesburg Star*. It is on sale in London at Argus South African Newspapers, Limited, 82 Fleet street.

Compte Rendu des Travaux de la Commission de la Dette Publique d'Égypte pendant l'exercice 1921-1922. (Paris) Imprimerie Nationale.

The British Chamber of Commerce in Brazil. Annual Report 1921-22. (Rio de Janeiro) 91, Rua Visconde de Inhauma.

Non-Resident Alien Income under United States Revenue Act, 1921. (New York) The National City Company.

This pamphlet, showing how the United States Revenue Act of 1921 affects individuals and corporations foreign to the United States, has just been issued by the National City Company, and may be obtained on application to the London office of the company, 34 Bishopsgate, London, E.C.2. It also contains some useful tables and facsimiles of forms laid down under the Act.

Kelly's Directory of Merchants, Manufacturers, and Shippers of the World. 1922. (London) Kelly's Directories, Limited. 64s.

This is the 36th annual edition of this publication which has just been issued, and it is difficult not to exaggerate the value of this volume in relation to the present conditions of British trade. As its title indicates, it is a very necessary guide to those engaged in trade of every sort and variety the world over. The book consists of some 5,000 pages, giving information as to 20,000 foreign and colonial cities and towns, under which over 1,000,000 trade descriptions are given. The directory is in two divisions, the first dealing with foreign countries and their dependencies, while the second gives information concerning England, Scotland, Ireland, and Wales, the British Dominions and Possessions. Much information is given about the late enemy countries, the German section alone running to 400 pages. The publication is one of which the proprietors may be justly proud.

Getting the World to Work. By Sir Charles W. Macara, Bart. (Manchester) Sherratt and Hughes. 5s net.

Sir Charles Macara in a preface to this collection, the articles and letters he has written to the Press since his last volume appeared, gives most legitimately encouraging figures of the circulation of his earlier volumes, and looks forward "confidently to the success of another venture on similar lines."

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. ACCOUNT.
June 28. June 29.

This week has brought no fresh influx of business into the Stock Exchange markets. In fact, the second fortnightly settlement since the outbreak of war turned out to be almost smaller in volume than its predecessor, although an increase in the bull account was noticeable in Home Railway stocks, Courtaulds, and a few oil shares. Contango rates varied from 5 to 7 per cent., with extra stiff charges in those cases where the takers-in had to pay for stock. The Stock Exchange Committee have decided that jobbers who take up stock on contango on behalf of brokers cannot claim the sub-

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stantial concession provided by the clause under which dealers may take stock into their own name on payment of a nominal 10s transfer stamp, irrespective of the consideration money.

The fall in the Bank rate came as a refreshing surprise to markets jaded with stale bulls and a plethora of new issues. The unexpected announcement of a loan of 12½ million pounds India 5½ per cent. at 96 was far from welcome. Rumours had been current some time previously to the effect that a big rupee loan was pending, but a sterling loan had not been anticipated. In point of fact, the price at which the stock was offered ruled above that at which the existing security could be obtained in the Stock Exchange, allowing for the fact that the latter carried six months' interest. The newcomer had the effect of depressing everything in this department. In addition, there has been talk of another Local Loans issue. Heaviness crept into all the gilt-edged lists, Colonial, Corporation, Home Railway prior-charge issues, Foreign Railway debentures and preference stocks, and even industrial debentures. The fact of the matter is that buyers have been fully satisfied, and, with new issues still largely in the hands of stags, there was not enough driving power in the shape of continued investment to keep up prices in the face of a general dullness. But the fall in the Bank rate promptly gave rise to hopes of an influx of fresh money to the markets. The War Loan rose from 98½ to 99½, and other stocks followed suit.

The foreign market is a little better than it was earlier in the week. On very vague statements in regard to some Reparation payment which, according to report, is to be made to France, French Government bonds, together with those of the railway companies, rallied sharply. At the same time Germans hardened. Brazilian bonds are also better. Riga 4½ per cent. put on several points, though Helsingfors issues are weak, in spite of gossip to the effect that negotiations are on the point of being reopened in connection with a new Finland Government 7 per cent. loan. Mexican Government bonds are points higher. Talk is revived of a settlement having been reached between Mexico and the United States.

Home Railway stocks turned better, after being decidedly flat by reason of the liquidation of stale bull accounts. Prices went ahead too fast, and the reaction was not surprising, though it certainly caused disappointment to a wide circle of people who were mildly dabbling in Home Rails. All sections of the market became similarly affected. Mexican Rails are better. The Canadian Railway list is unchanged; it is expected that the Grand Trunk case will be reopened next month. Argentine Rails came under the influence of dullness in other parts of the House. Amongst Brazilians, the outstanding feature is a rise in Great Western of Brazil shares, on hopes that modification of freight rates will benefit the company materially. Brazilian Tractions had risen in advance of the resumption of dividends after five years on the common shares.

Rubber shares are inert and lower. The oil market became somewhat disturbed by the news that a pool has been formed to market, at £4 11s 6d ex dividend, 1,250,000 Shell shares which have been taken from the Royal Dutch Company. The cuts in the Royal Dutch, Anglo-American, and Shell dividends caused uneasiness in regard to the forthcoming announcements of the Burma Oil and the Mexican Eagle Companies. Some of the lower-priced oil shares came into prominence, on more or less professional dealing. Richardson, Westgarths are better in the iron and steel market, on the unexpectedly good showing made by the report. Courtaulds fell away, on pressure to sell by weak bulls, but recovered on the Bank rate reduction. Textiles as a whole have leaned to the easier side. Tobacco shares are better. Hudson's Bays advanced in consequence of the increase in the dividend. The Indo-China Steamship report, showing a decreased dividend, lead to heaviness in the price of the shares, and the shipping market is somewhat out of favour. Insurance shares have scarcely moved. Further declines occurred in a few of the Australian and Eastern banking shares. New issues in a good many cases stand at substantial discounts. The wireless group is a little firmer, and cable shares have recovered the greater part of the loss which they suffered a fortnight ago. The termination of the engineers' lock-out caused a slight improvement in

iron, steel, and armament shares, but it has failed to stimulate business to any particular extent.

Kaffirs were benefited to a small extent by the fall in the Bank rate, though of more importance was the support rendered to the market by Cape buying earlier in the week. Some of the June dividends are already announced, and have had no particular influence upon prices. Lively movements in Selukwes and Globe and Phoenix gave Rhodesians a semblance of activity. De Beers and other diamond shares are erratic. In the remaining mining markets there has been so little doing as to enable their members to give up most of their time to numberless sweepstakes on the Ascot races.

Loans and contango bargains open under the emergency rules will be settled on Friday, September 1st. The account days from September to December, 1922, have been fixed as under:—September, Thursdays, 7th and 21st; October, Thursdays, 5th and 19th; November, Thursdays, 2nd, 16th, and 30th; December, Thursday, 14th, and Friday, 29th.

NEW ISSUES.

The new issues of the week and the current year and date of opening of the lists have been as follows:—

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—				
Amount previously recorded ..	424,336,440	..	..	..
4½ % Treasury Bonds (by Tender June 9, 1922), £1,100,000, at £98 1s 5d ..	..	..	1,078,802	..

NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED JUNE 9, 1922.				
April 1 to June 9, 1922, £20,280,000 ..	..	..	..	..

To the Public—				
Government of India, £12,500,000				
5½ % Loan (rep. at par Jan. 15, 1932), issued at 96½ (June 14) 12,500,000 ..	12,000,000	..	625,000	11,375,000
Electrical Apparatus Co., Ltd., 50,000 8 % Cum. Pref. Shares, £1, at par (June 14) ..	50,000	..	50,000	..
Total offered to the Public ..	12,050,000	..	631,250	11,418,750
To Shareholders only—				
Second Investors' Mortgage Security, 10,000 Shares, £10, at £10 10s per share ..	10,000	..	10,500	..
Bank of New South Wales, 50,000 New Shares, £20, at par ..	1,000,000	..	200,000	800,000
Total offered to Shareholders only ..	1,010,500	..	202,000	808,500
Total offered for subscription to date ..	£439,075,742	1921 ..	£388,978,203	
1922 ..	117,009,768	1920 ..	367,649,666	
1920 ..	220,647,156	1919 ..	1,036,059,961	
1919 ..	380,175,143	1918 ..	1,318,381,441	
1918 ..	696,180,167	1917 ..	1,318,596,020	
1917 ..	1,041,175,467	1916 ..	885,436,850	
1916 ..	287,974,220	1915 ..	685,336,386	
1915 ..	72,001,396	1914 ..	612,522,633	

Government of India 5½ per Cent. Loan.—Issue of £12,500,000 at 96 per cent., repayable at par on January 15, 1932. This issue is made under the provisions of the East India Loans (Railways and Irrigation) Act, 1922, and previous Acts, and the entire proceeds will be utilised for Indian railway purposes. This issue will be consolidated with the existing Government of India £5 10s per cent. loan, which also is redeemable at par on January 15, 1932. This latter loan for £10 millions, it may be recalled, was issued in December last at 93½ per cent. The books of the loan are kept at the Bank of England, and the security is a trustee stock, interest being payable at the Bank of England. Subject to political considerations, the issue is an attractive short-term loan.

The Rugby Gas Company.—Incorporated by Special Act of Parliament 1882. The authorised share capital is £205,254, of which £55,254 has been issued, while the authorised loan capital amounts to £68,418, of which £9,000 has been issued. This is an offer for sale by tender of £26,000 6 per cent. "redeemable" preference stock, the minimum price of issue being £97 per £100. The stock will be redeemed at par on July 1, 1932. Apparently this issue of preference shares rank immediately after the loan capital, and as the net revenue of the undertaking for the year ended December 31st last after payment of loan capital charges was £6,321, and only £1,560 per annum will be required to pay dividends on the present issue, there is a substantial margin of cover available for preference dividends. Of course, further borrowings under loan capital might affect the security of the preference stock, but at the minimum price of issue the yield is £6 9s 2d per cent., and this is not without attraction. Regard, however, must be paid to the narrow market for such a small issue. It is intended to apply for a Stock Exchange quotation.

The Electrical Apparatus Company, Limited.—Authorised capital £370,000, of which £143,340 has been issued and £141,030 is paid up. It is stated that "there are no prior charges on the undertaking, nor can such be raised without the consent of the holders of three-fourths of the issued preference shares." This is an issue of 50,000 8 per cent. cumulative preference shares of £1 each at par. The business

was established in 1906, and the present company was formed in 1913 to acquire and develop it. The principal articles of manufacture are electricity house service meters and electric control gear. Net assets available as cover for the £141,030 of issued share capital are valued at £141,210; this sum includes £5,678 for patents and £44,626 for investments in associated companies, which are taken at cost. Thus, although profits are shown from 1915 to be on a generous scale and dividends on ordinary shares have reached as high as 14 per cent., it would be interesting to know what has happened to reserve allocations, assuming that some have been made. The prospectus states that the directors "hold the whole of the ordinary shares and are bound to give their whole time to the service of the company," and, further, that the "directors' fees may not, under the articles of association, exceed £2,250 in all in any year unless the full dividends are paid on the preference shares." From this it is deduced that "the personal interests of the management are thus in a special degree bound up with the general prosperity of the company, and with the maintenance of regular dividends on the preference shares." This, however, is an argument which does not lend itself to universal application.

ACTIVE SECURITIES.

The following tables show the movements of the week in the more active securities of the various markets:—

British and Colonial Government Securities.				
	Price Last Week.	Price.	Price.	Price.
War 4½ % 1925-28 ..	94 ..	94 ..	94 ..	94 ..
Loans 4½ % 1925-28 ..	94 ..	94 ..	94 ..	94 ..
Loans 5½ % 1925-28 ..	94 ..	94 ..	94 ..	94 ..
Loans 6½ % 1925-28 ..	94 ..	94 ..	94 ..	94 ..
Pending Loans 4½ % ..	94 ..	94 ..	94 ..	94 ..
Victory Bonds 4½ % ..	94 ..	94 ..	94 ..	94 ..
Conversion Loan 4½ % ..	94 ..	94 ..	94 ..	94 ..
Consols 2½ % ..	55 ½ ..	55 ½ ..	55 ½ ..	55 ½ ..
Irish Land Stock 2½ % ..	59 ½ ..	59 ½ ..	59 ½ ..	59 ½ ..
Local Loans 3½ % ..	63 ½ ..	63 ½ ..	63 ½ ..	63 ½ ..
Colonial and Foreign Railways.				
Antofagasta Cons.	62 ..	62 ..	62 ..	62 ..
B. A. & Pacific ..	46 ½ ..	46 ½ ..	46 ½ ..	46 ½ ..
B. A. G. Southern ..	71 ..	71 ..	71 ..	71 ..
Buenos Ayres West. ..	63 ..	63 ..	63 ..	63 ..
Canadian Pacific ..	153 ..	153 ..	153 ..	153 ..
Central Argentine ..	63 ½ ..	63 ½ ..	63 ½ ..	63 ½ ..
Grand Trunk Ord. ..	11 ..	11 ..	11 ..	11 ..
Banks.				
Barclays B. (£1 f.p.d.) ..	214 ..	214 ..	214 ..	214 ..
Chartered Bk of India ..	18 ..	18 ..	18 ..	18 ..
Lloyds (£5 with £1 p.d.) ..	218 ..	218 ..	218 ..	218 ..
London Joint City & Midland (£12 with £2 paid) ..	8 ½ ..	8 ½ ..	8 ½ ..	8 ½ ..
London County West. ..	17 ½ ..	17 ½ ..	17 ½ ..	17 ½ ..
Manchester & Lanc. ..	17 ½ ..	17 ½ ..	17 ½ ..	17 ½ ..
Foreign Government Securities.				
Argentine 5½ % 1886-7 ..	100 ..	100 ..	100 ..	100 ..
Belgian 3½ % ..	70 ..	70 ..	70 ..	70 ..
Brazil 5½ % Fund, 1914 ..	70 ..	70 ..	70 ..	70 ..
Chilian 4½ % 1895 ..	77 ..	77 ..	77 ..	77 ..
Do 7½ % ..	104 ..	104 ..	104 ..	104 ..
Chinese 5½ % 1913 ..	70 ..	70 ..	70 ..	70 ..
Egyptian 7½ % ..	70 ..	70 ..	70 ..	70 ..
French 5½ % ..	41 ½ ..	41 ½ ..	41 ½ ..	41 ½ ..
Do 4½ % ..	33 ..	33 ..	33 ..	33 ..
Telegraphs.				
Anglo-American "A" ..	232 ..	232 ..	232 ..	232 ..
Marconi Wireless ..	24 ..	24 ..	24 ..	24 ..
British Railways.				
Great Central Pref. ..	21 ½ ..	21 ½ ..	21 ½ ..	21 ½ ..
Great Eastern ..	41 ½ ..	41 ½ ..	41 ½ ..	41 ½ ..
Great Northern Def. ..	43 ..	43 ..	43 ..	43 ..
Great Western ..	105 ½ ..	105 ½ ..	105 ½ ..	105 ½ ..
London, Brighton, & S. Coast ..	64 ..	64 ..	64 ..	64 ..
London & North Western ..	104 ..	104 ..	104 ..	104 ..
L. & N. Western, Def. 30 ..	30 ..	30 ..	30 ..	30 ..
Metropolitan ..	45 ½ ..	45 ½ ..	45 ½ ..	45 ½ ..
American Railroads.				
Chesapeake & Ohio ..	73 ½ ..	73 ½ ..	73 ½ ..	73 ½ ..
Erie ..	18 ..	18 ..	18 ..	18 ..
Do 4½ % 1st Pref. ..	26 ..	26 ..	26 ..	26 ..
Miscellaneous.				
Aerated Bread (£1) ..	14 ½ ..	14 ½ ..	14 ½ ..	14 ½ ..
Anglo-Persian Oil (£1) ..	4 ½ ..	4 ½ ..	4 ½ ..	4 ½ ..
Armstrong (St. W. G.) ..	17 ½ ..	17 ½ ..	17 ½ ..	17 ½ ..
As. & S. India ..	14 ½ ..	14 ½ ..	14 ½ ..	14 ½ ..
B. & S. India ..	10 ½ ..	10 ½ ..	10 ½ ..	10 ½ ..
Brazil Traction (£100) ..	52 ½ ..	52 ½ ..	52 ½ ..	52 ½ ..
British-American Tobacco (£1) ..	34 ½ ..	34 ½ ..	34 ½ ..	34 ½ ..
Brit. & Arg. Meat (£1) ..	18 ½ ..	18 ½ ..	18 ½ ..	18 ½ ..
Burmah Oil (£1) ..	57 ½ ..	57 ½ ..	57 ½ ..	57 ½ ..
Costa (J. and F.) (£1) ..	57 ½ ..	57 ½ ..	57 ½ ..	57 ½ ..
Cornwall (J. and F.) (£1) ..	57 ½ ..	57 ½ ..	57 ½ ..	57 ½ ..
Quarrel (£1) ..	18 ½ ..	18 ½ ..	18 ½ ..	18 ½ ..
Dorman, Long (£1) ..	48 ½ ..	48 ½ ..	48 ½ ..	48 ½ ..
Dunlop Rubber (£1) ..	18 ½ ..	18 ½ ..	18 ½ ..	18 ½ ..
Fine Cotton Spinners (£1) ..	18 ½ ..	18 ½ ..	18 ½ ..	18 ½ ..
Forestal Land (£1) ..	18 ½ ..	18 ½ ..	18 ½ ..	18 ½ ..
Furness, Withy (£1) ..	18 ½ ..	18 ½ ..	18 ½ ..	18 ½ ..
Glaxo (£1) ..	18 ½ ..	18 ½ ..	18 ½ ..	18 ½ ..
Hudson's Bay (£1) ..	61 ½ ..	61 ½ ..	61 ½ ..	61 ½ ..
Mines.				
Broken Hill Prop. (8) ..	18 ½ ..	18 ½ ..	18 ½ ..	18 ½ ..
Chartered (8) ..	18 ½ ..	18 ½ ..	18 ½ ..	18 ½ ..
Cons. Gold Fields (£1) ..	18 ½ ..	18 ½ ..	18 ½ ..	18 ½ ..
Crown Mines (10) ..	18 ½ ..	18 ½ ..	18 ½ ..	18 ½ ..
De Beers Def. (£24) ..	12 ½ ..	12 ½ ..	12 ½ ..	12 ½ ..
East Rand Prop. (£1) ..	3 ½ ..	3 ½ ..	3 ½ ..	3 ½ ..
Goldfield (£1) ..	3 ½ ..	3 ½ ..	3 ½ ..	3 ½ ..
Gov. Gold Areas (£1) ..	4 ½ ..	4 ½ ..	4 ½ ..	4 ½ ..
Mines.				
Knights ..	18 ½ ..	18 ½ ..	18 ½ ..	18 ½ ..
Modderfontein (10) ..	34 ½ ..	34 ½ ..	34 ½ ..	34 ½ ..
Modderfontein "B" (5) ..	18 ½ ..	18 ½ ..	18 ½ ..	18 ½ ..
Modderfontein, Deep (5) ..	21 ½ ..	21 ½ ..	21 ½ ..	21 ½ ..
Premier Del. (24) ..	21 ½ ..	21 ½ ..	21 ½ ..	21 ½ ..
Rand Mines (5) ..	21 ½ ..	21 ½ ..	21 ½ ..	21 ½ ..
Rio Tinto (5) ..	21 ½ ..	21 ½ ..	21 ½ ..	21 ½ ..
Spring Mines (£1) ..	21 ½ ..	21 ½ ..	21 ½ ..	21 ½ ..

COMPANY MEETINGS, &c.

GRESHAM LIFE ASSURANCE SOCIETY, LIMITED.

SOCIETY'S STRONG POSITION—NEW STANDARD EXCHANGE RATES.

The seventy-third ordinary general meeting of the Gresham Life Assurance Society, Limited, was held, on the 8th instant, at the chief office of the society, St Mildred's House, Poultry, London, Sir Reginald Macleod, K.C.B., the chairman, presiding.

The general manager and secretary (Mr Alexander Lawson) having read the notice convening the meeting and the report of the auditors,

TRIBUTE TO THE LATE CHAIRMAN.

The Chairman said: Gentlemen,—Before proceeding with the business of the day, I wish to say one word to you in reference to the great loss which we have all sustained by the death of our late chairman. Sir Charles Hanson's great ability and vigorous personality have left a profound mark in every enterprise which he undertook—in the City of London, where his mayoralty was one of the most distinguished of recent years, in his native county, in Parliament, in general business in the City, and notably in the affairs of our own society. He first took a seat on this board in 1896, and he became chairman in 1908. During that long period he was in almost daily touch with his colleagues and with the management, and I wish to be allowed to say how very deeply we, who have met him so constantly, deplore his loss. He was a most wise counsellor, and was a most generous and sympathetic friend.

Now, gentlemen, turning to the business of the meeting, the outstanding feature of the report to which I wish to draw your immediate attention is the large reductions which are shown in the figures, including income, outgo, assets, and new business, consequent upon the adoption of new standard exchange rates for the conversion of foreign currencies, and I regard myself as fortunate in being able to present to you, on the first occasion of my addressing you as chairman of the society, a report and accounts based upon complete recognition of the situation resulting from the upheaval and destruction of war in so many of the countries in which we have been doing business. Although a clear and explicit statement on this subject is contained in the report, it will not be out of place if a few words are added in amplification. In previous years—as you will notice from the report, and as, indeed, you are well aware—foreign currencies have been included in the accounts at the standard exchange rates adopted prior to the war. The convenience of this course is obvious, and for a time it was possible to hope that the exchange rates would return to a stable basis. That hope has not been realised.

It will be within your recollection that on the occasion of the quinquennium ending on December 31, 1919, our actuary reported that, while retaining the old standard rates of exchange for our financial statements, the valuation balance-sheet must be based on the rates of exchange on that day, and there consequently fell to be deducted from both assets and liabilities a sum approximating to that by which the assurance fund has now been reduced. It was upon this basis that our profits for the quinquennium were shown and our bonus declared.

THE EXCHANGE QUESTION.

In view of the persistence of the depression in many foreign currencies, we have come to the conclusion, after most careful consideration and after consultation with your auditors, that it is in the best interests of the society to adopt now for all purposes, and not to wait for the next quinquennium, new standard exchange rates approximating to the rates prevailing at the close of last year. As stated in the report, however, the reduction thus shown in the assets does not represent a loss. By the adoption of this procedure we are neither worse off nor better off than before; if our assets are less as expressed in pounds sterling, our liabilities are reduced by a like amount. We hold certain investments, let us say, in francs: we receive premiums in francs, we meet our claims in francs, but in stating those premiums and claims in our accounts we no longer state them at the standard figures which were formerly appropriate, but at the figure which represents the facts of to-day.

Turning now to the figures in the report setting out the operations of the past year, it will be seen that 5,449 policies were issued, assuring an amount of £2,516,000 after deducting reassurances, and that 573 proposals, for £351,000, were declined; that the premiums upon new assurances completed amounted to £116,910, including single premiums of £1,939; that a sum of £27,968 was received as consideration for annuities granted; that the income of the society derived from premiums, interest, and rents amounted

to £1,067,360; that the death claims were within the actuarial expectation, and, with bonus additions, amounted to £256,059; and that claims on endowments maturing by age or expiration of term amounted to £326,553; that 149 annuitants have died, releasing the society from annuities amounting to £7,224; and that the assets as appearing in the balance-sheet amount to £6,683,109. It is gratifying to note that the life assurance fund increased during the year by £114,000.

THE SOCIETY'S POSITION.

These figures are of sufficient magnitude to continue to place the society in a foremost position amongst the great life assurance companies of this country. The percentage of expenses, though less than last year, is too high and must be reduced. This high rate is due mainly to the continued high ratio of new premiums to total premiums. From other points of view the largeness of the volume of new business that comes to us is an element of strength, but it is costly, and is responsible for a material part of the rise in our expenses as compared with pre-war times. Then, again, the high rate is also to some extent due to the alteration in the basis of currency conversion, and to the fact that it is in those countries where the currency is most depressed that the cost of living and charges for administration are highest. I cannot promise any great immediate reduction of this burden, but the board and management are keenly alive to its importance, and have the matter constantly under review.

I wish to draw your attention to the rate of interest realised upon our funds, which, after deduction of income-tax, is at the satisfactory rate of £4 5s 1d per cent., the rate of the previous year having been fully maintained. The question of investment and re-investment is engaging our constant attention, as it is upon the profitable but wise and safe utilisation of funds that life assurance companies particularly depend.

ARRANGEMENT WITH HUNGARY.

The arrangement by which the Hungarian Government release the society from all its liabilities in Hungary is an important step forward towards the liquidation of our business in the old Austrian-Hungarian Empire. You will notice in the revenue account a sum of £15,201 as the value of assets surrendered in respect of liabilities taken over by the Hungarian Government. We were obliged by law to hold Hungarian securities, and it is these we have surrendered to the Hungarian Government. Before the war we held a great position in Austria-Hungary, and it may be asked why we have not built afresh upon that position. One reason is—and I think a sufficient one—that the kronen cost of doing business is excessive as compared with any possible kronen receipts, and is, indeed, prohibitive. This applies with more or less force to other portions of the old Austrian Empire, and the directors are hopeful that negotiations which are now taking place may lead to a similar relief being obtained, on terms satisfactory to the society, in several other Succession States in which the severe currency depreciation and the prevailing economic conditions have caused the business to become unremunerative.

Just eight years ago, in dealing with the year 1913, the Chairman was able to tell you that it had been the most prosperous and promising the society had perhaps ever enjoyed. The new business amounted to £2,362,000, and from every point of view the prospects were favourable. The war fell; our new business in enemy countries was cut out; in our own and in allied countries we had to stand the incalculable burden of death in action and from disease; the financial conditions were uncertain and unsoundable; anxiety would have been pardonable.

CAUSE FOR CONGRATULATION.

In viewing the position as it exists to-day, we have much reason for thankfulness and congratulation. Two years ago, in dealing with the quinquennium terminating in 1919, the actuary was able to report that, notwithstanding war and pestilence, the death claims on the five years covering the whole war period of 1914-19 were within the actuarial expectations, and that the financial position justified the distribution of a bonus—a rather unusual event at that particular period. In 1920 and 1921, I am glad to say, the claims by death have been substantially more favourable. Although important branches have ceased to function, and although the adoption of the new standard rates of exchange involves large reductions in the volume of business as expressed in sterling, the

net amount of new insurances placed on the books, as I have already stated, is £2,516,000—a greater sum than in 1913.

Gentlemen, I look forward to the future with confidence, and have great pleasure in proposing "That the directors' and auditors' reports be approved and adopted."

The Deputy-Chairman (Mr Courtenay C. S. Fooks), in seconding the motion, said he would like to associate himself—and he was sure his colleagues would wish to do so as well—with the heartfelt terms in which Sir Reginald Macleod had referred to the late chairman.

The resolution was carried unanimously.

RE-ELECTION OF DIRECTORS.

The Deputy-Chairman then moved that the appointment of Major Walter H. Levy, D.S.O., as a member of the board be confirmed, and that Sir Reginald Macleod, Mr Henry Hoare, and the Right Hon. Lord Monk Bretton, C.B., be re-elected directors. On the lamented death of the late chairman, the question of filling the vacancy on the board was a matter of great concern to the directors. They felt that it was necessary to secure a personality which would be of the greatest advantage to the society, and they had been fortunate in securing the services of Major Levy (of Messrs M. Samuel and Co., Limited)—a name well known in the City as being associated with great enterprises. He was sure that the advent of that gentleman to the board would be a source of strength and give renewed confidence to both policy-holders and shareholders.

The motion was seconded by Mr Laurence Currie, and unanimously adopted.

STRENGTH OF THE SOCIETY.

Sir Arthur Lowes Dickinson, F.C.A., F.I.A. (Messrs Price, Waterhouse, and Co.)—who was re-elected auditor on the part of the shareholders, on the motion of Mr C. H. Beadnell, seconded by Mr Anderson—said he wished to congratulate the shareholders on the satisfactory way in which the society had come through the troubles which had necessarily fallen upon it owing to the war. The shrinkage in assets, as the chairman had pointed out, was not what at first sight it appeared, because it was met by a shrinkage of liabilities. It was a great satisfaction to him to be able to say that the position of the society was no less strong than it had been in the past, and it seemed to be in a splendid position to cope with the increasing business which appeared likely to come to it.

SUEZ CANAL COMPANY.

YEAR'S RESULTS—MARKED INCREASE IN CANAL TRAFFIC.

The sixty-eighth annual meeting of the shareholders was held in Paris on the 12th instant. The report of the Council of Administration was read to the meeting, and was substantially as follows:—

The results of the year 1921 have fully confirmed the optimistic forecasts which our last report contained. In spite of the intense economic crisis, which has been felt throughout the whole world for the last two years, the traffic of the canal, following out its gradual development, has continued to approach the level which it reached before the war. The position, considering the circumstances which still influence international exchanges, is singularly favourable, and further strengthens our confidence in the future.

The net profits of 1921, influenced especially by the reduction of profits from exchange and by a slight increase in working expenses, have been slightly lower than in 1920. The excess of receipts over expenditure was 180,211,679f 27 c, a sum somewhat smaller than in the preceding year, but nevertheless sufficient to maintain a net revenue equal to that of 1920, and to allocate to funds for reserve, redemption, and construction considerable sums which we still consider to be justified this year.

In fact, we do not believe that we should depart from the policy of prudence you have always sanctioned, the receipts of 1921 being, as those of the previous year, to a large extent of an abnormal and uncertain character; we refer to profits on exchange. In order to provide against the consequences of a diminution of these exceptional profits in future years, we have thought it prudent to allocate to the extraordinary reserve fund, which you have started for this reason, the sum of 15 million francs.

In recommending this measure to you, we remain faithful to a policy which has always been yours, and we feel certain that later you will have to congratulate yourselves on having reconciled your present with your future interests.

FINANCIAL SITUATION.

Total receipts in 1921 at 260,135,096f 61c, show a decrease of 7,324,682f 45c. Receipts from navigation tolls are less by 2,623,074f 20c than those of the previous year. The increase in traffic partially balanced the reduction of receipts due to the reduction in the tax of 25c, a reduction amounting roughly to 4,500,000f.

Total expenses have increased to 61,868,393f 45c. The increase

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exceed £13,000,000.

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of 5,255,850 of being due, to a large extent, to measures taken last year to improve the conditions of the personnel in Paris and Egypt.

A considerable decrease in the price of coal, and a slight decrease in the price of raw materials, enabled us to increase our upkeep work without any proportionate increase in expenses. On the other hand, the increase in expenses are compensated to the amount of 1,000,790 of the decrease in interest charges and the redemption of the consolidated bonds, &c., which figure in our accounts for the last time. Whilst, on the whole, the results of the year are a little less favourable than those of 1920, they allow us to write down material by the same amount as last year, and to allow 10 millions for the construction of houses in Egypt. The actual excess of receipts over expenditure amounted to 164,893,072. To this has to be added the balance brought forward from the 1920 accounts, making an available total of 165,211,679. It is proposed to distribute 149,261,971, and, after placing 15,000,000 to special reserve, to carry forward 949,707 to the 1922 accounts.

The dividend amounts to 280 gross, and 245 net, more than equivalent to that of 1921.

CANAL TRAFFIC.

In 1921, 3,971 passages were made, representing a tonnage of 18,118,999 tons, showing a decrease of passages of 34 and an increase in tonnage of 544,342. Compared, however, with 1913, this still shows a decrease of 1,914,885 tons.

The time taken for the passage has been lowered to 15 hours 25 minutes. The shortest time previous to this being 16 hours 11 minutes, in 1914.

The merchandise carried amounts, in round figures, to 17,509,000 tons. Whilst this is 32 per cent. less than before the war, it is nevertheless a marked increase on 1921, during which we carried 17,047,000 tons.

GENERAL SITUATION

This is a very remarkable result, and testifies to the strength of your company, especially since it coincides with an intense economic crisis. This crisis has manifested itself throughout the whole world by a considerable contraction in commercial exchange, through which the shipping industry has particularly suffered. One would therefore have expected a considerable diminution in the canal traffic, which would doubtless have occurred but for a renewed activity in certain commodities.

On the journey from Europe, the export of English coal reached 4,122,000 tons, an amount almost equal to that of 1913. This increase in coal exports equals the total increase in merchandise. There is marked increase in the movement of metals, engines, and railway materials—these last almost reaching their pre-war importance. Other categories of outward traffic lower the net increase to 258,000 tons.

In return traffic, it is to the increase in passage of wheat and rice and increased movement of mineral oils that the increase of 204,000 tons is due.

Wheat reached the exceptional amount of 1,762,000 tons, which has only been exceeded twice, due mainly to the unprecedented amount sent from Australia. Rice, while only showing half the tonnage of 1913, was twice the amount of 1920.

Mineral oils show an increase of 528,000 tons, or 67 per cent. over 1920. Their share of the return traffic has increased from 2 per cent. in 1913 to 12 per cent. in 1921.

The results of the current year are not less satisfactory than those of 1921; the increase of shipping traffic is maintained and confirmed during the first months of this year; tonnage passing through shows a marked increase on that of the corresponding period of 1921, and up to May 22nd receipts show an increase of 6,820,000.

These favourable results make us optimistic that the canal traffic, at one time overwhelmed by the deep depression engendered by the war, will start once again to follow the regularly ascending curve which since its commencement has reflected the strength and growing prosperity of your company.

ANGLO-AMERICAN OIL COMPANY, LIMITED.

BOARD OPTIMISTIC OF THE FUTURE.

The thirty-fifth annual general meeting of the Anglo-American Oil Company, Limited, was held, on the 15th instant, at the office of the company, 36 Queen Anne's Gate, Westminster, London.

Francis E. Powell, Esq. (the chairman), presiding.

The secretary (Mr A. H. Hewett) having read the notices convening the meeting,

The Chairman said that, owing to the unprecedented fall in the value of all petroleum stocks and merchandise during the year, the net result of the company's business shows a loss.

The values of inventories due to above causes was less than half the value at the end of 1920, although the quantities in stock were

approximately the same. In addition, the sales of lubricating oils suffered severely due to the coal strike and bad trade in industrial centres, so that the total values of all sales were £7,126,000 less than for the previous year. Although no profit has been shown for the year, the directors have made the usual provision for depreciation on steamships, plant, &c., amounting to £710,754. There has also been set aside for depreciation on investments £126,711. These amounts, together with the net loss for the year of £31,832 and a provision for income-tax of £182,608, all of which have been charged to the surplus account, leaves a balance to the credit of that account of £476,976. From this the directors proposed a final dividend of 2s per share, absorbing £300,000, which will make, with the interim dividend declared in December, 1921, a total dividend of 3s per share, or 15 per cent. for the year. The general reserve funds, amounting to £1,931,740, stand at a figure somewhat larger than a year ago.

IMPROVED TRADING SITUATION.

Since the date of the balance-sheet the trading situation has improved and values have slightly recovered. Providing no unforeseen contingencies arise, and the present volume of lubricating and other sales is maintained between now and the end of the year, the directors believe the profits will be equal to an average of previous ordinary years.

The company's fleet of tankers is fully employed. There are only two vessels (cargo boats) laid up—it is hoped only temporarily. There are no new vessels building.

On April 1st last the company paid over \$1,250,000 to the trustees in New York as part liquidation of the gold notes due in 1925. The cash resources of the company are for the time being sufficient for the business, and owing to the lower value of all products an issue of new shares, as authorised a year ago, is not necessary for the present, at least.

The Chairman concluded by moving the adoption of the report and the accounts.

Mr James Hamilton (vice-chairman) seconded the motion, which was carried unanimously.

INDIA GENERAL NAVIGATION AND RAILWAY.

SURCHARGE TAX REMOVED—COMMON CARRIERS ACT REVISED.

The annual ordinary general meeting of shareholders was held, on the 14th instant, at Winchester House, Old Broad Street, London, Mr S. G. L. Eustace, the chairman of the company, presiding.

The Chairman said: Ladies and Gentlemen,—You will understand my feelings of regret that in thus assuming office as your chairman I have to present to you the result of the past year's working. If, however, you will recall your late chairman's speech a year ago, you will remember that he then frankly pointed out the extremely uncertain character of our prospects, in face of the continued complete industrial stagnation, and the serious political upheaval. In the period that followed, the stagnation remained, whilst unfortunately the political disturbances spread, culminating in disastrous strikes in various parts of the country, which, in due course, involved the greater part of the crews of this company—an unprecedented occurrence in our long history. So far as it is possible to form an estimate, three-quarters of our loss in the past year is attributable solely to this lamentable strike, lasting as it did for six weeks, entirely disorganising our regular services and causing the laying up of many of our vessels altogether.

THE ACCOUNTS.

Turning now to the accounts, and more particularly to our costs, our chief trouble, and one, unfortunately, over which we can exercise but little control, is coal, the life-blood of all transport companies. For many years the price of coal in India varied between Rs. 2 and Rs. 4 per ton, according to quality, at pit-head, but the price now quoted varies from Rs. 8 to Rs. 15 for similar qualities. When I remind you that this company consumes some 235,000 tons a year, you will understand what this signifies to us. In addition, we have greatly increased railway charges thereon to pay. This cost of coal, at the moment, is unquestionably the most serious factor with which Indian industrial enterprise has to cope. The remedy is in increased production, which can be assured by the substitution, to a large extent, of machinery for hand labour, and this substitution, the necessity for which is fully realised, is already in progress. We must bear in mind that the extraordinarily high cost of Indian coal last year was greatly accentuated by very large exports from India, due to the coal strike in this country. Sudden movements of this kind are always disastrous in their immediate incidence.

In the balance-sheet we have to note, as mentioned in your directors' report, our return to the old 1s 4d exchange value. When the change to 2s was made, the sterling difference was £140,521 14s 5d credit, which sum was, in view of the uncertainty of stability at that rate, retained untouched in suspense

account. In reverting to the previous practice, only £63,053 17s 2d has been needed for the necessary adjustment, due to realisations of assets in India, the proceeds of which have been re-invested in additions to the fleet. Consequently it is fair that the movable block account should be credited with any surplus remaining in exchange suspense, and the balance of this account, £77,467 17s 3d, with the addition of £22,532 2s 4d taken from fleet replacement reserve, in all £100,000, has therefore been used to write down the recent additions to the fleet. The fleet replacement reserve was, as a matter of fact, set aside for this specific purpose, and, as forecasted in our report, will be further drawn upon from time to time for a similar object whereby the annual depreciation upon such vessels that has to be provided for out of profits will be reduced.

GOVERNMENT SURCHARGE TAX.

The most unjust Government surcharge tax, mentioned in your chairman's speech last year, and which you will recollect was imposed to assist our competitors, the railways, has now been removed, and from April 1st the higher rates charged by this company, as sanctioned by the board, have come into operation. Included in the foregoing we have entered into a new agreement embodying revised rates with the tea industry and the Assam Oil Company, all these revisions being necessary in consequence of increased general costs.

The additions to your fleet afloat during the year consist of one steamer and five flats now in commission, aggregating a total carrying capacity of 3,765 tons. On the other hand, however, as mentioned in your directors' report, the company has unfortunately lost one flat of 300 tons, so that the net increase amounts to 3,465 tons.

During the year we have secured an important alteration in the law—a grossly inequitable one—for which we have been working for more than 30 years. I refer to the Common Carriers Act, which the Government of India has at last revised on a basis which makes it fairer to the inland river transport companies in their capacity of common carriers.

As regards the future, speaking with the usual caution, given peace and a strong Government, there is every reason for us to have confidence in the revival of trade of India as the world elsewhere recovers itself industrially.

The report and accounts were unanimously adopted, and the dividends recommended were agreed to.

LAKE VIEW INVESTMENT TRUST, LIMITED.

TRUST'S IMPROVED POSITION.

The second ordinary general meeting of the Lake View Investment Trust, Limited, was held, on the 16th instant, at River Plate House, London, Mr F. A. Govett (chairman and managing director) presiding.

The Chairman, in the course of his speech, said it was not his fortune to report any considerable change in the position of the company, but there could be no great change until the Burma Corporation finally emerged from its long period of incubation. This, however, was slowly approaching the end, and he trusted it might not be much longer before they obtained some increase in their revenue from Burma dividends. At first this relief was not likely to be anything very startling, for the present price of metals on the present scale of operations would not mean those large profits which were once expected, and no great rise in price was probable until there was again a large expansion in demand for metals, or until it was possible to obtain the profit which ought to be obtained from the zinc in the Burma ore, which, for the moment, for certain reasons, was not possible.

With regard to the investment account as shown in the balance-sheet, the figure of £390,300 was, of course, a purely arbitrary amount which was taken to represent the balance of the capital account over the cash and debtors when the new company was started. The actual amount was then far larger, and was now far larger, and the figure of £744,090 given in the report had been again increased by the recent general rise in prices, the appreciation in the general list since January being about £30,000, and on the Burma shares about £70,000. On the latter every shilling rise or fall made a difference of nearly £50,000.

BOARD'S INVESTMENT POLICY.

A year ago he explained the fatal effect upon the company of the operation of income-tax on capital increment with "financial" companies, the risk of which made it impossible for them immediately to carry out the idea with which the company was formed—namely, to realise their holding at the high prices which were then ruling for the Burma shares, so that they missed the market. Had this been possible, it would have given them a large capital to be invested in trust company investments, instead of leaving them with this large interest in the Burma Corporation, and leaving them also with the reputation of being still to some considerable extent interested in mines. That being the

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case, and their available funds being rather small—a condition which they hoped would not perpetually obtain—they had to a very limited extent bought shares and debentures of a rather more speculative nature than might be regarded as suitable by the older investment trusts. With regard to their Granville holding, this year should prove whether the expectations on which they were originally induced to embark on this unfortunate interest were sound. The dredges had now started for this year's operations. He still hoped on, though he must confess to a considerable discouragement after this long period of trying to get the business started. It would mean a great deal to this company, in view of their large interest, even if only a part of the original expectations could be justified by results. The Zinc Corporation remained waterlogged by labour in Australia, but it was not devoid of hope. Having dealt with the company's holdings in the National Mining Corporation and the Mexican Corporation, the Chairman referred to the general list of investments.

SCARCITY OF SOUND SECURITIES.

It was perfectly easy, he remarked, to look down the list of securities which came within the range of an investment trust company, and still see a lot of most attractive stocks to pay satisfactory yields, but the trouble was that when one came to buy them in the market there was no stock, and even if one were to bid much higher one could not get any stock. The reason for the present low rate of money was almost entirely that trade was bad and enterprise shut down, so that there was no demand for loans, and consequently the banks and other financial institutions were also competing in the investment market, first of all absorbing the short-term investments and then coming to gilt-edged stocks of longer dates. The result had been a general scramble and the all-round rise in prices which had been witnessed during the past few months, and which were likely approximately to be maintained. He spoke last year of the heavy depreciation of the company's holdings at the moment in consequence of the preceding slump under which they were then still suffering. With Mr Lloyd, he had analysed the results of the company's work as an investment trust, and, excluding from the calculation the mining interests—such as Burma, Zinc, and Granville, which they took over from the old company—as having no bearing on the success of their present line of business, but including the depreciation on the (Mexican Corporation and the National Mining Corporation), he found that, notwithstanding that slump and last year's general depreciation, they were now well on the right side. This was a much happier position to report, and, although conditions were exceedingly obscure and difficult, he hoped they might be able to pick their way and gradually build up the same strong position which had been reached by the majority of the investment trusts.

The report was unanimously adopted.

THE NATIONAL MINING CORPORATION, LIMITED.

SCHEME FOR REDUCTION OF CAPITAL.

BOARD'S PROPOSAL APPROVED.

The annual meeting of the National Mining Corporation, Limited, was held, on the 15th instant, at River Plate House, Finsbury Circus, London, Mr Herbert Guedalla (the chairman) presiding. The directors' report and accounts were unanimously adopted, and at a subsequent extraordinary general meeting the scheme for the reduction of capital was unanimously approved.

The Chairman, in the course of his speech, said:—The creditors, including the bank loan, amount to £89,328, but on the other side we have loans, debtors, and cash amounting to roughly £203,000. From the profit and loss account it will be seen that the commission, dividends, and interest received amount to £59,461, as against the £81,178 received for the preceding 14 months. This difference is entirely accounted for by the fact that the period under review has been a most difficult one for finance of the character which we undertake, and we have only been associated with one issue, which, though intrinsically sound and excellent in our opinion, we felt might not be a success if offered in the ordinary way in a public prospectus. The general expenditure shows a reduction of over £2,000, and arrangements have been made whereby this will be further reduced. The directors' and Technical Committee fees show a reduction of £3,500. There is a net profit for the year of £82,777, and after deducting the

£22,336 to the credit of profit at December 31, 1920, we have a net loss in the balance-sheet of £60,441.

INVESTMENTS.

I now come to the most important item in the balance-sheet, that of £1,055,629, which represents the cost value of our shares and interests in other companies and properties. This shows an increase of about £150,000 over the same item in the preceding year's accounts, and is chiefly accounted for by the interest which we have taken in the note issue of the Mexican Corporation. The results obtained by this company since milling operations were commenced have been entirely satisfactory, and from the treatment of 75,000 tons a month from the quarry ore body, a monthly profit of over £15,000 is being earned. It is, however, on the results that may be ultimately secured when the old mine is unwatered that the real future of the Mexican Corporation turns, and we are advised that by August next the first big level of 350 feet below the collar of the shaft should be available for inspection. We still retain our large interest in the Santa Gertrudis Mine, where recent developments have been quite satisfactory. After close investigation, we have increased our substantial interest in the South American Copper Syndicate, Limited. This enterprise is now being equipped with a smelting plant, which on the treatment of the grade of ore that can be furnished to the smelter, even at the present low range of copper prices, will earn very substantial dividends on the capital of the syndicate. Recent developments are of a very encouraging nature, and an interesting report by Mr C. H. Stewart, the syndicate's consulting engineer, has just been issued, showing that there are large reserves of high-grade copper ore on the property, which contains miles of promising zones which have yet to be explored. In co-operation with other mining houses, we have taken an interest in the Ryan Corporation, Limited. The property of this company is situated on the coast of Eastern Siberia, and all reports state that this area is extremely rich in gold. When the time comes for reorganising the old-established mining properties in the Russian Empire, our corporation, through its kindred interests, should be in a position second to none for this purpose.

BURMA CORPORATION.

We still retain our large holding in the Burma Corporation. Development work has proceeded in certain sections of the mine with most satisfactory results. At the present time a tonnage of about 500 tons per day is being handled, and the accomplishment of a very much larger tonnage is dependent upon two important factors—viz., railway transport and labour. The labour problem is being tackled in a vigorous manner, and we hope to learn shortly that the extension of the Burma Railway's main line to Nanttu has been agreed to. There are also possibilities of obtaining better and more profitable results from the treatment of the ore, so that we are entitled to regard the outlook as in every way excellent, and we ought soon to be within measurable distance of the dividend-paying stage.

BRITISH EQUATORIAL OIL COMPANY.

We hold a little more than one-third of the capital of the British Equatorial Oil Company, Limited. This company has acquired large oil concessions in the Republic of Venezuela, and on what is known as Garcia Four concession an active drilling campaign has been carried out. Oil has been encountered in the first two boreholes, and there is a production of 500 barrels a day in one well at a depth of 590 feet, whilst in the second well at 739 feet a gusher has been struck which is throwing oil 30 feet over the derrick. The manager reports the results already obtained have proved as a definite oil-yielding land an area on which he recommends the sinking of 12 further wells, permission to bore having been procured. The equipment of the company enables it to keep three boring rigs in constant operation, and, as the oil is secured at shallow depths, it should not be long before a substantial production is obtained. Arrangements have been entered into with an American group, who have contracted to take an agreed amount of the production at a satisfactory price, on the understanding that their group must construct a pipeline to the wells and provide the necessary transportation. Our other holdings, which are not considerable, consist of shares in some of the best known South African properties, and in conjunction with another mining house we have recently acquired an interest in the development of certain oil properties in Roumania located in the heart of the oil productive zone.

QUESTION OF DEPRECIATION.

Taking the market prices at December 31st last, and on the basis of a conservative valuation of the assets which have no market quotation, the total investments show a depreciation of £639,110. This is undoubtedly a very large amount, but, taking the general average of the value of quoted mining securities, there has been a depreciation exceeding 50 per cent. during the last two years, whilst in the same period there has been a similar depreciation in the ordinary capital of industrial securities. This is due in our

case to a severe decline in the market value of all metals, and to the fact that in the case of the best mines it takes time to adjust the cost of production to the fall in the market value of their products. This is gradually being accomplished, and it would seem that the depreciation in certain cases is of a temporary character, although the shares may never command the market value which they at one time attained. During the current year our holdings have shown an appreciation from the market price at which they stood at December 31st last, whilst I think I may say that the intrinsic position of our unquoted securities shows undoubted improvement. If we had chosen to strain a point we might have placed a higher valuation on our assets, but for the purposes of the scheme in view we have deemed it wise to place them on a basis from which, as far as human foresight can see, there should be no further loss. If the scheme is adopted we wish to make sure that we shall start clear in the accounts from further loss, so that the company should be in such a position that future profits should be available for distribution. I trust also that the present loss in some of our largest investments will not prove to be of a permanent character. We are not a trust company, and, as long as this deficit exists, as shareholders we cannot derive any benefit from profits in the enterprises in which we are interested and from new business which we may be undertaking. It is obvious that it is desirable to set our house in order, and, as you will observe, we have taken the opportunity of dealing with the question of the uncalled capital of the company in a manner which we have reason to believe is approved by the majority of the shareholders. It might have been more simple to have reduced the shares to 10s each with 5s paid, and I daresay a more recent valuation would have justified this course, but we have come to the conclusion that if the knife is to be applied at all it is better to make as drastic reduction as possible, so as to be in a position to meet any eventuality which may arise in the difficult position in which all creative enterprise finds itself at present.

THE SCHEME.

We recommend that the issued shares of the company should be reduced from shares of £20s each with 10s paid to shares of 8s each with 4s paid up. The authorised capital, which is at present £3,000,000 in £1 shares, will then become £1,500,000, and the issued capital of £2,500,000 will become £1,000,000, being 2,500,000 shares of 8s each, leaving £500,000 available for issue in shares of 8s each, which represents 1,250,000 shares. The total present uncalled liability is reduced from £1,250,000 to £500,000, and it is not the intention of the directors to call on this liability unless it is necessary or to the obvious advantage of the company to use these resources. The effect of this reduction, after allowing for shares already forfeited, is to make an amount of £743,220 available for writing off depreciation and the loss in revenue account, we shall write off the £60,441 which is the balance of loss in the revenue account shown in the balance-sheet, we shall provide £639,110 for depreciation on investments, and we are left with a balance of £43,669, which for the moment we shall treat as a reserve for bad or doubtful debts or contingencies, but we have no reason to believe that our loans, which are all secured, are otherwise than good. The company will then be placed on a basis which can only be considered as eminently sound, and I for one would be frankly disappointed if such a position did not show a substantial improvement in the near future. Whatever may have been the past results, our business is well established, and our co-operation with important mining groups is, if anything, closer to-day. Our large expenditure on investigation has not been entirely wasted, and it has a potential value in the future. We are a very live and busy concern, and new business is offering almost daily, which, if we so wish, we have ample capital to undertake.

THE ZINC CORPORATION, LIMITED.

BOARD'S SOUND AND CAUTIOUS POLICY.

The eleventh ordinary general meeting of the Zinc Corporation, Limited, was held, on the 14th instant, at River Plate House, Finsbury circus, London, Mr F. A. Govett, the chairman and managing director of the company, presiding.

The Chairman said he was not able to report much improvement in the company's general position. The mine and lead concentrator had been out of operation for over two and a half years, while in the course of the last twelve months there had been a heavy fall in the price of the metals in which the company was interested, and the recovery which has since taken place was not sufficient for there to be any probability of an early resumption of work. He was not very hopeful of a rapid improvement in world conditions, and he regarded it as the duty of the board to take a conservative line and preserve the company's resources as far as possible. All that they had done was to work the zinc concentrator. The profits would be in excess of what was needed to pay the preference dividend, but in view of the fact that after so long an interval a lot of money would have to be spent upon

the plant to bring it up to proper efficiency, the board regarded it as of paramount importance to hoard their cash. That might seem rather hard on the ordinary shareholders, but he was sure it was the proper course.

RIGHTS ACQUIRED IN ELMORE PROCESS.

There were one or two alternative lines of progress on which they might base some reasonable expectation that the company might not be condemned in perpetuity to be shut down. The first was that a great advance had been made by the smelters at Port Pirie in the pyro-metallurgical treatment of their ores. That was an alternative on which they would rely in case the second failed. The second held out the greatest promise. They held an option to acquire about a one-sixth interest in the Australian rights of the Elmore process, and they had recently acquired, at a depreciated price, the considerable interest of some 45,000 shares in the parent company—the Chemical and Metallurgical Corporation. Should the promised results on a working scale test on the Burma Corporation ore and their own bear out the claims that had been based on long preliminary work, it would mean a very considerable change. So far as they were concerned with the existing methods, with lead at £20, spelter at £25, and 3s silver, their profit per ton of ore under the conditions in 1918 had worked out at about 11s. With the same metal prices, under the Elmore process, the estimated value of the metals recovered would be 73s 10d per ton, showing a profit of 23s as against 11s. Those figures must not be taken as certain to be realised, as the test, though on a very large scale, had not yet been on a commercial scale. Meanwhile the company was dependent on its present methods, and on the general conditions of labour on which the prosperity of their industry depended.

As to the future of lead, stocks of metal were low, and consumption, taking Europe and America together, was expanding. Therefore one could perhaps take a happier view than in 1921.

BROKEN HILL SMELTERS.

Dealing with the company's interest in the Broken Hill Associated Smelters, the Chairman said that their association with that undertaking had been of incalculable benefit, and in any case he hardly thought the Government of Australia would allow them to abandon the production of metals as opposed to the production of concentrates to sell. There had been an adjustment of wages at Port Pirie and stores were coming down, and though the cost of coal and coke was still disproportionately high, and the same applied to transport, on the whole they had confidence in the future of this branch of their industry. As regarded Zinc Producers, he claimed that a good deal of ignorant or malevolent criticism had been levelled at the contract made by the British Government with the producers' association. Critics should appreciate that up to the middle of 1920 the concentrates purchased by this country were paid for at a price below the world's market price. As to the Electrolytic Company, the full plant was expected to be in operation by next year, and the profits were estimated as likely to be sufficient to pay from 12½ to 15 per cent. on the ordinary stock which this company held. It would, however, take till the middle of 1923 to wipe off arrears on the preference stock. That might not seem a very gorgeous result on the £150,000 which they had embarked in that undertaking, but the business had been admirably handled, and a most successful industry had been built up, and he thought they might regard their £150,000 as a good investment. With regard to the Granville enterprise, the board trusted that more satisfactory results by way of proof would be obtained from the dredging operations this year. The board had under consideration a very large zinc property on the continent, as to which Mr King had come from Australia to investigate and advise.

The report was unanimously adopted.

MADRAS ELECTRIC SUPPLY CORPORATION, LIMITED.

SUCCESS OF THE RECENT ISSUE.

The annual meeting of the Madras Electric Supply Corporation, Limited, was held on the 14th instant, Mr James Gray, chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said that while there was a check in the number of new consumers owing to the delay in installing additional converting plant, the total connections and the gross revenue were more than maintained in consequence of several large power consumers having come on to the mains. The gross revenue of £153,919 in 1921 showed an increase of £11,091, but the working expenses of £74,933 were increased by £12,297, so that there was a reduction of £1,206 on balance. This was increased by £20,993 in consequence of the necessary adjustment of exchange making, therefore, a total reduction of £22,199 in the net balance of revenue account for 1921 as compared with 1920. The balance carried to net revenue account amounts to £59,246, which, after adding the tramway dividend, interest, and transfer fees, and

deducting interest, sinking fund, depreciation, and taxation charges, left a balance of net revenue of £26,486. Adding to this the amount brought forward from last year, and deducting the preference dividend, there remained a balance of £30,356, out of which the directors recommend a dividend on the ordinary shares of 8 per cent., free of income-tax, additional remuneration to the directors in terms of the articles of association, £445, and transfer to general reserve fund of £5,000, leaving revenue to be carried forward to next year of £9,727. The expenditure on capital account on buildings and machinery amounted to £29,070, and on mains £21,216.

The number of preference shares converted in ordinary shares on December 31st last was 7,819, the capital account thus being represented by 92,181 preference shares and 193,819 ordinary shares. The debenture, stock sinking fund reserve and general reserve thus showed substantial increases, and these funds now more than covered any depreciation which might have arisen on the investments. The sum provided for depreciation and renewals for 1921 was £15,000, and the amount now standing at the credit of that account was £67,319, quite a substantial proportion of the total capital expenditure. In consequence of the strike which occurred in the early part of 1921, the results from the tramways were less satisfactory, and the dividend on the ordinary shares was reduced from 8 per cent., free of income-tax, to 5 per cent., free of income-tax.

To meet continuous demands for supply, additional generating and converting plant was being supplied. To provide the funds for this and other purposes the board recently issued 200,000 7 per cent. second debentures at 95. The issue was a great success, having been subscribed twelve times over.

The report and accounts were adopted.

CITY GENERAL TRUST, LIMITED.

AMALGAMATION WITH BRITISH AND ALLIED INVESTMENTS CORPORATION.

An extraordinary general meeting of the City General Trust, Limited, was held, on the 12th instant, at Kingsway Hall, London, Lord Askwith (chairman of the company) presiding.

The Chairman said: In moving the resolution for the liquidation of this company, I would call attention to the circular dated June 3rd, in which the proposal is laid before the shareholders. This proposal is an offer for an amalgamation made by the British and Allied Investments Corporation, Limited, of 3 and 4 Lothbury, upon terms which have been arrived at as a result of the negotiations which have taken place. The company with which it is proposed to ally has an authorised capital of £1,000,000, of which £400,000 have been fully paid up. It is an issuing house with a strong board of directors, under the chairmanship of the Earl of Harrowby, and has been successful in paying dividends since 1918. On an amalgamation there will be payable to you for the half-year ending June 30th a dividend for six months at the rate of 10 per cent. per annum, and in return for your certificates in the City General Trust you will receive a certificate for an equal number of shares in the British and Allied Investments Corporation; that is to say, the whole of the assets of the City General Trust will be handed over to the British and Allied Investments Corporation, and the shareholders of the City General Trust will receive for each share a share in that company, plus an immediate dividend of 5 per cent. The transaction is to be carried through by means of the Far East Finance Corporation, Limited, the whole of whose share capital, with the exception of 60 shares, is held by the British and Allied Investments Corpora-

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Deposits and Cheque Accounts
(31/12/21) - - - Fmk. 1,234,000,000.00

124 BRANCHES AT ALL IMPORTANT BUSINESS
CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

tion, Limited. The British and Allied Investments Corporation have not at present an official quotation, because their shares are held by a small number of shareholders; but it is estimated that the value of their shares is about 18s, at which price transactions have taken place. As chairman, I take a place upon the board of the British and Allied Investments Corporation, Limited, and the other directors of this company will receive certain compensation for loss of office. The advantage of the amalgamation is, I think, apparent. It has been brought before the notice of the board, after very careful negotiations, by Mr Fredk. J. Benson. He was the chief organiser of the City General Trust, and has been desirous of giving the shareholders a return for their money by putting their holdings upon the best basis. I feel that credit is due to him for the caution and the knowledge he has shown in relation to your affairs.

Sir William H. Porter, Bart., seconded the resolution, which was carried unanimously.

The draft agreement was also unanimously agreed to, and a hearty vote of thanks to the board concluded the proceedings.

WHITEAWAY, LAIDLAW, AND CO., LIMITED.

DISAPPOINTING RESULTS—BRIGHTER OUTLOOK.

The fourteenth annual general meeting of Whiteaway, Laidlaw, and Co., Limited, was held, on the 13th instant, at the offices, 5 Cripplegate buildings, London, Mr Mence Wilkinson (chairman and managing director) presiding.

The Chairman moved the adoption of the report and accounts, and said: The company showed a loss of £32,761 on their trading for the year. In their accounts of a year ago, stock-in-trade, shown on the credit side of the balance-sheet, was £1,186,552. Although the figure was a large one, the percentage of stock on hand to the amount of trade done during the year compared favourably with the previous five years, but by the end of August the stock they had on hand could, at a conservative estimate, have been replaced at 25 per cent. less. In these circumstances there was only one safe course to adopt—namely, to turn the stock into cash as quickly as they could, irrespective of whether a profit was made or not; in other words, they thought it best to cut their loss and face the prospects of a bad year. Another important factor which operated to their disadvantage was the rupee and dollar exchange. The rupee, which averaged 1s 9d in the year ended February 28, 1921, averaged 1s 3½d in the past year—a drop of 5½d—while the China dollar showed an average fall of 1s 1½d in the same period. In addition to the difficulties of depreciated stock and unfavourable exchanges, they had had also to contend with a period of depression the like of which he had never known during his 38 years' experience in the East. These were the reasons why the accounts showed a loss in place of a profit.

As to the future, shareholders would not expect him to make a definite forecast, but their stock-in-trade, having been written down to current prices, could be, and was now being, sold at a profit. Further, the rupee exchange had been steady for the last six months at 1s 3½d. What they wanted in exchange was stability.

Trade still remained depressed in India, but he thought the clouds were lifting a little.

The profit and loss account showed a loss on trading of £32,761, to which had to be added income-tax, depreciation, and directors' fees, making a total of £97,617.

During the year the dividends on the 6 per cent. and 7 per cent. preference shares were paid, and an interim dividend of 5 per cent., free of income-tax, was paid on the ordinary shares. These dividends amounted to £70,969. The board shared the shareholders' regret that it could not recommend the payment of a further dividend on the ordinary shares, and thought they would accept the explanations he had given as justifying this course.

Mr Robert Whyte seconded the resolution, which was unanimously adopted.

LOBITOS OILFIELDS, LIMITED.

33 PER CENT. DIVIDEND FREE OF TAX.

The fourteenth annual meeting of Lobitos Oilfields, Limited, was held, on the 13th instant, at Winchester House, London, the Right Hon. Sir Archibald Williamson, Bart., M.P., presiding.

The Chairman, in moving the adoption of the report and accounts, said that the production of oil for the year 1921 was 103,755 tons, which was again an improvement on the preceding year. The net income from this production was £465,172, as against £75,222. With the profit on the operation of the company's steamers, and after deducting income-tax, London expenses, &c., there was a profit for the year of £516,423. The gain from the steamers was £12,341, as against £4,003 in 1920, the increase mainly coming from a profitable charter of the "El Lobo." The "El Oso" was only in operation in the last three months of the year, while "El Grillo" only commenced operations at the end of 1921. All three

were now chartered for periods extending beyond December 31, 1922, and this branch of the company's income should be more than maintained.

With regard to work on the field, 18 new wells were put on the producing list, and four were abandoned, so that on December 31st there were 167 producing wells, and 15 were in process of drilling. The wells were not large producers, and many had a short life, but by prudent husbanding of their resources they had been able to more than keep pace with the depletion of the wells, and had established the special quality of Lobitos oil in a high place in the estimation of the market. They had applied for new areas, and next year he hoped to announce a considerable addition to the lands in which they operated. With regard to Colombia, they had acquired titles to large and promising areas, but some difficulties had arisen, and their idea was first to await the results of development by others, and the construction of a pipeline to the sea. Some day Colombia would be an immense oil-producing country.

Shareholders would have been agreeably surprised with the profit of the year, and he did not anticipate that they would revert to the low level of prices which ruled a few years ago. They were putting £100,000 to reserve, writing £100,000 off cost of steamers, and placing £125,000 to taxation reserve. The dividend for the year was 35 per cent., free of income-tax, and they were carrying forward £85,261. They were looking forward with confidence to a continuance of prosperity in the current year.

The report and accounts were unanimously adopted, and the increase in the directors' fees, of which notice had been given, was approved.

THE BRITISH ELECTRIC TRACTION COMPANY, LIMITED.

SATISFACTORY RESULTS—INCREASED DIVIDEND.

The twenty-sixth ordinary general meeting of the British Electric Traction Company, Limited, was held, on the 16th instant, at the Holborn Restaurant, London. Mr J. S. Austin, the chairman, presided.

The secretary (Mr Thomas Bower) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that the directors proposed to ask the shareholders that day to sanction the payment of a dividend of 4½ per cent., which compared with 4 per cent. paid last year. There might be some among them who would ask why they were paying an increased dividend when their earnings were only about the same as they had been in the previous year. The answer to that was that the directors believed that their income was more stabilised, and was becoming still more stabilised, and that consequently they were justified in going a little nearer to their limit than they had been before. To summarise what they had done during the past year, they had earned that 4½ per cent. which they proposed to distribute, and in addition they had earned a sum of about £31,500. That latter sum they proposed to dispose of by putting £14,000 odd to reserve and by adding to their carry forward a sum of about £17,000.

With regard to the tramways, during the current year up to date there was a falling off in receipts to the extent of some

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20 per cent., but against that the tramways could set a very considerable saving in expenses. On the whole, however, he would say that he did not think that tramway results in the current year would be so good as they had been in the past. In regard to electric power, owing to the engineers' strike, it was obvious that there would be a decrease. With regard to electric lighting, it was doing fairly well at present.

One of the latest developments of their enterprise was their interest in motor-omnibuses—not charr-a-bancs, which was an entirely different business, but omnibuses which traversed specified routes at fixed times. The business was not a gold-mine, but there was a living in it.

After announcing that it was the present intention of the directors to declare an interim dividend about December next, the Chairman concluded by referring to the prospects. In that connection he was not going to tie himself down to prophesying an increased dividend during the current year, but he saw no reason why in the future the company should prove an exception to other companies in a similar position in the matter of steady progress.

The report and accounts were unanimously adopted, and the formal business was duly transacted.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Total Issues out of the Exchequer to	Week Ended June 10, 1922.	Week Ended June 11, 1921.
	Apr. 1, 1922, to June 10, 1922.	Apr. 1, 1921, to June 11, 1921.	£	£
REVENUE.				
Customs	22,954,000	21,782,000	2,416,000	2,818,000
Excise	25,660,000	31,235,000	1,300,000	1,495,000
Motor Vehicle Duties ..	1,587,000	1,267,000	233,000	233,000
Estate, &c., Duties	11,871,000	8,713,000	1,200,000	863,000
Stamps	2,552,000	2,190,000	460,000	366,000
Land Tax, House Duty, & Mineral Rights Duty ..	440,000	370,000	10,000	20,000
Property & Income Tax (including Super-Tax) ..	49,116,000	56,911,000	2,273,000	1,354,000
Excess Profits Duties, &c. ..	954,000	16,693,000	691,000	691,000
Corporation Profits Tax ..	3,147,000	1,410,000	240,000	160,000
Post Office	9,750,000	8,000,000	1,000,000	500,000
Crown Lands	160,000	100,000	..	..
Interest on Sundry Loans	472,106	1,172,512	..	560,462
Miscellaneous	8,133,134	5,826,472	200,163	1,326,882
Ordinary Receipts	10,747,739	11,893,767	471,264	1,436,437
Special Receipts	..	..	..	..
Revenue	147,543,979	167,563,751	9,803,427	12,190,781
Total, Inc. Balance	158,717,509	170,638,257	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion	550,000	1,400,000	..	100,000
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1920 and 1921	..	..	..	..
(b) Under the Unemployment Insurance Acts, 1921	1,450,000	..	..	..
(c) For other issues: By Treasury Bills for Supply ..	598,083,000	982,453,000	59,903,000	77,087,000
By National Savings Certificates ..	25,830,000	6,330,000	450,000	900,000
By Treasury Bonds—				
5-15 year, 1925-35	121,708	998,675	..	..
5½% 1927	61,421,831	..	..	..
4½% 1932	4,243,400	..	1,973,700	..
By Other Debt created under the War Loan Acts, 1914 to 1919	..	2,297,481	..	..
(d) Ways and Means Advances	151,470,000	205,985,000	3,150,000	8,500,000
Anglo-Persian Oil Company—				
Dividends on Shares acquired ..	243,012	..	..	..
Repayments—				
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	13,768	7,719	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920	265,460	56,500	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	87,358	71,624	..	..
Total	1,000,497,046	1,370,838,255	75,280,127	98,777,781

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Total Issues out of the Exchequer to meet Payments from	Week Ended June 10, 1922.	Week Ended June 11, 1921.
	Apr. 1, 1922, to June 10, 1922.	Apr. 1, 1921, to June 11, 1921.	£	£
EXPENDITURE.				
Permanent Charge of Debt	3,434,757	3,317,296	..	..
Interest, &c., on War Debt	92,220,427	105,260,288	3,892,598	6,264,214
Road Fund	633,000	966,000	..	273,000
Payments to Local Taxation Accounts, &c. ..	300,000	453,454	..	..
Payments to Northern Ireland Exchequer ..	410,000	..	..	..
Interest on Sundry Loans	287,187	669,812	20,273	203,933
Other Consolidated Fund Services	321,838	345,218	20,962	31,876
Supply Services	64,103,000	127,363,400	6,030,000	8,136,000
Expenditure	161,710,209	236,275,468	9,963,833	14,909,023

	Total Issues out of the Exchequer to meet Payments from	Total Issues out of the Exchequer to meet Payments from	Week Ended June 10, 1922.	Week Ended June 11, 1921.
	Apr. 1, 1922, to June 10, 1922.	Apr. 1, 1921, to June 11, 1921.	£	£
OTHER ISSUES.				
Temporary Advances—				
Bullion	..	1,450,000	..	150,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	84,909	84,909	..	..
Under the Unemployment Insurance Acts, 1921	1,450,000	..	..	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1920 and 1921	200,000	2,000,000	..	700,000
Under the Post Office (London) Railway Act, 1913	13,000	25,000	..	..
Under the Housing Act, 1924 ..	..	25,000	..	..
Redemption of Unfunded Debt—				
Treasury Bills for Supply	675,649,000	906,699,000	53,329,000	54,395,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917	1,075,076	10,346,960	..	849,586
Issues under the War Loan Act, 1919, Sections 2 and 3, and the Finance Act, 1921, Section 45 ..	3,803,000	..	500,000	..
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920	5,550,000	2,450,000	450,000	..
(b) Repaid otherwise	..	2,850,000	..	450,000
Principal of Exchequer Bonds paid off ..	19,486,605	..	..	..
5½% 1922, £20,486,605; less: paid off by the National Debt Commissioners, £1,000,000—£19,486,605.	..	..	..	..
Other Debt under the War Loan Acts, 1914 to 1919	7,251,983	11,471,516	..	..
Ways and Means Advances Repaid ..	120,125,000	183,579,000	10,890,000	26,210,000
Depreciation Fund, under the Finance Act, 1917	399,521	5,920,045	..	600,001
Anglo-Persian Oil Company—Issued under the Anglo-Persian Oil Company (Acquisition of Capital) Amendment Act, 1919	243,012	..	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4) ..	..	3,015,000	..	325,000
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	55,656	1,200	..	..
Balances in Exchequer—				
June 10, '22	997,096,976	1,368,193,098	75,132,833	98,588,610
Bank of England	2,102,104	2,103,213	71,294	89,171
Bank of Ireland	1,297,966	541,945	76,000	100,000
Total	3,400,070	2,645,158	147,294	189,171

Treasury, June 12, 1922.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments in Reserve Account.	Advances to		Redemption Account.					
			Bankers.	Savings Banks.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Govern- ment Secur- ties.	Balance at Bank of England.	
1914.	£	£	£	£	£	%	£	£		
Aug. 26.....	21,535	..	6,302	3,810	18,500	..	481	9,924	11,423	
Dec. 30.....	38,478	..	169	600	..	..	..	..	9,286	
1915.										
Dec. 29.....	103,125	729	159	249	28,500	..	276	54,621	20,536	
1916.										
Dec. 27.....	150,144	2,430	64	40	28,500	..	190	118,102	6,868	
1917.										
Dec. 26.....	212,782	8,554	39	675	28,500	..	134	186,637	5,486	
1918.										
Dec. 31.....	323,241	15,529	..	570	28,500	..	89	305,133	4,566	
1919.										
Dec. 31.....	356,152	17,182	250	245	28,500	4,000	91	337,637	2,802	
1920.										
June 30.....	357,356	16,700	..	190	28,500	13,400	11-7	331,660	305	
Dec. 29.....	367,626	16,962	..	..	28,500	19,450	13-0	336,504	134	
1921.										
Mar. 30.....	343,826	15,599	Silver Coin.		28,500	19,450	13-9	311,334	141	
June 29.....	323,884	14,965	3,000		28,500	19,450	14-8	287,750	150	
Sept. 28.....	323,884	14,965	3,000		28,500	19,450	15-2	278,119	143	
Dec. 28.....	325,584	14,658	3,000		28,500	19,450	14-7	289,131	161	
1922.										
Mar. 30.....	300,351	14,255	5,000		28,500	19,450	15-9	261,479	177	
June 8.....	301,429	13,239	6,000		28,500	19,450	15-9	260,555	163	
June 15.....	299,222	13,187	6,000		28,500	19,450	16-0	258,193	166	

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, and for 1922 at £309,988,400.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £50,000,000 in three months' Treasury Bills dated from Monday to Saturday, June 20-June 24, were opened on June 16 1922, and the total amount applied for was £69,225,000. Tenders for Monday to Friday bills at £99 7s 8d, about 35 per cent., above in full. Saturday bills at £99 7s 8d and above in full. The average rate of discount for Treasury bills was £2 8s 0½d. The amounts allotted were as follows:—In bonds, £4,000,000; in bills at 3 months, £46,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills, Average Rate.	4½% Treasury Bonds, 1922, Average Price.
1922	£ 45,000,000	£ 84,445,000	2 7 2-41	98 13 7-82
May 19	(a) 50,000,000	(a) 79,255,400	2 5 2-06	98 13 8-4
June 2	(a) 50,000,000	(a) 67,630,000	2 7 8-49	98 1 5-45
June 8	(a) 50,000,000	(a) 76,795,000	2 6 9-94	98 4 2-55
June 16	(a) 50,000,000	(a) 69,225,000	2 8 0-44	..

(a) Including Treasury Bonds. Tenders will be received on Friday, June 23, 1922, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £55,000,000.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, June 14, 1922.

ISSUE DEPARTMENT.

	£		£
Notes issued	145,513,330	Government debt	11,015,100
		Other securities	7,434,900
		Gold coin and bullion	127,063,330
	145,513,330		145,513,330

BANKING DEPARTMENT.

	£		£
Capital	14,553,000	Government securities	46,699,377
Reserve	3,237,867	Other securities	73,605,333
Public deposits	17,733,754	Notes	23,555,780
Other deposits	110,140,397	Gold and silver coin	1,820,751
Seven-day & other bills	16,223		
	145,681,241		145,681,241

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Account.

COMPARISON with PREVIOUS WEEK and a YEAR AGO.

	Amount, June 14, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Best	3,237,867	+ 46,884	+ 3,252
Public deposits	17,733,754	+ 2,192,540	+ 1,834,228
Other deposits	110,140,397	+ 15,797,779	+ 20,989,991
Government securities	46,699,377	+ 14,438,107	+ 21,730,869
Other securities	73,605,333	+ 324,611	+ 3,452,436
Reserve	25,376,531	+ 553,812	+ 6,042,600
Notes in circulation	121,987,550	+ 555,860	+ 5,533,645
Gold and bullion	128,884,081	+ 2,048	+ 508,955
% of reserve to liabilities	19%	+ 2%	+ 6%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.
1922.						
Mar. 23	128,779,763	121,704,445	142,190,053	134,862,288	25,525,318	18.4%
Apr. 6	128,771,201	122,718,940	150,541,822	144,249,587	24,502,261	16.9%
Apr. 13	128,879,159	122,836,590	146,528,233	139,777,088	24,432,169	16.9%
19	128,863,165	122,930,345	142,002,596	132,812,916	24,873,820	17.4%
26	128,876,773	121,638,245	136,595,798	126,555,798	25,688,528	19.4%
May 3	128,872,818	121,307,055	134,366,840	125,995,611	26,015,763	19.8%
10	128,873,878	122,091,180	146,049,335	138,511,460	25,332,698	17.9%
17	128,887,939	121,591,685	142,388,187	134,402,217	25,746,254	18.1%
24	128,879,227	121,070,755	139,061,838	130,549,595	26,458,472	18.8%
31	128,880,842	120,899,975	132,436,093	123,780,787	26,440,857	20.0%
June 7	128,881,020	120,715,860	130,221,478	123,356,836	24,615,149	18.7%
14	128,886,129	120,513,410	141,479,390	134,418,206	24,822,719	17.7%
21	128,884,081	121,557,550	127,874,151	120,304,710	25,376,531	19.3%

TEN YEARS' RECORD.

As corresponding date with the present week.	June 12, 1912.	May 27, 1914.	June 16, 1920.	June 15, 1921.	June 14, 1922.
Circulation (excluding Bank post bills)	22,786,265	23,933,380	114,165,595	127,491,195	121,987,550
Public deposits	22,330,329	19,014,809	21,258,594	15,899,526	17,733,754
Other deposits	29,786,627	41,348,964	132,553,828	131,130,388	110,140,397
Government securities	14,555,013	11,048,570	70,802,366	68,430,246	46,699,377
Other securities	34,927,589	41,461,280	78,812,569	77,067,769	73,605,333
Reserve of notes and coin	30,753,112	25,463,980	21,974,518	19,333,931	25,376,531
Coin and bullion	41,689,377	35,947,360	117,694,113	128,375,126	128,884,081
Proportion of reserve to liabilities	49%	42%	14%	13%	19%
Bank rate of discount	5%	3%	7%	6%	3%
Market rate, 3 months' bills	2%	2%	6%	5%	4%
Price of Consols	76 1/2	74 1/2	47 1/2	45 1/2	54 1/2
Price of silver per oz.	28 1/2	26 1/2	41 1/2	35 1/2	36 1/2
Average price of wheat	36s 11d	33s 0d	73s 0d	89s 3d	55s 3d
Exchanges on Paris	25-22 1/2	25-17 1/2	50-50-51-00	46-45-47-20	50-50-75
on New York	84-84 1/2	84-79	85-94 1/2	83-75 1/2	84-84 1/2
on Amsterdam	12-1 1/2	12-05-10	10-95-98	11-40-42	11-47-50
on London	20-4	15-15 1/2	25-25 1/2	25-25 1/2	17-10-10
Clearing house return	248,265,000	199,913,000	729,379,000	585,863,000	639,015,000

BANKERS' CLEARING RETURNS.

Week Ending—	Town Clearing.	Country Clearing.	Total.
1922.			
January 1—June 7	15,922,961,000	1,244,086,000	17,167,047,000
June 14	588,621,000	50,394,000	639,015,000
Total to date 1922	16,511,582,000	1,294,480,000	17,806,062,000
Do 1921	14,649,419,000	1,483,615,000	16,133,034,000
Increase or decrease in 1922	+ 1,862,163,000	+ 80,865,000	+ 1,943,028,000
%	12.7%	5.4%	12.0%
Total for 1921	31,928,380,000	3,002,179,000	34,930,559,000
Do 1920	34,946,683,000	3,072,220,000	38,018,903,000
Increase or decrease in 1921	- 2,918,303,000	- 67,041,000	- 2,985,344,000
%	- 8.6%	- 2.2%	- 7.8%

DEPRECIATION IN INDUSTRIAL INVESTMENTS

can best be covered by a Limited Payment Policy in the

SCOTTISH PROVIDENT INSTITUTION

HEAD OFFICE:

6, St. Andrew-square, Edinburgh.
London: 3, Lombard-street, E.C.3.
West End: 17, Pall Mall, S.W.1.

ACCUMULATED FUNDS - £17,000,000

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Inc. or Dec.
Aggregate Totals to June 10.			
BIRMINGHAM	61,471,700	50,934,200	- 12,537,500
BRISTOL	33,795,000	34,861,000	+ 1,066,000
DUBLIN	165,514,600	151,407,400	- 14,107,200
HULL	25,244,900	25,244,900	0
LEEDS	27,281,900	25,196,400	- 2,085,500
LIVERPOOL	18,178,200	18,446,600	+ 268,400
MANCHESTER	215,776,300	195,811,300	- 19,965,000
NEWCASTLE-ON-TYNE	343,952,900	338,705,400	- 5,247,500
NOTTINGHAM	47,458,700	43,539,800	- 3,918,900
SHEFFIELD	15,450,000	13,911,300	- 1,538,700
	30,076,800	21,489,200	- 8,587,600

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

(000's omitted.)

	June 7, 1922.	June 2, 1922.	May 26, 1922.	June 10, 1921.
Resources.				
Total gold reserve	3,010,070	3,007,622	3,007,622	3,420,670
Legal tender notes and silver reserve	123,990	122,880	127,560	161,870
Bills discounted for member banks	420,250	471,490	487,340	1,896,360
Bills bought in open market	136,180	118,180	105,360	69,500
Government obligations owned	618,880	603,420	596,210	259,710
All other resources	69,200	68,740	68,560	47,770
Liabilities.				
Government deposits	39,570	54,300	60,410	20,260
Other deposits	1,857,420	1,815,860	1,856,770	1,714,800
Federal Reserve Notes in actual circulation	2,141,530	2,141,180	2,128,230	2,710,720
Federal Reserve Bank Notes in actual circulation	71,810	70,550	71,700	141,050
All other liabilities	20,170	19,800	19,750	31,040
Capital and surplus	320,260	320,130	320,090	304,100
Ratio of total reserves to gross deposit and Federal Reserve note liabilities combined	77.6%	78.0%	77.5%	58.3%

STATEMENT OF CANADIAN BANKS.

	April 30, 1922.	Mar. 31, 1922.	Feb. 28, 1922.	April 30, 1921.
ASSETS.				
Cash and bank balances	460,869,080	447,024,423	461,875,760	503,923,460
Bank balances abroad	72,358,225	64,314,031	66,442,276	73,067,061
Call and short loans	278,175,414	267,418,683	279,910,237	264,462,641
Securities	342,988,795	353,663,167	352,376,757	362,496,878
Loans in Canada	1,259,799,170	1,239,496,136	1,232,974,475	1,389,855,338
Loans abroad	150,715,088	151,989,504	155,706,861	159,707,361
Other assets	98,918,592	98,870,347	101,327,520	112,612,291
LIABILITIES.				
Note circulation	164,724,476	162,651,367	164,490,301	203,273,548
Deposits—				
Government	145,753,018	124,699,806	131,715,607	130,623,560
Public in Canada	1,720,566,061	1,714,861,314	1,719,428,675	1,865,953,008
Foreign	279,525,143	265,747,314	267,435,578	267,600,931
Bank balances—				
Canadian	9,714,257	8,888,369	10,545,429	11,750,851
Foreign	45,612,279	45,774,760	44,283,147	41,858,623
Bills payable, &c.	22,648,419	23,560,772	29,125,034	49,850,489
Other liabilities	5,012,570	2,546,216	5,519,053	3,234,183
Capital and rest	254,248,279	254,242,399	255,742,286	264,032,584

BANK OF FRANCE.

(000's omitted.)

	June 15, 1922.	June 8, 1922.	June 1, 1922.	June 16, 1921.
ASSETS.				
Gold coin and bullion	5,528,270	5,527,966	5,527,811	5,519,764
Of which held abroad	1,948,367	1,948,367	1,948,367	1,978,367
Silver coin and bullion	284,272	284,272	284,088	273,814
Discount and advances	4,423,236	4,493,731	4,741,949	4,750,691
LIABILITIES.				
Notes	36,028,263	36,317,805	35,982,101	37,972,172
Government deposits	35,437	18,099	20,592	25,922
Private deposits	2,264,712	2,197,046	2,282,610	2,732,285

BANK OF SPAIN.

(000's omitted.)

	June 10, 1922.	June 3, 1922.	May 27, 1922.	June 11, 1921.
ASSETS.				
Gold	2,522,725	2,522,725	2,522,725	2,486,582
Silver	640,690	642,684	641,726	614,241
Loans and discounts	2,294,502	2,273,644	2,295,357	2,318,803
Spanish 4% stock	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000
LIABILITIES.				
Circulation	4,186,917	4,171,728	4,160,518	4,226,473
Deposits	1,170,613	1,163,119	1,180,504	1,240,737

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances. May, 1922.	Bank of Liv'p'o'l and Martins Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	London Joint City and Midland Bank, Limited.	London County Westm'r and Parr's Bank, Limited.	National Provin- cial and Union Bank of Eng'nd, Limited.	National Bank, Limited.	Willm's Descon's Bank, Limited.	Total.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ..	7,583	37,469	1,553	2,763	37,157	54,776	31,069	29,690	3,955	4,915	210,930
Balances with and cheques in course of collection on other banks in the United Kingdom	2,064	7,221	448	854	8,221	8,842	7,801	6,982	124	1,098	43,655
Items in transit	6,319	22,429	3,494	5,696	15,051	14,421	20,675	15,774	5,931	5,169	114,959
Money at call and short notice	6,658	47,936	1,331	696	75,830	54,955	81,750	52,027	3,461	3,883	328,527
Bills discounted	12,002	85,163	4,656	10,864	85,729	66,790	60,653	57,699	18,457	7,961	409,974
Investments	37,931	133,159	7,105	5,793	123,674	180,162	109,315	120,382	17,935	18,206	753,662
Advances to customers and other accounts											
Liabilities of customers for acceptances, endorsements, &c.	3,598	6,461	166	2,117	8,151	17,181	14,459	4,169	353	714	57,369
Bank premises account	1,424	4,567	346	370	4,785	4,940	4,017	4,095	560	664	25,768
Investments in affiliated banks	..	8,015	..	..	7,666	3,259	2,991	2,240	..	..	24,171
	77,579	352,420	19,099	29,153	366,264	405,326	332,730	293,058	50,776	42,610	1,969,015
Ratio of cash to current, deposit, and other accounts	10.79	11.63	8.95	10.88	11.13	14.94	10.34	10.96	8.80	12.62	11.78
LIABILITIES.											
Capital paid up	2,349	15,592	800	1,000	14,373	10,861	9,004	9,309	1,500	1,875	66,663
Reserve fund	1,400	8,250	800	500	10,000	10,861	9,004	8,878	980	1,100	51,773
Current, deposit, and other accounts	70,232	322,117	17,333	25,381	336,740	366,423	300,247	270,702	44,930	38,921	1,790,026
Acceptances, endorsements, &c.	3,598	6,461	166	2,117	8,151	17,181	14,459	4,169	353	714	57,369
Notes in circulation	..	..	..	..	..	..	16	..	3,013	..	3,029
Reduction of bank premises account	..	..	..	155	..	..	..	..	..	..	155
	77,579	352,420	19,099	29,153	366,264	405,326	332,730	293,058	50,776	42,610	1,969,015

HUNGARIAN BANK.

(000's omitted.)

	June 7, 1922.	May 31, 1922.	May 23, 1922.	May 15, 1922.
Assets.				
Gold coin and bullion, bills	13,014	13,115	13,251	13,119
Silver coin, do.	598	598	598	598
Bills, warrants, drafts, &c.	85,846	85,326	84,671,288	84,731,839
Loans	1,560,099	1,559,667	1,561,806	1,561,609
LIABILITIES.				
Notes in circulation	32,038,583	31,930,265	30,915,389	30,704,776
Deposits	3,481,988	3,289,279	3,224,894	3,385,541

NATIONAL BANK OF DENMARK.

(000's omitted.)

	May 31, 1922.	April 29, 1922.	Mar. 31, 1922.	Feb. 28, 1922.	May 31, 1921.	Position May 31, 1921.
Assets.						
Coin and bullion	228,324	228,325	228,325	228,325	227,570	78,644
Loans & discounts	420,186	461,386	461,386	434,177	311,289	58,470
Debtors abroad	15,215	14,530	13,232	20,983	15,597	84,102
Securities	14,521	15,843	18,222	23,296	56,636	11,988
LIABILITIES.						
Circulation	438,743	451,790	446,163	440,822	496,688	187,268
Deposits	114,766	128,857	132,092	124,730	60,205	6,696

BANK OF NORWAY.

(000's omitted.)

	June 7, 1922.	May 31, 1922.	May 22, 1922.	June 7, 1921.	Position May 31, 1921.
Assets.					
Coin and bullion—Gold	147,292	147,292	147,292	147,289	44,224
Balance abroad and foreign bills	41,667	42,492	40,818	39,900	28,533
Norwegian & Foreign Government securities	9,835	9,835	9,835	9,095	8,816
Discounts and loans	439,706	446,396	440,845	419,981	76,911
LIABILITIES.					
Notes in circulation	372,800	375,152	366,656	408,987	113,484
Deposits at notice	145,408	151,652	152,439	102,483	7,188

New rules for issuing bank notes have been given by Statute of November 2, 1920. We are authoritatively informed that the right of issue of the Bank of Norway is calculated at an amount of 250 million crowns above the stock of gold and at present extraordinary additional amount of 50 million crowns from July 25, 1921, until further order.

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

IMPERIAL BANK OF INDIA.

(000's omitted.)

	May 19, 1922.	May 12, 1922.	May 5, 1922.	April 28, 1922.	May 20, 1921.
Assets.					
Govt. securities	8,40,21	8,39,61	9,11,52	8,62,70	9,56,82
Other securities	1,38,24	1,28,83	1,28,23	1,28,23	1,38,40
Loans	16,44,44	16,81,70	16,26,03	16,09,25	14,58,68
Cash credits	27,93,13	27,88,00	28,24,73	28,25,72	20,95,71
Inland bills	5,83,69	6,25,92	6,17,46	7,70,20	15,03,16
Foreign bills	2,09	4,28	4,47	4,01	38
Bullion	2,46,45	2,46,15	2,45,43	2,44,66	2,09,04
Dead stock	50,67	49,44	49,44	49,44	37,39
Sundries	6,46	10,55	9,74	9,01	19,26
Cash	17,33,85	14,66,45	15,89,97	18,04,55	24,95,27
LIABILITIES.					
Subscribed capital	11,24,20	11,24,20	11,24,20	11,24,12	9,89,60
Capital paid up	5,62,30	5,62,30	5,62,30	5,62,28	5,28,65
Reserve	4,01,82	4,01,82	4,01,82	4,01,80	3,69,14
Public deposits	15,63,33	15,33,49	15,16,69	14,46,63	12,89,10
Other deposits	55,43,52	54,19,35	55,74,16	57,48,08	66,17,18
Loans against securities	31,55	31,74	32,26	32,53	16,87
Loans from Govt. of India	1,26,71	1,22,63	1,19,79	1,09,59	1,11,25
The above includes:					
Deposits in London	70	74	75	70	35
Advances in London	305	279	280	286	130
Cash, &c., at other banks in London	38	65	58	53	131

NATIONAL BANK OF EGYPT.

(000's omitted.)

	Mar. 31, 1922.	Feb. 28, 1922.	Jan. 31, 1922.	Mar. 31, 1921.	Position May 31, 1921.
Assets.					
Gold	3,357	3,361	3,360	3,361	1,571
Government securities	39,434	38,928	40,032	39,291	2,084
LIABILITIES.					
Notes in circulation	31,112	32,529	33,899	34,186	2,400
Government deposits	3,598	2,881	2,520	2,656	2,315
Other deposits	11,431	12,228	12,616	13,832	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.

(000's omitted.)

	May 31, 1922.	May 23, 1922.	May 15, 1922.	May 31, 1921.	Position May 31, 1921.
Assets.					
Coin and bullion	42,625	42,625	42,625	42,626	35,091
Balance abroad and foreign bills	176,106	190,067	208,872	380,350	90,379
Finland and Foreign Government securities	743,528	768,528	768,533	1,030,078	81,826
Discounts and loans	773,971	742,307	742,169	319,523	106,151
LIABILITIES.					
Notes in circulation	1,400,029	1,369,819	1,387,806	1,404,905	123,941
Deposits at notice	102,225	136,859	147,813	135,676	21,226

BANK OF PORTUGAL.

(000's omitted.)

	April 19, 1922.	April 12, 1922.	April 5, 1922.	Mar. 29, 1922.	April 20, 1921.
Assets.					
Coin and bullion	27,023	27,023	27,023	27,023	27,023
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	2,343	2,343	2,110	2,094	1,575
Discounts	251,084	150,785	150,920	151,280	115,210
Government loans	620,099	620,099	620,099	620,099	588,111
LIABILITIES.					
Notes in circulation	767,870	766,705	768,180	757,833	635,694
Deposits	64,694	58,012	55,838	56,405	46,071

NATIONAL BANK OF BULGARIA.

(000's omitted.)

	Feb. 28, 1922.	Jan. 31, 1922.	Dec. 31, 1921.	Nov. 30, 1921.	Oct. 31, 1921.	Sept. 30, 1921.
Assets.						
Gold	38,101	38,044	38,006	37,963	37,891	37,883
Silver	20,553	20,553	20,553	21,081	21,415	21,810
Treasury notes	107,613	111,536	117,032	118,355	158,135	161,327
Bills discounted	17,292	9,041	10,427	9,530	8,128	5,666
LIABILITIES.						
Notes in circulation	3,602,489	3,587,627	3,615,440	3,629,035	3,517,516	3,414,597
Deposits	1,325,322	1,442,811	1,277,157	1,159,580	1,129,340	1,241,428

POLISH NATIONAL BANK.

(000's omitted.)

	May 31, 1922.	May 20, 1922.	May 10, 1922.	April 30, 1922.	May 31, 1921.
Assets.					
Gold	30,121	28,879	29,649	29,495	13,500
Silver	44,015	43,916	43,894	43,875	38,900
Foreign coin	130,179	159,222	146,302	146,090	950,100
Foreign banks	1,322,771	1,392,253	1,400,830	1,400,830	662,005
Advances to the Govt.	217,000,000	217,000,000	220,000,000	220,000,000	117,625,000
Private loans and discounts	60,622,050	58,746,277	56,227,559	54,739,501	6,974,200
LIABILITIES.					
Notes in circulation	276,001,108	267,096,561	266,547,602	260,553,764	94,575,800
Deposits	51,649,766	53,636,427	54,503,177	55,201,567	26,582,200

THE STATE SAVINGS AND CREDIT BANK OF LATVIA.

	March 31, 1922.	February 28, 1922.	January 31, 1922.	December 31, 1921.
Assets.				
Total cash	Latvian Rbls. 103,071,127	Latvian Rbls. 78,431,115	Latvian Rbls. 93,893,005	Latvian Rbls. 113,677,630
Foreign bank	189,191,494	212,765,509	290,561,915	328,184,387
Discounts and loans	404,266,363	385,359,428	225,721,257	108,268,974
Other assets	62,475,936	44,125,698	46,829,823	21,378,954
LIABILITIES.				
Capital	304,929,087	300,000,000	300,000,000	300,000,000
Deposits	397,582,249	355,455,466	212,602,160	213,317,483
Other liabilities	56,293,584	65,226,284	..	230,600,462

BANK OF ESTHONIA.

(000's omitted.)

	April 30, 1922.	March 31, 1922.	Dec. 31, 1921.
Assets.			
Gold and foreign coin	E. Marks. 192,212	E. Marks. 234,418	E. Marks. 158,557
Foreign bank	831,096	869,984	207,626
Discounts and loans	2,305,864	2,070,598	1,399,774
LIABILITIES.			
Capital paid up	250,000	250,000	250,000
Reserve	37,771	10,674	10,674
Notes in circulation	700,000	700,000	350,000
Deposits	2,621,064	2,053,964	1,103,823

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

	June 7, 1922.	May 31, 1922.	May 23, 1922.	May 15, 1922.	June 7, 1921.
Assets.					
*Liabilities of the Austro-Hungarian Bank to the Banking Office	10,096,710	10,096,710	10,096,710	10,096,710	9,528,342
Discounts and advances	2,181,580	2,149,525	2,246,613	2,252,033	3,073,382
Gold, silver, foreign bills and balance abroad	1,123,137	1,123,987	1,151,057	897,262	..
Other assets	595,734	570,083	572,938	591,922	2,038,074
LIABILITIES.					
State notes in circulation	9,591,940	9,717,750	9,297,042	9,488,437	10,780,794
Deposits	2,038,809	1,866,632	2,193,586	1,981,680	1,573,938
Other liabilities	2,367,012	2,355,863	2,316,690	2,365,810	2,285,066

* Resulting from bank notes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENES.

(000's omitted.)

	May 31, 1922.	May 22, 1922.	May 15, 1922.	May 8, 1922.	May 31, 1921.
Assets.					
Dinars	63,663	63,614	63,374	63,377	64,417
Foreign coin and notes	16,929	16,929	17,052	17,270	21,709
Foreign credits	288,551	289,145	280,824	282,802	338,063
Bills	4,982,257	4,982,257	4,982,257	4,982,257	181,442
Govt. advances	4,982,257	4,982,257	4,982,257	4,982,257	3,945,279
LIABILITIES.					
Notes in circulation	4,752,367	4,730,496	4,733,748	4,846,498	3,713,995
State credits	333,982	333,982	334,282	334,282	373,835
Deposits	574,876	672,025	525,663	502,336	325,072

LONDON RATES.

	June 9, 1922.	June 10, 1922.	June 12, 1922.	June 13, 1922.	June 14, 1922.	June 15, 1922.	June 16, 1922.
Bank rate (reduced from 4% June 15, 1922)	4%	4%	4%	4%	4%	4%	4%
Market rates of discount							
60 days' bankers' drafts	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
3 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
4 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
6 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount (Treasury Bills) —							
3 months	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
6 months	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans — Day to day	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Short	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

GOLD STANDARD RESERVE.
Statement showing the form in which the balance of the reserve was held on May 31, 1922:—

In India	£	Nil
In England—		
Cash at the Bank of England	£	1,712
British Government securities—		
Value as on March 31, 1922	20,275,917	
British Government securities since purchased (cost price)	20,159,069	
		40,436,698

SIDNEY TURNER, Accountant-General.
India Office, June 12, 1922.

IMPORTS AND EXPORTS OF GOLD.

Gold Imported into the United Kingdom.		Gold Exported from the United Kingdom.	
Countries from which Consigned.	Week Ended June 14, 1922.	Countries to which Exported.	Week Ended June 14, 1922.
British South Africa	£ 617,901	Spain	£ 5,000
British West Africa	30,759	Egypt	4,500
Other Countries	1,439	British India	428,573
		Straits Settlements	18,235
Total value of imports of gold	649,899	Total declared value of exports registered in the week	456,308

Messrs Samuel Montagu and Co. write on June 15th as follows:—

GOLD.

A fair amount of gold came on offer, and was taken on account of India and the United States of America. New York reports arrivals of gold to the total value of \$3,823,000—\$3,500,000 from Sweden and \$323,000 from France. The United States gold imports during the month of May amounted to only \$9,000,000—the lowest monthly total reported during the present year. Exports during the same period were valued at \$3,000,000, leaving a net import to the value of \$6,000,000. The movements of gold to and from Holland during the year 1921 were as follows:—

	Imports.	Exports.
	Kilograms.	Kilograms.
Ingot, bars and pieces, gold dust, &c., &c.	1,288	20,696
Foil and wire	267	2
Specie	12,048	34,912
Total	13,602	55,610

Rumours emanate from America that the Petrograd mint is at work again, engaged in turning out five and ten-ruble gold coins as well as silver coins of various denominations. The metal is said to be provided from the gold and silver treasures recently taken by the Soviet authorities from Russian churches. Inasmuch as the prospect of currency composed of these metals circulating within the borders of Russia is extremely remote, the most economical method of employing the precious metals, which must sooner or later be destined to leave the Russian frontiers, would be to treat them as bullion.

SILVER.

The market has shown a lack of animation during the current week. The chief feature has been its smallness, which has rendered the price peculiarly liable to be influenced by an excess of demand or of supply, though the amount of the excess would never be considered really important in active conditions. China has supported prices here and in America; there has also been demand from the Indian bazaars and from bear covering. The Continent and India have been sellers, but the United States have not shown much disposition to let out silver. The details as to silver stocks at Shanghai show a substantial increase. The market has no pronounced tendency, and unless some new and at present unforeseen factor intervenes, prices may keep within somewhat narrow limits. An official monsoon forecast has been issued for 1922. It states that the monsoon may be delayed, but that the total rainfall in North-West India is not likely to differ far from the normal in the Peninsula, excluding Mysore and South and Central Madras. A useful forecast is not possible for Upper Burma, North-East India, Mysore and Malabar, owing to conflicting indications.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	May 22, 1922.	May 31, 1922.	June 7, 1922.
Notes in circulation	17,139	17,239	17,240
Silver coin and bullion in India	7,609	7,706	7,711
Silver coin and bullion out of India			
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India			
Securities (Indian Government) ..	6,513	6,517	6,512
Securities (British Government) ..	585	584	585

No silver coinage was reported during the week ending 7th inst. The stock in Shanghai on the 10th inst. consisted of about 26,200,000 ounces in sycee, \$30,000,000, and 1,630 silver bars, as compared with 25,600,000 ounces in sycee and \$27,000,000 on the 6th inst. The Shanghai exchange is quoted at 3s 7d the tael.

GOLD AND SILVER PRICES.

The price of gold and cash and forward prices of bar silver during this week and in previous years are as below:—

1922.		Gold.		Silver.		Date.		Silver.	
		Per Ounce.	Cash Per Ounce.	Forward Per Ounce.				Cash Per Ounce.	Per Ounce.
June 10 ..	10	91	9	35	35	June 23, 1916	31	31	31
12 ..	12	91	9	35	35	22, 1917	39	39	39
13 ..	13	92	1	35	35	21, 1918	48	48	48
14 ..	14	92	6	36	36	20, 1919	54	54	54
15 ..	15	92	4	36	36	18, 1920	49	49	49
16 ..	16	92	3	35	35	17, 1921	34	34	34

NOTICES.

A branch of the Commercial Banking Company of Sydney, Limited, has been opened at North Dorrigo in the State of New South Wales.

The Union Bank of Australia, Limited, notify that branches have been opened at Ballina and Murwillumbah (New South Wales).

Barclay's Bank, Limited, announce the opening of a new branch on Monday next, June 19th, at 4 Church street, Agincourt square, Monmouth, under the management of Mr W. Wyndham Thomas.

Sir Malcolm Hogg, of Forbes, Forbes, Campbell, and Co., Limited, has been appointed a director of the London County Westminster and Parr's Bank, Limited.

ANALYSIS OF BALANCE-SHEETS.

CROSSES AND WINKWORTH CONSOLIDATED MILLS.

March 31, 1922.

LIABILITIES.		ASSETS.	
Amount.	Inc. or Dec.	Amount.	Inc. or Dec.
Ord. shares	3,000,000	Land, buildings, machinery, &c.	4,857,852
Ord. shares	1,000,000	Debtors	288,199
Premium on shrs. account	750,000	Bills receivable	2,065
Loans and int.	124,201	Shares	15,307
Do Wm. Heaton and Sons	632,695	Investment, Wm. Heaton & Sons	1,004,064
Creditors	270,471	Stocks	802,763
Bills payable	248,231	Cash	293
Owing to bankers	550,782	5% War Loan	4,256
Reserve for contingencies	363,236	Formation expns.	51,954
Profit and loss	30,928		
Total	6,970,543	Total	6,970,543

HUDSON'S BAY COMPANY.

May 31, 1922.

LIABILITIES.		ASSETS.	
Amount.	Inc. or Dec.	Amount.	Inc. or Dec.
Ord. shares	1,000,000	Cash in London	607,054
Prof. shares	2,000,000	Premises in London	87,564
Creditors & credit balances	2,450,696	Amount invested in fur trade	1,769,949
Funds and reserve	1,029,285	Amount invested in sale shops	3,259,465
Balance of land	3,445	Debtors	924,001
Account	3,445	Winnipeg offices	103,157
Profit and loss	522,670	Investments	254,906
		Loans	254,906
		Unsold lands and instalments to be received on sales	210,840
Total	7,006,096	Total	7,006,096

J. LYONS AND CO.

March 31, 1922.

LIABILITIES.		ASSETS.	
Amount.	Inc. or Dec.	Amount.	Inc. or Dec.
Ord. shares	400,000	Land, buildings, &c.	1,198,141
"A" ord.	681,820	Stock	1,765,378
5% pref. shares	647,065	Debtors	427,947
7% pref.	1,000,000	Investments	867,518
8% pref. shares	1,000,000	Cash	388,407
Prop. profit shrs.	500,000		
4% deb. stock	300,000		
4% deb. stock	37,020		
5% deb. stock	125,000		
6% deb. stock	30,000		
Mortgages	66,820		
Interest accrued	340,018		
Creditors	7,067		
Divs. unclaimed	1,405,098		
Reserve	3,004		
Profit and loss	409,134		
	306,345		
Total	7,658,391	Total	7,658,391

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Week Ended June 11, 1922.			Aggregate 23 Weeks 1922.		
	Passengers, &c.	Goods, &c.	Total for Week.	Passengers, &c.	Goods, &c.	Total Receipts.
Brecon and Merthyr	60	1,678	4,737	22,892	84,994	107,186
Great Central (c)	676	65,100	151,100	1,057,900	3,014,900	4,072,800
Do Joint Lines	161	18,000	38,400	1,974,000	5,311,700	7,285,700
Great Eastern (c)	1,207	144,900	205,200	2,364,300	2,197,200	4,561,500
Great Northern (c)	1,050	116,300	197,400	2,081,100	3,311,700	5,392,800
Great Western (c)	1,535	342,000	291,000	5,972,000	8,560,000	14,532,000
London & N. Western (d)	2,633	462,300	297,700	7,590,000	9,840,000	17,430,000
Loth. & South-Western	968	151,800	43,400	1,950,200	1,361,300	3,311,500
Lon. Brighton & S.C. (e)	112,889	26,404	139,293	1,941,612	649,553	2,591,165
Midland & N. Western (d)	1,583	145,200	180,000	2,639,000	3,311,700	5,950,700
Maryport & Carlisle (e)	429	35,566	2,865	38,431	757,535	84,943
Metropolitan (c)	1,583	201,000	183,000	3,772,000	7,490,000	11,262,000
Midland & B.W. (c)	63	2,384	1,396	3,780	29,027	31,548
North-Eastern (c)	1,850	160,400	208,000	3,684,000	5,612,400	9,296,400
North London	16	5,481	8,308	13,789	112,037	232,427
South-E. & Chatham (e)	654	152,100	28,600	180,700	2,710,600	961,300
Underground E.R. (c)	..	..	..	250,369	..	..
Lon. & Sub. Group (c)	..	..	..	64,370	..	..
Caledonian	1,097	71,400	90,500	1,611,900	2,283,800	3,895,700
Glasgow and S.W. (c)	476	32,500	31,300	63,900	618,700	682,600
Gt. N. of Scotland (c)	336	9,290	7,580	16,870	184,500	201,370
Highland (c)	492	11,238	7,885	19,123	219,190	238,313
North British (c)	1,372	68,800	103,400	171,600	3,325,000	3,496,600
Belfast and County Down (b)	80	5,824	1,333	7,057	104,611	32,975
Dublin and S. East (b)	160	7,243	3,605	10,848	120,998	85,348
Midland Gt. West. (b)	538	7,805	13,409	21,214	..	..

(a) Including 10 miles temporarily closed. (b) Week ended June 9, 1922. (c) Week ended June 10, 1922. (d) Including receipts from Amalgamated Lines.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922.	+ or -	1922.	+ or -
INDIAN.							
Assam Bengal	6 weeks	May 13	1,049	2,247,719	+ 32,901	14,018,851	+ 2,411,637
Bombay & N. Western	6 weeks	May 13	20	31,500	+ 10,500	2,691,000	+ 1,122,500
Bombay & N. Western	6 weeks	May 13	20	31,500	+ 10,500	2,691,000	+ 1,122,500
Bombay, Bar. & O.L.	10 weeks	June 10	2,871	24,570,000	+ 4,450,000	2,454,800	+ 26,860,000
Burma	6 weeks	May 13	1,342	7,78,455	+ 4,21,853	48,74,829	+ 13,221,102
Delhi, Umballa & Kalka	10 weeks	June 10	239	40,000	- 65,789	8,10,000	- 3,31,269
East Indian	10 weeks	May 20	2,772	29,510,000	+ 76,000	2,89,34,000	+ 15,656,000
G. Indian Peninsula	10 weeks	May 20	3,028	27,34,200	+ 2,13,600	3,00,55,400	+ 20,305,400
Madras & S. Mah.	6 weeks	May 20	1,028	15,50,000	+ 1,00,235	1,05,25,000	+ 10,611,014
Rohilk. & Kumaon	6 weeks	May 20	13	62,915	+ 31	3,85,609	+ 37,224
Do Lucknow-Brailey	6 weeks	May 20	13	32,500	+ 1,03,086	6,81,587	+ 8,75,444
South Indian	6 weeks	May 20	1,854	7,06,405	+ 2,653	38,12,258	+ 2,09,067
Sikh. Punjab (month)	4 mths	Feb. 28	717	7,06,405	+ 2,653	38,12,258	+ 2,09,067
Argentine (a).							
Argentine N.E.	49 weeks	June 10	752	10,200	- 300	525,200	- 57,000
Argentine Trans.	49 weeks	June 10	1,111	1,580	- 588	112,765	- 19,848
B. A. and Pacific	49 weeks	June 10	3,438	140,000	+ 10,000	7,126,000	+ 665,000
B. A. G. Southern	49 weeks	June 10	1,047	180,000	+ 4,000	8,004,000	+ 665,000
B. A. Western	49 weeks	June 10	1,884	21,000	+ 21,000	3,918,000	+ 2,000
Buenos Ayres Cent.	10 mths	Apr. 30	190	41,416	- 943	453,298	- 8,129
Central Argentine	49 weeks	June 10	3,305	196,000	+ 1,000	8,944,000	+ 269,000
Cordoba Central	49 weeks	June 10	1,205	62,100	- 11,900	2,459,700	- 182,800
Entre Rios	49 weeks	June 10	811	17,100	- 2,300	925,200	- 210,800
Brazilian (b).							
Brazil Gt. Southern	4 mths	Apr. 30	..	Ms 44,250	+ 4,850	159,500	+ 4,850
Gt. West. of Brazil	23 weeks	June 10	1,005	12,900	+ 600	318,100	+ 26,400
Leopoldina	23 weeks	June 10	1,831	23,807	- 9,860	599,202	- 151,710
San Paulo	23 weeks	June 10	1,153	37,056	+ 5,654	638,052	+ 25,216
State of Bahia, S.W.	1 mth	May 31	58	Ms 68,000	+ 27,000	68,000	+ 27,000
Chile and Peru.							
Antofagasta	23 weeks	June 10	838	19,830	+ 1,020	427,480	+ 187,165
Arauco	23 weeks	June 10	293	13,000	- 500	..	- 148,348
Nitrato (8 weeks)	20 weeks	May 31	366	13,000	- 500	..	- 148,348
Parfian Corp.	11 mths	May 31	1,069	81,342,500	+ 105,750	14,136,830	+ 1,066,720
Talca	11 mths	May 31	172	10,478	- 3,135	102,100	- 168,113
Cuban.							

BRITISH DYESTUFFS CORPORATION, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Ino. or Dec.	Amount.	Ino. or Dec.
Prof. shares	4,116,404	Shares in asso-	1,451,045
Prof. ord. shares ..	4,085,081	Advances to	6,539,817
Deferred shares ..	993,505	associated cos. ..	306,517
Sundry creditors ..	481,754	Cash	188,829
Reserve for re-	421,928	Freehold offices ..	367,825
search	100,000	Sundry debtors ..	471,040
Profit and loss	520,775	Bills receivable ..	176,456
		Preliminary ex- ..	251,552
		penses	803,355
		Profit and loss ..	803,355
Total	9,776,744	Total	9,776,744

BRITISH ELECTRIC TRACTION.

LIABILITIES.		ASSETS.	
Amount.	Ino. or Dec.	Amount.	Ino. or Dec.
Ord. stock	1,326,254	Investments	3,987,619
Prof. shares	712,744	Buildings & land ..	40,275
Debentures	1,790,038	Furniture	2,178
Reserve	20,000	Debtors	97,280
Ord. shares	30,609	Cash	234,317
Int. on debts.	40,540		
Div. on pref.	21,382		
Div. on ord.	59,682		
Balance	194,238		
Total	4,625,497	Total	4,625,497

WM. CORY AND SON.

LIABILITIES.		ASSETS.	
Amount.	Ino. or Dec.	Amount.	Ino. or Dec.
Cum. pref. shares ..	850,000	Land, buildings, ..	4,586,800
Ord. shares	2,850,094	Stock, &c.	115,291
Employees' shares ..	53,711	Debit balances ..	2,518,521
4% deb. stock	700,000	Invts. on behalf of ..	125,662
4% debts.	200,000	staff funds	118,327
Unpaid dividends ..	14,091	Investments	2,150,887
Premium on new ..	287	at or under cost ..	242,569
Ord. shares	440,000	Cash	61,669
Reserve	650,000		
Insurance fund	100,000		
Staff pensions	118,604		
Employees' war ..	28,502		
fund	433,853		
Credit balances	2,882,371		
Profit and loss	790,084		
Total	9,677,357	Total	9,677,357

Reports and Notices.

On the completion of their new premises the head office of the Provident Mutual Life Assurance Association will be moved from 222 Strand to 25-31 Moorgate, E.C. 2, on Monday, the 19th inst.

As announced by the chairman at the recent annual general meeting of the Royal Insurance Company, Limited, Mr R. W. Thompson, accident manager, will retire—under superannuation—on the 30th instant, after more than 38 years' continuous service with the "Northern Accident" and the "Royal." The directors have made the following appointments, to take effect as from July 1, 1922, viz:—

Mr J. M. Dumbell (at present assistant accident manager) to be accident manager; Mr A. H. Blake to be assistant accident manager.

Owing to ill-health Mr W. R. Rendell has decided to resign the general management of the Metropolitan Electric Supply Company, Limited, in the autumn.

Lord Milner has been elected chairman of the Rio Tinto Company.

Spicers and Pond, Limited, announce that the register of stockholders will be closed from June 17 to June 30, 1922, both dates inclusive, for the preparation of the interest warrants. Warrants will be posted on the 29th inst.

MISCELLANEOUS.

RICHARDSONS, WESTGARTH, AND CO.—The report for 1921 shows a profit, which, after providing for estimated liabilities to the Government, amounts to £305,208, which compares with a profit of £155,635 for the year 1920. The ordinary shareholders, who have not received a dividend since October, 1907, when 4 per cent. was paid, are to receive a distribution of 8 per cent. for 1921. The net balance of profits to December 31, 1920, was £54,028, but two years' preference dividend, absorbing £42,000, paying up arrears to April 30, 1919, was deducted from this, leaving £12,028, which, added to £305,208, makes £317,236 available. The preference dividend is now paid right up to date, the three years absorbing £63,000, while the ordinary dividend of 8 per cent. takes £28,000. Debenture interest for 1921 absorbs £15,750. Other allocations are:—Directors' fees, £1,700; depreciation for year 1921, £45,000; written off investments in heavy stampings, £9,000; provision for development of Diesel engines, £50,000; reserve account, £50,000. The balance of £54,786 is carried forward. The directors state that "the financial position of the company is at present better and stronger than ever before in its history. Its assets in buildings, machinery, stock-in-trade, and cash for working the business, &c., amply justify the capital, and on the completion of certain repairs the properties generally will be in excellent condition."

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim div.	Date of Payment.	Method of Payment.	Lat. Pre-vious.	%
Railways.						
Chesapeake and Ohio	2%	June 30	..	..	..	..
Cleveland, Cincinnati, &c.	2%	June 15	..	..	..	..
New Cape Central	2%	June 26	..	..	..	..
Northern Pacific	12%	Aug. 1	..	..	..	..

LIABILITIES.		ASSETS.	
Amount.	Ino. or Dec.	Amount.	Ino. or Dec.
Ord. stock	1,326,254	Investments	3,987,619
Prof. shares	712,744	Buildings & land ..	40,275
Debentures	1,790,038	Furniture	2,178
Reserve	20,000	Debtors	97,280
Ord. shares	30,609	Cash	234,317
Int. on debts.	40,540		
Div. on pref.	21,382		
Div. on ord.	59,682		
Balance	194,238		
Total	4,625,497	Total	4,625,497

(a) Tax free. (k) J. Lyons and Co.—Paid on a smaller capital. A final dividend of 2½ per cent. For the year ended May 31st the directors announce a bonus of 7½ per cent. The sum of £100,000 is transferred to general reserve, and £50,000 is placed to dividend reserve, £24,014 being carried forward.

Commercial Reports.

THE CORN TRADE.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Appropriation.			Corresponding Period Last Year.	
				Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
				Prefce.	Ordinary.			
				Amount.	Amount.	Rate.		Divi-
Canals and Docks.								
Grand Junction Canal	Dec. 31	£ 5,041	£ 39,410	£ 44,451	£ ..	42,375 3½	£ 2,076	£ 46,696 3½
Financial, Land, &c.								
Canada Land and Irrigation	Dec. 31	Dr 27,376	Dr 34,391	Dr 61,767	..	..	Dr 61,767	..
Hudson's Bay Co.	May 31	122,202	550,468	672,670	100,000	450,000 (35 10½)	122,670	450,050 (25 15½)
New South Wales Land, &c.	Jan. 31	..	3,155	3,155	..	6,926 3	Dr 3,771	Dr 5,442
South Australian Company	April 29	..	73,039	73,039	..	57,700 8½	15,339	48,441 8½
Hotels, Restaurants, &c.								
Cranston's Hotels	May 17	2,747	12,371	15,118	5,553	9,300 15	265	17,639 5
J. Lyons and Co.	Mar. 31	12,480	595,615	608,095	206,353	295,455 25	90,866	503,323 (b) 42½
Iron, Coal, and Steel.								
Bell Brothers	Dec. 31	50,809	Dr 107,100	Dr 56,291	30,000	..	Dr 95,860	9,569 250,971 15
James Keith and Blackman	Mar. 31	12,575	20,481	33,056	2,112	15,000 7½	15,944	49,671 15½
Richardsons, Westgarth and Co.	Dec. 31	12,028	287,758	299,786	63,000	28,000 8	154,000	54,786 138,186 Nil
Wm. Cory and Son	Mar. 31	391,812	564,405	956,217	42,500	434,878 15	478,839	733,843 20
Oil.								
Scottish Oils	Mar. 31	2,615	160,870	163,485	145,205	..	18,280	138,782 ..
Rubber, &c.								
Amalgamated Rubber	Dec. 31	..	9,826	9,826	..	..	9,826	..
Bradwall (F.M.S.)	Dec. 31	16,596	Dr 4,077	12,519	..	..	12,519	4,916 ..
British Malay	Dec. 31	3,121	Dr 5,548	Dr 2,427	..	..	Dr 5,000	Dr 2,427
Central Travancore	Dec. 31	490	Dr 3,024	Dr 2,534	..	..	Dr 2,534	Dr 14,246
Kuala Pahang	Dec. 31	Dr 578	Dr 755	1,333	..	..	Dr 1,333	..
Oriental	Dec. 31	4,954	3,624	1,330	..	..	1,330	Dr 3,536
Sungei Rampah	Dec. 31	Dr 8,665	Dr 4,340	Dr 13,005	..	..	Dr 7,269	Dr 11,824
United Patani	Dec. 31	2,515	1,297	3,812	..	..	2,500	1,312 ..
Shipping.								
Darjeeling Consolidated	Dec. 31	5,310	15,060	20,370	3,000	10,500 17½	3,581	3,289 Dr 2,477 5
Singlo	Dec. 31	49,478	43,644	93,122	13,650	42,000 15	26,000	11,472 7,165 ..
Telegraph, &c.								
Gt. Northern Telegraph (Denmark) ..	Dec. 31	285,892	438,676	724,568	..	333,000 22	88,889	302,679 637,615 24
United River Plate Telephone	Dec. 31	38,367	166,938	205,305	10,000	156,600 8½	38,705	227,267 8½
Textiles.								
British Dyestuffs Corporation	Oct. 31	203,304	Dr 100,660	Dr 803,356	..	..	Dr 803,356	552,100 8 Pf. Or
Crosses and Winkworth Consoli- ..	Mar. 31	22,206	Dr 553,324	Dr 537,118	150,000	..	Dr 718,046	30,928 677,743 5
Tramways.								
British Electric Traction	Mar. 31	177,319	134,042	311,361	42,765	59,682 4½	14,676	194,238 135,061 4
Trusts.								
First Scottish American	May 2	17,117	25,946	43,063	..	20,075 9½	3,500	19,488 25,542 9½
Globe Telegraph and Trust	June 30	2,181	330,145	332,326	76,072	235,400 10½	20,854	287,802 10½
Lake View Investment	Mar. 31	15,933	17,725	33,658	..	28,876 10	4,782	18,245 ..
Waterworks.								
Buluwayo	Dec. 31	2,375	1,628	4,003	..	..	4,003	4,812 ..
Other Companies.								
A. J. White	Mar. 31	47,369	18,833	66,202	..	15,000 5	51,202	18,400 nil
Denny, Mott, and Dickson	Mar. 31	30,916	66,547	97,463	12,000	28,000 7 Pf. Ord. 80rd.	41,463	89,757 100rd.
Edward and John Burke	April 30	12,268	24,643	36,911	13,050	11,100 5	12,761	24,121 7
Neuchatel Asphalte	Dec. 31	10,225	18,894	29,119	10,000	13,996 3½	5,123	26,914 2½
New Inverted Incandescent	Mar. 31	10,934	2,156	13,090	..	3,248 3½	9,842	7,632 6½
Riverside Orange	Sept. 30	Dr 6,615	Dr 8,946	Dr 95,561	..	..	Dr 15,000	Dr 80,561
Shorts	Mar. 31	3,703	37,119	40,822	15,500	18,750 15	5,000	1,572 42,311 15
White, Tomkins, and Courage	Mar. 31	17,386	47,408	64,794	9,000	38,000 10	17,794	..
Yorkshire Dyeware and Chemical ..	Mar. 31	8,765	12,428	21,193	..	15,750 15	5,443	16,038 15

† Free of tax. (b) J. Lyons and Co.—This dividend was paid on a smaller capital.

	1921-1922.	1920-1921.	1919-1920.	1918-1919.
Estimated sales of home-grown wheat—				
1 week to June 10	Cwts. 101,491	Cwts. 98,596	Cwts. 36,763	Cwts. 223,136
40 weeks to June 10	15,428,977	11,933,372	10,656,347	12,370,299
Average price of English wheat per				
quartern	55 3	89 3	73 0	73 3
= per cwt	12 10½	20 1	17 0	17 1

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1918 to 1921:—

	QUANTITIES SOLD.			AVERAGE PRICES.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1922.						
June 3	qrs bsh 39,886	qrs bsh 4,152	qrs bsh 8,744	55 11	41 4	33 7
10	23,681	2,171	5,661	55 3	40 8	32 10
1918.	36,419	4,801	2,305	74 3	57 9	45 7
1919.	52,069	3,924	6,252	73 3	62 8	48 11
1920.	8,578	1,338	2,799	73 0	92 7	63 10
1921.	23,005	6,748	5,418	89 3	43 1	38 9

Mark Lane, Friday Evening.

Useful rains have fallen during the past week and proved of great benefit to cereal crops, which were in need of moisture. Latest official reports describe winter wheat as a strong, healthy plant of good colour. Dull conditions prevailed at market, trade being restricted and prices mostly easier, particularly with regard to breadstuffs. Native wheat moves off slowly, despite moderate

supplies, and rates easy at 53s to 55s per 504 lbs, free on rail. Imported quiet and easier in sympathy with lower c.i.f. offers, though at the close the market was less depressed. No. 1 Northern Manitoba quoted 59s, No. 3 ditto 55s, Australian 59s, all landed per 406 lbs, and Rosafé 64 lbs ex ship to arrive 54s 6d per 480 lbs. The cargo market proved dull, and rates declined owing to lower American and Argentine advices. Small sales, chiefly to the Continent, include steamers of Australian arrived at 53s 3d, ditto afloat 53s 9d to 53s, Rosafé 63½ lbs due 51s 6d, ditto afloat 50s 6d to 50s, No. 2 hard winter July-August 48s 6d, and August-September 48s per 480 lbs. Flour is pressed for sale at declining rates. London standard straight run officially quoted 46s 6d, town households 44s 6d, patents 48s 6d to 49s 6d, all English straight run 44s 6d per sack delivered in London area. All English country straights 41s 6d to 42s 6d per sack, free on rail at London stations. Imported easier and difficult to sell. Manitoba export patents 45s, straights 41s, Pacific 43s, Australian 42s per 280 lbs ex store. On c.i.f. terms business remains almost at a standstill. Canadian patents June quoted 43s, straights 39s, Kansas patents July 42s, and Australian 38s per 280 lbs. Millers' offals quiet and easier. Broad bran quoted £7 10s to £8, ordinary £6 10s, middlings £8 10s to £8 15s per ton ex mill, bags included. Of imported, fancy Plate middlings £9 10s. Plate pollards £7 10s per ton landed. Maize dull and easier. Yellow La Plata old quoted 35s 6d, new 37s, yellow African 34s 6d, and No. 2 American mixed 34s, all landed per 480 lbs. Cargoes neglected and weaker. Steamers of La Plata afloat sold 35s to 34s 6d, while a fair trade passed in La Plata parcels at irregular prices. White African maize meal quoted £7 15s per ton landed. Barley inactive and lower to sell. English malting nominal, while feeding descriptions range from 43s to 48s per 448 lbs free on rail. Of

imported, Californian quoted 40s to 40s 6d, Australian Chevalier 40s to 52s, Chilean ditto 40s to 53s landed per 448 lbs. No. 4 Canadian Western ex ship to arrive 31s 9d, and Tunisian landed 37s per 400 lbs. C.i.f. parcels dull, and wheat tended in buyers' favour. Oats, native, in small supply and held for generally steady prices, but imported descriptions ruled lower in sympathy with reduced forward offers. English whites 35s to 38s, grey winters 34s to 36s 6d, and black winters 34s to 35s per 36 lbs as to sample free on rail. Of imported, Plate f.a.q. 26s to 26s 3d, ditto clipped 28s 6d, No. 2 Canada Western 31s, No. 2 white clipped American 38 lbs 26s 3d, New Zealand 35s to 40s, all landed per 320 lbs. Oatmeal quiet and tendency easier. London made coarse pinhead quoted £19, medium ditto £17 10s, whole groats £18, rolled oats £18 10s, flaked £21, ex mill, ordinary Scottish oatmeal £20 10s to £21 10s, American ditto, all cuts, £18 to £18 10s per ton. English beans continue in slow request. Springs range from 56s to 65s, and winters 51s to 54s per 532 lbs, free on rail. Of imported, Madagascar haricots, old crop quoted 10s to 12s, ditto new 18s to 18s 6d, Rangoon hand picked 7s to 7s 3d per cwt. Peas firm, with a fair demand. English maples quoted 80s to 94s, duns 60s to 68s per 504 lbs, free on rail. Imported quiet. Japanese spot 51s to 52s, Tasmanian "A" grade 23s to 24s, New Zealand blue 22s to 25s, Dutch hand picked 29s to 29s 6d, and screened 25s to 26s per cwt. Lentils steady. No. 1 split 29s to 30s, No. 2 ditto 22s to 24s, and Egyptian 22s to 23s per 100 lbs. English rye 40s to 45s per 504 lbs, free on rail. Homeward grain chartering was confined to narrow limits, and tendency of rates weak in most directions. The River Plate section proved inactive, chartering being interrupted by adverse weather conditions and rates weak at 25s to 25s 6d for steamers loading at upper ports, June-July to U.K./Cont. A moderate amount of business was effected from North America chiefly to Mediterranean ports. Montreal to Mediterranean, not east of West Italy, was fixed at 20 cents one, 21 cents two, and 22 cents per 100 lbs three ports of discharge, while American Northern Range to Mediterranean established 45 6d per qr one, 4s 7½d two, 4s 9d three ports, with Adriatic options. North Pacific chartered at 35s to 37s 6d per ton to U.K./Cont. September, with 37s paid for a cargo of barley from San Francisco. Eastern markets lack orders, and rates largely nominal from India, Bombay on dead

weight being named at 16s on dead weight. Australia dull and featureless. Danube chartering was more active, and steamers fixed to U.K./Cont. at 17s 6d to 17s 9d prompt landing.

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated June 15th, is as follows:—Pig-iron: Although the ballot of the engineers is in favour of a settlement of the strike, there are still some details to be settled. It will probably be a few weeks before work can be resumed, but it is expected that it will have a good effect on the iron and steel trade, and result in more work. The improvement, however, will only be gradual. Meantime, there is very little doing in the pig-iron market, and prices are as follows:—No. 3 Cleveland G.M.B., 90s per ton; East Coast hematite mixed numbers, 95s per ton. Manufactured iron and steel: The reduction of 10s per ton in the price of plates, angles, and sections should influence some orders being given out, and works are already making arrangements to restart some of their furnaces. Steel ship plates, home, £10; steel ship angles, home, £9 10s; iron bars, home, £12; steel rails, home, £9 10s net. Iron ore: Business is very quiet. Deliveries against old contracts have been very heavy recently, and works have accumulated sufficient stocks to keep them going for some time, and are not inclined to make new contracts. The nominal quotation of 27s for best Rubio is still maintained, but if there was any buying sellers would probably be willing to shade this figure.

Our Glasgow correspondent (writing on Thursday) says:—Already arrangements have been made for the active prosecution of constructive operations on large steamers lying unfinished in the Fairfield, Clydebank, and Govan yards, and the list, it is calculated, will be added to as the weeks pass on, though there is no sign yet of owners being disposed to the giving out of contracts for new boats. Steelmakers are moving in the direction of inspiring enterprise, and have taken a first step by reducing their quotations for material by 10s a ton. Now boiler plates are called £13 10s, ship plates (¾ in. and upwards) £10, and sections £9 10s,

all with usual extras and conditions. These are the first changes which have been effected since the year came in. Black sheet makers have followed suit (from yesterday), and their new list reads:—Under ½ inch to ¾, £10 15s—10s off; and ¾ inch to 1 inch, £11 5s (also 10s down); 1 to 16 gauge stands at £13 10s; 16 to 20, £13 5s; 20 to 24, £13 15s; and 24 to 27, £14 15s. In the case of nail sheets, 14g and heavier are £9 10s; 15g and heavier, £9 15s; and 16g and heavier, £10. The outputs from blast furnaces are now being absorbed, and additions to the active plant are progressing. One large firm, Glengarnock, has entered into a contract to deliver given quantities of foundry iron over the coming 12 months to a United States consumer. This departure has created great satisfaction, and has contributed to a sensible stiffening of values for all Scotch brands. No. 3 has touched 95s, and No. 1 has been done at 5s more (delivered on trucks at makers' works). At the weekly market of the "ring" yesterday, Scotch No. 3 G.M.B. was 99s f.o.b. Glasgow, sellers; No. 3 Cleveland G.M.B., 90s f.o.b. Middlesbro'; and mixed numbers East Coast hematite, 96s f.o.b. Middlesbro'. Late to-day it got bruited about that there was an appreciable expansion observable in the export inquiries for all description of "pigs," which left off strong for the week. No material change falls to be noted in the finishing and manufacturing department of iron and steel; but a fair volume of business continues to be handled. Orders for some large locomotive engines have been given out in the Glasgow district (export), and the prospects are described as fairly encouraging. Black sheet makers advise that inquiries from India, Australia, and the Far East generally are again picking up. Some delayed orders for plates, joists, and tubes are (this week-end) being proceeded with; and for textile machinery the need seems improving. The coal trade still stands much in need of improvement.

Our Sheffield correspondent writes: The settlement of the engineering dispute has already heartened business people generally and restored confidence in the future. Both masters and men are eager to get to work again, and the feeling all round is good. Some time must elapse, however, before any considerable number of the locked-out men can be set on owing to the shortage of orders in many branches and the cancellation or suspension of much during the dispute. On the other hand, certain important establishments have considerable accumulations of work ready to be proceeded with forthwith. There will be a gradual reduction in the ranks of the unemployed, but there is no prospect of the early absorption of the bulk of the men. The inquiry for mild steel is developing nicely. The worst branches are those producing railway steel, and materials and tools for the

shipbuilding industry. The hand-tool branches have been expanding nicely for several weeks past, and there is a certainty of greater general activity in the course of a week or two than at any previous time this year. The recognition that prices of iron and steel have reached a stable basis has done much to stimulate buying on a greater scale than formerly. While by no means good overseas trade continues to improve, Sheffield steel makers are already in the market for the early delivery of hematite pig, and throughout the country preparations are being pushed forward for the restarting of blast furnaces and open-hearth steel furnaces. Conditions in the coal trade are very mixed. This district is obtaining a moderate share of export business, and there is a growing demand for small fuel, especially for coking. There is, in fact, a shortage of coking fuel owing to the short working of the pits, and an increased demand for blast-furnace coke is developing. The trade in house coal has almost collapsed, nor are the gas companies taking large deliveries. Prices are somewhat irregular.

Our Cardiff correspondent writes:—A note of extreme pessimism has characterised the coal market during the past few days. The restriction of output during the Whitsun holidays has not been sufficient to reverse the downward tendency which prices took before the holidays. Best Admiralty steam coals, which a fortnight ago were ruling up to 27s 6d, have been sold this week at 26s per ton on the basis of two-thirds large and one-third small, the small coal price being 17s per ton. These prices, which give an average f.o.b. figure of only 23s for the best grade of steam coals produced in the South Wales coal-fields, are unremunerative. They represent a pit-head price of between 19s and 20s per ton, and, as the lower-grade coals have declined proportionately, the average price represented by the week's market quotations involves a considerable loss to the collieries. The position created by this slump is an extremely grave one. The drain on the reserves of the collieries during the past twelve months has been so heavy as to leave them in a more impoverished state than that experienced in any previous depression. At the meeting of the Coalowners' Association held last week a proposal to enforce a schedule of minimum prices was rejected, but under the pressure of the representations of some of the bigger collieries, the suggestion of the adoption of some form of regulation was referred back to the Commercial Committee of the Association. That committee has met this week, but the proceedings at the meeting held on Tuesday served only to discover how acute were the differences between the members, and no action was taken. It is felt that unless some proposal is put into force the miners will take matters into their own hands and endeavour to raise prices by restricting outputs under a system of stop days. This expedient has been adopted in the past, but it has never had the effects intended, and if it is adopted in the present emergency it will certainly lead to a heavy increase in the cost of production. The matter is to be further considered by the Commercial Committee, and efforts are being made to secure active co-operation between employers and workmen. There the matter stands for the moment. The Customs returns for May give a larger volume of trade than in any other month since May, 1919, and the weekly returns to date for June maintain the weekly rate in May. The explanation, therefore, of the fall in prices this week is an expansion in output in excess of the current inland and foreign demand.

The current prices on Thursday were as follows:—Best Admiralty, large, 26s to 26s 6d; seconds, 25s 6d to 26s; best drys, 25s 6d to 26s; black veins, 26s; Western Valleys, 26s to 26s 6d; Eastern Valleys, 25s 6d to 26s; best bunker smalls, 17s to 18s; ordinary cargo smalls, 16s 6d to 17s; coke, export, 34s; inland, 35s; pitwood, 31s.

THE COTTON TRADE.

MANCHESTER, June 15.

The market this week has been rather dearer, but spinners and manufacturers have experienced much difficulty in establishing the higher range of prices, and numerous buyers have refused to pay the advances required. The general tone has been healthy, but, considering the inquiry met with, the turnover has been rather disappointing. Scattered transactions have been put through in piece goods for India, chiefly in light cloths. Some fair lines have been booked for China, but there has been more activity in fancies and specialties than in standard makes. Fabrics suitable for printing and dyeing have been in encouraging request for European countries, the Near East, and South America. Light fancy materials continue to move off freely in home-trade circles.

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended May 31.		Five Months Ended May 31.	
	1921.	1922.	1921.	1922.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	11,919,217	8,922,490	52,482,208	42,598,683
B. Feeding stuffs for animals	495,757	537,527	2,731,754	2,111,876
C. Meat	12,226,269	10,392,473	63,296,794	41,913,048
D. Animals, living, for food	582,544	279,562	858,068	764,135
E. Other food and drink, non-dutiable	14,319,081	13,128,095	76,839,501	57,764,099
F. " " dutiable	7,787,337	8,590,376	42,943,854	41,145,478
G. Tobacco	2,731,203	1,424,199	11,296,010	8,188,434
Total, Class I.	50,061,408	43,074,722	250,448,189	194,485,753
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	1,533,459	..	1,555,545	20
B. Other non-metallic mining and quarry products and the like	304,928	468,810	3,442,064	2,034,955
C. Iron ore and scrap	89,278	522,362	3,605,924	1,880,728
D. Non-ferrous metalliferous ores and scrap	433,237	617,912	3,960,297	2,392,280
E. Wood and timber	1,428,232	1,996,971	12,123,452	9,290,558
F. Raw cotton and cotton waste	3,756,100	6,357,256	28,336,295	31,075,266
G. Wool, raw and waste, and woolen rags	2,389,419	7,604,286	21,763,641	30,320,501
H. Silk, raw, knubs and noils	36,752	137,923	314,068	884,552
I. Other textile materials	513,370	698,050	5,693,540	3,712,689
J. Oil seeds, nuts, oils, fats, resins, and gums	3,376,310	5,856,374	15,035,695	15,386,428
K. Hides and skins, undressed	535,578	894,162	3,677,593	6,258,317
L. Paper-making materials	1,083,659	928,834	4,596,830	3,068,381
M. Rubber	908,016	626,173	6,089,590	3,088,342
N. Miscellaneous raw materials and articles mainly unmanufactured	318,398	649,094	3,311,886	3,650,210
Total, Class II.	16,711,046	25,358,207	113,506,420	113,642,256
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	33,941	2,036	34,441	10,933
B. Earthenware, glass, abrasives, &c.	447,573	631,288	3,051,992	2,844,077
C. Iron and steel and manufactures thereof	1,423,104	805,847	12,569,087	4,365,975
D. Non-ferrous metals and manufactures thereof	1,286,545	1,309,467	8,660,876	7,195,463
E. Cutlery, hardware, implements, and instruments	499,942	596,098	3,125,676	2,650,842
F. Electrical goods and apparatus	151,021	108,164	1,047,311	525,356
G. Machinery	1,075,697	765,830	6,214,601	3,552,378
H. Manufactures of wood and timber	332,812	415,209	2,731,472	1,592,697
I. Cotton yarns and manufactures	444,252	593,386	2,276,043	2,832,374
J. Woollen and worsted yarns and manufactures	753,736	817,388	3,945,092	3,533,462
K. Silk and silk manufactures	1,378,478	1,796,478	8,803,385	9,030,984
L. Manufactures of other textile materials	501,010	954,537	3,724,772	4,212,551
M. Apparel	757,370	1,363,818	3,671,791	5,734,815
N. Chemicals, drugs, dyes, & colours	843,352	869,163	6,778,232	4,475,647
O. Oils, fats, and resins, manufactured	5,335,946	3,977,521	30,155,784	18,193,170
P. Leather and manufactures thereof	585,807	847,603	4,264,956	2,414,609
Q. Paper and cardboard	935,421	1,033,759	4,713,558	4,327,366
R. Vehicles (including locomotives, ships, and aircraft)	584,446	742,163	3,900,268	2,882,288
S. Rubber manufactures	429,422	583,544	1,707,261	2,472,802
T. Miscellaneous articles, mainly or wholly manufactured	1,474,395	1,993,253	8,518,337	9,264,678
Total, Class III.	19,281,570	20,206,852	118,447,155	93,762,814
IV.—Animals, not for food	25,773	22,127	157,660	124,772
V.—Parcel post, non-dutiable articles	195,442	152,851	1,160,831	1,026,622
Total	86,275,239	88,814,459	483,720,255	403,042,217

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM

(Value F.O.B.).

	Month Ended May 31.		Five Months Ended May 31.	
	1921.	1922.	1921.	1922.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	210,006	262,334	1,756,090	1,358,013
B. Feeding stuffs for animals	52,344	222,453	404,108	834,686
C. Meat	50,233	84,329	300,568	433,758
D. Animals living, for food	1,294	2,124	15,258	9,783
E. and F. Other food and drink	1,495,583	2,034,350	10,931,154	10,065,819
G. Tobacco	291,127	439,763	2,246,940	2,250,922
Total, Class I.	2,100,587	3,045,353	15,654,118	14,940,981
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	32,861	5,790,288	15,420,883	25,455,817
B. Other non-metallic mining and quarry products and the like	91,885	193,989	479,407	647,228
C. Iron ore and scrap	18,161	93,896	61,400	274,992
D. Non-ferrous metalliferous ores and scrap	5,654	608,007	315,570	3,050,823
E. Wood and timber	20,158	30,150	182,022	133,763
F. Raw cotton and cotton waste	27,728	85,689	223,749	400,002
G. Wool, raw and waste, and woolen rags	294,331	730,325	1,930,653	2,907,730
H. Silk, raw, knubs and noils	4,001	3,228	8,022	28,449
I. Other textile materials	105,328	77,410	187,452	397,478
J. Oil seeds, nuts, oils, fats, resins, and gums	334,306	645,114	2,029,265	2,406,015
K. Hides and skins, undressed	141,862	108,906	636,502	840,033
L. Paper-making materials	47,333	100,976	286,235	478,236
M. Rubber	9,955	7,408	62,159	46,472
N. Miscellaneous raw materials and articles mainly unmanufactured	303,009	281,572	1,929,308	1,432,429
Total, Class II.	1,436,572	8,756,958	23,753,077	38,499,467
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	34,456	384,576	1,534,579	1,834,120
B. Earthenware, glass, abrasives, &c.	924,916	909,078	6,283,774	4,680,853
C. Iron and steel and manufactures thereof	4,050,010	4,824,691	35,379,264	26,086,426
D. Non-ferrous metals and manufactures thereof	934,974	915,677	5,972,637	4,881,709
E. Cutlery, hardware, implements, and instruments	635,324	523,613	4,575,194	2,616,932
F. Electrical goods and apparatus	1,783,579	552,730	6,794,105	3,187,264
G. Machinery	6,293,072	3,063,053	35,835,265	23,651,787
H. Manufactures of wood and timber	121,119	82,982	787,795	527,153
I. Cotton yarns and manufactures	9,863,375	15,734,375	84,810,653	76,366,131
J. Woollen and worsted yarns and manufactures	3,839,291	5,069,680	28,871,265	25,536,556
K. Silk and silk manufactures	142,115	197,937	1,081,476	925,527
L. Manufactures of other textile materials	1,429,232	1,638,876	8,017,206	9,171,007
M. Apparel	1,020,155	1,677,264	9,188,762	8,466,100
N. Chemicals, drugs, dyes, & colours	1,080,417	1,748,101	10,037,118	8,630,447
O. Oils, fats, & resins, manufactured	347,128	523,326	2,046,165	2,414,609
P. Leather and manufactures thereof	310,894	428,182	1,736,822	2,079,863
Q. Paper and cardboard	470,794	479,288	4,059,864	2,431,061
R. Vehicles (including locomotives, ships, and aircraft)	3,196,338	3,648,038	23,580,897	26,340,666
S. Rubber manufactures	292,543	416,582	2,326,394	2,177,951
T. Miscellaneous articles, mainly or wholly manufactured	1,892,480	2,264,491	12,652,428	10,987,197
Total, Class III.	38,662,212	45,072,540	285,571,663	240,993,369
IV.—Animals, not for food	236,987	178,054	1,633,029	654,123
V.—Parcel Post	652,060	992,448	4,130,902	4,527,994
Total	43,088,418	58,045,353	330,742,789	299,615,854

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A firm tone has prevailed in the yarn section, but the turnover has not been important. Moderate lots have been sold in home counts, and most of the activity in export descriptions has been for the Continent.

(I.) Comparative Statement of the Cotton Trade.

	Price, June 15, 1922.	Previous Weeks in 1922.				
		Price, June 7.	Price, June 1.	Price, May 25.	Price, May 18.	Price, May 11.
Raw Cotton—Fully Mid. American . . . per lb	12-80	12-04	12-30	12-04	12-15	11-66
— Sakellaridis Fully Good Fair Egyptian . . . per lb	19-75	19-00	19-25	18-75	18-75	18-00
Yarns—32's twist . . . per lb	20	19 1/2	19 1/2	19	19	18 1/2
— 40's twist . . . per lb	19 1/2	18 1/2	18 1/2	18 1/2	18 1/2	17 1/2
— 60's twist (Egyptian) . . . per lb	29 1/2	29	29	29	29	28 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's . . . 32	30	31	31	31	31	30
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's . . . 30	0	0	0	0	0	0
32-in. ditto, 38 yds, 18 by 16, 10 lbs . . . 18	6	18	18	18	18	18
32-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs . . . 17	3	16	17	17	17	16

(II.) Compared with Previous Years.

	Price, June 15, 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American . . . per lb	12-80	8-30	28-25	20-06	22-57	19-33
— Sakellaridis Fully Good Fair Egyptian . . . per lb	19-75	16-00	68-00	27-09	28-82	28-10
Yarns—32's twist . . . per lb	20	17 1/2	57 1/2	37 1/2	47 1/2	23 1/2
— 40's twist . . . per lb	19 1/2	16 1/2	53	36	47 1/2	23
— 60's twist (Egyptian) . . . per lb	29 1/2	31	114	54	57	35 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's . . . 32	30	33	97	62	60	30
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's . . . 30	0	0	90	62	58	30
32-in. ditto, 38 yds, 18 by 16, 10 lbs . . . 18	6	18	49	63	33	17 1/2
32-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs . . . 17	3	16	43	0	29	15 10 1/2

LIVERPOOL OFFICIAL QUOTATIONS—June 14, 1922.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.			Same Period 1920.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island	d	nml	nml	nml	nml	nml	d	d	d	d	d	d
Florida do	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml
Georgia do	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml
American	1009	1069	1144	1189	1234	1339	3-50	6-75	8-80	2086	2406	2986
Brazilian	1015	1075	1150	1200	1250	1350	3-50	6-75	8-80	2086	2406	2986
Pernam	9-29	1154	1304	1404	1504	1604	5-65	8-15	10-20	2386	2786	3186
Parahyba, Rio Grande, &c.	9-29	1154	1304	1404	1504	1604	5-65	8-15	10-20	2386	2786	3186
Maceio, &c.	9-29	1154	1304	1404	1504	1604	5-65	8-15	10-20	2386	2786	3186
Mossoro, &c.	9-29	1154	1304	1404	1504	1604	5-65	8-15	10-20	2386	2786	3186
Ceara	9-29	1154	1304	1404	1504	1604	5-65	8-15	10-20	2386	2786	3186
Maranhão, &c.	9-29	1154	1304	1404	1504	1604	5-65	8-15	10-20	2386	2786	3186
São Paulo	1025	1129	1179	1229	1279	1329	5-65	8-15	10-20	2386	2786	3186
Egyptian	Fr. G. F. Fr. G. F. Fr. G. F.	Fr. G. F. Fr. G. F. Fr. G. F.	Fr. G. F. Fr. G. F. Fr. G. F.	Fr. G. F. Fr. G. F. Fr. G. F.	Fr. G. F. Fr. G. F. Fr. G. F.	Fr. G. F. Fr. G. F. Fr. G. F.	Fr. G. F. Fr. G. F. Fr. G. F.	Fr. G. F. Fr. G. F. Fr. G. F.	Fr. G. F. Fr. G. F. Fr. G. F.	Fr. G. F. Fr. G. F. Fr. G. F.	Fr. G. F. Fr. G. F. Fr. G. F.	Fr. G. F. Fr. G. F. Fr. G. F.
Upper	1350	1425	1500	1550	1650	1750	9-00	12-00	15-00	nml	5-00	5-00
Sakellaridis	1600	1803	1900	2125	2425	2725	9-00	12-00	15-00	nml	5-00	5-00
Brown	1400	1525	1650	1725	1900	2125	9-00	12-00	15-00	nml	5-00	5-00
Peruvian	MF Fr. G. F. Fr. G. F. Fr. G. F.	MF Fr. G. F. Fr. G. F. Fr. G. F.	MF Fr. G. F. Fr. G. F. Fr. G. F.	MF Fr. G. F. Fr. G. F. Fr. G. F.	MF Fr. G. F. Fr. G. F. Fr. G. F.	MF Fr. G. F. Fr. G. F. Fr. G. F.	MF Fr. G. F. Fr. G. F. Fr. G. F.	MF Fr. G. F. Fr. G. F. Fr. G. F.	MF Fr. G. F. Fr. G. F. Fr. G. F.	MF Fr. G. F. Fr. G. F. Fr. G. F.	MF Fr. G. F. Fr. G. F. Fr. G. F.	MF Fr. G. F. Fr. G. F. Fr. G. F.
Rough	1150	1225	1275	1325	1375	1425	1150	1225	1275	1325	1375	1425
Moderately Rough	1149	1224	1274	1324	1374	1424	615	9-15	10-40	3536	3836	4136
Smooth	1174	1324	1449	1524	1724	1924	615	9-15	10-40	3536	3836	4136
Tangals	1150	1350	1500	1600	1700	1800	1150	1350	1500	1600	1700	1800
Mitafi	1050	1150	1250	1350	1450	1550	1050	1150	1250	1350	1450	1550
West Indian, &c.	2300	2600	2900	3000	3100	3200	2300	2600	2900	3000	3100	3200
Do Sea Island	850	950	1125	1225	1325	1425	5-75	7-75	9-75	3450	3750	5150
African, East, &c.	850	950	1125	1225	1325	1425	5-75	7-75	9-75	3450	3750	5150
Do West	850	950	1125	1225	1325	1425	5-75	7-75	9-75	3450	3750	5150
Machine Ginned Surtee	985	1025	1065	1105	1145	1185	985	1025	1065	1105	1145	1185
Machine Ginned Broach	825	875	925	965	1005	1045	825	875	925	965	1005	1045
Machine Ginned Bownuggar	835	885	935	975	1015	1055	835	885	935	975	1015	1055
Machine Ginned Oomra, No. 1	910	960	1010	1060	1110	1160	910	960	1010	1060	1110	1160
Machine Ginned Oomra, No. 2	835	885	935	975	1015	1055	835	885	935	975	1015	1055
Machine Ginned Khandesh	955	1005	1055	1105	1155	1205	955	1005	1055	1105	1155	1205
Machine Ginned Comptah	710	760	810	860	910	960	710	760	810	860	910	960
Machine Ginned Bengali	700	750	800	850	900	950	700	750	800	850	900	950
Machine Ginned Soinde	1115	1165	1215	1265	1315	1365	1115	1165	1215	1265	1315	1365
Tinnivelly	890	940	990	1040	1090	1140	890	940	990	1040	1090	1140
Madras, Western	955	1005	1055	1105	1155	1205	955	1005	1055	1105	1155	1205
Madras, Northern	955	1005	1055	1105	1155	1205	955	1005	1055	1105	1155	1205
M.G. Cocoonada, Red	955	1005	1055	1105	1155	1205	955	1005	1055	1105	1155	1205
China, Smyrna, &c.	955	1005	1055	1105	1155	1205	955	1005	1055	1105	1155	1205

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—This market is comparatively quiet as a result of the easier tendency in wool values. The decline from the recent high level started in Australia, and the auctions of Colonial wool in London this week have revealed a decided inclination on the part of buyers to pay less money for merinos. No real weakness has developed, and if prices can be stabilised on about the present basis, there should again be quite a big buying movement, especially as the Continent is interested and there is every prospect of considerable activity on American account. With steadily increasing consumption at home and abroad, and with supplies of really good combing merinos none too liberal, there is little in the present situation to encourage the belief that prices will continue to ease, and all that is wanted to renew confidence is a good clearance at steady rates. In the meantime both topmakers and spinners can afford to stand aside and wait for the market to settle. Topmakers are well sold forward, and most spinners have covered their immediate requirements, so that a slight pause will probably do more good than harm. Quotations for tops are rather irregular, be-

cause some firms are indifferent to new business and the market is not being tested to any extent; but, generally speaking, buyers with definite business can do much better than they were able to do a week ago, and it would have to be a particularly good 64's top to make more than 4s 6d, even for spot delivery. Crossbreeds are also the turn easier and in buyers' favour. There is very little change in yarns. Most spinners are busy on old contracts, and are not prepared to consider new offers at less than current quotations. Development in the piece goods trade is not spectacular, but recent improvement is being maintained, and there is again more inquiry for light-weight worsteds for Japan, early delivery being an essential condition.

COLONIAL WOOL. (FROM A CORRESPONDENT.)

The trade has been greatly relieved by the result of the opening of the sales in London. To find all good wools, with the exception of medium and coarse crossbreeds, steady and firm means a great deal to the standing of the raw material. No doubt buyers have a fairly big task before them, for in the 14 selling days arranged, 172,000 bales will be offered. It is possible that merinos may ease a little before the finish, but a decline of 5 per cent. does not amount to much. Some little variation in values is only to be expected, but so long as there is no marked decline, buyers of yarns and pieces can pursue the even tenor of their ways with a comparatively easy mind. A sound and steady market is much more to be desired than alternate rises and falls, being much more conducive to profitable business. It is recognised that merinos are now quite as high as economic requirements permit. If 64's tops were nearer 4s, there would be more incentive towards a general revival of the textile industry. I endorse the opinion expressed by Messrs H. Dawson and Co. in their recent report that "raw material values, especially in finer grades, have reached a fairly high level, and business is becoming a little more difficult. Merinos, however, are still being confidently taken, and there is an increasing consumption of crossbreeds." The last-named fact is reason for great satisfaction. I have contended all along that business in crossbreeds will never regain its pre-war proportions until Russia and the Balkan States are able to purchase crossbred fabrics. The comparative cheapness of these goods should be an incentive to large and increasing purchases by the countries named through Germany. German business houses have had more experience in dealing with Russian and other traders than British houses, and are, therefore, better equipped for taking financial risks.

There was the usual crowd of buyers in London last Tuesday when the sales opened, representatives from the United States being present. Competition was fully as good as was expected, the result being that merinos showed very little change compared with the closing week of the previous series, prices ranging from par to 5 per cent. below the highest point of the May auctions. This amounts to practically nothing, the eager competition of Continental buyers being the outstanding feature of the first sale. Fine crossbreeds sold remarkably well, and were eagerly competed for, but medium and coarse crossbreeds often declined 5 per cent. We are disposed to estimate that all classes of crossbreeds showed a depreciation of practically 5 per cent., but the wonder is that the decline has not been more. If the sales continue with prices equal to the opening level, real good will be done to the trade as a whole.

Anyone taking an impartial view of the situation must regard it as sound. The cessation of the advance in merinos is to be welcomed, these wools being dear enough in all conscience. There is absolutely no necessity for fine crossbreeds or merinos to become any dearer, this notwithstanding that the supply of fine wools is gradually diminishing. Some are attempting to make capital out of the statistical position of merinos, but present stocks are adequate to meet all present and prospective needs.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Tanners seem to have called a halt to the price of their raw material, as prices remained steady in Bermondsey on Thursday last. Best ox sold from 6 1/2d to 7d, and best cows at 6 1/2d to 7d, neither class showing any change on last week's values. Heavy calf were weaker, and one class declined 1 1/2d, whilst light were a shade firmer, and advanced 1/2d per lb. Wools were steady at 3d to 3s each, and the first offering of shorn pelts made from 1s 10d to 2s 10d each. The foreign market is firm, with no great activity in any direction, although a large purchase of Leibig hides has been made on home account. Dry hides are not selling well, and I hear of parcels having been sold to the Continent at a low price. The American market is cabled as strong, with best native Chicago packers now selling at 16 1/2 cents.

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Although a fair amount of sole leather is going out all the time, much more could be done without inconvenience. Values even now are not stable enough, and would-be buyers do not seem happy at the thought of holding much stock. The unstable exchange is also selling against Continental business, as the quantity of split hides sent to France shows a falling off during the past week or two. Trade in upper stock is quiet, although now that the engineers' strike is settled, it is hoped the demand for stout boots will put a little life into the wax kip trade. Suedes and patent are still the best sellers, but inquiries are now being made for box and willow calf for the autumn business.

Shoe manufacturers are still turning out light goods for the summer, as retailers have run stocks down low. Prices are being slowly brought into line with the cost of production, and some cheap shoes are now to be had if the public do a little more "shopping" to get them.

VEGETABLE OILS AND OILSEEDS.

The all-round weakness in the markets for vegetable oils has been accentuated during the week. Raw linseed oil, in the absence of substantial demand and in sympathy with the break in seed, has eased off considerably, and on Wednesday there were sellers of spot oil at £40 ex Hull mill and £41 10s London, while business was done for June delivery at £38 10s down to £37, with a little interest in June-August at £36 and September-December at £34 10s. On Thursday, however, the market rallied somewhat, and closed steady at about 10s improvement for spot oil.

Cotton oils have been neglected and in poor demand, and prices have been reduced 10s to 30s a ton without attracting much business. Rape oil offers freely, both prompt and forward, at a lower range of values. Conde soya beans have been in fair demand round £40 spot and £39 forward; but palm kernel and ground nut oil continue a slow trade. Castor oil quotations are unchanged at £52 (barrels free) ex Hull mill for first pressure.

In the oilseed section, Plate linseed has been easier on lower Argentine and American advices, and prices are down about 40s a ton on the week. A fair business in Plate on passage to Hull has been done at £18 down to £17 15s, and for shipment at £17 15s to £17 12s 6d, since when the position appreciated to £18 for both spot and shipment. Both Antwerp and Hamburg were also ready buyers at £18 7s 6d on passage and shipment. Indian linseed eased off to £19 10s paid for Calcutta to London, June-July shipment, and £21 7s 6d paid for Bombay, July-August, to the Continent. Egyptian cottonseed is lower, with Sakellarides on spot sold at £10 10s. There is little doing in soya beans to this country. Hamburg has been a buyer of beans on passage at £12 10s.

A slightly better demand is reported from Hull for linseed cakes, but cotton cakes are quiet and 5s lower.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, June 16.

SUGAR.—The market opened the week very steadily with fair inquiries, but later assumed a quieter tone, and rates in forward positions moved downward. Messrs Tate and Lyle's cubes sold, 55s to 56s; crushed, 53s 6d; B caster, 52s 9d; yellow crystals, 44s 3d; granulated, August, quoted 49s 9d; September, 49s 6d. Glebe K, granulated, spot, London, 49s 6d. Crystallised West India quiet, with sales at 42s 6d to 44s, as to quality. American granulated, spot, sold, 48s 9d to 48s 6d; June, steamer, down to 20s 7 1/2d; then 21s 4 1/2d; July, 20s 9d to 21s 6d; August, 21s to 21s 7 1/2d, c.f. and i. London. White Mauritius, spot, 46s to 47s. Dutch and Czecho-Slovakian sugars quite nominal for shipment. Cuban, basis 96 per cent., June-July, sellers, 15s 3d, with business in Brazilian basis 80 per cent., afloat, at 9s 3d, both c.f. and i. terms, U.K. Cuban stocks stand at 1,015,000 tons, against 1,430,000 same time last year. Terminal market quiet, and prices lower. White, August, sold, 21s 9d to 21s 3d; December, 21s 3d to 20s 7 1/2d. Liquid glucose, spot, 27s.

COFFEE.—Spot market still very quiet, and trend of values favoured the buyer. A fair quantity offered in auction was mostly bought in. Futures slow, with no new feature to record, while rates are lower on the week.

COCOA.—In auction this week 12,800 bags were offered, of which 10,800 consisted of colonial descriptions. Demand proved very quiet, and only a small proportion found buyers, chiefly Grenada at 1s to 2s per cwt decline. Grenada, fine, 6s to 6s 1/2d; good, 5s 8s; common hard, 5s. Fine St Lucia, 60s; fine unclayed Venezuelan, 110s to 112s. Butter quiet at 1s 7d per lb.

TEA.—Indian auctions during the week embraced some 38,500 packages. With the exception of medium kinds, and which were in full supply at easier prices, there was a fair inquiry at rates showing no material alteration. Ceylon sales amounted to 20,880 packages, which met with fair support at mostly steady values.

RICE.—Market quiet, idle, and quotations in most instances purely nominal. Two Stars, spot, London, new crop, 14s 3d. Broken kinds dull, unaltered. Rangoon beans slow, and spot parcels sold 7s 1 1/2d per cwt.

SPICE.—Pepper quiet, but sellers asked steady prices. Fair black Singapore, spot, sold, 4d to 4 1/2d; ditto, July-September, steamer, 4d; Aleppy, spot, quoted, 4 1/2d; Tellicherry, 4 1/2d; white Singapore, 7d; Muntok ditto, 7 1/2d; ditto, June-August, 7 1/2d. Zanzibar cloves, steady, quiet. Spot lots sold 1s 2d. Pimento, spot, quoted 2 1/2d. Flake tapioca, fair quality on spot, sold 2 1/2d; ditto, June-August, London, 2 1/2d; ditto, Havre, 22s. Fair Penang seed pearl, spot, 21s 6d; forward, 21s. Sago flour quiet. May, steamer, done 14s 9d, and June-August, 14s 6d. Desiccated coconut steady, quiet. Spot sold

39s 6d; July-August, 36s 6d; August-September, 37s. Ginger in better demand, and rates are dearer. Fair, washed, rough Cochin, spot, sold 57s 6d for sound parcels, and Calicut 65s.

FRUIT.—There was only a quiet trade doing in most directions, but price changes were not of much importance.

brokers financing commitments in Capel Court are said to have paid as much as 3 per cent. occasionally. The likelihood of severe pressure next week is now being questioned, owing to the convenient arrangements of the calendar, which will enable the banks on the market to pay for end-September Treasury bills on July 1st, and to finance the turn of the half-year by letting Treasury bills mature at the end of June. Discount rates, which began the week stiffly under the influence of the price at which last week's batch of Treasury bills was placed, eased off to $2\frac{3}{4}$ - $2\frac{7}{8}$ per cent. on these considerations and on the reduction in the New York Federal Reserve Board's rediscount rate. Forward business in September Treasuries, for delivery in July, was reported at $2\frac{1}{2}$ per cent.

	June 23, 1922.	June 16, 1922.	June 9, 1922.	June 2, 1922.	Previous Rate and Date Changed.
Bank Rate	$3\frac{1}{2}$	$3\frac{1}{2}$	4	4	(Jne. 15, '22)
Banks Deposit Rate	$1\frac{1}{2}$	$1\frac{1}{2}$	2	2	(Jne. 15, '22)
Discount Call	$1\frac{1}{2}$	$1\frac{1}{2}$	2	2	(Jne. 15, '22)
Houses Notices	$1\frac{1}{2}$	$1\frac{1}{2}$	2	2	(Jne. 15, '22)
Market rate (3 mths' bills) ..	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	..

The Bank return showed a reduction of £584,000 in the note circulation, in spite of the transfer of another £100,000 notes to stiffen the currency notes' backing; the Reserve rose by £584,000, the stock of gold being practically unchanged. Government securities declined by £1,670,000, while Other rose by £3,196,000. Public deposits were nearly a million lower, and so the private deposits were increased by over three millions. There was a reduction of £3,610,700 in currency notes outstanding in the currency note return dated June 22, 1922. This makes the total outstanding £295,611,500, which includes £1,606,103 for notes called in but not yet cancelled. The fiduciary issue is £245,855,400, or £64,133,000 below the maximum. A further addition of £100,000 is made to Bank of England notes in Redemption Account, making a total of £19,650,000.

THE STOCK MARKETS.

The effect of last week's Bank rate reduction on Stock Exchange prices was brief, and apart from a slight rally towards the end of the week as a result of the reduction to 4 per cent. of the New York Federal Reserve Bank's re-discount rate, the general tendency has been dull. The poor response to the Indian Loan, underwriters of which were left with 63 per cent., did not improve matters. A little speculative interest was taken in Victory bonds, the drawings for which take place on Monday. Home railway stocks have fallen on realisations, and Mexicans, after a sharp spurt on the news of agreement as to payment of interest on the Mexican Debt, reacted with the advent of sellers. Industrials generally have been quiet, and business in mines was negligible, while the rubber share market is slackier than ever.

COMMODITY MARKETS.

Although the fall in coal prices shows that the demand of industry is still very feeble, there is evidence that the recovery of trade is slowly gathering momentum. Raw cotton prices show all-round gains of from $\frac{1}{4}$ d to a penny per pound, and a better demand is noticeable in the piece-good trade with China, although Indian business has not improved. The market is generally quiet in the wool trade, the general opinion being that prices will remain fairly steady on about the present basis. Orders for pig-iron from the United States and Germany have been received, but the home demand is very quiet. The outlook for steel is better, but, with the exception of a few small orders, there is no sign of any pronounced recovery in the industry. In the Cardiff coal market conditions are inclined to be worse, and prices slightly easier than they were a week ago. Quotations in the wheat market were a little higher, but not much business was done. A slight advance is also recorded in vegetable oils and oilseeds. The hide market is firm, prices all round showing a tendency to improve. The boot trade is better employed. Further details of markets and prices will be found from our special trade correspondents on later pages.

FOREIGN EXCHANGE.

The foreign exchange market has remained in a very unsettled condition during the week, and rate movements seem to indicate the general feeling to be that we are no nearer a solution of our financial troubles in Europe. This point of view has been strengthened by the disappointment at the failure of the recent Bankers' Conference in Paris. The outstanding feature has been the violent fluctuations in dollars. The rate, which has been slowly declining from the high-water mark of \$4.51 at Whitsun, declined rapidly at the end of last week to 4.45, and continued to slump on Monday, when it was for a time under 4.38. A recovery afterwards took place to 4.43, but at the time of writing part of the improvement has been lost, the rate being now round 4.41. There does not yet appear to be much movement towards covering autumn requirements, and the fall in the rate, which has been inspired from New York, would seem to be the outcome of less optimistic opinions regarding the general European position. New York forward now stands at $\frac{1}{8}$ per month over spot. As is to be expected, "Allied" currencies all show a weak tendency. Paris, which closed last week a shade over 51, is now over 51.72, with forward quotation at 1 centime per month over spot. The rise of the Brussels rate has practically kept pace with Paris, and it is now 54.55, while Italy has steadily depreciated to 92.50 at the time of writing. In spite of these movements, Berlin has kept comparatively steady, the present quotation of 1,450 showing only a rise of about 20 marks on the week. Amongst the "Neutrals," Holland and Switzerland have both quotably appreciated at 11.48 and 23.30 respectively, and forward florins are now about one point per month above spot. The Spanish rate has fluctuated between 28.30 to 28.42, and is about five points lower on the week. In the Scandinavian group, Sweden and Denmark have remained fairly steady, and at the time of writing are quoted 17.23 and 20.62 respectively. Norway, on the other hand, shows a rise of some 50 points on the week at 26.57. The recovery in Finnish currency continues, the rate now being round 202. Considerable recovery is shown in Austrian currency, the rate on Wednesday having fallen at one time under 60,000. This improvement, however, has not been maintained, although the present quotation of 70,000 still shows a recovery on the week. Polish marks, on the other hand, have further weakened to 19,500. In the South American group, Buenos Aires and Rio show practically no change on the week. Chilean currency, however, continues to improve, the present rate of 34.50 being the lowest quoted for some considerable time. This seems to be largely attributable to the improving outlook in the nitrate trade. Silver exchanges have been quiet, and are quotably unchanged. The rupee, however, has weakened slightly to 15 $\frac{3}{4}$ d.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended June 17, 1922:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	15,140	Supply Services	6,250
Taken from Exchequer balances	932	Interest on Debt	1,150
		Sundry	453
		Reduction of Debt	7,319
	15,172		15,172

The total revenue for the week ended June 17th, at £15,140,450, compares with £18,430,776 in the corresponding period last year. Expenditure at £7,853,317 compares with £7,315,055. Customs produced £1,892,000, against £1,031,000, Excise £5,937,000, as against £1,611,000, Estate, &c., duties £1,050,000, as against £720,000, while Property and Income-tax yielded £2,347,000 as compared with £1,742,000 a year ago. Interest on Sundry Loans produced £958,561, against £13,952. Special Receipts under Miscellaneous yielded £903,752, against £1,500,000.

The week's operations reduced the National Debt by the sum of £7,319,526, and caused the following changes:—

	Min. £		Min. £
Unemployment Insurance	+ 600	Bank of England Advances	- 5,500
4½% Treasury Bonds	+ 1,079	Public Department Advances	- 11,000
Treasury Bills	+ 8,791	War Loan Surrenders	- 954
		National Savings Certificates	- 382
		Telegraph Money	- 700
		Exchequer Bonds Repaid	- 125
		Other Debt Repaid	- 328
	+ 10,470		- 17,789

The Floating Debt was reduced by £7,725,000 during the week, and now stands at £973,456,500.

FINANCIAL YEAR, 1922-23 (April 1 to June 17, 1922).

	£		£
Total spent	169,563,526	Raised by revenue ..	162,684,429
Dec. in balances	7,805,873	Net repayments	926,756
Total	161,757,653	Total	161,757,673

ESTIMATES for YEAR 1922-23.

	£		£
Ordinary Expenditure	823,846,000	Ordinary Receipts ..	820,775,000
Special Expenditure	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000
		Surplus	706,000

NATIONAL DEBT. (Million £.)

	Aug. 1, 1914.	Mar. 31, 1915.	Mar. 31, 1916.	Dec. 31, 1916.	Mar. 31, 1917.	Mar. 31, 1918.	Dec. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Dec. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.	June 17, 1922.
Funded Debt	588	318	318	315	315	315	315	315	315	315	315	315	315	315	315
Term. Annuities	22	22	22	20	19	18	17	17	17	17	17	17	17	17	17
4½% War Stock	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63
4½% War Stock	16	14	13	13	13	13	13	13	13	13	13	13	13	13	13
4½% War Stock	3,091	2,068	2,047	2,040	1,996	1,956	1,943	1,975	1,975	1,975	1,975	1,975	1,975	1,975	1,975
National War Bonds	649	1,636	1,509	1,476	1,413	1,201	1,201	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080
4% Funding Loan	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
4% Victory Bonds	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
4% Conversion Loan	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
5-15 year Treasury Bonds	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
5% Treasury Bonds	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Do by tender 5%	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Do by tender 4½%	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Treasury Bills	16	961	957	1,107	1,107	1,121	1,060	882	811	811	811	811	811	811	811
Exchequer Bonds	80	332	384	323	319	289	218	194	159	159	159	159	159	159	159
Nat'l Savings Certs.	..	138	227	267	274	285	294	324	344	344	344	344	344	344	344
War Expnd. Certs.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Other Debt	944	1,341	1,306	1,181	1,132	1,097	1,090	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083
American Loan	..	61	61	61	61	61	61	61	61	61	61	61	61	61	61
Temporary Advances	1	204	455	943	905	154	200	147	152	152	152	152	152	152	152
Other Capital Liabilities	654	5,872	7,435	8,033	7,829	7,574	7,749	7,658	7,719	7,719	7,719	7,719	7,719	7,719	7,719
Total Liabilities	671	5,921	7,481	8,079	7,876	7,623	7,799	7,708	7,769	7,769	7,769	7,769	7,769	7,769	7,769

POSITION OF THE FLOATING DEBT.

	Out-stand- ing	June 18, '21.	Mar. 31, '22.	June 17, '22.	Week ended June 17, '22.
Temporary Advances	£	£	£	£	£
Advances by Bank of England	28,750,000	..	..	..	5,500,000
Advances by Public Deposits	129,545,000	147,301,500	162,146,500	..	11,000,000
Treasury Bills outstanding	1,205,527,000	882,219,000	811,310,000	..	8,775,000
Total Floating Debt	1,363,822,000	1,029,550,000	973,456,500	..	7,725,000

GIVING AWAY FREE-TRADE.

It has always been a strong Free-trade argument that Protection paves the way for corruption—corruption that consists either in direct bribery or in deals and bargains, logrolling and lobbying, in which everybody's interest is considered except the consumer's and the nation's. In the days when they were Free-traders in practice as well as in theory the Liberal Coalitionists, such as the Prime Minister, the Minister for Health, and the Parliamentary Secretary to the Treasury, doubtless used this argument in their great Free-trade speeches. We see them now proving by their own behaviour in 1922 the validity of the argument they employed in 1912.

As the result of a number of deals and bargains, in which principles have been swapped and sold in the political market-place, Protection has won a striking victory, and Great Britain has taken another step away from Free-trade. The order which we anticipated last week has been laid on the table of the House, and under Part 2 of the Safeguarding of Industries Act a duty of 33½ per cent. is proposed by the Government on domestic glassware, glove fabric, and fabric gloves made in Germany; but this order "shall not apply to any articles which shall be proved to the satisfaction of the Commissioners to have been produced more than one hundred years prior to the date of their importation." The number of fabric gloves exempted under this generous clause is not likely to be large, or to be of any great interest to the Bolton spinners of fabric yarn. In so far as a duty of one-third can shut out German gloves these spinners must lose their German market, but with the help of their M.P. they have put up a hard fight and provided an excellent illustration of how Protection works. They happened to have for their M.P. one of the Government Whips, who is naturally a man of importance in the councils of the Coalition, and realising that a duty on gloves was likely to reduce the incomes of his

constituents, and that a reduction in his constituents' incomes was calculated to reduce the number of votes cast for him at an election, he is believed to have worked gamely to kill the duty. Unfortunately, however, for the Bolton spinners he had not quite enough weight politically to pull his opponents over the line, and he must now choose between the unpleasant alternatives of offending the local vote or upsetting his political chiefs. If only Bolton had been represented by someone with a little more pull, say Mr Churchill or Sir Robert Horne or the Prime Minister, the bargain would probably have been clinched on different lines, and the spinners' market would not have been threatened. The moral for manufacturers under this new régime is obvious—get on to the local caucus, and work hard to secure a Cabinet Minister for your M.P. Then you may feel tolerably certain that when the tariff is being arranged your interests will receive the fullest consideration, to the detriment of other trades who are represented only by a subordinate Whip.

In the present House of Commons, and under the present Government, which works by an elaborate system of deals and bargains, this tariff-mongering evil will have every opportunity to flourish. Indeed, the Act itself under which the duties are imposed is the product of dishonest compromise, an arrangement made regardless of their principles and convictions by men who profess to be and probably are Free-traders with other men who are avowedly Protectionists. In a speech made only a few days ago, Mr McCurdy, the chief Liberal Whip, explained, with remarkable cynicism, how he and his colleagues struck the bargain for destroying Free-trade. He is reported to have said:—

The remarkable and very welcome fact was the demonstration given by the cold logic of events of a great forward movement of the old Conservative Party towards the Liberal position. It really would be the depth of ingratitude if Coalition Liberals did not recognise the fact. When he was told the Safeguarding of Industries Act involved some dereliction of Liberal principles, he said he would be ashamed to look his Conservative colleagues in the face if they had not made some concession to them.

Because the Conservatives have "moved towards the Liberal position," therefore Liberal Free-traders should feel so grateful to them as to adopt Protection. This argument is meaningless unless the Conservatives are doing something they believe to be wrong in Ireland or some other direction, and as a *quid pro quo* the Liberals do something they believe to be wrong in the matter of Free-trade. Except on the basis of a bargain of principle and conscience, the Liberal Coalitionists owe nothing to the Conservatives, and the Conservatives owe nothing to the Liberals.

What Mr McCurdy really means is that the two wings of the Coalition have swapped principles as schoolboys swap marbles. "I will sell you my principles on Ireland," says the Conservative, "in exchange for your principles on Free-trade." "A most reasonable suggestion," replies the Liberal. "As you have pretended to believe in an Irish policy which you hate, I will pretend to believe in a tariff which I loathe. If I could not by damaging my conscience give you some *quid pro quo* for the damage you have done to yours, I should be ashamed to look you in the face." As Mr McCurdy himself explained later in his speech:—

The whole essence of Coalition is not that you should triumph regardless of the feelings, sentiments and principles of your

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colleagues—that would be very unreasonable—but that you should give and take.

You take office and you give away Free-trade.

Of Mr McCurdy's past character and career we know nothing. At heart he may always have been the same cynical placeman that he openly avows himself to-day. But there are men among the Coalition Free-traders who would not always have lent themselves to this dishonourable game of swopping principles and voting against their consciences, and it will be deplorable if they continue to play it. There are those among them who till they came into the corrupting atmosphere of this Parliament could be relied on to play the part of honourable men, who could engage our respect and affection, and would never have sold their principles for office and advancement. Now they are changed men. They still believe in Free-trade, but they are planning to deal it a vital blow. They still believe that Protection brings corruption, but they assent to a corrupt bargain to introduce it. The "handful of silver" and "the ribbon to stick in his coat" have triumphed once more, and the old tragedy of character is played again before us. That a political career should have such subtle power to undermine honesty and principle is the fact that above all others makes men despair of the future.

THE ANGLO-EGYPTIAN SUDAN.

THE question of the Sudan was the first to bring into relief the anomalous position created for us by our military occupation of the Nile Valley, when we compelled the Egyptian Government in 1884 to abandon an immense possession which Egypt was incapable of ruling or holding. It is still with us. For it has been reserved for future settlement "by free discussion and friendly accommodation" between the British and Egyptian Governments when the new Egyptian constitution shall have come into force, and meanwhile the *status quo* in the Sudan remains "intact."

What is that *status quo*? The Sudan, reconquered in 1898 by an Anglo-Egyptian expedition under Lord Kitchener's command, but conducted in the name of the Khedive and mainly at the cost of the Egyptian Exchequer, did not become a British possession, nor did it revert to Egypt. Sovereignty over the Sudan has been vested since then jointly in Great Britain and Egypt, and their flags fly side by side as a permanent symbol of the condominium established by the Anglo-Egyptian Convention of January 19, 1899. Lord Cromer has given us in his "Modern Egypt" the very convincing reasons which decided him to recommend that singular device. The Convention was to give effect, as was stated in the preamble, to "the claims which have accrued to Great Britain, by right of conquest, to share in the present settlement and future working and development" of the legislative and administrative systems of the Sudan; but its provisions acknowledged Egyptian as well as British rights, whilst they carefully excluded a revival of either Ottoman suzerainty or of foreign interference under cover of the Capitulations—"the international burr," to quote Lord Cromer, "which hung on the skirts of Egyptian political existence."

Under that condominium the Sudan has steadily recovered during the last 23 years from the appalling scourge of Mahdi-ism, which reduced its population from nine millions to little more than two by war, massacre, and famine. The executive and administrative authority has remained, for all practical purposes, in British hands, the Sudan Civil Service has been recruited for all the higher posts from this country, and a small British military force has been permanently retained there. On the other hand, the Egyptian Government made up annually the deficit in the cost of administration until 1913, when revenue and expenditure began to balance; the Egyptian army provides the largest part of the garrison; a considerable number of Egyptians are employed in subordinate branches of the public services, and Customs duties are apportioned between Egypt and the Sudan. The Egyptians took no serious exception to this arrangement until they commenced to agitate for their own independence immediately after the Great War, and the revision of Egypt's relationship to Great Britain brought up the question of their joint relationship to the Sudan.

Nor would the Egyptians probably have raised it in so acute a form had not violent controversies arisen over the new schemes for storing the upper waters of the Nile by the construction of big dams and reservoirs in the Sudan itself. The inception of those schemes dates back to before the war, and into their merits or demerits from the engineering point of view there is no need to enter now, since two successive committees appointed *ad hoc* by the British Government have concluded in their favour. But the controversies which raged over them served to arouse amongst Egyptians a deep sense of alarm as to the effect which such schemes might have upon the future supply of Nile water essential to the very life of Egypt, if it could be held up within Sudan territory by Sudanese authorities under British control, whether merely to give preferential treatment to the Sudan in regard to irrigation or to put the screw upon Egypt for other purposes. Political agitators may have very unscrupulously exploited the subject in order to promote anti-British feeling, but such apprehensions, supported by the testimony of almost all Egyptian irrigation engineers, cannot be dismissed as altogether unreasonable. They were intensified when, without any public information as to their precise scope and character, works were pushed forward in the Sudan and grants made for them out of the Egyptian exchequer under the successive Egyptian Ministries, which had little authority but that of the British Residency behind them, until Adly Pasha was allowed, about 15 months ago, to form a more independent Cabinet for the purpose of conducting negotiations in London for a revision of Anglo-Egyptian relations.

Those negotiations fell through mainly on the question of a British army of occupation, but the question of the Sudan was also one on which the British Government were unable to meet the demands of the Egyptian delegation, and it will have to be dealt with whenever negotiations are resumed on the subjects specifically reserved for ulterior discussion. Unfortunately, the Egyptian Commission engaged in drafting the new Constitution, appears to have already ignored the condominium established under the 1899 Convention by proposing to style the Egyptian sovereign "King of Egypt and the Sudan" without any discrimination between his full rights of sovereignty in Egypt and his rights in the Sudan limited to joint sovereignty with the British Crown. The Egyptians, on the other hand, complain loudly that Lord Allenby prejudged the question against Egypt in a speech delivered by him during his recent visit to Khartoum, which recited Mr Lloyd George's statement in the House on February 28th, to the effect that whilst Great Britain was prepared to give ample guarantees to Egypt in regard to her water supply, she would never abandon the Sudan nor allow any change in its status. What doubtless touched the Egyptians on the raw was Lord Allenby's unimpeachable statement that the Sudan is a country quite distinct from Egypt with a nationality of its own, and that, as has been repeatedly declared by the representative chiefs best qualified to speak for its people, whether from the religious or political or commercial point of view, it desires no change in the present system of Government and administration. Except as to the Nile water supply, and possibly some slight revision of financial arrangements, the Egyptians have no case whatever in regard to the Sudan. Egyptian misrule has left nothing but bitter memories amongst the Sudanese, who have no racial connection with the population of the lower Nile valley, and are perfectly content with the complete religious liberty already assured to them. The Egyptians could never hold the Sudan if we withdrew from it. As to the water supply, the works in the Sudan have been slowed down, and will probably be modified on less ambitious lines, and the British Government agreed to provide in the draft Convention submitted to the Egyptian negotiators last year that "no new irrigation works on the Nile or its tributaries south of Wadi Halfa" [now the northern boundary of the Sudan] "shall be undertaken without the concurrence of a Board of three conservators, representing Egypt, the Sudan, and Uganda respectively." If such a provision may be deemed inadequate, as it would give Great Britain an assured majority on that Board, other guarantees can be devised for securing for Egypt "the fair share of the Nile waters" to which the British Government have

pledged themselves. To define "the fair share" may be difficult, but, like all the other "reserved" questions, it cannot be insoluble if good-will prevails on both sides. Without it none of them will ever be settled.

THE DRAFT CONSTITUTION OF THE IRISH FREE STATE.

(FROM A LEGAL CORRESPONDENT.)

THE time for a discussion of the merits of the Irish Treaty has now passed; it has been approved by the British Parliament, and the results of the Irish General Election already show that it has the support of a very substantial majority in the new Irish Chamber. What is more to the point is to examine the nature of the draft Constitution of the Free State, which was issued last week, and its relation to the Treaty.

THE PARLIAMENT.

Following the self-governing Dominion model, the Irish Constitution provides for a Governor-General representing the Crown appointed on Canadian lines, a Parliament and an Executive Council. The Parliament consists of the King and two Houses, the Chamber of Deputies and the Senate. All members of Parliament must take an oath, in the peculiar form prescribed by the Treaty, involving "true faith and allegiance to the Constitution of the Irish Free State as by law established, and fidelity to H.M. King George V., his heirs and successors by law, in virtue of the common citizenship of Ireland with Great Britain and her adherence to and membership of the group of nations forming the British Commonwealth of Nations."

The Chamber of Deputies is to be elected upon principles of proportional representation, the constituencies being revised at least once in every ten years with regard to changes in the distribution of the population, and the voters consisting of all persons, without distinction of sex, who have attained 21 years of age and complied with the prevailing electoral law.

The Senate, numbering 56 members plus two members representing each University in the Free State, is to be "composed of citizens who have done honour to the nation by reason of useful public service, or who, because of special qualifications or attainments, represent important aspects of the nation's life." Senators must have reached the age of 35 years, and their term of office is 12 years. Subject to certain transitory provisions, the Senate will be formed by the election every three years of one-fourth of its members from a panel, consisting of (a) three times as many qualified persons as there are Senators to be elected, of whom two-thirds are nominated by the Chamber of Deputies and one-third by the Senate, both bodies voting according to principles of proportional representation; together with (b) any retiring or retired Senators who may wish to be included in the panel. Each University elects one of its members every six years. Senators will be elected by citizens, without distinction of sex, who have attained the age of 30.

Suspensory Powers of the Senate.—The principles of the Parliament Act, 1911, are substantially adopted, though modified. Thus the Chamber of Deputies has exclusive authority over money bills, certified as such by the Chairman, subject to an appeal from his certificate to a Committee of Privileges, consisting of three members of each House, presided over by the senior Judge of the Supreme Court. Again, the Senate has a suspensory veto upon money bills of 14 days, and upon all other bills of nine months; upon the expiry of such periods the Bill becomes law.

The Royal Veto.—Upon a Bill being passed by the two Houses, the Executive Council presents it to the Governor-General for the signification by him, in the King's name, of the King's assent; thereupon the Governor-General may either withhold the King's assent or reserve the Bill for the signification of the King's pleasure (in which case the Bill lapses unless assented to within a year); but the Governor-General must in exercising this function follow the law, practice, and constitutional usage of the Dominion of Canada, which means that he will practically always assent to a Bill which is not *ultra vires* the Irish Constitution.

Referendum and Initiative.—Two pieces of machinery

borrowed from the Dominions are found in Articles 46 and 47. The former requires a Bill (with certain exceptions) when passed to be submitted to a conclusive Referendum of the electorate, upon either a resolution to that effect assented to by three-fifths of the Senate or a petition by one-twentieth of the voters. Article 47 contains provisions for the initiation by the people of proposals for laws or constitutional amendments; and it is apparently contemplated under this provision that the electorate shall in the last resort have direct power of legislation.

Parliament a Constituent Body.—The Parliament so created is not merely legislative but constituent; that is to say, it may, within the limits of the scheduled treaty, amend the Constitution, provided, however, that such constitutional amendments obtain, on a poll at which a majority of the whole electorate vote, either a majority of the whole electorate on the register or two-thirds of the votes recorded. In this respect the Constitution resembles that of the Commonwealth of Australia, which has wide powers of amending the Constitution, and differs from that of the Dominion of Canada, which requires Imperial legislation for its amendment.

THE EXECUTIVE COUNCIL.

The executive authority of the Irish Free State is vested in the King, to be exercised by the Governor-General in accordance with the law, practice and constitutional usage of the Dominion of Canada. The Executive Council is to "aid and advise" the Government. This Council, which is responsible to the Chamber, will consist of not more than 12 Ministers appointed by the Governor-General, of whom normally four shall be members of the Chamber and the remainder not, during their term of office, members. These "big four" are to include the President and Vice-President of the Council, and to form a kind of Cabinet and be dependent upon the support of a majority in the Chamber. The President, whom we may liken to a Prime Minister, is nominated by the Chamber, and himself nominates the Vice-President and his other two political colleagues. The remaining Ministers, who are to be appointed by an impartially representative committee of the Chamber, and are to represent the Irish Free State as a whole rather than groups or parties, seem to be temporary departmental chiefs rather than Cabinet Ministers, and do not necessarily retire from office when the "big four" lose the support of the Chamber. The "big four" alone are responsible for "all matters relating to external affairs, whether policy, negotiations, or executive acts." There is to be (as in Great Britain) a Comptroller and Auditor-General acting as the financial watchdog both in controlling disbursements and auditing expenditure.

THE JUDICIARY.

The Judicature consists of a High Court of first instance (with courts of local and limited jurisdiction), and a court of Final Appeal, to be called the Supreme Court, whose decisions are in all cases to be final and conclusive, and shall not be "reviewed or capable of being reviewed by any other Court, Tribunal, or Authority whatsoever," unless special leave is obtained from the King, presumably as advised by the Judicial Committee of the Privy Council, to appeal to the Privy Council. But, as Professor Berriedale Keith has pointed out in the *Times* (June 19th), there is no specific declaration that the decisions of the Privy Council shall be binding on the Irish courts. The High Court has power to adjudicate upon questions of the constitutional validity of any law. The judges are irremovable (as is also the Comptroller and Auditor-General) except upon resolutions passed by the Chamber and the Senate in the case of stated misbehaviour or incapacity, which is in accordance with the customary (though not certainly accurate) interpretation of the similar provision contained in our Act of Settlement with reference to the removal of judges. The judges are to have a vitally important duty in the Irish Free State as the guardians of the Constitution; if the traditions of the integrity and fearlessness of the Irish Bench in defence of the rights of the subject (witness the famous *Wolfe Tone* case in 1798, and recent *habeas corpus* cases) is maintained, there need be no doubt that they will discharge that duty faithfully and efficiently.

FUNDAMENTAL RIGHTS.

Section I. of the Constitution, entitled "Fundamental Rights," to its Irish framers probably looms very large, but to the English constitutional lawyer has an exotic and rhetorical flavour which stamps it as definitely foreign in origin and outlook. The Irish Free State is here declared to be "a co-equal member of the community of nations forming the British Commonwealth of Nations." All power and authority are derived, not as in the English Constitution from the Crown by a series of constitutional encroachments, but baldly "from the people." The national language is Irish, but English shall be equally recognised as an official language. The treatment of the question of nationality bears evidence of compromise; "Ireland a nation" may read well on a banner, but it was too much to expect that the British Government could concede the principle of a separate Irish nationality. Accordingly, something is found between full nationality and mere domicile, and that something is called citizenship of the Irish Free State. Following in the main the analogy of nationality as dealt with by English law, every person domiciled in the Irish Free State, who was born in Ireland, or born anywhere having a father or mother born in Ireland, or has been domiciled in the area of the Irish Free State for seven years, is a citizen of the Irish Free State, unless, being also a "citizen of another State," he elects not to be a citizen of the Irish Free State.

Then follows the declaration of certain rights or principles, which in the British Constitution are more or less taken for granted, and are the result of the common law as interpreted by the decisions of the judges and occasionally supplemented by statute, rather than the subject of specific statutory enactment. For instance, Article 6 provides that "the liberty of the person is inviolable, and no person shall be deprived of his liberty except in accordance with law"—an expression strangely reminiscent of the *habeas corpus* of Magna Charta; while the same article adopts the English machinery of *habeas corpus*, and another Article (71) provides for trial by jury of all criminal charges save in the case of summary jurisdiction prescribed by law for minor offences. Again, "the dwelling of each citizen" (like the Englishman's castle) is declared to be "inviolable." So also "freedom of conscience and the free profession and practice of religion are inviolable rights of every citizen"; in the same way the right of free expression of opinion, as well as the right to assemble peaceably and without arms, are guaranteed for purposes not opposed to public morality. Here the Continental influence is very marked; for instance, the French Declaration of the Rights of Man says that *la libre communication des pensées et des opinions est un des droits les plus précieux de l'homme*; and the Belgian Constitution provides that *Les Belges ont le droit de s'assembler paisiblement et sans armes*.....and again that *la liberté individuelle est garantie*. This idea of guaranteeing personal liberties is, in the words of the late Professor Dicey, "an idea utterly alien to English modes of thought, since with us freedom of person is not a special privilege, but the outcome of the ordinary law of the land enforced by the Courts." The Irishman prefers to have it in black and white, but let him not think the liberty is any the more secure to him for that. There is an elasticity, a resourcefulness, an eternal vigilance in the common law which defies compression within the narrow formulæ of a written Constitution.

INDUSTRIAL CLAUSES.

From the economic and industrial point of view two Articles deserve comment; one, a "fundamental right" (Article 11), which proclaims "the rights of the State in and to national resources, the use of which is of national importance"; this means, presumably, that something in the nature of concessions will be granted for the working of coal mines, for the use of water for power purposes, or for the cutting of peat on a commercial scale. The other (44), which is reminiscent of the Industrial Council which sat in London in 1919, provides that the Irish Parliament may establish "Functional or Vocational Councils, representing branches of the social and economic life of the nation," and define their powers and rights and duties and their relation to the government of the State; this

Article contains the possibility of far-reaching experiments in industrial structure.

FOREIGN AFFAIRS.

The power of the Irish Free State in foreign affairs remains obscure, perhaps designedly so. The Treaty of December last gave to it, in terms, the constitutional status of a self-governing Dominion, with special reference to the Dominion of Canada. What does that imply? That Dominion has for a long time had a Department of External Affairs, and has negotiated commercial and boundary treaties with foreign sovereign States. In 1919 the self-governing Dominions signed the Peace Treaty at Versailles, and their Parliamentary ratification of the abortive Anglo-French pact was made an essential condition of its obligation upon them; they are also independent members of the League of Nations. Finally, in May, 1920, Mr Bonar Law announced that it had been agreed that the King should, on the advice of his Canadian Ministers, appoint a Minister Plenipotentiary at Washington to take charge of Canadian affairs in the United States, and report direct to the Canadian Government. (No such Minister Plenipotentiary has, it is believed, yet been appointed.) What are the implications, as regards the Irish Free State, arising from this recent and rapid development of Dominion status? Is the Irish Free State to have power to negotiate commercial treaties? May it become a member of the League of Nations? Will it be entitled to a Minister Plenipotentiary at Washington and elsewhere? These points are not made clear in the draft Constitution, but we are told in Article 54 that the "big four" Ministers referred to above "shall alone be responsible for all matters relating to external affairs, whether policy, negotiations, or executive acts."

ITS RELATION TO THE TREATY.

The Constitution is to be construed with reference to the Treaty of December last (which is scheduled to it); by it the provisions of the Treaty are given the force of law, and any provision of the Constitution, or amendment of it, which is repugnant to the Treaty, is to that extent absolutely void and inoperative. In the main the Constitution appears to be a fair interpretation of the bargain embodied in the Treaty, although in the nature of things much that is in a treaty between two Governments would be hardly relevant in the constitution of one of them. Even taking the two documents together, there is much that is obscure in the relations of the two contracting parties, and one can but remember that the success of our relations with our Self-Governing Dominions has been based on flexible and informal conventions rather than rigid laws, and hope that the same will be the case with our new member of the British Commonwealth of Nations.

CONCLUSION.

Mr Gladstone once said of the document embodying the American Constitution that it was the greatest "ever struck off at a given time by the brain and purpose of man." Its best friend would not say that of the Irish Free State Constitution; but its Irish framers and British Ministerial critics have had an extraordinarily difficult task. Internally, they have produced a written constitution of a markedly advanced democratic type, adopting proportional representation and several very modern Dominion experiments. To English eyes there is inevitably something unfamiliar, "un-English," artificial about one of these ready-made written constitutions; but the internal Constitution is Ireland's own concern, and we shall learn something from the Constitutional experiments she is about to perform. Externally, while keeping the Free State within the Empire, or, to adopt the new language, within the British Commonwealth of Nations, the draughtsmen had to go as far as they dared in order to satisfy long pent-up and overflowing national sentiment. But the Constitution throws very little light upon the relations with the Home Government, and no one can contemplate this aspect of the situation without misgivings; either side could make any written arrangement unworkable if it tried, and it is only a real change of heart that can ensure a happier period in the relations between the Irish Free State and the other portions of the now no longer United Kingdom.

THE OUTSIDE STOCKBROKER.

WHENEVER Stock Exchange markets show signs of activity, and especially in those times when prices are, on balance, rising, one invariable result is a crop of unhealthy business, fostered and developed by firms whose partners are not members of any Stock Exchange. So easy a matter is it for people to prey upon the combined cupidity and gambling instincts of their fellow-men that the business of the outside stockbroker attracts a large proportion of undesirable protagonists. In consequence of this, the business of an outside stockbroker has become a by-word for sharp practice and evasion of liability. To such an extent, indeed, has the "bucket shop" fraternity tarred the whole of the industry, that the public are liable to overlook the fact that there are honest outside stockbrokers as well as dishonest. Firms, long established and of sound reputation, command the respect and credit not only of their clients, but of the Stock Exchange members with whom they deal. For the Stock Exchange man is frankly ready to acknowledge honesty and integrity outside his own circle as well as within. The Stock Exchange has its own laws, customs, and usages, which are the growth of over a century's experience, and which demand from members of the House a higher code of business morality than does that of the law of the land. The Stock Exchange Committee are jealous of the honour of the House, keen to uphold it, and to do everything in their power to cultivate in the minds of the public the conviction that they, the public, can count upon an exactitude of fair dealing when orders are sent to members of the House. The outsider is bound by no such rules, though he comes, of course, under the law of the land already mentioned. Many of the good outside brokers refuse to advertise publicly, though this does not apply in every case. Men occasionally leave the Stock Exchange with the deliberate intention of setting up as outside brokers, in order that their activities and energies may not be cramped by the Stock Exchange rules, of which the most galling to these emigrants is that which forbids advertising, or sending circulars to people other than the firm's own clients. Some of those men who have left the House of late years have done so in order to embark upon the wider business of financiers, in addition to that of ordinary buying and selling securities, but smaller men are content to work on more modest lines.

The value of the outside broker can best be appreciated by the single illustration of the manner in which his services are useful to shareholders in such companies as those whose shares command a very limited market. The outsider is free to write round to shareholders if he has an order to buy, or sell, at some price which he cannot deal at in the Stock Exchange. Where this freedom to approach strangers enables both buyer and seller to be accommodated to advantage, it is obvious that the outside broker justifies his existence and his commission, by bringing the two shareholders into touch through his own offices. The bulk of outside firms, however, are not content to do what may be described as humdrum business. If they can induce the public to speculate and to gamble, so much the better for themselves. They circularise largely, and in every possible way do their best to persuade people to buy—it is nearly always to buy—such shares as they themselves recommend, and which it is a well-known fact they are interested in selling. The small shopkeeper, the clerk, the lady in the country, and other classes who do not come into touch with the Stock Exchange in the ordinary way, are tempted to try their fortunes in some gambling medium or other. The outsiders will offer them shares which can be paid for by instalments. They will suggest options of all kinds. They will invite correspondence upon stocks and shares held by the public with a view to those securities being changed, to the client's or the outside broker's ultimate advantage. The term "bucket shop" seems to have originated from the custom of gambling on the tape, the tape itself running from the little brass, glass-covered machine into a basket, or "bucket," placed underneath for its reception. The man or woman who would not think in the ordinary way of trusting another for half-a-crown is extraordinarily ready to part with pounds to some advertising firm of whom he or she knows literally nothing. The fact of "bucket

shop" advertisements appearing in some of the best newspapers is sometimes put forward by people, who have lost their money through "bucket shop" swindling, as the reason why they were emboldened to trust their money to the unknown. In the matter of options, it is safe to say that nine times out of ten the "bucket shop" merely runs the stock against its client. If the latter happens to make money, as he has been doing lately owing to the Home Railway boomlet, he is lucky if he receives his profits. It happens more often that he will get a payment on account, and an earnest advice to take a hand in some other option, which the firm recommend on the strength of the previous successes. The client, emboldened by his good fortune, is willing enough, as a rule, to go on with the same kind of operation, and the result is always the same. Put briefly, this kind of dealing is exactly akin to tossing a man double or quits for an indefinite number of times. In the end the "banker" is, of course, bound to win the lot.

When people have been bitten in this way, or even when they cannot obtain money due to them on account of profits, it is rarely indeed that they venture to take the matter into court. In the first place, there is the natural reluctance to confess having dealt with a "bucket shop" at all. In the second, strong doubt exists in their minds as to whether any court would uphold their claim in what is manifestly a gambling transaction. In one instance which has come under our notice, an option for three different kinds of shares was granted on a contract which bore a single penny stamp. No stamped receipt was given for the amount paid by the speculator, and when the option was closed no contracts were rendered. The Stock Exchange practice is, of course, for contracts to be handed to the client for everything which is done. In gambling on the tape, which such option dealing really amounts to, the odds are heavily in favour of the man who takes the money, since the buyer gives the top price and sells at the bottom, so that from the outset of a deal the chances lie against the purchaser in a degree which is not in accord with proper sporting risks. When to this is added the prospect of the man not getting his money, even if he makes a profit, or of being lured into some further operation in which he is likely to lose his gain, surprise will be expressed that anybody can be so simple as to venture hazards of this sort. Nevertheless, the newspaper may put forward every possible argument to show the danger of speculating in this manner, and yet be unable to do more than check the ardour of the inexperienced man or woman whose cupidity is excited by glowing accounts of companies, the shares in which the "bucket shop" is eager to sell. The newspaper must feel, however, that it is incumbent upon a public service to continue warnings against the operations of these gentry, while at the same time due credit must be paid to the honest outside brokers whose business is unfairly dragged into the mire by the shady practices of the "bucket shops."

BRITISH INSURANCE COMPANIES.

Now that the accounts for 1921 of all the leading insurance offices have been issued, and the annual meetings held, we are able to make a brief survey of the results of that year. It will not stand out in the records of insurance as a favourable period. The marine results—which were mainly affected by the running off of the accounts for 1920—were almost uniformly bad. Returns of premium and the cutting down of risks have brought about a very great reduction in premium income for last year, so that the claims of 1920 and 1919 have dug rather deeply into the funds which had been set aside to meet them. Here and there a realised surplus has been transferred to profit and loss, but, speaking generally, the marine insurance accounts have been a drain upon the resources of the companies. This was to be expected; the swollen war market was wholly abnormal, and much readjustment has been, and will still be, necessary before the market settles down to the humble circumstances of to-day. The change, expressed in figures of premium income, is startling. We have the Commercial Union, for example, coming down from £987,850 in 1920 to £270,646 in 1921, the London and Lancashire (including the Marine Insurance Company) dropping from £2,669,515 to £1,383,306, and the Royal Exchange from £1,070,952 to £248,364. These are the most extreme

examples, but the cutting down is general. For the time being marine insurance is out of the picture as a means of earning profits.

The fire insurance accounts are much less favourable than we have recorded during recent years. The United States—in which our great companies transact some two-thirds of their whole fire business—were a disappointment. It is a general rule in America that when trade is depressed fire losses are extra heavy—the moral connection is painfully obvious. Even in this comparatively honest country trade depression has to be reckoned with as a factor in the moral hazard. The drop in values of stocks has led to a reduction in premium incomes, and in liabilities carried. Almost without exception the companies doing a world-wide business show a considerable drop in fire premium income for 1921, and to this circumstance the greater part of the trading surpluses are due. A reduction in liabilities means the release of a corresponding portion of the reserves set aside for unexpired risks. In the table of fire insurance results printed below we have followed our usual practice—which has general sanction—of taking 40 per cent. of the premium income as a reserve for unexpired liabilities at the end of a year. The net surpluses which we show are:—Premiums for 1921, less claims and expenses for 1921, plus (as a rule) the amount by which the necessary reserve for unexpired risks on December 31st last, was less than the corresponding reserve a year before. It is quite proper to make this adjustment to the credit of trading surpluses, for when business was active and premium incomes were going up, we always in previous years made a corresponding adjustment to the debit of the surpluses, as shown in the companies' accounts. The formula, which expresses a trading surplus or deficit in fire insurance accounts, and also in those of accident and miscellaneous departments, is as follows: Reserve for unexpired risks at the beginning of the year, plus premium income taken in that year, minus claims, expenses, and reserve for unexpired risks at the end of the year. Applied invariably, this formula permits the experience of one year to be justly compared with that of another:—

FIRE BUSINESS in 1921.

Company.	Premiums	Claims	Ex-penses.	Net Surplus.	%
Alliance	£ 1,966,478	48.2	46.6	£ 538,634	4.6
Atlas	2,123,300	54.2	45.3	97,525	4.6
Commercial Union	6,118,405	57.2	42.7	238,168	3.9
Guardian	1,013,133	54.2	40.5	102,865	10.1
London and Lancashire	3,007,501	49.9	41.0	538,634	17.9
London Assurance	1,564,030	51.5	44.4	80,003	5.1
North British	3,546,153	55.1	43.3	306,507	8.6
Northern	2,575,823	60.4	42.9	20,780	0.8
Phoenix (including Norwich Union)	4,745,020	55.4	42.4	274,482	5.8
Royal	6,428,519	58.0	41.1	335,550	4.7
Liverpool and London and Globe	4,406,809	53.3	42.8	23,295	0.5
Royal Exchange	1,088,785	54.9	45.0	103,952	6.7
Scottish Union	1,533,103	58.2	38.7	123,325	11.3
Sun	2,199,041	52.3	44.2	143,354	6.5
Yorkshire	847,169	54.1	42.3	28,018	3.3

As usual, the London and Lancashire has done very well with a surplus of £538,634 (17.9 per cent. of the premiums). There has been no more successful fire insurance company of late years. All the other companies with big American offices make a humble show, and the Liverpool and London and Globe has even yielded a small deficiency. The most ominous feature in all accounts is the continued increase in the proportion of expenses to premiums. Rates of premium have not advanced either in this country or in the United States, and commissions are a function of premiums, but salaries and other costs show continual advances. When, about ten years ago, the total expenses ranged around 35 per cent. of the premiums, a good profit could be made with a claims ratio of 55 per cent. But now that the expenses are running up towards 45 per cent., claims at 55 per cent. of the premium income leave very little margin indeed—none at all when liabilities for unexpired risks are increasing, and have to be provided for before a surplus can be earned.

If it had not been for the rapidly expanding accident and miscellaneous branches, the British insurance offices would have had little to show for their troubles and risks during 1921. Marine insurance was a loss, and fire insurance little more than a delicate balance between profit and loss. But the once despised "side shows" have played up nobly.

We have taken them all out, and present the results below. The net surpluses have been calculated by the same formula as that given above for the fire insurance accounts. The premium incomes have nearly all increased, rates have been put up to a profitable level in motor-car insurances, the burglar hasn't burgled quite so actively as he did a year ago, and the results generally were most useful to the profit and loss accounts. The size of these accident and miscellaneous branches will surprise a good many people. The Commercial Union has nearly seven millions of accident and miscellaneous premium income—more than its fire premium income—and the Employers' Liability has 5½ millions (including a small amount of fire business). The Royal and Liverpool and London and Globe taken together exceed six millions, and when the fusion between the Phoenix and the London Guarantee has been completed their joint account will be about 5½ millions:—

ACCIDENT and MISCELLANEOUS BUSINESS in 1921.

	Premiums	Claims	Ex-penses.	Net Surplus.	%
Alliance	£ 600,817	41.7	44.9	£ 22,044	10.3
Atlas	250,817	39.6	41.1	35,887	13.4
Commercial Union (including Ocean Accident)	6,919,109	51.6	38.4	685,916	9.9
Employers' Liability	5,563,965	59.2	32.4	1,023,682	18.4
Guardian	519,565	44.0	40.5	73,889	14.2
London and Lancashire	1,630,724	53.9	39.2	159,011	9.7
London Assurance	185,438	36.2	48.2	15,933	8.5
London Guarantee and Accident	3,793,054	57.3	43.7	(def) 22,614	-6
North British (Railway Passengers)	923,099	46.0	37.9	127,352	13.8
Northern	974,755	50.0	39.4	105,798	10.8
Phoenix	1,666,263	46.5	42.5	142,364	8.6
Royal	3,453,017	46.1	38.7	421,331	12.2
Liverpool and London and Globe	3,130,244	45.0	40.9	345,104	11.0
Royal Exchange	741,927	60.2	40.2	57,237	7.7
Sun	324,835	39.5	43.8	55,135	16.9
Yorkshire	1,040,464	54.9	41.0	21,840	2.1

It will be observed that the surpluses are on quite a handsome scale, and that the average proportion of profit to premium income is much higher than in the fire insurance accounts. As profit-earners, the accident and miscellaneous departments of the composite offices have more than justified the labour and money which of late years have been lavished upon them.

Into our last table we condense the financial results of the year. The net transfers to profit and loss are shown after allowing for sums withdrawn to fill up holes in marine accounts, and taking credit for amounts released from investment reserve funds by the general appreciation of securities:—

PROFITS, INTEREST, TAXES, and DIVIDENDS.

	Net Transfers to Profit and Loss.	Net Interest Receipts.	British Taxes on Profits.	Dividends Paid.
Alliance	£ 638,372	£ 270,466	£ 92,740	£ 343,013
Atlas	119,164	114,201	92,308	132,000
Commercial Union	750,000	647,777	615,234	590,000
Employers' Liability	743,813	291,896	521,694	287,818
Guardian	104,480	117,729	88,290	146,754
London and Lancashire	418,130	337,095	308,288	301,320
London Assurance	157,765	190,359	100,000	189,517
London Guarantee and Accident	213,118	140,078	195,773	62,866
North British	472,022	309,696	195,773	263,585
Northern	175,485	296,282	290,897	246,155
Phoenix	401,004	286,298	24,915	369,500
Royal	461,868	809,491	100,000	870,011
Liverpool and London and Globe	785,924	348,875	276,768	320,206
Royal Exchange	249,975	115,886	104,018	77,194
Scottish Union	200,533	95,063	116,700	63,000
Sun	165,011	145,870	41,121	151,200
Yorkshire	94,204	95,859	—	90,397

The improvement in investment values has been a great help. The Alliance has taken from investment reserve £250,000, the Liverpool and London and Globe £500,000, and the London Guarantee and Accident £75,000; the Northern has realised a profit on investments of £56,362, though, curiously enough, the Royal declares a loss on investments sold of £198,978 (met out of the general contingencies fund); provision for E.P.D., no longer required, has yielded £228,000 to the London and Lancashire and £85,484 to the Royal Exchange. These windfalls have helped to swell profit and loss transfers, and to provide for the British taxes shown in column three. This taxation is still very heavy indeed; it is being charged on the profits of fat years, and will come down quickly when the lean years are taken into reckoning. As taxpayers the insurance companies have passed their peak. Columns two and four reveal the slight dependence of the companies' dividends on their trading profits. The dividends are paid in whole or principally

out of interest earnings, and the surpluses passing into the category of investments yield interest for gradual increases of dividend in the future. That has been the regular progress. Out of underwriting surpluses funds have been accumulated, taxes paid, and depreciation provided for; the interest-earnings have gone to pay dividends to shareholders. Measured in terms of premium income, the companies do not make a large rate of profit, sometimes quite a small one; but based upon interest earnings their dividends are so well secured that neither war nor peace can interfere with the due payment.

THE HIDE AND LEATHER TRADES.

(BY A CORRESPONDENT.)

AFTER two or three years of acute depression, signs are at last apparent that the leather industries are slowly recovering, although there is nothing yet on which to base the prophecy that the improvement is permanent. That the allied trades, however, have passed through a bad period is certain; losses on trading have been frequent, and it speaks volumes for the soundness of some of our largest firms that financial disasters have not been on a very extensive scale since the fall in values set in. It is true there are a few large concerns in the tanning trade whose balance-sheets this year will be awaited with interest and anxiety, whilst some of the firms who inflated their capital after the war will in all probability have to "write it down" drastically if a profit is to be shown on the share capital. This seems proved by the fact that the Stock Exchange quotations for leather shares are in many cases far below the issued price. On the other hand, capital is once more being attracted toward the leather trades, as inquiries for premises are again noted, whilst there are no tanneries of importance for sale at the moment.

Perhaps the light leather manufacturer and the currier have been the hardest hit by the great fall in values. It is true that during the war it was easy for them to make a profit, as, no matter what was the class or quality of leather produced, it was bound to sell. Speculation, in fact, was rampant, and it is within the writer's knowledge that parcels of dressed upper leather changed hands several times, with added profits, before the material reached the shoe manufacturer's cutting board.

A good deal of the profit made during the war was in many instances invested in extensions to buildings and in modern plant and machinery, with the result that when the slump came many firms who had doubled or trebled their production found themselves saddled with huge buildings and increased overhead charges at a time when values of leather were tumbling and buyers were quite masters of the position. "Slaughter parcels" of leather were in consequence of this position frequent, and thousands of feet of good leather have to the writer's knowledge been sold at much below cost of production. As America was in much the same position, our market was often flooded with huge parcels of chrome sides in box and willow, glacé kid, and patent at very low prices, so that our own leather dressers have had to face as stiff a set of opposing forces as only crops up once in a generation. So much has this been the fact that some curriers of East India kips have closed down altogether, whilst others are even now working in only a small proportion of the amount of rough leather they could handle.

That tanners are looking forward to better times is perhaps proved by the fact that they are again eager buyers of British market hides. True, many of them say they are making no profit on their output of sole leather, and are obliged to buy a certain number of hides to keep their works going and their tan liquors "sweet"; even allowing for all this, it is difficult to see why tanners allow themselves to pay increasing prices week by week, especially as they have a strong federation and a combination which helps them to buy large blocks of South American hides when the market is in their favour.

At the time of writing best ox and heifer hides are selling from 7d to 10d per lb, and the position is regarded as firm. As this class of hide was only making about 7½d per lb in July just before the outbreak of war, and tanners' overhead charges have quite doubled themselves

since that eventful date, it speaks well for the optimism of our British leather producers that they are more or less willing to pay such enhanced rates for their raw material at a time when the outlook is still uncertain. Tanners are also not free buyers of South American salted hides, as owing to large American and Continental purchases at origin prices have gone rather beyond their reach. Chicago hides are also dearer, and best heavy packer stock is selling at 17 cents, so that the American tanner seems to have got over his fright of a year ago.

I have already alluded to the position of the currier of rough leather, and his awkward position; the scarcity of money amongst the working classes, and the constant dislocation caused by strikes, is affecting this branch badly. The English currier has for years specialised in dressing what is known as East India kips, and for half a century fortunes have been made in making that hard-wearing leather, waxed kip butts, from this rough material. Cheap semi-chrome has also had a fine run, but this seems always difficult to sell when the real chromed article in sides has dropped to a low price. A few E.I. kips are dressed and sold for other purposes, such as cheap spit and attaché cases, but the bulk of them are used up by curriers for stout shoe leathers, and until the demand for these improves, it is difficult to see how the currier is to make both ends meet. The delay of the Disposals Board in selling the Government stock of rough kips has also acted as a wet blanket on kip dressing, to say nothing of the low price at which thousands of Government dressed kips have been sold since the conclusion of the war.

In an article of this kind it seems curious to be able to quote the old French axiom, "Cherchez la femme" in connection with leather; there is, however, no denying the fact that the demand for women's shoes has saved the position this year. The advent of the short skirt has had a remarkable effect on both the leather and shoe sections, for, with no flowing draperies to cover their feet, women at once paid much more attention to their shoes, and, once they became an article of fashion, manufacturers and retailers encouraged the idea, and incidentally insured themselves against changes of style by charging much higher prices than the sort of production often warranted. The suede shoe has been responsible for much of the comparative activity of both the leather and shoe trades, and although the leather is not at all suitable for protection against wet and cold, it has attracted the fancy of the fair sex in a remarkable manner. Patent leather, too, has been demanded freely by women, and importers of American patent have every reason to be grateful to them for this. That ideal shoe leather, glacé kid, has been in consequence somewhat under a cloud of late, but, like all good things, it will sooner or later come into its own again. At any rate, one large glacé kid tannery in the West of England which closed down a year or so ago has resumed operations, and is now, I hear, working in something like 1,000 dozen goat skins weekly.

The export of leather and leather goods has been adversely affected by the exchange difficulty, and many inquiries from Eastern Europe for footwear and leather have not materialised into real business for this reason. Exports of British heavy boots have also been hit by the immense number of new and old Army boots disposed of and sent overseas since the war, many of them at much below the cost of production. Still, in spite of these and other troubles, the export of British boots is gradually increasing, and there are those who think the corner has been turned. That there is much leeway to make up is, however, shown by the fact that the value of exported boots and shoes has fallen from £2,633,594 for the first five months of 1920, to £1,002,315 for the corresponding period of the current year. But as the value of the export in May last was £219,928, as against £140,293 for the corresponding month of 1921, it looks as if matters were slowly improving; at any rate, reports from manufacturers are to the effect that orders are now coming in much better from overseas customers.

Exports of British leather are also showing an improvement, as the value for the first five months of 1921 and 1922 was £1,088,358 and £1,556,013 respectively. On the other hand, the increase in the import is very marked, as the value of imported leather and leather goods for

the first five months of 1921 has advanced from £2,777,206 to £4,264,956 for the corresponding period of 1922. Still, as the import for the first five months of 1920 reached the big total of £12,732,804, it is safe to assume British tanners and curriers are supplying a much larger proportion of this country's requirements as time goes on.

Taking a fairly optimistic view of the outlook, it seems safe to hazard the prophecy that the slump is now over, and a comparative period of prosperity awaits the allied leather trades. Prices of most leather commodities are now approaching something like their real intrinsic value, so that buyers have more confidence in purchasing. The stabilisation process has been a slow one, but as costs of production become more reasonable, I feel sure the prestige of British leather and leather goods will help to maintain both the home and foreign markets, in spite of the difficulties which a year or two ago looked insurmountable.

THE LABOUR PARTY'S PROGRAMME.

(FROM A LABOUR CORRESPONDENT.)

NEXT week the Annual Conference of the Labour Party will be held in Edinburgh, when representatives of the affiliated membership of four millions will pass under review the report of the Executive Committee for the past twelve months, and pass judgment upon a series of resolutions. These resolutions range over many subjects, but there are some which are of outstanding importance, as indicating the trend of Labour thought and policy. There are eight resolutions and two amendments on the agenda emphasising the political independence of the Labour Party. The sense of both the resolutions and amendments is strongly against "any alliance or electoral arrangement with any section of the Liberal or Conservative Parties," and several of the motions repudiate participation by the Labour Party in any Coalition Government. It is significant that in every case except one the resolutions stand in the name of local Trades Councils and Labour Parties, and not in the name of trade unions. The views expressed in the resolutions may be taken to express the attitude of the rank and file toward "entangling alliances." It is pretty certain that a composite resolution embodying these views will be adopted by the Conference.

International questions come up for consideration, both on the report of the Executive, as a matter of course, and on resolutions dealing with armaments, international treaties, war, Russia and India, and the Near East. Domestic policy looms large on the agenda. There are resolutions down on nationalisation, special reference being made to the nationalisation of land, mines, transport, banking, insurance, and electricity supply. Eight resolutions and four amendments are devoted to unemployment and unemployment insurance—a reflection of the prevailing state of trade, though at least one resolution on the subject generally finds its way each year to the Conference agenda. Of the nine resolutions under the heading of "education," no less than seven take the form of protests against "economy" in education. In recent years education has always found a place in the discussions of the Labour Party Conference, but there have never been so many motions as this year. The opposition to Geddes' cuts is widespread in the Labour movement, and a crop of resolutions on the subject was anticipated.

The ten resolutions on electoral reform are an indication of the interest taken in our political machinery. The resolutions range from a declaration in favour of adult suffrage to the prohibition of motor cars and other vehicles at elections, and the closing of public-houses on election days. Housing and house rents quite naturally occupy a prominent place in the agenda, nine resolutions, with four amendments appended, calling for a radical housing programme, and the extension of the operation of the Rent Restriction Act. The Edinburgh Conference will be asked to judge between the public ownership of the liquor trade and prohibition, and to support pensions for widows. It will be called upon to give its adhesion to more generous old-age pensions, and better provision for the blind. The delegates will, it is expected, declare in favour of the removal of the embargo on the importa-

tion of Canadian cattle, and in another resolution bless free trade.

Trade Boards will be supported, and the Report of the Cave Committee condemned by the Edinburgh Conference. The Workmen's Compensation Act will come up for discussion on resolutions demanding reform. Legislation regarding hours of labour will be asked for. These questions, however, will be more prominent at the Trade Union Congress in September.

Broadly speaking, it may be said that the resolutions indicate that foreign affairs, nationalisation, unemployment, and housing occupy the centre of attention in the Labour movement. One further question, to which reference has not yet been made, but which is agitating the rank and file, is that of the reduction of the rate of interest on the war debt. Three resolutions insist on such a reduction, and an amendment substitutes a levy on capital. It is probable that these resolutions will be defeated, but they undoubtedly express the deep sense of injustice felt by many working people, that whilst pledges to ex-Service men and the workers generally have been broken, the undertaking regarding rates of interest on war loans should alone be regarded as inviolable. The resolutions are based on ethical rather than on financial considerations, and those who are disposed to argue the impracticability of the proposal might try to conceive the situation as the worker does. Whilst the worker is becoming worse off, the holder of War Loan is becoming better off. Though, as has been said, the resolutions are not likely to be adopted, they will give rise to an animated discussion.

The Edinburgh Conference will last four full days. A large section of the Press will undoubtedly convey the impression, by giving prominence to "scenes," that the Conference is in the nature of Donnybrook Fair, and that the chief questions agitating the Labour movement are whether Labour men should be Privy Councillors or Freemasons. The delegates, however, know that exciting moments are but fleeting incidents in long, serious, and sometimes dull, discussions of important national questions.

Notes of the Week.

A Dastardly Crime.—The assassination of Field-Marshal Sir Henry Wilson by two Sinn Fein fanatics in the West-End of London is one of those rare events which send a shock right through the civilised world. With Sir Henry's views as a soldier politician—whether as regards the attitude of Ulster or the part that war will play in the future in international affairs—we had little in common. But his place in history depends not upon his political opinions, but upon the great part which he played in furthering the military co-operation of England and France during the war. One of the small band at the War Office who devoted themselves before the war to studying and preparing for possible military action on the French frontier, he had in 1914 acquired a close personal acquaintance with France and with French military officers, which was based upon a deep understanding and sympathy with the French character and ideals. His personal friendship with Marshal Foch was indeed one of the greatest assets of the Allied cause in the evolution, first of the Versailles Military Council, and later of a unified command. Of striking appearance and endowed with a most attractive and charming personality, made very distinctive by little mannerisms and an unwonted freedom of gesture, he was a man of great physical as well as mental activity, and possessed of that vital force which is the one real essential of great achievement. The reckless and misguided youths who perpetrated this outrage have struck one of the severest blows at what little prestige remains to the Irish Republican extremists, for they have advertised to the world, outside Great Britain, in a way that few other events could have done, the character of the vendetta that is being carried on in the hope of preventing an Irish peace. At a moment when a faint hope was reviving that the clouds might lift a little, the assassins have done their best to stir up a fresh outbreak of reprisals.

The Palestine Mandate.—Lord Balfour made his first appearance as Government spokesman in the House of Lords on Wednesday, but his eloquence failed to save the Government from defeat on the question of the Palestine mandate, for the motion by Lord Islington stating that the mandate in its present form was not acceptable, and was "opposed to the sentiments and wishes of the great majority of the people of Palestine," was carried by a majority of 31. Lord Islington maintained that the mandate as it stood to-day "was a distortion of the mandatory system, because under it a small proportion was to be given preferential treatment, with British authority to enforce the system," and that it involved injustice and repudiation of pledges given to the Arabs. He also criticised severely the Rutenberg contract, in which criticism he was strongly supported by Lord Sydenham and Lord Buckmaster. Lord Balfour, whose eloquence seems to have been in no way impaired by the cooler atmosphere of the Upper Chamber, rebutted the charge of injustice to the Arabs. "I cannot imagine," he said, "any political interests exercised under greater safeguards than the political interests of the Arab population of Palestine." He defended the Rutenberg contract, declaring it to have been carefully examined by most competent and disinterested advisers, and found a good bargain; and quoted evidence of world support for Britain's Palestine programme. But, in the main, Lord Balfour based his case avowedly on idealism. He dipped into Jewish history, belauded the services of the Jewish race to scientific, artistic, philosophic, and religious development in the countries where they have found homes, and appealed to the honour of Christianity to make up for the wrongs heaped upon them. But he failed to imbue their Lordships with enough of his idealism to overcome their dislike of the mandate as it stands—a dislike heightened, as subsequent speeches showed, by consideration of the cost to the British taxpayer and suspicion of the Rutenberg contract. It is believed that the Government will ignore the defeat in the House of Lords, and seek an early opportunity of taking the opinion of the Commons. This must be done quickly, for next month a special meeting of the League of Nations Council is to consider the mandate, to which at the last meeting objection was taken by Italy and France. The vote in the House of Lords will doubtless provide fresh powder and shot to the opponents of the mandate in the Council. But before the meeting takes place, we hope to see the whole matter of the Rutenberg contract thoroughly thrashed out on the floor of the House of Commons and some definite statement, calculated to allay Arab fears, elicited from the Prime Minister. We hope, too, that Members of Parliament will insist on a clear statement of the cost of Palestinian activities to the British taxpayer.

The Finance Bill Debate.—While the House of Lords has been asserting its independence by defeating the Government on the question of the Palestine Mandate, the Commons have been labouring through the clauses of the Finance Bill, and for the most part swallowing them whole, including the McKenna duties and preferential tariffs. Only last month the former were debated, and the Government and their supporters again on Monday night repeated their lofty disdain for Mr Bonar Law's pledge that "duties of this kind would never be continued under any circumstances when the war was over." In the main the debate produced nothing new, but we note, for future reference, from the official report that when accused of going to Genoa to preach free trade, the Chancellor of the Exchequer "indicated dissent," while an unconscious illumination of tariff mentality vouchsafed by the Solicitor-General should not pass unnoticed. The latter quoted the distress in the motor industry as a reason for surprise that a repeal of the motor car import duty should be suggested. When reminded that unemployment and distress was common in many industries, he retorted, "We are not discussing other industries." Here is a typical example of the inability of the tariff advocate to look beyond one industry to the whole wide field of net economic advantage. Discussion of the tea duty brought

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up the old conundrum: If 90 per cent. of our tea already comes from within the Empire, what reason is there for a preferential duty? On the following (Tuesday) evening a sugar debate elicited some strong criticism of the removal of the excise duty on home-grown sugar, with which we are largely in sympathy. Mr Lyle protested against the proposal to "prop up the industry with the undreamed-of protection of £25 13s 4d per ton," and further expressed the view that for every extra man employed in connection with home-growing of sugar beet a man would be put out of work in a British sugar refinery. For our own part, we do not find it inconsistent with Free-trade principles that the State should in certain cases assist an infant industry in its early stages, where the prospects appear reasonably good. But sugar-growing in this country has still to prove that it is a suitable object for such a system, and, in any case, State assistance, if given at all, should be given by means of direct subsidy rather than by duty concessions. From tariff questions the House travelled, via the Entertainments Tax, to the main feature of the Budget, namely, the rates of income-tax and super-tax. Here Sir Frederick Banbury put in a plea for further reduction next year, and incidentally urged the merging of income-tax and super-tax into one tax, a suggestion supported by Sir Herbert Nield on the analogy of the merging the poor rate and district rate in the sphere of local taxation. During the rest of a long night sitting, discussion dealt mainly with technical questions arising out of the proposals to stop up the loopholes for evasion of income-tax and super-tax. On Wednesday the clauses relating to allowances in respect of repair of property, and the one providing that interest on arrears of E.P.D. should not be allowed as a deduction, were quickly passed, but the Chancellor made a concession in promising to reduce the rate of interest on arrears from 5 per cent. to 4½ per cent. Clause 28, which suspends the Sinking Fund, was passed after a few speeches of protest, Sir Godfrey Collins making a strong plea for economy in expenditure. The remaining clauses were quickly passed through. The House then considered a number of new clauses, mainly of a technical nature. The upshot of the debates is that the Chancellor's financial programme is passing through the Committee stage practically intact.

Debt Conversion Results.—A statement issued by the Chancellor of the Exchequer shows the results of various conversion operations since the beginning of the current financial year. The total conversions effected were as follows:—(a) Under offer of February 18, 1922, £14,464,248 of Exchequer bonds into £19,671,378 Conversion Loan. (b) National War Bonds, under offer of April 21, 1922, of which £70,429,871 was converted into £94,376,028 of Conversion Loan, and £8,825,975 into a similar amount of 4½ Treasury Bonds. (c) Under the original option, holders of National War Bonds for an amount of £30,651,297 5 per cent. bonds exchanged into £32,264,476 5 per cent. War Loan, while holders of £594,958 4 per cent. bonds accepted a similar amount of 4 per cent. War Loan. (d) Holders of £69,501,535 5½ per cent. Treasury Bonds exchanged under the original option into £101,472,240 of Conversion Loan. The following table shows conversions effected since March 31, 1922, in detail:—

(000's omitted.)

Description.	Bonds Converted.		Stock or Bond Issued in Exchange.				
	Nominal Amt.	Annual Interest Thereon.	3½% Conv. Loan.	4½% Tr. War Bonds.	5% War Loan.	4% War Loan.	Annual Interest Thereon.
5% Exchequer Bonds—							
April 1922	14,464	723	19,671				688
5% National War Bonds—							
October, 1922	89,855		94,376				3,303
April, 1923	17,929						
September, 1923	1,807						
October, 1924	4	5,495		8,825			397
April, 1925	1						
September, 1925	114			32,264			1,613
October, 1927	45						
April, 1928	76						
September, 1928	139						
October, 1927	278	23					594
April, 1928	177						
September, 1928	177						
5½% Treasury Bonds, 1929 (Series A and B)	69,501	3,822	101,472				3,551
			215,519	8,825	32,264	594	
	194,467						
		10,064		257,205			9,577

These results must be regarded as satisfactory. Although, as will be seen by referring to our table of National Debt, given in another column, the nominal amount of debt has been increased by approximately 63 millions, roughly 194½ millions of Exchequer Bonds, National War Bonds and Treasury Bonds have been converted into Conversion and War Loans, and only a small amount (under nine million) into Treasury Bonds. The big amount exchanged into Conversion Loan, namely, 154½ millions, is especially satisfactory, this being now our representative long-dated Government security. Interest charges have been reduced by £487,573 per annum, the annual interest on the various bonds having been £10,064, 951, while on the fresh issues £9,577,378 is the official calculation for interest. The figures show that the amount of 1922 War Bonds maturing this year for which the Treasury must make provision has been reduced to a relatively small total.

Mexican Debt Proposals.—After long delays and several postponements, a settlement of the indebtedness of the Mexican Government is in sight at last. The plan agreed on at the end of last week between the Finance Minister and the American Bankers' Committee deals with debts amounting in gold to about \$500,000,000, on which the interest in arrears is about \$200,000; but these figures apparently include several items unknown in Europe. The issues held on this side of the Atlantic comprise (a) the four External loans, together rather more than £34,000,000, with arrears of interest exceeding £1,585,000; (b) loans guaranteed by the Government, comprising the Mexico City loan of 1889 (presumably, but President Carranza is stated to have cancelled the guarantee), the Caja de Prestamos bonds, two issues by the Mexican National Packing Company, and two Internal loans, partly held outside Mexico—these five loans together are about £20,800,000, with arrears of interest amounting to £7,505,000; (c) the 4 per cent. General Mortgage Bonds of the Mexican National Railways, approximately £10,150,000, with arrears of interest of about £3,348,000; (d) other debts, possibly including other bond issues of these railways, with certain State debts and various unspecified loans. Interest payments will be resumed on these in varying proportions of cash and scrip (the latter eventually redeemable) from January 2, 1923, which seems to imply that the first actual payments will not begin till some months later; and they will be continued thereafter in gradually increasing amounts till 1928, when the full payment of interest and sinking funds will be renewed. The cash will be provided from a special fund formed by a surcharge on gross railway receipts and the export taxes on oil. The coupons now in arrear will be exchanged for receipts which will be ultimately paid off in cash, but no interest will be paid on the arrears. The railways will be given back to the companies, and operated by them, as before the revolution, and the Government will endorse and take over the railway debts—a phrase which is believed to cover the other bond issues of the National Railways, and possibly also the sums due to the railway companies for the use of the lines temporarily operated by the Government.

The bondholders' rights of foreclosure will be suspended during the operation of the plan. The settlement is not over-liberal; it was expected that the arrears would be funded, and the creditors in the third and fourth classes above specified cannot receive much cash for some years to come. It awaits the approval of the bondholders, which is practically certain, and presumably that of the Mexican Congress, which may be doubtful; but there is reason to believe that the influence of Señor de la Huerta will carry it, and its acceptance will doubtless be followed by American and British recognition of President Obregon's Government. As to the state of the country, there are diverse reports even in its capital. The damage done by the revolutionists is still unrepaired in Morelos; and probably elsewhere also; but the reports lately current in New York of widespread local disturbances and labour troubles are to be regarded as untrue, or greatly exaggerated; the depression in trade is due mainly to world causes, and American business men are continuing to establish themselves in Mexico. The Government is clearly anxious that the settlement shall be comprehensive, and Señor de la Huerta inspires confidence. Recognition should set up a revival of prosperity, which may indirectly affect other countries in Spanish America.

Employment in May.—The demand for labour improved slightly in May. The monthly review of the position in the *Ministry of Labour Gazette* records the maintenance of recent improvement in the tin-plate, cotton, jute, hosiery, and wool textile industries, and in the clothing trades, while a movement in the right direction took place in the building and pottery trades. Employment at the coal mines, however, was slack, and certain branches of the iron and steel and metal industries continued to be severely affected by the engineering dispute. The percentage of unemployed among members of trade unions from whom returns are received by the Ministry of Labour fell from 17.0 at the end of April to 16.4 at the end of May. How this percentage has moved month by month in recent years is shown below:—

End of—	TRADE UNION UNEMPLOYMENT PERCENTAGES.											
	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1913.	1917.	1918.	1919.	1920.
January ..	2.2	0.3	0.0	2.4	2.9	6.9	16.8	2.2	0.3	0.0	2.4	2.9
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3	2.0	0.3	0.9	2.8	1.6
March	1.9	0.3	1.2	2.9	1.1	10.0	16.3	1.9	0.3	1.2	2.9	1.1
April	1.7	0.3	0.9	2.8	0.9	17.6*	17.0	1.7	0.3	0.9	2.8	0.9
May	1.9	0.4	0.9	2.1	1.1	22.2*	16.4	1.9	0.4	0.9	2.1	1.1
June	1.9	0.4	0.7	1.7	1.2	23.1*	..	1.9	0.4	0.7	1.7	1.2
July	1.9	0.4	0.6	2.0	1.4	16.7	..	1.9	0.4	0.6	2.0	1.4
August	2.0	0.5	0.5	2.2	1.6	16.3*	..	2.0	0.5	0.5	2.2	1.6
September ..	2.3	1.3	0.5	1.6	2.2	14.8	..	2.3	1.3	0.5	1.6	2.2
October	2.2	1.1	0.4	2.6	5.3*	15.6	..	2.2	1.1	0.4	2.6	5.3*
November ..	2.0	1.1	0.5	2.9	3.7	15.9	..	2.0	1.1	0.5	2.9	3.7
December ..	2.6	1.4	1.2	3.2	6.0	16.5	..	2.6	1.4	1.2	3.2	6.0

* Excluding coal miners. † Revised figure.

A slightly larger fall, namely, from 14.4 to 13.5, is noted between April 28th and May 22nd in the percentage of unemployed among all workers insured under the Unemployment Insurance Act. At the latter date the total number of registered unemployed was 1,566,000, as compared with 1,699,000 on April 28th. The numbers of those working systematic short time in such a way as to entitle them to unemployment benefits fell in the same period from 189,000 to 134,000. From this it appears that in the 24 days ended May 22nd there was an aggregate fall of 188,000 in the numbers of those registered as qualifying for benefits under the Unemployment Insurance Act. This drop, though in part no doubt due to benefit periods running out, provides welcome evidence of measurable improvement in trade, and of savings to the Exchequer.

Cost of Living.—Like April, May saw a reduction of one point in the Labour Ministry's calculation of the cost of living, which at June 1st was 80 per cent. above the level of July, 1914. A year ago the figure was 119 per cent. above that level. The following table shows how the percentage figure moved up to its peak of 176 in November, 1920, and the monthly stages of its subsequent decline:—

ALL ITEMS—AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.
(Food, Rent, Clothing, Fuel, and Light, &c.)

	1918.	1919.	1920.	1921.	1922.
January 1st	85.90	120	125	165	92
February "	90	120	130	151	88
March "	90	115	130	141	86
April "	90.95	110	132	133	82
May "	95.100	105	141	128	81
June "	100	105	150	119	80
July "	100.105	105.110	152	119	..
August "	110	115	155	122	..
September "	110	115	161	120	..
October "	115.120	120	164	110	..
November "	120.125	125	176	103	..
December "	120	125	169	99	..

Retail food prices alone, at June 1st, are calculated to be 70 per cent. above pre-war prices, the comparable figure for May 1st being 72 per cent. The decline in May was due to an average drop of about 3½d per lb on tea, owing to the reduction in the duty, and to slight reductions in the prices of eggs, cheese, milk, butter, and fish. On the other hand, potatoes, British meat, and bacon became dearer. During May retail prices of imported meat, flour, bread, sugar, and margarine showed no appreciable change.

The Rise in the Price of Cotton.—Traders in Lancashire this week have been much concerned at the further rise in raw cotton prices. It is feared that if values continue to go higher and make manufactured articles dearer, consumption of piece goods in many outlets abroad will be restricted, especially in India. On May 26th the quotation for Fully Middling American cotton on the spot in Liverpool was 11.84d. By June 1st the price had risen to 12.30d, and on June 12th the figure was 12.91d. A strong upward movement has occurred this week, and the quotation on Thursday was 13.74d. Sentiment in the New York and Liverpool markets has been bullish on unfavourable reports relating to the American crop for 1922-23. The visible supply is steadily being reduced. It is believed that unless the yield for next season is about 14,000,000 bales, present prices can be justified. If the upward movement is continued it will be a bad thing for Lancashire, as there are already indications of cloth dealers abroad refusing to follow the advances required by manufacturers. A week next Monday the Agricultural Bureau of the United States Government will publish a condition report on the cotton crop, and also an estimate of the acreage. It is probable that the statistics issued will remove some of the uncertainty as to future supplies and values, which now exists.

Guest, Keen, and Nettlefold.—The date of the end of the financial year having been changed from June 30th to March 31st, the accounts of Guest, Keen, and Nettlefold just published relate to a period of nine months, and previous figures are not therefore comparable. Net profits for the nine months, after payment of debenture interest, amounted to £567,200, and the available balance, including the balance brought forward, was £831,300. Results in previous years have been as follows:—

	1913-14.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.
Gross profits	401,722	424,480	433,453	446,645	417,141	934,530	884,121
Debit interest	69,548	74,020	74,020	74,020	74,020	74,020	74,020
Net profit	332,174	350,460	359,433	372,625	343,121	860,510	810,101
Brought forward	239,016	357,319	377,029	405,712	173,316	236,687	261,605
Available for distribution	571,190	707,779	736,462	778,337	516,437	1,096,197	1,071,706
Preference dividend	86,000	86,000	86,000	86,000	86,000	200,756	290,922
Reserve	70,000	100,000	100,000	130,000	50,000	..	..
Ordinary dividend	144,750	144,750	144,750	144,750	144,750	633,836	516,686
Rate	15 %	15 %	15 %	15 %	15 %	10 %	10 %
Carried forward	270,441	377,029	405,712	417,587	235,687	261,605	264,098

The ordinary shares receive a distribution of 10 per cent., free of tax, for the nine months, which absorbs £398,000, and the balance forward is reduced by £58,000 to £206,100, no allocation being made to reserve. The most important changes in the balance-sheet are increases of £449,000 in creditors, of £301,800 in debtors, and of £525,300 in investments, the latter being presumably due to the acquisition of the majority of the shares of one of the largest anthracite colliery companies in South Wales,

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On **Current Accounts** interest is allowed at 2 per cent. per annum on daily balances.

referred to in the report. The total of investments, including shares in John Lysaght, Limited, and other subsidiary companies, is now £13,266,800. Cash and bills have fallen by £295,800 to £678,800.

John Brown's Profits.—As a result of "serious diminution in orders," which has "acutely affected" all departments of the company's business, and of the suspension of important contracts, "owing to the high wages payable," a considerable decline in profits is shown in the report of John Brown and Co. for the year ended March 31st last. As will be seen from the table below, the net profit has fallen from £331,900 to £210,400, the high water-mark having been touched in 1918-19 at £467,200:—

	1913-14.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
Gross profit ..	£ 437,834	£ 514,220	£ 552,190	£ 468,704	£ 418,836	£ 304,740
Interest, &c. ..	60,336	60,902	85,019	89,895	86,915	94,333
Net profit ..	377,498	453,318	467,171	378,809	331,921	210,407
Brought forward ..	89,722	176,451	164,394	192,308	178,929	179,600
Reserves, &c. ..	467,220	629,769	631,565	571,117	510,850	390,007
Prof. dividend ..	100,000	150,000	100,000	100,000	100,000	100,000
Ord. dividend ..	87,500	87,500	87,500	87,500	87,500	87,500
	182,300	227,875	251,757	304,688	243,750	121,875
	(10 %)	(12½ %)	(12½ %)	(12½ %)	(10 %)	(5 %)
Carried forward ..	97,420	164,394	192,308	178,929	179,600	180,632

No allocation is made to reserve, and the balance carried forward is practically unchanged after reducing the ordinary dividend from 10 to 5 per cent. Balance-sheet changes are of no great significance. First mortgage debentures have been increased by £174,700, but creditors are £835,100 less, and stock of work in progress and sundry debtors have been reduced by £579,500 and £102,700 respectively.

Howard and Bullough.—An examination of the report and accounts of Howard and Bullough, Limited, for the year ended May 31, 1922, affords interesting evidence of the prosperous state of the cotton spinning and weaving machinery manufacturing industry. With a paid-up and issued share capital of £1,250,000 and a 4 per cent. debenture stock of £250,000, making a total capital of £1,500,000 in all, the company was able in its last financial year to make a net profit of £383,058 after payment of debenture interest, which absorbed £10,000. This is over 30 per cent. return on the share capital involved, and the auditors' certificate lends further interest to this ratio of earning capacity by declaring that "adequate depreciation has been written off the buildings, plant, and machinery" accounts. Recent years' results of this profitable undertaking are summarised below:—

	1913-14.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
Gross profits	163,066	126,380	301,152	25,408	128,218	158,749	393,058
Debit interest	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Net profit	153,066	116,380	291,152	15,408	118,218	148,749	383,058
Brought forward	31,464	37,698	39,078	91,081	53,989	57,207	60,956
Available balance	184,530	154,078	330,230	206,489	172,207	205,956	434,014
Ord. dividend	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Reserve, &c.	75,000	75,000	112,500	100,000	100,000	100,000	100,000
	64,530	25,000	111,649	37,500	..	40,000	..
Carried forward	30,000	39,078	91,081	53,989	57,207	60,956	..

Last year ordinary shareholders received 10 per cent. This year the ordinary dividend is the same, but in addi-

tion a bonus of 7½ per cent. is declared, thus bringing the total distribution on ordinary shares up to 17½ per cent. Allocations to reserve total £150,000, and £94,014 is carried forward to next year's account as against £50,956 a year ago. Total reserves included balance of profit and loss, now amount to nearly £645,000, which bears a favourable ratio to total assets now recorded as £2,596,541. The balance-sheet will be found analysed in our usual column.

Southern Pacific Report.—The report of the Southern Pacific Company for the year 1921 shows that although there was a substantial decline in operating revenue there was a very much greater saving in operating expenses, and net revenue was consequently substantially higher. The comparative table below shows the position clearly:—

	1920.	1921.	Inc. or Dec.	
	\$	\$	\$	%
Operating revenues ..	282,269,504	269,494,365	-12,775,139	-4.53
Operating expenses ..	242,113,790	212,752,263	-29,541,527	-12.20
Net operating revenue.	40,155,714	56,922,102	+16,776,388	+41.76
Railway tax, &c.	14,905,009	15,664,035	+ 759,026	+ 5.08
Operating income	25,250,705	41,258,067	+16,007,362	+63.39

Maintenance expenses declined by \$16,626,800, or 15.4 per cent., and transportation expenses by \$12,483,800, or 10.65 per cent. Traffic units handled showed a decrease of 20.7 per cent. from the peak of 1920, and both wages and fuel were slightly higher. Net operating income was \$35,946,800, as against \$17,718,100, but gross income was \$2,313,300 lower at \$55,297,400, owing to the inclusion in 1920 of \$20,490,400 received from the Government under the guaranty, as against only \$3,648,600 for 1921. The balance of income transferred to profit and loss account is \$29,375,200, as against \$31,016,300 a year ago. The profit and loss account shows a credit for \$26 millions, which represents the approximate difference between the nominal value at which Pacific Oil properties stood in the books of the Southern Pacific Land Company and the amount received for them from the Pacific Oil Company when the oil properties were separated from the railroad properties. The 6 per cent. dividend absorbs \$20,639,200, and the surplus is increased by \$34,272,900 to \$192,249,600. The ratio of railroad net income to the outstanding capital stock is given as 6.12 per cent., as compared with 7.53 per cent. for the previous year.

The Mexican Railway.—The property of the Mexican Railway Company, Limited, was handed back by the Government on June 19, 1920, and there is thus a comparable period for the accounts for the half-year ended December 31, 1921, just published. In comparison with the corresponding period of 1920, gross earnings of the line show an increase of \$1,537,600 at \$8,567,300. Working expenses rose by \$1,073,700, owing to higher wages and costs of stores and material and to the larger tonnage of freight handled, the balance transferred to net revenue account being \$1,956,900, or \$483,900 more than in the second half of 1920. At the standard rate of 24d to the peso, this is equivalent to £195,700. Adding £23,700 for differences in exchange and other sundry revenue, the total net revenue amounts to £229,700. At June 30th last there was a debit balance of £695,000, and to this has to be added £103,200 in respect of interest accrued during the half-year under the third and fourth schemes of arrangement. An allocation of £13,000 is also made to reserve for taxation, and the net result is that the debit balance at December 31st last is reduced to £581,500. The fourth scheme of arrangement, which was agreed to last December, was sanctioned by the Court on January 24th. Under its provisions 20 per cent. of the outstanding certificates in respect of deferred interest on the 6 per cent. perpetual debenture stock has been paid in cash, and registered "A" stock amounting to £627,000 has been created in respect of the balance of 80 per cent. There has also been created £138,700 registered "B" stock in satisfaction of the outstanding certificates issued in respect of deferred interest on the 4½ per cent. second debentures. In anticipation of the

percentage of profits payable to the trustees of the "A" registered stock the company will, on July 1st, distribute among the stockholders £62,700, thereby redeeming 10 per cent. of the stock outstanding. During the current half-year the concession has been purchased for a line from Pachuca to Tampico, which, according to preliminary surveys, will have a total length of 480 kilometres, and will reduce the route from Mexico City to Tampico from 969 to 594 kilometres. The report mentions that Mexico is, in common with other parts of the world, suffering from trade depression, and in the opinion of the commercial community "no substantial improvement in business will occur until the Mexican Government has been recognised by the Governments of the United States, Great Britain, and France."

The Swiss Hotel Industry.—A correspondent writes:—Four years of war, with the resultant almost total cessation of the stream of summer and winter visitors, brought nearly all the tourist hotels of Switzerland to the verge of bankruptcy. Some of the large establishments in the great towns, most of them owned by companies, managed to attract guests, and one or two even paid substantial dividends, but these lived on the custom of foreign Government emissaries or war speculators, and of invalids, well-to-do refugees, and others who did not venture to risk the journey home. But the mountain hotels, many of them owned by local families or small syndicates, who had obtained the greater part of their capital on mortgage, were practically empty, and it became necessary for the Federal Government to establish and subsequently to extend a moratorium for the payment of the interest and sinking funds of the sums they had borrowed. Eventually, however, they came under the control of the banks, which now, we believe, regulate their charges, and though the visitors are returning, the state of the exchange and the general decline in the income of the classes that travel have effectually retarded their recovery. Accordingly, their condition has been under consideration by a Committee of the Lower House of the Federal Legislature. It met recently at Zurich, and M. Schulthess, the member of the Federal Executive in charge of the department dealing with trade and industry, stated that only a Federal subsidy could avert a general collapse. Official statistics of the hotel industry have never been published, owing, it is stated, "to the popular resentment at the view prevalent among visitors, and entirely erroneous, that Switzerland derives most of its wealth from its function as the playground of Europe." In 1905, however, the capital invested was unofficially estimated as equivalent to £31,000,000, and the number of tourist hotels at nearly 2,000. Now the capital is estimated at 1,140 million francs, or £45,600,000, and the number of persons engaged in the industry at 43,000. It is stated that 50 per cent. of the hotels require pecuniary aid, and that 50 per cent. have debts in excess of the value of their land and buildings. The Federal Council proposes a grant of 5,000,000f, or £200,000, to be apportioned by a society representing the hotel industry. One-fifth to be distributed in free grants to replace lost capital, two-fifths in loans without interest, the balance lent at interest; but only those hotels which have a fair chance of reviving are to receive aid. The grant was sanctioned on June 20th by the Federal Upper House.

Western Gold Industry.—For years past, writes our mining correspondent, the gold production of Western Australia has been on the down grade, owing partly to the inevitable exhaustion of the mines, and partly to the restriction of the scale of operations—in some cases the entire suspension—necessitated by the ever-increasing expense ratio. As Mr Richard Hamilton, the veteran manager of the veteran mine of Kalgoorlie—the Great Boulder—pointed out in his recent presidential address to the Chamber of Mines of Western Australia, the decline in the gold-mining industry last year was more marked and rapid than ever before. The State Award which came into operation at the beginning of 1921 increased the basic wage 28 per cent. above that of 1920, and gave boys the same rate as men, besides compelling employers to grant a fortnight's holiday per annum, on full pay, to

all employees. To the latter stipulation little objection can be made, but the payment of boys at the same rate as men is bad for all concerned. The almost immediate result of the award was the discharge of about 15 per cent. of the men employed on the mines. Towards meeting the increased expenses—last year's average working costs were 4s 3d per ton up at 38s 7d—ore above the mean grade of the reserves was treated: a thoroughly unsound procedure. Nevertheless, the dividends aggregated no more than £307,000, as against £429,100 in 1920—which, in turn, did not greatly exceed one-half the 1912 amount. Naturally, these features are reflected in the reports of the few surviving companies in which British capital is invested. Only three undertakings of importance still figure in the producing list: the Great Boulder, the Golden Horseshoe, and the Ivanhoe. The annual statements of the trio have recently been issued, that of the Great Boulder bringing up the rear. By the appropriation of some two-thirds of the gold previously placed to reserve, this company was able to show for last year a slightly increased profit; £10,000 being now placed to reserve, the sum carried forward is practically identical with that brought in. Dividends—1s 6d per 2s share—were the same as before, except that 6d of last year's total was paid tax free. As only to be expected in the circumstances, the ore reserves continue to shrink; the 192,100 tons available at the end of 1921 represented about two years' supply. Nothing is said about the company's recent venture in the Argentine. Doubtless some information will be given at the meeting which is to be held on Tuesday next. The interim dividend of 2s 6d, tax free, per £5 share paid in December last by the Horseshoe Company proved to be the total for the year: it absorbed £37,500 out of a net profit of £44,800. This compares with £66,500 for 1920, in respect of which period the dividends totalled £75,000, or 5s per share. At 594,000 tons, value .431 dwts, the ore reserves show a further decline in both quantity and value, but the present tonnage represents between four and five years' work for the mill. The Ivanhoe also disappointed its shareholders, there being no final dividend for 1921; indeed, the three quarterly distributions of 1s 6d each called for rather more than the actual earnings. For 1920, 6s 6d per £5 share was paid. Here, again, the ore reserves are down. Still, the total of 799,500 tons will keep the plant running about five years. For some time past now the company has had a side-line in the shape of financial business. Investments figuring in the balance-sheet for £128,700 are calculated to have a value slightly in excess of that figure. The surplus of cash assets equals 20s per share, now quoted at about 17s 6d. With regard to the outlook generally, it may be taken that the worst has now been seen. Charges for stores and materials are coming down, while the Court has just awarded a general wage reduction of 1s per day. A much more drastic cut is, however, needed to place the industry on a sound footing.

Oroville Dredging Group.—The two operating subsidiaries of the Oroville Dredging Company—the Pato and the Nechi mines—both paid increased dividends last year, and thus the parent company is able to report a net profit of £153,650, as against £111,800 in the twelve months ended September 30, 1920. As a result the dividend distributions totalled 4s per share in place of 3s 3d, a somewhat larger balance being carried forward each time. That in face of this the price of Oroville shares should have lately sagged away may at first sight appear anomalous; it is due, however, to the fact that the Nechi has almost reached the end of its tether. The manager gives the undertaking only a possible further year of work—of which nearly one-half has now expired. In these circumstances, and with a view to the transfer of the Nechi company's dredge to the Pato company, the directors of the Oroville offer two of that company's shares for every seven preference shares in the Nechi company. (The Oroville holds approximately 90 per cent. of the ordinary share capital of the Nechi Company, the remainder being held by the Pato Company. Only the preference shares of the Nechi are in the hands of the public.) The offer has been criticised on the grounds that it does not make adequate allowance for the cash resources on hand, nor take account of the Nechi Company's right

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to 25 per cent. of the net assets in the event of liquidation. It has been semi-officially pointed out, however, that the surplus profits on hand actually belong to the holders of the ordinary shares, having been kept in hand pending a settlement of E.P.D. claims; the only other asset is the dredge, and all the preference shareholders would receive would be 25 per cent. of the proceeds of any sale. In the light of these facts the offer appears a fair one; it is doubtless made partly with an eye to the difficulties which might arise in connection with a winding-up. It may be noted that the other two companies also—the Oroville and the Pato—are not yet out of the wood as regards excess profits duty. The Pato property is considered still to have twelve to fifteen years' life, working with one dredge. The absence of returns from the Nechi property should soon be made good by the yield from the Constanca mine of the Colombia Corporation, in which the Oroville holds all the ordinary shares. On the completion of the 300-stamp mill now in course of erection an annual profit of £70,000 to £100,000 is estimated. The Constanca has every appearance of developing into a big proposition. In connection with this interest, and in view of the possibility of exercising options held upon two properties in the neighbourhood, the Oroville Company is undertaking the somewhat unusual task for a mining concern of constructing a toll road and running a river steamboat. It has, therefore, several and varied strings to its bow.

Obersee Correspondence.

IRISH FREE STATE.—ELECTION RESULTS— SECURITY PRICES.

(FROM OUR CORRESPONDENT.)

DUBLIN, June 23.

THE results of the Parliamentary elections in the projected Irish Free State afford a welcome evidence of the political sanity of the electorate, and of its desire for peace and settled government. Bewildered by the Collins-de Valera pact, and resentful of what it half-suspected as an attempt to muzzle it, the public found itself plunged into a General Election. Its choice was confined to the Sinn Féin "panel" candidates, a few Labour candidates, and a handful of hastily-improvised unofficial candidates, with imperfectly-digested programmes, and unsupported by any real electoral organisation. Its desires, made conspicuously clear by the system of proportional representation, are overwhelmingly pro-Treaty. The Coalition pro-Treaty Party has returned with 55 members, against 34 for the Coalition anti-Treaty Party. There are fifteen Labour members, ten Independents, six Farmers' Union members, and eight, as yet, undeclared results. The Independents and the Farmers may be counted with the majority so far as the Treaty issue is concerned, and the public assumes the same to be the case with the Labour members. The will of the majority is thus made manifest. Ireland unquestionably wants the Treaty. But that is all so far. The next question is "Will the majority prove capable of executing its own will by

restoring the fabric of internal peace and good government, and by uniting upon a definite constructive policy?"

There has been some comment upon the apparent firmness of typical Irish securities upon the Dublin Stock Exchange. Prices which remained practically unchanged between January and October, 1921, have shown substantial increases during the interval from October, 1921, to June, 1922. There were suggestions that there was "popular" buying on patriotic grounds, and that there were also astute removals of Irish capital from British to Irish securities for the purpose of avoiding all risk of double income-tax. The truth, though less exciting, is of an even deeper significance. The appreciation of values has been an automatic response to general and not to local causes. An analysis of the figures for the last two years shows a sensitive and restricted market, with price levels varying in a general correspondence with money conditions in London. The owners of Irish securities have been holding on, and have been able to do so, thanks to the support of the British money world. That is all. No other explanation is possible. For of all the factors which normally make for financial apprehensions and their reflection on the Stock Exchange not one has been wanting. And it is a safe prophecy that the satisfactory result of the General Election will also remain unreflected upon that apparently unruffled surface.

The traditional policy of the business community in Ireland has always been based on the British connection. Even its most pro-Irish elements have practised a thorough-going conservatism. It has steadily supported the established order of things, and with equal steadiness has eschewed "politics." And in that attitude it has hitherto unquestionably found safety and security. But can that attitude be maintained with equal safety in view of the new situation? The political arrangements of the future, the industrial and economic conditions dependent upon them, the whole organic machinery of the new system are in a state of flux and await the process of definite crystallisation during the next year. Classes and interests and sections are struggling for predominance, and wild theories are in the air. Labour, shrewdly directed, is obtaining credit and political power out of all proportion to its intrinsic strength. Some of its most successful candidates belong to its most extreme wing. It aims avowedly at State control of all machinery for the production of wealth, with suspension of rents and Purchase Annuities, plus compulsory tillage, at compulsorily fixed high wages in the meantime. The Farmers' Union are moving. Will the business community follow suit? How long can it count upon the help of the British financial world if it fails to help itself?

UNITED STATES.—FURTHER REDUCTIONS IN RAILROAD WAGES—COMMODITY PRICES—EXPANSION IN TRADE AND INDUSTRY.

(FROM OUR CORRESPONDENT.)

NEW YORK, June 12.

THE Railroad Labour Board has ordered a cut of 7 cents an hour in the pay of shop mechanics and of 9 cents an hour in the case of freight car men. This will affect some 400,000 shop crafts workers, will become operative July 1, and means an estimated annual saving to the carriers of approximately \$60,000,000, and brings the total cut in pay-rolls under the two decisions thus far rendered up to about \$110,000,000. In its latest ruling, the Board asserts that while the present wages of machinists are 39.2 per cent. higher than those of 1917 (prior to Federal control of the railways), the cost of living now is only 17.2 per cent. above that period, whereas in May, 1920, when wages were increased, the cost of living was 52 per cent. greater than in December, 1917. The reduction of 7 cents an hour will apply to all machinists, boiler-makers, blacksmiths, sheet-metal workers, electrical workers, car men (except freight car men), moulders, cupola tenders, core makers, and regular and helper apprentices. The larger cut of 9 cents an hour for freight car men was decided upon because, in the Board's judgment, their work does not require such skilled services as do other branches of car men's work.

Car cleaners, who now receive an average of \$3.18 a day, have been reduced 5 cents an hour, or 40 cents a day. The mechanics, whose present daily pay averages \$6.11 for electrical workers to \$6.28 for blacksmiths, will be cut 56 cents a day, bringing the daily wage of that group of employees down to about \$5.70. The reduction will not affect the pay of supervisory forces, and is therefore being criticised by labour interests. The majority ruling of the Board was concurred in by the members representing the railroads and the public, while the three labour representatives again strongly dissented. They protested especially against comparatively heavier reduction in freight car men's pay, and contended that the decision served "to substantiate the position of the railroads that wages need not be established with reference to the needs of the family." Throughout the long controversy over wage readjustments, labour union representatives have persistently harped upon that point. The minority opinion of the Board argued that a minimum wage for the shop crafts should be 50 cents an hour, which would mean a rate of 87 cents for skilled mechanics. Additional reductions, totalling some \$40,000,000, are expected to be announced by the Labour Board shortly, affecting about 350,000 railroad clerks, signal men, stationary firemen, oilers, and marine department employees.

The chief executives of eleven railroad brotherhoods have ordered a vote to be taken by about 1,200,000 railway employees, who will be affected by the Labour Board's wage decisions, to determine whether the workers will accept the rates of wages prescribed by the Board, or wish to strike in protest against the reductions. After the strike votes have been tabulated, another conference of brotherhood chiefs is to be called, it is understood, if a walkout is voted, as now seems likely.

Advances in commodity prices during May greatly outnumbered declines, but the downward tendency in breadstuffs and some dairy products partly balance the general movement to higher levels shown by beef and hog products, finished and unfinished textiles, iron and steel, and non-ferrous metals, coal, naval stores, and building materials. The net result for the month was a slight increase in Bradstreet's approximate index number, which on June 1st stood at \$11.9039, representing a gain of 1.7 per cent. over that of May, 4.6 per cent. over January 1st, and 12.1 per cent. over June 1, 1921, when the low point was reached in the great decline of 1920-1921. Since June 1, 1921, the index number has advanced ten times, and declined only twice, and then only slightly. The June 1st number is the highest recorded since March of last year; it is 42.9 per cent. below the peak point on February 1, 1920, 36.9 per cent. under the level on November 1, 1918, but still 36.6 per cent. above that reported on August 1, 1914. Last month only four groups of products declined, namely, breadstuffs, live stock, provisions, and miscellaneous products. Textiles supplied practically the entire net gain, although seven other groups showed small advances. In all, 37 products rose, 13 declined, and 56 remained unchanged in May. Compared with a year ago, 52 products were higher, and 53 lower.

Statistics now to hand, showing results of operations during May in leading trades and industries, as compared with the corresponding month in 1921, give a good idea of the marked expansion in this country's activities in the past fiscal year. May was another big month in building, expenditures at 135 cities, according to Bradstreet's, totalling \$184,414,135, a gain of 10 per cent. over April, and of 68 per cent. over May a year ago, with the probability that further returns will bring the month's total close to the peak reached in March. Last month's automobile shipments of 252,000 cars and trucks were 15 per cent. in excess of April, 53 per cent. above May, 1921, and 14.5 per cent. greater than in March, 1920. Individual reports from some leading factories mention record production, or sales, while the principal centre of the industry last week reported plants running to capacity, with unemployment negligible. Deliveries of raw silk to American mills during May approximated 33,284 bales, or 36 per cent. more than in April, and much the largest since January. Wool consumption, however, has been decreasing lately, the April total having been 45,274,000 pounds, marking a decrease

of 27 per cent. from March, which was the largest since January, 1920. In the last week of May, lumber output was 100,000,000 feet below shipments, and 537,000,000 feet below orders booked, with all departments of the industry a billion feet or more in excess of the corresponding week of 1921. May pig-iron production, amounting to 2,306,679 tons, was 11.3 per cent. larger than in April, nearly double the out-turn in May of last year, and the largest for any month since January, 1921, notwithstanding the coal strike, and the fact that coke prices were 55 per cent. higher than a year ago. In May, steel ingot production was 2,711,141 tons, a gain of 272,000, against an increase in pig-iron of 234,000 tons for the month. This is the largest output since October, 1920. An accurate measure of the growth of business in the face of the coal strike is afforded by the freight car loadings in the week of May 27th, which totalled 821,121 cars, a gain over April 29th of 62,835. New cars purchased by railroads in May aggregated 18,240, against 31,400 for April, while for the past five months such orders totalled 87,225, or more than three times the total for the entire calendar year 1921. The United States Steel Corporation's unfilled tonnage as at May 31st amounted to 5,254,228 tons, an increase of 157,311 tons for the month. The total is the largest volume of unfinished business on the books of the corporation at the end of any month since May, 1921.

FRANCE.—BEMELMANS AGREEMENT—PAYMENTS IN KIND—PRICES—BANKING FIGURES—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, June 20.

YET another step has been taken towards rendering it possible for sufferers from war losses, as the result of the German aggression, to receive payment direct from Germany in kind, instead of having to wait until their respective Governments receive their reparation payments from Berlin. This new step is the notification last Friday that the Reparations Commission has now definitely approved the rectified terms of what is known as the Bemelmans agreement, signed on February 27th last with the German Government by M. Bemelmans, as representative of the Reparations Commission.

It is advisable, perhaps, in view of the numerous and confusing agreements now in existence for the purpose of regulating payment of reparations in kind, that their respective utility should be, in general terms, set forth. The mental confusion that may arise from the present situation may be gauged from the fact that no less important a journal than the *Temps*, which is usually absolutely reliable, stated formally, in announcing that the Reparations Commission had approved the Bemelmans agreement, that "French sufferers from war losses will be able in a few days to profit from the simplified procedure of the Bemelmans convention," and that they "will be able to apply direct, and according to ordinary business methods, to any German firms they may select, for the purpose of obtaining deliveries in kind, which will be placed to the debit of Germany in the Reparations Commission's accounts." There is official authority for stating, however, that the Bemelmans agreement will not apply to France, even after the Reichstag ratifies it.

What happened, it will be remembered, was this. The French Government about a year ago, through the medium of M. Loucheur, then Minister for the Liberated Regions, entered into separate negotiations with the German Government, represented by Dr Rathenau, with a view to bringing about some agreement to enable French claimants for reparations to secure direct payment in kind. This resulted in what were known as the Wiesbaden agreements, which were signed on October 6th last. These were subsequently supplemented by other agreements, known as the Gillet agreements, signed in March last. None of these agreements, which are direct conventions between France and Germany, and

do not concern the Reparations Commission, have yet, for some reason, been ratified by the French Parliament, and are therefore still inoperative. In view of the benefits likely to accrue from arrangements such as the Wiesbaden agreements, the rest of the Allies took the matter up through the Reparations Commission, with the result that the Bemelmans agreement has now been concluded on behalf of the whole of the Allies. Under Article 2 of this agreement, however, although each of the Allied Governments is free to adopt or reject the instrument, it is specially provided that "this procedure cannot be employed concurrently with another"; that is to say, France cannot have the benefit of both the Wiesbaden and the Bemelmans agreements, but must stand or fall by one or the other. The French Government has formally decided—apparently in view of its intention to bring about the ratification of the Wiesbaden agreements in the near future—not to avail itself of the provisions of the Bemelmans agreement, and to rely on its own independent convention being ratified by the French Parliament. It is announced that meanwhile, and until this ratification is given, the French Government will do everything possible to develop the payment of reparations in kind under the original arrangements provided for by the Treaty of Versailles itself.

Orders and deliveries under these clauses, since the Treaty was signed, have been insignificant, especially on the part of France. Irrespective of obligatory payments in kind, such as coal, dyes, livestock, &c., the total payments in kind made by Germany since the Armistice (November 11, 1918) down to April 30, 1922, under the reparations clauses of the Treaty have been distributed as follows:—

UNDER APPENDIX IV. (deliveries undetermined as to their nature and importance, in replacement of gold).

	Gold Marks.
Belgium	389,000
Italy	6,327,000
Serbia	37,204,000
France	Nil.

UNDER APPENDIX IV. (deliveries specially designed for devastated regions).

	Gold Marks.
Belgium	18,041,000
Italy	2,361,000
Serbia	1,233,000
France	8,991,000

Figures published here from Berlin sources state that the orders received and the deliveries made by Germany down to March 30th last, under the clauses referred to above, were valued (in paper marks) as follows:—

	Orders.	Deliveries.
Serbia	3,800,000,000	533,000,000
Belgium	831,000,000	230,000,000
France	468,000,000	135,000,000
Italy and Greece	392,000,000	52,000,000
	5,550,000,000	950,000,000

According to the same authority, the orders received amounted by the end of April to about 7,000,000,000 paper marks. It is to be noted that the French requests for supplies under these clauses of the Treaty are extremely small, in comparison with the total amount of the French claims. It is now understood that the Foreign Affairs Commission of the Chamber is pushing forward the arrangements for the speedy ratification of the Wiesbaden and the supplementary agreements, and that these will receive Parliamentary approval before the Chambers rise for the holidays. The agreements will be laid before Parliament in a form that will give the French claimant of payment in kind the combined advantages of both the Wiesbaden and the Bemelmans agreements, and will enable the French sufferer and the German trader to enter into direct relations with a minimum of red-tape.

The French index numbers for May, as compiled by the Service de la Statistique Générale de la France, show that while wholesale prices of foodstuffs were practically unchanged during the month, retail prices in Paris again rose appreciably, as compared with previous months. Taking 100 as the base figure for the period 1907-1910, the comparative index figures for April and May in respect of the wholesale prices of 20 categories of food-

stuffs and 45 categories of industrial materials were as follows:—

	1922.	
	April. (Corrected).	May. (Provisional.)
Wholesale Prices.		
General index figure (45 categories) ..	362.6	366.2
Foodstuffs alone—		
General index figure (20 categories) ..	387.5	387.3
Vegetable foods (8 categories)	372.3	371.8
Animal foods (8 categories)	427.2	427.4
Sugar, coffee, cocoa (4 categories) ..	338.7	338.3
Industrial materials alone—		
General index figure (25 categories) ..	342.8	349.3
Minerals and metals (7 categories) ..	293.6	298.7
Textiles (6 categories)	373.7	395.4
Various (12 categories)	356.0	355.7

It may be recalled that the feature of the comparative figures for March and April was the sharp rise in the index numbers (wholesale prices) for foodstuffs, while those for the other categories were either stationary or showed an appreciable reduction. Thus vegetable foods rose from 342.3 to 372.3, and animal foods from 402.3 to 427.2, which are practically unchanged for May. Against this there is the fact that the comparative index figures for retail prices of foodstuffs in Paris (13 categories) are as follows:—

April, 1922	3272, or an increase of 204% on 1914
May, 1922	3413, " 217% on 1914

The index figure for March represented an increase of 194 per cent. on 1914 retail prices.

The majority of the great banks have now held their annual general meetings, and a critical analysis of their situation is begun this week in the *Situation Economique et Financière*. The first set of comparative figures to be summarised are liabilities to clients that include sight deposits, creditor current accounts, short term deposits, acceptances, &c., and are as follow:—

	LIABILITIES. (Millions of Francs.)			
	1913.	1919.	1920.	1921.
Crédit Lyonnais	2,363.2	4,447.2	4,708.6	4,744.2
Société Générale	1,967.4	4,287.7	5,228.7	5,212.7
Comptoir d'Escompte ..	1,589.1	3,355.0	3,662.8	3,440.1
Crédit Industriel	258.0	528.9	426.9	529.8
Banque Nationale de Crédit	218.2	2,262.6	2,558.1	2,126.2
Crédit Commercial de France	179.1	1,331.0	1,427.3	1,302.1
	6,575.0	16,222.4	18,012.4	17,355.1

As regards liquid money and money on call at the Banque de France the figure reached in 1913 was 550 million francs. This rose in 1920 to 2,367 millions, and has now fallen back to 1,954 millions, a higher ratio for the business carried than before the war. Bills show a very much larger total than before the war, but in this connection it has to be remembered that no distinction is drawn by the banks between commercial bills and bons de la Défense Nationale. In this respect the figures are as follow:—

	BILLS. (Millions of Francs.)			
	1913.	1919.	1920.	1921.
Crédit Lyonnais	1,518.0	3,092.9	3,239.5	3,790.8
Société Générale	1,013.5	2,834.3	3,130.1	3,531.0
Comptoir d'Escompte ..	1,004.4	2,411.0	2,654.0	2,651.3
Crédit Industriel	147.9	459.4	335.1	433.2
Banque Nationale de Crédit	75.7	1,349.1	1,353.3	1,214.3
Crédit Commercial de France	92.8	876.3	973.1	853.1
	3,752.3	11,023.0	11,685.1	12,473.7

The following table shows the position of the banks as regards investments, which, it will be noticed, have been considerably reduced:—

	INVESTMENTS. (Millions of Francs.)			
	1913.	1919.	1920.	1921.
Crédit Lyonnais	1,103.1	1,294.9	1,442.7	949.4
Société Générale	1,125.0	1,434.7	1,739.7	1,591.3
Comptoir d'Escompte ..	723.5	965.0	1,123.4	761.8
Crédit Industriel	140.4	114.0	114.3	138.0
Banque Nationale de Crédit	154.3	556.4	917.2	707.2
Crédit Commercial de France	117.5	327.4	404.4	426.9
	3,363.8	4,692.4	5,641.6	4,574.6

The eventual result on the Bourse of the failure of the international loan to Germany has proved depressing in the extreme. Not only has the franc lost considerably in value, but the decision reached by the business men who

were considering the possibility of floating a loan has had the effect of causing the business public here very seriously to reflect on the financial situation caused by the war. Towards the end of the week there were some signs of a recovery, but in the markets generally, where there has not actually been a serious decline, there has been very marked stagnation. French Rentes have, on the whole, resisted well, the 3 per cents. having risen from 58 to 58.45. The 1915-16 have dropped from 77.85 to 77.60, the 1918 4 per cents. from 63.35 to 62.40, and the 1920 6 per cents. from 90.40 to 89.55. Banks in the early part of the week showed a very serious decline, but by the end of the week recovered roughly to their previous position. Transports dropped, also recovering somewhat towards the close of the week. Thus Est is at 722 as against 740, and the similar figures for other railways are as follow:—Metropolitan, 420 and 417; Nord, 1,180 and 1,146; Midi, 765, and after paying a dividend 765; Orleans, 880 and 876; P.L.M., 873 and 852; and Wagon Lits, 410 and 408. Shipping has shared in the general depression, Messageries Maritimes dropping from 181 to 175 and Chargeurs Réunis further declining from 342 to 333. Suez at 6,060 is 80 points stronger, the rise being due largely to the appreciation of sterling.

GERMANY. — CABINET — FINANCES — PRIVATE BANKS—EXCHANGE AND BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, June 20.

THE Wirth Cabinet has been showing signs of weakness since the failure of the Paris Loan negotiations, and it is now threatened by the ever-increasing antagonism of business circles to the Forced Loan, and more immediately threatened by opposition to its Breadstuffs Requisition Bill. Financial authorities, led by the director of the Berlin Handelsgesellschaft, declare that it is technically impossible to get in 60 milliard marks, as the Government proposes, practically on a single day. Money is increasingly tight; provincial banks are refusing to give credit, and the chief banks have decided to charge 3 per cent. a year commission on advances, in addition to interest, so that the effective rate is 10½ per cent. Fear is expressed that the sudden demand for the 60 milliards will lead to wholesale presentation for rediscount of private-held Treasury Bills; in this case the effect of the Forced Loan as a counteragent to inflation would be neutralised, as the Reichsbank could rediscount only with newly printed money. The Breadstuffs Bill provides for requisitioning 2½ million tons, the same quantity as last year, of the harvest, the remainder being saleable at free market prices. The price of the requisitioned quantity is to be fixed according to the variations in production cost. The Right parties demand the complete freeing of the grain trade, and there are differences in the middle parties, while the moderate Socialists declare that they will abandon the Cabinet if the Bill is not passed. With partial requisitioning as above, the Government hopes to keep the 1,900 gramme loaf from rising over 24 marks, but if the whole native production were released for free sale, the price, it is estimated, would be at least 40 marks. The Independent Socialists want an increase of the requisitioned quantity to 4,000,000 tons. A withdrawal of the moderate Socialists would either overthrow, or make necessary a radical reconstruction of, the Cabinet.

The Guarantee Committee has established itself in Berlin. The agreement with the Allies for deliveries in kind has been approved of in Reichstag Commission. This consists of the Wiesbaden agreement with France, the Bemelman agreement with the Reparations Commission, and the Gillet agreement which regulates the application of the Bemelman agreement to France and the resulting alterations of the Wiesbaden agreement. The gold supplement on Customs duties has been raised from 5,900 to 6,400 per cent., so that duties paid in paper marks are 65 times the amount in the Customs schedules. The supplement was 900 per cent. in January, 1920, 1,900 per cent. in October, 1921, 3,900 per cent. in November, 1921, and 4,400 in March, 1922. The railway goods and express goods rates will be raised again, by 25 per cent., on July 1st. The Finance Ministry's ten days' report

for June 10th shows a decline of the Floating Debt by 1,671,300,000 marks to 287,574,765,000 marks, of which 269,241,535,000 marks consists of discounted three months' Treasury Bills and the remainder of longer-term bills. Expenditure for fulfilment of the Peace Treaty between April 1st and June 10th was 19,243,856,000 marks. The Reichsbank's statement for June 15th shows the large increase of 7,861,926,000 marks in Treasury bill discounts, the total being 171,903,543,000 marks. Another indication of the growing demand for credit is the rise of 3,181,726,000 marks in the Bank's holding of "Kassenschein." In the last two years this item has been rapidly decreasing, and at one time it showed signs of disappearing altogether. Note circulation on the 15th was 155,345,277,000 marks, an increase of 430,389,000 marks, while "Kassenschein" circulation fell by 149,500,000 marks to 9,390,600,000 marks.

The expert editor of *Die Bank*, Dr Alfred Lansburgh, has made a considerable stir in interested quarters by a new attack on the paper State finance which is now the rule in Germany and elsewhere. Herr Lansburgh sharply criticises that part of the London Memorandum which professes to provide lines of thought for the coming conference of central banks. The conference, he thinks, is threatened with futility through the London experts' admission that certain countries will not be able to return to gold payments in the next years, and that the most to be expected from these countries at present is a formal acceptance of the gold currency principle. The London argument is that a currency cannot be stabilised at any gold value until State finances have been put in order. Herr Lansburgh not only declares this to be a doctrinal heresy, and a proof of the prevalence of "moral insanity," but adds also that it is bad in practice, and asserts roundly that there is not one State in Europe (Russia not excepted) which could not cover the deficit in its expenditure (already reduced, as it is, by the partial expropriation of creditors), by means of home loans, and, in particular, by voluntary loans. The bad-currency States, says Herr Lansburgh, must first repair their currencies, thereupon their Budgets and foreign payment balances will look after themselves—to admit that currencies cannot be restored until after Budgets are balanced is to postpone currency reform for ever. This argument is based upon the fact that under the existing inflation system the States with deficits actually do annually raise from their populations the whole substance of national expenditure, doing it not by taxation with a reasoned incidence, but by the automatic expropriation which a depreciating currency involves. While a deficit system patched up by funded loans without inflation temporarily spares the population, a deficit system eked out by inflation imposes the full burden of current expenditure, and imposes it in an arbitrary way. Against this must be said that the inflation system does in part relieve the home population, because it expropriates foreign creditors; and it seems certain that a big part of the German Reparations money ostensibly raised by selling inflation marks has indirectly come out of the pockets of foreign bond-holders, mark-holders, and holders of dividend-bearing stocks (the dividends of German stocks do not rise in proportion to the fall in the currency's gold value).

The reports for 1921 of all the chief banks have now appeared. The following figures, taken from the *Frankfurter Zeitung's* analysis, refer to eight banks—Deutsche, Disconto, Dresdner, Darmstadt, National, Commerz-und-Privat, Berlin Handelsgesellschaft, and Mitteldeutsche Kredit.

	(Millions of Marks.)	
	1921.	Excess Over 1920.
Gross profits	4,286.2	2,024.2
Taxes and administration	3,065.4	1,558.4
Do in per cent. of gross profits	71.5 %	66.6 %
Written off	45.5	16.4
Net profits	1,068.6	380.6
Paid in dividends	377.5	144.0

The profits are given without carry over! Dividend rates, with last year's rates in parenthesis, are:—Deutsche 24 (18), Disconto 20 (16), Dresdner 16 (12½), Darmstadt 14 (10), National 14 (10), Commerz 16 (10), Handelsgesellschaft 16 (12½), Mitteldeutsche 12½ (10). The cost of administration and taxes tends to rise even more rapidly than the gross profits. As the gold value

of the mark has fallen to about one-fifth of its level of a year ago, the real dividends are much lower than those of 1920. Total capital at the close of 1921 was 2,609,500,000 marks, which is an increase of 869,500,000 marks over the figure for a year before; whereas total reserves have risen by 1,008,700,000 marks to 1,782,700,000 marks, the ratio of reserves to capital having risen from 44.5 per cent. to 68.3 per cent. The banks' liabilities nearly doubled. The total for the end of 1921 was 117,530,700,000 marks, which is 54,184,000,000 marks more than the year before, the excess of liabilities over combined capital and reserves being 2,676 per cent., against 2,519 per cent. the year before. The figure for the Deutsche Bank, 4,569 per cent., is the highest. Of the banks' assets, 63.5 per cent., or 74,598,100,000 marks (against 73.2 per cent.), are counted as "liquid in the first degree," and of this sum 53,136,900,000 marks consists of bills, 13,820,700,000 marks of bank credits, and 7,416,400,000 marks of cash or Reichsbank credits. The clearings of some of the banks are not given. Those of the Deutsche increased by 844 millions to 2,125 millions, Disconto by 623 to 1,463 millions, Commerz und Privat by 355 to 737 millions, Handelsgesellschaft by 215 to 385 millions. The ratio of bills and Treasury bills to clients' money is considerably smaller this year than last, and as this item mainly consists of Treasury bills (also as the proportion of commercial bills, though still very small, has increased), there are signs of a tendency to cease looking to the State for investments and to return to business banking; but as long as Treasury bills are freely discounted by the Reichsbank, this tendency can only increase the inflation.

The Bourse continues undecided. The tendency last week was slightly upward for dividend-payers, while home loans moved little. The general public holds aloof. Yesterday and to-day the tendency was weak, but home loans were steady. War Loan was to-day 77.50, Federal 4 per cents. 110, 3½ per cents. 87.60, 3 per cents. 145, Colonial 4 per cents. 123, and Savings and Premium 86.40.

CZECHO-SLOVAKIA. — FOREIGN TRADE — ANGLO-CZECH BANK—BANKING FIGURES—INDUSTRIAL POSITION.

(FROM OUR CORRESPONDENT.)

PRAGUE, June 17.

THE trade figures for the first three months of 1922, as published by the Statistical Office, show imports 9,206,790 quintals, as against 11,099,724 quintals for 1921, a decrease of some 1,800,000 quintals, which was to be expected. On the other hand, the exports—20,528,906 quintals, as against 20,772,435 quintals for 1921—show not much more than some 25,000 quintals difference. A glance at the importing and exporting countries, however, explains the matter. Germany accounts for 2,001,165 quintals of the imports and 7,179,498 quintals of the exports. Austria sent here 536,406 quintals, and took 7,441,218 quintals, coming first in the list, Germany being second and Hungary third. The last-named country figures for 639,160 quintals among the imports and 2,225,372 quintals among the exports. Nearly 17 millions out of the 20 million exports went to the neighbouring countries. It should be noted that the sugar season comes to an end with April, and that it probably represents a considerable portion of the amounts exported to other countries. The U.K., whose shipments to this country amounted to no more than 72,668 quintals (7,266 tons), coming twelfth in the list, took as much as 377,853 quintals of the exports.

Since my last letter a settlement for the time, at least, has been reached in the metal industry, and the men have returned to work. A wage reduction from 8 to 10 per cent. has been accepted, and a new collective agreement is to be framed for the future. Meanwhile the price of iron has been raised in Austria, and a like increase is to be imposed in Germany, and the prospect of having to import from other sources does not improve the outlook for the industry. It looks as though the Government would have to reconsider the question of

import duties on foreign machinery. The smaller machines, such as ploughs, it is now impossible to import at all, while in the case of motor cars, it is next door to impossible. The Czecho-Slovak Government appear to go on the principle that anything that can be made in the country must be made there. This point of view, however unsound it may be thought economically, is natural in a young country, especially where an industry—such as the building of motors—is still more or less young. In time the question will assume its natural position and broader views will prevail. It is fair to assume that after paying moderate duties, English and American machinery could compete successfully with local products.

Before the starting of the Anglo-Czech Bank there was practically no British money invested in Czech banking, while what foreign capital there was did not amount to more than 15 per cent. of the whole, and therefore the various countries, including France, Italy, Holland, Belgium, and U.S.A., which were represented, cannot individually be large shareholders. The starting of the Anglo-Czech Bank has been described as of "historical interest," and hopes are expressed that the new bank will play a great part in the development of Anglo-Czech relations, commercial and otherwise. It is significant that the Prague municipal loan, recently negotiated through Messrs Helbert Wagg and Co., has been placed through the bank. The strength of the board, with an ex-Minister of Finance as president, Mr Spencer-Smith, a director of the Bank of England, Mr G. M. Young, and Mr Bark, a former Russian Minister of Finance, gives great confidence.

The Government has decided to create an official State bank as soon as the time is ripe. Meantime the functions of such a bank are performed by the Banking Office, an institution under the control of the Ministry of Finance, and having all the rights of a note-issuing bank. According to the statement of this office for May 7, 1922, the sanctioned and actual note circulation was as follows:—Sanctioned note circulation, Kc. 10,454,840,004; actual note circulation, Kc. 9,784,170,210; unused balance, Kc. 670,669,793.

The crown remains firm round 230 to the £ sterling, and the course of its rise is interesting to observe. In August, 1921, the Czech crown was 203 to the £ sterling, while the mark was 298. On November 26th the crown had fallen to 380, while the mark was 1,129. On January 28, 1922, the crown was 219, the mark 864; on February 25, 1922, the crown was 242, the mark 963; on March 25, 1922, the crown was 242, the mark 1,368. The break away began in September, when the crown rose to 318, while the mark fell to 399.

The following figures help to give an idea of how the banks have prospered during the last few years. The Zivnostenská Bank, which paid a dividend of 5 per cent. in 1914 on a capital of 80 million crowns, has recently declared a dividend of 14 per cent. on a capital of 200 millions, the reserve fund having moved from 31 millions to 103 millions. Likewise the Bohemian Union Bank pays 14 per cent. on a capital of 120 millions, compared with 6½ per cent. on a capital of 65 millions in 1914. Another bank, the Bohemian Industrial Bank, now amalgamated with the Agrarian Bank, known as the Bohemian Industrial and Agrarian Bank, has at present a capital of 210 millions, and paid 8 per cent. in 1921, against 3 per cent. only in 1914. The shares of the first-named banks, which were quoted at 480 and 420 respectively in October, 1918, rose to 620 and 615 in February, 1920, and in February, 1922, were called 436 and 439.

The glass industry, which has been going through a critical period, is still in a delicate state. The chief cause of this is the successful competition of Germany and Belgium, enhanced by the fact that in some instances Bohemian manufacturers have removed into Germany with their plant and workers. Apart from the cost of production, there are difficulties as to raw material in Czecho-Slovakia which do not confront her rivals. Much of the sand required for manufacture comes from Germany, and difficulties have recently developed as to its importation. The Government have therefore determined to exploit certain sand deposits, which have been favourably reported on, on the Silesian border, and also to consider the reduction of freight charges from the

German borders. This, with some encouraging demands for window and mirror glass from India, has caused a more optimistic feeling in business circles, and improvement is looked for confidently by September.

Taking the industries by turn, the sugar industry may be said to be quite sound and flourishing. The same may be said of the Gablonz ware, as apart from the glass industry as a whole. The timber trade is said to have turned the corner; export duties have been lowered and contracts entered into as far West as Holland. The trade in cereals for the harvest of the present year will be free, the Government having given up control, to be resumed only if the harvest should prove poor. The result will probably be an improved export trade in malt and barley and an increased importation of foreign wheat and flour, as production is insufficient for home consumption. The iron and metal trade have troublous times to encounter, and very careful supervision is required if the difficulties are to be surmounted. In this connection much is hoped for from Russia, but as long as the trade with that country is confined to the Soviet Government, it would be unwise to be too optimistic. A good deal of business may be fairly expected to be done with the Ukraine, Yugoslavia, Rumania, and Poland, and to a lesser extent Austria and Hungary. In the textile industry, the chief industry of the country, there is also a more optimistic feeling.

INDIA.—A CALL FOR ECONOMY—THE INCHEAPE RETRENCHMENT COMMITTEE—INDIAN BORROWING—EXCHANGE, BULLION, AND INVESTMENTS.

(FROM OUR CORRESPONDENT.)

BOMBAY, June 3.

THE spirit of retrenchment is abroad in India. The most important event of commercial and financial significance experienced during the past month took the form of a joint influential and thoroughly representative deputation of Indian and European merchants which waited upon the Viceroy to urge the vital necessity of reducing the country's current expenditure at least to the level of the country's estimated revenue. The event also possesses political significance, for this is the first time that Indian and European business interests have "come together" in formulating financial proposals direct to His Majesty's Viceroy in India. It is at least a sign that all castes and creeds are beginning to recognise the wisdom of Mr Montagu's dictum that "the keystone of Indian politics is finance." Lord Reading, in his reply to the deputation, emphasised that his Government were fully alive to the seriousness of the present financial situation, and agreed that one of the first avenues to be explored—and thoroughly explored—was the question of expenditure. This question would be put to the test by the Incheape Committee, which will report to the Government of India. The terms of reference of this Committee are substantially the same as those of the recent Geddes Committee, and contain the proviso which formed part of the British terms to the effect that in so far as questions of policy are involved in the expenditure under discussion, these will be left for the exclusive consideration of Government.

Before this Indian Retrenchment Committee begins work we should have the report of the Fiscal Committee before us. This is expected to be ready in July. While some difference of opinion among the members is likely to be revealed, it is generally believed that a good deal of unanimity exists on all important points. Your correspondent derives this supposition from Simla; it is, of course, understood that nothing definite can be said until the report has been through the hands of the Government of India. Another note from influential quarters leads me to suppose that in the near future the Government of India intend floating a large sterling loan on the London market. In the past the issue of Indian loans on the London Stock Exchange has prompted dissatisfaction amongst Indian investors, who have complained that they have not been granted sufficient time to purchase, owing to the sharp success of the said loans. A simultaneous release of the next loan in England and on the exchanges of India would obviate a repetition of

the discontent, much of which, by the way, was of political promotion. Indian financial circles, like those at home, were surprised to hear that the underwriters of the Straits Settlements Loan were left with 98 per cent. of the stock, but the feeling is general that any forthcoming sterling loan on behalf of this country will meet with as much success as has been the lot of recently floated Colonial and foreign Governmental issues.

The rupee exchange during the past month shows very small fluctuation. The present London banks selling rate is 1s 3½d. The purchase of silver on Indian accounts is proceeding steadily, and gold has been bought from America via London at 93s 6d per ounce. At the moment of writing bar gold is ruling steady on our market inquiries at 92s 9d per ounce. Cotton and industrial shares on the Bombay Stock Exchange remain steady, and there has been something of a boom in jute shares at Calcutta, with cottons and industrials dull.

ARGENTINA.—GENERAL OUTLOOK—CATTLE PRICES AND AGRICULTURAL FINANCE—A FOREIGN LOAN PROJECT—RAILWAY TARIFFS—SECURITIES AND EXCHANGES.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, May 26.

MAY has been a month of expectancy. In the first place, it was generally hoped that more definite decisions at Genoa would have reacted favourably on the prices for Argentine produce. Some shipments of grain have been made to Russia, and the fact that M. Krassin had, in the course of an interview with the correspondent of a leading Argentine daily, laid particular stress on the desire of the Soviet to enter into direct relations with this republic, was naturally given prominence. It was also thought that the European atmosphere would, after the Conference was over, be more favourable to the consolidation loan, whereby Argentina hopes to set her national finances in order. For the present, both these hopes must be laid aside, and although exports are relatively brisk, Argentina is greatly perplexed over the problem caused by the fall in meat prices and its natural reaction on the cattle industry. The matter is serious, if not quite so grave as the actual sufferers, through falling prices, are inclined to make out. Prices for the finest quality live stock, the cross-bred steers specially prepared for the freezers, are scarcely half what they were 18 months ago, and the ratio of depreciation is still greater in the poorer grades or native cattle. While such a state of affairs means diminished profit, and in many cases actual loss, to the large breeder who owns wide extensions of land and large numbers of horned stock, it threatens to spell utter ruin to the smaller or more speculative individual who bought young animals for fattening with borrowed money, and, as often as not, added to his own land rented pasture leased at a high figure. At present many people coming within this category are being carried by the banks under what is known as the Agrarian Pledge Law, the stock being hypothecated in cover of the advance. It is, however, manifestly impossible to force repayment at the present time without bringing about disaster, affecting particularly the more specifically Argentine banking institutions, since there is grave reason to suppose that the hypothecated cattle do not, at present values, give a sufficient margin on the amount of the outstanding loans. The Banco de la Nacion itself admits to 80 million dollars Argentine paper as being thus locked up, and it has adopted the usual expedient of having cattle killed and frozen for its account, some 500 tons of meat thus prepared having been shipped recently to France, there to be sold for account of the bank. This is merely an experimental move, but it serves to illustrate the difficulties of the position. The Argentine Government, fully alive to the situation, has, moreover, sent two special commissioners to Europe charged with the mission of increasing the demand for Argentine meat, either canned, chilled, frozen, or on the hoof. It may, however, be mentioned that the soundest local opinion is still against any of the empiric remedies that have been brought forward in large

numbers. Gradual diminution of the herds is going on, and the situation, though desperate for some, is not quite as dangerous as it at first sight looks, judging by the steady and high values obtainable alike for the leasing or the sale of good pastoral camps.

In the matter of the consolidation loan, rumour has been very busy all the month, but nothing will be publicly done until May is past, and with it the optional rights over proposed new issues of the New York group of bankers who launched Argentina's last series of Treasury Bonds in that market. Then Congress will be asked to authorise the Ministry of Finance to make arrangements with an international consortium—banking houses of London, New York, Paris, and Amsterdam are mentioned—for an issue of a long-term consolidation loan amounting to anything from \$150,000,000 to \$200,000,000 gold. Part of the funds thus obtained would be used to lift some of Argentina's short-date debts in the New York market, and the balance would be applied to paying off the bulk of the internal floating debt. Taking all things into consideration, Argentina's foreign indebtedness is not disproportionate to her means, and, given the revision of her fiscal and taxation system which is foreshadowed, the service of such a loan as is proposed comes well within her abilities. Moreover, seeing that the bulk of the present floating debt is held by the Banco de la Nacion in the name of the private institutions who have rediscounted their holdings with that concern, repayment would mean the freeing of a large amount of "frozen" credit, indubitably useful to the trade of the republic at the present juncture.

Considerable disappointment has been felt at the dilatoriness of the Government in the matter of the railway tariffs, but there is good reason to hope that the final authorisation to increase certain rates will be published shortly. When the two lines serving the Entre Rios region addressed their joint memorial to the Minister of Public Works, advising him that unless they were granted additional tariff charges without delay they would be forced to reduce both their services and their personnel, the Argentine Press in general spoke out plainly. It was even said that the decree would be signed in the self-same week, but the rumour proved ill-founded. With receipts from cereals beginning to fall off, and both passenger and freight traffic showing the customary seasonal decline, the introduction of the new rates is especially important, and should not be any further delayed.

Shipment of Argentine produce continues on a normal scale. There have been 2,073,000 tons of wheat shipped to date for the current year, 750,000 tons maize, and 322,000 tons linseed. Prices in the Buenos Aires market have weakened during the month, and close at \$13 Arg. paper per 100 kilos for June wheat, \$7.65 for maize, and \$20.60 for linseed. The exportable surplus of the first-named grain is now assumed to be at least 1,300,000 tons, and as scarce 50,000 to 60,000 tons a week are being shipped, no heed need be paid to reports of Government interference with export. The wool market is very firm, stocks diminishing at a great rate, and there are less than 2,500,000 kilos in the Central Produce Warehouse in Buenos Aires, as against 15,000,000 kilos this time last year. \$7.50 Arg. paper per 10 kilos has been paid for finest coarse cross, and \$11.50 to \$12.50 for medium cross. Practically no fine wools are to be had, and there is every indication that the demand for the coming clip will be very firm. Hides are also moving off freely at better prices, the majority of the dry hides going to Great Britain and Germany, while the salted hides are taken for the States. Quebracho, both in logs and as extract, is once more being shipped in fair amount, chiefly to the United States and Germany. Exchange during the month has fluctuated considerably from day to day, but closes with little change as compared with the end of April, banks drawing at sight on London at 44½, and the U.S. rate being 121.50. Local discount rates for first-class business are weak at 5½ per cent. per annum. A heavy movement is observable in the Cédulas of the National Mortgage Bank, those carrying the July coupon being quoted at 98.30. There has also been a strong demand for issues of the Province of Buenos Aires, both by local investors and for foreign account, this applying more especially to the 3½ per cent. loan of 1906.

Letters to the Editor.

VENEZUELA AND UNPAID COUPONS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—With reference to the letter of Mr H. Perez Dupuy, which appeared in the *Economist* of the 10th instant, I beg to enclose copy of correspondence with the Government of Venezuela in the case of a bondholder who was prevented by the war from encashing his coupons within the prescribed period. Mr Dupuy is evidently not acquainted with the facts.

Letter from the Council of Foreign Bondholders to the Venezuelan Finance Minister.

"London, July 20, 1920.

"I have the honour to inform your Excellency that Mr R..... B....., of Brussels, has presented to us for payment coupons of the Three per Cent. Diplomatic Debt of Venezuela, 1905, due January 1, 1915, amounting to £8 2s.

"As your Excellency is aware, the Arrangement of 1905 provides for the proscription of coupons not presented for payment within five years of their due dates. We accordingly inquired of Mr B..... why the coupons had not been presented before, and he has replied that they were hidden away during the occupation of Brussels by the Germans, and had only recently been recovered.

"In these circumstances we feel sure that your Excellency's Government will not wish to apply the rule of proscription, and will be good enough to send us instructions to pay Mr B..... the coupons referred to."

Letter from the Venezuelan Finance Minister to the Council.

"Caracas, September 24, 1920.

".....In answer I beg to inform you that this office considers that the interest, amounting to £8 2s, belonging to Mr R..... B..... to which you refer is included in the proscription."

Letter from the Council to the Finance Minister.

"London, October 26, 1920.

"I have the honour to acknowledge the receipt of your Excellency's letter of the 24th ultimo.

"We take the last paragraph to mean that your Excellency's Government is not disposed to consent to the payment of Mr B.....'s coupons.

"We beg to point out to your Excellency that the non-presentation of the coupons within the prescribed time has arisen from a state of war, and it is the invariable practice of all nations to treat this as a ground for suspension of any period of proscription.

"We cannot think that the Government of Venezuela would wish to relieve itself from payment on this ground of a small sum which unquestionably is owing to the unfortunate bondholder concerned.

"We trust your Excellency will reconsider your decision."

No reply was received to this communication, and in the Council's Annual Report for 1921 the following appeared:—

"While the Government of Venezuela is to be congratulated on the regularity of the remittances for the Debt Service, it is a matter for regret that they have declined to follow the invariable custom of nations to suspend, during war, stipulations which proscribe the payment of Bonds or Coupons not presented within a fixed period. In consequence of the occupation of parts of France and Belgium by the enemy during the recent war, some of the holders of Venezuela Bonds were not able to obtain access to their property, and it is inequitable that they should be told that their coupons are valueless because they failed to comply with a regulation which it was not possible for them to act upon."

We leave it to your readers to say whether there is anything in this which can possibly be regarded as "contemptuous."

It is obviously necessary for the Council to obtain the sanction of the Government for payment of coupons which in the circumstances mentioned had not and could not have been presented in due time. Mr Dupuy appears to think it a sufficient reply to this application that the

Government had advised claimants to apply to the Council, who are its agents in the matter, and whose application for its sanction the Government ignored.—Your obedient servant,

JAMES P. COOPER, Secretary.

Council of Foreign Bondholders, 17 Moorgate, London, E.C. 2, June 13th, 1922.

Books and Publications.

WAGES, PRICES, AND PROFITS.*

THE tendency to overstate one's case is one which besets us all at times, but it is a great pity that the compilers of a report on wages, prices, and profits* have been so biased as to make a number of assertions which cannot possibly be substantiated. The book is full of good things, and a great deal of extremely useful statistical matter has been collected, especially in relation to wages in a large number of different trades. But while we hold no brief for the official cost of living index number, we do not think the writers advance their case by describing the Ministry of Labour figures as "official distortions and misrepresentations." Furthermore, to the unbiased reader the case collapses altogether when in the concluding paragraph of the chapter on War Prices it is stated that from a "rough estimate" it is "fairly certain" that the cost of living in June, 1921, was much higher than the official figure. Particular animosity appears to be felt against "clever Professor Bowley and the Working Classes Cost of Living Committee," owing to their definition of the "rise in the cost of living." But it is in the chapter on War Profits that a great deal of good material is spoiled by the prejudiced manner in which it is treated. Incidentally, while we heartily agree that company accounts are very often exceedingly difficult, and sometimes impossible to disentangle, we think the writer flatters himself when he says that many of the forms of accounts "have been adopted because they best serve to conceal the real prosperity of the concern from the Labour investigator." We ourselves have been up against this particular problem for a great many years, probably long before the "Labour investigator" thought of turning his attention to it. That many companies do not disclose their entire profits, but build up "hidden reserves" by various methods, is common knowledge to the student of company balance-sheets, and the practice may have become more common during and since the war. But we think the "Labour investigator" is rather on the wrong tack when he lays a great deal of stress on the question of depreciation. In nine cases out of ten a critic of a balance-sheet finds cause for complaint that sufficient allowance has not been made for depreciation of plant and property rather than the reverse, and we are sorry that the writer does not reproduce any of our quarterly figures of industrial profits, because "careful investigation has shown these to be so much below the real figures that to reproduce them would give a wrong idea of the facts." But we do submit that these statistics of ours, imperfect though they may be, are a better guide to the earnings of capital invested in joint-stock enterprise than the isolated figures given in this report. Moreover, the more recent quarterly statistics have shown how the trade depression has hit the investor in industrial shares, who has had to be content with a lower rate of dividend, and that the latter has only been made possible by a heavy withdrawal from the reserve funds and accumulated profits to which the Labour investigator takes such strong exception. Strong criticism, and rightly so, is levelled against the policy of issuing bonus shares, but that this fashion became so popular with company directors because it served to conceal the prosperity of a company by reducing the price of its shares, is an unconvincing argument. No doubt many company directors would be only too glad to conceal their present adversity by wiping these same bonus shares off the slate if it were possible, for a heavily watered capital is nowadays a very heavy burden to bear.

* Prepared by the Labour Research Department. Preface by Sidney Webb.

ECONOMICS FOR STUDENTS.*

THIS is a comprehensive text-book of economic theory prepared with special reference to the syllabus of the London University Intermediate Examinations in Economics and Commerce, but also for the purposes of the general student. An initial chapter summarises the history of economic thought, and the next chapter discusses the influence of war experience on economic thought. After dealing with consumption and the theory of wants, the author in Books II., III., and IV. considers successively in the orthodox manner the problems connected with Production, Exchange, and Distribution. Book IV. includes chapters on Money, Banking, and International Trade, and Appendices deal with Mathematical Economics, the Scope and Method of Economics, and the Structure of Economics. The book does not pretend to present the results of original research, but its comprehensiveness and conciseness may well make it useful to students, to whom the directions for further reading will also be of assistance.

* "A Text-Book of Economics." By M. Briggs, M.A., B.Sc. (London) University Tutorial Press, Limited.

MOTIVE IN INDUSTRY.*

If publishers' lists are any guide to the direction of the national intelligence, the British community is doing some hard thinking about the reconstruction of British industry. Eager employers rush into print with breathless prescriptions of their panaceas for the relations of capital and labour, and economists descend from the icy heights of abstract truth with draft constitutions of ideal shop committees and Councils undreamt of by Mr Whitley. Mr Hobson's latest contribution to the discussion is, as one would expect, a vivacious piece of dialectic. But it must be confessed that on the constructive side it is slightly deficient. He makes a vivid and highly interesting defence of something which he terms "the new Industrial Order." It is, as he says, "a vague but convenient term." Yet the convenience seems greater for the writer than for the reader, when one fails to extract from his little polemic in seven chapters any closer indication of the future of British industry than a hint of something that "is neither State Socialism, Syndicalism, voluntary co-operation, nor guild Socialism, but a blend of these and other schemes, varying with the conditions of the several industries." But beyond this nebula of negatives, which performs the admirable function of exasperating Mr Webb, Mr Cole and Mr Rowntree at the same time, one can find little more than a suggestion that we are to enjoy an increased measure of public control and an elaborate infusion of the principles of representative government into the methods of industry. That is all very well; but one feels a little bitterly that the one need of the British mind at the present moment is constructive thought upon industrial topics, and we can ill spare Mr Hobson from a symposium in which none of the contributors has yet distinguished himself by a simultaneous knowledge of theory and practice. His sword-play in attack on the old order and in defence of the new is often highly suggestive. But whilst Mr Hobson seems intent on silencing the critics of the new order, many of his readers will find themselves anxious for more information as to the thing criticised. It is always interesting to observe Achilles plying the long sword over the body of Patroclus, but for some of us Patroclus is the more interesting figure of the two, and one could wish that Mr Hobson had been just a little more the coroner and a little less the controversialist.

Perhaps the most suggestive chapter in a highly stimulating little book is that in which the author deals with the problems of management. Private enterprise is to be permitted to subsist over a vast area of industry, but Mr Hobson would eliminate it from "those industries which are of fundamental importance to the national life, and from which the safeguard of competition has already been withdrawn." He is then faced with the elementary problem of recruiting the higher command in these industries. Lord Askwith seems to warn him

* "Incentives in the New Industrial Order." By J. A. Hobson. Parsons. 4s 6d net.

BARCLAYS BANK

LIMITED.

Head Office: 54, Lombard Street, London.

AUTHORISED CAPITAL	£20,000,000
ISSUED CAPITAL	£15,592,372
RESERVE FUND	£ 8,250,000
DEPOSITS (31st Dec., 1921)	£330,942,300

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:

168, Fenchurch Street, London, E.C. 3.

that he will never get the men. The optimism of Lord Haldane insinuates that an ideal Civil Service will contain legions of public-spirited captains of industry. Somewhere between the two Mr Hobson concludes that his experiment may be successful. Almost his whole book is a series of skirmishes of this type round the outworks. Mr Hobson is a skilful defender of his New Jerusalem. But one would wish that he had furnished his readers with a fuller ground-plan of the heavenly city.

BOOKS RECEIVED.

Company Management. A Manual on the Formation and Management of Joint Stock Companies. By H. C. Emery. Third Edition, Revised. (London) Effingham Wilson. 12s net.

Income-Tax. How to Avoid Overcharges and Obtain Repayments. By A. D. Macmillan. Fourth Edition, 1922-23. (London) Effingham Wilson. 3s net.

La Bourse de Londres. By Jean Decoud. (Paris) Ernest Sagot et Cie. 10 frs.

Atkin's Manual, 1922. (London) Geo. D. Atkin and Co., 1 Drapers gardens.

This is a useful work of reference to electricity supply companies the world over. In addition to companies registered in this country, it contains particulars of many companies domiciled in U.S.A. and Canada.

Stone and Cox Accident Year-Book, 1922. (London) Stone and Cox. 21s net.

Stone and Cox Insurance Tables, 1922. (London) Stone and Cox. 2s 9d.

Economica. Issued terminally by the London School of Economics and Political Science. (London) T. Fisher Unwin, Limited. 2s 6d net.

Journal of the Indian Economic Society. (Bombay) Sandhurst road. Rs1.4.0.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
June 28.	June 29.

The tendency of the Stock Exchange markets as a whole is dull. In some parts a mild depression has settled over prices, while in regard to all the markets it must be said that business is on so small a scale as to cause prices to sag in the absence of sufficient support to keep them up. The modest bull account which has been built up during the past few months becomes a practical influence at a time when there is a general disinclination to buy War stock. One seller, according to the Stock Exchange aphorism, makes many others, and unless there is a buying force to meet sales, which is not the case at present, prices are bound to sag of their own weight.

Last week's reduction in the Bank rate to 3½ per cent. had a cheering effect, which, however, turned out to be very little more than a flash in the pan. The War Loan went over 100, encountering, at that price, literally hundreds of orders to sell at par. Some of these were executed, but perhaps not the majority, and the price has gone back to the neighbourhood of 99½. The fact of the India 5½ per cent. underwriters being left with 63 per cent. of the stock (which was issued at 96), added a further weight to the heaviness induced by the fact that the expected buying of stocks, for the account of money still on deposit at the banks, has not materialised to any noticeable extent. Victory Bonds have been a good feature, on a little speculative buying in advance of the drawing, which takes place on Monday. Home Railway

COMPANY MEETINGS, &c.

J. LYONS AND CO., LIMITED.

ANOTHER SUCCESSFUL YEAR—INCREASED PROFIT.

COMPANY'S POPULARITY UNABATED.

PLANS FOR FURTHER EXPANSION.

CHAIRMAN'S CONFIDENCE IN THE FUTURE.

The twenty-eighth ordinary general meeting of J. Lyons and Co., Limited, was held, on the 22nd instant, at the Trocadero Restaurant, Shaftesbury Avenue, London, Mr Montague Gluckstein (the chairman) presiding.

DIRECTORS' REPORT.

The report of the directors for the year ended March 31st last states that the balance from trading account shows:—

	£	s.	d.
A profit of	595,615	9	5
Amount brought forward from last year	12,480	3	6
	608,095	12	11
From this amount is to be deducted:	£	s.	d.
Dividend on 5 per cent. preference shares paid to November 30, 1921, and proportion provided for period to March 31, 1922	32,353	5	0
Dividend on 7 per cent. preference shares paid to March 31, 1922	70,000	0	0
Dividend on 8 per cent. preference shares paid to March 31, 1922	80,000	0	0
Dividend on the 6 per cent. preferred ordinary shares paid to September 30, 1921, and proportion provided for period to March 31, 1922	24,000	0	0
Interim dividend (2s per share) on the ordinary shares and "A" ordinary shares already paid for the half-year ended September 30, 1921	108,182	0	0
Interim dividend (4.8d per share) on proportional profit shares already paid for the half-year ended September 30, 1921	10,000	0	0
And the directors propose to deal with the balance as under:			
To place to reserve (making a total of £500,000) ...	90,866	5	0
To pay a dividend of 3s per share on the ordinary shares and "A" ordinary shares for the half-year ended March 31, 1922	162,273	0	0
To pay a dividend of 7.2d per share on the proportional profit shares for the half-year ended March 31, 1922	15,000	0	0
To carry forward to next account	15,421	2	11
	608,095	12	11

The business done has been satisfactory. During the financial year the following establishments have been opened:—

133 Rye Lane, Peckham,
4 Vicarage Place, Watford,
150 High Road, Balham,
265 Finchley Road, Hampstead,
45 High Road, Harlesden,
Lyons Café, The Angel, Islington,
147A and 149 High Street, Stoke Newington,
and negotiations are in progress for additional premises.

Mr J. Browne Martin and Mr Maurice Salmon retire from the office of directors, and being eligible offer themselves for re-election.

Since the close of the financial year, Messrs G. W. Booth and C. W. Oatley, who have been valued members of the company's staff since its formation, and have, furthermore, been for many years employé directors of the company, have been appointed by the board ordinary directors of the company, and as a consequence have respectively resigned their appointments as employé directors.

There will be submitted at the annual general meeting a resolution having for its object the provision of additional ordinary directors' remuneration to permit Messrs Booth and Oatley receiving in their capacity as ordinary directors the remuneration which has hitherto been paid to them as employé directors.

Pursuant to the articles of association, they now respectively resign office as ordinary directors of the company, but being eligible offer themselves for re-election.

Messrs Geo. Dee and G. A. Pollard, employé directors, retire, and are eligible for re-election.

Messrs Turquand Youngs and Co., the auditors, retire, and are eligible for re-election.

CHAIRMAN'S SPEECH.

The secretary (Mr Geo. W. Booth) having read the notice convening the meeting and the report of the auditors,

The Chairman, who was received with applause, said: Ladies and gentlemen,—It has always been a gratifying event to the board to greet at our annual meetings a body of shareholders satisfied and, indeed, pleased with the record of the year's trading and its resulting dividend.

The figures submitted to you at this meeting, being the record of all our achievements for the past 28 years, will assuredly be most welcome to you, and I trust, as I confidently believe, that our future balance-sheets will, stage by stage, demonstrate that our powers of profitable expansion are virtually without limit. This conviction is based upon the fact that in the composition of our board every director is a highly trained expert, and that most of them are interchangeable—that is to say, can perform the duties of the others. Added to this is the further fact that we are constantly training young men of energy and intelligence to occupy similar posts when they have earned them.

I can conceive of no body of directors which hold more business meetings per week than does ours, for, practically speaking, these take place every day. They are not formal and are not worked from agendas prepared beforehand; they deal with events on the spot as they arise, and, moreover, there is no cavilling on the part of those who are absent and cannot be reached by telephone when matters of importance are settled without them. This fine spirit pervades the chiefs of departments, and is reflected in the entire staff of the company, which counts some 22,000 members.

ENORMOUS NUMBER OF CUSTOMERS.

The popularity of the company with its customers is unabated. It is our constant endeavour to anticipate their requirements, and their appreciation is proved by the fact that the Lyons Company remains in the very forefront of the catering trade. The drastic cuts we have made in our prices, so far from diminishing our turnover, have even increased it, so that it will be obvious to you that we have added enormously to our number of patrons.

You may form some idea of the extent of the company's business when I tell you that we compute the number of consumers of our commodities at no fewer than 10 millions per week. That is sufficient to indicate that, even at a small expenditure per head, there is a very substantial turnover. It will also indicate that the profits—substantial as they are in amount—are small when converted into percentage on turnover. With a small spending power and a small profit on each individual amount, a great deal of imagination is not needed to recognise what care and attention is required to obtain the results it is my pleasure to put before you to-day. How small the margin is will be shown when I tell you that the profit on rs may be calculated in decimals of a penny; on a shop meal the profit is fractionally more than the amount represented by the smallest coin of the realm. But out of these small margins there remains £600,000 available for distribution, and I have no doubt you will feel that both your board and the staff may be complimented on a year of highly satisfactory work.

I may mention here that the board has this year granted to the managing directors a similar privilege to that of the past two years by permitting them to apply for and be allotted 2,000 "A" ordinary shares each at par. I do not think it is necessary for me to add anything in justification of this beyond stating that the year's figures are sufficient to show that these gentlemen performed their duties in an extremely able manner, and no small proportion of the company's prosperity is due to their personal effort (this without in any way depreciating services rendered by the other directors); such effort is, I am sure you will agree, worthy of recognition.

BALANCE-SHEET ITEMS.

I will now deal with the figures. There is little to comment upon in the balance-sheet, in which most of the figures are normal. The freehold land and buildings, &c., at £4,198,840, has increased by £632,000 (I am giving figures in round numbers). Much of this newly-expanded capital has been put into payment for freehold land in the further construction of our Greenford factories and the Coventry Street Corner House and sundry smaller properties. We are estimating that by this time next year they will be finished, and then our expenditure will become fully remunerative, which at this moment is far from being the case.

With such additional strength in profit-making, our first purpose (always safeguarding reasonable dividends for our shareholders) will be directed to giving our customers the benefit of very sensible reductions in our tariffs, apart from cuts which will be made in the meantime to the same end. Stock-in-trade at £1,766,378 has increased by £244,000, a small variation when compared with the basic figure, and, let me add, it is in point of value a most excellent stock; the goodwill stands at nil, and I need say no more about it; sundry debtors, at £427,947, are less by £30,000; investments in associated companies, &c., at £867,517, is approximately the same as last year—there is a decrease of £5,000; cash at bank, at £398,000, is £334,000 less, due to the capital expenditure to which I have already referred.

CAPITAL AND RESERVE.

The issued share capital now stands at £4,628,000, which is an increase of nearly £600,000 upon last year, being the amount of new "A" shares issued last year by way of bonus to ordinary shareholders and to holders of "A" ordinary and proportional profit shares. When this bonus issue was authorised you will remember that I warned you not to expect equal dividends, but that you probably would (or, at any rate, that I hoped you would) get a dividend on the two shares combined which would be better than the dividend paid on the ordinary share alone. You will see by the figures before you that my expectation has been fulfilled.

From the reserve, which last year stood at £1,000,000, is now deducted the face value amount of the bonus share distribution, and the balance remaining in such reserve is £409,133. We are making this up to £500,000 by transferring thereto £90,866 out of our profits for the year.

The total of mortgage liabilities at £905,000 is £100,000 less than last account. We have cleared off a mortgage for the latter amount which was attached to a large property purchased by us.

Trade and other creditors and credit balances is larger by £500,000, and is accounted for by allowing for the quarter of a million increased stock, the demands consequent on the general expansion, and such contingent provisions as we have considered it prudent to make.

APPROPRIATIONS FOR DIVIDENDS AND RESERVES.

Turning to the profit and loss account, the net balance available for the service of share dividends and reserve amounts to £595,615, which overtops last year by £92,000. You will see that we have this year had to pay an additional £30,000 in respect of the dividend on the 8 per cent. preference shares. Last year they did not bear interest for the full 12 months. The interim dividend absorbed £118,000 this year, as against £73,500 last year. We told you when we issued that dividend that we were paying a larger amount with a view of bringing the interim dividend nearer to the final distribution.

The amount of £90,800 we are placing to reserve this year is really £14,000 more than last year, because then we had a contribution of £23,000 from the carry over, while this year (as I have already indicated) the whole is taken from the year's revenue. The final dividend is £177,273, against £176,373 last year, and the amount carried forward at £15,421 is increased by £3,000.

GREENFORD FACTORY.

We had visions of inviting you this year to meet the directors on a given reception day at our Greenford factory, but I am sure you will be pleased to know that the pressing demands upon its output are such as to preclude the holding of that function. But, needless to say, we shall be happy to afford to you every facility in our power to enable you individually to inspect those great works, and I think you will find them well worth a visit.

Our report informs you that we have in the past year extended the list of our light refreshment depôts, and now that more rational terms can be discussed with property owners we hope to be able to continue the extension of this section of our business.

BOARD'S PLANS FOR NEW OXFORD STREET PROPERTY.

We have also recently completed a building agreement affecting an island site in Oxford Street bounded by Old Quebec Street, Bryanston Street and Portman Street, a site, if anything, better adapted to the company's requirements and business, and of more than double the area of the Marble Arch property, to which I referred last year. Both these properties have been acquired by the directors on what they consider very favourable terms, and both are eminently suitable for the company's business. They are rendered still more so by the fact that the intervening block of property of some 50,000 square feet between the Marble Arch site and the site between Old Quebec Street and Portman Street has been acquired by the Strand Hotel, Limited, for the purpose of erecting a large hotel capable of accommodating about 1,500 people. The present intention is that all three properties—a combined frontage in Oxford Street of over 700 feet—shall be developed on the ground-floor as magnificent shops. Our possession of two such sites in the chief shopping thoroughfare in London, with the power to put up premises unhampered by certain restrictions from adjoining properties, constitutes, I am sure, a very valuable

asset to the company, and we are sanguine of making a fair profit upon any portion of the property we may not wish to utilise for the purpose of our own business.

LABOUR'S SANE ATTITUDE.

It may perhaps be recalled that last year I made some comment on the handicap to industry of high wages and onerous taxation. My experience of industry led me to utter a warning then that the theory of high wages and cheap food, or dear exports and cheap imports, is a fallacy. At the time I spoke one of the greatest labour strikes the world has ever seen (that of the miners) was in full swing. A huge body of workers expended untold energy in trying to force economic laws into an unnatural mould. The results of this great struggle have been deplorable in the extreme. It precipitated (though I do not suggest it was entirely responsible for) the greatest trade slump within living memory. If any good can be said to have emerged from the struggle, it is that it demonstrated as nothing else could have done the futility of the extremist attitude; and it is to the great credit of the working class as a whole that they have not been slow to realise the fact, however unpalatable, that the vitality of industry could not be revived until cost of production was lowered. They have played their part by accepting with a good grace the absolutely necessary fall in their wages. I would say that the continuous reductions of prices which have taken place during the past trade year have in great measure compensated the worker for the wage reductions that made them possible; and, in our opinion, if we can remove that other Old Man of the Sea who perches on the shoulders of industry (I refer, of course, to the onerous weight of taxation) all the conditions are present for a return to a state of prosperity.

TAXATION AND THE CATERING TRADE.

We have been paying some little attention of late to this question of taxation collected by the Government and local authorities. You will probably be surprised to learn that this year's contribution by our company runs into millions, and that without counting such things as duties on alcohol, tobacco, &c. Now, it should be obvious from this that taxation cannot be derived from the profits of industry; that, in fact, high taxation is just as much a burden to the cost of production as high wages. And there is another aspect of this matter which may not be apparent on the surface, but which is nevertheless of considerable interest to you; that is, that the very great majority of the dutiable and excisable commodities of the United Kingdom are the direct raw material of the catering trade.

When I instance you tea, coffee, cocoa, sugar, dried and canned fruits, tobacco, wine, beer, spirits and mineral waters, I have surely given a list which in itself supplies almost the whole of the Government's Customs and Excise Revenue. To me this appears to be a clear demonstration of the fact that the handicap of taxation under which the catering trade works is much more severe than that of other manufacturers for home consumption. To parody Sidney Smith in his famous tirade against taxation: "When you enter a Lyons' shop you order your taxed tea, and sweeten it with taxed sugar; you eat taxed fruit salad and your taxed piece of cake; you regale your son with a bottle of taxed ginger beer; and you lean back contented in your chair to light your taxed cigarette with a taxed match."

EFFECT OF PRESENT REDUCTION.

We therefore have a special interest in the reduction of the burden of taxation, and we welcome the step that the Government has taken in the current Budget, because the reductions in duties alone will represent reductions in our tariff of about £500,000. We hope it may follow up the earnest already given by scrutinising every penny of its expenditure, as closely as the great commercial and financial houses are obliged to do. Where the balance is between profit and loss ruthless cuts must often be made to keep such institutions in existence at all. It is a pity that the form of Government accounts does not admit of their being worked on a profit and loss basis, but the vital need for determined cutting down of the excrescences of the war is none the less present.

STRAND HOTEL'S DEFERRED SHARES.

Before resuming my seat, ladies and gentlemen, I wish to tell you of a suggestion which came to me some time ago; it was then somewhat premature, but perhaps now it may be regarded as within the sphere of practicability. The idea was that the Lyons Company should acquire the deferred shares of the Strand Hotel, Limited, which virtually give control of that prosperous concern, in exchange for an allotment of Lyons shares. As the deferred shares in the hotel company are as to 90 per cent. of them held by myself and confrères, and as we also have rights of pre-emption of the remaining 10 per cent. on the death of the present holder, or possibly earlier, such an exchange would not be difficult if a mutually satisfactory basis could be found.

The present view of the holders of the 90 per cent. of the Strand deferred shares is that if the proposals prove acceptable to your

company, the Lyons shares to be allotted in exchange should be ten-shilling shares, taking the same rights share per share as the existing proportional profit shares, except for repayment of capital, where they would rank as ten-shilling shares, and not, as the present proportional profit shares do, as £1 shares.

We shall think the matter over very carefully for the next few months, and if and when a satisfactory basis is found, we shall invite you to a special meeting to consider it.

TRIBUTE TO THE STAFF.

And now I will conclude with a word of thanks to the company's staff generally. The directors do not take credit for their services without recognising that they would be of little avail without the loyal support of the staff. That support has always been given unstintingly, and it is our endeavour to see that they in turn participate in the company's prosperity.

I now propose: "That the payment of an interim dividend of 2s per share on the issued ordinary and 'A' ordinary share capital of the company for the half-year ended September 30, 1921, be and it is hereby confirmed; that the report of the directors and the balance-sheet submitted to this meeting be and are hereby adopted; and that a dividend be paid for the half-year ended March 31, 1922, of 3s per share on the issued ordinary and 'A' ordinary share capital of the company."

SHAREHOLDERS' CONGRATULATIONS.

Mr John Balfour, in seconding the motion, said he desired to congratulate his fellow shareholders and the directors upon the continued, and, indeed, increased, prosperity of the company. It was simply marvellous that the company, on the same capital, should have made £92,000 more net profit in the past year than in the preceding 12 months. He had listened with interest to what the chairman had said with regard to the suggestion that Lyons and Co. should acquire a large interest in the Strand Palace Hotel, and, although this seemed to him a very serious proposition, and one which would require a great deal of consideration, he would say, speaking superficially, that the scheme struck him as being a very wise one, particularly in view of the scope for expansion possessed by the hotel company.

Mr Mansford also complimented the directors upon the excellent report which they had presented.

The Chairman thanked the shareholders for their kind expressions of appreciation, and then put the resolution, which was carried unanimously.

On the proposition of the Chairman, seconded by Mr Shearme, it was further resolved: "That the payment of an interim dividend of 4.8d per share on the proportional profit share capital of the company for the half-year ended September 30, 1921, be and is hereby confirmed, and that a dividend be paid for the half-year ended March 31, 1922, of 7.2d per share on the proportional profit share capital of the company."

Major Isidore Salmon, C.B.E., D.L. (one of the managing directors), proposed the re-election of Mr J. Browne Martin and Mr Maurice Salmon as directors of the company, which was seconded by Mr J. Joseph, and unanimously agreed to.

Mr Maurice Salmon briefly thanked the shareholders, on behalf of Mr Browne Martin and himself, for this mark of their continued confidence.

TRIBUTE TO EMPLOYEE DIRECTORS.

Mr Alfred Salmon: Ladies and gentlemen,—It is now my privilege to propose the re-election as directors of Mr Geo. W. Booth and Mr C. W. Oatley. These gentlemen have for many years held the position of employee directors of the company, and the board has unanimously thought fit to mark its recognition of their services and devotion to the company for nearly thirty years by electing them as ordinary directors. It is not my intention to address you upon the individual merits of these gentlemen; in point of fact, that would occupy too much time. It is sufficient to say that we feel that this fresh dignity is but a small recompense in proportion to the invaluable labours which they have so dutifully and so long exerted on the company's behalf.

Mr S. M. Gluckstein, M.C., in seconding the resolution, said that from his own knowledge of the gentlemen named, extending over the last twenty-five years, he could assure the shareholders that all that Mr Salmon had said with regard to them was really insufficient.

The motion was passed with acclamation.

MR BOOTH'S REPLY.

Mr Geo. W. Booth, who, on rising to respond, was accorded a very enthusiastic reception, said: Ladies and gentlemen,—I am very sorry that my friend and colleague, Mr Oatley, is too unwell to be here to-day. It is the first time, I believe, that he has ever been absent from one of these meetings. In the circumstances I hope you will accept what I may say as being said on his behalf also. Our thanks are due to the proposer and seconded of this resolution and to you for the way in which you have received it. I cannot offer you more than thanks, because I am afraid it would be rather idle to promise greater exertions, nor do I think that

our chairman and his colleagues, when they offered us this dignity, had in their minds any idea of a spur to further endeavour. We cannot claim it as due to merit; we accept it as a further example of that genial kindness which we have experienced always from these gentlemen in all those years to which Mr Salmon has already referred. It cannot make any difference in their attitude towards us, because that, in all those years, has left nothing that could be desired. No men could have received more generous consideration, whatever their degree or however close the tie.

It has been said at these meetings on several occasions how much the directors owe to the loyalty of the staff. With respect, might I say that loyalty is not a spontaneous growth; it is engendered by loyalty, and our chairman and his colleagues have a very conspicuous quality in their spirit of intense loyalty to the men who work with them. I say "with" advisedly, because they share the labour, and I venture to add that it is by this quality, which attaches men to them, that they are able to give full effect and scope to those great abilities which command success.

Mr A. G. Arnold moved: "That as from the 1st day of April, 1922, the remuneration of the ordinary directors be increased by a sum calculated at the rate of £1,000 per annum."

The Chairman seconded the resolution, remarking that it did not really mean any increase at all, as the figure mentioned represented what had hitherto been paid to Mr Booth and Mr Oatley in their capacity of employee directors. It was because they had changed from the one position to the other that it was necessary to submit this resolution.

The resolution was unanimously approved.

RE-ELECTION OF EMPLOYEE DIRECTORS.

Mr Harry Salmon proposed the re-election of Mr G. Dee and Mr G. A. Pollard as employee directors of the company, the amount of their remuneration to be determined by the ordinary directors. In doing so he said that more estimable men it would be difficult to find. They devoted the whole of their marked ability and energy to the welfare of the company, and it was a privilege to be a member of the same board with them.

Major M. Gluckstein, O.B.E., seconded the resolution, and expressed the hope that, as it had been his good fortune to work with those two gentlemen for a very long time, he would continue to enjoy the privilege for many years to come.

The resolution was passed unanimously, and Mr G. Dee said that both Mr Pollard and himself appreciated very greatly the honour of being associated with the chairman and the other gentlemen on the board, and that in itself was more than an incentive to them to give their best endeavours in the interests of the company.

On the motion of Mr H. W. Faire, seconded by Mr A. J. Wood, Messrs Turquand, Youngs and Co. were re-appointed auditors.

VOTE OF THANKS TO CHAIRMAN AND DIRECTORS.

Mr Arnold proposed a hearty vote of thanks to the chairman and his colleagues on the board, which was seconded by Mr Shearme and cordially passed.

The Chairman, in a brief acknowledgment, said that just as the results achieved in the early years of the company's existence were now regarded as negligible, he had absolute confidence that 20 or 25 years hence the results now being shown, good as they were, would be regarded in a similar light. There was, in fact, no limit to the possibilities of expansion of the company's business.

The proceedings then terminated.



HEAD OFFICE:
1 Dale Street,
LIVERPOOL.

LONDON:
Chief Office,
1 Cornhill, E.C.3

TOTAL ASSETS exceed - - £20,000,000
TOTAL CLAIMS PAID over - - £102,000,000

FIRE. LIFE. ACCIDENT. ANNUITIES.
Marine, Leasehold Redemption, Burglary, Fidelity
Guarantee, Motor Car, Plate Glass, Personal Accident,
Workmen's Compensation, Sickness, Live Stock, Loss of
Profits, &c.

OFFICES IN ALL THE CHIEF COMMERCIAL CENTRES

CENTRAL MINING AND INVESTMENT CORPORATION, LIMITED.

COMPANY'S STRONG POSITION.

SOUTH AFRICA'S UNECONOMIC TREATMENT OF MINING INDUSTRY.

BRIGHTER OUTLOOK ON THE RAND.

NECESSITY FOR ECONOMY AND HARD WORK.

The seventeenth ordinary general meeting of the Central Mining and Investment Corporation, Limited, was held, on the 21st inst., at No. 1 London wall buildings, London, Sir Lionel Phillips, Bart. (the chairman), presiding.

The secretary (Mr R. P. Nelson) having read the notice convening the meeting, and also the auditors' report,

The Chairman said: Gentlemen,—The profit and loss account before you shows only a small reduction in profits compared with the previous year, and does not contain any marked evidence of the bad times through which we have passed, due to the conservative methods adopted in framing our accounts concerning more prosperous years. I hope you approve of this policy, in following which we are taking advantage of the caution exercised and reserves created in the past. I think I am entitled to congratulate you on the position to-day, which is strong. We have pointed out to you in our report that considerable provision had to be made for depreciation, to the detriment of our revenue, and some encroachment upon the substantial margin between book and market values.

Your assets, nevertheless, still figure in the accounts below the market prices of December 31st. Since then an appreciable rise in many of your investments has taken place, which augments the inner reserve.

For the first time for many years we are not proposing an addition to the reserve fund, but feel entirely justified in recommending the final dividend, which, with the interim distribution, has come to be regarded as normal. The outlook of affairs is more promising than it has been for the last two years. In good times, when it would not interfere with the payment of the rate of dividend you have reason to expect, we shall not ignore the advantage of still increasing the reserve fund.

ACCOUNTS.

I shall refer only to those individual items in the accounts which call for some comment. You will see that our liabilities to creditors have decreased by £626,000; naturally, our liquid assets show a corresponding reduction on the other side of the accounts. The increase shown in the holding of sundry debentures is due to the acquisition of Modderfontein East debentures. The reduction of £203,000 in gold and diamond mining shares is largely due to writing down, but, as remarked before, a substantial appreciation in value has occurred since the turn of the year.

BASE METALS AND MINERALS.

An increase is shown under this head which is attributable largely to our having taken a participation in a satisfactory business with the British Metal Corporation. The affairs of that important company are being conducted with skilful care, and, securely established by the success achieved so far, it has, I think, a prosperous future in prospect. We have also an important holding in the copper manufacturing business carried on by Messrs Williams, Foster, and Co., and Pascoe, Grenfell, and Sons, Limited, at Swansea. This undertaking has enjoyed a very successful career, and although not unaffected recently by the extremely bad times through which we have passed, we now find a satisfactory tendency beginning to operate with the general improvement in trade.

OIL, COAL, INDUSTRIAL AND SUNDRY.

These interests, together, represent over £1,000,000 in our accounts. There is an increase of £120,000. The more important items under this head are represented by the Witbank Colliery, Limited, the Pretoria Portland Cement Company, Limited, the Hume Pipe and Northern Lime Companies, holdings in South African printing and newspaper companies, a considerable sum in the Chilean electric enterprise referred to last year, and a large interest in the Trinidad Leaseholds and North Venezuelan Petroleum companies. With anything like reasonable good fortune, the undertakings comprised under this heading present a large and hopeful sphere of activity, and, we anticipate, of profit for our corporation.

TRINIDAD LEASEHOLDS, LIMITED.

Perhaps at this point I may conveniently refer to the Trinidad Leaseholds, Limited. Production was satisfactorily maintained

up to the close of last year, but has been restricted for some months past owing to storage congestion and the company's desire not to produce a greater quantity of oil than could be readily marketed. Great attention has been given to the development of methods for dealing with the high gas pressures encountered at depth, and hopes are entertained of a successful solution of this difficult problem. The extensions to the refinery are practically completed, and the plant is now capable of treating largely increased quantities of crude oil. Mr Beaumont, the general manager, who has recently assumed charge of the property, is hopeful of its future and is approaching his big task with vigorous enthusiasm and capacity.

NORTH VENEZUELAN PETROLEUM COMPANY.

The geological examination of a portion of the property of the North Venezuelan Petroleum Company, Limited, confirms the existence of conditions favourable for the accumulation of oil. It is expected to begin drilling the first test well within the next few weeks.

PREMIER HYDRAULIC TIN MINES OF NIGERIA.

The operations of the Premier Hydraulic Tin Mines of Nigeria, Limited, a minor interest to which I may refer, were hampered during the year owing to transport difficulties, to overcome which a portable plant has been constructed, and is now, after a thorough running test, about to be shipped to Nigeria. This plant can readily be added to as circumstances warrant. The low selling price of tin adversely affected the company's financial position, and it became necessary at the beginning of this year to make an issue of debentures.

RHODESIA BROKEN HILL MINE.

The production of lead at the Rhodesia Broken Hill Mine during last year amounted to 18,122 tons, as compared with 14,602 tons for the preceding year. From the commencement of the current year it has shown still further improvement, the record output of 1,981 tons having been obtained for the month of March. The company's operations continue to show fair profits, despite the low price of the metal.

LAND COMPANIES AND PROPERTIES.

The item under the head of land companies and properties has been increased by £57,000, principally owing to our having added to our holding in the Transvaal Consolidated Land and Exploration Company, Limited, which we are confident has a profitable career in front of it.

GENERAL SITUATION.

Other items in the accounts do not, I think, call for any mention at this stage in my address. Generally speaking, you will observe that there has not been any very material change in any of our holdings. We have during bad times rather pursued a cautious policy than one involving fresh responsibilities. Taking our balance-sheet as a whole, and holding in view the state of the financial and business world, I think there is reason to be satisfied with the results achieved. The condition of affairs at the gold mines, the virtual suspension of operations at the diamond mines, and the obliteration at one time of the market for diamonds, in which we hold very large interests, caused your directors, I need hardly say, very serious anxiety. The situation to-day is infinitely better, the market for diamonds is reviving, and we, who are responsible for the management of your interests, are correspondingly relieved.

EX-ENEMY HOLDINGS.

You were duly advised in the directors' report of the recent purchase of the ex-enemy holdings in our group and the scope of the syndicate formed for the purpose of carrying through this transaction. The offer made to shareholders of the New Modderfontein Gold Mining Company, Limited, and Modderfontein "B" Gold Mines, Limited, resulted in applications for about 385,000 and 165,000 shares respectively. The other holdings acquired have, as you know, been offered to the companies concerned, all of which have notified their acceptance. The commission to the syndicate for its services is, therefore, due, and will be sent out to-night. Regarding the balance of shares that fall to the syndicate under its guarantee, approximately 146,000 New Modderfontein and 70,000 Modderfontein "B" shares, we are considering the best course of procedure, with a view to the early liquidation of the syndicate.

GOLD MINES.

With regard to the gold mines, shareholders will notice that this year the board is publishing a letter signed by three of your resident directors, covering the report of the consulting engineers in Johannesburg. Information in regard to companies in which we have interests is presented in a condensed form. Shareholders who are particularly interested in any of the individual concerns mentioned, and who, therefore, desire fuller details than can be conveniently supplied in our annual statement, are referred to the reports of the companies themselves, where the fullest particulars are given. I must not ignore the reference by the consulting engineers to the cost of securing an output of gold month by month as regular in amount as possible. The cost varies according to circumstances in different mines; it is greatest when labour is scarcest. To move men and tools from stopes in which too high or too low a yield is being obtained to other stopes expected to reduce or raise the yield to the normal causes a certain amount of disorganisation and expense. Our engineers do not recommend the abolition of monthly returns, but the abandonment of the practice of trying to equalise them. I admit that some economy would result. I should hesitate, nevertheless, to recommend the change, because shareholders are accustomed to the present practice and the effort to equalise the returns month by month necessitates very close daily study of the amalgam returns by the managers; moreover, there are other factors, which I do not think it necessary to enlarge upon to-day. We should not, therefore, be inclined to change the present system, unless public opinion appeared to be very strongly in favour of the reform.

LITTLE CHANGE IN INDIVIDUAL PROPERTIES.

I do not propose to comment at any great length upon individual properties, because, from the actual mining point of view, there are no very significant changes to record. Neither in yield nor in other physical attributes do we find any material change. From the profit-earning standpoint, in the lower grade mines everything depends upon working costs; in the richer mines they govern results in a lesser degree. In this connection it is desirable to emphasise one point very strongly, namely, that the attraction of capital for new enterprises is not fostered by a bare return of interest and redemption of capital. State securities provide so much. The prospects must be more alluring. Increasing depths and rock pressures naturally add something to the working expenses, but not of an important character.

WORKING COSTS.

The currency value of gold, which at one time figured so largely in the profits, has gradually fallen until to-day it does not play an important rôle. We base our calculations upon the standard price of gold, and rely upon efficiency and low working costs for profitable results. During the latter part of the war, and even after peace was proclaimed, the trade unions made extravagant demands affecting wages and the conditions of employment. They insisted on the employment of white men in work of an unskilled character, or requiring little skill—work that natives, with reasonable experience in the mines, are able to perform. The local leaders of the mining industry did everything in their power to propitiate the men's leaders. Higher pay, shorter hours, holiday leave on full pay, and various other concessions were made, and, to sum up, the political conditions were such that the mines were forced to comply with demands the unsoundness of which they appreciated fully, but were powerless to resist. In fact, as in the rest of the world, the atmosphere was inconsequent. Everyone was inclined to grasp what he could get at the moment, irrespective of the retribution which economic laws would exact at a later date. The leaders of the white men were not the only people to blame. Parliament itself imposed obligations upon the industry regarding compensation for occupational disabilities which entirely transcended awards hitherto known to the civilised world. Concurrently, the price of stores rose phenomenally. The men responsible for carrying on the mining industry made no disguise of the inevitable results, and, towards the end of the latter half of last year, it became obvious that unless reforms were brought in, half the industry was doomed to extinction.

CHAIRMAN'S WARNINGS.

I was in South Africa twice last year and, upon the first visit, in spite of warnings that I uttered publicly, found it impossible to induce either the Government or the leaders of the white employees to take a commonsense, businesslike view of the position. Because I frankly and truthfully described the situation in a speech at the Chamber of Mines, I was accused of trying to frighten the public. Stubborn facts, however, began to force themselves on public notice, and I found, upon my second visit, that a different spirit was beginning to manifest itself. Labour leaders, either ignorant of the facts or in defiance of them, still turned a deaf ear to appeals made to avert the impending catastrophe. While I was on the spot, a frivolous strike arose on the Crown Mines because the management refused to allow the

Miners' Union to interfere in a matter between the general manager and one of his own officials. That strike, however, was of minor importance in violence and in financial loss to the industry and to the workmen, compared with the succeeding general strike and revolt.

EVILS OF DIFFERENTIATING BETWEEN MINES.

Commissioners have been appointed by the Government to inquire into the causes of the strike, and to make recommendations to Parliament in regard to the future administration of the gold mining industry. I have, of course, no intention of trying to prejudice the conclusions at which they may arrive, but, nevertheless, I must not be silent at this critical juncture. As a well-wisher of South Africa, I notice with the greatest regret that the Mining Industry Board has been invited to consider a possible differentiation in working conditions in mines of different yield. I shall not discuss the complications and the field for dispute which the adoption of any such system would create. Viewing the matter purely in its economic aspect, it would be a serious, if not a vital, blow to investment in South Africa if needless expenditure were forced upon enterprises for philanthropic purposes, because they happened to be in a position to bear the burden. Any country adopting a policy of that description would forfeit the confidence of investors, because there is no limit to the application of such a system. I think that the reference must have been framed without sufficient consideration, and do not, therefore, apprehend that any sinister consequences will result.

FOREIGN CAPITAL IN THE MINES.

It is not perhaps generally understood in South Africa that the gold mines are owned by a very vast number of investors, the great majority of whom are not resident in South Africa. They invested their money there in the belief that the security offered reasonable attractions, and that they could rely upon fair treatment at the hands of the South African people. Strangely enough, the gold mining industry in South Africa has never been popular with the bulk of the inhabitants. Being one of the wonders of the world, and the mainstay of the revenue as well, one would have thought that it would be a source of immense pride and care. On account of its importance, the mining industry has necessarily occupied a great deal of Parliamentary attention—too much for its welfare—because a subject which is perpetually in the political arena offers the temptation to politicians to play up to the voter, and when politicians and voters are, as a whole, not interested in the industry as investors the danger becomes the greater. There is one check, however, which the politician and the voter should both keep in mind, namely, that ill-treatment of capital brings its own punishment; people with savings to invest will shun enterprises in that particular region.

THE STRIKE.

At the time of the last great strike, half the mining industry, with the fall in the value of gold, was, as already stated, faced with the danger of extinction. No attention had hitherto been paid to the representations made by those who are fully acquainted with the industry and are responsible for its management. I sincerely believe that it was only the publication, by the much maligned Chamber of Mines, of the cost of producing an ounce of gold in each individual mine that brought home to the people of South Africa the perilous condition to which the industry had been brought by the exactions of the State in various forms, and the level to which working costs had been driven up. At last, however, the members of the Government, and no doubt also the bulk of the thinking population in South Africa, realised the position. In fact, everyone did so, except the Labour leaders, who refused to give any assistance in carrying out the only effective steps to save the situation. The history of the strike which followed is too fresh to need any description at my hands. It resulted not only in great loss of life and suffering, but also in important pecuniary loss to the industry and to the men engaged in it, as well as to the Union of South Africa.

BETTER OUTLOOK.

Since operations have been resumed, my advices indicate that better and cheaper work is being done, and that the relations between the managers and the men are healthier than they have been for many years past. The fact is that surrender to demands which are uneconomic is unfair and unjust to the persons who are supposed to benefit, as it is unfair and unjust to the industry which has to bear the immediate consequences. So far from promoting goodwill between employers and employed, it merely intensifies hostility. I sincerely believe that the terrible upheaval will have saved a large section of the mining industry, and that it will now again enter upon an era of peaceful progress, with satisfactory profits to those whose capital has been entrusted to it.

WHITES AND NATIVES.

Like most people who have lived in countries where the preponderant population is coloured, I have given much thought to

the future of the country from the racial standpoint. The settlement of a large white population in South Africa is naturally in the interests of progress and civilisation; the policy that can achieve that desirable end is not so easy to define. I never have believed, and I do not now believe, that a permanent white population can be supported and increased by any artificial expedients for propping up the white man. He has got to hold his own by virtue of superiority, and, in the long run, nothing but that superiority will avail. The native is a tractable and contented superior worker. His mental limitations will debar him from becoming a real competitor of the white man. But the white man must live up to his caste by putting zeal and intelligence into his work. That is my conviction. I have watched the effect of the policy of specially protecting him over a great many years, and I have no hesitation in saying that it is a failure.

If every industry had been conducted on the most economic basis possible, I believe South Africa would hold a much larger population than it does, that the general efficiency of everyone working would be upon a higher level, and that the country would be to-day more prosperous than it is. The life of the mining industry would undoubtedly have been extended. Let me say, therefore, as a final word in this connection, that it is to be hoped, in the interests of South Africa, that the Government and the people there will benefit by recent experiences and the complete knowledge of the gold mining industry which is at their disposal. In the past that industry has been hampered by an excessive growth of regulations and taxed beyond strength. To humour the voter, measures have been passed and demands acceded to which should have been resisted, not alone for the welfare of the industry, but in the interests of the population it employs directly and but in the interests of the population it employs indirectly. A sort of misconception grew up that the industry could stand anything. That fallacy has been exposed, and, if real prosperity is to be restored, the past attitude, of which there is just reason to complain, must be altered.

STANDARD OF LIVING AND WAGES BILL.

A realisation of the economic truth that no country can prosper if its standard of living is unduly high and its wages bill excessive, should cause South Africans to ponder over the present standards. Are they higher than need be for maintaining the supremacy of the white race in coloured men's eyes? Given the courageous facing of facts, and the production of commodities at a cost that enables them to be sold with a reasonable profit in a competitive market, I am sure there is a great future for the country. Railway charges must be reduced. They are abnormally high to-day. They are crippling the farming industry, as well as all other material activities. They hamper the development of the whole country and the successful establishment of that large white population which is so much needed. Cannot they be reduced without impairing the standards of life referred to? Coal is cheap enough. It is the white wage bill that is mainly responsible for the high rates.

ECONOMY AND HARD WORK ESSENTIAL.

There has been a tendency in the whole world in recent years for men to think, and for politicians seeking their votes to encourage them to think, that they can improve their condition in life by being inimical to their employer and to their employment. The straitened circumstances of the world and the resulting unemployment are only to be conquered, to use a hackneyed phrase, by economy and hard work. Those who foster distrust between employers and employed are doing a very bad turn to the working classes, who can only maintain and advance their interests by working with energy and sincerity.

AN EXAMPLE.

To use a pertinent analogy, the same root causes ensure success in business life as in the field of athletics. In games, victory depends upon whole-hearted effort. Where a team is concerned, unity of action and obedience to the leader are essential factors. Men are selected as members of a team because of demonstrated fitness, and, once selected, they obey their chief and do their best. In that way they gain rewards and renown. Is there any branch of sport, or of human endeavour for that matter, in which discipline and full effort are more rigidly enforced than in football? Surely, if such rules govern games, they should be applied with the even greater fidelity to every branch of economic life, for the stakes are infinitely more important, and to gain them demands the same strenuousness and *esprit de corps*. I am no advocate of excessive hours that produce undue physical or mental fatigue. They are not conducive to good work or to sound health, and hence are not economic. The point I wish to emphasise is that in serving faithfully men are not doing a favour to their employer but are, if they only knew it, pursuing the only road to their own advancement and the comfort of their families. To restrict their efficiency is to imperil their employment, because competition may wipe out the enterprise in which they are engaged. By acting in

that way, therefore, they are traitors to themselves as well as to their country. Every child at school ought to be taught the incontestable truth of this doctrine before entering the ranks of working life, because it would help him to meet inevitable competition.

MINE OFFICIALS.

As to the general conduct of operations on the mines, I can speak with great confidence. The managers and their officials are men highly qualified for their positions, with wide experience of the duties they have to perform, and during the recent disturbances they manifested a spirit of courage and loyalty of which I cannot speak too warmly. To appreciate the multitude of complex questions that arise in the working of the mines, one has to be familiar with them. Geological, metallurgical, and mechanical problems necessitate unceasing investigations by the professional men who are charged with solving them. The extraction of even an extra decimal point in the yield of gold, spread over the whole industry, is a matter of some importance. Economy in the use of compressed air is another item of consequence. During the past year our mechanical engineering department has designed and introduced graphic air recorders of considerable value in checking the use and any leakage of that expensive commodity. Very interesting experiments, too, have been undertaken in regard to certain rock drills, the standardising of the best steel for the purpose and the size of the cutting bits employed, which will effect economies in this direction.

I will not detain shareholders by reviewing the complex and tremendous work which the managers and their staffs are engaged in. The few examples of research work to which I have just referred are, of course, all done concurrently with the big regular operations.

VAST ORGANISING WORK OF A MINE.

The public at large have no conception of the extent of one of our big mines. Let me take the Crown Mines as an illustration. Its length along the Reef is greater than the distance from this room to Hyde Park Corner. Envisage a line of buildings from room to Hyde Park Corner not 80 or 100 feet high, but, say, 2,000 feet high. The stopes in the mines may be looked on as rooms in the houses. Work is, of course, not going on in all the rooms at the same time, but in most of the big mines ore is being extracted from various rooms, at all sorts of floor levels, over the lateral distance from here to Hyde Park Corner. If we take the position we are standing in in this room as the central level above and below which work is proceeding, we should have to look 1,000 feet below our feet and 1,000 feet above our heads, over a distance of three miles in length, with thousands of men distributed all over the area. Imagine the organisation involved in lowering, in raising, and in distributing them to their various stations and in conveying the ore from these scattered points of attack to given central places for elevation to the surface! To say that the extraction of ore is proceeding at various points over a length of three miles and at various levels within a vertical range of 2,000 feet, is by no means an exaggeration. Couple with this the sinking of shafts, the driving of levels, the piercing of connections between levels, the proper control of ventilation, the many expedients for health and safety, the puzzles presented by geological caprices, and the maintenance of something like an even monthly output from ore that varies in value in different levels and at various points in the same levels, and, leaving aside any consideration of metallurgical or mechanical problems, the management of men, the ordering of supplies, and the supervision of natives, one gathers some idea of the work which the manager of a big mine has on his shoulders.

RENEWED CONFIDENCE NEEDED.

What is needed above all things, and what I believe is coming, is renewed confidence in the mining industry, to which, given fair treatment, it is indeed entitled. Some of the mines which are still in the earlier stages of development need large capital outlay to establish them on a proper basis. At a level of working costs which I believe it is quite reasonable to attain, the provision of those funds would be justified and could, no doubt, be secured. It is true that in these days of financial stress people want, above all things, good security, but, given fair chances of substantial gain if all goes well, they will also take a speculative risk, but they must be satisfied that new capital commitments are entered into not upon promises as to what may be done, but upon the evidence of what is being done.

The great industry about which I have offered you a few observations to-day has not in the past enjoyed the sympathetic treatment it deserves, holding in view, particularly, its importance to South Africa as a whole. I do think there is real hope for it now, as I am sure that the load under which it has staggered during the last few years, a load that would have crushed it but for the currency value of gold, is going to be lightened. Working costs are coming down, and I am encouraged, therefore,

to expect that when I meet you next year I shall be in a position to report a more satisfactory situation in regard to the working conditions at the mines than has existed during the last few years. In regard to the other directions in which your funds are placed, I think the outlook is encouraging.

Before submitting the motion, I desire to thank my colleagues for their unfailing support, and the staffs here, in South Africa, and elsewhere for the excellent services they have rendered.

THE RESOLUTION.

I beg to move:—

"That the report and accounts for the year ended December 31, 1921, as printed and circulated among the shareholders, be, and they are hereby received, approved, and adopted; and that the payment of a final dividend of 6s per share, free of income-tax, to shareholders registered on the books of the company at the close of business on June 14, 1922, and to holders of Coupon No. 20 attached to share warrants, in respect of the year ended December 31, 1921, be, and the same is hereby, sanctioned."

Lieutenant-Colonel S. H. Pollen, in seconding the resolution, said: I beg to second that motion. I have recently had the opportunity of paying a visit to Johannesburg, and was there during the outbreak.

I wish to take this opportunity of bearing witness to the devotion to duty shown by all the officials of the corporation during those critical and dangerous times; one and all, directors, managers, office employees, and, above all, mine managers and mine officials showed a disregard of personal safety and a courage in carrying on work that was nothing short of heroic. It is difficult to estimate what losses were saved to this corporation by these men, who daily went to work in the face of threats which events during that period proved to be no empty ones. I beg, therefore, to join very heartily with the chairman in his expressions of appreciation of their services. I came away from South Africa with a very hopeful view of the corporation's future.

There now seems every prospect of a period of industrial peace, of that genuine effort on the part of the men to produce—without which prosperity can never be obtained—and of a restoration of individual responsibility to the various mine managers without which the discipline essential in any combination of effort is impossible. Granted these, I have every confidence that lower costs and larger tonnages milled will open a new era of prosperity for undertakings such as ours.

This corporation has many solid assets, both gold mines and coal mines, and your board is fully alive to the necessities of the future, and will take such measures as will give the corporation, I am confident, even greater prosperity in the future, though possibly with a numerical diminution in the number of mines under its control.

SHAREHOLDER'S VIEWS.

Mr F. A. Robinson said he would like to congratulate the chairman on his excellent speech, and upon the results achieved during the past year. It was very gratifying that at last the question of ex-enemy shares, which had been hanging over the South African market for so long, had been cleared up. He was also very much interested in the vivid description given by Sir Lionel of the Crown Mines. The picture he had drawn was a very useful one, because there were very many people who had never seen a mine, and to whom a mine, even like the Crown, was nothing but a name or a piece of paper. People had no conception of what the work in a mine really meant, and especially one of the immense magnitude of the Crown. He had hoped that the chairman might, perhaps, give the meeting some idea of what he anticipated the average reduction in working costs would be throughout the Rand, but he recognised the great responsibility which attached to anything that Sir Lionel said from the chair, and therefore it was hardly to be expected that he would venture upon such a statement. If they took the case of the Crown Mines—he would not ask the chairman to confirm this, but it might take place—they might easily have a reduction in working costs of 6s a ton, which was equivalent to £1 on the cost of producing an ounce of gold.

The resolution was then put, and carried unanimously.

DIVIDEND ANNOUNCEMENTS.

The Chairman: Before proceeding with the next business, I may inform the shareholders that our dividend warrants will be posted on the 27th inst., and perhaps it may be of interest to you to know that the dividends of some of the mines with which we are associated will be announced to-day. As I have them here, I may as well give you the list. Of course, you must not expect much; owing to the strike, things have not been exactly conducive to the earning of profits. The dividends are:—City Deep, 7½ per cent.; Crown

Mines, 5 per cent.; Modder B, 30 per cent.; New Modder, 20 per cent.; Nourse Mines, 2½ per cent.; Rose Deep, 5 per cent.; Rand Mines, 20 per cent. I may tell you that when considering these dividends the companies have had to take into account the purchases of ex-enemy shares which they have made, which, of course, deplete their resources. In this connection, I might just repeat that I am looking forward very confidently to a considerable reduction in working costs. It is going to be due not only to a decrease in wages—that is not the only thing at all—it is going to be due to efficiency. Nobody can estimate the amount of output you may get if your white men, instead of being against you, are going to be with you, and to help you. It will make an astounding difference, as it has made in the coal mines of England, but to assess that in pounds, shillings, and pence requires a braver chairman than myself. I now formally move the re-election of my colleagues, Sir R. Sothorn Holland, Bt., and Mr R. W. Ffennell.

Mr F. J. Dormer seconded the motion, which was unanimously adopted.

ADDITION TO THE BOARD.

The Chairman: I now have pleasure in moving the confirmation of the addition to the board made by the directors themselves in Mr F. Heim. He has served with us for a great many years, and is certainly a factor of strength.

Mr L. Reyersbach, in seconding the motion, said that, speaking as one who had been connected with Mr Heim for over twenty years, he considered that no better choice could have been made by the directors. With regard to the very able address which the chairman had delivered several points of interest had been emphasised by Mr Robinson, and he himself would like to touch upon one further point. When he was in South Africa last year he told the men at the Crown Mines—for the formation of which he was to a certain extent responsible—that, unless their methods changed, and changed considerably, within 15 years from that time the whole of the industry west of the Van Ryn Deep would be derelict. He pointed out that the calculations on which the working of the Crown Mines had been based had proved correct in every detail except one, and that was working costs. Mr Webber, who, he regretted to say, died a fortnight ago, based his calculations, when the Crown Mines Company was formed, on costs of 16s or 17s, and the difference between the costs at that time and those which prevailed last year had made the whole of the difference in the dividends anticipated and those actually paid. The yield of the Crown Mines, as calculated in 1908 and 1909 by Mr Webber and his assistants—not in any individual part, but over the whole of the area—had been maintained within 1 dwt. over the whole period during which the amalgamated company had been at work. The watchword for the next few years with businesses such as that of this corporation would be preservation rather than expansion. They were not yet at the end of their troubles. Caution, care, and patience would have to be the principal attributes of every board, and he hoped these would be exercised by the directors of this corporation.

The motion was unanimously agreed to.

On the proposition of Sir Otto Beit, seconded by Mr W. T. Anderson, C.B.E., Messrs Cooper Brothers and Co. were re-appointed auditors of the corporation.

Mr D. Holt proposed a cordial vote of thanks to the chairman for his able conduct of the meeting, and the brilliant speech with which he had favoured not only the shareholders, but he thought it might be said, even the world at large.

The vote was cordially passed and, a brief acknowledgment having been made by the Chairman, the proceedings terminated.

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BRUNNER, MOND, AND CO., LIMITED.

MR. ROSCOE BRUNNER ON THE YEAR'S OPERATIONS.

STRONG FINANCIAL POSITION.

BRIGHTER FUTURE PROSPECTS.

Mr Roscoe Brunner (chairman of directors) presided over the annual meeting of Brunner, Mond, and Co., Limited, at the Exchange Station Hotel, Liverpool, on Friday, June 16th, and was supported by the Rt. Hon. G. W. Balfour, Sir Hugh Bell, Bt., C.B., Sir John Brunner, Bt., Mr Arthur Colegate, Mr J. H. Gold, Mr A. Travers Hawes, Sir John G. Jarmay, K.B.E., Mr Emile S. Mond, Lieutenant-Colonel G. P. Pollitt, D.S.O., and Captain D. Marsh (secretary). There was a large attendance of shareholders.

THE ACCOUNTS.

The Chairman, in proposing the adoption of the annual report and the payment of dividends—the ordinary dividend at the rate of 8 per cent. per annum, less income-tax—said: Dealing briefly with the accounts, and taking the balance-sheet first, the additions during the year to the first item on the assets side—and I shall use round figures all the way through—are £511,000, which is considerably less than last year's additions, as you would have expected. It includes £140,000 spent upon houses, and I am glad to say that that sum finishes the expenditure on houses, nearly all of which are occupied. They are not all occupied by our men; some of them are tenanted by outsiders, but upon such terms as admit of us regaining possession if, and when, we want them for ourselves. When our Wallerscotte works are erected we shall want the houses, and we shall get them.

INVESTMENTS.

Our investments are up by £211,000, partly in Canada, but more largely due to purchases of outstanding shares in the Castner-Kellner Alkali Company. Stocks are down by £588,000, partly due to a lesser tonnage, but as to a quarter of a million due to the writing off of such amount on account of depreciation in values. The stocks are now valued at proper figures, and we do not expect to have to depreciate further. The patents account has had £796 written off it, and now stands at the purely nominal round figures of £1,000. The debts owing to the company are up by £387,000. During the year we have advanced a great deal more than that figure to our subsidiary company, Synthetic Ammonia and Nitrates, Limited. Deducting this advance, the debts owing are less than last year's.

CASH BALANCE.

The cash in hand is £1,214,000, as compared with an overdraft at the end of last year of £820,000, or a difference to the good of £2,035,000. This is, of course, due to the issue during the past year of £2,500,000 of preference capital. I was reminded this morning to tell you that that, of course, does not represent good trade, but bad trade, and we should have been very glad to have had a very much smaller cash balance.

CAPITAL AND RESERVE.

On the liabilities side the capital is increased by the £2,500,000 of preference capital, and by £69,000 in ordinary shares, due to the issue of our own shares in exchange for the Castner-Kellner shares I have already mentioned. Depreciation account is increased by £150,000, charged against the profits of the year, bringing that reserve up to £965,000.

Passing over for the moment the next three items in the balance-sheet, we have written off suspense account nearly £60,000; the savings bank deposits are down by £22,000, due, no doubt, to the general trade depression, and to the short time which our men had to work during the coal stoppage of last year. The debts owing by the company are practically unchanged. The difference in the items I have passed over is explained in the report. At March 31st of last year we had a reserve account which we called the investment surplus reserve account, in which there was a credit of £1,600,000. We have now closed that account and dealt with the amount by transferring first, to a new capital reserve account, a round figure of £1,000,000; secondly, to general reserve, £220,000; and, thirdly, carrying to the credit of the profit and loss account the sum of nearly £380,000, made up of the depreciation of stocks, which I have mentioned—namely, a quarter of a million—and the expenses of the issue of the preference shares—namely, £130,000. A great many companies would have left the expenses of issue of the preference shares as an asset, but we have thought it well to write it off. The balance-sheet discloses a very strong position, great reserves, and an excess of assets over current liabilities of 17½ millions, against a capital of less than 14 millions.

PROFIT AND LOSS ACCOUNT.

Turning now to the profit and loss account, the debit side

shows, as compared with last year, decreases in the first two items, directors' and office salaries and auditing, of £19,000, and general charges £30,000, so that you can see we have been economising in these directions. Bad debts show an increase of nearly £4,000, due, of course, to bad trade. The credit side shows a decrease in investment revenue of £154,000, and you will remember I told you last year that the financial years of our subsidiary companies ended before the end of the calendar year. Last year, owing to that fact, they had a good year; this year, owing to the same fact, they have had a bad year. They all bore, as we did, the trouble and expense of the coal stoppage, and, therefore, our investment revenue is, as I said, less by £154,000.

The gross profit after deducting the depreciation of £150,000, as last year, actually shows an increase, but since in last year's accounts those gross profits had borne a writing-off of £264,000 for depreciation in stocks, and this year the writing down of one quarter of a million has been done out of reserves, the real trading profit is considerably less than last year's. Not all the newspapers who comment upon our accounts, though they had all the information before them, have noticed this fact. In a good year this would be bad finance; in the worst year—I think it is no exaggeration to say—that the world has ever known, it is entirely justifiable. The *Economist* gave a table a few weeks ago which showed that for the last quarter of the year 1921 a number of large companies, whose accounts they had examined, had paid away in dividends 120 per cent. of the profits they had earned, or, in other words, had drawn largely upon reserves to pay dividends. That is exactly what we have done. Mr J. M. Keynes, the critic of the finances of the Peace Treaty, and now the chairman of a large insurance company, speaking in the early part of this year, gave the figures of the production of pig-iron and cotton. He showed that in one case the production in this country was the lowest for 70 years, and, in the other case—cotton—the lowest for 60 years.

INTERESTS OF SHAREHOLDERS, WORKMEN, AND CUSTOMERS.

We make no apology whatever for the accounts we present to you. In a year when a great many companies have made such losses as have wiped out the whole of their reserves, to have made a profit at all is a great achievement. Your directors have to consider very many interests in shaping the policy of the company. No doubt you would consider that the interests of the shareholders come first, but we also have to consider the interests of our customers, the interests of our workmen, of our staffs (of which two latter bodies quite a number are also shareholders), and last, and of course least, we have to consider the interests of the directors, who must necessarily be shareholders. We claim to have dealt fairly by all these classes. The dividend has been reduced, so have wages; salaries have been reduced all round, and our customers have borne part of the cost of the increase in the cost of products by having to pay higher prices. We have not changed in any way our policy of the highest possible "makes," coupled with a fair margin of profit. We have given some reduction in prices to our customers as our costs have fallen, and others are under consideration for the near future.

THE COMPANY'S PROCESSES.

The financial expert of the *Liverpool Courier*, in the issue of June 9th, wrote of our accounts the following:—

"I think that insiders expected a much worse result, as some of the patent processes are not turning out well, and there has been considerable anxiety amongst the directors."

Ladies and gentlemen, that is sheer nonsense. I do not know who the insiders are who expected a worse result, but we are quite satisfied with our processes, though we are at all times endeavouring to improve them, and very often succeed. Your directors are in no way anxious, and so satisfied are they with our last patent process that the work of erection of the plant of Synthetic Ammonia and Nitrates, Limited, at Billingham, has been proceeding as fast as possible for many months. It was, of course, considerably interfered with by the engineering lock-out, which is now happily over, and we hope to have the plant running early next year, not, indeed, in time to reap any benefits during the current financial year, but almost certainly in time to benefit us in the succeeding financial year. As to the ammonia soda process, though that does not now depend much upon patents, we have been at work slowly for a considerable number of months past in the erection of the Wallerscotte Works. Latterly we have speeded up that work, and, as we believed prices had reached

economic levels, we have given further orders for buildings and plant to be erected at those works, and we think we shall be in time to meet the increased demand when it arrives.

MANCHESTER SHIP CANAL LITIGATION.

You will no doubt be aware that the Manchester Ship Canal Company brought a test action against our company to recover tolls which they alleged to be due, and you will no doubt also be aware that all the traders on the River Weaver joined with us in bringing a counter-action to secure what we conceived to be our rights. We lost in the first Court, and in the Appeal Court two of the three Lords Justices were against us. We are appealing to the House of Lords, and as the case is therefore *sub judice*, I cannot refer to its merits, but we have been blamed for not settling the case out of Court, and I want to read you a paragraph from Lord Justice Scrutton's judgment. He says that "Even Jarndyce v. Jarndyce must look to its laurels. The costs, I suppose, are now well over £100,000, perhaps much more. I hope the shareholders in the Ship Canal Company and Brunner, Mond and Co., and the various Weaver traders appreciate the expensive muddle into which their legal advisers have led them, which, in my opinion, could have been avoided by a little common sense and compromise on the part of the business men who manage their affairs."

Now, ladies and gentlemen, I have been a Weaver trustee for the last twenty years, and during the whole of that time, off and on, there have been negotiations, on these very points, with the Manchester Ship Canal Company, and some of us, principally Mr. Gold, one of my colleagues, who is also a Weaver trustee, spent many months in negotiating with the directors of the Ship Canal Company before we went to the Appeal Court. Those negotiations unfortunately failed.

JUDGES' CRITICISMS.

We have been blamed by the Judges for wasting time and money, and Lord Justice Bankes spoke of the time which he considered had been wasted, and added: "The supplying daily to the Court and to counsel of printed notes of every word uttered by counsel, witness, or Judge, has no doubt contributed largely to the time occupied both in the Court below and in this Court." What is the alternative to a verbatim report in a Court? It is a longhand note taken by the Judge. That naturally costs nothing, but it is an impossible record upon which to appeal to a higher Court, and not only does it not save time, but it necessarily wastes a good deal of time, and time means money, especially with the present exorbitant fees exacted by fashionable counsel.

Lord Justice Atkin, who was the dissenting Judge, supplies me with an absolutely complete answer to these criticisms. He spoke of the two actions, and said they were tried together, but the issues were by no means identical. He added: "The importance to the public"—note those words, "to the public," please—"of the second action is immeasurably greater, though in the Court below it appears to have been dwarfed by the first. The case affects considerable financial and public interests, and involves investigations of a considerable body of facts and a consideration of many disputed propositions of law. I do not think that any time was wasted before us by counsel on either side, by whom I personally have been much assisted, and I am not disposed to pass strictures on the conduct of either side in the Court below, though as often happens the relative importance of particular issues may not at the trial have been at once perceived either by counsel or by the Court."

I suggest to you that the relative importance of particular issues can only be found out by counsel seeing the next morning the whole of his speech, and the evidence of the day before, so that he may be quite certain neither he nor the Judge has missed a point. I cannot help feeling that Judges in these days are too prone to comment upon matters outside their province and upon which they are ill-informed.

TIMEKEEPING OF THE MEN.

We are very pleased to be able to report that the time-keeping of our men, to which reference has been made at these meetings from time to time, was the best on record. Ninety-nine point one per cent. of our men have earned their week's holiday. That is a record upon which everybody concerned is entitled to be congratulated. Incidentally the chemical trade employers, who were the first as an organised trade to follow our example and grant a week's holiday, have been trying, at the Joint Industrial Council of that trade, to induce the leaders who represent the men on that council to agree to stiffen up the conditions under which the holiday is earned to our standard of two days' lost time in the year without reasonable excuse. We cannot understand their attitude in refusing to agree, since good time-keeping is good for the men, good for the employer, and no less good for the trade union, because a man in receipt of steady wages is more likely to become and to remain a member.

We have erected at Winnington, and had unveiled on Saturday last by the Minister of Health, our former colleague, Sir Alfred Mond, a bronze statue of my late father. The statue was executed by Sir William Goscombe John, R.A.; it is a fine work of art, and

a striking likeness. It stands on a very fine site on the road which will eventually connect the Winnington and Wallerscote works, and is not far from the statue of Dr. Mond. We have here on a side-table photographs showing the statue and the unveiling ceremony.

TRADE UNDOUBTEDLY IMPROVING.

Now as to the future. Trade is undoubtedly improving, and, as I have said before, we believe that a slow improvement is better than a quick one, for the reason that it is not so likely to be followed by a rapid decline. In the past we had statistics so reliable that we could, about half-way through the year, make an accurate estimate of our "make" for the year, our costs and our profits, to within a few tons of the make, and to within a few pounds of the profits. Nowadays, data are entirely lacking. The future cannot be said to be bright nor can it be said to be dark, but as the Air Service reports have it, "visibility is poor." We hope and believe that the future has better prospects in store for the world generally, and for ourselves in particular.

Sir Hugh Bell, C.B., seconded the resolution, and offered his congratulations to the chairman on what he described as his temperate and statesmanlike speech.

The resolution was unanimously carried, as was a resolution to re-elect the six retiring members of the board of directors.

On the motion of Sir John Brunner, seconded by Mr. Emile Mond, thanks were conveyed to the staff and workers in all departments, to whom a very high tribute was paid.

Messrs. Edmund D. White and Sons, of Liverpool, were re-appointed auditors, and the meeting closed with thanks to the chairman, who, in acknowledging the vote, mentioned the fact that 1923 would be the fiftieth anniversary of the foundation of Brunner, Mond and Co.

GRESHAM FIRE AND ACCIDENT INSURANCE SOCIETY, LIMITED.

INCREASED ACCIDENT PROFITS, NO LOSS FROM THE CITY EQUITABLE FAILURE.

The twelfth annual general meeting of the Gresham Fire and Accident Insurance Society, Limited, was held, on the 15th inst., at the head office, St. Mildred's House, Poultry, London, E.C.

Sir Reginald Macleod (of MacLeod), K.C.B., chairman of the company, presided.

The general manager and secretary (Mr. T. Brand Miller) having read the notice convening the meeting and the directors' and auditors' reports,

The Chairman said: Gentlemen, you will have seen from the accounts for 1921 that, though the accident department shows a greater profit than in any year since our establishment, the fire results have been disappointing. In addressing you a year ago I felt it necessary to suggest to you that in the then current year, 1921, fire insurance must suffer from the general collapse of business, and you will have realised from the character of insurance company reports that this apprehension was only too well founded, the year 1921 having been, perhaps, the most unfavourable since the San Francisco conflagration. We have passed, like other companies, large and small, through a very difficult and trying period. When goods are not being made they cannot be insured, and premiums decrease, not, in our case, from any loss of good connections or of any block of business in any particular centre of operations, but from shrinkage of demand practically throughout the world. We retain our friends and their good will, and we have no doubt as trade improves our fire income will regain its elasticity. Our fire premiums are less by £46,000 than in 1920, and now stand at £151,000. On the other side of the account our losses have shown no decrease and amount to £105,315, or 69 per cent., while commission and expenses of management—I take them together because our foreign business is largely done on commission, with little or no expenditure on management proper—require £62,793, or 42 per cent.

At the end of the year, the unexpired risks being lower than at the end of 1920, the sum required as a reserve against them, though standing as before at 35 per cent. of the premium income, is also reduced, and the fire insurance account closes with a balance—though it be only the nominal one—of £195 to the credit of profit and loss. Perhaps at this point I should draw your attention to an item of £1,787 under the title of "Interest on Enemy Debts." Certain payments from enemy companies were due to us, and we placed on our last balance-sheet a sum of £6,000 in reserve on their account. The greater portion of these debts have now been paid to us with interest, and it is the proportion of interest accrued to December 31st, and since received, which here appears.

The employers' liability, accident, and general account has shown much more favourable results, the premiums being diminished by about £5,000 and standing at £102,270. The claims amount, at 44.9 per cent., to £45,903, and commission and

management at 45.7 per cent. to £46,757, thus enabling us to carry to profit and loss, after maintaining our reserve for unexpired risks, the satisfactory sum of £12,033.

Having dealt with the fire and accident departments separately, I will only refer you to the report for the combined totals, showing an income of £265,647 and outgoings amounting to £268,196. After maintaining the reserve on the basis of 35 per cent. on our reduced premiums and bringing in our balance from last year, we find ourselves with an available balance of £21,702.

Turning to the profit and loss account, you will observe that our net receipts from interest and dividends have increased from £8,512 to £9,562, and that a debit to profit and loss on investments realised and on exchange of £2,529 in 1920 is changed to a profit of £452. We have, on the other hand, to provide £5,546 for balance of income-tax in addition to the sum of £1,458 deducted from interest, making a total charge for income-tax of £7,004, which is equivalent to the whole dividend we propose to pay. In addition, the provision for corporation profits tax is increased from £870 to £1,130, and now amounts to very nearly 1 per cent. on our dividend. We place £7,000 to reduction to our establishment of business account and carry forward, after paying a dividend of £5 per cent.—which requires a net sum of £7,000—a balance to next year increased from £6,119 to £7,702. I do not need to draw your attention to many items on the balance-sheet. The insurance reserves are reduced in proportion—as I have already explained—to the amount of risks outstanding.

The investment reserve stands at the same figure as it did last year, £23,434, and, as stated in the auditors' certificate, is sufficient to provide for depreciation below market price. I am glad to say since December last there has been a very material appreciation in value.

The reserve for contingencies is reduced from £6,000 to £4,500, certain sums from enemy debtors having now been received, and this figure we believe to be ample to cover all possible demands. I am glad in this connection to say that we have had no loss whatever in consequence of the City Equitable failure. We were only interested in one other reinsurance company which had defaulted, and that only to a small amount, which has been amply provided for.

The amounts stated as due to other companies and from other companies, and as agents' balances, have for the most part been paid or received since the closing of the accounts.

I am glad to point out to you that for the first time we have been able to commence writing off the establishment of business account, which has stood in our books for many years at £56,362. Expenditure must be incurred in the establishment of any business, insurance or otherwise, but such an item ought not to appear as an asset—however valuable the position it has secured may be—longer than necessary. We have utilised £7,000 for this purpose, reducing the account to £49,362, and it is our aim to continue the policy of reduction as rapidly as circumstances admit. It is tedious work, gentlemen, marking time while trade is so slow to revive. If I may I will ask you to use your very best influence among your friends to give us their business as well as your own, so as to help us through these times of depression. We have to wait, keeping our house in order, with close attention to economy and our organisation at the highest point of efficiency, for a move forward at the first opportunity. We are at least fortunate in the way we are served. Everyone knows Mr. Miller, our general manager, who ranks so high in the insurance world for skill and prudence, and in Mr. Richley, his assistant, and our local managers and agents at home and abroad, and our head office staff, we recognise ability and good will for which we are grateful, and with the assistance of all we look forward to the future with entire confidence. I will conclude by moving "That the directors' and auditors' reports be approved and adopted, and that a dividend

at the rate of 5 per cent., less income-tax, be paid upon the paid-up capital of the Society."

Mr. Courtenay, C. S. Fooks (deputy-chairman) seconded the resolution.

The Chairman invited questions, but none were asked, and the resolution was carried unanimously.

ANTOFAGASTA (CHILI) AND BOLIVIA RAILWAY COMPANY, LIMITED.

NITRATE DEPRESSION—TARIFF QUESTION.

The ordinary general meeting of the Antofagasta (Chili) and Bolivia Railway Company, Limited, was held, on the 20th instant, at Winchester House, Old Broad Street, London, the Hon. Charles N. Lawrence presiding.

The managing director and secretary (Mr. A. W. Bolden) read the notice convening the meeting and the auditors' report.

The Chairman said that he could only describe the report in respect of the twelve months to December 31st last as one showing very poor results. The depression in the nitrate industry had continued until just recently. During the past two or three months nitrate had been sold in fair quantities, and it appeared as if the outlook was becoming gradually brighter. They carried during the year under review only 179,436 tons of nitrate, as compared with 1,013,491 tons in 1920. The gross receipts were only £1,031,489, as compared with £2,370,079 for 1920. The working expenses, however, were reduced to £738,000, as compared with £1,615,000. The profit from the undertaking for the twelve months was 293,367, to which had to be added for interest on their Bolivia Railway bonds, and from other investments a net amount of £80,360, registration fees produced £181, and, adding the carry-forward of £285,706, they had a total of £659,616. The directors recommended a dividend of 3 per cent. on the consolidated ordinary stock, and £172,229 would be carried forward. With regard to the prospects for the current year, the gross receipts to June 11th were £187,000 less than at this time last year, but he thought that leeway would gradually be made up because of the improving outlook for nitrate, and that the working expenses would show a more favourable ratio. The published figures of weekly traffics during the last seven weeks had shown increases aggregating over £18,000 compared with the corresponding seven weeks of last year.

Beyond this, however, he did not care to prophesy. Trade throughout the world was still in a very uncertain condition, and the Central European markets, which were such large consumers of nitrate before the war, were not in a position, from one cause or another, chiefly owing to their depreciated exchanges, to take nitrate in the quantities the directors would like to see; at any rate, he was afraid that must be so for some time, but from recent advices they understood that fairly considerable quantities had been sold and that sales were still proceeding.

As to tariffs, the company secured the Bolivian Government's agreement to an increase of 15 per cent. on all the lines which it operated in Bolivia, and this increase was put into force as from July 25th last. Unfortunately by that time the Bolivian exchange had dropped from its par value of 19 1.5d to about 14d, so that they were practically faced with a loss in the earnings of 27 per cent., for which the 15 per cent. clearly did not compensate them. The directors had presented to the Government a table of surcharges which they suggested should rule in the case of the Bolivian Railway, and they were hopeful that this would be put in force before very long. As to the Antofagasta Company's right to surcharge, negotiations were still proceeding.

In conclusion, the Chairman entered a protest against the corporation profits tax, which he considered unjust.

The reports and accounts were unanimously adopted.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

62, OLD BROAD STREET, LONDON, E.C.2.

AFFILIATIONS:

THE BRITISH BANK OF SOUTH AMERICA, LTD., and THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

BLEACHERS' ASSOCIATION, LIMITED.

SUCCESSFUL YEAR—INCREASED NET PROFIT.
BURDEN OF HIGH RAILWAY RATES.

The twenty-third ordinary general meeting of the company was held at the Memorial Hall, Albert square, Manchester, on Tuesday, June 20, 1922, at 12 noon.

Lt.-Col. Sir Alan J. Sykes, Bart., M.P., in moving the adoption of the report and accounts, said:—Ladies and gentlemen, I have pleasure in submitting to you the twenty-second annual report of Bleachers' Association, Limited. Before, however, referring to the business for which this meeting has been called, I should like to say how very much the directors regret to record the deaths of two of their colleagues, Mr Harry Bridson and Mr A. P. Brydson. Both these gentlemen had been connected with the company as directors from its inception, and Mr Harry Bridson was, in addition, the manager of our successful branch of Messrs T. R. Bridson and Sons, Bolton Bleachworks.

I think you will all agree with me that, considering the exceptionally bad time through which the textile trade had to pass during the first six months of the year (which was reflected in our half-yearly accounts), the figures presented to you in our completed accounts for the year are very satisfactory.

THE ACCOUNTS.

The accounts which have been sent to you do not call for any special comment. You will see that after charging £405,665 for repairs and maintenance, as compared with £507,394 a year ago, the profits for the year ending March 31, 1922, after deducting estimated amounts in respect of income-tax, corporation profits tax and other contingencies, and after deducting debenture interest and the usual depreciation funds, amount to £653,888, compared with the corresponding figure for last year of £514,535. This shows an increase in the net profits of £139,353. The amount brought into the accounts this year was £337,890, and added to the profits for the year of £653,888, makes a total available balance of £991,778, compared with £835,996 a year ago.

After paying the dividend on the preference shares, the directors recommend a transfer to the general reserve fund of £125,000, making the total of that fund £1,450,000, and also a transfer of £75,000 to the superannuation fund, making the total of that fund £143,762. I shall refer later on to the question of this appropriation to the superannuation fund. The directors further recommend a dividend on the ordinary shares of 10 per cent. (actual) for the half-year ending March 31, 1922, making, with the interim dividend paid in December, 1921, 12½ per cent. for the year, and that £359,405 be carried forward to next year's account. The amount carried forward is £21,515 in excess of the balance brought into the accounts, and the 12½ per cent. dividend for the year compares with a dividend of 10 per cent. for the previous year.

RAILWAY RATES.

The maintenance of railway rates at their present high and uneconomic level is acting as a serious drag on trade recovery, and although there are signs that this matter is receiving the attention of the railway companies (in fact, certain slight reductions have already been announced), it is a matter for regret that the Scottish railway companies have not yet seen their way to make these reductions as fully operative as their English confrères.

The lack of uniformity in reducing railway rates as between the English and Scottish railway companies, chiefly affects the transportation cost of coal, but there still remains the important traffic in cloth, in respect of which there appears at present to be no prospect of immediate relief, and unless the railway companies (both English and Scottish) do give serious consideration to this question of rate reduction, there is no doubt that permanent damage will be inflicted upon the important trade between Lancashire and Scotland, in which this association is extensively interested.

I was able when I had the pleasure of addressing you last year to refer to the very cordial relations existing between the managing directors and our workpeople during the year. It is a matter for gratification to be able to tell you that this position has been maintained, and I hope that by mutual trust and confidence we may be able to overcome any difficulties which may arise in the future.

During the year we have been able to make some progress with our programme of extensions at one or two of our branches. Now that constructional costs are lower, we are anxious to proceed with our scheme for reorganising and equipping our works, in order that they may readily meet all the requirements of the trade, and give our customers still better service.

PENSION SCHEME.

To revert to the amounts set aside from time to time for the

superannuation fund, for some time past my directors and I have felt that it would be a wise step to inaugurate a pension fund for members of our staff, with a view to cementing them closer to the company, and to enable them to make a reasonable provision for themselves for the time when they are old and past work. It is a policy that is followed with success by other large companies.

After making careful investigations with the help of a skilled actuary, and one who has been responsible for many such schemes, we have now evolved a scheme that we believe will be satisfactory to all concerned. It is not as ambitious as some, but we believe it is adequate.

(1) The scheme will be open to members of our staff—managers, sub-managers, engineering, chemical and clerical staff, townsmen and foremen—between the ages of 21 and 65.

(2) The main principle of the scheme is that it is contributory, that is to say, that both the member and the company contribute to the fund, to provide the member with a pension on the attainment of the age of 65.

(3) All contributions to be paid into a fund to be administered by trustees.

The pension age will be 65; the pension will then be paid for life or for five years, whichever is the longer.

Seeing that our men eligible for the scheme are of all ages, and have put in various terms of service with us, it has been found necessary to allow them considerable rebates, to be paid by the company, and the money which you have voted year by year will be available for dealing with this matter. It will also be available for assisting those who from their age are unable to join in the scheme.

I need hardly say that I feel sure that I have the sympathy of the shareholders in this scheme. As a result of the adoption of this scheme, the company's contribution will in future be a charge against the company, to be met before striking the profit, so in future years there will be no need to ask you to vote annual sums for this specific object.

WELFARE WORK.

You may remember that last year I said something about welfare work, and the fact that we had undertaken the building of a small garden village at one of our branches, which was then approaching completion. I am glad to say that the buildings are all finished, and that the tenants appreciate the houses and the general lay-out and situation.

In an association like ours, with the works scattered in many directions, and mostly in comparatively small units, welfare work as practised by some of the large works in the country is not possible; it is a matter, however, that we keep very much before us, and where we see an opportunity we do what we can.

Our occupation is a healthy one, and the great majority of our employees work in good conditions as to light and fresh air.

Besides various housing schemes, we have laid out, or are now doing so, a good many bowling greens and tennis courts, and at many works have dining rooms and canteens.

In all work that we have done in this direction, we have met with a hearty response from the workpeople, and this helps to foster that genuine spirit of comradeship and co-operation which exists in such a generous degree among all the ranks of our trade.

BOWLING CUP.

Last year I mentioned that I had instituted a bowling competition between our English branches, which proved very successful in bringing the men of the different branches closer together.

This competition has proved so popular that I have this year offered a similar cup to be competed for by our Scottish branches.

In conclusion, I wish to express to the managing-directors and central office staff, and to the managers, staff and men of all our branches, and I include our engineering and transport branches, our hearty appreciation of their hard work and loyal co-operation, without which an association such as ours cannot hope to succeed. We appreciate the fact that all of them have so co-operated, and we hereby tender them our hearty thanks.

Sir Alan Sykes then moved a resolution declaring a dividend at the rate of 10 per cent. (actual) on the ordinary shares for the six months ending March 31, 1922, making with the interim dividend of 2½ per cent. (actual) paid in December, 1921, a dividend of 12½ per cent. on the ordinary shares for the year.

On the motion of Mr D. Q. Henriques, seconded by Mr W. Gee, it was resolved that the retiring directors be re-elected, and the joint auditors, Messrs Jones, Crewdson, and Youatt and Messrs P. and J. Kevan, were also reappointed, and the meeting closed with a vote of thanks to the chairman.

GREAT INDIAN PENINSULA RAILWAY COMPANY. DISAPPOINTING YEAR—SURTAX REMOVED.

The one hundred and forty-fifth half-yearly general meeting of the Great Indian Peninsula Railway Company was held, on the 23rd inst., at the company's offices, 48, Copthall avenue, London, Sir Charles H. Armstrong, chairman of the company, presiding.

The secretary (Mr R. H. Walpole) having read the notice convening the meeting,

The Chairman, in the course of moving the adoption of the report and accounts, said:

The result of the year's working has been a disappointment, and there is no surplus profit. At our last half-yearly meeting I reported a deficit for the first half of the year of 144.15 lacs, and to this has now to be added 95.90 lacs, the adverse balance of the past six months, making a total deficit for the year of 240.05 lacs. We have been overburdened with expenses, a high level of salaries, a greatly increased cost of coal, heavy charges for maintenance of permanent way, bridges, &c., and for the repair of wagons. The percentage of working expenses for the year to gross receipts was 97.49, a very excessive figure, which must and will be reduced in the current year.

Our gross earnings for the year on the amalgamated system, including State lines, were 13.74 crores, a decrease of 9½ lacs, or .68 per cent. on the previous year. Our expenditure was 12.57 crores, against 10.64 crores, an increase of 19½ lacs, or 18.08 per cent. The net earnings on the amalgamated system, excluding State lines, were 101 lacs, or 7.94 per cent. of the gross receipts. When adjustments have been made, that item is turned into a deficit of 240 lacs, and this is the result of the year's working.

During the year we have collected over 87 lacs of surtax for Government, and if we could have included this amount in our accounts the deficiency would have been reduced to 153 lacs. This surtax has now ceased, and from April 1st we have been charging higher rates and fares, which will improve our position materially, but will not be sufficient to produce a favourable balance during the current year. Economies under all heads are, therefore, imperatively necessary, and all capital and renewal expenditure which can be avoided must be avoided until equilibrium has been reached.

RAILWAY BOARD'S RESPONSIBILITY.

Our capital expenditure the last two years has been heavy and above the average, but this is due in a great measure to difficulties and delays caused by the war. There are still, however, many capital works in progress on which further expenditure is necessary to bring them to completion. The position in which we are now placed was foreseen by your directors some time ago, and in June, 1920, they urged on the Railway Board a general increase in rates and fares, which up to that time had hardly been altered since the war began. Our request was refused, and the position was made still worse for us by Government imposing a heavy surtax on freights for revenue purposes on Government account. This has now been removed, and the higher rates and fares now in force will help us in the future, but if our suggestion had been followed two years ago we should not be forced to delay development as we are now compelled to do. Passenger and troop traffic increased during the year by 1½ millions, but the revenue earned was less by 15.43 lacs. We carried during the year over 42 million passengers, against 40½ millions in the previous 12 months. In goods we carried 10,653,000 tons, against 10,147,000 in the previous year, an increase of 506,000 tons, and our receipts from this were 24 lacs in excess of the previous 12 months. Our total gross earnings were, however, about 9½ lacs less than in the previous year.

In connection with working expenses, heavy increases are shown in all departments, excepting traffic. As regards electrification, I am hoping something will be decided shortly, and if, ere long, the decision is favourable, we shall get to work as rapidly as possible.

CURRENT YEAR'S PROSPECTS.

As regards the current year, traffic, so far, are disappointing, although gross receipts are showing some increase, but this addition is due, mainly, if not entirely, to the higher rates and fares. The trade position in India is improving, slowly, but steadily. The balance of trade has shown a tendency lately to swing round in India's favour, and if there is a good monsoon this year there ought to be a better trade next season. Continental exchanges are still, however, adverse, and little improvement in this respect is likely at present, but Indian export trade in all probability will slowly expand, and signs of an increased inquiry for raw materials from India have not been lacking the last two or three months. Sterling exchange is still low, but will no doubt improve gradually as the export trade of India increases. As regards imports, I think we may also look for a steady growth of trade, for manufacturing prices to-day in this country and elsewhere are much less than they were two years ago. The heavy fall in prices the last two years has been a serious blow to Indian trade, from which it will take some

time to recover. The unrest in India the last two or three years has hampered trade and industry in all directions, and Indians themselves must in many cases have been heavy losers. The monsoon has set in quietly and rather early, and its future may therefore be followed with some anxiety, but the forecast for Western India is, at any rate, favourable. If last season's good monsoon should be repeated, the country will be prosperous, and, although living expenses are still much above the normal and will probably remain on a high level for some time, a good harvest is bound to bring improved trade.

The report and accounts were unanimously adopted.

WHITEHALL ELECTRIC INVESTMENTS, LIMITED. ACTIVITIES AND INTERESTS OF THE COMPANY.

The statutory meeting of Whitehall Electric Investments, Limited, was held, on the 20th instant, at Winchester House, Old Broad street, London. The Hon. Clive Pearson (chairman of the company) presided.

The secretary (Mr J. Lister Walsh) having read the notice convening the meeting,

The Chairman, in the course of his remarks, said: Over a period of years Lord Cowdray, through one of his companies, the Whitehall Securities Corporation, Limited, had acquired a controlling interest in various electrical companies in Mexico supplying certain large cities and their surrounding districts with light and power, and operating the tramway system in such cities. These enterprises were remodelled, and have been built up over many years into good properties; they have been nursed through Mexico's troublous times, and are now in an established position, with steady earnings and good additional prospects still before them. An opportunity arose at the end of the war of purchasing from the Public Trustee for a considerable sum in cash the share control of the English company owning and operating the tramways and the power and light distribution system in Santiago, a city of 500,000 people, and the capital of Chile, which company had been controlled for some years before the war by the A.E.G.—the well-known German electric company. At the time of this purchase it was known that very considerable sums would have to be spent on extensions in order to develop the properties to their fullest extent, and to embrace not only the City of Santiago, but also the rich territory stretching to Valparaiso, the chief port of the country. It was, therefore, determined to form your Whitehall Electric Investments, Limited, and to transfer to it the whole of the debentures and shares in the different electrical companies, both Mexican and Chilean, giving in exchange, therefore, only ordinary shares in your company, and to issue debentures and preference shares of your company to provide the cash required for the extension work. You will see, therefore, that the whole of the cash received from the public is applied to new work: the vendors, the Whitehall Securities Corporation, receiving no cash in respect of the securities transferred.

THE CHILIAN PROPERTIES.

Upon acquiring the Chilean properties a complete examination of the position showed the existence of a very fine field for a large and satisfactory business. It was found that the development of considerable additional hydro-electric power was essential, and remodelling and extensions were required, both of the tramways of Santiago and the light and power distribution system. To provide the additional water power a controlling interest was obtained in and amalgamation effected with the Cia. Nacional de Fuerza Electrica, a company which had been formed and into which Chilean Nationals subscribed over half a million cash for the purpose of developing hydro-electric power at Maitenes, some 30 miles outside Santiago. The Cia. Chilena is thus inaugurated as the owners of hydro-electric developments, and of a very large system of tram and light and power distributing facilities. It is earning a large immediate income in a field very favourable for the investment of additional capital to extend its activities and to serve efficiently an energetic, vigorous, and wealthy prosperous population of some million people. When the Maitenes water power development is completed the company will be enabled to fulfil the important contract it has entered into for the supply of power to the Government railways, the electrification of which is already in hand, and generally to satisfy the immediate power demand in the Santiago-Valparaiso territory.

The earnings of this Chilean enterprise fluctuate to some extent with the rate of exchange, but with the company's programme of development work the light and power side of the business becomes of far greater importance, and this is almost wholly upon a gold basis, and thus not subject to exchange fluctuations. The earnings of the Cia. Chilena, to-day sufficient to meet its debenture charges and to pay a dividend on its preference shares, will, we are confident, grow to very large figures. The company has, we believe, an immense future, in that, whilst it already has a big

business, its territory is relatively undeveloped, and is ripe to absorb additional power to a very large amount. I may add that your company's Chilean investments represent over half of your total investments.

MEXICO—THE TAMPICO INTERESTS.

In spite of all its misfortunes, political and financial, during the last nine years—Mexico still continues one of the richest countries in the world, with an unlimited future. Mexico has a population of some 15,000,000 of people, whose capacity for work and whose reputation for honesty must be regarded quite apart from the relatively small number of people who constitute the disturbing factor in the country. To enable the factories to work they require the services of the great utility companies for the supply of electric light and power. It is a noteworthy fact that during the whole of the disturbed period little or no damage has been done to any electric power and light plant throughout the Republic. The demand for the supply of electric energy is constant and growing. I would also remind you that Mexico has passed through the period of paper inflation. She has no war debt, her currency is on the gold basis, and her Customs revenues are to-day larger than ever before.

I will now refer shortly to your Mexican investments. The Tampico Company (which is a Mexican company) was formerly an English company, now in voluntary liquidation, owing to English income-tax. The port of Tampico has grown largely in the last few years, due, of course, to the oil industry having developed so materially in the district, and while there is a temporary lull, their profits for 1922 will not be as large as those of 1921, the company's record year, there seems to be no reason why the earnings of this company should not before long again equal the 1921 figures, and, in fact, exceed them. So far as we are able to judge at present, there is no reason why—in addition to the payment of its debenture interest and sinking fund, and dividend on its preference shares—it should not earn a reasonable dividend on its ordinary shares for the current year. The company's plant is an oil-fired steam plant, the extensions to which are well in hand.

The Puebla Company, which operates in the city of Puebla—the centre of the cotton industry in Mexico—is a Canadian company, which was formed many years ago. The company supplies power over a large district, and Puebla is probably one of the best-lighted cities in the world. The water-power station at Tuxpango is now developed for 17,000 h.p., and is capable of developing 17,000 more. The total horse-power at present developed by the company at its three stations—Tuxpango, Portezuela, and St. Augustin—is 26,000.

OUTLOOK FOR PUEBLA COMPANY.

The outlook of the Puebla Company is good, and the earnings ought steadily to increase. The company has available a considerable amount of unsold power, but when the demand becomes pressing it can increase this very much by the heightening of the dam and the installing of an additional unit. The company has now sufficient cash available to meet this expenditure as soon as it is required. When this company issued the prospectus for its debenture issue of £250,000, it was estimated that its earnings would ultimately reach round about £30,000, but this estimate proved to be much below the mark, and its maximum earnings have exceeded more than double the estimated figure. As conditions in Mexico continue to improve there is no reason why this company should not steadily increase its earnings. Since this company's shares were acquired by your company a final dividend of 5 per cent. and a bonus of 2½ per cent. have been paid in respect of the year 1921, making a total distributed of 12½ per cent for the year.

In conclusion, it is the view of your board that the company's prospects are excellent, in that it is the controlling owner of enterprises which are well established, are successfully operating, and have growing revenues.

SCHEDULE OF INVESTMENTS, JUNE 20, 1922.

The following is the schedule of securities referred to by the chairman:—

- CIA. CHILENA DE ELECTRICIDAD LIMITADA.
 £3,140,556 Eight per Cent. First Mortgage Bonds.
 1,525,226 Eight per Cent. Non-Cumulative Participating Preference shares of £1 each, fully paid.
 4,764,586 Ordinary shares of £1 each, fully paid.

NOTE.—Of the above £425,000 of the bonds; 425,000 of the Preference shares, and 850,000 of the Ordinary shares are represented by shares in the Cia. Nacional de Fuerza Electrica, and do not carry interest or participate in profits until certain construction work is completed (estimated to be completed about December 31, 1922), when these securities and shares will be issued in exchange.

- CIA. ELECTRICA DE TAMPICO, S.A.
 £474,169 Seven per Cent. First Mortgage Debenture stock.

- 634,105 Eight per Cent. Cumulative Preference shares of \$10.00 (Mex.) each, fully paid.
 642,615 Ordinary shares of \$10.00 (Mex.) each, fully paid.

GENERAL SECURITIES, LIMITED.

This company has the controlling interest in the Puebla Tramway, Light, and Power Company.
 £636,000 Five per Cent. Debentures.
 300,000 shares of £1 each, fully paid.

VERA CRUZ ELECTRIC LIGHT, POWER, AND TRACTION, LIMITED.
 213,632 shares of £1 each, fully paid.

CIA. DE LUZ ELECTRICA Y FUERZA MORTRIZ DE ORIZABA, S.A.
 12,000 shares of \$100.00 (Mex.) each, fully paid.

CIA. VERACRUZANA DE LUZ Y FUERZA, S.A.
 200 shares of \$1,000.00 (Mex.) each, fully paid.

UNION CORPORATION, LIMITED. (INCORPORATED IN THE TRANSVAAL.)

DIVIDEND MAINTAINED.

BETTER PROSPECTS ON THE RAND.

The annual meeting of the Union Corporation, Limited, was held at Johannesburg, on May 29th, Mr P. M. Anderson presiding.

The Chairman, in the course of his remarks, said:—The gross profit for the year amounted to £280,361, being an improvement on last year of £26,052. We have considered it desirable, however, to write off £41,250 from sundry debtors, but owing to lower exploration and general expenses, our net profit at £179,517 works out at only £10,557 less than last year. Bringing in £68,355 brought forward from last year, we have £247,872 to dispose of, being within a few hundred pounds of last year's figure. We have added £30,000 to reserve account, bringing it up to £150,000, and we have declared and distributed a dividend of 2s per share, the same as last year, leaving a balance of £77,872 to carry forward to this year.

SHARE AND DEBENTURE HOLDINGS.

There has been little change in our share and debenture holdings, suitable opportunities to enter into new ventures on the one hand, and a desire to realise on the other, not having arisen. Our principal interests continue to be centred in gold mining on the Rand, where important changes for the better have recently taken place in economic conditions. The protracted strike was a costly matter for the mines, but has resulted in re-establishing conditions, including the functions of the management, which should have far-reaching effects on the cost of production and assure the prosperity of the industry. Further, the steady fall in the cost of living has made it possible to reduce the cost of living allowance paid to employees. It is intended that these allowances shall disappear entirely after June 30th next. It may, therefore, confidently be expected that working costs will be sufficiently reduced to offset the inevitable return of gold to its standard price in sterling.

MODDERFONTEIN DEEP RECORDS.

During the past year the Modderfontein Deep Levels, Limited, established records in the yield of gold per ton milled, in the total profit, and in its ore reserve position. The tonnage milled was 509,300 tons, the yield per ton was 11.009 dwts, the gross profit £932,394, and the working costs 22s per ton milled. Taxation absorbed £161,299, and £750,000, or 150 per cent. on the capital of the company, was distributed in dividends. The unappropriated balance carried forward to this year was £179,456, or some £16,000 more than at the close of the preceding year. The development footage accomplished was slightly larger than in 1920, and exposed equally satisfactory values. The ore reserves were increased by 275,000 tons to 4,375,000 tons, having a value of 9.3 dwts over a stoping width of 77 inches.

Operations during the current year were seriously interfered with by the strike; nevertheless, the company was able to make a profit of £52,874 during the first quarter. The profit for April was £53,959, in spite of the rock hoist being out of commission all the month owing to a breakdown. This result was made possible by the fact that the company has a large reserve of broken ore stored on the surface. Satisfactory repairs to the engine were completed by the 15th of this month, since when normal operations in both mining and development have proceeded uninterruptedly. The working costs for April were nearly 2s per ton lower than the average for last year.

GEDULD PROPRIETARY MINES.

At the Geduld Proprietary Mines, Limited, the gold produced was slightly greater, and the working costs less than in the preceding year, but the gross profit of £386,128 was less by about £19,000, on account of the lower average selling price of gold, which fell from 110s in 1920 to 105s 9d last year. Of the total profit accruing to the company £47,285 was absorbed by taxation,

£32,552 was expended on excess development, and £220,916 was distributed in dividends. The unappropriated balance carried forward to this year was £129,468, or some £74,000 more than at the close of the preceding year. Development continued to show very satisfactory values, particularly in the southern area of the mine. The result is that the ore reserves at the end of the year amounted to 3,545,000 tons, valued at 8.1 dwts over a stoping width of 62 in, which figures disclose increases over those of the year before of 325,000 tons, .1 dwt in value, and 1 in in width.

During the first three months of the current year conditions were quite abnormal, owing to the strike, and a working loss of £21,100 was registered. During April conditions became more normal, and a working profit of £27,014 was earned. A very satisfactory feature of the month's work was that working costs were 20s 9d per ton milled, compared with 23s 7d for the year 1921.

In view of the improved ore reserve position and the favourable prospect of developing further high-grade ore, the company has decided to increase, as soon as possible, the capacity of its reduction plant by about 50 per cent., so as to treat 65,000 tons per month.

The anticipated reduction in costs, resulting from the improved industrial position and from operating on a larger scale, will bring within the scope of profitable working a large tonnage of low-grade ore developed within recent years, but not yet included in the ore reserves. The consulting engineer estimates this additional ore at 2½ million tons.

As nearly all of the 180,000 shares which were under option until December 31st last at 40s per share were taken up, the company is well supplied with funds.

The report and accounts were adopted.

FORESTAL LAND, TIMBER, AND RAILWAYS COMPANY, LIMITED.

CURRENT YEAR'S SALES SATISFACTORY.

The ordinary general meeting of the Forestal Land, Timber, and Railways Company, Limited, was held, on the 22nd instant, at River Plate House, London, E.C. The Hon. Sir Arthur Lawley, G.C.S.I. (chairman), presided.

The secretary (Mr C. Winkup) having read the auditors' report,

The Chairman, after a full commentary on the accounts and on the company's holdings in associated undertakings, went on to say that they had now established in the commercial world a chain of outposts, so that the company could penetrate into all the more important tanning markets of the world, and be in a position to take full advantage of any trade revival. Last year he used the following language regarding labour conditions: "Matters, if anything seem worse rather than better." The hostile attitude shown by labour necessitated the formation of the company's own mounted police force to protect the lives of their officials and the property of the company in the Chaco. This hostility was, the directors were assured, provoked entirely by agitators outside the company's employ. The demands for new conditions of wages and hours were such as the board could not accept. At the same time they had to consider the quantity of their then existing stocks, well as the high productive cost and the fall in selling price.

Factories Closed.

Having regard to all these things, they decided in January, 1921, to close two of their factories—a smaller one had been closed a month earlier, after which serious difficulties arose, resulting in strikes and the assassination of the manager at Guallarmina. They therefore determined to close the remaining factories. Many of the workmen then resorted to the company's forests and carried off large numbers of cattle. On a recount of the livestock an abnormal shortage of some 5,400 animals was shown, mainly due to the conditions he had mentioned. The closing of the factories involved heavy revenue expenditure by the company's obligation to pay fares and expenses of large numbers of workmen and their families to other parts of the Argentine to seek employment. Then again these conditions obliged the company to further extend its insurance covers against the risk of strike damage to its properties. These factors, which the board could not control, accounted for the excessively heavy charges, which had resulted in a trading loss being shown, but the board were determined that they could not and would not order the reopening of the factories for working operations except on their own terms and conditions. In January last the Gallareta factory recommenced producing, and at the beginning of last month the Guallarmina factory was reopened. Work was proceeding most satisfactorily, wages had been reduced, and hours extended, and the board hoped that at last the company might be free from Bolshevistic agitators, and be able to pursue its activities to the best interest of the country, the workmen, and the shareholders.

TRADING PROFIT.

As to the trading of the past year, the sales effected fell below those of the previous year, and showed a substantially smaller margin of profit than for some years past. The reason for this lay in a lessened demand for quebracha, and, consequently, a competitive cutting of prices. The diminution in the matter of demand might be ascribed to various causes, but he thought it was primarily due to the world economic position, as many countries were unable to pay for raw materials except in a restricted degree. Stores purchased for retail to workmen showed a substantial loss on trading consequent upon the closing of the factories and the necessity to resell at low prices during that period. The conditions indicated had resulted in part, at least, that the costs of administration had also risen considerably. The board was devoting unremitting effort to secure a rigid economy. In these circumstances, the board regretted that it was not possible to declare a dividend on the ordinary shares out of earnings.

THE OUTLOOK.

They had two of their factories running for several weeks, so far without political or labour troubles. If, as the board hoped, there might be no recrudescence of labour troubles, the shareholders might be assured that everything that could be done would be done to produce as economically in the future as in the past, having regard to altered conditions of wages and living costs, so as to regain the success enjoyed by the company for so many years. The results of last year's working had been bad—disappointingly bad. In conclusion, he uttered a word of caution. He did not want the shareholders to think from what he had said that all their difficulties were overcome, and that they could immediately look to a resumption of the prosperity of previous years. Though sales to date for this year had been satisfactory, the company had yet more than six months of the fiscal year to run, and so he preferred not to make any prophecy as to probable results.

The report and accounts were unanimously adopted, and a vote of thanks to the chairman, directors, and staff terminated the proceedings.

OROVILLE DREDGING COMPANY, LIMITED. PROPOSAL TO NECHI PREFERENCE SHAREHOLDERS.

The eleventh ordinary general meeting of Oroville Dredging Company, Limited, was held, on the 23rd inst., at River Plate House, Finsbury circus, London.

Mr Frederick W. Baker, chairman of the company, who presided, moved the adoption of the report and accounts. He said that during the year under review dividends were received on the company's holdings in the Nechi Mines (Colombia), Limited, and Pato Mines (Colombia), Limited, amounting in the Nechi Mines to £62,996, and in Pato Mines £93,616, the other credits of the profit and loss account amounting to £1,449. From these total credits of £158,062, after debiting all charges in London, the balance to profit and loss account for the year to be carried to the balance-sheet was £144,785, compared with £111,829 for the previous year. Adding to this amount a credit balance from last year—£42,797—the total of £187,582 was shown. Deducting from this the four dividends of 9d per share paid in December, March, June and September, and a bonus of 1s per share in July, making up the sum of £137,307, there remained a balance of £50,275 to the credit of profit and loss as at September 30, 1921, this amount being subject to excess profits duty (if any) and corporation profits tax. This figure did not really represent the true cash position of the company.

The Nechi and Pato Companies together would be in a position to-day, subject to Excess Profits Duty, to pay to the Oroville Company in the form of dividends a sum approximating to £150,000. These dividends had not yet been declared, because in the case of the Nechi Company they could not be paid until the company had received out of calls being made from the Colombian Corporation, Limited, the advances made by the Nechi Company to the corporation, and in the case of both Nechi and Pato until the definite liability in respect of Excess Profits Duty had been determined. The negotiations between the company's expert accountant and their lawyers with the Revenue authorities were still pending, but the board had great hopes that the case that they had put forward would be accepted, in which case the figure for payment should not seriously affect the cash resources of the three companies.

After dealing in some detail with the position at the Pato and the Nechi Mines, he explained an offer which had been submitted by the board to the Nechi preference shareholders—to take Oroville shares in exchange for Nechi preference shares—half the Nechi preference shareholders were already shareholders in the Oroville Company, and he hoped they would accept the proposal. In anticipation of their doing so, the directors had decided to increase the authorised capital of the Oroville Company by 40,000 shares.

The resolution was adopted unanimously.

NECHI MINES (COLOMBIA), LIMITED. OROVILLE PROPOSAL EXPLAINED.

The seventh ordinary general meeting of the Nechi Mines (Colombia), Limited, was held, on the 23rd instant, at River Plate House, Finsbury circus, London, Mr Frederick W. Baker, chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said that the net receipts during the year under review amounted to £200,609. After debiting the field cost, £47,643, depreciation written off, £7,602, and all London administration expenses, the credit carried to the balance-sheet was £140,934. Adding to this the credit brought forward from the previous period, and deducting the dividends paid on the preference and ordinary shares during the financial year to September 30, 1921, amounting to £96,250, the balance carried forward was £189,136, subject to excess profits duty (if any) and corporation profits tax. Shareholders would have received with the directors' report and accounts a circular to the preference shareholders containing an offer from the Oroville Dredging Company, Limited, to exchange their preference holdings into Oroville Dredging Company, Limited, shares on the basis of seven Nechi preference shares, 10s fully paid, for two fully-paid £1 shares in Oroville Dredging Company, Limited. When the Nechi Company was formed and based upon the reports issued at the time, it was apparent that while the Nechi gravels were abnormally rich, the life of the property was a limited one. The company had been in existence for nearly eight years, and during that period they had exhausted the original tested gravel reserves, and but for the fact that recent drilling in an outlying section of the property had disclosed good values, he might say that the property would have been practically worked out. Influenced by these facts, the company's manager, Mr Prichard, had laid before the directors a proposal which, if successful, would have the effect of extending the dredging life of the company for another four or five years, but which might result in the loss of the company's dredge. For this reason, and as the Oroville Company owned all the ordinary shares in the Nechi Company, and practically the entire capital of the Pato property adjoining, the directors of the company felt that rather than incur at this time such a serious risk as he had indicated, some equitable arrangement should be made with the Nechi preference shareholders so that the Nechi dredge could be operated on the Pato property until the property was worked out. By acquiring Oroville shares in exchange for Nechi preference shares, holders of the latter would be getting a holding in an established dividend-paying company, with a long period of prosperity ahead of it, with all the prospects of continued earnings after the Pato and Nechi properties were exhausted.

The resolution was unanimously adopted.

WM. CORY AND SON, LIMITED. STRONG POSITION OF THE COMPANY.

The twenty-sixth annual ordinary general meeting of William Cory and Son, Limited, was held, on the 22nd instant, at the Cannon street Hotel, London.

Sir A. C. Cory-Wright, Bt., chairman of the company, who presided, said that when the company first entered upon the very difficult period now under review, they were in the fortunate position of being entirely free from any unfavourable forward commitments, and were not burdened by the possession of large high-priced stocks like many other commercial undertakings. It was gratifying to be able to submit to the shareholders a statement of accounts which, he felt confident, would be viewed with satisfaction. The result of the year's trading, after providing for the corporation profits tax, charging all expenses, the cost of maintenance, and making liberal reserves for depreciation, showed a profit of £601,404. They had already paid the interest on their debenture stocks, the dividend on the preference shares, and an interim dividend of 5 per cent. on the ordinary and employees' shares, leaving, with the balance of £391,812 brought forward from last year's accounts, a sum of £768,834 at their disposal. In view of the unfavourable conditions that had prevailed throughout the year, the result was not unsatisfactory, and quite up to their expectations.

Had it not been for the company's expansion policy during the past few years and their recent developments both abroad and in oil fuel, their profits would have shown a very much greater decrease, and the board would not now be in a position of being able to recommend what, in the circumstances, must be considered a very satisfactory dividend. Their trade in oil fuel, which they entered into to meet the requirements of many of their customers, who had decided to substitute the use of oil fuel in place of coal, had during the past year steadily developed, and they were further extending it. There was, he felt sure, a great future for the company in this direction. The position of the company was one of exceptional strength. Their balance of undivided profits which they carried forward, had been gradually built up until it now

reached the sum of £478,838. Their total reserve funds remained at £750,000, and their investments in Government securities amounted to £2,150,886. All these investments were valued in the balance-sheet at cost or under, and at the present market valuation they showed an appreciation of approximately £200,000. During the last three years they had reserved for depreciation a sum exceeding £1,000,000.

The report and accounts were unanimously adopted.

MORTGAGE COMPANY OF EGYPT, LIMITED. CONTROL TRANSFERRED TO EGYPT.

The ordinary general meeting of the Mortgage Company of Egypt, Limited, was held, on the 22nd instant, at the Cannon street Hotel, London.

Sir Henry Babington Smith, G.B.E., K.C.B., C.S.I. (chairman of London committee), presided, and after referring to the changes that had been made in the organisation of the company, and to the fact that the board had now its seat in Cairo, said that the economic position in Egypt, though in some respects difficult, might be regarded as extremely favourable when it was compared with that of many other countries. The Egyptian currency had been steadily maintained on a parity with sterling, and the contraction of the paper currency from the very high level necessitated by war requirements and war prices had been effected without disturbance. The note issue of the National Bank of Egypt had fallen to £E31,112,000. The cotton crop of 1921 was a poor one. It was estimated at 3,300,000 kantars, as against more than 6,000,000 kantars in 1920. This was due partly to the restriction of the area to be planted with cotton and partly to the poor yield.

The average price in Egypt had been just under 35 talaris, or about double the pre-war price. The Liverpool price had varied between 28½d and 16d, and it now stood at 19½d. The prospects for the current year were fairly good. The crop would be a small one, as the area was still restricted. The cost of production had fallen, so that if the present price were maintained the cultivators' profit would be increased. The amount invested in first mortgages on March 31st last was £3,122,024, an increase of £244,000 over the preceding year. There had been a further increase in instalments in arrear during the last 12 months, and the amount now stood at £352,000, as compared with £240,000 in March, 1921. That increase was due primarily to the unsatisfactory cotton crop and to the less favourable results obtained by agriculture generally. The funds required for the increase in loans and outstandings had been provided by further advances from the Agricultural Bank of Egypt, their loan now standing at £798,000, as compared with £474,000. The balance of the profit and loss account amounted to £96,354, as against £80,310 last year. This enabled the board to recommend the shareholders to maintain the dividend on the ordinary shares at the rate of 12 per cent., and to add £15,000 to the special reserve, leaving £44,603 to be carried forward to the next account.

The report was unanimously adopted.

A resolution was passed approving of the payment of £6,000 by way of compensation to Sir Henry Babington Smith and also two of the London directors for their loss of office.

GOVERNMENT RETURNS.

CURRENCY NOTES ACCOUNT. (000's omitted.)

Date.	Notes and Coins Outstanding.	Investments Reserve Account.	Advances to		Redemption Account.					
			Bankers	Savings Banks.	Gold and Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.	
1914.										
Aug. 26.....	21,535	..	6,302	3,810	..	..	..	..	..	11,423
Dec. 30.....	38,478	..	169	600	18,500	..	48.1	9,294	..	9,286
1915.										
Dec. 29.....	103,125	729	159	249	28,500	..	27.6	54,621	20,536	
1916.										
Dec. 27.....	150,144	2,430	64	40	28,500	..	19.0	118,102	6,868	
1917.										
Dec. 26.....	212,782	8,554	39	675	28,500	..	13.4	186,637	5,486	
1918.										
Dec. 31.....	323,241	15,529	..	570	28,500	..	8.9	305,133	4,566	
1919.										
Dec. 31.....	356,152	17,182	250	245	28,500	4,000	9.1	337,537	2,802	
1920.										
June 30.....	357,356	16,700	..	190	28,500	13,400	11.7	331,660	305	
Dec. 29.....	367,626	16,962	..	..	28,500	19,450	13.0	336,504	134	
1921.										
Mar. 30.....	343,826	15,599	Silver Coin.	..	28,500	19,450	13.9	311,334	141	
June 29.....	333,884	14,965	..	3,000	28,500	19,450	14.8	287,750	150	
Sept. 28.....	314,382	14,839	..	3,000	28,500	19,450	15.2	278,119	143	
Dec. 28.....	325,584	14,658	..	3,000	28,500	19,450	14.7	289,131	161	
1922.										
Mar. 30.....	300,351	14,255	..	5,000	28,500	19,450	15.9	261,479	177	
June 15.....	299,222	13,187	..	6,000	28,500	19,550	16.0	258,193	166	
June 22.....	295,612	12,961	..	6,000	28,500	19,650	16.3	254,274	148	

Since July 21, 1920, notes and certificates outstanding include notes called in, but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £330,000,000, for 1921 at £317,555,200, and for 1922 at £308,988,400.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £55,000,000 in three months' Treasury Bills dated from Monday to Saturday, June 27-July 1, were opened on June 23, 1922, and the total amount applied for was £82,215,000. Tenders for Treasury Bonds at £98 3s 0d will receive about 90 per cent., above in full. Tenders for Monday to Friday bills at £99 9s 5d, and above in full. Saturday bills at £99 9s 6d about 80 per cent., and above in full. The average rate of discount for Treasury bills was £2 1s 7½d. The amounts allotted were as follows:—In bonds, £2,000,000; in bills at 3 months, £50,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills, Average Rate.	4½% Treasury Bonds, 1932, Average Price.
May '22.....	£ 50,000,000	(a) 79,255,400	£ s d 2 5 206	98 13 7-2
June 2.....	(a) 50,000,000	(a) 67,630,000	2 5 206	98 13 8-4
June 9.....	(a) 50,000,000	(a) 76,795,000	2 6 9-34	98 1 5-45
June 16.....	(a) 50,000,000	(a) 69,225,000	2 8 0-44	98 4 2-55
June 23.....	(a) 55,000,000	(a) 82,215,000	2 1 7-4	98 3 0-9

(a) Including Treasury Bonds.

Tenders will be received on Friday, June 30, 1922, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £50,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from		Receipts.	
	Apr. 1, 1922, to June 17, 1922.	Apr. 1, 1921, to June 18, 1921.	Week Ended June 17, 1922.	Week Ended June 18, 1921.
Balances in Exchequer on 1st April:—				
Bank of England.....	9,963,424	2,591,051	..	..
Bank of Ireland.....	1,210,106	483,455	..	..
REVENUE.	11,173,530	3,074,506	..	..
Customs.....	24,846,000	22,813,000	1,892,000	1,031,000
Excise.....	31,597,000	42,846,000	5,937,000	11,611,000
Motor Vehicle Duties ..	1,587,000	1,267,000	..	..
Estate, &c., Duties.....	12,921,000	9,433,000	1,050,000	720,000
Stamps.....	2,882,000	2,256,000	330,000	66,000
Land Tax, House Duty, & Mineral Rights Duty	..	..	..	..
Property & Income Tax (including Super-Tax) ..	51,463,000	58,653,000	2,347,000	1,742,000
Excess Profits Duties, &c.	954,000	16,904,000	..	211,000
Corporation Profits Tax	3,447,000	1,630,000	300,000	280,000
Post Office.....	10,750,000	8,750,000	1,000,000	750,000
Crown Lands.....	160,000	100,000	..	..
Interest on Sundry Loans.....	1,430,667	1,186,464	958,561	13,962
Miscellaneous.....	8,545,271	6,382,296	412,137	555,824
Ordinary Receipts.....	11,661,491	13,393,767	901,752	1,500,000
Special Receipts.....	..	..	..	..
Revenue.....	162,694,429	185,994,527	15,140,460	12,430,776
Total, inc. Balance ..	173,857,959	189,069,033	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion.....	550,000	1,500,000	..	100,000
Under the Unemployment Insurance Acts, 1921 ..	600,000	..	600,000	..
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Acts, 1920 and 1921 ..	..	..	..	..
(b) Under the Unemployment Insurance Acts, 1921 ..	1,450,000	..	..	..
(c) For other Issues: By Treasury Bills for Supply ..	658,244,000	1,637,788,000	62,161,000	55,335,000
By National Savings Certificates	26,448,000	7,730,000	618,000	800,000
By Treasury Bonds—				
5-15 year, 1925-35 ..	..	1,002,675	..	4,000
5½% ..	121,708	..	..	243
6½% ..	61,422,074	..	1,078,800	..
4½% ..	5,322,200	..	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919 ..	..	3,713,840	..	1,416,359
(d) Ways and Means Advances ..	151,470,000	211,985,000	..	6,000,000
Anglo-Persian Oil Company—Dividends on Shares acquired	243,012	..	..	..
Repayments—				
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	13,768	7,719	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920 ..	265,460	56,500	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	87,358	71,624	..	..
Total.....	1,080,095,539	1,452,924,391	79,598,433	82,086,136

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1922, to June 17, 1922.	Apr. 1, 1921, to June 18, 1921.	Week Ended June 17, 1922.	Week Ended June 18, 1921.
EXPENDITURE.				
Permanent Charge of Debt.....	3,444,449	3,317,296	9,692	..
Interest, &c., on War Debt.....	93,361,052	107,174,172	1,140,625	1,913,884
Road Fund.....	986,000	986,000	353,000	..
Payments to Local Taxation Accounts, &c.....	300,000	453,454	..	..
Payments to Northern Ireland Exchequer ..	510,000	..	100,000	..
Land Settlement.....	287,187	669,812	..	..
Other Consolidated Fund Services.....	321,838	346,389	6,250,000	1,171
Supply Services.....	70,363,000	132,663,400	7,853,317	7,315,055
Expenditure.....	169,563,626	245,590,523	..	..

	Total Receipts into the Exchequer from		Receipts.	
	Apr. 1, 1922, to June 17, 1922.	Apr. 1, 1921, to June 18, 1921.	Week Ended June 17, 1922.	Week Ended June 18, 1921.
OTHER ISSUES.				
Temporary Advances—				
Bullion.....	..	1,600,000	..	150,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	84,909	84,909	..	..
Under the Unemployment Insurance Acts, 1921.....	1,450,000	..	..	..
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Acts, 1920 and 1921 ..	900,000	2,000,000	700,000	..
Under the Post Office (London) Railway Act, 1913.....	..	25,000	..	..
Under the Housing Act, 1914 ..	13,000	25,000	..	..
Redemption of Unfunded Debt—				
Treasury Bills for Supply.....	729,019,000	951,899,000	53,370,000	46,200,000
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917.....	1,129,081	10,886,740	54,005	539,780
Issues under the War Loan Act, 1919, Sections 2 and 3, and the Finance Act, 1921, Section 45....	3,803,000	..	..	..
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920.....	6,250,000	3,000,000	700,000	550,000
(b) Repaid otherwise.....	..	2,850,000	..	..
Principal of Exchequer Bonds paid off.....	19,612,188	..	125,583	..
5½% ..	..	..	..	..
5½% ..	..	..	..	..
Commissioners, £1,000,000.	..	..	..	..
Other Debt under the War Loan Acts, 1914 to 1919.....	7,573,989	12,960,989	328,001	1,489,473
Ways and Means Advances Repaid	136,625,000	208,179,000	16,500,000	24,600,000
Depreciation Fund, under the Finance Act, 1917 ..	399,521	6,820,045	..	900,000
Anglo-Persian Oil Company—Issued under the Anglo-Persian Oil Company (Acquisition of Capital) Amendment Act, 1919 ..	243,012	..	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4) ..	..	3,015,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911 ..	55,656	1,200	..	..
Balances in Exchequer—				
Bank of England.....	1,076,727,882	1,448,937,406	79,630,906	80,744,308
Bank of Ireland.....	1,272,244	1,872,945	25,722	1,331,000
Total.....	3,367,657	3,986,985	32,413	1,341,822

Treasury, June 19, 1922.

Clerical, Medical & General

LIFE ASSURANCE SOCIETY.

Persons who effect Profit Policies before

THE 30th OF JUNE

will be entitled at the next Division to

A FULL FIVE YEARS' BONUS

BANKING DEPARTMENT.

	£	Government securities	£
Capital	14,553,000	Other securities	45,029,470
Reserve	3,282,939	Notes	76,801,257
Public deposits	16,801,755	Gold and silver coin	24,142,010
Other deposits	113,156,219		1,818,406
Seven-day & other bills	17,230		

147,791,143

147,791,143

* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Account.

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, June 21, 1922.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Reserve	3,282,939	+ 25,072	+ 24,577
Public deposits	16,801,755	+ 931,999	+ 134,815
Other deposits	113,156,219	+ 3,018,822	+ 8,835,901
Government securities	45,029,470	+ 1,669,907	+ 13,466,776
Other securities	76,801,257	+ 2,195,924	+ 2,103,352
Notes	25,960,416	+ 583,885	+ 6,631,266
Gold and silver coin	24,142,010	+ 594,740	+ 6,105,185
Other assets	121,372,810	+ 855	+ 5,960,081
Liabilities	128,883,226	+ 855	+ 5,960,081
% of reserve to liabilities	20%	+ 1%	+ 6%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.
1922.							
Mar. 29	128,771,201	122,718,940	150,541,882	144,249,557	24,502,261	16%	12 1/4
Apr. 5	128,779,159	122,896,990	146,528,233	139,777,088	24,432,169	16 1/2	12 1/4
12	128,831,125	122,439,345	142,002,996	132,812,916	24,873,820	17 1/4	12 1/4
19	128,876,773	121,638,245	131,595,798	125,555,927	25,688,528	19 1/2	12 1/4
26	128,872,818	121,307,055	134,366,840	125,995,611	26,015,763	19 1/2	12 1/4
May 3	128,873,878	122,091,180	146,049,335	138,511,460	25,232,698	17 1/2	12 1/4
10	128,887,939	121,591,685	142,438,187	134,402,217	25,745,564	18 1/2	12 1/4
17	128,879,227	121,070,755	138,061,833	130,549,595	26,258,472	18 1/2	12 1/4
24	128,880,842	120,889,975	132,436,093	123,780,787	26,440,867	20	12 1/4
31	128,881,009	122,715,860	132,221,478	123,356,836	26,151,149	18 1/2	12 1/4
June 7	128,886,129	122,515,410	141,479,390	134,418,206	24,822,719	17 1/2	12 1/4
14	128,884,081	121,557,550	127,874,151	120,304,710	25,736,531	19 1/2	12 1/4
21	128,883,226	121,372,810	129,957,974	121,830,727	25,960,416	20	12 1/4

TEN YEARS' RECORD.

At corresponding date with the present week.	June 19, 1912.	May 27, 1914.	June 25, 1920.	June 22, 1921.	June 21, 1922.
Circulation (excluding Bank post bills)	28,576,360	28,933,380	115,840,110	127,477,995	121,372,810
Public deposits	23,380,248	19,014,809	118,474,092	121,992,120	113,156,219
Other deposits	40,526,646	41,248,364	118,474,092	121,992,120	113,156,219
Government securities	35,378,096	41,461,280	80,139,557	78,905,209	76,801,257
Other securities	31,383,683	25,463,980	21,025,305	19,329,150	25,960,416
Reserve of notes and coin	41,510,043	36,947,360	117,815,415	128,357,145	128,883,226
Proportion of reserve to liabilities	49%	42%	15%	13%	20%
Bank rate of discount	3%	5 1/2	6 1/2	5 1/2	3 1/2
Market rate, 3 months' bills	2 1/2	4 1/2	5 1/2	4 1/2	3 1/2
Price of Consols	28 1/2	26 1/2	51 1/2	53 1/2	53 1/2
Price of silver per oz.	37s 6d	33s 6d	75s 1d	89s 4d	53s 6d
Average price of wheat	25-27-20	25-17-20	46-00-47-25	46-60-47-00	51-00-40
Exchanges					
New York	84 1/2	84 1/2	83 1/2	83 1/2	84 1/2
London	12 1/2	12 1/2	11 1/2	11 1/2	11 1/2
Berlin	20 1/4	20 1/4	142 1/4	162 1/4	100 1/4
Clearing house return	324,660,000	199,915,000	728,940,000	575,026,000	727,303,000

BANKERS' CLEARING RETURNS.

Week Ending—	Town Clearing.	Country Clearing.	Total.
1922.			
January 1—June 14	16,511,582,000	1,294,480,000	17,806,062,000
June 21	669,120,000	58,183,000	727,303,000
Total to date 1922.	17,180,702,000	1,352,663,000	18,533,365,000
Do 1921	15,174,124,000	1,533,936,000	16,708,060,000
Increase or decrease in 1922.	+ 2,006,578,000	- 181,273,000	+ 1,825,305,000
	+ 13 1/2%	- 11 1/2%	+ 10 1/2%
Total for 1921.	31,928,380,000	3,002,179,000	34,930,559,000
Do 1920	34,946,683,000	4,072,220,000	39,018,903,000
Increase or decrease in 1921.	- 2,918,303,000	- 1,070,041,000	- 3,988,344,000
	- 8 1/2%	- 25 1/2%	- 10 1/4%

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Inc. or Dec.
Aggregate Totals to June 17.			
BIRMINGHAM	65,718,100	53,001,600	- 12,716,500
BRISTOL	35,356,000	36,116,000	+ 760,000
DUBLIN	172,301,800	157,769,000	- 14,532,800
LONDON	28,347,100	26,949,200	- 1,397,900
LIVERPOOL	223,197,200	203,661,600	- 19,535,600
MANCHESTER	355,844,800	352,135,000	- 3,709,800
NEWCASTLE-ON-TYNE	48,542,700	45,173,000	- 3,369,700
NOTTINGHAM	16,086,900	14,581,700	- 1,505,200
SHREWSBURY	30,992,700	22,228,300	- 8,764,400

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

(000's omitted.)

	June 14, 1922.	June 7, 1922.	June 2, 1922.	June 17, 1921.
Resources.				
Total gold reserve	3,007,790	3,010,070	3,007,620	2,445,570
Legal tender notes and silver reserve	128,680	123,990	122,880	170,060
Bills discounted for member banks	413,620	420,250	471,490	1,707,680
Bills bought in open market	121,980	136,180	118,180	55,200
Government obligations owned	623,680	618,880	603,420	597,950
All other resources	69,540	69,400	68,740	49,960
Liabilities.				
Government deposits	73,270	39,570	54,300	14,800
Other deposits	1,855,780	1,857,420	1,815,860	1,814,630
Federal Reserve Notes in actual circulation	2,122,610	2,141,530	2,141,180	2,674,440
Federal Reserve Bank Notes in actual circulation	68,000	71,810	70,550	135,050
All other liabilities	20,410	20,170	19,800	31,010
Capital and surplus	320,280	320,560	320,130	304,190
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	77 1/4%	77 1/2%	77 1/4%	56 3/4%

STATEMENT OF CANADIAN BANKS.

	April 30, 1922.	Mar. 31, 1922.	Feb. 28, 1922.	April 30, 1921.
Assets.				
Cash and bank balances	460,869,080	447,024,483	461,875,760	503,923,460
Bank balances abroad	72,358,225	84,314,091	68,442,276	73,067,061
Call and short loans	278,175,414	287,418,683	272,910,237	264,462,641
Securities	342,988,795	353,663,167	352,376,752	356,986,878
Loans in Canada	1,259,799,170	1,239,496,136	1,232,970,504	1,282,255,332
Loans abroad	150,715,088	151,889,504	155,706,861	159,707,351
Other assets	98,918,592	98,870,347	101,327,520	112,612,291
Liabilities.				
Note circulation	164,724,476	162,651,367	164,490,301	203,273,548
Deposits—				
Government	145,753,018	124,699,206	131,715,607	130,622,580
Public in Canada	1,720,566,061	1,714,861,914	1,719,428,675	1,865,963,808
Foreign	273,525,143	265,747,914	267,435,862	267,600,093
Bank balances—				
Canadian	9,714,257	8,828,369	10,545,478	11,750,851
Foreign	45,612,279	45,774,760	44,283,147	41,899,623
Bills payable, &c.	22,648,419	23,560,772	29,125,094	49,850,489
Other liabilities	3,012,370	2,546,216	3,519,031	3,234,183
Capital and rest	254,248,279	254,242,399	255,742,285	264,032,584

BANK OF FRANCE.

(000's omitted.)

	June 22, 1922.	June 15, 1922.	June 8, 1922.	June 24, 1921.
Assets.				
Gold coin and bullion	5,528,549	5,528,270	5,527,966	5,520,044
Of which held abroad	1,348,367	1,948,367	1,948,367	3,730,625
Silver coin and bullion	284,784	284,272	284,243	274,087
Discount and advances	4,245,120	4,423,236	4,493,731	4,797,790
Liabilities.				
Notes	35,852,312	36,028,263	36,317,805	37,494,062
Government deposits	15,391	35,437	18,039	42,415
Private deposits	2,275,813	2,264,712	2,197,465	2,630,486

BANK OF SPAIN.

(000's omitted.)

	June 17, 1922.	June 10, 1922.	June 3, 1922.	May 27, 1922.	June 18, 1921.
Assets.					
Gold	2,522,781	2,522,725	2,522,439	2,522,266	2,497,247
Silver	641,652	640,690	642,684	641,726	617,709
Loans and discounts	2,263,612	2,294,502	2,273,644	2,295,367	1,783,176
Spanish debt stock	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000
Liabilities.					
Circulation	4,165,690	4,186,917	4,171,728	4,150,518	4,198,923
Deposits	1,163,522	1,170,613	1,163,119	1,180,504	1,250,133

NATIONAL BANK OF GREECE.

	April 28, 1922.	April 13, 1922.	Mar. 28, 1922.	Mar. 13, 1922.	April 28, 1921.
Assets.					
Gold and balances abroad	1,381,018,134	1,383,160,091	1,368,187,302	1,381,045,315	1,415,238,493
Government loans and securities	2,889,052,182	2,929,091,377	2,559,710,943	2,561,408,649	1,327,002,514
Discounts and loans	785,580,915	800,661,714	782,257,370	751,618,810	755,099,481
Liabilities.					
Notes in circulation	1,315,934,261	1,197,570,063	1,255,180,061	1,217,579,786	1,648,720,231
Government deposits	1,489,505,492	1,628,640,471	1,215,517,787	1,533,338,162	1,091,139,363
Private sight deposits	891,288,519	929,993,222	1,013,475,798	1,037,150,263	791,378,993
Private deposits at fixed dates	1,008,124,122	1,006,495,372	990,718,543	981,340,414	780,569,489

BANK OF JAPAN.

(000's omitted.)

	May 31, 1922.	May 13, 1922.	May 6, 1922.	April 29, 1922.	May 21, 1921.
Assets.					
Cash and bullion	1,275,755	1,273,827	1,272,136	1,272,708	1,284,744
Discounts	79,068	94,430	156,867	264,489	161,610
Advances	105,263	111,507	122,811	138,604	122,372
Liabilities.					
Notes	1,046,379	1,057,598	1,117,666	1,226,957	1,116,664
Govt. deposits	778,979	785,392	805,978	814,639	836,912
Other deposits	57,887	56,766	40,499	34,126	48,326

IMPERIAL BANK OF GERMANY.

(000's omitted.)

	June 15, 1922.	June 7, 1922.	May 31, 1922.	June 15, 1921.
Assets.				
Gold	1,003,861	1,002,862	1,002,864	1,091,566
Of which deposited in Bank of England	50,032	50,032	50,032	9,910
Silver	18,754	19,513	18,768	321,920
Treasury notes	9,163,162	5,981,456	4,901,822	11,357,383
Bills discounted	175,568,442	167,361,132	171,700,521	29,448,156
Liabilities.				
Notes in circulation	155,345,277	154,914,888	151,949,179	71,883,643
Deposits	36,831,695	38,011,143	33,127,950	14,650,767

THE STATE SAVINGS AND CREDIT BANK OF LATVIA.

(000's omitted.)

	May 31, 1922.	April 30, 1922.	March 31, 1922.	February 28, 1922.
Assets.	Lat. Rbls.	Lat. Rbls.	Lat. Rbls.	Lat. Rbls.
Total cash	244,836	242,320	103,071	78,431
Foreign bank	494,194	365,976	189,191	212,766
Discounts and loans	449,631	379,011	404,266	385,359
Other assets	422,266	278,806	62,276	44,126
LIABILITIES.				
Capital	304,929	304,929	304,929	300,000
Deposits	857,182	423,518	397,582	355,455
Other liabilities	448,816	535,686	56,294	65,226

BANK OF ESTHONIA.

(000's omitted.)

	April 30, 1922.	March 31, 1922.	Dec. 31, 1921.
Assets.	E. Marks.	E. Marks.	E. Marks.
Gold and foreign coin	192,212	234,419	81,944
Total cash	291,096	286,518	158,657
Foreign banks	869,984	576,026	207,555
Discounts and loans	2,305,864	2,070,598	1,399,774
LIABILITIES.			
Capital paid up	250,000	250,000	250,000
Reserve	37,771	10,674	10,674
Notes in circulation	700,000	700,000	350,000
Deposits	2,621,064	2,053,964	1,103,823

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

	June 7, 1922.	May 31, 1922.	May 21, 1922.	May 15, 1922.	June 7, 1921.
Assets.	Cs. K.	Cs. K.	Cs. K.	Cs. K.	Cs. K.
*Liabilities of the Austro-Hungarian Bank to the Banking Office	10,096,710	10,096,710	10,096,710	10,096,710	9,528,342
Discounts and advances	2,181,580	2,149,525	2,246,613	2,250,033	3,073,382
Gold and silver holdings	647,301	649,382	644,412	629,678	
Foreign bills & balances abrd	475,836	474,605	506,645	267,584	
Other assets	595,734	570,083	551,922		2,038,074
LIABILITIES.					
State notes in circulation	9,501,940	9,717,750	9,297,042	9,488,437	10,780,794
Deposits	2,038,209	1,866,692	2,393,586	1,981,680	1,573,338
Other liabilities	2,367,012	2,355,863	2,376,690	2,365,810	2,285,066

* Resulting from bank notes, current accounts, exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENES.

(000's omitted.)

	June 8, 1922.	May 31, 1922.	May 22, 1922.	May 15, 1922.	June 8, 1921.
Assets.	Dinars.	Dinars.	Dinars.	Dinars.	Dinars.
Gold	63,701	63,663	63,614	69,374	67,472
Other coins and notes	16,944	16,929	16,922	17,052	22,281
Foreign credits	279,369	288,551	289,145	280,824	337,830
Bills	861,654	850,228	855,135	857,894	175,449
Govt. advances	4,498,257	4,498,257	4,498,257	4,418,533	3,908,139
LIABILITIES.					
Notes in circulation	4,806,252	4,752,367	4,730,498	4,773,748	3,743,880
State credits	358,982	333,982	334,282	334,282	374,712
Deposits	586,275	574,836	672,025	525,663	345,047

LONDON RATES.

	June 16, 1922.	June 17, 1922.	June 19, 1922.	June 20, 1922.	June 21, 1922.	June 22, 1922.	June 23, 1922.
Bank rate (reduced from 4% June 15, 1922)	3%	3%	3%	3%	3%	3%	3%
Market rates of discount—							
30 days' bankers' drafts	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
3 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
4 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
6 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount (Treasury Bills)—							
3 months	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Discount houses at call	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
At notice	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2

† Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

	Short	3 Months	4 Months	6 Months	3 Months	4 Months	6 Months
1922.	%	%	%	%	%	%	%
April 7.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
12.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
21.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
28.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
May 5.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
12.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
19.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
26.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
June 2.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
9.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
16.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
23.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

OVERSEAS BANK RATES.

Bank Rate			Bank Rate		
Changed.			Changed.		
Amsterdam	July 1, 1915	4 1/2	Madrid	May 11, 1922	5 1/2
Athens	May 15, 1920	5 1/2	Paris	Mar. 11, 1922	5 1/2
Berlin	Dec. 23, 1914	5 1/2	Prague	Apr. 27, 1922	5 1/2
Brussels	June 9, 1922	5 1/2	Rome	May 11, 1920	5 1/2
Bucharest	Sept. 4, 1920	5 1/2	Sofia	June 14, 1919	5 1/2
Calcutta	June 15, 1922	5 1/2	Stockholm	Mar. 10, 1922	5 1/2
Christiana	May 15, 1922	5 1/2	Swiss Bank		
Copenhagen	Apr. 25, 1922	5 1/2	places	Mar. 2, 1922	3 1/2
Helsingfors	Nov. 5, 1920	5 1/2	Tokio	Nov. 18, 1919	5 1/2
Lisbon	Sept. 5, 1920	5 1/2	Vienna	Nov. 23, 1921	7
New York Fed. Reserve ..	June 21, 1922	4	Warsaw	Sept., 1921	7

IRISH BANKS' RATE.

	Present Rate.	Date	Previous Rate.	Date
Discount	4 1/2	June 15, 1922	5	April 13, 1922.
Deposit	1 1/2	June 15, 1922	2	Feb. 16, 1922.

RATES OF EXCHANGE.

	London on	Usance	Par.	June 24, 1922.	June 16, 1922.	June 8, 1922.
Paris	francs to £1	T.T.	25-22 1/2	46-70-75	50-88-93	51-87-92
Berlin	marks to £1	T.T.	20-43	268-270	1414-1417	1459-1462
Vienna	krone to £1	T.T.	24-02	2025-2075	73000-77000	73000-75000
Prague	krone to £1	T.T.	24-02	270-275	232-234	230-233
Warsaw	zloty to £1	T.T.	20-43	58900	18000-20000	19000-21000
Bukarest	lei to £1	T.T.	25-22 1/2	236-241	656-675	685 nom
Budapest	kr. to £1	T.T.	24-02	110	510-530	4300-4500
Constantinople	piastres to £1	T.T.	110	510-530	690-710	700-720
Sofia	levas to £1	T.T.	25-22 1/2	330-350	610-640	640-670
Belgrade	dinas to £1	T.T.	25-22 1/2	128-133	320-330	335-345
Amsterdam	florin to £1	T.T.	12-107	11-32-34	11-484-51	11-48-49
Brussels	francs to £1	T.T.	25-22 1/2	46-85-90	54-08-13	54-06-65
Stockholm	kroner to £1	T.T.	18-159	26-15-17	26-07-12	26-72-80
Copenhagen	kroner to £1	T.T.	18-159	15-73-76	17-24-26	17-22-25
Helsingfors	fr. marks to £1	T.T.	18-159	22-05-10	20-65-70	20-70-75
Greece	drachmas to £1	T.T.	25-22 1/2	222-227	205-207	197-199
Italy	lire to £1	T.T.	25-22 1/2	611-3	114-115	140 nom
Switzerland	francs to £1	T.T.	25-22 1/2	78-78 1/2	83 1/2	93 1/2-94
Madrid	pesetas to £1	T.T.	25-22 1/2	22-17-21	23-47-49	23-29-31
London	pence to £1	T.T.	25-22 1/2	28-40-45	28-40-43	28-37-40
Edinburgh	pence to £1	T.T.	25-22 1/2	8-8 1/2	8-8 1/2	8-8 1/2
New York	dollars to £1	T.T.	97 1/2	97 1/2-97 3/4	97 1/2	97 1/2
Montreal	dollars to £1	Cable	4-8 1/2	3-7 1/2-2	4-4 1/2-4 1/2	4-4 1/2-4 1/2
Buenos Aires	pence to £1	T.T.	47-62 1/2	44-44 1/2	44-44 1/2	44-44 1/2
Rio de Janeiro	pence to £1	T.T.	16	16	16	16
Montevideo	pence to £1	T.T.	51	41-42	43 1/2-44	43 1/2-44
Valparaiso	pence to £1	T.T.	13-33	35-90	36-20	34-40
Calcutta	rupees to £1	T.T.	90 days	24 1/2 prem.	5% prem.	6% prem.
Bombay	rupees to £1	T.T.	10 to 15	34-34 1/2	1s 34-34 1/2	1s 34-34 1/2
Madras	rupees to £1	T.T.	10 to 15	34-34 1/2	1s 34-34 1/2	1s 34-34 1/2
Hong Kong	ster. to dollar	T.T.	10 to 15	78-78 1/2	2s 78-78 1/2	2s 78-78 1/2
Shanghai	ster. to dollar	T.T.	10 to 15	78-78 1/2	2s 78-78 1/2	2s 78-78 1/2
Singapore	ster. to dollar	T.T.	10 to 15	78-78 1/2	2s 78-78 1/2	2s 78-78 1/2
Yokohama	ster. to dollar	T.T.	10 to 15	78-78 1/2	2s 78-78 1/2	2s 78-78 1/2
Manila	ster. to dollar	T.T.	10 to 15	78-78 1/2	2s 78-78 1/2	2s 78-78 1/2
Mexico	pence to £1	T.T.	24-066	24-066	24-066	24-066

† Rate for previous day. ‡ Sellers.

CURRENT RATES IN NEW YORK.

The Irving National Bank of New York cable the following money and exchange rates in New York:—

	June 23, 1922.	May 25, 1922.	June 1, 1922.	June 8, 1922.	June 15, 1922.	June 22, 1922.
Call money (30 days' mixed coll)	5 1/2	4	4 1/2	4 1/2	4 1/2	4 1/2
Time money (90 days' mixed coll)	6 1/2	4	4 1/2	4 1/2	4 1/2	4 1/2
Bank acceptances:—						
Members—eligible, 90 days	5 1/2	4	4 1/2	4 1/2	4 1/2	4 1/2
Non-mem.—eligible, 90 days	6 1/2	4	4 1/2	4 1/2	4 1/2	4 1/2
Ineligible, 90 days	6 1/2	4	4 1/2	4 1/2	4 1/2	4 1/2
Commercial accept., 90 days	6 1/2	4	4 1/2	4 1/2	4 1/2	4 1/2

RATES OF EXCHANGE.

	New York on—	Par Level.	June 23, 1922.	June 8, 1922.	June 15, 1922.	June 22, 1922.
London—						
60 days	Dollars for £1	4-8666	3-6862	4-4712	4-443	4-3950
Cable			3-7425	4-4987	4-471	4-4225
Cheques			3-7375	4-4962	4-467	4-42
Paris	Cents for 1 franc	19-30	7-98	9-09	8-81	8-58
Brussels	Cents for 1 franc	19-30	7-98	8-39	8-25	8-12
Switzerland	Cents for 1 franc	19-30	16-18	19-16	19-06	18-97
Italy	Cents for 1 lire	19-30	4-75	5-19	5-04	4-81
Berlin	Cents for 1 mark	23-83	1-395	0-33375	0-32	0-3050
Vienna	Cents for 1 krone	20-26	0-18	0-0068	0-0000	0-0068
Madrid	Cents for 1 peseta	19-30	13-30	15-84	15-78	15-55
Amsterdam	Cents for 1 guilder	40-195	33-05	39-05	38-95	38-56
Copenhagen	Cents for 1 kroner		17-01	22-10	21-75	21-40
Stockholm	Cents for 1 krona		14-38	17-65	17-10	16-62
Christiana	Cents for 1 kroner		22-35	26-07	25-89	25-65
Athens	Cents for 1 drachma	19-30	6-22	4-20	4-10	3-80
Montreal	Cents for Can. \$1	100	87-751	99-12	99-12	98-95
Yokohama	Cents for 1 yen	49-85	47-85	49-65	47-85	47-90
Hong Kong	Cents for H. Kong \$		49-40	49-65	47-85	47-90
Shanghai	Cents for 1 shing. tael		66-25	80	58-55	57-55
Calcutta	Cents for 1 rupee		24-45	29-10	28-45	28-65
Buenos Aires	Gold pesos for \$100	103-65	145-60	121	122	123-40
Rio de Janeiro	Cents for 1 milreis	32-42	11-15	13-88	13-75	13-60
Valparaiso	Cents for 1 peso	20-60	10-90	12-125	12-125	12-625

NOTICES.

Barclays Bank, Limited, announce that on Monday next, June 26th, they will open their new and enlarged premises at 8 High Street, Coventry, under the management of Mr. E. J. Corbett. They also announce the opening of a sub-branch at the corner of Warwick Road and Main Street, Welling, Kent, under the management of Mr. W. H. Chamberlin.

The London Joint City and Midland Bank announce the opening of a new branch at 1 Narborough Road, Leicester.

A branch of the Anglo-Egyptian Bank, Limited, has been opened at Amman-Trans-Jordan.

ANALYSIS OF BALANCE-SHEETS.

QUEST, KEEN, AND NETTLEFOLDS.

LIABILITIES.		ASSETS.	
Amount.	Compared with June 30, 1921.	Amount.	Compared with June 30, 1921.
Ord. shares	1,720,000	Land, buildings, collieries, &c.	3,081,951
2nd pref. shares	4,348,950	Stock	445,286
Ord. shares	5,376,721	Debtors	151,133
4% deb. stock	209,863	Investments	301,786
Reserve fund	1,850,500	Cash and bills	525,288
Sundry creditors	2,628,503		
Profit and loss	4,490,042		
	415,360		
Total	18,185,088	Total	455,726

HOWARD AND BULLOUGH.

LIABILITIES.		ASSETS.	
Amount.	Inc. or Dec.	Amount.	Inc. or Dec.
6% pref. shares	250,000	Business, good-will, &c.	1,182,063
Ord. shares	1,000,000	Book debts	239,785
4% deb. stock	250,000	Investments	170,145
Int. accrued	4,137	Cash at bank	123,864
Sundry creditors	185,890	Cash and bills	193,877
Amount owing to bankers	7,400	Stock in trade	67,851
Reserve	200,000		
Div. reserve	200,000		
Cont. reserve	155,000		
Profit and loss	351,514		
Total	2,596,541	Total	2,596,541

JOHN BROWN AND CO.

LIABILITIES.		ASSETS.	
Amount.	Inc. or Dec.	Amount.	Inc. or Dec.
Ord. shares	2,437,500	Land, buildings, &c.	6,801,705
Pref. shares	1,750,000	Works, tools, &c.	53,777
Deb. loans & int.	1,481,981	Debtors	329,248
Creditors	30,000	Operations pending	579,527
Reserve	1,099,924	Savings and guarantee fund for employees	102,656
Contingency fund	550,000	Deposits of securities in custody and as security	323,986
Profit and loss	285,319		
Total	8,107,724	Total	8,107,724

RUSTON AND HORNSBY.

LIABILITIES.		ASSETS.	
Amount.	Inc. or Dec.	Amount.	Inc. or Dec.
Ord. shares	2,050,000	Land, &c.	1,311,486
5% cum. pref.	350,000	Stocks	1,023,377
6% "B" pref.	100,000	Debtors	523,869
5% deb.	252,400	Cash and bills	191,261
4% deb.	151,781	Investments	511,225
5% deb.	100,775		
Mortgages	28,000		
Divs. accrued on pref. shares	4,112		
Deb. interest, &c.	163		
Sundry creditors	217,415		
Capital reserve	200,000		
General reserve	150,000		
Profit and loss	58,231		
Total	3,658,271	Total	3,658,271

Reports and Notices.

At the annual conference of the Chartered Insurance Institute, held at Birmingham, on Friday, June 16, 1922, Mr. Albert H. Heal, general manager and secretary of the State Assurance Company, Limited, was elected president.

At a meeting of the London Discount Houses, held at the offices of the Union Discount Company of London, Limited, 39 Cornhill, Mr. F. Newcomb, of Alexanders Discount Company, Limited; Sir Alfred E. Tritton, Bart., of Messrs. Brightwen and Co.; and Mr. R. C. Wyse, of the Union Discount Company of London, Limited, were elected members of the sub-committee; and Mr. Philip H. Wade, of the National Discount Company, Limited, and Mr. R. C. Wyse were elected chairman and vice-chairman respectively, in place of Mr. Christopher R. Nugent and Mr. R. Ernest Alexander, who have resigned.

Owing to the termination of their lease Walter Judd, Limited, are removing to 81-87 Gresham Street, E.C. 2.

RAILWAYS.

ANTOFAGASTA (CHILI AND BOLIVIA).—The results of working of the railway and waterworks during 1920 and 1921 are shown in the following table:—

	Year 1920.	Year 1921.	Decrease.	%
Gross receipts	2,370,079	1,031,489	1,338,590	56.48
Working expenses	1,614,959	738,121	876,838	54.29
Net receipts	755,120	293,368	461,752	61.15

The dividend of 3 per cent. on the ordinary stock for 1921 will require £167,357, and a balance of £172,229 is carried forward. The report states that the decrease in gross receipts is the result of the great depression which ruled in the nitrate industry and the small demand for tin, copper, and other minerals carried by the company. The total nitrate carried during 1921 amounted to 179,436 tons, as compared with 1,013,491 tons in 1920. The net receipts from the waterworks undertaking were £35,318, compared with £83,896 in 1920.

MEXICAN RAILWAY REGISTERED STOCK ISSUE "A".—By arrangement with the trustees for the Registered Stock Issue "A" the company will on July 1, 1922, distribute among the stockholders a sum of £62,697 4s, thereby redeeming 10% (ten per cent.) of the stock outstanding. The amount to be distributed is on account and in anticipation of the percentage of the net profits of the company payable to the trustees under the provisions of the trust deed securing the stock. The amount so redeemed will cease to carry interest after June 30, 1922. The certificates for the stock endorsed with a note of the redemption together with warrants for the amount of the redemption money will be posted to stockholders on June 30th next, unless the company is instructed otherwise.

BANKS.

BANK OF CHILI AND ARGENTINA.—Balance-sheet, December 31, 1921:—

LIABILITIES.		ASSETS.	
Amount.		Amount.	
Capital	10,000,000	Unpaid capital	1,500,000
Reserve fund	2,710,000	Cash—Government notes, cash, and foreign currency	4,728,778
Future dividends	7,678.74	Bonds and shares	983,395
Profit and loss	725,518.78	Properties	657,338
		Advances	
		At sight, term and current accounts	24,195,759.31
		In savings bank	7,503,629.87
		Agencies and branches	31,699,389
		Bankers' drafts	3,688,131
		Rediscout	337,506
		Operations pending	3,503,936
		Savings and guarantee fund for employees	575,646
		Deposits of securities in custody and as security	323,986
			62,846,567

The capital fixed for the branches in the Argentine Republic is taken at the exchange of M.L. 10.13 per

MISCELLANEOUS.

BRITISH CYANIDES COMPANY.—On December 15th last information was sent to shareholders that the petition of right against the Government had been adjudicated upon in favour of this company. Shareholders are now informed that on the 14th inst. a settlement was arrived at whereby the Government have undertaken to meet the company's claim by a payment of £25,000, and at the same time to reimburse the company for all reasonable costs in connection with the settlement. Accounts for the year ended April 30, 1922, will now be completed forthwith, and the annual general meeting will be held at an early date. The preference shares for the half-year ended April 30th last at the rate of 5 per cent. per annum has been posted.

BRITISH SOUTH AFRICA COMPANY.—The secretary has sent us the following:—"The board of directors of the British South Africa Company have decided that it has become necessary to consolidate the supervision of their numerous commercial interests in South Africa under one responsible head permanently resident in Rhodesia, and, at the instance of his colleagues, Major Percy S. Inskip, O.B.E., has consented to exchange his seat on the board for the position of general manager of the company in South Africa. Major Inskip has a long and notable record in the service of the British South Africa Company, dating from the original pioneer expedition to Mashonaland in 1890, of which he was a member. For some years prior to the European war he was the company's commercial representative in Rhodesia, but relinquished the post to proceed on active service. On the termination of the war he was elected a director and a member of the executive committee. His future headquarters will be at Salisbury, Rhodesia."

RUSTON AND HORNSBY, LIMITED.—The report for year ended March 31, 1922, shows that the balance of profit and loss account, after providing for all outstanding liabilities, amounts to £101,637; from which deduct depreciation on buildings, £13,254; depreciation on plant and machinery, £42,698; interest on debentures, £25,500; leaving a balance of £20,185; to which add the balance brought forward from last year, £43,920, making £64,105. Deduct dividends on preference shares paid to July 1, 1921, £5,875, leaving £58,230. The directors feel it essential that, owing to the continued trade depression and the serious fall in stock values, the whole of the above balance should be retained in the business, and in addition that a sum of £100,000 be transferred from the general reserve to meet possible further diminution in the values of stock-in-trade. They, therefore,

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Appropriation.				Corresponding Period Last Year.	
				Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
				Prefere.	Ordinary.				
				Amount.	Amount.	Rate.			
Banks.									
Bank of Adelaide	Mar. 27	22,179	92,633	114,812	62,500	10	30,000	22,312	88,108
National Bank of New Zealand ..	Mar. 31	115,894	212,727	328,621	140,000	14	46,500	142,121	326,822
Western Australian	Mar. 27	33,753	32,070	65,823	25,000	10	25,000	15,823	52,807
Breweries.									
Barclay, Perkins	Mar. 31	56,499	176,964	233,463	72,000	1,000	25,000	34,463	160,683
Electric Lighting and Power.									
South Wales Electrical	Dec. 31	4,417	764	3,653				3,653	3,745
Financial, Land, &c.									
Dominion of Canada Investment	April 30	1,593	11,082	12,675	3,961	6,722	7	2,542	12,499
Scottish and Canadian General Investment	Mar. 31	4,305	11,174	15,479	4,725		6,000	4,754	
Iron, Coal, and Steel.									
Dinnington Main Coal	Mar. 31	20,961	20,798	41,759	17,969	5		23,790	50,545
Edgar Allen and Co.	June 30	30,246	25,438	55,684	15,000	20,418	5	20,068	42,110
Guest, Keen, and Nettlefolds ..	Mar. 31	264,098	567,220	831,318	227,230	398,008	10	206,080	810,101
Head, Wrightson, and Co.	April 30	19,028	43,413	62,441	10,147	15,750	7	16,544	55,284
Howard and Bullough	May 31	50,956	383,058	434,014	15,000	175,000	17	94,014	148,749
Imperial Navigation Coal	Dec. 31	6,355	753	5,602				5,602	30,645
John Brown and Co.	Mar. 31	179,600	210,407	390,007	87,500	121,875	5	180,632	331,921
John Spencer and Sons	June 30	11,631	37,046	48,677	6,638		43,225	7,814	
Maltby Main Colliery	Mar. 31	29,695	53,455	83,150			20,000	5,760	46,150
Ruston and Hornsby	Mar. 31	43,920	20,185	64,105	5,875		58,230	30,180	
Rubber, &c.									
Consolidated Malay	Dec. 31	828	18,500	15,672			16,000	328	74
Java Rubber and Produce	Dec. 31	7,856	3,025	10,881			1,500	9,381	3,888
Marawan (Java)	Dec. 31	6,005	535	5,470				5,470	5,212
Sungei Matang	Dec. 31	6,044	3,366	2,678				2,678	3,711
United Sumatra	Dec. 31	29,343	2,073	27,270				27,270	17,744
Shipping.									
Burns, Philp, and Co.	Mar. 31	6,980	176,874	183,854		125,000	10	8,854	167,095
Shops and Stores.									
Parke's Drug Stores	Feb. 28	1,318	6,613	7,931	2,382	4,500	7	478	571
Tea.									
Baracora (Sylhet)	Dec. 31	16,101	8,141	24,242	4,750	6,000	5	13,492	27,868
British Indian	Dec. 31	13,390	16,293	29,683	825	9,124	15	14,534	9,726
Doonars	Dec. 31	47,719	64,853	112,572	10,500	75,076	27	12,716	14,280
Eastern Assam	Dec. 31	54,158	40,947	95,105		24,655	25	5,000	65,450
East India and Ceylon	Dec. 31	5,677	16,006	21,683	6,000			3,000	12,683
Empire of India	Dec. 31	63,363	99,097	162,460	21,900	85,540	21	35,178	19,842
Jokai (Assam)	Dec. 31	55,028	105,784	160,812	6,000	50,000	20	54,459	59,353
Scottish Assam	Dec. 31	15,354	10,281	5,071				5,071	19,268
Tramways.									
Imperial Tramways	Dec. 31	1,391	21,888	23,283	8,400	5,600	4	9,000	283
Lisbon Electric	Dec. 31	19,271	29,184	48,455				48,455	14,425
Trusts.									
British Empire Trust	April 30	18,627	71,469	90,096	32,643	7,000	7	50,453	40,074
Waterworks.									
New River Company	Mar. 25	4,124	25,969	30,093		19,500	15	5,000	5,593
Other Companies.									
Benson and Hedges	Dec. 31	6,611	8,879	15,490	9,600			5,890	
Consolidated London Properties ..	Mar. 25	3,684	20,311	23,995		13,200	6	4,295	15,759
John Swan and Sons	April 30	12,344	11,539	23,883	2,500	5,000	10	13,383	11,983
J. W. Benson	Mar. 31	89,163	37,702	126,865	16,666	20,833	12	89,366	48,361
Millar's Timber and Trading	Dec. 31	96,024	83,096	179,120	76,500		15,000	87,620	75,966
Philip Harris and Co.	Mar. 31	7,058	5,490	12,548	1,900	1,050	7	9,598	5,721
Victoria Dwellings	April 30	868	385	1,253		1,128	2	126	2,541
Waygood-Otis	Mar. 31	27,980	77,360	105,340	9,000	29,000	10	22,340	83,069

† Free of tax.

(k) Nine months.

regret that they do not recommend the payment of the outstanding dividend on the preference shares, or a dividend on the ordinary shares for the past year. The stocks of materials and the finished stock of machinery have been taken at cost price or under; buildings, plant, and machinery have been maintained out of revenue; and ample provision has been made for doubtful debts.

THE EBBW VALE STEEL, IRON, AND COAL COMPANY.—Active negotiations with the Government relating to the control periods are still in progress, and as it is hoped that a settlement of the accounts of the company and its associated companies relating thereto will shortly be reached, the directors propose to defer the issue of the report and balance-sheet usually made in the month of June.

WILLIAM COOKE AND CO.—The directors state it is not possible to issue at present a balance-sheet for the year ending March 31, 1922, because they have not been able to arrive at any settlement with the Inland Revenue Authorities as to claims for refund of Excess Profit Duty on account of reductions in values of stocks on August 31, 1921, and on other accounts. These negotiations are not easy because of the complications in the Templeborough Rolling Mills agreement and other matters, but they are being dealt with as quickly as possible. Although a balance-sheet cannot be prepared, the directors know the year's working has resulted in a serious loss. The general depression in the iron and steel trades has alone been sufficient to account for this loss, but in addition the works were practically standing for the first three months of the financial year through the unfortunate coal strike, and the reductions in the prices of stocks have been continuous and very serious—this latter, in spite of the fact that the greatest care has been exercised in keeping the stocks down as low as possible.

With these facts before them the directors regret they cannot recommend the payment of any dividend on the ordinary shares.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Recent showers proved very beneficial to spring crops, but further moisture is needed, and in some districts the ground presents a parched appearance. Winter wheat continues to be favourably mentioned, though the yield is not expected to reach last year's total. Supplies of native wheat continue very light at most of the statute markets, but demand shows no improvement, and rates are easy at 53s to 54s for suitable milling grades per 504 lbs, free on rail. Imported descriptions quiet, but less

RAILWAYS OF THE UNITED KINGDOM

(a) Including 10 miles temporarily closed. (b) Week ended June 16, 1922.
(c) Week ended June 17, 1922. (d) Including receipts from Amalgamated Lines

Name.	Period.	Ending.	Present Mileage.	Gross Receipts		Total Gross Receipts.	
				Per Week or Month.	or —	1922.	or —
INDIAN.							
Assam Bengal	7weeks	May 20	1,043	Rs 2,24,693	+ 1,45,414	16,26,544	+ 3,87,055
Barisi Lt. Ry.	8weeks	27	118	34,100	+ 18,100	3,03,200	+ 1,30,600
Bengal & N. Western	7weeks	20	2,067	7,05,460	+ 58,474	44,32,570	+ 1,46,713
Bengal Nagpur	7weeks	20	2,697	14,38,000	+ 1,75,000	99,93,000	+ 8,16,733
Bombay, Bar. & C.I.	11weeks	June 17	2,871	23,98,000	+ 3,85,000	2,69,46,000	+ 30,71,000
Burma	7weeks	May 20	1,342	7,07,741	+ 2,51,274	55,82,570	+ 15,73,371
Delhi, Umballa & Kalka	10weeks	June 10	239	90,000	+ 15,789	8,60,000	+ 2,81,286
East Indian	11weeks	17	2,772	31,20,000	+ 134,000	52,04,500	+ 14,32,000
G. Indian Peninsula	10weeks	10	3,121	27,54,200	+ 2,13,600	3,00,55,000	+ 22,32,000
Madras & S. Mahr. ..	7weeks	May 27	3,028	19,75,000	+ 58,901	1,20,00,000	+ 11,19,919
Rohilk'd & Kumaon ..	7weeks	20	852	83,997	+ 2,944	5,61,384	+ 22,56,500
Do Lucknow-Breilly ..	7weeks	20	1,829	9,22,582	+ 1,03,056	65,81,540	+ 8,73,444
South Indian (month)	4 mths	Feb. 28	717	7,06,405	+ 2,65,63	38,12,258	+ 2,09,056
Sibm, Fuzilab (month)	4 mths	Feb. 28	717	7,06,405	+ 2,65,63	38,12,258	+ 2,09,056
Argentine (a).							
Argentine N.E.	50weeks	June 17	752	10,300	+ 2,400	535,500	+ 59,400
Argentine Trans.	50weeks	17	111	1,560	+ 1,044	11,025	+ 18,800
B. A. and Pacific.	50weeks	17	3,428	120,000	+ 4,000	7,246,000	+ 669,000
B.A. Gt. Southern	50weeks	17	3,547	142,000	+ 16,000	8,416,000	+ 301,000
B. A. Western	50weeks	17	1,883	Net 27,000	+ 17,000	2,088,000	+ 678,000
Buenos Ayres Cent.	10 mths	Apr. 30	190	41,416	+ 943	453,298	+ 8,12
Central Argentine	50weeks	June 17	3,305	180,000	+ 10,000	9,124,000	+ 279,000
Cordoba Central	50weeks	17	1,205	53,000	+ 19,000	2,512,100	+ 201,800
Entre Rios	50weeks	17	811	15,100	+ 7,000	940,300	+ 217,800
Brazilian (b).							
Brazil Gt. Southern ..	5 mths	May 31	1,005	Me 47,800	+ 16,500	206,750	+ 21,650
Gt. West. of Brazil. ..	24weeks	June 17	1,831	10,250	+ 1,100	328,900	+ 17,500
Leopoldina	24weeks	17	1,831	24,429	+ 9,332	623,631	+ 160,519
Ran Paulo	1 mth	May 31	62	31,192	+ 1,028	699,244	+ 241,124
State of Bahia, S.W.	1 mth	May 31	62	Me 68,000	+ 27,000	68,000	+ 27,000
Chile and Peru.							
Antofagasta	24weeks	June 18	838	19,945	+ 1,930	447,425	+ 185,250
Arauco	1 mth	Mar. 30	64	12,000	+ 500	..	+ 15,320
Nitrato (2 weeks)	22weeks	June 15	366	16,070	+ 4,894	..	+ 15,320
Peruvian Corp.	11 mths	May 31	1,059	91,342,500	+ 105,750	14,136,830	+ 1,065,200
Taitai	11 mths	31	172	(b) 10,478	+ 3,135	102,100	+ 168,100
Cuban.							
Cuba Railroad	8 mths	Feb. 28	Net	\$1102,974	+ 600,572	7,020,807	+ 3,382,827
Havana Central	49weeks	June 10	1,210	\$474,495	+ 18,378	1,412,662	+ 1,204,453
Unidad Havana	50weeks	17	1,210	8,954	+ 4,018	535,035	+ 2,405
Uruguayan.	50weeks	17	1,210	50,573	+ 37,420	3,778,542	+ 2,510,000
Central Uruguay.							

(a) Converted at par. (b) Converted at the current rate of exchange

This table is extracted from the *Commercial and Financial Chronicle* of New York.

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.

* Net earnings before deducting taxes. † Railway and Steamship receipts.

Name.	Period.	Ending.	Percent Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922.	+ or -	1922.	+ or -
Beira and Mashonaland.....	1 mth.	Mar. 31	810	104,325	£ 7,500	£	
Mid. of W. Austh.....	10 mths.	Apr. 30	877	116,666	675	110,282	3,200
New Cape Central.....	21 weeks	Mar. 27	305	2,110	200	57,312	60
Rhodesia Railways.....	1 mth.	May 31	1,397	141,041	4,208		

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1922.	+ or -	1922.	+ or -
Anglo-Argentine	24 weeks	June 17	329	\$76,951	+ 1,344	2,012,550	+ 80,241
Burnley Corporation	1 week	17	12	\$3,206	+ 552	..	..
Calcutta Tramways....	24 weeks	17	35	Rs 67,672	+ 23,401	..	+ 805,626
Chatham & District....	23 weeks	6	15	\$2,209	+ 67	36,186	+ 1,111
Egyptian Markets	24 weeks	17	..	\$1,651	- 220	42,863	- 9,338
Glasgow Corporation Tramways	2 weeks	17	99	\$45,553	+ 3,826	114,024	+ 7,333
Isle of Thanet	37 weeks	14	..	\$1,306	- 59	26,119	+ 1,454
Lancashire United	23 weeks	13	39	\$3,349	+ 551	73,480	+ 8,519
Liverpool Corpora- tion Tramways....	24 weeks	17	124	\$29,740	+ 854	702,265	+ 39,900
L.C.C. Tramways.....	12 weeks	21	160	\$25,370	+ 8,519	1,123,308	+ 87,666
Madras Elec. (2 wks)	24 weeks	15	..	\$97,433	- 320	540,602	+ 146,676
Pernambuco Trams.	24 weeks	18	..	\$3,112	- 53	84,396	- 16,939
Singapore Electric	21 weeks	May 27	..	\$10,192	- 557	298,281	+ 39,818

Name.	Period.	Ending.	Present Mileage	Receipts for Month.		Total Receipts.	
				1922.	or -	1922.	or -
Barcelona Traction Co., repts. in Instas.	4 mths.	Apr. 30	Gross Net	3,813,281 +	887,483	15,242,590	+2,916,416
Brazilian Traction Co., repts. in mtl.	4 mths.	30	Gross Net	2,476,208 +	457,037	9,638,614	+1,516,616
Brisbane Electric Light & Power Co., repts. in mtl.	5 mths.	May 31	Gross Net	15,413,000 +	1,851,000	62,156,000	+8,676,000
Brit. Columbia Electric Co., Buenos Ayres La	10 mths.	Apr. 30	Gross Net	9,980,000 +	2,817,000	36,013,000	+108,676
Croze Trams	11 mths.	3c	Gross Net	850,495 +	2,490	242,930	+11
Burnham Electric Trways. & Lghs.	9 mths.	May 31	Gross Net	818,177 +	17,616	8,583,842	+122,222
Cape Elec. Trams	1 mth.	31	Gross Net	\$297.05 +	3,726	2,366,832	+
Canadian Western Nat'l Gas & Carhagen and Herrerias Trms.	7 mths.	Apr. 30	Gross Net	\$59,278 +	786	638,716	+9,222
Catalinas Wareh.	1 mth.	31	Gross Net	\$65,357 +	17,000	..	+80,222
Cities Service Co.	12 mths.	31	Gross Net	\$34,719 +	..	..	..
Cordoba Light & Elec. Soc. of Viet.	4 weeks	23	Gross Net	\$83,134 +	22,587	708,480	-2,222
Havana Elec. N. Light. & Power	4 mths.	30	Gross Net	\$2,793 +	1,191	13,777	+
Inter-national Light & Power	10 mths.	30	Gross Net	\$12,736 +	47,357	12,688,907	-9,568
Kalgoolie Elec. Trmways....	3 mths.	Mar. 31	Gross Net	\$1,338.25 +	44,190	12,223,895	-9,348
Keystone Tele. Co.	4 mths.	Apr. 30	Gross Net	\$24,704 +	2,401	5,473 +	130,222
La Guaira Harbr. La Plata Electric	5 mths.	May 31	Gross Net	\$1,074,432 +	11,736	4,371,628	+48,222
Lima Light, Pwr. and Tramways.	1 mth.	Jan. 31	Gross Net	\$573,525 +	96,940	2,324,508	+48,222
Manila Electric Railroad, &c.	4 mths.	Apr. 30	Gross Net	\$20,103 +	697	13,418 +	4,222
Para Electric....	6 mths.	May 31	Gross Net	\$2,390 +	722	6,601	+
Rangoon Electric	3 mths.	Mar. 31	Gross Net	\$665 +	7,133	552,933	-2,222
Shanghai Electric	5 mths.	May 31	Gross Net	\$137,122 +	14,210	220,985	+
United Electric T. of Montevideo	2 mths.	Feb. 28	Gross Net	\$66,081 +	686	33,428	+1,222
Veraz Cruz....	Quarter	Mar. 31	Gross Net	\$7,451 +	473	..	..
Victoria Falls & Transvaal Pwr.	4 mths.	Apr. 30	Gross Net	\$20,089 +	6,392	..	..
Winnipeg Electric	4 mths.	Apr. 30	Gross Net	\$286,044 +	6,510	1,189,893	+
			Gross Net	\$122,145 +	17,118	612,104	+1,222
			Gross Net	\$23,651 +	946	136,158	+
			Gross Net	\$9,674 +	2,395	45,603	+
			Gross Net	\$63,302,300 +	14,650	85,650	+6,222
			Gross Net	\$1,52,389 +	39,811	417,670	+8,222
			Gross Net	\$184,500 +	27,000	720,217	+
			Gross Net	\$48,074 +	1,495	327,493	+
			Gross Net	\$94,500 +	5,000	102,500	+
			Gross Net	\$82,559 (Labour	disturbance	..	..)
			Gross Net	\$436,058 -	27,320	1,871,392	-
			Gross Net	\$127,842 +	2,657	59,181	+

† 4 weeks return.

§ Approximate receipts.

64 lbs afloat, 50s 6d to 51s, 63½ lbs ditto, 50s 6d, July 50s 9d, 63 lbs ditto 50s, and 62½ lbs, July, 50s. Barusso, 62½ lbs shipping or shipped at 49s, Pacific, September, 50s 10½d per 480 lbs. Parcels were in fair demand at irregular but firmer prices. Crop reports from most producing countries continue favourable. Flour remains dull and weak. London standard straight run was reduced to 45s 6d, patents 47s 6d to 48s 6d, town households 43s 6d, all English straight run 43s 6d per sack, delivered in London area. All English country straights quoted 40s to 41s, free on rail at London stations. Imported makes remain without improvement. Manitoba export patents quoted 45s, straights 41s, Pacific 42s, Australian 41s 6d to 42s per 280 lbs, ex store. On c.i.f. terms business was on a limited scale, and prices weak. Manitoba export patents, June seaboard, 42s, straights 39s, Kansas patents, July, 42s, Australian, June, 38s. Millers' offals quiet. Broad bran quoted £7 10s, ordinary ditto £6 10s, middlings £8 10s to £8 15s per ton, ex mill, bags included. Of imported, fancy Plate middlings quoted £9 10s, and Plate Pollard £7 10s, both landed. Maize firmer on improved inquiries, and higher forward offers. Yellow Plate, old, 35s 6d, new 38s 6d. Yellow round African 34s 6d, American mixed 33s 9d, all landed terms. Cargo market quiet, but holders required full to dearer prices. Plate steamer, July-August, changed hands at 33s 9d, and Galatz Fox-steamers loading 32s, while Plate parcels were dealt in more freely at advancing rates. White African maize meal quoted £7 15s per ton landed. Barley remains slow of sale at generally late rates. Native grinding sorts range from 45s to 48s per 448 lbs, free on rail. Of imported, Californian quoted 40s to 47s, Australian Chevalier 49s to 52s, Chilean ditto 49s to 52s 6d, all landed, per 448 lbs. No. 4 Canadian Western, ex ship, 33s 6d, Tunisian both landed 37s, both per 400 lbs. Scottish pearl barley quoted £19 to £25, and Dutch £19 to £29 per ton. Oats less depressed, but trade without improvement. English white quoted 36s to 38s, Grey winters 34s 6d to 36s, Black winters 34s to 36s per 336 lbs, free on rail. Of imported grades, Plate f.a.q. quoted 26s 6d, clipped 29s, No. 2 white clipped American 38 lbs 26s 6d, No. 2 Canadian Western 31s, New Zealand 35s to 40s, all landed, per 320 lbs. Oatmeal quiet, and occasionally the turn easier. London made coarse pin-head quoted £18 10s, medium ditto £17, whole groats £17 10s, rolled oats £18, flaked £20 10s, ordinary Scottish oatmeal £20 10s to £21 10s, American all cuts £18 to £18 10s per ton. Beans continue slow of sale. English springs range from 56s to 67s, winters 51s to 54s per 532 lbs free on rail. Imported Rangoon hand-picked 7s, Madagascar haricots old crop 10s to 12s, new crop 16s to 17s per cwt. Peas steady and in good demand. English maples quoted 90s to 97s, duns 62s to 68s per 504 lbs. Imported Japanese spot 52s, Dutch hand-picked 29s, screened 25s to 26s, Tasmanian 23s to 24s, New Zealand blue 22s to 24s per cwt. English rye 40s to 45s per 504 lbs free on rail. Lentils steady. No. 1 split 29s to 30s, No. 2 ditto, also Egyptian, 21s to 23s per 100 lbs. Homeward grain chartering was on a moderate scale, but rates were fairly steady in most directions. River Plate charterers showed more interest, and tonnage was fixed from upper ports to U.K./Continent at 26s 3d to 24s, according to size and position, with 30s paid to the Adriatic. North America continues to take vessels, Montreal to Continent, at 15 cents, Mediterranean 20 cents, and Northern States to Continent 14 cents, West Italy 19 cents, while Gulf of Mexico to Continent indicates 19 cents August loading per 100 lbs. Further business transpired from North Pacific to U.K./Continent at 37s 6d, September. Eastern markets dull and largely nominal, chartering from Australia being in abeyance. Danube quiet, but steady, at 17s 6d to U.K./Continent.

The following table gives the estimated sales of home-grown wheat during the harvest year 1921-22, contrasted with 1920-21, 1919-20, and 1918-19.

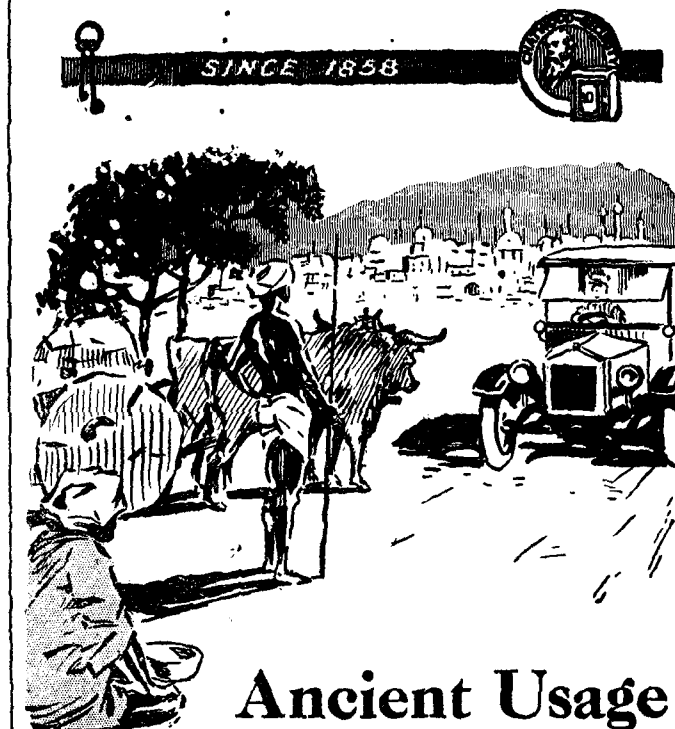
1918-19.	1921-22.	1920-1921.	1919-1920.	1918-1919.
Estimated sales of home-grown wheat—	Cwts. 65,356	Cwts. 81,473	Cwts. 28,027	Cwts. 183,840
1 week to June 17.....	15,494,333	12,014,844	10,684,374	12,554,139
41 weeks to June 17.....	s d 53 6	s d 89 4	s d 73 1	s d 73 3
Average price of English wheat per quarter.....	12 5½	20 10	17 0	17 1
= per owt				

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1918 to 1921:—

	QUANTITIES SOLD.			AVERAGE PRICES.				
	Wheat,		Barley,	Oats.	Wheat,	Barley,	Oats.	
	qrs	bsh	qrs	bsh	qrs	bsh	qrs	bsh
1922.								
June 10	23,681	3	2,171	3	55 3	40 8	32 10	
17	15,249	6	1,675	6	53 6	44 0	32 10	
1920.								
June 10	22,369	3	2,976	5	74 4	58 5	47 8	
17	42,836	7	3,239	7	73 3	62 8	48 7	
1920.								
June 10	5,708	3	1,915	3	2,443	9	56 6	65 1
17	17,743	4	3,303	1	6,790	2	89 4	39 4

The following is a statement showing the Quantities and Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1918 to 1921:—

1918 to 1921.		AVERAGE PRICES.	
QUANTITIES SOLD.			



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IRON, STEEL, AND COAL.

CUMBERLAND IRON.

(BY OUR WORKINGTON CORRESPONDENT.)

There is a better tone in the Cumberland pig-iron market, as the result of the termination of the engineering lock-out, but business so far has not exhibited any marked improvement, and it is doubtful indeed whether there will be any movement of importance for some weeks to come. Until the consuming industries are in full swing again, it can hardly be expected that the requirements of iron will increase, and meantime it is a hard struggle to maintain production. As a matter of fact, the output of the eleven furnaces in blast in the district is considerably in excess of demand and stocks have been accumulating steadily for some time past, and now amount to over 70,000 tons. It will be seen, therefore, that whatever expansion of the volume of business comes along it will be almost the end of the summer before it can be necessary to put any additional furnaces into blast. Trade at the present moment is entirely of a hand-to-mouth character, users buying only to cover their immediate needs, and home business is confined mainly to that with midland high-class steel makers. Scotch requirements are few, if any, and South Wales has not taken any Cumberland hematite pig-iron for a long time. The Continent, however, continues to place some useful orders, and not infrequently there are shipments to Antwerp for France, Belgium, and Germany. Prices are unchanged, Bessemer mixed numbers being quoted at £5 15s per ton delivered at C'asgow and Sheffield, and at £5 5s per ton, f.o.b. Ferro-manganese, the make of which is confined to one furnace at Workington, is in fairly brisk request for export at £4 10s per ton. The closing of the steelworks at Workington is, of course, chiefly accountable for the stocking of iron, and it cannot be said that the outlook, as far as the steel trade is concerned, is at all cheerful. Few orders are being booked, and it is doubtful whether the mills will resume the rolling of railway material before the middle or end of August. The depression is being felt pretty severely in the iron ore industry in Cumberland and in the Furness district. There are not more than 12 mines raising ore, and none of them is yielding anything like a full output. Banking of ore has now become general. The railway rates kill any chance of ore being sold to Scotland, or to the East Coast. Low phosphoric ores are quoted at 30s 6d to 31s 6d per ton at the mine; medium sorts, 27s to 30s; and ordinary sorts 25s to 27s per ton. The coal trade is in a bad way, the decline in the shipments to Ireland having been considerable, because of the fear of confiscation of cargoes, and several of the pits are now working short time. But for the absorption of smalls at the coking plants, the position of affairs would be worse still. East Coast coke supplies to the district dropped to 7,000 tons. There is a sharp demand for sulphate of ammonia, and crude benzol and pitch and creosote are moving away well. Acids are quiet.

Our Sheffield correspondent writes:—Some progress has been made in setting on the men who were locked out, but the reduction of unemployment is not considerable at present. For one thing, the state of trade, while expanding, is still extremely bad, orders being few and far between in the railway, shipbuilding, and some other important branches. The heavy engineering shops have a moderate amount of work, but another week must elapse before it can be taken up. The heavy steel departments are developing increased activity, especially in the Far-East and the colonies, although the demand is chiefly for the lower qualities. A number of large open-hearth furnaces will be restarted in the course of a week or two. According to the Board of Trade Returns, May was the best month since the slump began as regards exports of iron and steel material. It is notable that the United States took 17,000 tons of British pig, while Belgium and France took large tonnages. All descriptions of steel recorded a substantial increase upon the previous month and upon the year. There was also a large increase in the production of steel last month. The scrap situation has now become interesting. The huge accumulations existing in 1921 have disappeared, and as little has been produced since and some has been sold to Germany, the quantity left in the country is small. Any considerable revival of steel-making activity will therefore create a scarcity, and prices are already hardening in this district in anticipation. Consumption is still limited locally, but South Wales has been buying heavily for a year. A welcome revival is taking place in engineers' small tools, as well as hand tools used in a number of trades. The cutlery and plate trades continue in a bad way. The coal market generally is quiet, the demand for steam coal from the home and export markets being stationary, and that for bunkering is quiet. Slacks have become rather scarce, owing to reduced working at the pits, many of which are only operating a couple of days per week. Furnace and foundry coke are in moderate request. House coal is stagnant. Quotations per ton at pits are:—Best hand-picked bark, 37s; best Silkestone, 33s; Derbyshire best brights, 27s 6d; Yorkshire hard, 22s to 23s; Derbyshire ditto, 21s; rough slacks, 8s to 10s; smalls, 2s to 4s 6d.

Our Middlesbrough correspondent's report, dated June 22, 1922, is as follows:—Pig-iron: Although the engineering dispute is now settled, the recovery in the iron and steel trades is extremely slow. Some orders for pig-iron from the United States and Germany have been received, and this is fortunate because the home demand is very quiet. No. 3 Cleveland G.M.B. pig-iron, 90s per ton; East Coast hematite, mixed numbers, 95s per ton. Manufactured iron and steel: The outlook is better for steel, but with the exception of a few small orders there is no sign of any pronounced recovery yet. Steel ship plates, home, £10; steel ship angles, £9 10s; iron bars, £12; steel rails, £9 10s net. Iron ore: The difficulty in selling hematite pig-iron is having a depressing effect on imported ore business. Buyers generally prefer to hold off until they are assured of a better demand for pig-iron. Best Rubio, sellers, 27s. Best South Spanish and North African ores, 24s to 25s.

Our Glasgow correspondent (writing on Thursday) says:—A line for 1,000 tons of Scotch ordinary—the largest fixed up in one transaction for many a day—was closed here yesterday, and negotiations are proceeding as to several other lots—all for shipment, and supplies have become so restricted that it has been resolved to blow in more furnaces, amongst other quarters, at Carron and Ardeer. Quotations to-day are strong and fractionally higher—95s for No. 1 and 100s for No. 3, both on trucks at producers' works. Training to Glasgow and other ports involves other 5s or 6s a ton. At the weekly meeting of the pig-iron ring, yesterday, sellers of No. 3 G.M.B. Scotch were naming 98s 6d f.a.s. Glasgow; No. 3 G.M.B. Cleveland, 90s f.o.b. Middlesbrough; and mixed numbers East Coast hematite, 95s f.o.b. Middlesbrough. It is not without interest to note that since Monday moderate quantities of Scotch pigs, of bar iron, joists, girders, &c., have been forwarded to Antwerp, Montreal, Copenhagen, Zanzibar, and Singapore. And it is even of greater interest to learn that, in the circumstances, quite a rush of tenders for steel and iron material are invited from and for different colonies—the beginning it is hoped of a prosperous season. The inquiries include about 5,000 tons rails of 80 and 100 lbs (for Victoria), 8,400 tons steel rails (for Bengal and Nagpur Railway, India), 40 steel girder bridges (Madras Railway, India), dredger plant (for Siam), and a couple of double-lined bridges (for Midland Railway, Ireland). Several fresh orders for railway plant have just been booked for the Caledonian Company, and leading firms advise that in this relation (the home railway section) prospects are more hopeful than they have been for a while. Steel and iron bar makers, tube-makers, and nail and wire-ropes makers are busy clearing off old contracts. Machinery builders are, exceptionally, better employed, and engineering pump makers are more actively engaged than has been the case for months, since the year came in. This is becoming one of the most important engineering branches in the West country. Black sheet makers have not so far benefited from the recent price concessions. Indeed, neither have steel makers, and both parties maintain now that the reduction (10s a ton) should not have been made, as its one effect has been to induce consumers to look for a still lower level. Coals give no sign of improvement. Larger sorts are a drug, evidence that the big producers in iron and steel are still indifferent consumers. There are 40 steamers lying at ports here and there, waiting for cargoes of "smalls" chiefly.

Our Cardiff correspondent writes:—There has been no improvement this week in the position on the Cardiff coal market. If anything matters are worse than they were a week ago. In the last full week before the Whitsun holidays approximately 550,000 tons were exported as cargo from the South Wales ports to foreign destinations; in the first full week after the holidays the quantity exported as cargo to foreign destinations was about 385,000 tons. Moreover, this contraction in the volume of trade has been accompanied by a further easiness in prices. One or two of the combines have resisted the falling tendency of values, but with no effect except the loss of working time at their collieries, for the few orders circulating in the market have been taken up by others at lower prices. Spot business has been done on the basis of 26s f.o.b., and even less for best Admiralty large qualities, and at 25s for second large steam qualities, while it is also reported that offers have been received from collieries to sell from July to December on the basis of 25s. If there is no improvement of this price position the closing down of a large number of pits is inevitable. Two balance-sheets issued this week have accentuated the despondency of colliery salesmen. One of these, namely, the Locketts Merthyr Collieries (1894), Limited, which showed a profit in the 13 months ending March, 1921, of £63,789, suffered a loss for the period of 11 months ending last February of £74,887; while the other, namely, the Imperial Navigation Coal Company, Limited, which in 1920 had a profit of £30,645, last year lost on colliery working £10,088. The conditions under which the collieries are now being worked are, on the revenue side, worse than those prevailing last year. Strong pressure is being brought to bear on the railway companies to provide some relief to the industry by the reduction of railway rates and dock charges. It is argued that South Wales should be treated as a separate unit, and the charges of the railway and dock companies adjusted to the volume of traffic in the district. An interview has been arranged with Mr Felix Pole for next Friday, but decisions in regard to rail rates rest with the Clearing House, and the policy of that body at the moment is to administer the railways on a unified national basis. There seems, therefore, very little prospect that the present agitation will be successful. No further action has been taken by the coalowners in regard to proposals for the regulation of prices, and on Thursday the problem was complicated by a decision of a conference of the South Wales Miners' Federation to serve notices next month authorising a general stoppage throughout the coalfield to compel membership of the federation. According to the annual report of the federation for the past year there has been a decline of nearly 80,000 in its membership since the national coal strike, while its funds, which two years ago amounted to nearly £300,000, have been almost entirely depleted. The current prices on Thursday were approximately as follows:—Best Admiralty, large, 25s 6d to 26s; seconds, 25s to 25s 6d; best dries, 24s to 25s 6d; Black Veins, 24s 3d to 25s 6d; ordinary Western Valleys, 24s to 25s 6d; Eastern Valleys, 24s to 25s 6d; best bunker smalls, 17s to 18s; ordinary cargo smalls, 16s to 17s; coke for export, 35s to 37s, f.o.b.; inland blast furnace coke, 24s to 25s at ovens; pitwood, 20s to 20s 6d. (Note, last week's inland coke price was incorrectly stated at 35s; the actual price was 24s to 25s at ovens). In the iron and steel trade the general situation is much improved. Prices of tinplates are firm at between 19s 6d and 19s 9d per box, and Continental inquiries are fairly active. There has been a spurt in the galvanised sheet trade, and the number of mills in operation are increasing.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—June 21, 1922.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.			Same Period 1920.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	d
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American.....	Ord	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M
Brazilian.....	Mid	M F	M F	M F	M F	M F	M F	M F	M F	M F	M F	M F
Pernam.....	1008	1233	1383	1533	1683	1833	537	787	2314	3114	3114	3114
Parahyba, Rio Grande, &c.....	1008	1233	1383	1533	1683	1833	537	787	2314	3114	3114	3114
Macao, &c.....	1008	1233	1383	1533	1683	1833	537	787	2314	3114	3114	3114
Mosoro, &c.....	1008	1233	1383	1533	1683	1833	537	787	2314	3114	3114	3114
Ceara.....	1008	1233	1383	1533	1683	1833	537	787	2314	3114	3114	3114
Maranhão, &c.....	1008	1233	1383	1533	1683	1833	537	787	2314	3114	3114	3114
Elô Paulo.....	1108	1208	1258	1308	1358	1408	537	787	2314	3114	3114	3114
Egyptian.....	Fr.	G F	G F	G F	G F	G F	G F	G F	G F	G F	G F	G F
Upper.....	1495	1550	1675	1825	1975	2125	900	1200	2014	2314	2314	2314
Sakellaridis.....	1495	1550	1675	1825	1975	2125	900	1200	2014	2314	2314	2314
Brown.....	1475	1600	1725	1850	1975	2100	900	1200	2014	2314	2314	2314
Peruvian.....	M F	G F	G F	G F	G F	G F	G F	G F	G F	G F	G F	G F
Rough.....	1300	1300	1300	1300	1300	1300	650	1000	1550	1850	1850	1850
Moderately Rough.....	1200	1275	1325	1375	1425	1475	587	887	1012	1464	1764	1764
Smooth.....	1228	1403	1503	1553	1603	1653	587	887	1012	1464	1764	1764
Tangus.....	1253	1403	1528	1603	1683	1763	587	887	1012	1464	1764	1764
Mitani.....	1150	1350	1450	1550	1650	1750	587	887	1012	1464	1764	1764
West Indian, &c.....	2300	2600	2900	3200	3500	3800	2500	3100	3600	4200	4700	5100
Do.....	2300	2600	2900	3200	3500	3800	2500	3100	3600	4200	4700	5100
African, East, &c.....	925	1025	1125	1225	1325	1425	550	750	950	1150	1350	1550
Do.....	1128	1178	1203	1233	1263	1293	550	750	950	1150	1350	1550
Machine Ginned Burles.....	1165	1205	1245	1285	1325	1365	680	705	755	1335	1365	1365
Machine Ginned Burles.....	1035	1075	1115	1155	1195	1235	484	534	609	1519	1619	1719
Machine Ginned Burles.....	875	925	975	1025	1075	1125	490	540	615	1525	1625	1725
Machine Ginned Comra. No. 1.....	885	935	985	1035	1085	1135	490	540	615	1525	1625	1725
Machine Ginned Comra. No. 2.....	885	935	985	1035	1085	1135	490	540	615	1525	1625	1725
Machine Ginned Khandish.....	885	935	985	1035	1085	1135	490	540	615	1525	1625	1725
Machine Ginned Comptah.....	1005	1045	1085	1125	1165	1205	490	540	615	1525	1625	1725
Machine Ginned Bengal.....	760	800	840	880	920	960	390	440	515	950	1025	1150
Machine Ginned Scinde.....	750	790	830	870	910	950	390	440	515	950	1025	1150
Machine Ginned Scinde.....	1155	1205	1255	1305	1355	1405	740	825	930	1007	1132	1257
Tinivelly.....	940	980	1020	1060	1100	1140	645	670	715	1835	1835	1835
Madras, Western.....	1045	1045	1045	1045	1045	1045	645	670	715	1835	1835	1835
Madras, Northern.....	1045	1045	1045	1045	1045	1045	645	670	715	1835	1835	1835
M.G. Coconada, Red.....	Fr.	1005	1005	1005	1005	1005	645	670	715	1835	1835	1835
China, Smyrna, &c.....	Fr.	1005	1005	1005	1005	1005	645	670	715	1835	1835	1835

MANCHESTER, June 22.

Prices throughout the market have continued to go against buyers, and in most sections it has been exceedingly difficult for producers to secure adequate advances to meet the additional cost in the raw material. The tone, however, has been healthy and strong. Fluctuations in raw cotton prices at the moment are disturbing. In piece goods for China there has been rather more demand in standard makes, and further buying has occurred in fancies and specialties. For India much difficulty has been met with in arranging price and delivery, but fair sales have been put through in light fabrics. A steady demand has been met with for several minor outlets and the home trade in a variety of fabrics, and where manufacturers have been prepared to accept a little less than top prices business has been done. Yarns are dearer than a week ago, and a very fair trade has been put through in home counts. Buying in shipping counts has been irregular.

(I.) Comparative Statement of the Cotton Trade.

Description.	Price, June 22, 1922.	Previous Weeks in 1922.				
		Price, June 15, 1922.	Price, June 7, 1922.	Price, June 1, 1922.	Price, May 25, 1922.	Price, May 18, 1922.
Raw Cotton—Fully Mid. American..... per lb	13-74	12-80	12-04	12-04	12-04	12-15
Sakellaridis Fully Good Fair..... per lb	20-00	19-75	19-00	19-25	18-75	18-75
Egyptian..... per lb	20-00	20-00	19-25	19-25	19-25	19-25
Yarns—32's twist..... per lb	20-00	19-25	18-75	18-75	18-75	18-75
40's twist..... per lb	30-00	29-25	28-75	28-75	28-75	28-75
60's twist (Egyptian)..... per lb	30-00	29-25	28-75	28-75	28-75	28-75
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	31-00	30-00	29-25	29-25	29-25	29-25
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	18-00	18-00	18-00	18-00	18-00	18-00
32-in. Dito, 38 yds, 18 by 18, 10 lbs.....	17-00	17-00	17-00	17-00	17-00	17-00
32-in. Dito, 37 yds, 16 by 16, 8 lbs.....	17-00	17-00	17-00	17-00	17-00	17-00

(II.) Compared with Previous Years.

Description.	Price, June 22, 1922.	Corresponding dates in				
		1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American..... per lb	13-74	7-68	27-68	20-92	23-22	19-45
Sakellaridis Fully Good Fair..... per lb	20-00	15-50	63-00	27-09	28-82	28-10
Egyptian..... per lb	20-00	17-50	56-50	27-09	28-82	28-10
Yarns—32's twist..... per lb	20-00	15-50	63-00	27-09	28-82	28-10
40's twist..... per lb	30-00	24-50	103-50	54-50	59-50	40-50
60's twist (Egyptian)..... per lb	30-00	24-50	103-50	54-50	59-50	40-50
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	31-00	32-00	64-50	61-00	61-00	51-00
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	18-00	18-00	67-50	64-50	64-50	30-00
32-in. Dito, 38 yds, 18 by 18, 10 lbs.....	17-00	17-00	49-50	49-50	49-50	17-00
32-in. Dito, 37 yds, 16 by 16, 8 lbs.....	17-00	17-00	49-50	49-50	49-50	17-00

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The market generally is quiet, but although there is no large volume of business passing, the tone is certainly better than it was a week ago. The improved demand for merino wool in London has

helped to restore confidence to a large extent, and the general opinion now appears to be that prices will remain fairly steady on about the present basis. Buyers in this centre are still holding off more or less, but if the auctions close with a show of firmness there will doubtless be more doing in tops and yarns. The curtailment of the series indicates clearly that the directors of B.A.W.R.A. are determined not to offer wool in excess of the requirements of the trade. Topmakers' quotations are somewhat irregular as some firms are in a stronger position than others. Generally speaking, it is possible to buy a good 64's top for delivery in September at about 4s 6d, but several makers will not consider anything less than 4s 7d. As a matter of fact, the majority are not pressing business at the moment as they have plenty of orders on hand. Crossbreds are weaker in sympathy with the decline in the raw material, and quotations are more or less nominal. As a rule, a definite offer of business will bring out concessions, and medium and low qualities have apparently lost the advantage which they reaped from the improved demand at the May series of auctions. Yarns do not show much change. Business is quiet, but spinners' quotations are fairly well maintained at late rates. There is also a quieter feeling in the piece goods trade, the decline in wool values having made buyers very cautious. It is considered probable, however, that demand will again revive if values firm up, and there is no likelihood of cheaper wool being obtainable. Taking a broad view of the trade generally, it may be said that there is much less activity than a month ago, but there is no indication of any real weakness.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The sales have gone better during the past few days than during the opening week, and although there is not much recovery in prices, a distinctly better buying spirit has been observable. If anything, there has been a slight improvement in the demand for merinos, these wools often selling at prices equivalent to the close of the previous series, while the demand for crossbreds has certainly been better at the lower values which came into force a week ago. Continental buyers have continued to figure prominently in the demand for merinos, and a very steady market is seen, particularly for scoureds, while good straight combed 64-70's, which are selling at 24d to 27d, show very little change compared with the May auctions. The decline has been most marked in West Australian bare 60's topmaking wools, and these have mostly sold at 5 per cent. reduction. The reported 10 to 15 per cent. decline in Australia, from which only superior and comebacks were exempt, has somewhat affected consuming centres, and Bradford topmakers report an exceedingly slack market with little desire to buy on the part of spinners, unless prices are sensibly shaded. It is a fact, however, that topmakers and spinners are so well sold forward that there is no great desire to consider new business seriously. Sporting bids, which range around 4s 4d for good 64's tops, are being made, but such prices are largely ignored by topmakers, although it is understood that less than 4s 6d has been accepted in one or two quarters for September delivery. Though quiet, the market is steady, and machinery is still very fully employed.

The greatest weakness of the London sales is shown in crossbreds, the decline in this description ranging from 10 to 15 per cent., which indicates a further fall compared with the opening. At this lower level competition has improved distinctly during the past few days, there being a much better buying spirit in evidence. It may be admitted that the decline in crossbreds is disappointing, and the B.A.W.R.A. have plainly indicated their opinion of crossbred prices by withdrawing 15,000 bales of this description; 5,000 bales of merinos have also been taken out of the current sales. The decline in crossbred values is probably largely due to less forward

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide market remains very firm, and advances were again the order of the day at the auctions in Bermondsey, on Thursday. Best heavy ox sold at 93d, showing an advance of 3d on last prices, whilst relative advances were obtained on other selections. Calf skins were also dearer, most classes showing an appreciation of 1/4d to 1/2d per lb. Wool skins showed no change from last week's values. The demand for foreign hides is improving, as frigorific hides are firming up at source of origin, 843 having been paid for some parcels. Dry hides are also selling better, and holders are firm in their quotations. The American position is calmed as firm, with best heavy packed hides now selling at 17 cents.

Although there has been no increase in the demand for sole leather, Bermondsey merchants have been doing a fair amount of business of late. Repairers have been covering their requirements in various parts of the country, and clearances of 10/12 lbs bends have been made at firmer prices. Cheap dry hide bends are also selling still, although some of the more reputable shoe manufacturers now refuse this leather owing to its 'bad wear'. Rough dressing leather is still selling slowly, as the fall in the French exchange has affected this business.

Upper leathers are a slightly better sale, and sales are reported of coloured calf and glacé kid. Suede is still selling, but it is felt the big demand is over. British chrome leather dressers are anxious as to the position of the industry, as last week the Northampton Chamber of Commerce fully discussed the outlook, and agreed to take steps to arrange a discussion on it between representatives of all sections of the leather and shoe sections.

The boot trade is better employed, and now that the engineers' strike is settled, enquiries are coming to hand for the heavier classes of boots, stocks of which are low.

VEGETABLE OILS AND OLSEEDS.

The market for linseed and linseed oil rallied somewhat, but trade continues very quiet at the higher level of values. The lowered price of linseed oil brought in substantial orders for shipment to America, and some home business. Raw linseed oil on spot is now about 40s above the lowest, £42 being the quotation, ex Hull mill, for prompt delivery, and about £41 for month. Forward positions do not show any definite signs of activity, and values are nominally £38 July-August, and £36 September-December. Cotton oils, after a period of easiness, are somewhat firmer and dearer, with crude Egyptian quoting £40, and common edible £45 10s, ex Hull mill. Rape oil is in good supply, and offers readily at £42 spot. Crude soya bean oil is lower, but deodorised in good request. A good trade in palm kernel oil is reported below the market. Ground nut oil is neglected, and consumers disinclined to pay prices asked.

In the oilseed section, Plate linseed has assumed a firmer tone, and after £19 paid for shipment, 5s to 7s 6d above this is now required to effect business. Cottonseed is quiet, and crushers unwilling to pay higher prices asked by shippers at Alexandria.

The imports of oilseeds, nuts and kernels in May at 110,138 tons, were below this year's average, and compared with 139,374 tons, due in the main to much reduced arrivals of linseed. The figures for the five months January-May, however, show an increase in the aggregate of 43,148 tons. Exports of unrefined vegetable oils in May were 14,423 tons, against only 5,307 tons in May last year; and of refined 1,042 tons, against 585 tons. In the five months we have exported 49,632 tons of unrefined, against 25,549 tons same period last year, the principal item being linseed oil, 37,171 tons, about 80 per cent. of which has been shipped to North America.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, June 23.

In one or two directions there was a moderate amount of business stirring, but, generally speaking, business again moved on quiet lines, as demand is largely governed by wants of immediate necessity.

SUGAR.—Stability was again marked, prices in most cases being dearer on the week, and there is a fair inquiry. Offers from producing countries are reservedly made. Messrs Tate and Lyle's cubes, sold, 55s 6d to 56s 6d; crushed, 54s; granulated, fine and coarse, 50s 9d; London, 50s 3d; No. 1, 50s 6d; No. 2, 50s 3d; caster, A quality, 54s; B, 53s 3d; yellow crystals, 44s 9d; pieces, 35s to 37s; fine white, 45s 6d; granulated, August, 50s 3d; ditto, September, 50s. Crystallised West India sold rather quietly at 42s to 45s, as to quality. American granulated, spot, changed hands at 48s 9d to 49s 13d; June, steamer, 21s 7d to 22s 3d; July, 21s 9d to 22s 6d; August, 22s 13d to 22s 9d, c.f. and i. terms, London. White Mauritius, spot, sold, 47s to 48s. White Java, July, steamer, sold, 20s 13d to 21s; August, 20s 10d, c.f. and i. terms, London. Belgian crystals, October-December, done 20s 3d, f.o.b. Antwerp. Dutch, and also Czechoslovakian sugars, largely nominal for shipment. Cuban basis, 96 per cent., June-July, 16s 9d, c.f. and i. U.K. Brazilian basis, 80 per cent., August-September, 9s 3d ditto. Cuban stocks stand at 976,000 tons, against 1,421,000 same time last year. Liquid glucose, spot, 27s 6d. American syrup dealt in to a moderate extent at late rates.

COFFEE.—The market disclosed a steady tone, particularly with regard to the more attractive qualities, and fair competition prevailed for the quantities submitted to auction. Nairobi, fair bold, sold, 10s 6d; Uganda, 7s 6d to 7s 6d; bold Costa Rica, 10s 6d to 11s 6d. Futures steadier. December delivery, sold 61s 6d.

COCOA.—Market still very quiet, and without new feature. Butter, 1s 7d per lb.

TEA.—Nearly 40,000 packages Indian were catalogued in auction this week. Competition on balance was good, though values manifested some irregularity. Common and low medium in several cases were barely steady, but all the fine qualities, particularly those pos-

sessing autumnal flavour, realised full rates. 32,000 packages Ceylon were offered, which went off with good competition at full to rather higher values.

RICE.—Market nominally unaltered, demand at the moment being quite dormant. Two Stars, spot, 14s 6d. Broken kinds generally neglected. Beans remain slow. Rangoon hand-picked, spot, 12s 4d; Japanese peas, spot, 52s; Dutch hand-picked, 29s; screened 25s 4d.

SPICE.—Pepper was dealt in quietly, but price changes were not of much importance. Fair black Singapore, spot, sold, 43d; ditto, June-August, 33d; Aleppy, spot, quoted 43d; Tellicherry, 43d; white Singapore, spot, 7d; June-August, 64d; Muntok, spot, 74d; June-August, 74d. Zanzibar cloves steady, quiet. Fair quality, spot, 1s 2 1/2d; August-October, steamer, 9d. Pimento, spot, 24d; flake tapioca, spot, 24d per lb; ditto June-August, London, sold, 21s 6d to 21s 9d; fair Penang seed pearl, spot, 21s 6d; ditto June-August, 21s; sago flour, May, sold, 15s 10d; May-June, 15s 9d; July-September, 14s 10d to 15s, and again at 14s 10d. Desiccated coconut quiet. Half-fine and half-medium, spot, sold, 38s to 38s 6d; June-July, 36s 6d; July-August, 37s; and August-September, 37s 6d to 38s. Ginger firmly held, and a moderate inquiry was experienced.

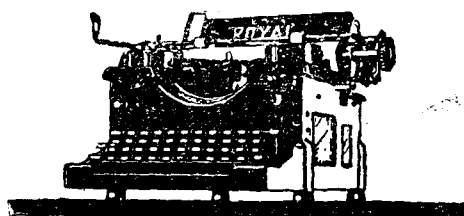
JUTE.—Jute opened the week quietly, but soon responded to a much better inquiry, and prices on the week are altogether higher. First grade, spot, Hamburg, sold, £35 10s; ditto, June-July, £35 10s to £36 and £35 15s; July-August, £35 10s to £36 15s and £36; lightning grade, June-July, £33 5s to £32 15s; July-August, £33; new crop, first grade, August-September, sellers, £40; and lightning grade, £36; with September-October 10s less in each case. Hessians: 10 oz, spot, 38s 6d; July-September, 41s; 8 oz, spot, 28s; July-September, 29s per 100 yards. A twills, spot, 80s; July-September, 82s; B, spot, 70s; July-September, 71s; salts, July, 61s; sugars, spot, 82s; flour, spot, 84s 6d; hessian bags, 56 by 28, spot, 61s 6d per 100 bags.

HEMP.—With more inquiry from ropemakers and firm cables coming to hand from Manila, the market responded, and a fair amount of business was put through this week. C grade, July-September, quoted, £50; D, £45; E, £42; F, £38; G, sold, £33 10s to £34 15s; H, at £33 to £34; J, £30; K, quoted, £29; L, £27 10s; M, sold, £26 10s to £27 5s; streaky, one, sold, £36 15s; two, quoted, £35 10s; and three, £34 10s. New Zealand very quiet, with sellers of high point, fair, on spot, at £30; a fair £29. African sisal quietly steady. No. 1 G.E.A., July-September, held for £35 10s, and B.E.A., £34.

SHELLAC.—Market steady, though trade moved rather quietly. Fair T.N., spot, quoted, 380s; August, sold, 377s 6d to 375s; October, 370s; and June-July, steamer, 380s.

COPRA.—Market quietly steady. F.M.S. Straits, July-September and August-October, to Rotterdam, sold, £25 2s 6d to £25 5s; F.M., ditto, to Marseilles, quoted £24; Ceylon, July-September, Hamburg-Rotterdam, £26; Cebu, £24 10s; South Sea Islands, £24; Dutch East Indies, July-September, sold, £24 16s 3d. Palm kernels, May-July, Liverpool, sold, £17 12s 6d to £17 15s.

RUBBER.—Market generally quiet, but tolerably steady. Standard



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crepe and sheet, spot, also June delivery, sold, 7 1/2d, 7 3/4d, and 7 1/2d; July, 7 1/2d to 7 3/4d; July-September, 7 1/2d to 7 3/4d; October-December, 8 1/4d to 8 3/4d and 8 1/2d. To New York, standard sheet, July-August, sold, 8d, c.f. and i. terms. Fine hard Para, spot, quoted 9 1/2d; soft fine, 9 1/4d, and Cauchó ball, 7 1/2d.

NTHOL.—Spot parcels sold, 24s: Japanese peppermint oil, spot, 1; aniseed, 2s 2d; slab camphor sold, 3s 6d; and crude, on held for 3s 6d per lb. Japanese wax, spot, 90s; forward, 76s per cwt.

EGG PRODUCTS quietly steady. Prime liquid yolk, spot, 130s per cwt. Albumen, spot, sold, 3s 5d per lb.

OILS.—Linseed market irregular. Spot, net, naked, 42s 6d; June, 41s; July-August, 39s 9d; September-December, 37s 3d. Rape quiet. Crude, spot, 44s; refined, 48s. Cotton quiet. Crude Egyptian, 42s; Bombay nominal; common edible, 49s. China-wood: Hankow, 40s (barrels), 67s 6d; shipment, 65s to 63s 6d, as to position. Copra quiet. Ceylon, spot, 39s; June-July, 38s; Cochin, ditto, 39s. Soya quiet. Oriental, barrels, ditto, 39s 6d. Japan fish steady. May-June, cases, 22s. Cod steady. English, spot, 31s. Groundnuts steady. English crushed, naked, spot, nominal, forward, 48s; deodorised, barrels, 56s. Turpentine active and again stronger. American, spot, 120s; June, 120s; July-December, 104s; September-December, 103s. Rosin firmer for common and medium grades. American, grade B, 13s 9d; F, 14s 9d; G, 14s 9d; WW, 20s 6d. French, F/G, 14s 6d; WW, 17s 6d; extra pale, nominal. Petroleum quiet. American standard white, 1s 4 1/2d; and water-white, 1s 5d per gallon.

SEEDS.—Linseed market irregular, but fully steady on balance, a better demand. Bold Bombay, afloat, £22. Small Bombay, £20 15s. Calcutta, afloat, £21; May-June, sold, £20 15s to £21; June-July, £20 15s. Plate, afloat, sold, £18 15s to £19; June, sold, £18 15s, £19 5s and £19 15s; June-July, £15, £19 5s and £19 15s. Rapeseed firmer, but irregular. June-July, quoted, sold, £18 12s 6d to £18 10s; real Percepsore, July-August, quoted £18. Cotton seed firm quiet. Egyptian black, June, £11 15s; and white, £11 5s. Bay, June, sellers, £9 2s 6d. Gingly firm. Chinese, May-June, Continent, nominally £27 5s; large Bombay, ditto, £26. Bombay, May-June, quoted £18 5s, to Hull. Groundnuts for Coromandel, machine-dried, May-June, Hull, £22 15s; Continent, £22 15s; Chinese decorticated, f.a.q., May-June, Continent, £23 5s per ton.

TIN.—Tin rather firmer at the week's commencement and in demand. Cash sold at £152 5s to £152 15s; three months', £153 5s 10s. Prices were easier on the following day, and continued downward direction until the middle of the week when cash sold at £152 8s 9d, and three months', £153 5s. On Thursday an uptone prevailed, though buyers were well in evidence. Cash, £152 5s, and three months', £153 7s 6d to £153 5s. At Friday's

session rates ruled firmer. Cash sold at £152 2s 6d to £152 17s 6d, and three months', £153 to £153 15s. English ingots, £153. Copper opened firmer, but buyers were somewhat reluctant to follow the advance, and only moderate transactions occurred in cash at £62 to £62 5s, and three months', £62 10s. No material change in values on Tuesday, the market being steady, with an improved demand. By the middle of the week prices marked a setback on less inquiry. Cash sold at £61 12s 6d to £61 13s 9d; three months', £62 5s. The tendency at Thursday's meeting was quiet, and only small sales resulted at about previous rates. Cash, sold, £61 13s; and three months', £62 5s. At Friday's meeting the tone was rather easier. Cash sold at £61 12s 6d; early August, £61 17s 6d to £61 16s 3d; three months', £62. Electrodes, £69 to £70 10s; best selected, £66 10s to £68 10s; strong sheets, £94; wire bars, £70 10s per ton. Lead firm, £24 10s to £23 10s, as to position. Spelter lower, £27 10s, both positions. Antimony, English regulus, £27 to £29 10s. Aluminium, home delivery, £100; export, £105.

TALLOW.—Messrs Colchesters and Woolner write as follows on June 21st:—The tallow market continued active during the week, and prices are quoted 1s dearer for good mutton and 2s for good mixed, while inferior kinds are 1s 6d dearer. Shipments of tallow from Australasia during May amounted to 6,700 tons. At auction to-day 2,285 casks tallow were offered, and all were sold. Quotations are:—Australian mutton: Fine, 40s 6d; good to fair, 39s 6d to 38s 3d; dull to dark, 36s 6d to 33s 6d; hard, 40s. Australian beef: Fine, 40s; good to fair, 38s 9d to 37s 6d; dull to dark, 36s 3d to 33s 3d; sweet, 40s 6d. Present shipment from Australasia: Mutton, fair coloured, 4d, 4d, 4d, and mixed, 43d, c.f., London, 38s 6d. The market letter is dearer, tallow 1s; stuff, 1s. Town tallow, 34s 6d per cwt. Rough fat, per 8 lbs, 13d; melted stuff, 24s per cwt. Quotations are:—Town: 33s 6d net cash, naked, ex works. Country: Frail casks, 33s; home melted, shipping casks, net f.o.b., good coloured, 34s; fair to dull, 33s to 34s. Bone fat: White, none; pale, none; benzine, 30s; melted stuff, 29s 6d, f.o.b.

METROPOLITAN CATTLE.—JUNE 22.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
Beasts—Herefords	s	d	s
Shorthorns	8	4	0
Devons	8	6	0
Norfolks	8	4	0
Scottish	9	0	4
Irish	5	0	0
Fat Cows	5	0	4
Sheep—Downs (clipped)			
Ewes (clipped)	12	0	13
Wethers (clipped)	7	4	8
Crabbed (clipped)	11	4	12
Scottish (clipped)	12	8	14
Lamb—Downs	12	8	14

LONDON POTATO MARKETS.—JUNE 22.

Per Cwt.			
English Epicures	s	d	s
Jerseys	18	0	0
Per Cwt.			
Cherbourg (box)	s	d	s
St. Malo (bag)	20	0	21

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.				DRUGS.				INDIA RUBBER.—				PROVISIONS.—				SPICES.—			
No. 12, British grown				Aloes, fine E.I., p. cwt10				Para, fine, half, spot				Butter, per cwt.				Pepper, per lb.			
No. 12, foreign				Balm, Peru, to fine				Plantation crepe				Butter, creamery				Singapore, fair, white			
No. 12, 100 lb				Capivi				INDIGO—per lb.				Do factory				Black Singapore			
No. 12, 50 lb				Camphor				Bengal, good red vio-				Australasian				White Siam			
No. 12, 25 lb				Camphor, refined				let to fine				Argentina				Pimento			
No. 12, 10 lb				Cardamom, Ceylon				Mid.-ord. vio. to good				New Zealand				Cinnamon—			
No. 12, 5 lb				Cathartid's, China prls				Low to good				Denmark				Do Ind			
No. 12, 2 1/2 lb				Castor-oil, Sum.				Guano				Bengal, Ind.—Irish				Do Ind			
No. 12, 1 1/4 lb				Oil, nutmeg				Kuprah, d. mid. to gd.				Canada				Do Ind			
No. 12, 3/4 lb				Oil, nutmeg, drops				Low to mid.				American				Do Ind			
No. 12, 1/2 lb				Ipecacuanha				HERM—per ton				Hassanian				Casela Lignea			
No. 12, 1/4 lb				Must, good, China				P. Ceylon, per				America				Olives—Zanzibar			
No. 12, 1/8 lb				Oil, Cassia				Manilla, G. Grade,				Lard—Irish bladders				Penang			
No. 12, 1/16 lb				Aniseed				N. Z. spot, high fair				American boxes, 50lb				Cochin, cut			
No. 12, 1/32 lb				Bbbit, China, fr to f				JUTE				Port—5 lb				Do small rough			
No. 12, 1/64 lb				DYE STUFFS, &c.				Native first marks,				Beef—Frozen, per 8 lb				Do washed			
No. 12, 1/128 lb				Galls, China, per cwt				June/July first grade				Scotch				Jamun, small			
No. 12, 1/256 lb				Turmeric, Bengal				LEATHER—per lb.				Cheese—cwt—Canadian				Mace			
No. 12, 1/512 lb				Madia, finger				Sole Bends 6/10 lb.				New Zealand				Nutmegs, good to fine			
No. 12, 1/1024 lb				Gamblir, block				Do do 10/12				Eng, Cheddars				Small to medium			
No. 12, 1/2048 lb				Utch, ord. to fair				Do do 12/14				Oeshire				Chilli			
No. 12, 1/4096 lb				DYEWOODS—				Do do 14/16				Dutch				TALL—per cwt.			
No. 12, 1/8192 lb				Brazil, per ton				Do do 16/18				Kaps, pr 12—England				Good mutton			
No. 12, 1/16384 lb				Fustic, Jamaica				Do do 18/20				FLOU—280 lbs				Beef			
No. 12, 1/32768 lb				Cuba				Shidrs fm DS Hides				Eng, straight ex mill				TAPIOCA—per lb.			
No. 12, 1/65536 lb				Lima Wood				Do Eng or WS do				RICE—per cwt. c.i.f.				R. I. Flake, fair spot			
No. 12, 1/131072 lb				Lawood, Campeachy				Do Eng or WS do				Rangoon No. 2				Pearl			
No. 12, 1/262144 lb				Hondur				Dressing Hides				ROBIN—per ton				TREAC—100, British			
No. 12, 1/524288 lb				Jamaica				Do Eng, Cal. 20/30lb				American				foreign is per lb.			
No. 12, 1/1048576 lb				Red Sanders				Australasian Sides				French				Indian and Ceylon—			
No. 12, 1/2097152 lb				Sapang Cayon				METALS—B. Copper				Bago flour				Pekoe			
No. 12, 1/4194304 lb				Blaze ZP				Best selected				SHELLAC—per cwt.				Broken			
No. 12, 1/8388608 lb				Pernau UA				Sheets (strong)				Orange				Orange Pekoe			
No. 12, 1/16777216 lb				Felsina HD Medium				Standard				Garnet, Lac. AC.				Broken Orange			
No. 12, 1/33554432 lb				FRUIT				Lead—S. Foreign				T. Orange				Pekoe Soucheons			
No. 12, 1/67108864 lb				Orange, Val selected				Spelter G. O. P. ingots				T. Orange				TIMBER—Timber & Hawn Wood			
No. 12, 1/134217728 lb				Do 4 cases				Tin—English bars				T. Orange				Kauri Pine cubic ft.			
No. 12, 1/268435456 lb				Do Naples, boxes				Do 1/2, cash				T. Orange				Batnwood super			
No. 12, 1/536870912 lb				Lemon, Naples, cases				Oils, fish, per ton				T. Orange				Cedar cubic			
No. 12, 1/1073741824 lb				Do Sicilian boxes				Seed, linseed, per ton				T. Orange				Japanese Oak super			
No. 12, 1/2147483648 lb				Do Malaga boxes				Rape, refined				T. Orange				American Ash,			
No. 12, 1/4294967296 lb				Grapes, Lisbon boxes				Crude				T. Orange				TOBACCO—			
No. 12, 1/8589934592 lb				Almeria				Cocoa nut, crude				T. Orange				Duty 8/2—10/4 per lb.			
No. 12, 1/17179869184 lb				HIDES—Wet-salted				Refined				T. Orange				Virginia leaf			
No. 12, 1/34359738368 lb				Australasian				Palm				T. Orange				Common to fine			
No. 12, 1/68719476736 lb				Ceylon				Petrol. Oil, per 8 lbs				T. Orange				Stripes			
No. 12, 1/137438953472 lb				Cap				Water-Wood				T. Orange				Kentucky leaf—			
No. 12, 1/274877906944 lb				Lisbon				Oil Cakes, Lond. Eng.				T. Orange				Common to fine			
No. 12, 1/549755813888 lb				Opport				Oil Seeds—Linned				T. Orange				Common to fine			
No. 12, 1/1099511627776 lb				Madagascar				La Plata June/July				T. Orange				China			
No. 12, 1/2199023255552 lb				Central American				Calcutta p.t.m. June/July				T. Orange				Borneo and Sumatra			
No. 12, 1/4398046511104 lb				Bulafones, Singapore				do d. mid.				T. Orange				Bedleaf			
No. 12, 1/8796093022208 lb				E. I.				do d. mid.				T. Orange				Havanna			
No. 12, 1/17592186044416 lb				Market/Hides, London				do d. mid.				T. Orange				Greek			
No. 12, 1/35184372088832 lb				Besthry or sheller				do d. mid.				T. Orange				East Indian			
No. 12, 1/70368744177664 lb				do 2 light				do d. mid.				T. Orange				Cigars, duty 15/7 per lb			
No. 12, 1/140737488355328 lb				do 2 heavy				do d. mid.				T. Orange				TURPINE, p. cwt. d.			
No. 12, 1/281474976710656 lb				do 2 light				do d. mid.				T. Orange				WOOL—per lb.			
No. 12, 1/562949953421312 lb				do 2 heavy				do d. mid.				T. Orange				English, Southdow			
No. 12, 1/1125899906842624 lb				do 2 light				do d. mid.				T. Orange				do Lincoln			
No. 12, 1/2251799813685248 lb				do 2 heavy				do d. mid.				T. Orange				Queensland &c			
No. 12, 1/4503599627370496 lb				do 2 light				do d. mid.				T. Orange				N.S.W. Wool			
No. 12, 1/9007199254740992 lb				do 2 heavy				do d. mid.				T. Orange				N.Z. Wool			
No. 12, 1/18014398509481984 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/36028797018963968 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/72057594037927936 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/144115188075855872 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/288230376151711744 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/576460752303423488 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/1152921504606846976 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/2305843009213693952 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/4611686018427387904 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/9223372036854775808 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/18446744073709551616 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/36893488147419103232 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/73786976294838206464 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/147573952589676412928 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/295147905179352825856 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/590295810358705651712 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/1180591620717411303424 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/2361183241434822606848 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/4722366482869645213696 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/9444732965739290427392 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/18889465931478580854784 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/37778931862957161709568 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/75557863725914323419136 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/151115727451828646838272 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/302231454903657293676544 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/604462909807314587353088 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/1208925799614631174706176 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/241785159922926234941232 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/483570319845852469882464 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/967140639691704939764928 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/1934281279383609879529856 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/3868562558767219759059712 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/7737125117534439518119424 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/15474250235068879036238848 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/30948500470137758072477696 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/61897000940275516144955392 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/123794001884511032289910784 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/247588003769022064579821568 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/495176007538044129159643136 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/990352015076088258319286272 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/1980704031152176516639572448 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/3961408062304353033279144896 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/7922816124608706066558289792 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/15845632252174122131116579584 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/31691264504348244262233159168 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/63382529008696488524466318336 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/126765058017392977048932636672 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/253530116034785954097875273344 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/507060232069571908195750546688 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/1014120464139143817391501093376 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/2028240928278287634783002186752 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/4056481856556575269566004373504 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/8112963713113150539132008747008 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/16225927426226301078264017494016 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/32451854852452602156528034988032 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/64903709704905204313056069976064 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/129807419409804408626112139952128 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/259614838819608817252224279904256 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/519229677639217634504448559808512 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/1038459355278435269008897117616224 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/2076918710576870538017794235232448 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/4153837421153741076035588470446896 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/8307674842307482152071177740893792 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/1661534968614964304014355480178752 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/3323069937229928608028710960357504 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/6646139874459857216057421920715008 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/13292279748919714432114843841430016 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/2658455949783942886422968768286032 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/5316911899567885772845937536572064 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/10633823799135771545691875073144128 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/2126764759827154309137835146288864 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/4253529519654308618275770292577728 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/8507059039308617236551540585155456 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/17014118078617236551540585155456 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/34028236157236551540585155456 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/6805647231447236551540585155456 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/1361129446289447236551540585155456 lb				do 2 light				do d. mid.				T. Orange				do			
No. 12, 1/272225889257889447236551540585155456 lb				do 2 heavy				do d. mid.				T. Orange				do			
No. 12, 1/54445177851577889447236551540585155456 lb				do 2 light				do d. mid											

SOUTHERN PACIFIC CO.

REPORT OF THE BOARD OF DIRECTORS.

To THE STOCKHOLDERS OF THE SOUTHERN PACIFIC COMPANY:

Your Board of Directors submits this report of the operations and affairs of the Southern Pacific Company and of its Proprietary Companies for the fiscal year ended December 31, 1921.

New York, N.Y., June 1, 1922.

TRANSPORTATION OPERATIONS.

As stated in last year's report, your properties were operated by the Director General of Railroads during the first two months of 1920, and by your Company during the last ten months of that year. In the following table, however, which shows the net railway operating income for the year 1921, compared with that for the year 1920, the 1920 figures include the results from operation for the entire year, regardless of the change in control.

	Year Ended December 31, 1921.	Year Ended December 31, 1920.	+ Increase. — Decrease.	Per Cent.
1. Average miles of road operated	11,187.99	11,151.60	+ 36.39	.33
Railway Operating Revenues—				
2. Freight	\$181,409,691 87	\$183,416,522 60	— \$2,006,830 73	1.1
3. Passenger	63,442,251 17	71,701,637 26	— 8,259,386 09	12.9
4. Mail and Express	11,935,604 42	13,660,156 92	— 1,724,552 50	14.4
5. All other transportation	5,638,563 36	5,074,092 84	+ 564,470 52	11.2
6. Incidental	6,358,343 55	8,342,712 13	— 1,984,368 58	31.0
7. Joint facility—Credit	166,168 78	105,349 51	+ 60,819 27	57.7
8. Joint facility—Debit	66,267 82	30,967 01	+ 35,300 81	115.7
9. Total railway operating revenues	\$269,494,365 33	\$282,269,504 25	— \$12,775,138 92	4.4
Railway Operating Expenses—				
10. Maintenance of way and structures	\$42,198,882 59	\$48,465,465 26	— \$6,266,582 67	14.9
11. Maintenance of equipment	49,188,143 35	59,548,392 36	— 10,360,249 01	20.9
12. Total maintenance	\$91,387,025 94	\$108,013,857 62	— \$16,626,831 68	18.2
13. Traffic	4,182,340 14	3,490,706 53	+ 691,633 61	19.8
14. Transportation	104,744,036 41	117,227,797 91	— 12,483,761 50	11.9
15. Miscellaneous operations	4,153,650 67	5,607,062 74	— 1,453,412 07	35.0
16. General	8,521,639 30	8,112,651 83	+ 408,987 47	5.0
17. Transportation for investment—Credit	416,329 67	340,986 07	+ 75,343 60	22.1
18. Total railway operating expenses	\$212,572,262 79	\$242,113,790 06	— \$29,541,527 27	12.2
19. Net revenue from railway operations	\$56,922,102 54	\$40,155,714 19	+ \$16,766,388 35	41.8
20. Railway tax accruals	\$15,539,469 20	\$14,792,063 67	+ \$747,405 53	5.1
21. Uncollectable railway revenues	124,565 69	112,945 09	+ 11,620 60	10.3
22. Railway operating income	\$41,257,198 03	\$25,250,705 43	+ \$16,006,492 60	63.4
23. Equipment rents—Net	5,154,543 91	4,496,775 66	+ 657,768 25	14.6
24. Joint facility rents—Net	156,732 60	* 558,414 27	— 401,681 67	25.7
25. Net railway operating income	\$35,946,791 14	\$21,312,344 04	+ \$14,634,447 10	68.7

*Credit.

The figures for the year 1921, shown in the foregoing table, do not represent the actual results from operations during the year, because the accounts, as stated, include estimates of unadjusted items, such as loss and damage claims and repair claims, appertaining to operations during the guaranty period (March to August, 1920, inclusive). In the case of many of these claims the Company's liability cannot be definitely determined in advance of final decision by State Commissions, by the Interstate Commerce Commission, or by the courts. They are included in the current accounts, because the Interstate Commerce Commission decided on December 15, 1921, that the operating income accounts for the guaranty period should be closed as of December 31, 1921, and that no item would be considered in connection with the Company's claim under the guaranty provision of the Transportation Act of 1920, unless taken into the accounts as of that date upon an actual or an estimated basis. If these guaranty period items were eliminated from the accounts, the net railway operating income for the year ended December 31, 1921, would amount to \$39,837,756.48. It should be understood, however, that, although these guaranty period items reduce the Net Railway Operating Income, they do not affect the Net Income for the year (line No. 25 of the income statement), because they result in a corresponding increase in one of the account Miscellaneous Income appearing on line No. 41 of the income statement. The following summarizes results of transportation operations for 1921, compared with 1920, also compared with the Federal control years, 1918 and 1919 and with

	1921	1920	1919	1918	1917
Operating revenues	\$269,494,365	\$282,269,504	\$239,657,273	\$221,611,203	\$199,444,444
Relative to 1917 (100)	135	141	120	111	100
Operating expenses	212,572,262	242,113,790	188,885,172	162,732,815	147,444,444
Relative to 1917 (100)	144	164	128	107	100
Net revenue from railway operations	56,922,102	40,155,714	51,772,100	58,878,388	52,000,000
Relative to 1917 (100)	78	55	70	80	100
Operating ratio, per cent.	78.88	85.77	78.61	73.44	70.00
Traffic units (ton miles plus 8 times passenger miles), thousands	17,451,417	22,010,458	20,198,015	20,836,083	20,836,083
Relative to 1917 (100)	84	105	97	100	100

Operating revenues were seriously affected by the nation-wide business depression that began about the close of 1920, and continued throughout the year 1921, aggravated on your company's lines by diversion of trans-continental business, by much lower rates offered by the Panama Canal route, and by the competition on the highways of motor trucks substantially free from taxation and regulation. The traffic units handled show a decrease of 20.71 per cent. from the peak of 1920 and although advanced freight and passenger rates made effective August 1, 1920, were enjoyed during the entire year, operating revenues decreased 4.53 per cent. Average wages paid throughout 1921 were slightly higher than in 1920, as the wage increase dating from May 1, 1920, was effective during eight months of that year and six months of 1921, while during the remaining six months of 1921 wages were higher than during the first four months of 1920. Prices of fuel and other material in 1921 also averaged more than in 1920. The combined effect of these higher wages and higher material prices increased 1921 operating expenses by \$5,292,000. Notwithstanding these adverse conditions, operating expenses were reduced 12.20 per cent. and net revenue from railway operations increased 41.75 per cent. This net result reflects the improvement forecast in last year's report as progress is made in substituting the incentive of self-interest of private management, and the increased efficiency and more cheerful service of the entire operating staff, for the apathy and blight of Government management.

After the return of the roads and the passage of the Transportation Act, your company joined other railways in applying to the United States Railroad Labor Board to readjust wages to meet changes in living costs, and to equalize wages paid by others for skilled and unskilled labor for like work in the territory in which your lines are operated. Modification was also requested of the unjust and onerous rules of National Agreements made by the Director General near the close of Federal control, whereby unearned wages and excessive amounts for time were paid. These applications have been granted in part, but a great many serious conditions remain which increase expenses compared with those previous Federal control, and which the carriers are seeking to remedy. Effective January 1, 1921, the Labour Board rendered a decision which lowered wages about 10 per cent., reducing by more than half the increase of 20 per cent. granted in 1920. According to a statement recently issued by the Labour Board, now wages are still nearly 60 per cent. higher than they were in December, 1919. The roads were taken over by the Government. Whether justified or not, the wage scale profoundly affects expenses compared with the cost of operation under Federal control. The following table shows the average monthly wages paid by specified classes of employees on Southern Pacific lines in 1916, in the last half of 1921, compared with the same period of 1920. These wages were effective, and compared with wages earned in the year preceding the passage of the Adamson Act, which increased the measure of a day's work for train service employees:

AVERAGE MONTHLY WAGES EARNED BY REPRESENTATIVE OF EMPLOYEES.

	Six Months Ending December 31, 1921	Year 1921	Relative 1920
Engineers	\$921.77	\$916.77	100
Conductors	281.56	282.38	100
Firemen	194.15	149.64	77
Other trainmen	188.95	110.25	58
Machinists	161.81	107.80	66
Carpenters	139.33	105.62	76
Clerks	196.69	151.13	77
Employees, floating equip.	110.64	71.54	64
Station service employees	97.53	124.51	127
Stationmen	71.08	96.43	136
All other employees	131.22	109.60	83
Total employees	\$180.57	\$154.85	86

The decrease of \$25,775,138.92, equivalent to 8.8 per cent., in the face of increased freight and passenger rates which have been the latter part of preceding year, is principally attributable to a decrease of nearly 11 per cent. in the aggregate of the principal railroads of the country.

Revenue from passenger business was further diminished by conventions such as were held on the Pacific Coast during the year, and by a substantial increase in travel by automobile, appropriated by the Federal and State governments for the ways that usually parallel the very railroads which are maintained.

Decrease in revenue from mail is due to a large payment in previous years, included in the year 1920, with which Texas and Louisiana that has been adversely affected by reduction in the acreage of rice planted in the same. Such important commodities as beans, canned lumber, apples, cantaloupes, and vegetables. Some of these made in defiance to public sentiment, and in response to were made to restore market relationships that had been horizontal increase, and again other reductions were made.

SOUTHERN PACIFIC COMPANY AND PROPRIETARY COMPANIES COMBINED—continued.

wholesale diversion of transcontinental traffic to the steamship lines operating through the Panama Canal. In 1921, the number of steamship voyages through a Panama Canal between Atlantic and Pacific ports of the United States increased 80 per cent., and the volume of freight increased 88 per cent. over the preceding year. Freight shipped by direct sailings between the Pacific Coast and Europe and by direct sailings between Atlantic ports and trans-Pacific ports, much of which was formerly handled by transcontinental railroads, is not included in these increases. The steamship lines operating through the Panama Canal enjoy enormous advantages, because their rates, which are not subject to regulation by the Interstate Commerce Commission, may be freely changed from day to day. If these vessels are exempted from the payment of tolls, as pending legislation contemplates, their advantage will be increased at the expense of the taxpayers of the entire country. This competition is supplemented by barge lines operated by the Government on the Mississippi and Warrior rivers, which carry freight at reduced rates between interior points and Gulf ports in connection with the Canal. The railroads have not made much progress towards meeting water competition for transcontinental freight, because of the unfair handicap which they are subjected. To make rates to or from Pacific Coast ports to share a share of the traffic fostered by the railroads, for which the Canal steamship lines now compete, the railroads are required by the long and short haul provision of the Interstate Commerce Law to reduce rates to the same bases as those of the water lines. This requirement is not necessary to meet the water competition at all intermediate points (where they are not necessary to meet the water competition), unless relief from that requirement is granted by the Interstate Commerce Commission, and even if such relief should be eventually granted, the railroads are subjected to the loss of the coast traffic during the many months of hearings, argument, consideration, and decision. Applications made in August, 1921, have not yet been decided after nearly a year's delay. Maintenance of way and structures decreased \$6,266,582.67, or 12.93 per cent., because of the substantial reduction in the cost of materials and labor. The cost of way and structures was substantially reduced, and the cost of maintenance was substantially reduced. This was evidenced by the table showing materials used in repairs and renewals in 1921 and 1920, and compared also with the Federal control years 1919 and 1918. There was deficient maintenance on a part of your lines.

MATERIAL USED IN REPAIRS AND RENEWALS.

	1921	1920	1919	1918
Miles	427.43	627.76	474.73	408.44
Number	4,731,542	4,887,913	4,173,774	3,889,768
Feet	4,112,875	8,816,915	3,672,221	1,910,811
Sq. ft.	847,817	737,731	94,455	75,476
Cu. yd.	23,557,716	23,710,583	15,402,055	6,354,563

INCOME ACCOUNT.—SOUTHERN PACIFIC COMPANY AND PROPRIETARY COMPANIES, COMBINED.
(Excluding offsetting accounts.)

	Year ended December 31, 1921.	Year ended December 31, 1920.	+ Increase. — Decrease.	Per Cent.
RAILWAY OPERATING REVENUES:				
Freight	\$181,409,691 87	\$183,416,522 60	— \$2,006,830 73	1.1
Passenger	63,442,251 17	71,701,637 26	— 8,259,386 09	12.9
Mail	11,935,604 42	13,660,156 92	— 1,724,552 50	14.4
Express	3,617,146 23	3,764,550 44	— 147,404 21	3.9
All other transportation	8,318,458 19	6,054,466 52	+ 2,263,991 67	37.3
Incidental	5,638,563 36	4,639,538 20	+ 999,025 16	21.5
Joint facility—Credit	6,358,343 55	7,035,752 12	— 677,408 57	10.7
Joint facility—Debit	166,168 78	81,889 56	+ 84,279 22	102.9
Total Railway operating revenues	\$269,494,365 33	\$282,269,504 25	— \$12,775,138 92	4.4
RAILWAY OPERATING EXPENSES:				
Maintenance of way and structures	\$42,198,882 59	\$48,465,465 26	— \$6,266,582 67	14.9
Maintenance of equipment	49,188,143 35	59,548,392 36	— 10,360,249 01	20.9
Total Maintenance	\$91,387,025 94	\$108,013,857 62	— \$16,626,831 68	18.2
Traffic	4,182,340 14	3,490,706 53	+ 691,633 61	19.8
Transportation	104,744,036 41	117,227,797 91	— 12,483,761 50	11.9
Miscellaneous operations	4,153,650 67	5,607,062 74	— 1,453,412 07	35.0
General	8,521,639 30	8,112,651 83	+ 408,987 47	5.0
Transportation for investment—Credit	416,329 67	340,986 07	+ 75,343 60	22.1
Total Railway operating expenses	\$212,572,262 79	\$242,113,790 06	— \$29,541,527 27	12.2
Net revenue from railway operations	\$56,922,102 54	\$40,155,714 19	+ \$16,766,388 35	41.8
Railway tax accruals	\$15,539,469 20	\$14,792,063 67	+ \$747,405 53	5.1
Uncollectable railway revenues	124,565 69	112,945 09	+ 11,620 60	10.3
Railway operating income	\$41,257,198 03	\$25,250,705 43	+ \$16,006,492 60	63.4
Equipment rents—Net	5,154,543 91	4,496,775 66	+ 657,768 25	14.6
Joint facility rents—Net	156,732 60	* 558,414 27	— 401,681 67	25.7
Net railway operating income	\$35,946,791 14	\$21,312,344 04	+ \$14,634,447 10	68.7
Net revenues from miscellaneous operations	\$2,581,763 93	\$2,581,763 93	—	—
Net revenues from miscellaneous operations	1,342,255 38	1,342,255 38	—	—
Net revenues from miscellaneous operations	\$1,239,508 55	\$1,239,508 55	—	—
Miscellaneous operating income	46,346 16	46,346 16	—	—
Total operating income	\$35,946,791 14	\$17,718,103 72	+ \$18,228,687 42	102.8
NON-OPERATING INCOME.				
In lease of road—Standard return	\$852,740 80	\$8,043,288 03	— \$7,190,547 23	89.40
Income from lease of road	45,436 51	34,705 27	+ 10,731 24	30.92
Income from lease of road	1,153,023 15	809,348 70	+ 343,674 45	42.46
Income from lease of road	370,171 59	373,830 41	— 3,658 82	58.50
Income from lease of road	7,996,537 76	5,261,323 94	+ 2,735,213 82	52.28
Income from lease of road	2,339,489 76	1,921,964 07	+ 417,525 69	21.73
Income from lease of road	217,658 79	389,226 77	— 171,567 98	44.08
Income from lease of road	1,965,145 38	1,370,528 34	+ 594,617 04	43.39
Income from lease of road	803,605 66	774,710 08	— 28,895 58	3.73
Income from lease of road	3,648,602 47	20,490,427 50	— 16,841,825 03	122.94
Income from lease of road	* 91,393 07	401,949 71	— 310,556 64	51.49
Total non-operating income	\$19,350,585 81	\$9,892,611 94	+ \$9,457,973 87	96.5
Gross income	\$55,297,376 95	\$27,610,715 66	+ \$27,686,661 29	100.0
DEDUCTIONS FROM GROSS INCOME.				
For leased roads	\$204,436 26	\$226,277 70	— \$21,841 44	9.65
For leased roads	639,525 64	607,925 75	+ 31,599 89	5.42
For leased roads	680,009 91	838,367 78	— 158,357 87	18.89
For leased roads	20,404,924 12	22,533,488 13	— 2,128,564 01	9.45
For leased roads	2,075,222 71	1,367,478 00	+ 707,744 71	51.80
For leased roads	159,432 30	51,303 51	+ 108,128 79	210.76
For leased roads	100,490 96	169,228 14	— 68,737 18	40.62
For leased roads	25,368 30	21,789 93	+ 3,578 37	16.4
For leased roads	389,189 10	959,582 09	— 570,392 99	59.44
For leased roads	\$24,678,559 30	\$25,540,441 03	— \$861,881 73	3.57
Total deductions from gross income	\$30,618,777 65	\$32,070,274 63	— \$1,451,496 98	4.53
Net income	\$1,081,559 39	\$1,053,945 19	+ \$27,614 20	2.62
Net income	22,000 00	22,000 00	—	—
Net income	\$1,103,559 39	\$1,053,945 19	+ \$49,614 20	4.71
Net income	\$29,515,218 26	\$31,016,329 44	— \$1,501,111 18	4.84
Net income on average amount of outstanding capital stock of Southern Pacific Co.	6.12	7.53	— 1.41	18.7
Net income on average amount of outstanding capital stock of Southern Pacific Co.	2.81	3.04	— .23	7.8
Net income on average amount of outstanding capital stock of Southern Pacific Co.	8.93	10.57	— 1.64	18.4

In arriving at the figures for per cent. of railroad income and per cent. of other income on outstanding capital stock, the items were made by adding, as nearly as possible, to railroad income the items relating solely to that class, and to other income the remaining items being apportioned between the two classes on an estimated basis.

SOUTHERN PACIFIC COMPANY AND PROPRIETARY COMPANIES COMBINED—continued.

Miscellaneous operations decreased \$1,455,412.07, or 25.95 per cent., following decreased incidental revenues.

General expenses increased \$408,897.47, or 5.04 per cent., due to increased charges for Federal valuation work, increased accounting requirements, and allowances for pensions.

The increase in taxes for 1921 over 1920 is \$747,405.53. This increase is the result of an increase of \$1,938,052.10 in state and county taxes, due principally to an increase in the rate of taxation on gross earnings in California from 5 1/2 per cent. to 7 per cent. under the King Tax Law which became effective July 1, 1921; to an increase of \$170,606.93 in capital stock tax; and to a decrease of \$1,515,263.50 in Federal income and excess profits taxes, due principally to an assessment in 1920 of excess profits tax for the year 1917. As this report goes to press the large increase in taxes of \$747,405.53, or 5.05 per cent., over 1920 seems trivial in comparison with the taxes for the first four months of 1922, which amount to \$6,393,726.28, an increase of 32.36 per cent. over 1921. At this rate taxes for the year 1922 will aggregate \$19,131,178.84, or 93 per cent. of the dividends distributed to stockholders for 1921. Taxes amounted to \$8.60 for every hundred dollars of freight revenue during the year 1921, and to \$12.43 for every hundred dollars of freight revenue during the first four months of 1922.

The total Railway Tax Accruals for the year consumed \$15,539,469.20 or 27.3 per cent. of the \$56,922,102.54 of Net Revenue from Railway operations. With an increase of 138.76 per cent. in the miles of road operated over the miles operated in 1885, the first year of operation, taxes have increased \$14,679,964.14, or 1,707.96 per cent.

The heavy passenger travel in motor vehicles has introduced an element of great danger at railway grade crossings, as shown in the following statement giving the casualties to persons in automobiles at crossings on your company's steam lines:

	1921	1920
Number of persons killed.....	76	57
Number of persons injured.....	960	293

Several states now require motorists to stop before attempting to cross railroad tracks. It is gratifying to observe the rapid recovery from the conditions that prevailed during Federal control towards normal conditions of safety in the operations of your property in 1921, the first complete year of operation after Government control. In the three years of the test period ending in 1917 one fatality to employees in train accidents occurred to every 8,338,333 locomotive miles run; in the years of Federal control, to wit, 1918 and 1919, the fatalities were one to every 6,350,000 and 3,000,000 locomotive miles run respectively; in 1921 there were one to every 14,338,333 locomotive miles run.

Not a passenger was killed in a train accident in the three test years, but under Government control the number killed was one to every 3,000,000 locomotive miles run in 1918, and one to every 10,000,000 locomotive miles run in 1919. In 1921 the number was only one to every 14,338,333 locomotive miles run.

The extent to which the maintenance of way and equipment was neglected on the lines of Louisiana and Texas during Federal control is shown thus:

During the three years of the test period the number of derailments, caused principally by defective track and equipment, was one to every 200,000 locomotive miles run; during 1918 and 1919, under Federal control, it was one to every 150,000 and 95,000 locomotive miles run respectively; in 1921, the first entire year of private operation, it fell to one to every 205,000 locomotive miles run.

The attention of the Federal Railroad Administration was directed to the neglect of maintenance and the unsafe condition of these lines by your corporate officers and by the Louisiana Railroad Commission, but without substantial remedy.

OPERATING INCOME

As stated in last year's report, your properties during the months of January and February, 1920, were operated by the U. S. Railroad Administration under the Federal Control Act, and for that period your Company received the standard return rental as fixed in the agreement with the Director General of Railroads. During the ten months March 1 to December 31, 1920, your properties were operated by your Company, and the amounts reported in the column headed "Year Ended December 31, 1920" (lines 1 to 24), represent the operating results for those ten months. The operating results for the entire year 1920, regardless of the change in control, compared with the operating results for the year 1921, are shown in the table appearing at the beginning of the report.

The \$1,138,122.99 shown in the 1920 column as Miscellaneous Operating Income (line No. 29) represents the operating income for January and February, 1920, of the Fuel Oil Department which was sold to the Southern Pacific Land Company on February 29, 1920.

NON-OPERATING INCOME

The item of \$8,043,288.03, shown in the 1920 column as Income from Lease of Road—Standard Return (line No. 31), represents the proportion for January and February, 1920, of the standard return rental as fixed in the agreement with the Director General of Railroads. The item of \$852,740.80 shown in the 1921 column (line No. 31), is made up of \$1,859,646.63, representing the approximate amount of additional compensation for the use of additions and betterments, new equipment, and road extensions completed during the period of Federal control, less \$1,006,905.83, representing the net deduction from the standard return rental (as fixed in the agreement with the Director General of Railroads and taken into account by the Company during the period of Federal control) resulting from changes and corrections made by the Interstate Commerce Commission in the accounts for the test period which were used as the basis of the standard return.

The increase of \$348,634.45 in Miscellaneous Rent Income (line No. 33) is due, principally, to the rental received this year, from Associated Oil Company and from Pacific Oil Company, for the use of oil pipe line formerly used by the Fuel Oil Department.

The increase of \$594,617.04 in Income from Unfunded Securities and Accounts (line No. 39) represents interest on U. S. Government Certificates of Indebtedness, California Bonds, and increased bank deposits, resulting from the sale of the same.

The item of \$20,000.00, shown in the 1920 column as Miscellaneous Income—U. S. Government Guaranty (line No. 40), represents the estimated amount due from the Government, under its guaranty, for six months ended August 31, 1920, such estimate having been based on figures available at December 31, 1920, as explained on page 8 of last year's report. The item of \$8,000.00, shown in the 1921 column (line No. 41) is made up of \$3,880,965.34, representing estimates of unaudited items taken into account this year for the reasons stated in the first paragraph on page 7, less \$232,962.87, representing an adjustment of the amount of the Government guaranty as booked to December 31, 1920, due to the statement made by the Interstate Commerce Commission in the amount of the standard return rental, as explained in the third paragraph above.

The decrease in Other Miscellaneous Income (line No. 42) is the result, principally, of charges made by the U. S. Railroad Administration representing adjustments of account of revenues to January 1, 1918, credited to the Company during the period of Federal control.

REDUCTIONS FROM FUNDING INCOME

The decrease of \$1,138,561.17 in Interest on Funded Debt—Bonds and Notes (line No. 48), is made up of a decrease of \$2,034,614.39 resulting from the conversion of Southern Pacific Company Four and Five per Cent. Twenty-Year Convertible bonds into capital stock, a decrease of \$278,412.16 resulting from the retirement of bonds and equipment trust certificates maturing during the year; a decrease of \$35,753.78 resulting from the retirement of bonds through sinking funds; a decrease of \$294,694.17 resulting from the acquisition of bonds by Southern Pacific Company and Proprietary Companies; and an increase of \$304,646.39 resulting from a full year's interest on Southern Pacific Equipment Trust Certificates, Series B, issued on June 1, 1920.

The increase of \$1,744.71 in Interest on Funded Debt—Non-negotiable Debt to Affiliated Companies (line No. 49) represents, principally, interest on deposits with Southern Pacific Company made by Southern Pacific Land Company, resulting from the sale of oil properties by the latter company to the Pacific Oil Company.

The increase of \$10,432.79 in Interest on Unfunded Debt (line No. 50) is made up, principally, of interest on money borrowed before the proceeds from the sale of all properties were available, and of interest allowed on freight claims.

The decrease of \$68,737.18 in Amortization of Discount on Funded Debt (line No. 51), is the result of the conversion, during the year, of \$17,989,500 of Southern Pacific of the Five per Cent. Twenty-Year Convertible bonds into common stock, and the retirement of \$1,641,000 of Southern Pacific Equipment Trust certificates to Principal and Loss.

The decrease of \$570,892.93 in Miscellaneous Income Charges (line No. 53) is the

result, principally, of a decrease in the charges to that account for power and expenses appertaining to the period prior to January 1, 1918.

The dividends paid for 1921 were appropriated from the profit and loss account, and therefore do not appear in the income account. They amount to \$2,629,246.25, an increase, compared with dividends paid for 1920, of \$2,629,246.25. The increase is caused by the dividends paid on \$17,989,500 of capital stock issued this year against a like amount of Five per Cent. Convertible bonds retired, and a full year's dividends this year on capital stock issued last year against the retirement of such convertible bonds. The figures for this year include \$54.00 and \$54.00, last year \$515.00, representing dividends on stocks of Proprietary Companies held by the public.

The Southern Pacific Company does not take into its income the interest on advances made by it for the construction of new railways by companies incorporated in its interest, or for the acquisition of new lines, until the principal of such advances, with interest has been repaid either in cash, or in stocks of such companies. The interest included in the cost of such railways is authorized to be charged to such cost under the accounting regulations of the Interstate Commerce Commission.

On December 31, 1921, the principal or advances to the Southern Pacific Company of Mexico amounted to \$39,742,150.84. The interest accruing on such advances has not been taken into the income of the Southern Pacific Company.

CAPITAL STOCK

The capital stock of the Southern Pacific Company outstanding at the beginning of the year amounted to

Issued during the year:

Common stock issued in exchange for a like amount of Five per Cent. Twenty-Year Convertible Gold Bonds surrendered and cancelled.....

Amount of Southern Pacific Company capital stock outstanding December 31, 1921

There was no change during the year in the capital stocks of the Proprietary Companies. The amounts outstanding December 31, 1921, were as follows:

Preferred stock

Common stock

Amount of capital stocks of the Southern Pacific Company and of its Proprietary Companies outstanding December 31, 1921

Held as follows:

In hands of public:

Capital stock of Southern Pacific

Company

Capital stock of Proprietary Companies

Owned by Southern Pacific Company

Owned by Proprietary Companies

69236

FUNDED DEBT

The funded and other fixed interest-bearing debt of the Southern Pacific Company and of its Proprietary Companies, outstanding December 31, 1921, is as follows:

Southern Pacific Company

Proprietary Companies

Total outstanding December 31, 1920

Retired during the year:

SOUTHERN PACIFIC COMPANY.

San Francisco Terminal First Mortgage Four per Cent. Bonds:

Purchased from payments to sinking fund

Five per Cent. Twenty-year Convertible Gold Bonds:

Retired in exchange for a like amount of Common stock issued

Four and One-half per Cent. Equipment Trust Certificates:

Series A, Due March 1, 1921, paid off

Series B, Due September 1, 1921, paid off

Series C, Due December 1, 1921, paid off

Series D, Due May 1, 1921, paid off

Six per Cent. Temporary Equipment Gold Notes, due January 15, 1921, paid off

CENTRAL PACIFIC RAILWAY COMPANY.

First Refunding Mortgage Four per Cent. Bonds:

Purchased from payments to sinking fund

Three and One-half per Cent. Mortgage Gold Bonds:

Purchased from proceeds of sale of lands \$105,000 00

Purchased from payments to sinking fund

Four per Cent. Thirty-five Year European Loan of 1911:

Adjustment account difference in exchange

HOUSTON & TEXAS CENTRAL RAILROAD COMPANY.

General Mortgage Four per Cent. Bonds, matured:

Redeemed and cancelled

Acquired and held alive by Southern Pacific Company

LOUISIANA WESTERN RAILROAD COMPANY.

First Mortgage Six per Cent. Bonds, matured:

SOUTH PACIFIC COAST RAILWAY COMPANY.

First Mortgage Four per Cent. Bonds:

Purchased from payments to sinking fund

SOUTHERN PACIFIC RAILROAD COMPANY.

First Refunding Mortgage Four per Cent. Gold Bonds:

Purchased from payments to sinking fund

TEXAS & NEW ORLEANS RAILROAD COMPANY.

Payment to State of Texas account of School Fund Debt

Total retired during the year